

North Ridge Meadows HOA annual meeting

March 26, 2023

President Ron Aden called the meeting to order at 2:05 PM

Introduction of new residents: Charlene Price, Butch and Lynda Smith and David Richards

Minutes from Oct 23, 2022 amended to read Gary Basher instead of Gary Manuppella and to change amount paid to Duke ditch from \$800.00 to \$400.00 as shown in the books. John Marta spoke about the number of shares he thought the HOA owned. The discussion was tabled until Rick McGavin would speak his research on the amount of water the HOA has. Billie Marta made motion to approve minutes and Nancy Aden seconded the motion. Minutes approved with changes.

Introduction of the Design Review committee. Members are Jesse Loeskan, Glen Wadley and Resa Wells. David Richards has question about a fence and there are 4 lots left for development.

Updates:

Resa Wells: All financial books are available at anytime for review. HOA became a legal entity when Scott submitted the covenants with Delta county is now licensed with the Department of Real Estate. The reason for licensing with the state is the ability to enforce covenants. The covenants need to reviewed to bring them into compliance with new state regulations for HOAs. License with the Secretary of State was \$50.00 and \$10.00 with the Department of Real Estate. The HOA has a new EIN number which cost \$247.00. This was necessary because our bank account's EIN was associated with the LLC that developed North Ridge Meadows and need to be separated for tax purposes. We are a nonprofit HOA. The books are now being done on QuickBooks which makes tax preparation easier and provides better records in case of an audit. No property tax is due on the common lots. Scott will send a quick claim for the lots. The bank account balance is \$16,885.48 according to the Feb 28 bank statement. \$850.00 to be deposited Monday Mar 27. Taxes are done and according to the return the HOA lost \$100.00.

At this time the HOA the common lots have yet to be signed over. David Richards asked about what needs to be done to get the common lots transferred. Rick McGavin stated he has been in discussion with Scott about the quick claim and that Scott is in the process of doing the quick claims. It is taking more time because Gary Basher, who was Scott's business partner, passed away last year which has slowed things down. Rick explained that it is clearly written on our plat that the common lots have to be granted to the HOA. Rick also stated that the common lots are tax exempt because of the guarantee that nothing will be built on the lots and they will remain open space. Ron explained that John has been doing maintenance and weed control on the common lots for the past 14 years. Scott provided gas for the mower and chemicals for the sprayer. Resa and Tom have been in contact with S&E Ward and got a bid to maintain the lots however that won't happen until we own the lots. The HOA is unable to get insurance of the lots until they are signed over. Dinah requested discussion about what would be used for weed control on the lots and using natural, organic controls as opposed to using control with Roundup. John said common lots are the water detention ponds, right of ways, the lot behind Charlene's house, and lots behind with 13,14,15, 16 & 17. Johnny said the water detention lots get grass and one has Chinese Elm had Chinese elm trees growing in them. He cut them down last year but the trunks are still there. He also said that Hotchkiss will have stronger enforcement of weeds this year and we need to be more diligent with weed control. Discussion tabled until the HOA is able to have S&E Ward start. One of the common lots was supposed to be a park as promised by Scott. Cathleen asked if there are only

plans to make it. It is now up to the homeowners association to build it and up for future discussion. Rick will talk to Scott next week about the common lots.

Tom Wells talked about the HOA website – www.northridgemeanowhoa.com. The website now has the covenants and minutes. There are links for community information and contact us. Dinah asked about what happens to with homeowners who are not in compliance with the covenants. It will be discussed under new business. Rick stated that the website puts the HOA in compliance with the state of Colorado for dissemination of community information. The board of directors will post future meeting.

Rick McGavin thanked Johnny for all the work he has done with water, ditch maintenance and to ensure our water. We own 2 sources of ditch water – Duke ditch and the Miller wastewater ditch. The deed for the Miller ditch dates back 1895 and is a first decree. It is considered a regular ditch and not a wastewater ditch. Johnny talked about the location and some of the history of the Miller ditch. The ditch has a 10" pipeline that runs 3500 feet and is need or repair. It has been broken several times in the past. The HOA owns .86 cfs (cubic feet per second) of the Miller ditch or approximately 15,000,000 a month. Scott Kolb has maintained that the HOA only owns 4 shares of Duke ditch but Rick has researched history of all the transfers of ownership and we own 8 shares of Duke ditch. At some point the HOA will need to discuss the number of shares of Duke ditch owned by the HOA. There is enough water between the 2 ditches that water should never be an issue. Scott needs to do quick claims to transfer stock certificates to the HOA. Rick has talked to the water commissioner for our area and a water attorney about the water & is confident about our shares. Rick stated that along with owning water rights comes the responsibility of maintaining the ditches and is expensive. We as an HOA are going to need to figure out how to pay for needed maintenance and replacement of pipe and need to accept the responsibility. Dinah asked if there are any deadlines for Scott to transfer common lots and water deeds. There are no deadlines at this time. Rick said Scott has already dealt with Land Title. He originally was ready to sign off on the quick claims for water. Rick stated that he needs to quick claim 8 shares of Duke ditch not 4 shares. Rick sent Scott paperwork proving that the HOA has 8 shares of Duke ditch. Susan asked about the water being tied up in Gary's estate. Rick explained that the nature of Scott and Gary's partnership with both being equal signers allows Scott to sign off on the quick claims. The board is looking at some options for repairing/replacing the pipe.

New business:

Ron asked for volunteers to clean up covenants. Examples of revisions needed includes what defines a quorum. Need to discuss some sort of proxy for lots owned by someone other than the current tenants. Jesse and Dinah volunteered to review the covenants. Rick thinks there is no need to involve an attorney in covenants changes. Jesse stated that is correct. Changes to architectural guidelines will be done by the DRC. Jesse stated that we do not need to meet to approve changes to the covenants. The changes can be emailed/mailed to the community with the request to vote on the changes via email with a majority for approval.

Resa brought to attention some things in the covenants that need to be discussed. Article 17 section 15.9 states that annually there will be a \$50.00 assessment for water and ditch maintenance in addition to the \$200.00 annual assessment. The \$200 annual assessment is for a working capital fund not irrigation maintenance. Home owners should be paying \$250.00 for developed lots instead of \$200.00. Motion made to assess and additional \$50.00 this year. Homeowners were not aware of the additional irrigation maintenance assessment. Jesse made the comment that \$250.00 a year for water is a bargain. Rick stated that the working capital fund should be separate from the irrigation maintenance fund and that money from the irrigation fund should be used strictly for that purpose. Motion made and seconded by Rick. There was a discussion about if the extra assessment should be per homeowner or by

the lot. Currently undeveloped lots pay \$150.00 instead of \$200.00 but receive the same services as lots with homes. Rick stated that we need to be very specific how we handle lots with no homes undeveloped lots. Glen and Mary Wadley have the only lots that are legally combined into 1 lots. All other lots are legally listed as 2 lots on the plat. Jesse stated that we needed to consider what would happen if people combined their lots in order to avoid payment for 2 lots. Suggestion to grandfather in lots legally combined prior to Mar 26 2023 and not allow any other lots to be legally combined for assessment purposes. All lots will be assessed \$50.00 this year and Resa will send invoices. Covenants review committee should review and clarify.

Jesse brought up contradictions in the covenants. One concerns recreational vehicles being parked and should be removed. Nancy stated she didn't want someone parking an old school bus on the street and saying it is an RV. Rick suggested the design committee figure out a solution on RVs. Jesse stated that the executive board can make a decision on RVs being parked on lots. Covenants states all trash containers should be bear proof and concealed from sight. This should be reviewed by the covenants review committee and suggestion made for consideration.

Dinah asked if she was on the DRC. She is on the covenants review committee. Dinah said she wanted to stay on the covenants review committee.

Jesse asked how to locate the irrigation lines on her property prior to landscaping. Johnny told her where he thought they should be. Lines should be along the fence with another running through the middle.

Resa made motion to adjourn meeting and David seconded the motion.

Meeting adjourned at 3:25.