**KINGS ROW HOMEOWNERS ASSOCATION**

**ANNUAL MEETING**

Missouri Heights Community League

November 12, 2016

Pursuant to notice, the annual meeting of the Kings Row HOA was held at the Missouri Heights Community League School House, Carbondale, Colorado, on Saturday, November 12th, 2016 beginning at 6:00 pm.

Present:

Board Members: Carolyn Dahlgren, Peter May, Gerald Fielding, Mimi Trombatore

Attorney: Jeffrey Conklin

Recording Secretary: Jacquie Tannenbaum

The following proxies stated who was allowed to vote the proxy and the lot represented:

* Carolyn Dahlgren Lots: 5, 18, 25, 27, 28, 30, 33, 36, 39, 40, 42,49
	+ 12 proxies total were received and voted

Attendees signed in and meeting packets were distributed at a “sign-in table”. Attendees indicated which owner was allowed to vote for the lot represented, if the lot has multiple owners or is owned by an entity. Information was recorded by Mimi Trombatore and Jacquie Tannenbaum.

The following HOA members were present and able to vote, representing 23 lots. The authorized voter for each lot is indicated in parenthesis, below, if more than one owner of a lot was present:

Carolyn Dahlgren Lot 2

(Patrick) & Becky Chase Lot 3

Roshni Slali Lot 4

(Jeffrey Bader) & Holly Aloi Lot 7

Jo Ashton Lot 8

 Antonia Cooper Lot 9

 Kathy Sydoryk Lot 10

 Hunter Webster Lot 11

 (Peter May) & Carol Nieuwenhuizen Lot 12

 (Joel) & Page Cook Lot 14

Gerald Fielding Lot 16

Tom Hazard Lot 17

 Sylvia Wendrow Lot 19

 Ed Phillips Lot 20

Robert & (Felicia) Kuen Lot 21

Susan Cuseo Lot 23

 Rachel Dayton & Chip McCrory Lot 32

Rich & Jean Leety Lot 34

Jessica Bartlett Lot 37

 (Molly) & Toby Bartholow Lot 38

 Carol Gault Lot 41

 Tim & (Mimi) Trombatore Lot 43

Liz & (Bill) Phillips Lot 44

Carolyn Dahlgren, President announced that attendance achieved more than a quorum, and the Annual Meeting was called to order.

**2015 Meeting Minutes**

Carolyn Dahlgren suggested a possible amendment to the 2015 Meeting Minutes, as presented in the meeting packets, regarding language about the insurance premium increase. A motion was made to approve the meeting minutes from November 7th, 2015, as amended; Tom Hazard second; all were in favor.

**Water Court and State Update**

HOA attorney, Jeffrey Conklin summarized his firm’s expenditure of about $3,000 in legal fees in Water Court Cases 202015CW3087 and 2014CW3172, and, administrative action regarding Well Permit No. 2. The completed Court cases dealt with required diligence regarding conditional and absolute water rights for our wells and our theoretical point of depletion in Blue Creek. The Well #2 Issue is still pending, and regards our decreed right to use water from Well #2 for “livestock watering” of horses. In the event of a drought, horse watering may become an issue because livestock watering is not covered in Kings Row’s Augmentation Plan. Because the current Well Permit for Well #2 does not specify live-stock watering, to match the Court decree, as the original permit did, Jeff will prepare a well permit amendment on our behalf.

**Introduction of New Residents**

Jeff Bader, owner of Lot 9 (Gunter’s vacant lot), was introduced. His partner, Holly Aloi, was not present. Consistent with our Water Court Decree and Augmentation Plan, once constructed, the home will be the first in Kings Row with a water meter. Jeff agreed to share his meter reading with the HOA to help us check actual and theoretical potable water usage.

Jessica Bartlett, a prior tenant, purchased Lot 37 from Jennifer Smith. She and her partner, Sauron Chapman, and their five children live at 0890 Kings Row. Jessica and Sauron were both present.

**Cross Contamination - Potable and Ditch Water; Curb Stops for Potable Water**

Tom Hazard (Lot 17) of Green Acres Land Care is the HOA’s main irrigation contractor. Environmental Process Control (EPC), Linda and Allen Leslie, is our potable water contractor. Allen was not able to be present for tonight’s meeting. Tom reviewed October’s experience with potable, chlorinated water back-flowing into our irrigation (raw, unfiltered water) ditch main on Kings Row, South; State regulations related to separation of the two systems; and EPC’s testing of the backflow water. Tom explained:

1. Kings Row has two separate water systems: (1) potable water, stored in the water tank and running through mains in the roads, and, (2) ditch water that runs through the open ditch and in mains in the road rights-of-way, not the middle of the road.
2. Some Kings Row homes are equipped with irrigation systems that use both raw and potable/chlorinated water. Those with dual water systems potentially leave the HOA’s potable, treated, water system open to contamination by the ditch water, by means of a “backflow” from ditch pipes to potable pipes
3. Each home with a dual system has to have a back-flow preventer (and possibly a check valve system) to ensure that no cross-contamination will occur.
	1. State law also requires the devices must be inspected annually by a properly licensed technician. The information contained in the Surveys handed out in the meeting packets (and made available earlier by email and mail) will be collated and provided to EPC. EPC, as our potable water system “operator,” under State regulations, is required to provide collated information to the Colorado Department of Health and Environment. Based on that information, the State will make a “risk” determination for Kings Row and advise the Board if further action is required.
	2. The HOA could be held responsible for any contamination that might occur due to a faulty or nonexistent backflow preventer device. If contamination happens, the potable water tank and all the mains and service lines would have to be drained to avoid health risk to residents.
	3. Further, the State would publicly notice the water system contamination, risking damage to Kings Row’s property values.
	4. Tom Hazard and Tim Trombatore are available to assist lot owners in determining what devices they have on their irrigation systems and, if installed, whether the preventer is “testable” or not.
4. Tom Hazard suggests that the best way to enforce the requirements of installation and testing of backflow preventers is for the HOA to turn off potable water – at the curb stop – until the owner of a dual irrigation system provides an inspection report. The Board will determine an enforcement procedure prior to the ditch opening in the spring of 2017.
5. There is no historical record of curb-stops for the neighborhood’s potable water system. When homes were built, the HOA did not collect information about where service lines were connected to the mains and whether the original curb-stop valves were used.
6. Some lot owners have located their curb-stops and the HOA needs this information.
7. Enforcement aside, the Association owns the potable water infrastructure, including the curb stop valves, and needs a maintenance program, understanding that lot owners own the service lines from the curb stop to the house.
8. A contractor will need to be hired by the HOA, therefore, to locate and map the remaining curb-stop valves and develop a maintenance program.
9. EPC will be attending a state training about the State’s cross contamination control program and will be our main contact with CDPH&E. Tom Hazard and Carolyn Dahlgren may attend the training. The Board will update the membership on EPC’s communications with the State and will send out information about inspectors.

**President’s Report**

Carolyn Dahlgren stated that she will send out a written, follow-up President’s Report for 2016, assuming there will not be time for the entire report. Carolyn then reported on the following items:

1. Leavenworth Easement
	1. Upon a verbal offer of an easement from the Leavenworth’s to the HOA, Tim and Mimi Trombatore and Carolyn Dahlgren staked out a path west of the lot line between lots 38 and 39. The access path was to connect Kings Row, South to the South East Open Space parcel, with the path being on the Leavenworth’s property, Lot 39. There was never a recorded easement, but a trail is visible on the ground because the Leavenworth’s, over the years, gave verbal permission for individuals to use the trail.
	2. The Leavenworth’s have now withdrawn their offer to grant this easement, so there is no need to discuss the items listed on the Agenda Addendum, emailed and included in the meeting packets.
	3. Molly Bartholow stated that the trail is partially on her land and she and her husband do not want people walking or riding horses on their land.
	4. The trail may only be used if you have express permission from the lot owner. Please do not use the trail between the two lots unless you have permission from the appropriate owner(s).
2. Discussion of possible creation of an easement along Kings Row’s eastern boundary.
	1. Another way to connect the South East Open Space Parcel to the County Road (Kings Row – CR 161) would be to stake out a trail along the eastern edge of the subdivision, connecting to the existing “Diagonal Open Space that has electric transmission lines, opening to Kings Row between lots 36 (Rex) and 14 (Cook).
	2. The Rex Trust has given permission to walk this area to see if a trail could be staked on their lot, Lot 36. John and Christy are willing to talk about this, but not excited about the possibility. Carolyn will continue to talk with the Rex’s; they are now in Florida.
3. South “Bandit Trail”
	1. The Board and our Lawyer have worked with the owners of lots 40 – 44 to reach an agreement allowing HOA residents to access the South Bandit Trail area.
	2. The Board supports the HOA owning an easement to be used for limited recreational use only. No motorized vehicles would be allowed.
	3. Carolyn Dahlgren asked for a motion to accept the South Trail Agreement to create this easement. The Board needs to make sure of liability insurance, covering use of the proposed easement, and spend up to $400 for signage on all open space and the trail over the south lots. The signs are meant to state ownership and the “Use at Your Own Risk” status of all open space. Samples of signs were available.
	4. The membership discussed open space, in general, and the specific of the “bandit trail.”
	5. Chip McCrory made a motion allowing the Board to continue negotiating with the landowners regarding the trail. Seconded by Tim Trombatore. One HOA member is opposed, Molly Bartholow; the motion passed.
	6. Tim Trombatore made a motion regarding signage, allowing the Board to spend money on getting signs made and posted. It was seconded by Chip McCrory and passed without opposition.
4. Triangle Parcel
	1. The HOA owns the triangle-shaped parcel across CR 100 from our westerly Open Space trail. It was platted as Open Space back in the 1970’s.
	2. The owners of the property SW of the CR 100 curve, on which the windmills are located, are John and Kim Pinccinati. Their collections of farm implements, windmill parts, plantings, etc. encroach on our Open Space.
	3. Our lawyer has sent them a revocable license agreement, allowing their personal property to be located on our land and indemnifying HOA from liability for personal and property damage. The owners have told Jeff that they will sign the document as drafted, but Jeff has not received the agreement.
	4. Two persons have expressed an interest in purchasing the triangle parcel from the HOA. The HOA would have to get formal permission from Garfield County to sell the .698 acres because the triangle parcel contains drainage culverts for the County Road and was platted to collect drainage from all of Kings Row’s land. The parcel was also part of the required open space acreage when the subdivision was first platted in the 1970’s
	5. After discussion, the membership decided that a vote on the possible selling of this property will be put off until a more formal offer is nailed down, if at all. Jeff will explore whether the possible purchasers are willing to take on the cost of Garfield County land use and Road & Bridge approvals.
5. Dog Issues
	1. The Board prefers that homeowners deal with conflict over dogs; if homeowners cannot reach a resolution or the problem persists then the Sherriff’s animal control officer – Garfield or Eagle - needs to be notified. Both Counties have dog-at-large, etc. laws and trained professional staff.
	2. The Covenants need to be rewritten to mirror county regulations. It simply has not worked for the Board to insert itself in these disagreements and the $100.00 a day fine is difficult to enforce.
6. Lot Owners in Arrears
	1. There are two owners significantly behind in assessments; one owes more than $3,000 and the other owes $600.
	2. Jeff Conklin advises against reporting to credit agencies, as was discussed at last year’s Annual Meeting. He advises that the best course of action is for the Board to continue current practice, sending out formal notices, in accordance with the Board Resolution he prepared, and keeping recorded liens against the properties updated. On a case-by-case basis, the Board needs to consult with Jeff regarding starting a County or District Court case.

**Budget for 2017**

Gerald Fielding asked for a Motion approving Revenue Ruling 70-604 in case we have any money left over at the end of 2016.

He then presented the “Actuals, January – October” and the “Projected Year End Totals” compared with the Membership Approved 2016 Budget, approved 1.07.2015. The comparison numbers were on a budget sheet contained in the packet that also had a “Proposed 2017 Budget,” showing a deficit of $4,425.00, and a “Proposed 2017 Budget w/ Dues Increase.” A separate “Budget for Discussion” was handed out showing a possible reallocation of current HOA fees.

1. The Board predicts an increase in expenses in 2017, based on expenses related to water and real estate issues in 2016, despite money saved in 2016 in some areas:

* 1. Bookkeeping fees had been allocated at $8,000.00 but has a projected year-end total cost of approximately $5,700.00
	2. Irrigation Maintenance is allocated at $1,000.00 but has a projected year-end total cost of approximately $415.00.
	3. Insurance is allocated at $1,300.00 but has a projected year-end total cost of 1,062.00.
1. 2017 is likely to see increased spending on:
	1. A possible need to replace a water pump. We saw an increase in the cost of electric services in 2016 which may indicate a problem with a pump.
	2. Legal fees and costs for amendment of the Well Permit for Well #2.
	3. Legal fees and costs to finish up real estate matters and the covenant re-write.
	4. Costs associated with the Cross-Connection work required by the State, including identification of dual system homes and costs of installation and inspection of backflow preventers. Costs of equipment and inspection belong to homeowner, but the Board, Krystle, and EPC will need to be involved in collating information and getting information to the State. There will also be costs incurred in providing information to the membership. These costs are shown on the “Budget for Discussion” under “Water System Compliance and Maintenance.”
	5. On-going costs of operating two water systems, including location, marking, and testing of potable system curb-stop valves. (We do know where the service valves are for ditch water and they are maintained annually).
	6. Costs related to Common Area maintenance and “Improvement,” even without the Leavenworth Easement.
2. The Board predicts a budget deficit of up to $4,425.00. Becky Chase noted that the deficit amount is close to the fees in arrears of the two lot owners, discussed earlier.
3. GR stated the options, i.e., the HOA could:
	1. Raise the annual/quarterly assessment to make up for the deficit;
	2. Move money, as needed from the HOA Reserves, as long as it relates to water systems;
	3. Reallocate the present fees between operating and reserve accounts;
	4. Imposition of special assessments as needed if money is not available in operating funds.
4. GR presented the Board’s recommendation to re-allocate assessments.
	1. Tim Trombatore motioned to approve reallocation of the current $325.00 quarterly fees, changing operating funds from $155.00 to $180.00, leaving irrigation reserves at $35.00, and lowering maintenance reserve assessment from $135.00 to $110.00; the motion passed unanimously.
	2. Tom Hazard motioned to authorize the Board to move reserve funds as needed to cover water system related expenses, including legal fees and costs. The motion was seconded the motion and passed unanimously.
	3. Becky Chase motioned to approve the 2017 budget, including the decisions included in the two previous motions; Chip McCrory second; all were in favor.

**Approval of New Board Member:**

Mimi Trombatore agrees to continue serving on the Board, and she was elected unanimously. Carolyn, Peter, and GR were re-elected unanimously.

Carolyn Dahlgren serves as President and Secretary. Gerald Fielding serves as Board Treasurer. Peter serves as Board Vice President. The Board will have its Annual meeting early in 2017 and will advise the membership of any changes.

Krystle Beattie continues as the HOA’s administrative assistant. She was just not able to be present tonight.

**Adjournment**

Chip McCrory motioned to adjourn at 8:30 pm; Peter May second; all were in favor.