

**STAGECOACH PROPERTY OWNERS ASSOCIATION**  
PO Box 774845, Steamboat Springs, CO 80477

**Special Meeting of the Members**  
**June 16, 2012**

**(UNAPPROVED) RECORD OF PROCEEDINGS**

The general membership of the Stagecoach Property Owners Association (SPOA) met on Saturday, June 16, 2012 at Soroco High School in Oak Creek for a special meeting of the membership.

Board Members Present: Tom Watts (President), Art Fine, Frank Murphy, Robert Skorkowsky, Josh Voorhis, and Tonja Elkins (Vice President)

Staff Present: Ken Burgess (General Manager)

Also Present: Approximately 80 property owners

Tom Watts called the meeting to order at 9:19am (a final count of lot owners present and proxies was not yet available).

**President's Presentation**

Tom reported that the reason for this meeting is to vote on or at least discuss the proposed increase of the dues by \$100 per year for road improvements in the southern subdivisions. Approval requires a quorum of 60% of the membership (approximately 1,500 lot owners) with an affirmative vote of 2/3. If there is no quorum today then the president can set another vote. Tom reported that in light of the likely low numbers today, he will set another vote for the annual meeting on July 28, 2012. At that time, Stagecoach covenants require a quorum of 30% or approximately 700 votes (by proxy or in person). Two-thirds of those voting would need to approve the increase for an approval of the proposal. Tom then reported that there are approximately 350 lot owners who have signed proxy statements thus far allowing the board to vote "Yes" for them.

Tom opened the floor to questions about the vote.

- James Winter voiced an objection to the voting procedure. The proxy that was sent did not have an option to fill in a proxy to allow any lot owner to act as proxy.
- Dan Miller asked the board to pay attention to lot owners who live in Stagecoach. He seconded Mr. Winter's objection.
- Mike Koponen asked about procedures for people who can't attend the meeting but want to vote "No."

- Rupard Carnahan also noted that there was no way to vote “No” on a proxy.
- Casey Fargo asked the board to respond to each question.
- Tony Stitch noted that he has proxies from a few lot owners that designated him as their proxy voter. Tom then responded that those should be accepted.
- Corky Fischer asked why there wasn’t an absentee ballot as opposed to a proxy form because the letter and form were confusing.

Tom responded that a board cannot do a “Yes” or “No” vote on this specific item (dues) according to the covenants. Covenants require that a vote must be taken at a special meeting.

Tom noted that the board had approved the motion to request an increase in dues and therefore did not feel the board could be a proxy for both a “Yes” and “No” vote. Tom has spoken to Jack Fahres and he has agreed to be the “No” vote proxy at the annual meeting for anyone who wants to submit a “No” vote.

- Jack Fahres then spoke. He said the procedure has been confusing and that a governing board is required to make these kinds of procedures easy. Tom then said that he has heard the need for an easy “No” vote. That is why Jack will be proxy for that vote.
- Tim Hermereline asked for simpler language in the Rules and Regulations. Tom noted that the covenants were put in place in the 1970s and that they are terrible. The board has tried in vain over and over again to clarify the covenants. Changing the covenants requires 1,500 owners to agree.
- Jeff Cullins asked how he, as a condo owner, benefits from the proposed road improvements. Tom handed over the response to Art Fine. Art responded that the key to the benefit is “community.” He noted that the southern subdivisions were and continue to be shortchanged, especially regarding roads. Roads are the first step. Tom added that whether you have a road in Stagecoach is a matter of luck. “Woodmoor pulled a fast-one on the county”. And when they declared bankruptcy, bonds were not collected so certain areas didn’t get anything (except Southshore, Morningside and Horseback that got some benefits from a lawsuit).
- Tom Oburter asked why he should pay for another person’s bad real estate investment.
- Tony spoke up that if SPOA doesn’t put in the proposed roads without county buy-in, then property owners would need to pay for maintenance. Tom said that maintenance is not a foregone conclusion and that maintenance is typically the property owner’s responsibility.
- Jeremy Schumacher noted that the needs are so diverse that you will never get 1,500 people to agree on anything. He recommends getting rid of SPOA. He would like to break it up into smaller boards. Tom responded that the only way to undo the covenants requires all 2,300\* lot owners to vote to give

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\* Actual number of lots is 2,327

up the right to enforce covenants. He then noted that one idea would be to get 1,500 people to agree to amend covenants that improvements to a subdivision could be made by 2/3 vote from those subdivisions.

- Estella Heights noted that she paid more to buy where she bought and not somewhere else in Stagecoach because of the infrastructure.
- Steve Shilling noted that he has lots in Skyhitch. He asked about the responsibility of the county after all these years of collecting taxes. Why aren't they responsible for roads? Tom responded that the county collects and spends taxes as they see fit. The county has told SPOA that they will not take care of these roads.

Tom then reported that there are 581 votes in person, or by proxy, present. Therefore there was no quorum and a vote was not taken. The meeting was then suspended for a break at 10:00am.

At 10:22am Tom then called the meeting back to order. Tom noted that the majority of lot owners left during the break.

- Judy Heister wanted to clarify that the next vote requires only 2/3 of 800. She feels that the process that just occurred should be negated and SPOA should start over. People who want to register a "No" vote were not given proper instructions.
- John Dinicholas asked that SPOA should make the process of improvements easier.
- Mike Koponen asked to know what SPOA considers its highest priority. He questions whether the objective of encouraging owners in the far out lots to build should be the highest priority. He believes the pine beetle kill mitigation should be a higher priority. Tom encouraged Mike to run for a SPOA board position. Robert Skorkowsky noted that there are tremendous mitigation efforts underway. The goal is to get as much fuel as possible out of the area.
- Judy asked for a response to her request to void today's meeting. Tom responded that the board is comfortable with the process and that SPOA will address the "No" vote issue for the annual meeting.
- Wes Hunter also thought that the vote appears to be deceptive on purpose. Tom refuted that and said the process was never intended to be deceptive. Josh then spoke up that there seems to be an agreement to disagree.
- Tom encouraged concerned owners to run for the SPOA board—there will be 4 openings.

- Wayne Robinson asked that a new letter be written for the annual meeting. He urged that the language be written specifically for the non-legal community.
- Amonica Raffay asked about sending out another letter. Tom noted that it costs \$2,500 to send out a mailing.
- Wendy Smith asked that the board be thoughtful and hear the confusion. Now people are upset with the process and they don't understand the costs and importance of these meetings. She is concerned about where the money is going.
- Jean Stetson clarified that the mailing costs were closer to \$1,200. SPOA will also continue to encourage emails.
- Josh then noted that he has spoken to about 100 lot owners in the southern divisions. He reported that 90% of those are willing to vote "Yes" if the money could be used for roads. He really wants to see an actual vote so SPOA can see "Yes" or "No."
- Skip Moyer asked if it is possible to make this meeting void and start the process at the annual meeting. Tom responded that it is not possible due to the covenants.
- Mike asked about how much the resolution will cover. Tom responded that it would pay for a significant portion of key roads but not all. The hope of the board is that it will become a revolving fund.
- Amonica asked about water and sewer to help people build. Tom responded that most lot owners with a county standard road can apply for vault permits.
- Corky asked about Yampa Valley Electric. Josh spoke up that he believes it is a 5 year reimbursement from new builders who tap into an existing line that another owner paid for. After 5 years, there is no reimbursement required.
- Mike asked about how many board members will be positively affected by a "Yes" vote. Tom responded that there are 3 members who own lots in the southern subdivisions and would potentially benefit from the construction of roads.
- Wendy asked the board to explain to everyone why it is fair for all to pay for so few. Many people paid more for lots because of infrastructure. There seems to be unique unfairness that each different area must address infrastructure on their own. Tom noted that of the 150 lot owners in the

Skyhitches, that 80% are original owners and have been paying dues and taxes yet have no roads and haven't been able to do anything with their lots for over 40 years. Wendy noted that there is unfairness throughout the country in real estate investments. Robert then responded that the southern divisions have been subsidizing the other areas for all these years. He noted that it is a difficult situation. Wendy asked that this kind of information be shared so that there is better dialog and better understanding. Tom confirmed that better communication would be valuable and appreciated Wendy's comments.

- Corky asked for clarification about the "No" voting. Tom said the suggestion is that an owner can submit the name of a lot owner in good standing as proxy or Jack if they do not know anyone. The "NO" votes will be counted.

The meeting was closed at 11:00am.

