

Approved

A regular meeting of the executive board of Agate Creek Preserve HOA was called to order by president Rick Dowden on Wed., April 18, 2012 at the conference room of Commercial Property Group.

Four members of the board were present including Rick Dowden, Russ Atha, Ted Swain and Cheri Trousil. Also in attendance were treasurer, Joe Robbins and secretary, Nancy Jarchow. Nancy is also water chairman. Rick noted he had proxies for board members Randy Dean and Bill Keith. A quorum was present.

A motion was made and approved for discussion of the minutes of the 2.15.12 meeting. Transparency and appropriate content was the general topic of the conversation. It is the intention of the the board that the minutes provide an accurate and reliable source of reference for substance of discussions, motions made and passed and overall clarity and transparency for all HOA business. Ted noted that minutes are not a transcript. Minutes are circulated by the secretary to those members in attendance for feedback prior to presentation for discussion and approval at the following meeting. Candid conversation is encouraged with the assurance that comments will be noted but not necessarily quoted. Any comments made at a meeting by members who wish to have their names associated with their comments and become a part of the record, will become a part of the record. Minutes were approved.

Treasurer's Report. Joe distributed profit/loss statements and balance sheet for 1st quarter. It was agreed to transition our fiscal year which currently runs from September through August, to a calendar year. A motion was made and passed to revise the budget to extend from 9.1.11 to the end of this year which incorporates 16 months. Joe reported the budget is essentially on track - snowplowing costs were down this winter, but unbudgeted legal expenses which in combination with any other unforeseen expenses may necessitate an additional assessment before year end.

Legal fees of just under \$6,000 for November and December, 2011, from John Holloway, newly appointed legal counsel, had not been anticipated nor budgeted. 60% of his fees were a result of his participation in the drafting of the Termination Agreement regarding Humble Ranch's withdrawal from the water system. It was noted that the decision to involve Holloway put the HOA in a position of paying for his "schooling" and resulted in an additional layering of legal fees. 40% of his fees were a result of research conducted by Holloway on the new agricultural law. Several members had requested to hold off on getting legal advice until more was known about how this law would be applied.

Holloway has since agreed to reduce his fees by an arbitrary amount of \$1,250. The board motioned and approved payment with 60% reduction applied to the termination agreement matters and 40% applied to agricultural matters. It was noted that agricultural matters are not an association responsibility and that only certain members participating in the grazing program will be responsible for payment of those fees. The association will be reimbursed for payment of ag related fees of \$950 that have already been paid in the November billing. The remaining agricultural related charges of \$1,575 will be paid by the HOA but reimbursed back to the HOA from the participating members.

Water Report. Nancy reported she met with HOA water administrator Bruce Thompson, Joe, Ted, and Rick Mewborn of Nordic Excavation at the pump house in early April. It was advised we install a 4" gate valve outside of the pump house at a cost estimate from Nordic of \$2,621. Bruce said wear and tear of parts of the system required additional maintenance including purchase and installment of a new meter head and repair to a street valve hit by the plow. Board motioned and approved appropriating an additional \$2,000 to pay for these expenses for a total not to exceed \$5,000.

Tax assessments for lots with homes will be increased this year based on the new agricultural law passed and enacted by the Colorado state legislature. However, most residential homes in Agate Creek are benefiting from a lesser valuation on the land portion of their residential taxes due to ongoing agricultural usage via the grazing program. Estimated taxes have been posted online at the Routt County Assessor's website: www.co.routt.co.us. You can click on Assessor "New" and it will take you to the main site. Type-in Agate Creek in the subdivision box. Or, you can contact assessor Sandy Herbison, directly: sherbison@cou.routt.co.us

Next scheduled meeting is 7.18.12 at 3:30.

There being no further business, the meeting was adjourned at 5 pm.

Respectfully submitted,

Nancy Jarchow, Secretary