DMCA Annual Meeting Minutes

November 18, 2019

6:05 PM meeting called to order.

Board Members Attending: Vince Snowbarger, Gordon Mull, Rick Taylor, Tom Seaman, Val Szwarc, Gary Radcliff

DMCA Members Attending: Carolyn Snowbarger, Brenda Ratcliff, Melinda Mull, John Young, Glenda Young, Caroline McAndrews, Catherine Vallejo, Laura McAlevy, , Jason Klonoski, Tom Bennett, Judi Snelling, Tom + Sandy Hennessey, Henry Hooper, Steve Chevalier, Larry Benasutti, Lynne LaCorte, Dan + Emma Kigar

1. Vince opened the meeting by announcing that 3 of the existing board members are stepping down from the Board. They are Vince Snowbarger, Gary Ratcliff and Tom Seaman. Vince noted that the other 3 board members have agreed to serve for another year and that there are 4 members who have also agreed to run. They are Tom Bennett, Caroline McAndrews, Don Scholl and Andrea Sokolowski. Vince stated that the Board will accept additional nominations later in the meeting. Following the meeting, ballots will be sent to all members to vote for the new board.

2. There was a count of members present plus proxies to determine whether there was a quorum. 24 lot owners were present and there were 4 proxies, so there was a quorum.

   Vince gave the President's Report. A copy is included in the 2019 Annual Meeting Report which is attached to these minutes. Rather than read his entire report, Vince summarized the current status of our water tank repairs as well as our current lack of access to the tank due to the development of RiverSage II and Rick Weaver's cancellation of our Access Agreement. Vince also summarized the water report that we received from SGM and discussed the proposal that we have requested from them to conduct a further review of our water system infrastructure. After some questions from the floor, Gordon noted that we have just recently received the latest SGM proposal and that the new board will need to review it. Gary emphasized the need for redundancy in our water system especially as regards a possible second well and the repair of our existing tank. There ensued a general discussion about the health of our aquifer and the possibility of tying into Tri-County's system.

   Vince then noted that we had hired an attorney during 2019 and that we had changed web administrators.

3. Rick gave the Financial Report. He thanked John and Glenda Young for their outstanding job as Treasurer before John stepped down from the board last year. The books were in very good shape when Rick took over as Treasurer.

   Rick provided the current balances (see Treasurer's Report attached). We have roughly $51,000 in cash and reserves at this time. Rick noted that Garth Valentine currently owes DMCA roughly $77,000 and that we are proceeding with the foreclosure of his property. Rick noted that Steve Scheu, our water meter reader, has been out for 3 months due to surgery. Rick has been reading the meters in the interim and the water overage bills for September and October have just been sent out.

   Rick noted an upcoming change to the annual dues billing cycle which will become effective January 1, 2020. The change is that 50% of all dues will be due on or before March 31 of each year, with the remaining 50% due by July 31. Any first half dues not received by March 31 will be subject to a $30 late fee; any second half dues not received by July 31 will be subject to a $45 late fee.

   Rick summarized what our water usage was for 2019 and concluded that, if all lots use all of their 12,000 gallons per month allocation, that results in 16,000 gallons per day usage which is the maximum capacity of our current pump.

   The board asked if members want to receive notice of their water usage each month. This would be accomplished via email. Emmy Kigar asked if the website could be used for that purpose. There was then a general discussion about possibly setting up a "private side" of the website for each member to log in to their personal space.

   Lynne asked if the Valentine foreclosure is a "sure thing" and will the [proceeds go back into our Treasury. Rick responded yes to both questions.

   Rick presented the 2020 Annual Budget (see Annual Budget attached) and also reviewed the financial results of 2019 year-to-date through October 31, 2019. Henry moved to approve the 2020 Budget. John Young seconded. The 2020 Budget was unanimously approved.

4. Vince listed the names of the 7 members who are interested in running for the 6 board seats available. He summarized the process of sending out the ballots and tallying the votes. Henry has agreed to do the ballot count.

5. There was a discussion about whether to formally change the date for the Annual Meeting as called for in our By-laws. It was decided that the subject would be reviewed by the new board.

6. There being no further business, Henry moved to adjourn the meeting. John Young seconded. The meeting was adjourned at 7:15 PM.

DALLAS MEADOWS COMMUNITY ASSOCIATION

2019 Annual Meeting Report

Monday, November 18, 2019

United Church of the San Juans

6:00 PM

2019 DMCA Annual Meeting

November 18, 2019

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3. Vice-President's Report – Water System Analysis
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7. 2019 Budget v. Actual
8. Proposed 2020 Budget

Agenda

1. Call to Order
2. Reports from Officers
3. Review of 2019 Finances to date
4. Presentation of 2020 proposed budget
5. Vote on proposed 2020 Budget
6. Explanation of balloting for Board Members
7. Other business

PRESIDENT'S REPORT

In January, DMCA enters a new decade. DMCA was incorporated in 1979, and turned 40 this past year. As would be expected, we have faced a lot of change over the decades. We've also reached a point where aging physical infrastructure, governance, and documentation are all creating issues. It also means we have a lot of recent purchasers with certain expectations that conflict with expectations of those who have been here longer. This past year the Board has been faced with a number of issues related to change.

As we began the year, we started looking at maintenance needed by our water system. We initiated this by getting estimates to recoat the interior of our water tank. This hasn't been done in some time and corrosion has begun to appear. After getting estimates (mentioned elsewhere in these reports), we were faced with another problem. The developer of River Sage, the community to our south, advised us that he was beginning development of his final phase this was going to impact the agreement we had with him to get access to our tank from the south. Attempts to work with Rick Weaver (who has granted us access for the last several years) were complicated by opposition by the homeowners and that the new phase dedicated part property we would have to cross to the Town of Ridgway.

The Board began to talk about alternatives and the health of our current system. This past summer, we hired SGM to analyze our current water source and begin to explore our options. The results of that report will be posted on the website. The good news is that our aquifer seems to be healthy and useful for some time to come. (See Gordon Mull's report included in this packet,)

As with every other Ouray County community and others across the state of Colorado, DMCA continues to deal with issues related to short term rentals. Expectations of our residents vary and finding the right balance will continue to be a focus for DMCA.

DMCA has reached what we hope are the end stages of our suits with Garth Valentine. DMCA has won our suit and the appeals that ensued. Earlier this year we began foreclosure proceedings to collect our judgment and related attorney's fees. While this has been a frustrating process, we appear to be reaching the end of a process that has taken years. Rick Taylor's Treasurer's report contains more financial details.

While our suit continues to be handled by the attorney who we were using when we brought it, the Board did hire a new attorney to represent us. We continue to have problems with some of our members who refuse to work through the processes available or decide that community policies don't apply to them. Old issues like short term rentals and new issues like access to our common area require ready access to legal advice.

Tom Seaman has continued to work with our website. We did have to change providers mid-year. Our address remains the same, however. Our website is **www.dallas meadows.com**. We are continuing to load more documents, particularly those required to be available to potential new purchasers. Going forward, DMCA may want to explore more functionalities.

We have again avoided an increase in dues, but we may be faced with that decision in the next year. While we may be able to finally collect on our lawsuit, we are also discovering what it will cost to continue to provide water to DMCA. Other alternatives don't appear to be less expensive. See our capital improvement estimates.

As you can see from Val Szwarc's ARC Report, we continue to have new building and property improvements. Board member Gary Ratcliff has been vice chair of ARC providing continual coverage for those looking to have plans reviewed and approved. Members are reminded that structural changes, particularly external ones, are required to be reviewed and approved by the Architectural Review Committee.

I want to conclude by thanking my fellow Board members for their sacrificial service. The Board meets monthly, with special meetings as needed. However, there is much more time spent carrying out the duties they have voluntarily taken on. Three of the current Board have decided to step down. Special thanks go to Gary Ratcliff and Tom Seaman. Both have been very active in keeping DMCA on track and working in the best interest of our neighbors. I will be stepping down as well after five years of service, three as President. Thank you so much for the support and encouragement you have given me and the other Board members.

Three of our members have chosen to run for re-election. They will provide an important link to our past Board endeavors and providing leadership in the projects we have set in motion. We owe these members of our community our support and assistance.

I mentioned at the beginning that we are facing a lot of change as we enter our next decade. Change is never easy, but it can be made more difficult if we don't continue the respect we have had for one another. One of our assets is the feeling of neighborhood. II has given us a cohesiveness in the past that makes this feel like home. Let's vow to support our new leadership with a presumption that they are working for our best interests as a community.

Respectfully.

Vince Snowbarger, President

VICE-PRESIDENT'S REPORT

DMCA Annual Meeting 2019 - Vice President Report

Dallas Meadows Community Association

I am sure all the members are interested in the findings that were presented to the Board with respect to our water system by the firm of SGM Inc. and their lead engineer Maggie McHugh EI, in combination with David Shiowitz, PE and Theresa Weidmann, PE from their Glenwood Springs Office.

There were several issues that we expressed to SGM that we needed information on to ascertain the condition of the water system. One of the most important was the ability of the existing well and aquifer to continue to meet current and future demands. In addition, we wanted to assess the current systems infrastructure to determine if it can handle future growth within the DMCA.

I am pleased to state that the report presented by Maggie McHugh with SGM confirmed that the current well has an adequate capacity to serve the DMCA in the future. We also learned that our well is affected by atmospheric conditions causing a reduction in the recovery rate of approximately 70%.

SGM recommended that the DMCA begin recording quarterly well level readings using a well sounder or transducer to monitor the water level to better understand the impact of seasonal shifts and weather on the well.

There was also a recommendation of exploring the option of developing a new well as a backup water supply source. This was recommended because we could be

vulnerable having only one water supply source. This has been a constant concern of the Board. If we were to lose the well or needed to make repairs to the well, we would be out of water for an extended period.

There were other water supply options that we requested Maggie to explore and we are currently waiting for that follow-up report. Once we have received and reviewed the report, we will post it to the website.

As for the water storage tank, the tank needs repair. A second interior inspection of the tank was made by SGM and a review of the previous inspection report confirmed the need to replace the interior coating as previously recommended. There was some additional minor tank rehabilitation that should be performed for health and safety purposes. These are further described in the report on the DMCA website.

The report is very detailed and is separated into several sections where it speaks about the water demand analysis, system distribution and pipe sizing and the pipe condition. It also goes into the system design, the need for leak detection and the water tank storage capacity and tank venting.

You will find several pictures of the old well head, pump house interior piping configuration and the existing well head.

There are many interesting informational topics that were presented in Maggie's report and I urge each of you to read the report in full detail. It is very easy reading and Maggie does a great job of explaining all the items she and her firm were requested to review on our behalf.

If you would like to go over any of the items noted in the report, I would be very pleased to discuss them with you during or after the Annual Meeting.

If you have any questions regarding this or any other matter, please feel free to call me

Respectfully,

Gordon Mull

DMCA – Vice President

SECRETARY'S REPORT

WEBSITE REPORT

Annual Meeting November 18, 2019

To: DMCA Membership From: Thomas Seaman

Date: November 18, 2019 Re: www.dallasmeadows.org

In early 2019, we engaged the services of Roscoe Ferguson, Owner of StudioKind in Ridgway, to replace Kathryn Burke of San Juan Publishing as our Web Administrator. Kathryn had resigned and Roscoe, who is local, has proven to be very knowledgeable and responsive to our needs.

We are now in compliance with State requirements for HOA's as they relate to having a website. The site allows us to make information about DMCA available to existing as well as prospective property owners. We continue to improve the website content, adding important HOA documents and information including By-laws and CC+R's, Board Minutes, Financial Reports, ARC guidelines and application forms, and contact information for board members.

Management of content on the website remains somewhat cumbersome; it is not simply "Click + Drag" or "Drag and Drop". However, Roscoe has been very helpful uploading documents and other content for us as needed.

The website continues to be a work-in-progress. I expect that the new board will continue to make improvements going forward, and I will be available as needed to assist with web-related issues.

Please provide any additional comments and suggestions you may have to me or to any other board member.

Tom Seaman, Secretary

TREASURER'S REPORT

DMCA Annual Treasurer Report

Nov 1, 2019

Water and Legal once again topped our expenses. The well and aquifer were tested at a cost of $5,304.06 which provided many answers to DMCA's concerns surrounding our water supply's health. Legal costs were driven by moving forward with the foreclosure on Lot 21 (Valentine). Legal and attorney costs will be requested in addition to the two judgments and interest. DMCA Board also enlisted a local attorney for other legal questions and issues beyond the Lot 21 foreclosure

The water tank requires recoating in the next year or two at a cost of $16,000 to $18,000. One of the reasons for requesting the water supply study was to explore the possibility of abandoning the water tank, saving the recoating costs, and use other methods for supplying our water. The cost of supplying water to date this year is $8,890.34. This includes water quality testing, electricity for the pump and tank and meter reading. This equates to approximately $261.00 per water user.

The Board has changed the dues payment policy for 2020. The first half dues payment is due by March 31, 2020 and the second half is due by July 31, 2020. The full amount can be paid any time after Jan 1st, but one half must be paid by March 31, 2020. First half dues payments received after March 31, 2020 will be subject to a $30.00 late fee. Dues payments received after July 31, 2020 will be subject to a $45.00 late fee.

Looking forward, there are upcoming capital expenses:

Our current well requires monitoring. The hardware installed in the well is approximately $2,000.00 and the yearly subscription is approximately $200.00.

The abandoned well by the river requires plugging to comply with state water requirements at an estimated cost of $2,500.00.

Our water storage tank requires recoating at a cost of $18,000.00. A new tank access needs to be created for the recoating and future maintenance. The cost and planning for the access is yet to be determined.

Rick Taylor, Treasurer

ARCHITECTURE COMMITTEE

DMCA Architectural Review Committee (ARC) – YTD 2019 Chair's Report

By Val Szwarc, Chairperson of the ARC

ARC Includes: Val Szwarc, Gary Ratcliff, Tom Bennett, and Caroline McAndrews Val Szwarc – Chairperson vszwarc@aol.com and 610.662.7605 Gary Radcliff – Vice Chairperson ourayimage@gmail.com (970) 615-0546 Tom Bennett – tom@fone.net and 970.626.3230 Caroline McAndrews - cmm_work@hotmail.com

DMCA ARC News and Comments

Three ARC requests were received as of Oct 2019. The review of two requests resulted in changes to the homeowners plans and subsequent conformance to the community covenants. Both requests were considered by the Board of Directors.

A third request for significant landscaping plus shed improvements was submitted based on the ARC review requirement associated with "Irrigation and Landscaping" (§ 10.4). The plan was approved since the planned irrigation use will be less than the "…two thousand (2,000) square feet of lawn or other irrigated area…."

The ARC currently has four members and the Chair is in the process of seeking a fifth person.

It is strongly suggested that potential requests be discussed with the ARC before a formal request.

DMCA ARC Approval Requests Summary – 2019 Year-to-Date

- Primary Residence Improvements Requests and Preliminary review

o Request, comments, and modification for privacy fence

o Preliminary discussions and request for draft landscaping plan

o Preliminary review and comments including BOD review concerning new home/garage

o Request for new home and detached garage on lot 32

o Request and approval for significant landscaping improvements and shed

ARC Approved Requests:

1. 2019 – Lot 14 – Don Daniels received ARC approval for privacy fence.

2. 2019 – Lot 32 – Matt Link received ARC approval to build new home and detached garage

3. 2019 – Lot 38 – Caroline McAndrews received ARC approval for landscaping and shed

Dallas Meadows Community Association
Annual Budget 2019

	Budget	Actual
Water Testing	$6,000.00	$6,492.47
Electricity	$2,000.00	$1,379.77
U. S. Post Office	$300.00	$96.00
Office/Copy	$150.00	
Tank Access Agreement	$250.00	$0.00
Water System Repairs & Maintenance	$8,000.00	$5,304.06
Liability Insurance	$2,100.00	$2,040.00
IRS/San Juan Accounting/Audit	$1,400.00	$420.00
Attorney	$5,000.00	$6,830.58
Meter Reading	$1,400.00	$1,018.10
WEB Site	$1,000.00	$340.00
Annual Meeting/Special Meeting	$150.00	
Yearly Picnic	$250.00	$208.12
Miscellaneous/Contingency	$2,000.00	$685.50
	$30,000.00	$24,814.60
Total Income Including Dues		$28,529.43
HOA Dues & Fees	$20,200.00	$19,800.00
	Shortfall	Excess
As of 11/1/2019	-$9,800.00	$3,714.83

Income

Dues Income	$19,800.00
Water overage charges	$869.40
Misc Income	$192.64
Total	$20,862.04

Total Assets

Checking Account	$3,714.83
Savings Account	$14,539.23
Reserve Account	$34,104.83
Assets Total	$52,358.89

Accounts Receivable

Tap fee	$6,500.00
Water overage Charges	$370.25
Lot 8 (LaCorte)	$4,175.00
Fines Lot 21 (Valentine)	
Fines/Judgments/Interest	$77,335.85
Total	$88,381.10

This does not include Court costs or Legal fees for Lot 21 which are asked for in the Court filings.

Dallas Meadows Community Association
Annual Operating Budget 2020

Category	Budget
Water Testing	$6,500.00
Water System Repairs & Maintenance	$5,000.00
Electricity (Pump & Tank)	$1,700.00
U. S. Post Office/Postage	$300.00
Office/Copy	$150.00
Admin	$500.00
Insurance	$2,100.00
Tax Preparation/Accounting/Review	$1,500.00
Attorney/Legal	$5,000.00
Water Meter Reading	$1,600.00
WEB Site	$500.00
Annual Meeting/Special Meeting	$150.00
Yearly Picnic	$250.00
Miscellaneous/Contingency	$2,000.00
Budget Total	$27,250.00
Total Income Including HOA Dues & Fees	$20,200.00
Shortfall	-$7,050.00

Upcoming Capital Expenses

Current well monitor	$2,000.00
Abandoned well plug	$2,500.00
Tank recoating	$18,000.00
Tank access	TBD
Total	$22,500.00

Board Candidates

The following persons have indicated an interest in running for the Dallas Meadows Community Association:

Tom Bennett

Caroling McAndrews

Gordon Mull

Don Scholl

Andrea Sokolowski

Val Szwarc

Rick Taylor

As DMCA has done in years past, additional candidates may be nominated at the Annual Meeting. Once the meeting is over and the candidates confirmed, a ballot will be mailed to all DMCA members for a vote. Each lot is entitled to one vote for each position. Specific instructions will be mailed with the ballot. DMCA may elect up to six (6) Board members