

CASTLE VALLEY RANCH  
HOMEOWNER ASSOCIATION

Wednesday, November 7, 2001  
6:00 p.m.

A meeting was held on November 7, 2001, 6 p.m. at the New Castle Community Center. The temporary Board presided, which included Brenda Kerr, Eric Williams, Joel Parker and Jim Rominger.

1. Question and Answer Period. The following concerns were submitted by members present and answered by the temporary Board members. A synopsis is presented as follows:

- a) What benefit is an active homeowner association versus an inactive homeowner association? The greatest benefit of having an active Board versus a Developer is that a homeowner association Board can enforce Covenants and Declarations. A Developer cannot. That is why the Temporary Board is encouraging participation in three advisory committees; Management Committee, Landscape Committee and Volunteer Committee. These committees can address Town of New Castle issues, complaints regarding violations of the Covenants/Declarations, and overseeing the Budget. If you would like to participate on one of the advisory boards, please contact Suzie Romig at 984-0502.
- b) How is the new Board going to address recreational vehicles/equipment that are not allowed in driveways or in front of homes? The Developer and the new Board will be working with the Town of New Castle to develop some type of storage facility to house recreational vehicles/equipment in the complex. A fee will be charged to participating owners.
- c) What will the dues be for next year? How can we get a handle on expenses? The developer has agreed to begin paying \$200 working capital for each improved lot. This will help generate reserve funds for the association. Also, the temporary Board has aggressive ideas on how to control costs and this information will be forthcoming over the next several weeks. The new Board will be working on the 2002 Budget, will send it out for review and approval to all members, and hopefully, this Budget will be implemented no later than January 15, 2002.

d) How can communication be improved between Developer, Homeowner Association, and general membership? A quarterly newsletter is proposed. This newsletter will be posted on information boards at all mailboxes throughout the complex.

2. A vote was taken on the attached proposals. The First Proposed Action "Do you approve amending Article II of the Bylaws of Castle Valley Ranch PUD – Section 12 – Action by Written Ballot". This proposal passed.

The Second Proposed Action. Do you approve amending Article III – "the number of Directors be changed from 3 to 5". The second proposal passed.

Election of Five Directors – The following are your elected Directors:

Brenda Kerr – on site owner  
Alice Peterson – on site owner  
Eric Williams  
Joel Parker  
Jim Rominger

With no further business, the meeting was adjourned.

Respectfully submitted,

Terri Knob

By  
Law  
Amendment?

June 28, 2001

Dear Castle Valley Ranch Homeowners,  
**Subject: Temporary Board of Directors & Open Elections**

Since the meeting on June 21, 2001, individual homeowners, as well as Land Discovery, Inc., have been holding independent meetings and discussions. On Thursday, both parties came together in a meeting that ended on a very encouraging and positive note. At this meeting the parties shared their perspective lists of issues, solutions, and how they proposed to move forward. All involved were encouraged to find that their respective lists were very similar, and that moving forward was a realistic vision.

The former Board of Directors has been dissolved with the exception of Eric Williams. In its place, Land Discovery, Inc. has formed a "Temporary Board of Directors". The "sole" purpose of this temporary board is to organize the election of a new Board of Directors, and an Advisory Committee. ~~Please review the attached agenda to~~ familiarize yourself with how the process will begin, and where we would like this to lead us.

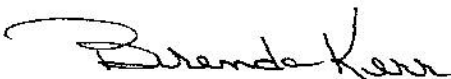
On October 10, 2001, the Castle Valley Ranch Homeowners Association (the "Homeowners Association") will hold an election. This election will be for two homeowners to hold positions on the Board of Directors, and for an Advisory Committee consisting of approximately five homeowners. This election will be open to all members of the Homeowners Association, and each elected position will be annual in term.

Once this election has been held, the chosen representatives will then commence the process of dealing with both community issues and the covenants. The goal is to establish a group or representatives that will work towards a common goal of creating a Homeowners Association that truly supports our community. Currently it appears that the developer and the homeowners have similar long-term goals. In this light, Land Discovery, Inc. would like to turn more of the day-to-day operations of the community over to the homeowners, as well as work hand in hand with the homeowners to resolve the issues that were brought up during the meeting on June 21, 2001. It is their desire that the homeowners will be given a voice, as well as a fair process.

As a group, we will endeavor to keep each homeowner informed as to the progress being made with respect to the election process. To this end, we are working on creating at least one community bulletin board immediately, and have plans for one at each mailbox area in the very near future. We will continue to look for additional types of cost effective ways to notifying homeowners of the progression of this process.

We would like to thank all of the homeowners for their valuable input thus far. We have received some great suggestions--so many people have come up with fantastic ideas that are good solid foundations to build upon, and that may reduce our expenses as well.

Respectfully,



Brenda Kerr



Eric Williams

*Castle Valley Ranch Homeowners Association*  
PO Box 1131  
Glenwood Springs, CO 81601

### *News from the Castle Valley Ranch Homeowners Association*

The HOA writes this letter to keep you informed of the happenings of Castle Valley Ranch.

The Castle Valley Ranch resident nomination results for the CVR-HOA Board of Directors and Advisory groups were as follows:

Board of Directors	0 nominees
Management committee	0 nominees
Landscape committee	0 nominees
Volunteer committee	0 nominees

As a result & also due to the tragedies that have affected us all, the current Board of Directors has had to re-evaluate the election and has therefore decided to proceed in the following manner:

Candidates consist of five nominees that were nominated by the developer, of whom two candidates are homeowners and members of the HOA.

The annual members meeting will be held on November 7, 2001, from 6 to 7 p.m., at the New Castle Community Center, New Castle (front room). The purposes of the meeting is to:

- (1) Vote on whether to amend the Bylaws of Castle Valley Ranch PUD Homeowners Association (the "Bylaws"), as more fully explained below;

- (2) Elect directors to the Board of Directors; and
- (3) Submit to the membership a report of the HOA's business activities during the preceding year and the general financial condition of the HOA.
- (4) This is a members only meeting. You must be a member to attend this meeting.

The first Proposed Action is to amend the Bylaws to allow voting by written ballots sent or delivered to the members. Currently, all member votes must be conducted at meetings. This requirement has proven to be inefficient. Voting by written ballot would allow votes to be conducted either at a meeting or by sending or delivering the ballot to members who would return it the HOA according to the instructions included with it. The Board of Directors unanimously recommends passage of this first Proposed Action.

The second Proposed Action is to amend the Bylaws to increase representation on the Board of Directors from three directors to five. The two additional directors would have equal status as directors with the three existing directors. The Developer has advised the Board of Directors that the Developer wishes to add two homeowners to the Board. The Board of Directors unanimously recommends passage of this second Proposed Action.

The third Proposed Action will be a vote to elect the five directors from a list of nominees. This assumes that the vote to amend the Bylaws from three to five directors is passed.

You must be member to attend and vote at the November 7th meeting.

Also, the Board is still actively seeking individuals willing to serve on the Management Committee, Landscape Committee and Volunteer Committee. If interested, please contact Suzie Romig at 984-0502.

***Reminder, paying your dues does not constitute membership. In order to vote you must become a member by October 28, 2001.*** For membership information, please call Crystal Property Management at (970) 945-7266.

### ***Other news from the Board of Directors***

The present Board of Directors has reached an agreement with the developer to collect dues and working capital fees from the developer on improved lots (improved lots are lots that have been developed and the first lot in a planning area is sold) starting with the present year (2001). As a result dues are anticipated to be **significantly** reduced in the year 2002 and beyond.

Also the developer will begin paying a one time \$200.00 working capital fee for each improved lot. This will help generate a reserve fund for the HOA.

We look forward to seeing you at the meeting.

Note: this was printed and mailed on one piece of paper to save costs.