

KEYSTONE RANCH ASSOCIATION, INC.
BOARD OF MANAGERS MEETING
September 11, 2020

I. Call Meeting to Order

The Keystone Ranch Association, Inc. Board of Managers Meeting was called to order by Mr. Pringle at 10:15 a.m. via teleconference.

II. Introduction of Those in Attendance & Determination of Quorum

Board Members Present Were:

John Pringle, President
Chris Ornes, Treasurer
Vince Donahue

Jayne Karl, Vice President
Kris Ciccolo, Secretary

Representing Keystone Resort Property Management Were:

Brian Bruellman, Senior Community Association Manager
Ashton Kent, Community Association Manager
Austin Tankersley, Assistant Community Association Manager

Erika Krainz of Summit Management Resources was recording secretary.

III. Approve Previous Meeting Minutes

Motion: Mr. Ornes moved to approve the July 2, 2019 Board Meeting minutes as presented. Ms. Ciccolo seconded and the motion carried unanimously.

IV. Regular Business

A. *Management Report – Project List Review*

1. Repainted the house signs.
2. Weeded the rock beds and around the pool.
3. Replaced some rotten house sign posts.
4. Repaired asphalt in several areas.
5. Resurfaced the tennis court and striped for pickleball.

B. *Financial Review – July 2019 Financial Reports*

As of July 31, 2020, the Association was \$26,301 favorable to budget year-to-date. The variances were as follows:

1. Maintenance - \$24,598 favorable to budget due to savings in Association Labor, R&M General and Operating Supplies.
3. Services - \$2,060 favorable to budget. Snow Removal was unfavorable to budget due to payment of some 2019 invoices.
4. General - \$793 favorable to budget due to savings in Board Meetings.

V. Old Business

- A. *Water Metering for Single Family Homes in Keystone Ranch and East Ranch*
Individual water meters for each house is a priority recommendation based on an engineering report Vail Resorts commissioned for the water system. Meters would provide a metric for usage, which could lead to a more equitable billing system and the ability to detect leaks. The estimated cost is \$1,575 per house, which would be billed to the individual owners as a one-time charge on their monthly owner statement. It was hoped the installations could be accomplished this summer but the Board is still working out the details with Vail Resorts. The Association has suggested a meter installation agreement separate from the water agreement but Vail Resorts has not responded.

Ms. Karl anticipated some owners may ask why the Association continues to use the Vail Resorts water system. She thought owners would be willing to pay a one-time fee to connect to the East Dillon or Snake River system. Mr. Ornes said connecting to the East Dillon Water District would cost about \$2 million and the District has concerns about the condition of the system. The main problem is Vail Resorts' inability to produce the water rights. Ten years ago, the estimated cost was well over \$1 million to run the required pipes, which would be an option if the water rights could be confirmed. East Dillon Water District does not appear to be interested. Some tank repairs were done this summer and the expense will be allocated to the users of the system.

- B. *Road Agreement*
Attorney Seth Murphy drafted a Road Agreement but it was never signed. Vail Resorts has requested indemnification for the pool. Phil Cadwallader measured the roads so there is now a template with all lengths, widths and surface areas and color coding indicating the entities responsible for the different roads. Chip sealing was planned for this summer but Vail Resorts requested postponement until next summer. Ms. Walsh was sent a copy of the Road Agreement and will try to have it executed.

VI. New Business

- A. *Ranch Sign*
The entry sign was painted this summer.
- B. *Cul de Sac Signage*
"No Parking" signs were installed at the end of the cul de sac.
- C. *Weed Spraying*
Dandelions were aggressively sprayed and pulled this spring. This will be done again next year. The Board will consider scheduling an Owner Work Day next year.
- D. *Pickleball*
Mr. Pringle suggested organizing a Ranch pickleball tournament next year.

- E. Annual Meeting*
Ms. Kent will ask Ms. Walsh to be prepared to provide an update on the Ranch Restaurant, Ranch Golf Course, winter ski reservation system and transportation.
- F. Road Improvements*
A couple of trees on the Penstemon Road curve were removed and reflective chevrons and a Slow Down sign were installed. The embankment by the Teren's house was scraped down to improve the view corridor. The black electrical post by the guard shack was buried and the wooden fence in that area should be rebuilt. The bike trail near the road was relocated higher up the hill.
- G. Dog Fence Request*
An owner requested permission to install an invisible dog fence. Mr. Pringle declined the request based on the Summit County leash law. The Rules and Regulations should be updated to reflect the requirement for adhering to the leash law.
- H. Drones*
A prohibition on flying drones should be added to the Rules and Regulations.
- I. Nuisances*
Some owners are leaving bright exterior lights on at night. Ms. Kent said the lights are addressed under the Summit County dark sky ordinance.
- J. For Sale Signage*
A realtor was posting multiple signs throughout the Ranch this summer. The realtor was sent a letter and resolved the violation.
- K. Maintenance Building*
An owner complained about the appearance of the Maintenance Building parking area. Mr. Pringle obtained an estimate of \$4,000 – \$5,000 each to build two berms to screen the area. If pursued, the East and West Ranches should be asked to contribute to the cost.
- L. Speeding*
There was general discussion about drivers speeding through the neighborhood.
- M. Rentals*
Mr. Bruellman reported that there has been an increase in requests for long term rentals due to people working from home and remote learning. KRPM is reaching out to owners who might be interested in longer term rentals.
- N. Forest Service*
The Forest Service was doing a water study in the back Ranch and brought in a backhoe to take down some of the beaver dam. Ms. Kent was not aware of this project.
Action Item: Ms. Kent will try to obtain more information about this project.
- O. Covenants*

Article 8, Section 8.1a states that licensed passenger automobiles may be parked on a temporary basis (not more than 24 hours) on the shoulder of the private roads but only if they do not obstruct traffic or present an unsafe condition. The Board discussed where parking should be allowed and will continue researching this issue.

P. Guard Shack

Mr. Pringle has asked Mr. Cadwallader to develop a bid for removing the guard shack. Mr. Pringle estimates it could cost up to \$50,000. He believes the cost would be shared by the three Ranch Associations and Vail Resorts if the decision is made to move forward with this project. Ms. Kent said the West Ranch Board would like to approach Vail Resorts about paying a portion of the landscaping expense by the guard shack. The cost could be allocated based on the percentage used for the road maintenance. The cost for the improvement area across from the mailboxes should also be shared by Vail Resorts.

Action Item: Mr. Bruellman will follow up on the landscaping cost share request.

Q. Gas Odor

Action Item: Ms. Kent will follow up on the gas odor by the restaurant dumpster.

R. Communications

Ms. Kent reviewed suggestions for improving communication:

1. Create a calendar to track deadlines.
2. Create a Maintenance Manual that identifies Association vs. management responsibilities.

VII. Recess and Reconvene

The meeting was recessed at 11:36 a.m. and reconvened at 10:55 a.m. on September 12, 2020.

VIII. Election of Officers

Motion: Mr. Ornes moved to retain the same Officers: President – Mr. Pringle, Vice President – Ms. Karl, Treasurer – Mr. Ornes and Secretary – Ms. Ciccolo. Ms. Karl seconded and the motion carried.

IX. Adjournment

The meeting was adjourned at 10:56 a.m.

Approved By: _____
Board Member Signature

Date: _____

KEYSTONE RANCH ASSOCIATION, INC.
ANNUAL MEETING
September 12, 2020

I. Call Meeting to Order

The Keystone Ranch Association, Inc. General Membership Meeting was called to order by Mr. Pringle at 10:13 a.m. via videoconference.

II. Introduction of Those in Attendance & Determination of Quorum

Board Members Participating Were:

John Pringle, President	Jayn Karl, Vice President
Chris Ornes, Treasurer	Kris Ciccolo, Secretary
Vince Donahue, Director	

Homeowners Participating Were:

Pamela & Steven Blustein	CJ Ornes
Larry & Sue Wood	Christopher & Molly Danforth
Glenn Vaughn	Lisa Rogowski
Sherry & Wilson Strong	Paul Hilton
Cindy Ireland	Nancy & Jim Minnick
Carolyn Holloway	Mike Polarek
Tom Loucks	Dave Ciccolo
Mike Orth	

Representing Keystone Resort Property Management Were:

Andrea Walsh, Senior Director of Lodging Operations
Brian Bruellman, Senior Community Association Manager (joined in progress)
Ashton Kent, Community Association Manager
Austin Tankersley, Assistant Community Association Manager
Kaylyn Landahl, KRPM Administration

Erika Krainz of Summit Management Resources was recording secretary.

With membership represented in person or by proxy, a quorum was confirmed.

III. Proof of Notice of Meeting or Waiver of Notice

Notice of the meeting was verified.

IV. Approve Previous Meeting Minutes

Motion: Mr. Strong moved to accept the minutes of the July 3, 2019 Homeowner Meeting as presented. Mr. Ornes seconded and the motion carried.

V. Real Estate Update

This report was given by Mr. Pringle. There is currently one home listed for sale in Keystone Ranch at \$1.549 million. There are three homes under contract throughout the Ranches and one recently closed. Ten homes have sold in the past year and demand is very strong.

The current inventory is 4.0 months for condominiums, 6.2 months for single family homes and 3.2 years for homesites. There are currently 88 properties listed in Keystone, equating to about 2.7% of all properties in the Keystone area.

Year-to-date residential sales are down 24% compared to last year and down 1% for all of Summit County. The slowing in Keystone is due to low inventory.

There are two new development projects in Keystone, the New Seasons at Keystone and Clearwater Lofts. One River Run has received County approval and may break ground this spring.

Mr. Pringle summarized that sales slowed at the beginning of the COVID-19 lockdown but there is now strong demand for mountain properties and increased demand for long-term rentals.

VI. Manager's Report

A. *Financials*

1. Review 2019 Year-End Statement of Operations

The Association ended the year with an Operating surplus of \$3,210. The Maintenance Reserve balance was \$995,713 and total Reserve expenses were \$16,377 for the dumpster renovation project.

2. Review 2020 Year-to-Date Statement of Operations

As of July 31, 2020, the Association was operating \$27,451 favorable to budget. The Maintenance Reserve balance was \$1,069,676 and total Reserve expenses were \$14,526 for road maintenance.

B. *Projects*

1. Minor road maintenance was done by Performance Services.
2. Painted and repaired house signs.
3. Maintained and pool and weeded around the pool deck.
4. Installed "No Parking Emergency Turn Around Only" sign at the end of the cul de sac.

The main project for next year is major road maintenance.

VII. President's Report

Mr. Pringle reviewed the water system. Tank repairs were completed this summer. An engineering study was commissioned and the main recommendation was to install individual

meters on all homes. Owners currently pay Vail Resorts \$40/house/month for water usage and the Reserve contribution is \$95/owner/month. The Board is working on a formal water agreement with Vail Resorts. The plan was to install water meters this summer but Vail Resorts is still working out the details. The meters will cost \$1,575 per home, which will be billed to the individual owners as a one-time fee on the monthly statement. There are no current problems with the water system.

Mr. Pringle reviewed recent accomplishments:

1. Painted the south side of the entry sign.
2. Buried the electrical box at the guard shack.
3. Continued noxious weed mitigation and tree removal/clean-up on Yarrow and Keystone Ranch Road, including spraying of dandelions.
4. Cleared the view corridor, cut trees and added chevrons along curves and installed signage on Penstemon Road for safety considerations.
5. Relocated the mountain bike trail that was close to Keystone Ranch Road to resolve a problem with gravel on the road and for safety considerations.
6. Resurfaced the tennis court and striped for pickleball. There are portable pickleball nets.

Owner reminders:

1. Owners should be aware of the effect of their exterior lights on their neighbors.
2. Flying of drones is not permitted.
3. The Pet Policy is based on Summit County regulations and dogs must be leashed.
4. Owners who want to make improvements to their property exterior (decks, paint, roof, etc.) must request approval from the Keystone Neighbourhood Company (KNC) Design Review Board. The KNC website is www.keystoneneighbourhood.com.
5. Bill Cadwallader will be providing a bid to replace the guard shack with some type of landscaped median feature. Mr. Pringle estimates the cost could be around \$50,000 and would be split among the three Ranch Associations and Vail Resorts. There is \$4,000 in Keystone Ranch Association Reserves for the guard shack.

VIII. Board of Managers Election

The terms of Mr. Pringle and Ms. Ciccolo expired. There were no other nominations and the two incumbents were re-elected via mailed ballot.

IX. Revenue Ruling 70-604

Any year-end surplus will be rolled into Reserves. The Board approved Revenue Ruling 70-604 at their meeting yesterday. There were no owner objections.

X. Homeowner Education

Ms. Kent provided information regarding the owner portal.

XI. General Discussion

Ms. Walsh introduced Mr. Bruellman, the new Senior Community Association Manager for the west side properties.

XII. Set Next Meeting Date

The next Annual Meeting date was not set.

XIII. Adjournment

The meeting was adjourned at 10:53 p.m.

Approved By: _____
Board Member Signature

Date: _____

KEYSTONE RANCH ASSOCIATION, INC.
BUDGET RATIFICATION MEETING
December 15, 2020

I. Call Meeting to Order

The Keystone Ranch Association, Inc. Board of Managers Meeting was called to order by Mr. Pringle at 2:21 p.m. via videoconference.

II. Introduction of Those in Attendance & Determination of Quorum

Board Member Participating Was:
John Pringle, President, 153 Gentian

Owners Participating Were:
Ephraim Starr, 315 Penstemon
Carolyn Halloway, 2437 Keystone Ranch Road

Representing Keystone Resort Property Management Was:
Brian Bruellman, Senior Community Association Manager

Erika Krainz of Summit Management Resources transcribed the minutes from recording.

III. 2021 Budget Ratification

The proposed 2021 Budget has been ratified by the Board. The dues will remain the same as 2020. Association Labor was decreased slightly and the Legal line item was increased in anticipation of negotiations with Vail Resorts about the water system and an update to the management agreement.

There were no owner objections to the budget.

Motion: Mr. Pringle moved to ratify the proposed 2021 Budget as presented. Mr. Starr seconded and the motion carried.

IV. Adjournment

The meeting was adjourned at 2:30 p.m.

Approved By: _____
Board Member Signature

Date: _____