

KEYSTONE RANCH ASSOCIATION, INC.
ANNUAL MEETING OF THE MEMBERSHIP
July 2, 2025

I. Call Meeting to Order

The Keystone Ranch Association, Inc. Annual Meeting of the Membership was called to order at 9:10 a.m. in the Dillon Town Hall and via videoconference(*).

II. Verification of Notice

Notice of the meeting was verified.

III. Roll Call – Proxies

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

IV. Introductions

Board Members Present Were:

John Pringle, President, 153 Gentian
Chris Ornes, Treasurer, 1 Kinnikinnik
Rich Schlosberg, Director, 125 Clover

Ephraim Starr, Vice President, 314 Penstemon*
Kris Ciccolo, Secretary, 1631 Keystone Ranch

Homeowners Participating (via videoconference*) Were:

Ed Balcerzak, 130 Kinnikinnik
Lois Beall, 1957 Keystone Ranch
Jim Brown, 205 Clover
Stacy & Diane Crumley, 204 Clover*
Pam & Greg Gardner, 142 Penstemon
Paul Hilton, 94 Clover
Thomas Loucks, 2399 Keystone Ranch*
Sam Elder, KR Vista, 1293 Keystone Ranch
Daniel & Barbara Munyon, 112 Penstemon
Elizabeth Rogowski, 161 Kinnikinnik
Neil Sherman, 283 Gentian
Ann & Bill Swagman, 74 Yarrow
Glenn Vaughn, 1921 Keystone Ranch
Larry & Sue Wood, 293 Gentian*

Annette Balog, 233 Penstemon
Rickey & Ellen Brantley, 174 Clover*
Sandra Chisholm, 2260 Keystone Ranch*
Gail Foyetta (Hope), 232 Penstemon*
Debra & Jack Gruenstein, 48 Saxifrage
Kamijo Properties, 900 Keystone Ranch
Jayn Karl, 77 Phlox
Lisa McReynolds, 33 Gentian
Gerardo & Silvia Perez, 243 Gentian
Nancy & Ed Russell, 140 Lichen
Wilson Strong, 2023 Keystone Ranch
Debra & Jack Gruenstein, 48 Saxifrage
Leslie Weise, 1649 Keystone Ranch

Guests at the meeting were Attorney Seth Murphy and Scott Bender, East Ranch Board President.

Representing Basic Property Management (BPM) were Gary Nicholds, Eric Nicholds, Jason Blarjeske and Madison Tomson. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

V. Meeting Protocol

Kris Ciccolo reviewed the protocol for conduct of the meeting.

VI. Approve Last Year's Meeting Minutes

Motion: Neil Sherman moved to approve the minutes of the July 2, 2024 Homeowner Meeting as presented. Jayn Karl seconded and the motion carried.

VII. Real Estate Report

John Pringle reported that as of June 30, 2025, there was one listing in Keystone Ranch, one in East Ranch and six in West Ranch. One Keystone Ranch home is under contract. One home in East Ranch, one in Keystone Ranch and four in West Ranch have sold in the past year.

There are 15 single family homes listed throughout Keystone, equating to an inventory of 11 months. There are currently 168 total properties listed in Keystone, equating to 4.4% of total inventory. Year-to-date residential sales in Keystone are up 56% compared to last year due to new development and are up 10% for all of Summit County. The average sale price in Keystone is over \$1.2 million, also due to the new development.

VIII. Owner Education

A. *Water Solutions Report*

Rich Schlossberg provided a report on the recent water quality notices. Water testing identified four Tier 1 homes that exceeded the allowable lead threshold (10%), triggering public notification requirements. Tier 1 homes are those built before 1989 with potential lead in solder or fixtures. Water Solutions suspects the results stemmed from flawed sampling techniques, in particular improper pre-sample flushing. Enhanced testing of 20 homes over six months is underway. It was noted that reverse osmosis is highly effective for removing lead, as are certain types of filters. Running the cold water every morning for two or three minutes is recommended. Residents can call Jochen Grauer at Water Solutions (970/262-0217) to request testing.

B. *Fire Evacuation*

Kris Ciccolo reviewed the updated evacuation map and procedures, which are posted on the HOA website and community bulletin board at the mailboxes. Homeowners are encouraged to register with SCAalert.org for emergency notifications. Emergency exit routes are through the Keystone Ranch Roach main gate, and the gates on Lichen Lane and Penstemon into Summit Cove. She clarified

gate access procedures and confirmed that emergency responders have keys and bolt cutters to open the gates. The map has been updated to remove previous access points that have been permanently disabled.

IX. Financial Report

As of May 31, 2025, the Operating Cash balance was \$9,920 and the Reserve Cash balance was \$1,610,982 for a total of \$1,620,902. There was net Operating Income of \$7,979 and net Reserve income of \$62,679 for an overall surplus of \$70,658.

Chris Ornes added that the insurance coverage includes property, general liability, Directors & Officers and fraud protection. The total Reserve balance as of the end of April was about \$1.5 million, consisting of \$700,000 in the Road Reserve, \$760,000 in the Water Reserve, \$39,000 in the Pool Reserve and \$15,000 in the Guard Shack Reserve. The funds are invested in CDs and money market accounts earning around 4%. The most recent Reserve Study indicated the Association could incur expenses totaling around \$55,000 for pool work in the next five years. Future water system projects could require an investment of \$200,000 - \$600,000 for looping, new wells and line servicing. The guard shack is in pretty good condition and should only require painting every 3 – 5 years. The Reserve balance is projected to remain above \$1 million through 2032.

X. Board Election

The terms of Kris Ciccolo and John Pringle expired. Both were willing to run for re-election. No other nominations were received prior to the meeting or from the floor.

Motion: Neil Sherman moved to elect the two candidates by acclamation. Annette Balot seconded and the motion carried.

XI. Old Business

A. *Lawsuit Update*

Seth Murphy reported that the lawsuit was settled in February 2025 but the terms are confidential. There is one pending lawsuit between two owners that does not involve the Association.

B. *Crack Fill*

The roads are crack filled and seal coated every couple of years and a chip seal is done every ten years. A full 2" overlay may be required in the next 10 years at an estimated cost of \$500,000.

C. *Home Maintenance*

A handout was provided with contractor recommendations for asphalt work (B&H Asphalt, G&G Driveways and A-Peak Asphalt). Owners are encouraged to pick up slash and pine needles around their property for fire mitigation.

XII. New Business

- A. *Second Amendment to the Declarations (Rental and Commercial Uses Amendment)*
The lawsuit against the Association claimed the original vote on the Second Amendment was not conducted properly. As part of the response to the lawsuit, the Board pursued a legal process through the court in February. A sufficient number of votes were received and the amendment was approved by the judge. Owners are now allowed to rent their properties four times per year with a 10 person maximum occupancy for any duration. Owners are required to register their rentals on the Association website.
- B. *Covenant Violations*
This agenda item was not discussed.
- C. *Metering*
Water meters have been installed in 71 of the 74 Keystone Ranch homes. This was a Vail Resorts and State initiative. East Dillon Water District will be monitoring the water usage for a rate study. Once completed, owners will be billed directly for their water usage. The \$40/month current fee is not expected to change significantly for owners with normal usage.
- D. *Enhancements*
Mr. Pringle commented that the passing of the Rental and Commercial Uses Amendment to the Declarations (Second Amendment) and the installation of water meters in the individual homes, two big projects that the Board has been working on for several years, are two tremendous value enhancements that will benefit the Keystone Ranch community for years to come.
- E. *Swimming Pool*
Pool keys can be obtained at the KRPM Office. It is open Monday – Friday 8:30 a.m. – 4:30 p.m. Towels are no longer provided.
- F. *Trash/Recycle Facility*
There is an extra dumpster at the trash facility that can be used to dispose of yard waste. Appliances and furniture should be disposed of at the Summit County Landfill. Owners are asked to separate recyclables and not to put anything but glass in the glass container.
- G. *Architectural Guidelines*
Owners are reminded to submit an application for any renovation projects for Board approval. Any exterior modifications will also require approval by the Keystone Design Review Board. Hardiboard siding is now allowed.
- H. *Reserve Studies*
This agenda item was discussed under Section IX.

I. *Keystone Ranch Road*

The Town of Keystone is obtaining bids to repair the road by the stables this summer. The Ranch sign fell over. It will be replaced.

XIII. Social Events

The all Ranch picnic will be this afternoon.

XIV. Open Discussion

1. Multiple owners expressed concerns regarding bicyclist and pedestrian safety due to speeding vehicles and golf cart use on Ranch roads. Suggestions included installing larger stop signs and sending a reminder of the Ranch speed limit to all owners.
2. Xcel Energy is considering the installation of pressurized gas tanks in Keystone and Breckenridge to ensure adequate pressure during periods of extreme cold. It would be a \$150 million infrastructure project. They will be taking public comments. Anyone interested in getting involved should contact Leslie Weise (laweise@gmail.com).
3. There was a comment regarding late night noise from the tent by the Ranch Restaurant when there are events. It was noted that Vail Resorts opted out of including the golf courses in the incorporated Town of Keystone.

XV. Adjournment

John Pringle adjourned the meeting at 10:55 a.m.

Approved By: _____ Date: _____
Board Member Signature