

CRESTED BUTTE SOUTH PROPERTY OWNERS ASSOCIATION

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Covenant Amendment Steering Committee (CASC)

Meeting Minutes Thursday, May 2, 2019

In Attendance:

Dom Eymere - Association Manager
Matt Barker – Committee Member
Kathy Norgard – Committee Member

Sue Wallace – Community Compliance Coordinator
Mark Ewing – Committee Member
Debbie O’Hagan – Committee Member

Secretary: Sue Wallace

Meeting started at 5:10 pm.

Dom started the meeting by asking to approve minutes from the March 28, 2019 meeting. Matt Barker moved, Mark Ewing second.

Dom then reviewed some of the questions that were posed to Beth Appleton, legal counsel, after the March meeting. One of the questions from the group was about the format for the ballot: should we group all covenant revisions in a single vote, or should we create an “ala carte” menu of changes, with each change getting a vote? Beth’s answer is that it is up to us how we want to construct the ballot.

The group asked about the criteria for passing covenant revisions and amendments. Dom stated that according to the “Non-Profit Act” and CCIOA (Colorado Common Interest Ownership Association), a passing vote requires 50% of the total community owners – current count at 947* – plus 1 vote. Matt also stated that he noticed a less rigorous criteria cited in CCIOA that requires 50% (plus 1) of two-thirds of voters. Matt says he will share this language with the group. Dom will look into which threshold is accurate for elections/ballot issues in CB South.

In an effort to improve community engagement and voter turnout, Kathy suggested we hold focus groups for the community. Dom says this type of education and outreach will be addressed through a communications plan that the group will develop as our work progresses.

Matt asked, “Why are we changing the covenants”? Dom explained that we are attempting to clean up and make more consistent our covenants, which are often at odds with laws and regulations that supersede them, such as County and State regs. As an example of this inconsistency in our governance, Dom cited last fall’s ballot question, which asked the community to vote on the CAMP (Commercial Area Master Plan) Block 6 approval, allowing three stories from the current two-story Special Area Regulation (SAR). CB South follows a SAR that only allows two stories in the commercial area, whereas Gunnison County’s regulations allow for three stories.

This committee’s work will result in current regulations that are as consistent as we can get them, with County regs. Our challenge is to engage and inform the community so that a vote in favor of an update will stand the best chance of passing. As we saw with the CAMP vote, there was insufficient voter turnout to pass the ballot. We are aiming for an informed community that will understand the merits of cleaning up the regs, making them more consistent with higher-level regs, and including new additions to the covenants that will modernize them, as they have been amended repeatedly with no rewrite since 1970. According to Matt, in the event of an insufficient voter turnout for this covenant rewrite, the POA would have the right to ask the for a court ruling in favor of the new document, but this would require CB South to go through a (failed) ballot process, provide evidence to the court of need for revision and adoption, and would be costly with legal and court fees. So we want to make a strong case to the community for the benefits of this work and we will attempt to do that through our communications plan.

Kathy suggested providing an incentive for voting, like a free coffee from Camp 4. She also suggested establishing a polling station, perhaps several times, maybe in front of AI’s or another business people frequent. Matt suggested conducting the vote at a time of year when most owners are likely to be here, and he emphasized the need for us to determine how we will accept public comment prior to opening the vote.

We then discussed our approach for starting the work. We talked about the general “lay of the land”, where we have 26 Covenants and Restrictions and 28 Amendments falling into these categories:

- Architectural (13)
- Dogs/Animals (9)
- Land Use (8)
- Administrative (2)

The group is good with starting review by category, and so we will begin by reviewing Covenant 1.00 – “Definitions”, and 8.00 – “Animals”, and the amendments related to these covenants, using the chart below for reference. A hard copy of the covenants has been provided to all committee members, and the individual amendments can be found online at cbsouth.net.

Lay of the Land – Covenants and Related Amendments

<u>Covenant #</u>	<u>Subject</u>	<u>Related Amendments (Appendices)</u>
1.0	Definitions	
2.0	Improvement Committee	A, AB
3.0	Maintenance Fund	Resolution: May 13 1992
4.0	Architectural Control	A, B, C, H, O,P, Q, R, S, T, U, V, Y,
5.0	Land Use	A, J, L, M, N, O, U, V, AB
6.0	Non-Residential Areas	
7.0	Temporary Structures Prohibited	U
8.0	Animals	A, D, E, F, G, I, K, W, Z
9.0	Setback Requirements	V
10.0	Minimum Size	A, Q
11.0	No Construction in Absence of Water and Sewer	A, L, M
12.0	Sight Distance at Intersections	
13.0	Parking	A
14.0	Cluster Development	
15.0	Utility Easements	
16.0	Location of Utilities	J

17.0	Fill Dirt	
18.0	Lot Appearance	U
19.0	Trees and Shrubs	
20.0	No Resubdivision	S, AB
21.0	Change of Grade or Drainage	
22.0	Fences	
23.0	Heating Facilities	
24.0	Commercial Property	R
25.0	Enforcement and Amendment	AB
26.0	Severability	

Dom will share with the group information about the Triple Crown Case Study and Non-Profit Act that have legal bearing on our process.

Thank you everyone! Meeting adjourned at 6:30 pm.

*At current count, there are 947 property owners in CB South. This number is likely to grow, given the number of multi-family units that are anticipated in coming years. It may also shrink with the clustering of lots, as some owners are doing with adjacent lots in order to reduce taxes and POA fees.