

Colorow at Squaw Creek Homeowners Association

P.O. Box 775, Edwards, CO 81632

970-926-6060

Notice of Annual Member Meeting of Colorow at Squaw Creek HOA

Friday, December 29, 2023

Remote Zoom Meeting from 5:00 to 6:30 PM

The 2023 Annual Member Meeting of the Association will be held on Friday, December 29, 2023 beginning at 5:00 p.m. MST via electronic Zoom meeting. To join the Zoom meeting, please use the following information:

<https://us06web.zoom.us/j/82759841492?pwd=ldoLFbdo7chdDw81EWAwOalbczCdah.1>

Phone Only +1 253 215 8782 US

Meeting ID: 827 5984 1492

Passcode: 447568

If you are not able to attend the meeting, please complete a proxy form and return it by one of the methods listed on the proxy prior to the start of the meeting. We need your participation either in person or by proxy.

The agenda for the meeting includes consideration of Amendments to the Declaration, see Proposed Amendments letter included with this notice, continued discussion on fire mitigation, water, financial and maintenance issues as well as ratification of the budget and electing a Board for 2024. The meeting packet with additional materials for the annual meeting will be emailed to you separately. You may also download it from the website at <https://colo-communities.org/colorow-hoa>.

We will elect a Board of Directors for 2024. Anyone interested in serving on the Board is encouraged to place their name in for nomination by contacting Jack Snow at 970-390-3231 or snow@rkdarch.com by December 28, 2023.

If anyone has questions on the above issues, please feel free to contact me by email at snow@rkdarch.com or by phone at 970-390-3231. I look forward to seeing you all at the Annual Meeting.

Best regards,
Jack Snow, President

PROPOSED AMENDMENTS TO COLOROW DECLARATION OF COVENANTS

1. Amendment to Declaration to Expand the Permitted Uses of Road Usage Fees.

Presently, the Declaration of Covenants for Colorow at Squaw Creek provides that the Road Usage Fees must be used only for “maintenance and repair of Colorow Road and to repair damage to existing improvements resulting from construction vehicles, and shall not be used for routine maintenance of improvements or the construction of new improvements within Colorow.” The Board recommends expanding the allowed uses of the Road Usage Fees to include capital improvements (not just road improvements) and other worthy projects that may arise but are not funded in the Association’s annual budget.

The proposed amendment will amend section 5.4 of the Declaration to read as follows:

- 5.4 Allowed Uses of Fees. All monies collected pursuant to Sections 5.2 and 5.3 above may be used for maintenance and repair of Colorow Road and the entryway access gate and for costs of Capital Improvements and upgrades to existing Capital Improvements, water augmentation and payments for sources of water, water storage, fire prevention or mitigation, unbudgeted expenses or expenses in excess of those budgeted, including, without limitation, the costs of any construction, restoration, improvement, upgrades, or unbudgeted repairs or replacements of Capital Improvements. The term "Capital Improvements" includes, without limitation, structures, fixtures, entryway features, facilities or landscaping now or hereafter existing within Colorow, including but not limited to buildings, structures, gates, boulders, trees, shrubbery, paving and grading, utilities, pipes, wires, ducts, conduits and light and electric poles.

There will also be a minor amendment to section 5.2 of the Declaration which establishes the Road Usage Fee. In keeping with the expansion of the allowed uses of the Road Usage Fee, it is proposed that the phrase, “To defray the cost of keeping Colorow Road in good repair,” be deleted so section 5.2 is consistent with the expanded uses in section 5.4 and that the second sentence of section 5.2 be amended to read: “The purpose of the Road Usage Fee is to cover capital improvements, including abnormal wear and tear to Colorow Road..”.

Thus, section 5.2 would be amended to read as follows:

- 5.2 Road Usage Fees. An Owner who performs or causes to be performed construction on a Lot, whether new construction or a remodel, renovation or reconstruction of existing improvements, and an Owner who uses Colorow Road or causes Colorow Road to be used by a Work Vehicle (defined below) shall pay a road usage fee (“Road Usage Fee”) in an amount to be reasonably determined from time to time by the Association. The purpose of the Road Usage Fee is to defray the cost Capital Improvements (defined in section 5.4 below), including abnormal wear and tear to Colorow Road due to additional motor vehicles, construction vehicles, heavy equipment, delivery vehicles and workers’ vehicles (each of which is referred to as a “Work Vehicle”) using Colorow Road to access a Lot. The Association shall have the authority to promulgate rules and regulations governing the Road Usage Fee. It is intended that the Association shall exercise reasonable discretion in

determining each Road Usage Fee and that the Association shall take into consideration factors unique to each road use in determining each Road Usage Fee. The Road Usage Fee shall be assessed simultaneously with the approval by the ACC of the plans and specifications for a construction project, as provided in Article 7 below, and shall be payable to the Association prior to commencement of any construction activity on a Lot. A Road Usage Fee may also be assessed at the time the Association becomes aware of the use of Colorow Road by a Work Vehicle that is not associated with a construction project and shall be payable within 15 days after an Owner has been notified in writing of the assessment of a Road Usage Fee. Once assessed, a Road Usage Fee shall be subject to adjustment and an additional Road Usage fee may be assessed based on the facts and circumstances of each construction project or each use of Colorow Road by a Work Vehicle, including but not limited to any modifications thereof, such as expansion of the scope of the project or work, and other extenuating circumstances that may not have been known to the Association at the time the initial Road Usage Fee was assessed. Such additional Road Usage Fee shall be paid to the Association within 15 days after an Owner has been notified in writing of the additional Road Usage Fee. The Association shall also have the right to waive the Road Usage Fee for projects that it reasonably determines will not increase normal wear and tear to Colorow Road. Additionally, an Owner of a Lot shall be responsible for any specific damage to Colorow Road (“excessive damage”), if such excessive damage is caused by a Work Vehicle used or hired by an Owner or an Owner’s tenant, agent or contractor.

2. Amendment to Clarify that Certain Assessments Shall be used for Capital Improvements.

The Board Further recommends amending the Declaration to provide that Real Estate Transfer Assessments, architectural review fees imposed by the Architectural Control Committee, quarterly assessments to fund the reserves that are required by law to be maintained by the Association, Special Assessments and Default Assessments shall be held in an account or accounts separate and apart from the quarterly common expense assessments, and that such funds shall be used for Capital Improvements.

3. An Amendment to Clarify the Definition of “Capital Improvements.”

The Board further recommends amending the Declaration to broadly define “Capital Improvements” to include, without limitation, water augmentation plans and systems, payments for sources of water, water storage, fire prevention or mitigation, maintenance and repair of Colorow Road and the entryway access gate and entryway features, facilities and landscaping, including but not limited to buildings, structures, gates, fixtures, utilities, lighting, boulders, trees and shrubbery, and the costs of design, construction, restoration, improvement, upgrades and replacements of same.

4. Additionally, Association’s counsel has recommended that because these amendments, if approved, would be the 4th Amendment to the Second Amended and Restated Declaration, for simplification and clarity, these amendments and all previous amendments should be incorporated into a restatement of the entire Declaration.