

MINUTES OF ARC MEETINGS

October 4 (Special ARC Meeting) and October 5, 2021

1. **Review and approve the minutes from September 2021 meeting** -- Approved.

2. **Recap of Special ARC meeting held October 4th**

Guests were welcomed by ARC Chair, who outlined the goals of the meeting, including the difference between covenants and the ARC Standards. Tim Spangler briefly described the tour of projects done last week pointing out that many projects are at a standstill because of cement, labor, or lumber.

Dave Thomas of Kopper Creek did a 15 minute presentation about Kopper Creek and their homes:

- All homes exceed IRC standards, including 2x6 walls as an example
- Engineered to travel securely on the road
- Faster build times
- Lower impact on the neighborhood
- Built in a climate controlled environment
- Come with a warranty
- Insurance is the same
- Appraise the same as conventional construction
- Approvals in Aspen, Telluride, and Durango as examples
- Completely customizable: bring a blueprint and they will build it

ARC architectural consultant spoke briefly about his review of the Kopper Creek model in Montrose.

The following are comments from the audience:

- Kopper Creek customer: Has two system engineered homes (or modular) in Log Hill Village and both appraised same as regular constructed home.
- Another said appraisal incorporates more than exterior appearance
- Are there any KC homes in Divide Ranch right now? No
- One person said she looked at module homes only 8-12 years old and was shocked at how poorly they hold up.
- Discussion about what it means to be constructed on site
- Shock that Fairway Pines is considering allowing modular homes
- HOA legal opinion is that system engineering homes are not prohibited, so if they meet ARC standards, ARC can approve
- Consensus that the covenants should be clarified
- Do we have a limit to common designs? - we are facing that issue
- How do we know that a builder actually builds quality homes?
- No good definition of system built home
- Some consensus that KC builds good homes but others may skimp - can we figure out a way to only allow good system built homes?
- Obviously very little enforcement mechanisms
- Concern over modular builders who are not as good as KC coming here because we have set a precedent.

- Is there pressure to build system built homes?
- Could Kopper Creek make the shortage of concrete worse by being a preferred customer?
- ARC has responsibility to homeowners, not any particular builder.

The two present HOA Board members were asked for their thoughts: Mr. Hartman referred to the legal opinion suggesting we are not prohibited from approving system-built homes, and that covenants must be interpreted as a whole - not word by word.

Mr. Stashick indicated there has been no drop in home values over the last many years.

- ARC has no right to go inside - so inside quality is unknown
- You can end up with cheap stick houses just as quickly as a cheap system-built house
- We cannot legally stop current projects if they meet our standards: suggested there might be 8 system-engineered projects in the pipeline
- Will posted new ARC standards soon
- Should beef up compliance
- Suggested a preferred builders list - it would be a quality control process, and could be a compliance tool for builders who don't measure up
- Home supply deficit will take 3-5 years to fix
- Likes it when he drives around and can't tell if a house is system built.
- Rising home values across the west provide more money to people who want to build a second home in Divide Ranch
- 28 town houses proposed for along hole 18

A member from the audience asked everyone to appreciate how hard the ARC committee works.

At close of the meeting Chris asked for a show of hands regarding opinion of system-engineered projects:

- On the Fence – 6
- Opposed – 6
- Okay with KC homes as presented – 12

3. Review of Current Construction Projects –walk-throughs conducted by three ARC members

LOT 109 - Silver Pick: Framed, most windows in except great room, plumbing and electrical done. No workers onsite

LOT 538 (391 Badger) started May 2021: foundation poured, floor constructed, lumber delivered, waiting on cement and framers. Trusses coming mid October and windows end of October. Chatted with Mike Holt.

LOT 558 (19 Marten Court): nearly complete. Needs garage doors and driveway

LOT 534 (1935 Marmot): started June 2021, foundation poured, 1/2 garage poured, clean job site

LOT 9 (491 cottonwood): started spring 2021, log home, walls and roof are up, working on garage

LOT 519 (on Lynx): little progress, some excavation, needs more gravel n driveway

LOT 521 (on Lynx): foundation done. Interesting ventilation pipes on crawl space floor (radon or drainage) started May 2021

LOT 146 Silver Pick: an active construction site working to finish excavation and foundations - nearly done

- Lots 263, V-305 and Lot V-323 – John Peters presented elevations, overview plats, story boards and ARC paperwork. He will stake the lots for ARC review, and will provide the necessary Conformance Fees for each lot.
- Lot V-324 – David Thomas presented conceptual designs, story board, and ARC Appendix 7. He will stake lot for ARC review. Per ARC Standards, final elevations (blueprints) are due to ARC 10 days prior to the November meeting, or no later than October 21, in order to be reviewed at November ARC meeting. There was discussion among the Committee regarding the potential similarity between the home on V-324 and the home proposed for V-323. ARC architectural consultant will be asked to review the blueprints for both homes.
- Lot 341 – Michael Hartman presented conceptual designs, story board, and ARC Appendix 7. He will stake lot for ARC review. Per ARC Standards, final elevations (blueprints) are due to ARC 10 days prior to the November meeting, or no later than October 21, in order to be reviewed at November ARC meeting.
- Un-Numbered Property / North Badger along Hole 18 – Myron Anturi and John Peters presented illustrations of proposed townhomes (duplexes) including elevations, floor plans, overview plats. Further details due by October 21st in order to be reviewed at the November 1st ARC meeting. ARC architect consultant reviewed the presented plans and suggested that the roof pitch be raised to accommodate the 3:12 minimum variance required by Ouray County.

5. Other Projects , ARC Contact, and Courtesy Notifications

6. Other Business:

- **New requirements for ARC meetings / ARC voted to approve / HOA Board approval in process**
 - *Owners attending ARC meetings in person for at least one meeting*
 - *Owners providing proof of payment of all golf course/HOA fees and transfer charges.*
 - *Increase of Contractor Conformance Fees for new projects*

Next meeting: Monday, November 1, 2021