

## Stagecoach Crossings HOA Special Members Meetings - April 1, 2024

Meeting called to order by President Linda Fellows at 6:30pm.

Present in Person: Gary & Linda Fellows, Steve Wilkins, Mike Foos, Becky Howe

On Zoom: Jen and Mike Purdy, Brian Hawley, Greg Vandervorst, Donita Potter, Keith & Janet Bily, John and Val Ziolkowski, Dick Adamson, Todd LaVelle, Lisa and Joe Kolb, Jim Fuhrmann and Rob Clark, Tim and Amy Rietveld, Monni Karim, Gaylen and Lois Bendewald

Topic: For discussion of the dissolution of Stagecoach Crossing Homeowners Association and covenants.

Linda's opening statement reviewed January 30, 2024, meeting and the survey following the meeting which indicated 24/34 of the property owners did want this to come to a vote after the discussion. The ten property owners who were released by a judge's order from the covenants and HOA were not included in this meeting.

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Linda read the following statement concerning the pending lawsuit which released the 10 properties from the HOA:

“In the event that the membership vote is affirmative in vacating the covenants and dissolving the HOA, the plaintiffs assure that all remaining portions of the lawsuit will be dismissed without prejudice. The portion of the lawsuit wherein 10 lots were ruled out will not be reversed, negotiated nor compromised in any way whatsoever. More over, if the vote is negative in vacating the covenants and dissolving the HOA, the plaintiffs fully intent to move forward with the willful misconduct portion of the lawsuit, together with the pursuit of other legal remedies.”

Several questions for discussion were presented by the members.

Linda Fellows, President explained the delay in obtaining a vote from the members on these issues. The HOA Board has obtained legal counsel, Greg Skjoldal, from Spearfish, SD. He will be reviewing all the legal matters including the upcoming vote to vacate the covenants and dissolve the HOA.

Questions concerning committee established at the 2/9/2024 Board meeting to study, review & make recommendations to HOA board concerning future of HOA and its covenants What progress has been made? Linda explained that progress is delayed due to obtaining legal counsel. Greg stated that the committee does not have exact directions from the attorney yet. This has been discussed with attorney who is assisting us. Mike Foos concerned with how much the members would be involved. Greg agreed to get opinion of the members when the committee proceeds.

The attorney, Drew Skjoldal, is reviewing all the legal matters and our bylaws. Linda reviewed that the board is doing as much as possible to limit legal expenses—the attorney fees will be paid with HOA funds.

Question concerning how the HOA would function if a vote passed. Linda explained there would be 30 day notification period. There will be legal matters concerning settlement of the lawsuit, documents to remove covenants, dealing with sale of parks and following bylaws to dissolve HOA. The board would

remain intact to complete these processes per our attorney. Further questions concerning board actions if the vote did not pass were discussed.

Discussion concerning nonfunctioning current HOA with 10 properties out of the HOA, 11 more who could be out of HOA and 13 other properties legally bound by covenants who are scattered throughout the development. Linda explained that our attorney's opinion is that our HOA and covenants are linked together.

Mike Foos opened discussion on the requirement of the City of Custer to restrict the number of lots in Stagecoach Crossings Subdivision to 32 lots. Linda discussed documents from the city—the final number of lots was 34 and has a request with the city for more documents. Ordinance 2 from Custer County discussed with members.

Mike Foos inquired about the settlement agreement against Lot 36. Linda stated the attorney is aware of this and could not comment on it.

Question concerning how the 11 without legal covenants on their properties could be released. Linda stated that would require petitioning the court through legal counsel to be released. Their release is not automatic.

Discussion of removing current covenants and adding a few covenants. Brian reviewed that adding covenants without member input led to this current situation in our HOA. Reviewed possibility of having covenants without an HOA. Others reviewed that there are still 10 properties who were released from the covenants. Our attorney's opinion is against having covenants without an HOA for enforcement.

Keith Bily requested that committee gets input from members concerning limited covenants. Brian Hawley and Todd LaVelle stated they do not want any covenants.

Mike Foos questioned what happened to our nonprofit corporation relative to the HOA and whether they dissolve individually or together. Linda stated that will be the last item to be resolved with our attorney assistance.

Greg reviewed discussions thus far—covenants and no HOA, a few covenants, etc. Todd raised questions concerning use of funds from sales of the parks. Linda stated that legal expenses and liabilities would have to be paid and bylaws require the assets be given to another nonprofit. Gaylen brought up the possibility of giving funds to the Limbo Road District.

Discussion concerning the possible subdividing of lots if covenants are removed. Keith states that Custer County allows subdividing into one acre lots.

No further comments from members. Meeting adjourned at 7:25pm.

Respectively submitted.

Linda Fellows

