

SOUTH SHORE ELECTRIFICATION PROJECT

Pursuant to Article IV, 1, §d of the Stagecoach Declaration of Covenants, Conditions and Restrictions, it is hereby **Resolved** by the Directors of the Stagecoach Property Owners Association that the Owners of the Lots listed below shall be specially assessed for the purpose of constructing an electric line within roadside easements running along Shoshone Way and Arapahoe Road at South Shore subdivision, as shown in maps prepared by Yampa Valley Electric Association ["YVEA"]. This Resolution shall become effective upon approval by Lot owners owning 67%, or more, of the Lots listed below.

Description of the capital improvement to be constructed using the assessment funds: YVEA will construct the electric line and transformer "vaults" within the roadside easement for utilities as shown on the maps, prepared by YVEA, that are attached to this resolution.

List of Lots that will benefit from the construction of the gravel road: The following 59 Lots, in the South Shore subdivision will benefit directly from this construction: Lots 29-37, Lots 50-54, Lots 114-133, Lots 139-151, and Lots 160-171.

Amount, Duration and Terms of the Proposed Assessment: The special assessment shall be \$4,717.93 per Lot, payable within 60 days from the date the Association provides written notice that the proposed assessment has been approved by the owners of 67% or more of the Lots. The portion of the assessment remaining unpaid from time to time shall bear interest at the rate of 8% per year, with interest starting on the date that is 60 days after the date the Association provides written notice that the proposed assessment has been approved by the owners of 67% or more of the Lots.

If SPOA is unable to enter into a satisfactory agreement with YVEA, as determined by SPOA, in its absolute discretion, within 120 days from the date the Association provides written notice that the proposed assessment has been approved by the owners of 67% or more of the Lots, then all amounts collected by SPOA from a Lot Owner shall be returned to a Lot Owner, without interest, within 10 days of the expiration of the 120 day period, and the special assessment shall be void and have no further effect.

The Owners of all the listed Lots should be aware that YVEA has entered into an agreement with the Owners of Lots 115 and 116 to construct an electric line from the intersection of Uncompahgre Road and Arapahoe Road to those Lots. In connection with this construction, the Owners of Lots 115 and 116 have deposited with YVEA the cost of constructing that portion of the proposed project. If the Owners of 67% or more of the listed Lots approve the special assessment, YVEA has informed SPOA that it will refund the amounts deposited by the Owners of Lots 115 and 116 to the Owners of those Lots. If this special assessment is not approved, YVEA will proceed to construct the portion of the project running from the intersection of Uncompahgre and Arapahoe to Lot 116. In that event, it is the understanding of the SPOA Directors that Owners of Lots located along the constructed line will be required by YVEA to pay a portion of the construction price as a condition for tapping into the line.

Description of how the Directors determined the amount of the assessment:

It is the practice of YVEA, as the construction contractor, to collect the entire estimated cost of construction in advance of construction. They have presented SPOA with a construction cost estimate in the amount of \$308,357.53. A copy of that estimate is attached to this resolution.

SPOA has a general policy of encouraging the construction of infrastructure by Owners. For that reason the Directors have allocated the sum of \$60,000 in the 2025 Projects Budget for reimbursement of Owners who pay for infrastructure. For this South Shore electrification project, to encourage participation by the Owners of the 59 Lots, SPOA will pay directly to YVEA, from budgeted funds, not more than \$30,000.

If SPOA pays \$30,000, this leaves \$278,357.53 to be divided equally between the 59 Lots. Thus, the cost share per Lot is \$4,717.93

Effect of this Resolution on Lot owners who vote to reject the assessment or fail to vote:

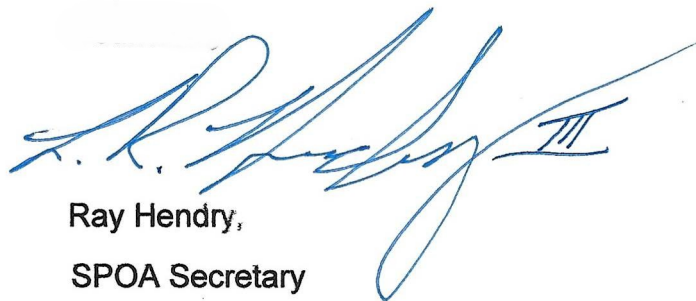
If the Owners of 40 of the 59 Lots vote to approve the proposed assessment, then, pursuant to Article IV, 1, §d of the Stagecoach Declaration of Covenants, Conditions and Restrictions, as amended, the assessment, in the amount of \$4,717.93 per Lot, **will be levied against all 59 Lots.** If the proposed assessment is approved, lot Owners who fail to vote or who vote to reject the proposed special assessment will be obligated to pay their share of the special assessment, despite their "no" vote.

If the Owners of 20 or more of the 59 Lots vote to either reject the proposed assessment, **or** fail to return their ballot to the Association within 180 days from the date that the Secretary of the Association mails a copy of this Resolution and a ballot form to the Lot Owners, then the proposed assessment shall be rejected and have no further effect.

The rights of the Association if a Lot Owner fails to pay the assessment.

If the special assessment is approved by the Owners of 40 or more of the 59 Lots, then the failure to pay the assessment and all accrued interest shall be grounds for the Association to take action to collect the delinquent payment from the Lot owner, including foreclosure of the Association's lien against the Lot, as described in Article IV, sections 1.a, 1.h, 1.i, and 1.j of the Covenants.

I hereby certify that the above resolution was adopted and approved by the SPOA Directors at their meeting on August 20, 2025.



Ray Hendry,
SPOA Secretary

8/20/2025

Date