

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
RANCH MANAGER'S OFFICE
PINE MEADOW RANCH
AUGUST 21, 2012

In Attendance: Hutch Foster, Dan Heath, Bob Burdette, Suzanne Larsen, Tom Deaver (Area 4); Mark Hodgson, (Area 5); Nick Boyle (Area 7); Jeff Hubbard (Area 2); Mike Gonzales (Area 6); Alan Powell, (Area 3)

Lenore Mulligan was sitting in for Matt Brown who was excused.

Excused: Matt Brown, (Area 1) was excused.

Guest: C.A. Wells and Mike Wells, Lot A-34; Cheryl Groot, Lot A-70; Tony Tyler, Lot D-33; Doug McAllister, Lot D-13; Bill Benelli, Lot E8-5.

Hutch Foster called the meeting to order at 6:30 p.m.

Approval of Minutes – July 17, 2012

MOTION: Bob Burdette moved to APPROVE the Minutes of July 17, 2012. Tom Deaver seconded the motion.

There was no discussion or corrections

VOTE: The motion passed unanimously.

Owner/Visitor Open Forum and Other Owner Communications

Tony Tyler, Lot D-33 wanted to know how the Ranch treats a Yurt structure. According to Summit County, if the Yurt is on a foundation and it stays up year-round, the County considers it a house. Therefore, a permit is required and that triggers a design review with the Board. Mr. Tyler pointed out that if the Yurt is on a temporary structure and is removed at the end of the season Summit County does not consider it a permanent structure and it is treated the same as an RV or tent. Mr. Foster believed that was consistent with the Pine Meadow Ranch CC&Rs. If someone intends to use a Yurt as a permanent structure, the Board should be involved.

Nick Boyle reported that the Yurt Mr. Tyler was referring to was in his area. The owners began installing the Yurt on a Tuesday and it was completely up on Thursday.

After reading the CC&Rs, Mr. Tyler questioned the intended use. Mr. Foster asked if the Yurt was on a foundation. He believed that was an important fact to know because it would align with Summit County's definition. Mr. Boyle assumed that it was not on a foundation based on how quickly it went up. He also noticed that they were building a

shed next to the Yurt. Mr. Foster stated that if a shed is built the plans should have been reviewed by the Board.

Mr. Foster asked Mr. Boyle to contact the lot owner for more specific details.

Mr. Deaver asked if a shed needs to be reviewed if it is less than 200 square feet. Mr. Foster explained that the Association does not go by building permit standards. It is based on whether the structure is permanent on the lot. A permanent structure that is permitted through Summit County as a house cannot obtain a certificate of occupancy without power and water.

Mr. Deaver questioned whether a Yurt could support the snow load during the winter. Mr. Foster replied that a Yurt sheds snow fairly well because they are not generally insulated. If the Yurt is heated everything melts off.

Bill Benelli, Lot, E-85, asked if County Road maintenance was on the agenda this evening. Mr. Foster answered no. Mr. Benelli understood that Mr. Foster had a meeting with Summit County and he asked for an update.

Mr. Foster stated that Summit County is concerned about the access road. Mr. Foster had laid out clear parameters before he would begin a discussion. One was who would pay for the roads. Another was the fact that it would be unpalatable for Pine Meadow Ranch cabin owners to carry the greatest burden of paying for road maintenance, and that it would never work. There were issues about if Summit County takes over the roads, how the Tollgate Canyon land owners could be included in an advisory way to feel like they had some say in the level of maintenance and road improvements.

Mr. Foster remarked that similar to other meetings with the County, Bob Jasper, the County Manager, talked about his concerns for the future of the roads and Mr. Foster talked about things that were important to the widest swath of Pine Meadow owners. He was uncertain of the outcome.

Mr. Benelli stated that he attended a Supervisors meeting and the bottom line was that the owners chose to live on the Ranch knowing how it was, and they needed to accept being taxed by Summit County. Mr. Foster clarified that they are not taxed for roads. Mr. Benelli agreed that they do not pay taxes because they are not in Special District 6. However, there are times when they drive on County roads.

Mr. Foster stated that this has been an ongoing discussion with the Summit County for approximately 30 years; and it has been in the form of legal battles, negotiated discussions, and internal legal battles. Mr. Foster could not provide any meaningful

sense about whether or not they were close to having Summit County maintain the roads. In the short term he assumed the answer was probably no.

Cheryl Groot, Lot A-70, asked about the possibility of having recycling picked up every week. Dan Heath reported that he spoke with the Public Service person who offered to discuss it during a meeting he was scheduled to attend. Ms. Groot thought it was important to have the recycling picked up every week because the trash issue was exploding. Mr. Heath would follow up to see if they could schedule more frequent recycle pickups. Mr. Deaver suggested a once a week pickup during the summer and every other week the rest of the year. Mr. Foster thought calling whenever it needs to be picked up was a better approach. If they schedule once a week and the bin is empty, they would quit coming every week.

Regarding the issue of people dumping couches and other items at the dumpster, Mr. Foster stated that if someone could get a license plate number when they see someone dumping, they could legally pursue it.

Whit Judd thanked the Board for using his service this summer. He hauls for Jody and he appreciated the work.

Mr. Foster reported that Lot C-33 was doing some type of burn and the Sheriff and North Summit Fire came up and dealt with it. The owner was fined by Summit County and he received a non-compliance letter from the Owners Association. Mr. Foster had sent a warning letter since the owner had already been fined by Summit County.

Concerns were raised about gun shots and the potential for fire. Mr. Foster pointed out that those shooting were outside of the Ranch and actually in the jurisdiction of Morgan County. He acknowledged that sparking a fire was a real possibility, but they were shooting clay pigeons which lowered the risk.

Mr. Foster stated that the issue of putting logs on a neighbor's property was still ongoing. The owner who called stated that the logs were half on his property. Mr. Foster told him that having a neighbor put logs on his vacant land was not an issue for the Owners Association. If he could find in the CC&Rs where Association should make it their problem, they would look into it.

ECC Plan Review

Mr. Boyle commented on a garage being built in his area and he asked whether the Board had approved the plans prior to him coming onto the Board. Ms. Larsen did not believe the owner had come to the Board, but she was certain he had a building permit

from Summit County. Mr. Boyle stated that he would contact the owner. Mr. Foster pointed out that if the garage had gone through a plan review, the owner would have that documentation.

Ranch Manager's Report.

Jody was unable to attend the meeting and Mr. Foster gave the report in his absence.

Jody had done the asphalt work on Lower Forest Meadow. Mr. Deaver remarked that the road has never looked so nice. Jody was currently doing signs, culvert cleaning and equipment maintenance. He had laid gravel on Pine Loop, but still needed to do more.

Mr. Deaver had spoken with Jody about doing something at the intersection of Navaho Drive and Navaho Road where the road is steep and slippery.

Jody was still looking to solve the snow blower question for this winter. Mr. Foster had given Jody free reign to figure out what he wants and to go from there.

Mr. Foster believed that Brandon, the seasonal employee hired to help Jody this summer, would be finished at the end of the month. Mr. Burdette recalled that Brandon was hired to work until Labor Day.

Jody had sent a note to the Board stating that he would like to build a sand shed to keep the sand dry during the winter if there was extra money in the budget. Mr. Foster thought they could build a sand shed for the same amount they paid for asphalt.

Mr. Burdette reported that the Association funded approximately \$21,000 on the asphalt, plus an additional \$3500 in donations. He had estimated nearly \$25,000 for material plus the cost of the equipment and the labor to spread the asphalt and compact it.

Mr. Burdette would look at the numbers and resources so they could discuss Jody's request.

Mr. Heath asked if Jody still planned to put asphalt on Tollgate. Mr. Foster believed the asphalt work was done for this year. Mr. Heath noted that Jody had talked about putting road base on a portion of Forest Meadow and he asked if that was still on the list for road work. Mr. Foster could not find it on his list. Once Mr. Burdette figures out the budget, Mr. Heath could contact Jody regarding that area. He noted that Jody has free reign on small projects and those are not always scheduled on the list of projects.

Water Board Update

Ms. Larsen reported that the new well was pumping 45 gallons per minute after the scrub, which was an increase from 35 gallons per minute before the scrub.

The I-Plat project was scheduled to start this week. The Water Company did not know when the water would be shut off for I-Plat and Elk Road, but it would be noticed on the website when they have a definite date.

Monthly payments is an option for paying the water assessment; however, paying it monthly would cost a little more than paying the balance in full.

The Water Board also discussed the well on Aspen Ridge. The oil well was dry but they had drilled a water well in order to clean up the area, which was putting out over 100 gallons per minute. That well was deeded to the Water Company and taken over by Axel, who developed it and started portioning water to owners in his development. If the Water Company takes over the well, they would give 12.5 gallons per minute Aspen Ridge per agreement, and the rest would be hooked into the Pine Meadow water supply.

Mr. Burdette clarified that the owners at Aspen Ridge have legal rights to 12.5 gallons per minute. The Water Company was talking about entering into a service agreement whereby Pine Meadow Water Company would become the servicing agent for that well and Aspen Ridge would pay an annual fee to have the Water Company service the well and maintain it.

In light of the disappointing well production at Tollgate, Mr. Foster asked if the Water Company was more serious about laying a line from Aspen Ridge up to the Ranch. Ms. Larsen replied that it was still under consideration. Mr. Burdette remarked that the Water Board said they wanted to lay the line from the new well up to the pump house at Oil Well before the snow falls this year. Mr. Larsen noted that it should be hooked into the main supply by Fall.

Mr. Heath suggested that Ms. Larsen inform the Water Company that there is an existing line in Aspen Ridge that goes way up on the hill into two storage tanks. That line has been there for a long time.

Old Business

Deer Meadows Subdivision Proposal

Mr. Foster reported that a few weeks ago he received a letter from Lincoln Shurtz, which he forwarded to the Executive Committee and provided copies to the Board members this evening. Mr. Foster understood that the letter he received was a first draft for the Board to review and determine if it aligned with the discussion at the last meeting as to what they would expect to see in a proposal. He posted the letter online to give the community the opportunity to see the initial draft. He had also sent the draft letter to the attorney, Ted Barnes.

Mr. Foster clarified that the process was not imminent and significant legal advice and discussion needed to occur before the Board, or the owners at large, were to take any vote or make any decision. As stated in previous meetings, Pine Meadow Owners Association has a binding agreement with Deer Meadows that would come into play in the process, regardless of how they feel about the proposal. Mr. Foster remarked that this was an ongoing discussion and he posted it so people could participate in the discussion.

Mr. Foster stated that Mr. Shurtz had asked the Board to consider whether the points in the letter matched their expectation. However, the Board needed to hear legal advice before moving forward with a definitive statement.

Ms. Groot asked how Mr. Foster planned to involve the Association members. Mr. Foster stated that Mr. McAllister plans to do a Ranch-wide mailing when there is a definitive proposal to be discussed. Ms. Groot wanted to know who would decide on the definitive proposal. Mr. Foster replied that it was not a Ranch project and Mr. McAllister would make the proposal. Mr. McAllister explained that he intended to go with the same proposal in the original Deer Meadows agreement with the exception of adding the 1% real estate transfer tax.

Mr. McAllister remarked that there were two issues with the agreement. One is the risk from a legal standpoint, which Ted Barnes would comment on. He requested that each person read the agreement and make their own opinion as to whether or not it is a binding agreement and they have a moral obligation to abide by it. Mr. McAllister was interested in hearing input from the members, and he was open to suggestions that would make the project more acceptable. Mr. Foster clarified that the extent of the agreement was that Pine Meadow Ranch would not oppose the subdivision. Mr. McAllister noted that the property is currently within the HOA by agreement, but there are no lots of record to pay fees. The agreement states that as each lot is approved fees will be prorated based upon the date of the approval. Mr. Foster understood that there was a lot of record for the single lot that would be subdivided for Deer Meadows. Mr. McAllister replied that this was correct. He asked if that lot was paying dues as a single lot. Mr. McAllister replied that it is the blue roof cabin that has 17 acres around it.

It is owned by Dave Nichols and it has never been part of Pine Meadows. Mr. Nichols was amenable to joining, but the agreement specifically deals with the six new building sites. Mr. Deaver clarified that Mr. McAllister took 17 acres off his 107 acres and sold it with the blue roof house to Dave Nichols. As it stands now, Mr. McAllister had one building right on 107 acres and that right is gone with the blue house. He has 100 acres presently with no building rights.

Mr. Foster clarified that the current proposal is not exactly the same as the proposal submitted at the time of the agreement with Pine Meadow. At the time of the initial proposal the County had a loosely defined TDR program and the original application was under that TDR program. The current proposal would be a development agreement, which is a private contract. Mr. McAllister agreed that the mechanism he was using with the County is different. Another difference is that the building rights that will be transferred would not be exactly the same. The lot boundaries, building sites, number of lots, and the idea of transferring density would be the same.

Mr. Deaver read language in the agreement, "For density credit that is purchased, the currently allowed residential unit in Tollgate", and noted that the language does not say Pine Meadow or Forest Meadow. Mr. McAllister stated that it is anywhere in the Canyon, which would include Pine Meadow, Forest Meadow and Mountain Lakes. Mr. Deaver expressed his concern with the language and how it could result in the addition of density. Mr. McAllister offered to exclude that language to address Mr. Deaver's concern. The suggestion was made to outline a plat map and attach it as an exhibit in the agreement. Mr. Deaver and Mr. McAllister favored that idea.

Mr. Foster stated that the attorney was preparing legal input on the draft and the area reps would be taking input from owners in their area, and until that happened, there was no reason to continue with the discussion.

Mr. Deaver stated that the concern for the members is that Mr. McAllister would go to the County for approval before he hears input from the Association.

Bobcat Springs proposed expansion

Sue Larson reported that Tom LeCheminant updated the Water Board on the pond expansion. He had collected \$1700 of the \$8,000 he needed. He had 74 survey returned and out of that number 47 owners liked the idea and 27 owners said no. Mr. LeCheminant stated that he would do what he could with whatever money he collected. He plans to put in berms to control the noise and reduce the impacts to the houses on Arapaho. He had no plans to control parking other than to post signs indicating that it is for the use of the residents and not everyone in Summit County. Ms. Larson stated

that the Water Company equipment would not be used on the pond project because Trevor and Brody are the only ones insured to operate it. The Water Company clarified that they are not to be associated with the expansion.

Ms. Larson noted that Mr. LeCheminant would furnish the plants and trees for landscaping, as well as whatever excavation needs to be done. He is working with the Army Corp of Engineers.

Mr. Foster went to Summit County last week to find out who owns the pond. The Water Company believes it is their pond, and the County records online mapping system has no designation for the pond. It does not have a lot number because it is designated Owners Association common area. As far as Summit County could tell, the Owners Association and not the Water Company is responsible for that piece of land. Mr. Foster felt the Board needed to change their focus from an outside advisory group to the proposal. Unless someone can prove otherwise, Summit County believes the pond belongs to all of the owners. The Board would need to step forward and take a leadership role in what happens with that parcel.

Mr. Foster remarked that the Water Company heard rumors that possibly when the SSD was dissolved in 2000, that the parcel was deeded to the Water Company. He was told by the Recorder's Office it would have been platted if that occurred because there is no way to deed common area belonging to all the owners to an entity without platting the lot. Because it has not been platted, Summit County believes it is still Owners Association common area. Mr. Foster pointed out that they could still consider the project, but it needs to be considered from the standpoint of their responsibility for both the pond expansion proposal and in perpetuity.

Mr. Burdette asked what the Board thought about taking it to a vote at the annual meeting. Mr. Foster felt that was a good approach if they could get a concrete proposal. Before the Board, who represents the owners of the common area, would be ready to allow someone to excavate the pond, a concrete proposal needed to include a detailed landscape plan, fencing and signage plan, how to address long term parking enforcement on an active use area, and other issues that need to be resolved.

Mr. Foster stated that he personally likes the project and the fact that it is designated HOA common area makes it more likable. Mr. Burdette remarked that it was more like a park instead of a lot they manage or could sell.

Ms. Mulligan thought they should let all the members know that the pond belongs to the HOA. She was unaware that it was theirs. Mr. Foster reiterated that he did not know it belonged to the Association until last week. Mr. Mulligan believed they would get more

response and better input from the owners once they realize they own it. It might also encourage more involvement.

Mr. Foster noted that at the last meeting the Board said it was inappropriate to spend Ranch money on the pond. However, if it is to be a park that belongs to the Ranch owners, they could consider investing money. Mr. Burdette remarked that the Articles of Incorporation only gives them the right to maintain roads. Mr. Foster thought common areas were also included. Mr. Burdette would double check to make sure.

Mr. Foster stated that when he read the postcard that went out regarding the pond project, he was disappointed with the nuance of the wording. The wording indicated that the project was moving forward and that the owners had the option to provide feedback. It was not clear that the project was still in an early discussion phase. Mr. Deaver remarked that owners had wanted to know who had paid the cost of sending the postcard. Mr. Foster replied that the Water Company had paid for the postcards and mailing. Now that the situation had changed, Mr. Foster thought they should consider the mailing as feedback and not definitive.

Mr. Foster felt the Board needed additional time to generate the types of questions and documentations they would like to see. They would also invite Mr. LeCheminant to attend the next Board meeting.

Mr. Deaver asked about the \$1700 Mr. LeCheminant had collected. Ms. Mulligan assumed they could collect additional money once people are informed of the ownership. Ms. Groot asked if an agenda would be posted for the HOA Annual Meeting so the owners would know that the pond would be a voting item. Mr. Foster stated that he would post an agenda online prior to the meeting. Mr. Foster also pointed out that unless the donors have a different thought, any money collected should first go to landscaping and other improvements before digging the pond.

New Business

Mike Gonzales raised the issue of parking on the roads, and stated that when they had Carol send non-compliance letters, she had stated that the CC&Rs indicated that parking on the roads is allowed with a Ranch sticker. Mr. Foster remarked that a Ranch sticker allows you to park in the parking lot. He was certain that the CC&Rs do not mention stickers. The Rules and Regulations talk about road use. Road use is at the discretion of the Board and there is no parking allowed on the roads. Mr. Foster remarked that a small caveat was that in the past the Board said that if they find a vehicle with a sticker parked on a road, they would use the sticker to attempt to notify the owner to remove the car before it was towed. However, the sticker was never valid

for road parking.

Mr. Foster reported that Bruce Hutchinson was leaving for a mission in Canada and had resigned from the Board. He asked Mark Hodgson to complete his term on the Board. Mr. Foster noted that Mr. Hodgson was a past Board member. In the past, when Board members were replaced it was formalized with a vote to approve the person for interim status until the next General Election.

MOTION: Alan Powell made a motion to APPOINT Mark Hodgson to cover Bruce Hutchinson's seat in Area 5 until the election at the Annual Meeting. Mike Gonzales seconded the motion.

VOTE: The motion passed unanimously.

Mr. Foster asked Mr. Hodgson to email his contact information for posting online.

Mr. Deaver asked about a quicker turnaround time for posting the minutes on the website after they are approved and corrected. He noted that most of the corrections are typographical. As they are typed they could be mass emailed to the Board and any corrections could be made and returned as a "reply all", so everyone knows which corrections were made. A motion could be made for approval and the Board could vote. It would be similar to what they did last year when the culvert was flooding over. They could create a hot link on the website for HOA Board minutes. Mr. Deaver also suggested that they find a webmaster who was willing to keep doing the job. Another option would be to put it in a hot link in the bulletin board. Mr. Foster thought Carol could be responsible for posting it on the bulletin board. Mr. Deaver remarked that one link could be for the agenda a week before the meetings and another link for the minutes.

Mr. Foster thought Carol could prepare the agendas with input from the next President and post the minutes if the Association was willing to pay her for the extra time. Mr. Deaver remarked that a continual complaint from the owners in his area is lack of access to the Board minutes in a timely manner. Mr. Foster pointed out that before Max built the website and took it over as webmaster five years ago, there was no access to anything.

Mr. Deaver was hoping that they could begin a new process immediately and not wait until a new President comes on in January. He agreed that unapproved minutes should not be posted.

Mr. Burdette asked if there was a need for a communications Board member, who

could handle communications between the Board and owners. Tony Tyler, Lot D-33, offered to do the website updates if someone else would provide the content. Mr. Foster suggested that they ask Carol first and if she does not have the time, they could look at other options.

Monthly Budget

Mr. Burdette reviewed the unpaid bills detail report in the amount of \$13,300, plus a bill from Dirt World in the amount of \$7,217 for a total of \$20,525.23. He noted that the bill from Clyde Snow Sessions and Swenson were collection matters dealing with past due accounts.

MOTION: Bob Burdette made a motion to pay all the bills as outlined in the amount of \$20,525.23. Sue Larsen seconded the motion.

VOTE: The motion passed unanimously.

Mr. Burdette estimated the total expenses to the end of the year to be approximately \$159,000. That amount included three items the Board had not approved; 1) asphalt that was already laid; 2) \$20,000 to purchase a snow blower for the tractor; 3) \$40,000 to spend on aggregates or other work around the Ranch. Mr. Foster assumed the snow blower would be closer to a \$10,000 purchase. He did not think the tractor could handle a larger blower.

Mr. Burdette pointed out that unspent funds could be carried over to next year for asphalt work in the Spring. Mr. Deaver suggested that they obtain estimates to build a sand shed since that was a more immediate need. It was noted that Jody had also talked about a utility vehicle. Mr. Powell offered to obtain bids on the sand shed. Mr. Foster suggested that he follow up with Jody on the specifics. Once bids are obtained, the matter could be discussed through email.

Assignments

Nick Boyle would follow up on the Yurt issue. Dan Heath would follow up with Public Services regarding recycling. Alan would speak with Jody about the sand shed.

Jeff Hubbard asked about short term and long term parking. He was going to park his trailer in long term parking during the summer, but he was concerned about the number of snowmobiles. Mr. Foster stated that the upper lot is usually vacant in the summer. He thought the Board may need to re-word the signs for clarification. The intention of the lots is that long-term parking is a winter parking arrangement for snow machines,

CATS, trailers. Short-term parking in the winter is for active use weekends or daily use. Mr. Hubbard pointed out that he had parked his ATV trailer during the summer in the lower parking lot. Mr. Foster replied that during the summer when people can park at their cabins, the lower parking lot should be for storing items during the summer, and the upper lot should be empty. The upper lot is the staging area for all road and Water Company summer maintenance projects and it needs to remain empty for that use.

Mr. Heath asked if the Association needed to issue a warning first on fire issues. Mr. Foster replied that they could assess a \$500 fine with the first letter. On the issue discussed earlier in the meeting, he only gave them a warning because they had already been fined by the County.

The meeting of the Pine Meadow Owners Association Board adjourned at 8:31 p.m.
