

PINE MEADOW RANCH OWNERS ASSOCIATION  
ANNUAL MEETING  
SONS OF UTAH PIONEER HALL  
3301 EAST 2920 SOUTH  
SALT LAKE CITY, UT  
NOVEMBER 13, 2018

In Attendance: Pamela Middleton, President; Tom LeCheminant, Vice President; Jan LeVitre, Secretary; Andrew Pagel, Treasurer; Jonathan Hoffman (Area 1); Jeremy Jespersen (Area 2); Joe Pagel (Area 3); Bruce Hutchinson (Area 5); Ted Bonnitt (Area 6); Byron Harvison (Area 7)

Excused: Robert Walthall (Area 4); Jody Robinson

Ex-Officio: Carol Steedman, KGC Associates; Randy Larson, Ranch Manager Assistant; Robert Rosing, HOA Counsel.

Pamela Middleton stated that she was the HOA Secretary until she was appointed to the role of President to replace Tony Tyler when Mr. Tyler moved off the Ranch. She noted that Mr. Tyler was present and available to answer questions.

Pamela Middleton called the meeting to order at 6:40 p.m.

Ms. Middleton stated that Mr. Tyler was the HOA Board President for many years and she thanked him for all he did for the neighborhood and for his personal time he volunteered for the HOA.

Ms. Middleton introduced the Board members. She also introduced Carol Steedman and her daughter Kelli with KGC Associates. Ms. Middleton stated that Carol manages the office, does the accounting, and prepares for the Annual meeting and monthly Board meetings. Ms. Middleton remarked that the Ranch Manager, Jody Robinson, was not able to attend this evening. She introduced Randy Larson, the Ranch Manager Assistant and Robert Rosing, the HOA Counsel. Ms. Middleton stated that Mr. Rosing has been very helpful in helping her understand the workings of the HOA since she became HOA President. Mr. Rosing was also helping to update the CC&Rs. He has been valuable to the Board and the HOA in general.

Ms. Middleton provided a brief overview of the HOA. She stated that the HOA has responsibility for maintaining roads into the Ranch and within the Ranch. Jody and Randy work year-round on the roads, and they do an amazing job. Ms. Middleton remarked that the Board itself is regulated through the CC&Rs and the Rules and Regulations. They review and approve construction that occurs on the Ranch, they approve the collection of the annual assessment and the fees for new construction. The Board has the purview to enforce compliance with the Rules and CC&Rs. Ms. Middleton stated that the overarching goal of the HOA is to preserve the quality of life on Ranch property. The Board is committed to protecting the health, safety, and

welfare of all lot owners.

Ms. Middleton reported that they had a great year with Bobcat Springs thanks to Tom LeCheminant, who makes sure there is fish in the pond. It is a place where families can picnic and where kids can fish. Ms. Middleton noted that Ted Bonnitt and Roy Parker set up a community meeting for the CC&R revisions and more than 100 people attended. Those in attendance provided great feedback on the direction they would like for the Ranch. Ms. Middleton stated that Mr. Bonnitt and other committee members are always interested in hearing ideas and what the property owners would like to see on the Ranch. Ms. Middleton remarked that the fire on the Ranch this year was the first big fire they have had in a long time. The community came out and supported each other in helping to fight the fire, taking care of owner pets, and communicating as best as possible.

### **Approval – 2017 Annual Meeting Minutes**

Ms. Middleton noted that the 2017 Annual Meeting Minutes were included in the packet for this meeting. She tabled approval of the Minutes until the end of the meeting to give everyone the opportunity to review the minutes before voting to approve.

### **Elections**

Ms. Middleton stated that she was filling Tony Tyler's term as President until the end of the year. She had decided to run for a full term as President. Scott Boyle was also running for President.

Ms. Middleton noted that Jan LeVitre was a candidate running for Secretary. Joseph Pagel was the candidate for Area 3 representative. Ms. Middleton stated that Nicole Irving was running as the Area 4 representative. Bruce Hutchinson and Carol Strathearn were candidates for Area 5. Ted Bonnitt was the candidate for Area 6.

Ms. Middleton asked each candidate to provide a brief bio.

Mr. LeCheminant stated that Scott Boyle had a death in his family, and he was unable to attend this meeting. Ms. Middleton noted that Mr. Boyle had submitted a bio that was sent out with the email reminder for this meeting.

Jan LeVitre stated that she lives on Alexander Canyon in Pine Meadow, Area 5. Since she has been on the Ranch she had championed for communication and making sure that everyone is informed with needed information so they can make decisions based on that information. Ms. LeVitre stated that she was appointed to step in to fill the role of Board Secretary when Ms. Middleton became President. In her current position as

Secretary, she was helping to keep the website updated and answer questions that come in on Facebook. Ms. LeVitre stated that she is a software programmer by profession. She would like the chance to continue being the HOA Secretary.

Joe Pagel stated that he was running for Area 3 representative. He lives on PI-4, off of Modoc Loop. He built his house himself last year along with his brother Andrew, who also built a house on the neighboring lot. Mr. Pagel noted that he was currently the Area 3 Rep and he looked forward to supporting his community and being involved. He has been in Tollgate Canyon for three years and he loves being part of this way of life.

Nicole Irving was not present. Ms. Middleton noted that Ms. Irving had also submitted a bio that was included in the community email for this meeting.

Bruce Hutchinson stated that he has served several terms in Area 5. He also served as HOA Secretary for a short time. Mr. Hutchinson believed his experience on the Board would be beneficial as they continue to work on updating the CC&Rs. He looked forward to another term.

Carolyn Strathearn stated that she was running for Area 5. She owns Lot F-50 on Uintah View. Ms. Strathearn thanked Mr. Hutchinson for sending a personal invitation to everyone in Area 5 for this meeting. Ms. Strathearn stated that she has worked in property management since 1983. She has extensive knowledge of CC&Rs and HOAs, and she has been involved in updating CC&Rs. Ms. Strathearn noted that she has been attending Pine Meadow Board meetings for over two years and she felt it was time to get personally involved on the Board.

Ted Bonnitt stated that he was running unopposed as the Area 6 Rep. When Kirby Wilson stepped down from the Board during the year, he stepped up and was appointed to finish the term. Mr. Bonnitt wanted to continue the efforts in revising the CC&Rs. His commitment is to protect and preserve what they all love about the Ranch. Mr. Bonnitt hoped to have the opportunity to serve.

Pamela Middleton stated that she has lived on the Ranch for nearly 6 years. Her dream was to live in the mountains, and she loves it on the Ranch. It is beautiful and she loves the wildlife and the way of life. Ms. Middleton is an environmental consultant by profession, and she works from home. She does not drive the roads every day, but she plows them when it snows.

Ms. Middleton noted that the ballots to vote for the Board members would be mailed out the next day and every member of the HOA would be able to vote before the 30-day deadline. Carol will receive and count all the ballots.

## **2018 Projects**

Ms. Middleton presented a list of projects that were done in 2018. It was not an extensive list and only showed some of the roads that were worked on in 2018. Ms. Middleton noted that some areas that were damaged this year will be worked on in 2019; as well as other roads where they ran out of time or materials to complete.

Ms. Middleton commented on the workers on the side of the road installing fiber to the cell towers. People who have those carriers should see an increase in cell speed. She recalled that the carriers were AT&T and Sprint. They were still trying to get Verizon on board but that had not been confirmed.

## Ranch Communication

Ms. Middleton stated that there are great Facebook pages on the Ranch that provide information on roads, lost dogs, and different things going on in the neighborhood. They also have an official HOA Facebook page. Ms. Middleton remarked that the intent is to direct anything HOA related to the HOA Facebook page. People can message the HOA page with questions and the appropriate person will respond. She believed this would help eliminate miscommunications and misunderstandings and gossip. It will should provide the best information without speculation.

Ms. Middleton stated that the Board members can use Facebook personally, but for HOA matters she requested that they ask Jan LeVitre to post the item on the official HOA Facebook page. Ms. Middleton noted that contact information for all the Board members was listed on the HOA website under Contact Us. People can click on the link and send an email directly to their Area Rep or any of the Executive Board members if they need information or clarification of any kind. Ms. Middleton believed that people get upset for no reason when information is miscommunicated or misunderstood from someone other than a Board member. The goal is for everyone to have consistent and accurate information.

Someone asked how to access the HOA website. Ms. Middleton replied that it is [pinemeadowranch.org](http://pinemeadowranch.org).

## Pets

Ms. Middleton stated that when the owner survey was done during the summer, a group of people commented on off-leash dogs running around on the Ranch. It is not a problem that owners allow their dog to run off-leash on their own lot, as long as it does not harass wildlife. However, if the dog leaves the lot unleashed, someone can contact

Animal Control. She encouraged everyone to keep the dog on a leash when they are walking their dog.

Someone asked if the HOA had a leash law. Ms. Middleton replied that Summit County has a leash law.

#### Parking Restrictions

Ms. Middleton reminded everyone that parking on the roads is prohibited. She believed the problem was primarily at the construction sites because most lot owners know to not park on the roads.

Ms. Middleton announced that Carol had parking permits to purchase for \$1 to park in any of the parking lots.

#### Connector Snowplowing

Ms. Middleton reported that the HOA put out an RFP for plowing the connector and they only received one bid. She noted that the connector snowplowing would be a discussed later in the meeting. The Board would like to have everything in place before the snow falls. The contract would be to plow from the Winter parking lot at Arapaho over to Forest Meadow and down to Junction Court. The Mountain Managers, Jody and Randy, will plow from the bottom up to Junction Court, and from the bottom all the way up to the winter parking lots. Ms. Middleton noted that the Ranch has the equipment for Jody and Randy to plow and the cost is paid from the HOA assessments.

#### Dark Sky Regulations

Ms. Middleton remarked that dark sky was an issue that came up when they were revising the Architectural Guidelines. She noted that Summit County also has dark sky regulations. Ms. Middleton asked the owners to keep dark sky in mind if they have exterior lights on their house that do not shut off automatically. She recommended that they turn off the exterior lights when they are not being used. A property owner could be cited by Summit County. Ms. Middleton explained that the Board was trying to keep dark sky within the Architectural Guidelines to help eliminate someone having to see their neighbor's lighted house all night, every night. She commented on the benefit of a motion sensor.

#### Vehicles and Fire Safety

Ms. Middleton stated that everyone needed to be very careful with their cars; particularly

if they drive off the roads. If the vehicle does not have the right type of safety equipment, it could spark a fire from the hot exhaust. Ms. Middleton pointed out that if people are driving off the Ranch roads they generally are trespassing on someone else's property. She encouraged people to stay on the roads and to be mindful of fire safety.

Ms. Middleton reported that the HOA has a fire safety committee, and the committee was working on a fire safety plan with protocols in place. If a fire happens again, they will be able to communicate with the residents to let them know where the fire is and other pertinent information. The plan will also identify other defined routes other than the main entrance.

### Architectural Guidelines

Ms. Middleton noted that the Board reviewed the Architectural Guidelines and made minor revisions. Unfortunately, they were not printed in time for this meeting, but she would like the members to vote on the revised Architectural Guidelines this evening. The Architectural Guidelines would be posted on the website after Mr. Rosing has a chance to review them.

Ms. Middleton outlined the changes. The first was the minimum structure size of the ground floor. The Board clarified that the structure should be 400 square feet or larger. The second change was to update the definition of a temporary structure for clarification. They added clarification to the Guidelines regarding fences and large road entrance gates. The Board also added additional information regarding construction fencing anticipating that it would become an issue in the future. Ms. Middleton noted that additional impact fees were added for structures over 3,500 square feet.

Ms. Middleton reiterated that she would like a vote on the Architectural Guidelines this evening if people were comfortable voting before they were posted on the website.

The majority of those in attendance were not comfortable voting on the Architectural Guidelines without seeing the document and the actual changes.

Carol explained that there were a lot of new owners on the Ranch and they all want to build. The Architectural Guidelines gives them the basis to know what they can and cannot do when designing their structure. It is easier if they have the benefit of the Guidelines before they design their house rather than after when they take their plans to the Board for approval find out they cannot build what they had planned. Carol noted that the Board had already approved the changes, and they were only waiting for Mr. Rosing to review it to make sure there were no legal issues. She noted that the Architectural Guidelines were posted on the website absent the changes that Ms.

Middleton had outlined this evening. Once the Architectural Guidelines are approved, the current document would be replaced with the revised Guidelines and posted on the website.

Jan LeVitre asked if the Architectural Guidelines could be added to the ballots that would be sent out so the membership could vote yes or no on the Architectural Guidelines after having the chance to read them. Carol replied that the ballots were already printed and ready to be sent out the day after this meeting. She could send out a separate ballot for the Architectural Guidelines but that would be an extra expense for the HOA.

Tony Tyler remarked that the Architectural Guidelines are not a document that is required to be approved by the membership. It only needs to be approved by the Board as the elected HOA representatives. Carol noted the members would only be voting to ratify what the Board had already approved. They were only asking for a vote this evening to involve the community in the process. Those present still felt it was unfair to ask people to vote on a document they had not seen. Ms. Middleton agreed and would not call for a vote. She noted that the Board had already passed the Architectural Guidelines and they were only looking for further confirmation. If the members do not vote this evening there would not be another opportunity. She understood if people were not comfortable voting on a document they had not seen. She reiterated that the revised Board approved Architectural Guidelines would be posted on the website for everyone to read very soon.

Someone asked if they should contact their Area Rep if they have issues with the Architectural Guidelines after they are posted. Ms. Middleton answered yes.

Carey Lutheran, FM-D-71, asked if the Guidelines were new or different. When his plans were reviewed by the Board, he was told that the Board could not make changes to the Architectural Guidelines. Ms. Middleton clarified that the Board cannot make changes to the CC&Rs without a majority vote by the members. The Board has the authority to change, vote, and approve the Architectural Guidelines.

Someone asked if they were now allowing very large houses. If they were, she did not like that idea because they should not have hotels with swimming pools on the Ranch as second homes for people who only come once a year. Ms. Middleton stated that the Board was looking into the swimming pool problem because it is also a water issue. Regarding the mansion type structures, Mr. Bonnitt would address that issue later in the meeting when he talks about the CC&R revisions. Ms. Middleton noted that when the Architectural Guidelines were updated, the Board included a size limit with additional fees beyond 3500 square feet. A member pointed out that if someone could afford to build a hotel, they could not be deterred by additional fees. Ms. Middleton

replied that hotels could not be built because commercial property is not allowed on the Ranch. Many of the members stated that hotel structures have already been built.

Ms. Middleton recommended that Mr. Bonnitt address that issue when he talks about the CC&Rs.

Mr. LeCheminant remarked that the impact fee on a structure up to the 3500 square feet limit is \$6,000. People were building 5,000 to 6,000 square foot homes and the Board voted to increase the impact fee by an additional \$2.40/per square foot. He thought revisions to the CC&Rs could help address larger structures. Ms. Middleton noted that the Board is very aware of the issue and they were looking at different options for managing that type of growth.

A member thought it was important to set a maximum size limit and not allow any structure to go over that limit. Ms. Middleton stated that the Board was looking at those options as they revise the CC&Rs.

Robert Rosing noted that currently there is no limitation on size and the impact fee was the same for every house. Changing the impact fee on larger structures will make it more difficult to build a larger home. It was clarified that the suggestion was to place a limit on a maximum size and not allow anything larger. Mr. Rosing understood and offered to look into it. Currently, there is no size limit.

Ms. Middleton remarked that this was a community process and the owners should continue to email Mr. Bonnitt with their comments to keep the lines of communication open. The Board was in the process of updating the CC&Rs, the foundation documents. They wanted to represent everyone on the Ranch and maintain the quality of life they have now.

#### Communication on the Ranch

Jan LeVitre stated that a few days after the fire and everyone was talking back and forth on Facebook, she suggested creating a text list to get information to everyone. Since it was her suggestion, she was selected to do it. Ms. LeVitre noted that it was announced on the Pine Meadow web page. She collected approximately 100 phone numbers from people who wanted to be included on an emergency text list. She personally cannot send 100 texts, so they have to go through a service provider.

Ms. LeVitre explained that the first step is to create the text base opt-in emergency communication system for the Ranch. She emphasized that "opt-in" was the key word. People can say yes or no on being notified, and they can remove their name from the list at any time.

Ms. LeVitre stated that the second objective is to have a secondary text list that can be used to generally inform people about what is happening on the Ranch. It could include anything from meeting notices to roadwork.

Ms. LeVitre commented on the benefits of having an emergency text list. Summit County sends evacuation notices, but they do not provide other information such as the canyon is closed, and people cannot reach their homes. Email is not an efficient form of communication because they do not have everyone's email address. Also, Carol manages the private email list, but the intent is to have a list that is managed by the members.

Ms. LeVitre proposed to use Textedly.com, which has a \$25 per month service. With that service they will get a fire list or an emergency list; and a secondary Tollgate Info List that people can subscribe to separately. Ms. LeVitre did not anticipate sending more than two texts per month. Overall, they will have the ability to send 2,000 messages per month. Ms. LeVitre stated that if the text list grows, they may have to look at going to the next service tier.

Ms. LeVitre explained how an owner would subscribe to the text system and how the system works. Someone asked if Ms. LeVitre was currently collecting phone numbers. She replied that it was included in the budget for 2019. If the members vote to approve the budget this evening, she would move forward with implementation. Ms. LeVitre stated that she would put all the information and the instructions on the website and on the Facebook page. Someone wanted to know who would be sending out the messages. Ms. LeVitre stated that it would come from any of the Board members.

On a separate matter, a member asked if they would continue to post the snow amounts on the website. He found it to be very helpful. Ms. LeVitre stated that a private property owner had the snow camera and voluntarily offered to link it to the website. Unfortunately, that person moved off the Mountain and they no longer have that capability. Ms. LeVitre stated that if anyone had a snow camera and would be willing to link to the website, it would be helpful to have that service again. She pointed out that the person would need to have a reliable internet connection to implement it, and she will put the link on the site.

### CC&R Process

Ted Bonnitt reported that the CC&Rs update process started years ago when the Board realized they had rules but no enforcement capability. As a resident of the Ranch he started doing some research and found that the CC&Rs dated back to the early 1970s, and there were multiple CC&Rs; some of which were conflicting and ill-defined. For

that reason, a Board member could not speak about a violation without risking the HOAs legal status. Mr. Bonnitt stated that he urged the Board to address the issues with the CC&Rs because he could see major changes coming to the Ranch. He thought it was important to be proactive rather than in a position of acting reactively. Mr. Bonnitt recognized the cost of updating the CC&Rs, but he felt it worth the price to get in front of the issues to protect what they have.

Mr. Bonnitt stated that in an effort to hear feedback from other Ranch owner, he and Roy Parker decided to hold a community meeting on the Ranch last July at the gravel pit. Approximately 140 owners attended, which far exceeded their expectation. Once word spread after the meeting, he received many emails and nearly 200 owners have contacted him to get involved. Mr. Bonnitt stated that everyone can see the changes occurring and they understand that the CC&Rs were written for a different time in Tollgate history.

Mr. Bonnitt remarked that they were faced with a two-fold task. The first was to clarify the existing rules. They all share the same reasons for living on Tollgate and likes the live and let live attitude. However, they are getting to the point of, how do they let live when one person's paradise is another person's hotel. The HOA is trying to deal with issues that did not exist in the past. He noted that people should have the ability to do what they want with their property, but it crosses the line when doing something on your property infringes on the rights of others. Mr. Bonnitt stated that several Ranch owners who have been on other HOAs offered to help with updating the CC&Rs.

Mr. Bonnitt stated that he spends half his time in Southern California, and he has seen upheaval from nightly rentals. A lot of what was starting to happen on the Ranch has already happened in other places and he has seen the detrimental effects. Mr. Bonnitt stated that Tollgate has forests, wildlife, magnificent views and a broad socio-economic base. By necessity, people take care of each other because most of the roads are not plowed and mail is not delivered. Mr. Bonnitt remarked that people come to the Ranch, because it is quiet; not because it is easy.

Mr. Bonnitt stated that inevitably they will see more build-out on the Ranch, and they were already experiencing structures much larger than previously built structures. He noted that a 6,000 square foot home generates a larger footprint and more water consumption. Pine Meadow is not in a subdivision and the resources are limited. They also have fire issues that could potentially get worse. People need to take defensive measures and clear defensive spaces. A house three times larger than the average size requires clearing three times more defensive space. Several large houses next to each other will result a material change to the look of the Ranch. He did not believe the current HOA members wanted that to occur. Mr. Bonnitt stated that from a vision perspective they need to determine what it is they want to preserve,

because they have so much to lose. The question was whether the HOA wanted to create structure to protect their destiny and what property values they currently have. He was involved because he wants to give back to the Mountain. It will never go back to how it was 22 years ago, but there can be a middle ground.

Mr. Bonnitt stated that the CC&Rs are costly and require many hours of work. However, it was important to note that the current CC&Rs are unacceptable because it makes the HOA very vulnerable to money growth interests. A developer or a wealthy lot owner can lawyer up and steam roll the membership. In order to strengthen the Ranch, they needed to revise the conflicting rules that were vague and ill-defined. Mr. Bonnitt commented on the importance of addressing nightly rentals, fire issues, structure size, and other issues. He stated that by law, 67% of the membership must vote to approve the revised CC&Rs before they can go into effect. If someone does not vote, it is counted as a no vote and goes against getting the CC&Rs approved.

Mr. Bonnitt stated that in order for the process to be successful, communication is important because the Board needs to know what the property owners want. He stated that during the community meeting in July there was unanimous concern with nightly rentals. Through this process he was dedicated to listening to the membership because their vote is necessary for getting the CC&Rs approved. The membership needs to be satisfied with the document they are voting on. If 67% do not vote to approve, they will end up with the same CC&Rs they have always had, and the money spent on the updates will be wasted.

Mr. Bonnitt reported that a subcommittee was formed for the CC&Rs review, and he chairs the committee. Robert Rosing has done most of the work and he has been very helpful in advising the committee and the full Board on what they legally can or cannot do. Mr. Bonnitt stated that there will be three input meetings where the members can talk to the committee, ask questions, and express their concerns. The intent is to have the final vote on the CC&Rs in July 2019. If they are successful, Mr. Bonnitt believed the end result would be a strong set of CC&Rs that clearly defines a vision for the Ranch and its future. Importantly, it would give future Boards the authority and the ability to protect the Ranch and uphold the rules as the members asked them to be upheld.

Someone asked if the updated CC&Rs would be for both Pine Meadow and Forest Meadow. Mr. Bonnitt answered yes, it was for the entire HOA. Mr. Bonnitt noted that those who attended the community meeting in July provided their name and numbers to receive periodic updates. Anyone wishing to receive the updates could add their name and number to the list. Mr. Bonnitt stated that the first draft had already been completed and it was reviewed by the committee. The committee met with Mr. Rosing to incorporate some changes, and a few days ago the draft was sent to the Board for

their review. He noted that it was too early to get into specifics because things will change, but he believed the process was going well. He stated that by the first input meeting, the public will know more of the specifics so they can make comments and provide input.

In response to a question about whether people with vacant lots can vote, Mr. Bonnitt stated that every lot owner has a vote. The Board will make sure that everyone, regardless of where they live, will have the proper information so they can make an informed vote. He expected to reach out to those owners with the first input meeting. Someone suggested that it was better to get those owners in the loop and on board sooner rather than later.

Someone asked if the CC&Rs are approved, whether they would be retroactive and binding on everyone; or if some things would be grandfathered. Mr. Bonnitt stated that currently no one will be grandfathered. Mr. Rosing asked for clarification on retroactive. The owner explained that some cabins were built before the Olympics with the intention of being rented. The HOA has continually allowed them to use those cabins for rentals because that was the reason they were built. If the new CC&Rs prohibit nightly rentals, he asked if they could shut down those nightly rentals per the new CC&Rs. Mr. Bonnitt stated that he has spoken with Summit County and anyone who runs a commercial business has a conditional license issued annually. He was told by Summit County that if the HOA does not take action, the County cannot legally deny a license to someone who rents out their home. Mr. Bonnitt stated that it was not a question of grandfathered in or retroactive. If the CC&Rs explicitly prohibit nightly rentals, the conditional license would be denied the following year.

Regarding house sizes, a member noted that without grandfathering, someone with a larger house would have to tear it down. Mr. Rosing stated that there is a difference between what has been done in the past and ongoing behavior; and that was the deciding line in the CC&Rs in terms of grandfathering. They would never go back to someone who built a house with HOA approval and require them to bring it into compliance with the new size limit. Mr. Rosing explained that in terms of behavior, the new rules and the CC&Rs would affect everyone going forward.

Someone noted that at the Water Company annual meeting it was pointed out that some rentals use up to 70,000 gallons of water per month, and a question was whether the septic systems could accept that volume. Until the CC&Rs are voted on and approved, she asked if there was a mechanism by which they could consider it a safety, health and welfare issue and prohibit people from this continued behavior due to hazards related to the septic systems. Mr. Bonnitt replied that the Board had looked into that same problem regarding silvercrestlodgeutah.com, which overlooks Bobcat Springs. They advertise 30 or 40 people per night using two or three bathrooms with

only one septic system. He contacted Summit County to ask if that was an issue with drain fields and the Pine Meadows water supply. Summit County did the research and told him that there were no issues, and everything was safe. Mr. Bonnitt was surprised with the answer, but since then the HOA has discovered more effective measures to address the issue.

Mr. Rosing suggested that the Pine Meadow Water Company might be able to address the septic tank issue because they have different and independent powers from the HOA. Mr. Rosing did not believe the HOA could take action on that matter because it is a complicated question. He pointed out that once the CC&Rs are implemented, it will be much easier to handle these types of problems.

Mr. Bonnitt noted that many other HOAs faced these same problems and the quickest solution was not to allow commercial licenses on the Mountain. He pointed out that individuals who have a home office and work from their homes would be exempt. The owners who currently have commercial licenses for their property would need to revert back to the initial intent of being a single-family home. Mr. Bonnitt clarified that the HOA did not want to deny people the right to do what they want with their own home. If someone wants to rent their home, they should be allowed to do so within reason. In researching other cities, he found that the 30-day rule works the best. People are allowed to rent their property for 30 days or more three times a year. The 30-day rule eliminates the partiers and encourages renters who appreciate and respect living on the Ranch.

Mr. Rosing remarked that the questions this evening were an example of why he had suggested scheduling three input meetings during the summer. He was concerned that this Annual Meeting could turn into a CC&Rs meeting when there were other issues to discuss. He reminded everyone that there would be other opportunities to ask questions and provide input on the CC&Rs outside of this meeting. Mr. Bonnitt stated that he tries to respond to every email he receives with questions about the CC&Rs. He records every comment, every suggestion, and every question for the CC&Rs committee to review. He noted that 800+ owners was a large HOA and they all need to come together to make it work. There will be compromise and no one will get everything they want.

Mr. Bonnitt stated that his email address is [area6@pinemeadow.com](mailto:area6@pinemeadow.com) and people could email him at any time. He had a sheet available for anyone who wanted to provide their name, email address, and lot number to receive updates on the CC&Rs direct email link.

## **2018 Year-to-Date Financial Report**

Ms. Middleton noted that everyone had a full copy of the financials in their packet. She had condensed the information for the slides in her presentation.

Ms. Middleton presented the year-to-date income, the fixed expenses, and the variable expenses. The currently proposed budget on the slide presentation was not included in the packet.

Andrew Pagel, HOA Treasurer, reviewed the proposed budget and compared the differences between the first proposed budget Ms. Middleton had mentioned and the current proposed budget. He noted that the increase in expenses was primarily due to increases in property taxes, overall maintenance, and small increases in mag water as they continue to expand the number of roads being maintained. There were also small increases in bank service charges, which are the expenses the HOA pays when people pay their assessment or construction fees via credit card. Mr. Pagel remarked that the increased expenses were a direct reflection of inflation because they were still using the same amenities and services on the Ranch that are for paid in the annual assessment.

Mr. Pagel noted that the Board remained conservative on the construction assessment fee. The proposed budget remained at \$42,000; even though it has exceeded that number in the past few years. He explained that it is a variable income versus a fixed income. They keep the budgeted amount conservative because it can change at any time. Mr. Pagel explained that many items listed as variable expenses are things that people are starting to think of as fixed expenses, such as snowplowing, snow blowing, road aggregate, mag water, etc. Those items are still classified as variable expenses, but the work and expense, occurs every year.

Mr. Pagel stated that the \$385,000 proposed budget results in a \$5,000 net positive.

Someone asked if plowing the connector was in the proposed budget. Mr. Pagel replied that the \$20,000 increase in the plowing budget included the connector.

Mr. Pagel noted that the budget proposed no additional increase to the Funded Reserve for 2019. He explained that the Funded Reserve is a .5% interest money market account that is kept primarily for emergency funding such as litigation fees, emergency equipment purchase, rental, additional Ranch help, or other unforeseen reasons.

A member asked about mag water, what it does, and where it is placed. Randy Larson, the Assistant Ranch Manager, explained that mag water is put on the roads to reduce dust, but the value is that it forms like concrete or blacktop to protect the roads longer. He understood that the HOA typically puts mag water on the main entryways

and very steep hills. Ms. Middleton pointed out that it would be very expensive to do the entire Ranch. The member stated that where she lives no one will plow the road because it is too steep. She suggested that mag water should be placed on that hill.

Someone commented on the amount of new construction on the Ranch and the length of time it takes for the contractors to repair the road. Mr. Pagel believed that was a CC&Rs question rather than a budget question. Mr. LeCheminant noted that the contractors do not fix the roads they tear up during construction. The HOA repairs the roads out of the budget using part of the construction impact fee that the owner was required to pay before beginning construction. Mr. LeCheminant reported that in 2018 nearly 90% of the impact fees went into the roads for gravel and road base to improve the roads. Mr. Pagel pointed out that the proposed budget for aggregate was \$89,000. The amount collected in 2018 for construction impact fees was \$72,000.

Someone asked if the updated CC&Rs would eliminate loud ATVs, motorcycles, etc. Mr. Pagel stated that the CC&Rs were outside of his expertise. He requested that the questions pertain to the budget. The CC&Rs questions were important and he encouraged people to attend the public meetings and/or to email Mr. Bonnitt. Mr. Rosing remarked that the Board was working to address the loud ATV question.

### **Membership Open Forum**

A member asked someone to address the parking lots and the broken down campers and trailers, the camper that was for sale, and abandoned snowmobiles. She noted that parking is limited, and space is being used for junk that never moves. Mr. LeCheminant stated that when he became Vice-President a year ago his goal was to clean up the parking lot. Many of the run down or abandoned vehicles have been removed. Most of the snowmobiles were removed; however, they were still trying to find the owners of ten others. Mr. LeCheminant stated that anyone who has a track vehicle in the lower parking lot should move it to the upper lot and make sure they get a parking permit from Carol. The sticker keeps the vehicles from being towed away, and if the vehicle needs to be moved, he and Carol have the owner information without spending days trying to track it down. Mr. LeCheminant noted that they prefer to find the owners rather than spending money to have a vehicle towed, but if that fails, they will call a tow truck.

The owner of Lot C-85, stated that his lot is in an area that has become the natural snow dumping route up Tollgate. When he first moved to the Ranch the roads were not plowed and he could come up and enjoy his property in the winter. Since the HOA started plowing the roads he cannot get into his property in the winter because all the snow is dumped in his driveway. Since Jody was present this evening, Ms. Middleton stated that she would talk to Jody because no one should have their driveway blocked.

### **Voting Items**

Ms. Middleton noted that the membership would be voting on the 2017 Annual Meeting Minutes, the 2019 Budget, which included the new assessment increase, and the new Fee Schedule. She recalled that the members decided earlier in the meeting that they would not vote on the Architectural Guidelines this evening because they had not seen the updated document.

She asked everyone to fill out their ballot and give it Carol. Carol would count the votes and post the results.

The Annual Meeting of the Pine Meadow Ranch Owners Association adjourned at 8:25 p.m.

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