

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
SHELDON D. RICHINS BUILDING
1885 W. UTE BLVD
PARK CITY, UT 84098
DECEMBER 16, 2014

In Attendance: Pat Kreis, Treasurer; Honey Parker, Secretary; Alan Powell, (Area 3) Tom Deaver (Area 4); Mark Hogdson (Area 5); Mike Gonzales (Area 6); Nick Boyle (Area 7).

Mike Gonzales arrived later in the meeting.

Excused: Tony Tyler, President; Dan Heath, Vice-President; Matt Brown (Area 1), Jeremy Jespersen (Area 2).

Ex Officio – Jody Robinson, Ranch Manager

Honey Parker reported that Tony Tyler and Dan Heath were unable to attend the meeting and she would be conducting the meeting in their absence. Ms. Parker noted that because the Board did not have a quorum present they would not be able to vote or take official action this evening.

Guests: Tom LeCheminant, Lot D-29.

The meeting was called to order at 6:31 p.m.

Approval of Minutes

Due to the lack of a quorum to vote, the Minutes of the Regular meetings in October and November and the Special Budget meeting were tabled to the next meeting.

Mr. Hogdson referred to the Minutes for the Budget Meeting and noted that his name was not listed with the Board Members in attendance. The minutes should be corrected to reflect that Mr. Hogdson was present for the Budget Meeting.

Ms. Kreis referred to the Budget Meeting minutes, page 1, paragraph 3, last sentence. She corrected the minutes to reflect what she had recalled her statement to be. At the end of the sentence the word total was replaced with **budget remaing for...** On page 3, third paragraph, last sentence, Ms. Kreis indicated a space in the last figure that needed to be removed.

Owner/Visitor Open Forum

There were no comments or reports.

New Construction and Additions.

No plans for construction were submitted.

Ranch Manager's Report

Jody reported that he had been spending time on snow removal. He will need to work on the roller next spring because the battery will not stay charged. The dump truck is working fine. He had problems with the dump truck a few weeks earlier when the lugs on the front tire broke; but the lugs have since been replaced. The tractor and grader were working fine as well.

Mr. Deaver commended Jody for doing a tremendous job keeping rock on the roads with all the smaller storms that create a layer of ice.

Water Board Report

No one had anything to report regarding the Water Board meeting.

Tom Deaver stated that apparently the Water Company knows when there are leaks in houses because it shows on the meters, but they are declining to contact the property owner. Smaller leaks can go undetected for months, even if the houses are full-time occupied, but it can use thousands of gallons over time. Mr. Deaver remarked that the owners of Lot B-60 on Navaho Drive received a water bill for \$3,000 based on significantly higher usage. When the owners mentioned it to the Water Board they were told that the Water Company knew there was a leak but they had not notified the owner.

Mr. Deaver remarked that the owners cannot read the meters themselves, but they were sold on the idea of having the new meters because if the meter runs continuously for 24 hours, the Water Company would detect the leak and contact someone. Mr. Deaver noted that the Water Company admits to knowing about several leaks on the Mountain but they were not notifying people. Their reason is that other water companies do not notify individuals. Mr. Deaver did not care what other companies did. A significant amount of money was spent on the new meters so the Water Company could quickly detect a leak electronically, and they should be telling someone when the leak is discovered.

Mr. Deaver remarked that after one owner became aware of the problem he dug down in the snow, found the leak and repaired it. It was on the owner's side, which makes it the owner's responsibility. However, it was a small leak that did not affect the water pressure so the owner was unaware that he was losing a tremendous amount of water.

Mr. Deaver understood that the HOA does not control the Water Company, but he suggested that the Board make a recommendation to the Water Company Board to notify the owners when a leak is discovered as a matter of courtesy and as a moral issue. It would not take much to send the owner an email or a postcard to let them know a leak has been detected on their lot.

Mr. Boyle pointed out that the Water Company was searching for additional water source and he could not understand why they would be willing to let water run into the ground for an extended length of time. Mr. Deaver agreed. He estimated that a \$3,000 bill would be approximately 60,000 gallons.

Mr. LeCheminant, Lot D-29, stated that he had a leak but he had no idea until he sat next to Brody at the Water meeting and Brody told him. Ms. Parker thought the Water Company should have a legal responsibility to notify the owners; particularly since the Water Company issued new meters based on the idea that the Water Company would be monitoring the meters for the owners.

Mr. Powell noted that larger water companies bill monthly so it is easy for the owner to keep track of their usage. However, the Water Company only bills once a year and they should have the responsibility to notify the owners. Otherwise, someone could have a small leak for an entire year without knowing.

Ms. Parker suggested that the Board draft a letter to the Water Company letting them know that the Board was made aware of the policy of not notifying owners; and asking what they could do to implement a system where the owners could be easily and quickly notified. Mr. Powell agreed. Mr. Hogdson stated that if Brody and Trevor have time to drive around and read the meters they should also have the time to notify people. Ms. Powell thought the Board could draft a letter to the Water Company from the standpoint of an issue that was brought to the HOA Board by the homeowners they represent. Mr. Boyle recalled similar comments on this same issue last year from owners who received significantly higher water bills. If people are aware that they will not be notified, they can take precautions to turn off their meters at the valve since they cannot read their own meters. Mr. Powell understood that it was possible for an owner to get a digital reading of their meter by lifting a flap and shining a flashlight into the meter. The problem is that it is not as easy as it was with the old meters.

Mr. Deaver read a letter from Eric Cylvick, the Water Company President, to the owners of 1424 Navaho Road. Mr. Cylvick stated in the letter that the Water Company stopped turning meters off after they installed the Smart Meters when Summit County started requiring sprinkler systems to be installed in homes. If they restrict water supply to the home it would eliminate the ability for fire suppression sprinkler systems to work properly. The letter goes on to say that the homeowner is responsible for the

infrastructure and the water used on their side of the meter. It is not the Water Company's responsibility to find leaks on the customer's side. Mr. Deaver clarified that the HOA Board would only be asking the Water Company to notify the owner if there is a leak. The owner would be responsible for finding and repairing the leak. In his letter, Mr. Cylvick further states that Pine Meadow is the only Water Company in the State that informs customers of leaks on their side of the meter. The owners should be thankful that the Water Company caught this leak. Mr. Cylvick also suggested that the owner of 1424 Navaho Road attend the next Water Board meeting to thank the water managers in person.

Ms. Parker offered to draft a letter from the Board to the Water Company with their request that includes creating a system to respond to the owners, the importance of conserving water, that individuals are not able to read their own meters, and notifying homeowners when a leak is detected.

The Board Members agreed that the Water Company does not have any obligation to find and repair leaks on the user's side. The issue is the courtesy of notifying the owners when a leak is detected on their property. Mr. Deaver noted that Mr. Powell explained how individuals could read their own meter. He suggested that the Water Company put those instructions on the Water Company website.

Mr. Deaver clarified that this was the first complaint he had heard from Area 4. Mr. Parker stated that her letter would be friendly but clear.

On-going Business

PI-D-8 potential sale

Ms. Parker had nothing new to report. The discussion was tabled to the next meeting.

Mike Gonzales arrived.

Winter Snowplowing and Insurance

Mr. Powell stated that their insurance company was sold to another company and there is a new underwriter writing their insurance policy for PMEEF. He submitted the application like he does every year, and when he explained how plowing works on the Ranch the underwriter told him that the policy did not cover contract plowers. The coverage was only for a person hired to plow as a PMEEF employee. Mr. Powell stated that he also spoke with Clair, the Pine Meadow Ranch Association's Insurance agent, and explained what happened. Both agents were in agreement that the roads

are plowed by people using their own equipment and on their own time. They are provided with an explanation of how it should be done, but specific rules and regulations are not laid out. Mr. Powell explained that both agents believe that everyone who plows on the Ranch is basically responsible for their own insurance. There is no liability for the Ranch because the Ranch does not direct the plowing or require it.

Mike Gonzales clarified that if the PMEEF insurance does not provide liability insurance they would have to fall back on the individual policies. Mr. Powell replied that this was correct. Mr. Powell stated that he and Mr. Tyler had several discussions regarding this issue and determined that they should rewrite the plow contract to make it clear that people who plow do so on their own accord and not on a directive from the HOA. That would put the liability burden completely on the plowers. Mr. Gonzales thought the plowers should have to name the HOA as a beneficiary in case they cause damage to HOA property or create a hazard.

Mr. Powell stated that the HOA insurance agent was in the process of reviewing their entire insurance policy and he would draft wording to address plowing. He clarified that the Association would still have an agreement with the plowers outlining the requirements for plowing. Mr. Gonzales suggested that they keep the plowing route map within the areas plowed by the HOA.

Mr. Deaver stated that he carries his own \$1 million policy called an "Additional Insured". It lists the HOA Board officers, members and area reps as also being covered by the policy. Mr. Powell pointed out that if anyone sues the Board for liability, their insurance company would defend them.

Ms. Parker clarified that plowers who were buying into the PMEEF insurance would no longer have that expense. Mr. Powell answered yes.

Mr. Powell stated that the snow plow contracts are supposed to be sent to him but he only had signed agreements from Mr. Bates and Mr. Yamashiro. Mr. Deaver stated that he and Bill had signed their agreements. Mr. Gonzales remarked that another flaw in the process is that the requirements say you must have a signed approval to plow, but it does not tell you what to do with it or who to send it to. He thought that should also be clarified in the language. Mr. Powell stated that insurance and liability were the only changes in the plowing requirements. Everything else remains the same.

The Board discussed whether or not the individual plowers should be required to carry an insurance policy. Mr. Powell thought the agreement should state that by signing the agreement the plowers understand that they would be plowing the roads on their own accord and they are fully liable. Having liability insurance is highly recommended.

The Board commented on real estate agents who misinform or mislead new buyers about routes that are plowed or when they are plowed. Ms. Parker thought one issue was the difference in what plowing means on the Ranch versus Promontory or Park City. The new owners should be given accurate information on what to expect. Mr. Gonzales and Mr. Powell would work with Tony Tyler on revising the plowing agreement.

Ms. Kreis pointed out that with the arrival of Mike Gonzales the Board had a quorum and could vote on items.

Minutes

Mr. Gonzales referred to the minutes of the October 21, 2014. He noted that under the Ranch Manager's report the Board discussed the need for remote hydraulics in the rear of the tractor. He had mentioned that it could be done cheaply with remotes that he generally uses. They are flow control remotes that can be purchased at V & M Hydraulics and they are easy to install. Mr. Gonzales wanted the minutes corrected to reflect his suggestion about the remotes. Jody stated that he would check out the flow control remotes.

MOTION: Alan Powell moved to APPROVE the minutes of October 21, 2014 as corrected. Mark Hogdson seconded the motion.

VOTE: The motion passed unanimously.

MOTION: Alan Powell moved to APPROVE the minutes of November 18, 2014 as written. Pat Kreis seconded the motion.

VOTE: The motion passed unanimously.

MOTION: Mark Hogdson moved to APPROVE the Budget Meeting Minutes dated November 3, 2014 with the corrections as noted earlier in the meeting. Alan Powell seconded the motion.

VOTE: The motion passed unanimously.

Sledding Hill

Ms. Parker reported that the sledding hill was put on hold due to the concern that children would projectile down the hill. She had offered to test it herself to see how safe

it would be, but unfortunately there has not been enough snow to try it.

Deer Meadows

There was no new information to report. Mr. Deaver stated that Doug McAllister told him during a casual conversation that he believed Summit County was dragging their feet.

Elections Results

Dan Heath had received a total of 123 votes, representing 60% of the vote. Scott Boyle received 47 votes, representing 23% of the vote. Bruce Hutchinson received 22 votes, representing 11% of the vote. Ms. Kreis stated that combining the votes for Mr. Hutchinson and Mr. Boyle would not exceed the number of votes for Dan Heath. Therefore, it did not make sense to have a runoff election. Mr. Gonzales believed there were a number of non-votes because some people had issues. Ms. Kreis noted that 205 people voted, which was 25%. Carol had told her that it was a higher percentage than those who voted in the past.

Mr. Gonzales pointed out that the Bylaws do not have options for removing Board Members. For that reason he proposed that the Board set term limits for all Board members. Ms. Kreis fully agreed with term limits because it encourages more of the membership to participate on the Board.

Mr. Powell thought the Board needed to determine what they should do about the vote. He also asked if Bruce Hutchinson had resigned in writing. If not, it was a valid election. Mr. Boyle stated that if Mr. Hutchinson was not informed that he needed to have his resignation in writing, it would be the fault of the Board. Ms. Kreis had read the Bylaws. If a person announces the intention to run and later wants to rescind that intention, the Bylaws do not address a specific time frame. At a minimum, she thought it should be done prior to the Annual Meeting with the membership. In her opinion, at the time of the Annual Meeting everyone believed that Mr. Hutchinson was still running. After the meeting she saw emails stating that he did not wish to run. Mr. Tyler had sent an email stating his opinion that Mr. Hutchinson no longer had the standing to say he would not run, because it was presented at the meeting and the vote was taken. Ms. Kreis pointed out that the vote suggests that even if Mr. Hutchinson had stepped out it would not have changed the number of votes.

Ms. Parker believed it was difficult to assume what the populace would have done if Mr. Hutchinson had withdrawn from the race or if Mr. Heath had decided not to run. Moving forward she was certain that the Board could vote on setting term limits and a

mechanism for unseating a Board member if there are conflicts or other issues that compromise the Board as a whole.

Mr. Deaver stated that removing a Board member should be done through a Board vote and not solely by the Board President. On the issue of stepping down as a candidate, Mr. Deaver thought language should be added requiring written notification within a specified time frame. The problems need to be addressed and the requirements should be posted on the website to communicate it to the membership.

Mr. Gonzales outlined his proposal for term limits. A person could serve no more than three consecutive terms for any given position on the Board. For total Board membership, no more than five consecutive terms. For example, if someone changes from being an Area Rep to an Executive Member, their total time on the Board could be no more than five years. Ms. Kreis preferred two terms. If a term is three years, three terms would be nine years. Mr. Gonzales pointed out that it takes several years for a President to become comfortable and have a good understanding. For that reason he thought three terms was appropriate. Ms. Parker favored the idea of three consecutive and five total terms.

Mr. Boyle questioned whether the Board could vote on the proposed changes or whether it needed to be voted on by the membership. It was noted that changes to the Bylaws requires a membership vote.

Ms. Kreis announced Area Rep election results. Matt Brown would remain the Area Rep for Area 1 with 31 votes. Mr. LeCheminant would be the new Area Rep for Area 7 with 25 votes. Ms. Larsen received 18 votes and Mr. Olsen 8 votes for Area 7.

New Business

Mr. Boyle commented on ongoing issues between two neighbors, beginning with a perc test. Mr. Tyler had made it clear to the owners that he did not want to get involved. Mr. Boyle thought the only area where the HOA could get involved would be to cite for non-compliance for the color of the doors. However, he questioned whether they could do even that much because the Architectural Guidelines address siding and roof colors but not doors. Ms. Parker noted that the owner purchased the house two years ago with those doors. The rule is that when the non-compliant item needs to be replaced, it must be replaced within the requirements of the Architectural Guidelines.

Mr. Gonzales stated that the fence is a property line fence between two neighbors. It is not a surrounding fence. The Board also discussed an issue that occurred regarding a propane tank. Mr. Powell explained how Mr. Tyler got involved with the placement of the propane tank in an effort to be nice by looking at the plans to see if it met the

Summit County regulations. Mr. Powell noted that the Ranch does not have a setback regulation. Mr. Gonzales believed that all the issues outlined by the owner were civil matters and not matters for the HOA, except for the fence. Mr. Boyle clarified that the owner was told that the HOA had stepped in on these matters in the past and he was asking the HOA to help him. Mr. Boyle informed the owner that he did not want to get involved and he did not blame Mr. Tyler for taking the same stance. Mr. Boyle had suggested that the owner sit down with his neighbor and try to resolve the issues. Ms. Parker believed there was a certain amount of "he said/she said" involved. Depending on who you listen to, both sides sounded right.

Mr. Gonzales believed the Board needed to make a decision about the fence, because they would at least have to grant an exception. Mr. Powell noted that the fence is fairly short and it does not enclose. Prohibited fences enclose an area and impede wildlife. Ms. Parker stated that she needed to personally look at the fence and review the rules regarding fencing before she could make a final decision.

Ms. Kreis asked if the Board wanted to postpone a recommendation to the next meeting, or whether they should address it via email. Ms. Parker encouraged the Board members to look at the fence and compare it against the rules and regulations before they form an opinion.

Monthly Budget Review

Ms. Kreis reviewed the unpaid bills detail. Jody explained that the bill for Capital One in the amount of \$667 was for parts for the truck and gas. Ms. Kreis indicated a lengthy list of bills for Erckenbrack. Jody stated that it was the cost of gravel for the roads dating back to November. Mr. Gonzales asked if the bill included the boulders down by the mailboxes. Jody replied that it would be on the bill next month. Mr. Gonzales wanted to know who had approved that project. Jody stated that Tony had approved it. Mr. Gonzales pointed out that it should have been a Board decision.

Ms. Parker stated that they would discuss the boulders by the mailboxes at the next meeting.

MOTION: Pat Kreis moved to pay all the unpaid bills as presented. Tom Deaver seconded the motion.

VOTE: The motion passed unanimously.

Ms. Kreis noted that the check signers were not present this evening. She understood that Carol has been authorized to sign the checks in an emergency situation when the

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signers are away and the Board wants to expeditiously process payments. Ms. Kreis thought the Board should vote to have Carol sign the checks on this one time basis.

MOTION: Tom Deaver moved to authorize Carol to sign the checks to pay the unpaid bills on this one time basis. Mark Hogdson seconded the motion.

VOTE: The motion passed unanimously.

Mr. Kreis clarified that Carol would be signing Check Numbers 2064, 2065, 2066, 2067, 2068, 2069, 2070 and 2071.

The Board adjourned the regular meeting and moved into Executive Session.

The meeting of the Pine Meadow Owners Association Board adjourned at 8:10 p.m.
