

Approved
November 3, 2015
at the Budget Meeting,
as written

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
RANCH MANAGER'S OFFICE
SEPTEMBER 15, 2015

In Attendance: Tony Tyler -President; Dan Heath, Vice-President; Pat Kreis, Treasurer; Honey Parker, Secretary; Matt Brown (Area 1); Jeremy Jespersen (Area 2); Alan Powell (Area 3); Tom Deaver (Area 4); Mark Hodgson, Area 5; Mike Gonzales (Area 6); Tom LeCheminant (Area 7).

Ex Officio – Jody Robinson, Ranch Manager.

Guests: Paul Suitor, Lot G-36; Terry Beever, Lot D-21A; Pam Wells, designer of Lot 73; Brian Hobbs, Lot D-169; David Baird, Lot PI-D-56; Chris Moore, Lot G-46; Jen Hudak, Lot G-46

The meeting was called to order at 6:32 p.m.

Approval of Minutes

MOTION: Tom Deaver moved to APPROVE the minutes of August 18, 2015 as written. Pat Kreis seconded the motion.

VOTE: The motion passed. Alan Powell, Matt Brown, Jeremy Jespersen and Honey Parker and Mark Hodgson abstained.

Owner/Visitor Open Forum

Terry Beever, Lot D-21A and Paul Suitor, Lot G-36 had attended to discuss building a shed on their lots. Mr. Tyler added both lots to the list of items to be discussed under New Construction on the agenda.

Mr. Deaver stated that Brian Hobbs was not in Area 4 but he had invited Mr. Hobbs from Area 2 to attend the Board meeting as an observer.

New Construction

Mr. Tyler noted that the four properties listed on the agenda had submitted plans to the Architectural Committee consisting of Tom Deaver, Tom LeCheminant and Mark Hodgson. Mr. Tyler requested that the Committee members update the Board on their recommendations based on the completeness of the file, compliance with the Architectural Guidelines, and any remaining items that needed to be completed for approval.

PI-D-56

Mr. LeCheminant noted that Mr. Hodgson had made comments regarding the septic tank; however, the septic tank was drawn on the plans. Mr. LeCheminant stated that his only comment to the owner was that exposed concrete must be stone or some other approved material besides smooth concrete.

Mr. Tyler explained that the HOA does not allow unfinished concrete as a siding material. Therefore, unfinished concrete must be faced in some type of natural material. Metal is limited to a certain percentage of the overall exterior. Mr. Tyler remarked that options such as architectural grade concrete would be allowed; however it is a more expensive option. He noted that the plans and materials must be submitted to the Board to verify it is an approved material. Plaster and stucco are prohibited materials. Mr. Tyler clarified that the concrete that is intended to be below grade and comes up slightly above ground is excluded from that particular guideline. An example of where it would be required is if the entire lower level of a walkway basement is exposed concrete in the front.

Mr. LeCheminant noted that the proposed siding was standard cedar with a brown roof. All the required documents were included in the package.

Mr. Tyler understood that there were no outstanding items other than payment of the impact fee for this to be approved.

MOTION: Tom Deaver made a motion on behalf of the Architectural Committee to approve the plans for Lot PI-D-56. Mark Hodgson seconded the motion.

VOTE: The motion passed unanimously.

During the motion someone came in and paid the impact fee for PI-D-56.

I-Plat, Lot 2

Mr. LeCheminant noted that this item was for a shed. The owner, Mr. Moosman, was not in attendance but he had spoken with him earlier that day. The Architectural Committee was asking about colors and Mr. Moosman said it would be tan and green. The proposed shed is 189 square feet. Mr. LeCheminant had asked Carol to send the owner an invoice at \$2.40 per square foot because the shed will have power. Mr. Tyler calculated that \$2.40 at 189 square feet totaled \$453.60.

Mr. Tyler noted that the owner needed to fill out the application. If the owner was building the shed himself, he needed to sign as the contractor and the owner. Mr. Tyler stated that because the file was still incomplete, the Architectural Committee needed to

make a motion for conditional approval.

MOTION: Mark Hodgson made a motion on behalf of the Architectural Committee for conditional approval of a shed on I Plat A, Lot 2 based on receipt of the completed application and the impact fee in the amount of \$453.60. Tom Deaver seconded the motion.

VOTE: The motion passed unanimously.

Lot PI-E-73

The Architectural Committee had received and reviewed all of the information for a garage on Lot PI-E-73. Mr. Deaver handed out paper copies and noted that the Board members were sent electronic copies two weeks prior.

Mr. Gonzales asked if aluminum was an approved building material. Mr. Tyler stated that it could be, but only in specific colors. Mr. Deaver noted that the plans indicated that the aluminum pattern and green color would match the residence.

Pam Wells, the designer representing the owner, stated that the green roof color would match the existing residence. The taupe-tan stain color on the Hardy Plank would also match the residence.

Mr. Hodgson had no issues with the proposed plans. The application was complete, the required documents were submitted and the impact fee was paid in the amount of \$2,640.40.

MOTION: Tom LeCheminant made a motion on behalf of the Architectural Committee to approve the plans for a garage on Lot PI-E-73. Mark Hodgson seconded the motion.

VOTE: The motion passed unanimously.

FM-D-128

Mr. Heath had received the application and forwarded it to the Architectural Committee. Mr. LeCheminant had reviewed the application and noted that the package included a water letter and other information and documentation, but no building plans were submitted.

Mr. Tyler stated that the Board could approve the site plan, but they would not be able to vote for full approval without seeing the building plans.

Mr. LeCheminant pointed out that a rough sketch showed a steel green roof and tan siding. Mr. Hodgson noted that a rough sketch also showed the location of the cabin on the plot plan. Mr. Deaver understood from emails that the owner was reluctant to have blueprints drawn up before receiving approval from the HOA because they were expensive. The problem is that the HOA would not give approval without blueprints. Mr. Tyler reiterated that the Board could give site plan approval in terms of where the building could sit on the lot. The Board could also approve the proposed colors. However, full approval could not be given without building plans.

Mr. Gonzales pointed out that the owner will need building plans to obtain permits from Summit County so he will have to pay the expense. Ms. Parker thought the cabin looked straightforward and not out of the ordinary. Mr. Tyler suggested that the Board inform the owner that the site plan and the colors and materials that were submitted were approvable. However, the Board could not provide official approval until a complete application is received, which includes architectural plans. Mr. LeCheminant asked if the Board could approve the architectural plans electronically. Mr. Tyler replied that it could be approved electronically if the plans were submitted within the next 30 days. Otherwise, his preference would be to wait until the next meeting.

Mr. Heath clarified that the owner wanted HOA approval in order to obtain financing because their loan was ready to close. Mr. Tyler asked if the guidance given this evening regarding site plan, colors and materials would be sufficient for the loan. Mr. Heath thought it should be. Mr. Tyler was uncomfortable giving full approval without first seeing the building plans. The Board agreed.

Mr. Tyler stated that Carol could draft a letter for the bank stating that the documents submitted to the HOA to date indicate that the building presented would be approved at an official HOA Board meeting, subject to review of the full architectural building plans and payment of the impact fee.

Lot D-21A

Terry Beever, Lot D-21A, presented plans for a 14' x 20' shed. Mr. Deaver noted that the size was over 200 square feet and required a building permit from Summit County. Mr. Beever had already met with the County and he was told there were no problems. Mr. Tyler agreed that he should be able to obtain an over-the-counter permit.

Mr. Tyler explained the tiers for impact fees based on whether or not the structure has utilities. Mr. Beever stated that there would be power because the front will have a roll-up garage door instead of barn doors. The barn doors would be on the side.

Mr. Tyler noted that the application was missing. He asked Jody to try print out an application form.

The Architectural Committee agreed that this project could be voted on for a positive approval.

MOTION: Tony Tyler moved to approve the 280 square foot shed on Lot D-21A, subject to receipt of the impact fee in the amount of \$672.00 calculated at \$2.40 per square foot; and a completed application form. Honey Parker seconded the motion.

VOTE: The motion passed unanimously.

Lot G-36

Paul Suitor, Lot G-36 presented plans for a 16' x 12', 192 square foot shed. There would be no utilities. The color would be beige. Mr. Tyler asked Mr. Suitor to fill out and sign an application that Jody had printed out. Mr. Suitor did not have his checkbook and offered to mail his check the next day.

MOTION: Tom Deaver moved to approve the plans for a 192 square foot shed on Lot G-36 subject to receipt of the signed application form and the impact fee in the amount of \$230.40. Tom LeCheminant seconded the motion.

VOTE: The motion passed unanimously.

Corral Fence – Dan Heath

Dan Heath stated that he planned to put up a corral. It would be rough sawn 4 x 4 with 2 x 4 wood rail. It would be painted off-white which would fade to a dirty gray within a year or two. Mr. Heath had spoken with Mr. Tyler who suggested that he make his plans known to the Board, particularly the color. Mr. Gonzales suggested that Mr. Heath bring in a sample of the aged version of the color. Mr. Tyler noted that Mr. Heath had said the corral would be four feet tall.

Mr. Tyler explained that the Board did not have to approve the corral because it did not fall under the constraints of architectural controls. However, if it is an exception to the rules, the Board would have to approve it. If the Board deems that it is not an exception to the rules, it would be an allowed structure.

Ms. Parker asked if the corral would be seen from the road. Mr. Heath answered no.

Mr. Tyler remarked that the color was the primary issue. Mr. Heath pointed out that material is natural per the requirements.

Mr. Deaver read from Article IV, Architectural Controls, which states that, "No buildings, fence, wall or other structure shall be commenced, directed or maintained....". He interpreted that to mean that fences require HOA approval by the Board prior to construction the same as any building or structure. Mr. Tyler stated that the Board has not followed that rule to the letter of the law because they have allowed structures of less than 120 square feet to be built; and those that fall within the Architectural Guidelines of the Ranch but not to the level of requiring an impact fee. Mr. Tyler was not opposed to changing the policy if that was what the Board wanted. Mr. Gonzales remarked that the policy did not need to be changed because it was already in place. The issue is that they have not enforced the policy.

Mr. Tyler thought the real issue was being practical. If people want a deck on the side of their house, an entry over their front door, a Tuff Shed on their property, or a corral, the question is whether the Board wants to review and approve every small improvement, or whether they only want to approve those that fall above the limitation for an impact fee. Mr. Gonzales did not believe it was a matter of vote. They need to follow the document that the Board is supposed to abide by. Mr. Deaver noted that the Architectural Committee can make a recommendation to approve or disapprove. Mr. Gonzales stated that the point of policy is to make sure that whatever is constructed is harmonious with the community. For example, someone could construct a deck that is small in size but still obtrusive to the rest of the area because it is not harmonious. Mr. Gonzales felt a quick review to make sure it was acceptable was appropriate. It could still be exempt from an impact fee.

Mr. Deaver read the last sentence of Article IV under Architectural Controls. "In the event said Board or designated committee fails to approve or disapprove such design and location within 30 days after said plans and specifications have been submitted, approval will not be required and the Article shall be deemed to be fully complied with".

Mr. Tyler believed Mr. Gonzales had a valid point because the language in the CC&Rs specifically states what Architectural Control means. Since their actions as a Board have not been consistent with this particular Architectural Control section, he suggested that the Board come up with a system to comply with the language as they go through the CC&Rs over the next few months. Mr. Gonzales stated that the Board could be forgiving with it, as long as they are conscientious and exercise due diligence.

Ms. Parker noted that Mr. Heath was present and he was telling the Board what he planned to do. Mr. Heath remarked that historically most people would not even come

to the Board for this type of fencing. Mr. Tyler agreed; however, just because they made a mistake in the past it should not be repeated in the future. Ms. Parker stated that if Mr. Heath was proposing a 4' fence that will not be seen from the road in a dark brown color would think it was fine. She believed the issue in this case was the color and whether or not off-white was viable. Mr. Deaver stated that Mr. Heath was talking about an off-white semi-transparent color that would eventually fade. He believed it would stay white for a long time and he was concerned that someone would see it and want to put up a white vinyl fence. Mr. Tyler pointed out that vinyl would not meet the Architectural Guidelines because it is not a natural material. Ms. Kreis asked if they would allow a white wood fence. Ms. Parker asked Mr. Heath if he would be opposed to a tan fence.

The Board discussed fence colors. Mr. Powell thought the question was whether or not they wanted white fences on the Ranch. He believed the answer was no.

Mr. Heath had stepped out of the meeting to see if he could get a picture of the fence color. The Board decided to see a picture before making a decision. The Board also agreed that any structure or building should have to be pre-approved by the Board.

Mr. Heath came back to the meeting and stated that his wife was bringing a picture so the Board could see the color.

Mr. Heath presented a picture of the off-white color of the corral fence. Mr. Gonzales stated that since the fence was already erected the Board should fine Mr. Heath for not getting prior approval. Mr. Tyler pointed out that Mr. Heath would not have been subject to Board approval because the Board only changed the policy this evening. Mr. Gonzales remarked that it was already in the CC&Rs so it was not a change. Mr. Tyler remarked that it was in the CC&Rs but the Board had previously chosen not to enforce it, which they were allowed to do per the CC&Rs.

Mr. Deaver would have preferred a different color to blend in and look more natural. Mr. Gonzales asked where the fence was located in relation to the road. Mr. Heath replied that it was 300 to 400 yards from the road. Ms. Parker did not think the fence was anywhere near the road and it could not be seen. Mr. Heath stated that besides himself it could only be seen by Bates Cattle Company. Mr. Brown noted that the Cattle Company was under lease for the next 30 years.

MOTION: Mark Hodgson moved to approve the fence color for the corral fence as presented by Dan Heath. Honey Parker seconded the motion.

Mr. Powell asked whether the motion was to approve this specific fence or white fences

in general. Mr. Tyler clarified that the vote was to approve this particular white fence on Dan Heath's property.

VOTE: The motion passed. Mike Gonzales, Tom Deaver and Alan Powell voted against the motion.

Mr. Deaver clarified that he was comfortable with the site and location but he did not like the color.

Mr. Tyler clarified that he personally voted to approve this particular fence because it was not visible from the road or other properties. Ms. Parker stated that it was her reason for voting in favor as well. Mr. Tyler stated that in general he was not in favor of white fences

The Ranch Managers Report

Jody reported that the equipment was in good condition. He had been cleaning culverts around the Ranch.

Jody stated that the milling machine would be there the next day. He still needed to do the wall at the bottom of the canyon where it was washing out from underneath the new asphalt.

Road projects

The Board reviewed the list of road projects. Item 2 was completed. Item 7B was currently in process, Item 8 was completed. Item 9, Windy Circle was graded but it still needed to have base material laid down. Item 10, Navaho at Pine Meadow had been graded but it also needed base material. The garbage lot was completed.

Jody understood that funding would be tight after he fills up the sand shed for winter. Mr. Tyler reported that as of August 18th they had \$17,000. The Tollgate project still remained in the amount of \$2,400. Sand for the sand shed would be \$7,000. He pointed out that they would not have enough money left in the budget to do Navaho this year. Mr. Tyler suggested that they stop at Windy Circle. If they do the asphalt grinding on Lower Forest Meadow that was approved at the last meeting and do Tollgate Canyon, that would be the end of the projects for this year.

Mr. Gonzales recalled a discussion at the last meeting about talking to the off-Ranch residents about contributing to the grinding on Forest Meadow. Mr. Tyler had not approached those residents. Jody stated that the grinding company had spoken with the residents and gave them a separate bid to do the grinding. Jody would grade it and

roll it. He understood they would be grinding it either the next day or Thursday.

Jody explained that they would start with Forest Meadow and then he would grade and roll it while the traffic uses Oil Well as a detour. He would then have to send traffic down the new upgraded road while they do work across Oil Well.

Mr. Tyler stated that if the off-Ranch residents were contracted separately, he asked Jody to request a discount on the mobilization.

Mr. Deaver noted that the road was not draining under Navaho between Heather and Arapaho. Jody would look into it. Mr. Jespersen stated that the two culverts that were installed on Porcupine were getting bogged down again with mud and water. He suggested that Jody add gravel to keep it from getting worse. Mr. Tyler remarked that there was money in the budget for a couple of loads of drain rock for the culverts. Mr. Brown commented on the inadequate drainage on sections of Forest Meadow. He was concerned that improper drainage would ruin the grinding work on Forest Meadow. Mr. Tyler stated that they did not have the budget to add additional material this year.

Mr. Tyler noted that Items 10 through 14 on the projects lists would not be done this year.

Signage

Mr. Heath stated that a second sign count was 140 signs. He had obtained a bid of \$30 per sign, which was less than half of what he was originally quoted. The total amount was \$4200. He noted that the sign company had a two-day sale but because the Board had not voted they were not able to take advantage of the sale. Mr. Heath was anxious to order the signs if there was money in the budget. Mr. Tyler stated that there was money in the budget because they had collected more in impact fees than what was anticipated. They could also pull funds from the Capital Reserve Fund. Mr. Tyler personally felt that spending \$4,200 to replace the signs was a major benefit for the Ranch and every property owner. However, he still had issues with how to attach the signs to the posts. Mr. Gonzales asked if the \$4,200 was only for signs. Mr. Heath answered yes. The posts and brackets would be an extra cost. He noted that in the past the sign has been screwed to the post, but it was only a one-sided sign. Mr. Heath stated that they could purchase an L-bracket where the sign sits on top and it is screwed down. The cost was \$2.00 per post.

Mr. Gonzales asked if Jody had determined whether all the signs needed to be double-sided. In areas where the sign did not need to be seen from both sides they could bolt the sign into a post. Mr. Tyler preferred to spend \$2.00 per sign to mount all the signs

properly. Jody pointed out that only one or two signs could be single-sided. Mr. Deaver thought it would improve the appearance of the Ranch if all the signs were mounted uniformly.

The Board calculated costs and discussed timing. Most of the Board members thought they should order the signs now so Jody would have them available when he had time to install them.

Mr. Deaver noted that they lost \$840 by not acting quickly and voting electronically to take advantage of the two-day sale. Mr. Brown suggested that Mr. Heath ask if they could get the same discount. Mr. Gonzales suggested that they could also wait until the next sale. Mr. Brown offered to call the sign company to see if they could get the sale price.

Ms. Kreis stated that without the impact fees that were paid this evening, they were \$15,000 over on the impacts fees that were budgeted. Mr. Tyler thought they could take money from the impact fees to purchase the signs.

MOTION: Tony Tyler moved to approve the purchase of Ranch signs not to exceed the budget amount of \$5,340. Ms. Kreis seconded the motion.

VOTE: The motion passed unanimously.

Mr. Tyler stated that it was brought to his attention that the new Ranch map that was installed at the bottom of the hill has a link to a realtor. It is against policy and he asked Jody to remove the map sign. Mr. Tyler noted that the sign could remain if Jody could eliminate the reference to the realtor. Ms. Parker offered to contact the person who installed the sign and give them the option to remove the sign or have their link covered.

Mr. Brown asked about the bales of hay. Mr. Tyler stated that they were past the twelve-month period and the hay bales could be removed.

Mr. Deaver commented on the red Jeep Grand Cherokee with a broken mirror, torn out upholstery and broken door panels. Mr. Tyler believed the owner of the vehicle was given ample opportunity to remove it. Therefore, the HOA could have it towed.

Mr. Brown suggested that Jody put up a few posts to mark the garbage lot culvert to keep people from backing up into the culvert. Jody had posts that he could use

Water Company Report

The Water Board meeting was postponed and Mr. Tyler had nothing to report.

On-going Business.

Mr. Tyler handed out a packet containing four documents to the Board members and he asked that they keep the packets and bring them to the next several meetings. The first document was the CC&Rs that are widely accepted by the Board and legal advisers as being the definitive copy of the Declaration of Covenants, Conditions and Restrictions for the Pine Meadow Ranch Homeowners Association.

Mr. Gonzales asked if it was the same version that was on the website. Mr. Tyler was unsure. Mr. Gonzales noted that it was a transcribed version. Mr. Tyler thought they should remove the transcribed version from the website and post the version he handed out as a link. He preferred to post the original recorded version dated September 28th, 1973 versus the transcribed version that offers an opportunity for error.

Mr. Tyler stated that the second document in the packet were the Bylaws, which is a five page document that was created as part of the governing documents of the Ranch. The Bylaws are only amendable by action of the Board and all residents in attendance at the publicly noticed annual meeting. However, amending the CC&Rs requires a three-quarters vote of all members regardless of whether they attend the general meeting.

Mr. Heath stated that Pine Meadow Ranch had several copies and Forest Meadow Ranch had several copies of CC&Rs. Anyone who purchased property and had those Covenants recorded, unless they give up their right to those protections, he believed they were still valid. Mr. Tyler stated that they could not give up rights to those protections.

Mr. Tyler stated that he would like to invite the attorney Ted Barnes, to attend a meeting and talk to the Board; but he first wanted the Board to go through the documents as a group so they understand what questions to ask Mr. Barnes. Mr. Tyler reported that he was told by Ted Barnes that the document he handed out was their operating document. The 1200 acres is not just the Pine Meadow Ranch Homeowners Association. It encompasses almost all of Tollgate Canyon and nearly all the way back to Lewis Peak. Mr. Tyler stated that as properties were platted, they were platted with the Covenants into buildable, developable lots. That is the reason why there is A Plat, B plat and C Plat, etc. Mr. Tyler remarked that the properties that are still metes and bounds descriptions and have never been platted to be a developable lot are technically covered by the Covenants, but if owners wanted to develop their lot into something more, they would have to look at recording this current document and joining the HOA.

Mr. Tyler pointed out that it would be similar to the conversation they had regarding Deer Meadows.

Mr. Tyler remarked that in the past the Board elected not to pursue any action to make them part of the Ranch because it would be long, difficult and expensive. Mr. Tyler explained that as separate areas were platted, some were platted as Forest Meadow Ranch with the intention of running their own HOA. Others were platted as a different version of the Pine Meadow Ranch. When Summit County took over operation of all of the Pine Meadow Ranch area and all of the Forest Meadow Ranch area, as well as the other areas covered by the CC&Rs, they were collectively joined together, by consent of all effected parties, into one Homeowners Association. The result is the HOA they have today. It was done by Summit County Special Service District order. Mr. Gonzales was interested in seeing that vote. Mr. Tyler noted that Summit County would have all those records. Mr. Tyler stated that as a result of that action the Summit County Council decided to use this document as the operating document for CC&Rs for the Pine Meadow Ranch Homeowners Association; and that is how the HOA has been functioning.

Mr. Gonzales pointed out that if a lot wants water they are required to join the HOA. Mr. Tyler agreed. There are other methods of collection and traditionally it has been through water connections.

Mr. Tyler stated that the next document in the packet was the Internal Policies and Procedures. He remarked that this particular document was created in 2013 by the Board to define the internal operating procedures for the roles, how meeting minutes are kept, payment policies and procedures, agenda policies, long term planning, etc. Mr. Tyler recommended that the Board revisit this document every couple of years and update it. This document can be updated through a vote by the Board at a regular Board meeting.

Mr. Tyler remarked that the last document in the packet was the Rules and Regulations. This document is subservient to the CC&Rs and the Bylaws that further define the rules and regulations of the Pine Meadow Ranch Homeowners Association. Mr. Tyler stated that this document could also be updated by vote of the Board members at a regular Board meeting.

Mr. Tyler stated that his intent is to start at the front of each document and work through them over the next several meetings. This would allow the Board members to have a collective discussion about content and interpretation.

Mr. Tyler began the discussion this evening with the CC&Rs. He noted that the

document was created on August 15th, 1973 but it was not recorded until September 28th, 1973. The stamp at the top was the official stamp of Summit County which defines how this document was processed at the County. Mr. Tyler stated that in this particular case Pine Meadow Ranch Inc. was the owner, which is also considered the Declarant. The Declarant has special authority to create documents on behalf of the Homeowners Association and to operate it for certain periods of time. In this particular case the Declarant is no longer in authority because the authority has been vested in the HOA Board. Mr. Tyler noted that the language states that the Declarant is the owner or intends to acquire the certain property described below. Mr. Tyler noted that the property was the 1200 acres he previously mentioned and the process for recording the CC&Rs. Mr. Tyler thought it was wise for the Board to think about the implications of trying to pursue any other application of these CC&Rs outside of their current boundaries.

Mr. Tyler read language further down the page stating that all of the properties described are held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which is the purpose of protecting the value and desirability of and which shall run with the real property and be binding on all properties having any right, title or interest to the described properties or any part thereof. He interpreted that to mean that the document runs with the land regardless of ownership.

Mr. Tyler noted that the next piece was Article I which was intended to define the phrases that would be used further in the document. He read from Article I, Section I, "The 'Association' shall mean and refer to Pine Meadow Ranch Homeowners Association as successors and assigns". He explained that the language means that the Pine Meadow Ranch HOA ceases to exist and is taken over by the Summit County Special Service District. It is considered a successor in interest to the Homeowners Association, which was how they gained control of the property from the HOA at the time. The SSD in turn ceded that control back to the Pine Meadow Ranch Homeowners Association, where the HOA became a successor in interest and assigned to the SSD. Mr. Tyler continued reading, "The 'Owner' shall mean and refer to the record owner whether one or more person's or entities of a fee simple title of any lot, which is part of the Properties, including contracts, sellers, but excluding those, having such an interest merely as a security for the performance of an obligation". Mr. Tyler referred to the capitalization of Properties in the language and noted that a capital letter in a document always refers to a definition elsewhere in the document. In this case, Properties is defined on the very first page. Mr. Tyler stated that everyone on record title to a property is considered an owner whether they own an interest in the property or the entire property outright, and whether or not they have a loan. He noted that this document excludes those having an interest merely as security for the performance of an obligation. Anyone holding a mortgage or deed of trust against a property is not

considered an owner.

Mr. Tyler read from Section III, "Properties shall mean and refer to that certain real property herein before described, and such additions thereto and may hereafter be brought within the jurisdiction of the Association." Mr. Tyler stated that it covers all of the property that was described before, and if the Association adds to that property it also belongs to the Association.

Mr. Tyler read from Section IV, " 'Common Area' shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area is to be owned by the Association at the time of the conveyance, and the first lot is described as follows:" He noted that it was blank. Mr. Tyler thought at one point it was probably intended to be filled out, but it was never filled out. By definition of this article, every property that the HOA owns is considered common area. Mr. Gonzales believed that if it was not described that would mean there is no common area. Mr. Tyler stated that there is no history of conveyance of the first lot; but what it is today is real property owned by the Association. Mr. Powell asked if that meant that all the property is common area and should not be taxed. Mr. Tyler believed that was correct. He thought it was something that should be discussed with the County Assessor because in Section IV, by definition it is considered Common Area. Mr. Deaver questioned whether they had the right to sell common property. Mr. Tyler replied that provisions later in the document allow those properties to be sold.

Mr. Tyler read from Section V, " 'Lot' shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the Common Area." That means there is not a lot until there is a recorded subdivision map, and common areas are not intended to be lots. Mr. Tyler clarified that lots are an exception of the common area, and common areas are not defined as a lot. Mr. Tyler explained that the intent of the language is when a recorded subdivision map went in, if there were still properties that were intended to be common areas they would not be platted as a lot, which means they were not intended to be taxed.

Mr. Tyler read from Section VI, " 'Declarant' shall mean and refer to Pine Meadow Ranch, Inc., its successors and assigns, if such successors and assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development." Mr. Tyler thought it was a non-issue at this point because there is no longer a Declarant because Pine Meadow Ranch, Inc. no longer exists and all of those rights have been transferred to the Homeowners Association. Mr. Tyler pointed out that Declarants are given special rights under the CC&Rs.

Mr. Tyler stated that they would stop at this point and continue at the next meeting.

Mr. Tyler referred to the Bylaws in place today that were voted on in 2004. He noted that the history of this document is that there are supposed to be Bylaws for an Association but they were never created prior to 2004. The current Bylaws were created in their stead and they are Bylaws they operate under as the Ranch and directly under the CC&Rs, which creates the responsibility for the Board.

Mr. Tyler read from the Preamble, "These Bylaws for the Association govern the Association and its Board of Directors under the Articles of Incorporation of the Association set up under the laws of the State of Utah. They are binding upon the Board of Directors, as well as the property owners of the Pine Meadow Ranch Owners Association, their heirs and assigns and run with the land. The Association is a non-profit, non-share issuing corporation." Mr. Tyler explained that by law of the Articles of Incorporation created by the CC&Rs and the State of Utah, they were creating the Bylaws for the Ranch which govern how the Board of Directors can operate for the Corporation, which is the Pine Meadow Ranch HOA. And that Association is a non-profit, non-share issuing entity.

Mr. Tyler read from Article I, Section I, Eligibility. "All owners of property within the boundaries designated as Pine Meadow Ranch, including the tract known as Forest Meadow Ranch are members of the Association". Section 2, Voting Rights, "Members in good standing, those with all Association assessments paid in full shall be entitled to one vote for each lot owned. Combined lots are entitled to one vote. When more than one person holds an interest in any lots the vote for such lot shall be exercised as the owners determine, but in no event shall more than one vote be cast with respect to any lot." Mr. Tyler thought the language was clear; one lot, one vote. For example, if three different people own one property, each person is allowed one-third of a vote to total one vote. Ms. Kreis clarified that combined lots only pay one set of dues.

Mr. Tyler read from Section III, Voting Districts. "Membership is divided into seven voting districts of approximately equal memberships." He noted that the Bylaws document created the seven areas on the Ranch. Mr. Deaver asked if it was possible to amend the boundaries of those seven districts. Mr. Tyler answered yes. However, it would require a vote at the annual meeting because it was created by the Bylaws.

Mr. Tyler ended the Bylaws discussion at this point, noting that they would continue from where they left off at the next meeting.

Mr. Tyler referred to the Internal Policies and Procedures document. He read from the Board Member, Employee Roles and Responsibilities. "In addition to the PMROA Bylaws, Article III, the responsibilities of each Board member shall also include:
President - The President shall serve as a sole supervisor and point of contact for the

Ranch manager. The President is the only individual on the PMROA Board authorized to seek out legal assistance provided that any extensive legal work requiring payment by the PMROA is approved by the Board in advance. The President shall also produce any required notices of non-compliance violation letters. The President shall also be the executor of any legal document required for the administration of the PMROA. The President shall act as co-signer on all bank accounts held by the PMROA. In addition, the President shall prepare the monthly and annual meeting agenda and preside over such meetings. The President shall be the PMROA representative on the Pine Meadow Mutual Water Company Board as a non-voting member”.

Mr. Deaver asked if they needed some type of document specifying that PMROA is doing business as Pine Meadow Ranch Homeowners Association. Mr. Tyler stated that when he came onto the Board, it had been referred to as both PMROA and PMRHOA. He noted that the CC&Rs actually refer to it as the Pine Meadow Ranch Homeowners Association. Ms. Kreis pointed out that the Articles of Incorporation would give the official name. Mr. Deaver thought they should look into it to make sure everything was covered.

Mr. Gonzales thought the Board has agreed to go to Carol directly to produce notices and letters. Mr. Tyler replied that he was correct. Mr. Gonzales asked when the language was added to the Bylaws. Mr. Tyler stated that it was changed in 2013 collectively as a group. Mr. Gonzales thought the President should be the point of contact to communicate their wishes and direction resulting from a Board vote. He did not believe the President should be the sole supervisor making the decisions. Mr. Tyler explained that the intent of the language was to keep Jody from having 11 bosses. He pointed out that his intent this evening was to identify what the documents say currently. They could be changed at a later date after the Board has the opportunity to discuss it; and he thought the changes needed to be addressed quickly. Mr. Tyler asked the Board members to make notes on areas they felt needed to be changed.

Mr. Tyler read the role of the Vice-President. “The Vice-President shall service in place of the President in cases when the President is not available for the administration of his or her duties.

Mr. Tyler read the role of the Secretary. “Contrary to the Bylaws, the PMROA Board is elected to have the Office Manager prepare the meeting minutes of the monthly and annual meetings. The Secretary shall coordinate with the President and the Board members to distribute any communications to the Ranch members, and shall be the official administrator of the website and the content therein. In addition, the Secretary shall cause to be created a quarterly newsletter that may be digitally distributed or by mail as may be determined by the Board from time to time”. Mr. Tyler noted that

newsletters have not been done and it may be something the Board may want to consider.

Mr. Deaver asked if the website could count as a newsletter. Mr. Tyler thought a newsletter was different. The Board could decide to make that change if they do not want newsletters. Ms. Parker thought quarterly was too often because they do post on Facebook and the website. However, some people in the HOA do not get their information electronically and a newsletter once a year might be beneficial. Mr. Tyler read the role of the Treasurer. "The Treasurer shall be responsible for the creation of monthly and annual budget reports for Board Meetings and shall be the primary recipient of any invoices payable by PMROA for approval. In addition, the Treasurer shall receive and approve the bank statements of the PMROA prior to forwarding any required information to the office manager for the administration of the PMROA's finances and records."

Mr. Tyler read the role of the Area Representatives. "It is understood that the Area Representatives are responsible for primary contact with any Ranch owners within their designated areas. The boundaries of such may be changed from time to time at the discretion of the Board. It is expressly acknowledged that Area Representatives serve on behalf of all Ranch owners, not just the area from which they are elected to serve".

"The Office Manager shall be employed by the PMROA to handle the day to day operation and administration of the HOA, including but not limited to the production of Monthly and Annual Board meeting minutes, printing and delivery of Board meeting documents, the creation and delivery of annual assessment notice, invoices, the receipt and deposit of such annual assessments, and answering phone calls and/or emails on behalf of the PMROA". Mr. Tyler pointed out that Carol was the Office Manager and performed those duties.

Mr. Deaver suggested that changes needed to be made under the Role of the Treasurer. Mr. Tyler agreed that changes should be made because some of the responsibilities are handled by Carol as the Office Manager. Ms. Kreis stated that Carol copies her on everything and she sends Ms. Kreis the original invoices. Mr. Deaver thought that process needed to be referenced in the document.

Mr. Tyler read the role of the Ranch Manager. "The Ranch Manager shall be employed by the PMROA to oversee and maintain PMROA property and access roads. The Ranch Manager's task list shall be prepared and approved by the PMROA Board and administered by the President. The Ranch Manager shall attend all PMROA meetings and prepare a verbal report on the status of Ranch equipment and property".

Mr. Tyler tabled further discussion on the Internal Policies and Procedures until the next meeting.

Mr. Tyler referred to the Rules and Regulations document, and read the definition and terms for the Rules and Regulations. "The Pine Meadow Ranch Owners Association deems it necessary for the orderly administration of the Ranch to adopt Rules and Regulations regarding the jurisdiction over construction, operation, maintenance of roads, parking lots, common areas, and pertinent easements into the Ranch. Therefore the Universal Rules and Regulations are written to service Ranch property owners". Section I, "These regulations shall be entitled the Uniform Rules and Regulations for the governance of road services, parking lots and common areas of Pine Meadow Ranch". Section II, Definition of Terms. Board – A Board of lot owners elected by landowners within the Ranch. Applicant – a party owning real property within the boundaries of the Pine Meadow Ranch applying for services. Capital Improvement Reserve Fund – A reserve fund for capital improvements which is funded in part from the collection of fees and segregated into a separate for the construction of future capital improvements to the road system as may be required. Dwelling Unit – Any structure within the boundaries of the Ranch is inhabited full-time or part-time by any individual. Landlord – The owner of record of any rental property located within the boundaries of the Ranch and leased or available for lease to others whose property receives service from the Pine Meadow Ranch Owners Association. Lot – Any surveyed and platted parcel located within the boundaries of the Pine Meadow Ranch or Forest Meadow Ranch. Lot Owner – Owner of record for any lot within the Ranch. PMROA - Pine Meadow Ranch Owners Association, which includes Pine Meadow Ranch and Forest Meadow Ranch. Ranch – Any surveyed and platted parcel located within the boundaries of Pine Meadow Ranch or Forest Meadow Ranch, a political subdivision of the State of Utah organized and existing pursuant to the authority of Title XI, Chapter 23, Utah Code Annotated 1953 as amended. Road Services – Services provided on any road under the jurisdiction of the PMROA including road maintenance, construction and snow plow services, if any, when deemed necessary by the PMROA. Subsequent Customer and Applicant – the Customer and Applicant to whom property is transferred or sold and who is applying for services. Tenant – A lessee, renter or person other than the lot owner in possession of rental property thereof, located within the boundaries of the Ranch, and receiving or applying to receive service from the PMROA for that rental property.

Mr. Tyler tables further discussion until the next meeting.

Ms. Parker asked if Mr. Tyler wanted the Board to send him notes and suggested changes on what he read and reviewed in an effort to speed up the process. Mr. Tyler preferred that the Board members make notes on the hard copy packet and at the end

of the full review they could go through each one individually and collectively make the changes on one document as a whole. They should not send him changes after each meeting.

Mr. Gonzales asked for the source of the Uniform Rules and Regulations. Mr. Tyler stated that it was created by the Board in 2001. Mr. Gonzales thought they differed significantly from what was published with the other references. Mr. Tyler agreed. He noted that they were part of the documents that were available on the website and what he had received from Hutch Foster. Mr. Gonzales stated that the Rules and Regulations he found on the website were much different. They were also lumped in with the Protective Covenants. Mr. Tyler believed that was the issue because the Rules and Regulations are not Protective Covenants.

Ms. Parker stated that when she built the website she was given a pile of documents that she sorted out the best she could. She would update the website after all of the changes have been made. Ms. Kreis recommended that they also record the date when things are created or modified.

Monthly Budget Review

Ms. Kreis reported that the collected annual assessment for 2015 was at 100.1%, which was over the projected revenue. She noted that items that would be invoiced and also sent to collections were not included in the budget. Ms. Kreis stated that in actuality they were collecting on those items and Revenue Recovery has been doing an outstanding job. The current percentage of collected revenue has never been achieved in the history of the Ranch. She commended Carol and Frieda with Revenue Recovery.

Ms. Kreis referred to the line item identified as Construction Impact Fees. She noted that they anticipated collecting \$21,000 in impact fees. However, as of September 15th, they had collected \$36,256. That did not include the impact fees that were paid this evening. She had a breakdown of the lots and the owners who had paid impact fees if any Board member wanted to see it.

Mr. Kreis reported that they were also doing well on budget. Given that it was already September, the total fixed expenses were at 56.3% of budget. The variable expenses were at 50.4%. The total expense was at 54.6% of budget. Ms. Kreis anticipated receiving additional bills and invoices for the projects currently in process.

Mr. Deaver referred to the Reserve Fund Expense and asked if \$30,000 was budgeted into that Fund. Mr. Kreis answered yes, but the funds would not be transferred until the

end of the year. Mr. Deaver asked if they were still on track to be able to put \$30,000 into the Reserve Fund. Ms. Kreis believed they would, primarily due to the amount of impact fees received. Ms. Kreis stated that her job as Treasurer is to make sure that what they present in the Annual Meeting is actually rolled over into the Reserve Account. She noted that the bank statement showed the current amount in the Reserve Account. That money cannot be touched without Board approval for a capital expenditure.

Ms. Kreis reviewed the unpaid bills detail.

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

VOTE: The motion passed unanimously.

Mr. LeCheminant commented on a shed that was being built on Alexander Canyon. When he was taking a picture of it his wife asked how the owner would know that he could not build it. Mr. LeCheminant reiterated a previous request to post a sign letting people know that they are entering a Homeowners Association and that rules and regulations must be followed. Ms. Parker thought there was a good chance that people would miss seeing the sign. If someone makes an honest mistake and they are amenable when approached by their Area Rep, that is a good time to talk about.

Ms. Kreis noted that the following Board terms were expiring this year: Area 3, Alan Powell; Area 4, Tom Deaver; Area 5, Mark Hodgson; Tony Tyler, President; Honey Parker, Secretary. Ms. Kreis encouraged all of these Board members to reapply for their Board position. Carol will send information via email. She also offered to update their bio from the previous election.

Ms. Kreis asked if the Board wanted Carol to rent the Sons of the Pioneers Building in Salt Lake for \$200, which is where they held the Annual Meetings in the past. The Board agreed that Carol should rent the facility.

Mr. Tyler reported on a public hearing notice for the Deer Meadows development on Wednesday, September 23rd, at 6:00 p.m. in Coalville. It was Doug McAllister's approval of the Specially Planned Area to create the seven lots, per the agreement he made with Pine Meadow. Ms. Kreis thought it was important for at least one representative from the HOA attend the meeting.

Ms. Kreis noted that Carol had received a tax notice from Summit County on property

owned by the HOA, Lot SSBDY-15-1. The taxes went up significantly and when they called to inquire as to why, they were told that the property value went from \$20,000 up to \$160,000. The surveyor that works for Summit County informed them that there was a building and a shed on the property. Ms. Kreis stated that a private property owner had built on the HOA property. Mr. Powell stated that the property was supposed to be surveyed this summer and he was still getting promises that it would be done before the end of the summer. He was displeased that it had not been done and was looking for a new surveyor. Ms. Kreis agreed that it needed to be surveyed and the HOA needed to do a boundary line adjustment.

Mr. Powell explained that Evergreen Engineering has surveyed the entire area, except for that lot. They were also trying to get Morgan County and Summit County to define the County line.

Ms. Kreis stated that she and Carol had filed an appeal that day stating that the value should only be \$20,000 and that there needed to be some remedy such as a boundary change. Mr. Powell noted that the Board voted to approve the survey in May up to \$3,000; but he has heard nothing but excuses from Evergreen as to why the survey was not done. It would involve surveying approximately 10 acres of land, including land in Morgan County, and also surveying four buildings, as well as establishing the County line. Mr. Tyler asked Mr. Powell to follow up on the survey.

The meeting of the Pine Meadow Owners Association Board adjourned at 8:41 p.m.
