

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
SANDY LIBRARY MEETING ROOM
10100 SOUTH PETUNIA WAY- 1450 EAST
SANDY, UTAH
MARCH 22, 2011

In Attendance: Hutch Foster, Bob Burdette, Suzanne Larson, Alan Powell, Mike Gonzales, Tom Deaver, Bruce Hutchinson, Jeff Hubbard,

Dan Heath, Scot Erickson, Amy Jackson and Jody Robinson were excused.

Hutch Foster called the meeting to order at 6:47 p.m.

Approval of Minutes

Mr. Foster noted that the Board made a decision at their last meeting that was not legal according to the Utah Open Meeting Law. Mr. Foster explained that in the minutes a motion was moved, seconded and voted in favor of changing the procedure for closed sessions. . He was informed that the Board has the legal ability to discuss certain items in closed session before and after a regular open meeting, however, the closed session during the regular meeting must be reflected in the minutes and must be recorded.

MOTION: Mr. Foster moved to defer to the previous process for closed sessions as follows: If the Board finds it necessary to move into closed session during a regular meeting to discuss matters that are not for the public, the session will be taped and noted but the discussion will be omitted in the written minutes.

Bob Burdette noted that Amy Jackson had seconded the motion when it was originally sent by email.

Mr. Foster requested a vote on the motion, since he had not received a complete response through email.

VOTE: The motion passed with one abstention.

Mike Gonzales clarified that he had not received the email regarding the corrected motion, and he had only received the minutes yesterday. Mr. Burdette stated that he had previously notified Carol that the new Board Members were not included on the email list. Mr. Foster stated that it was possible that Carol was using direct email addresses instead of the Area Rep email addresses. He had updated all the Area Rep email addresses. If people use that address, the Board members should receive minutes and other pertinent information. He assumed that Carol has now updated her email list.

MOTION: Bob Burdette moved to APPROVE the minutes of February 22, 2011. Bruce Hutchinson seconded the motion.

Because many of the Board members had not had the opportunity to review the minutes, Mr. Foster tabled the minutes for approval at the next meeting.

Bob Burdette withdrew his motion to approve the February minutes until the next meeting.

Owner/Visitor Open Forum and other owner communications

Tom Deaver asked if the situation on Uintah View regarding the snow berm that was discussed at the last meeting had been resolved. Mr. Hutchinson stated that there had been no further complaints. Mr. Foster noted that he had looked at it as well, and determined that the berm was caused from natural drifting snow.

Environmental Control Commission Plan Review

Tom Deaver stated that he would be representing himself at the next meeting. To avoid a conflict of interest in approving his own approval documents, he had asked Dan Heath to sign the documents with him.

Water Company Update

Mr. Foster reported that the water was turned off on the Ranch. He assumed that everyone was informed by email that the Water Company was looking for leaks, primarily in the Pine Meadow Drive area. He noted that another leak sprang up last Wednesday, which pushed the rate of loss beyond the rate of source. The source on the entire Ranch is approximately 32 gallons per minute. The loss was greater than that, and the tanks were down to near empty. It is impossible to find a leak with empty tanks because there is no water surfacing. Consequently, the Water Company had to shut down the entire Ranch. In addition, there is six feet of snow on the ground in areas where they suspect there might be leaks.

Mr. Hutchinson believed that potentially the water could be turned off until June. Mr. Foster replied that it was not likely, but it was a possibility. He estimated that if the entire system is shut down and they are filling the tanks at 32 gallons per minute, it would take approximately 10 to 12 days to get the tanks close to full. At that point they would test large areas one at a time, watch the trends, and try to assess whether or not

there is a leak in that area. Mr. Foster believed some areas could have water within the next three weeks. It is possible that parts of the Ranch could be turned off until June.

Mr. Foster reported that the spigot at Bobcat Springs was turned on and available to those who want to fill containers. He noted that Bobcat Springs fills off of a small storage tank on the hillside above it.

Mr. Foster stated that the Water Board has been discussing several projects as a way to address the water problem. It is apparent that a 32 gallons per minute source for 800 lots is impractical. Additional source is crucial to Ranch build out, and to maintain what is currently built. The drilling that was done last year on the lower part of Tollgate was successful and the Water Company believes it could be at least a 200 gallon per minute source. They also believe they have source rights to a well on the Forest Meadow side. Currently, their discussions have been to pursue both of those sources by extending their credit with the State, securing additional 3% financing and moving forward on developing one or both of those projects.

Mr. Foster stated that in the short term, the Water Company would like to pull the line out of Pine Meadow Drive, which is typically where they find breaks every winter. That line is both a supply line and a pump line to Uncle Tom's, and therefore, water moves in both directions. When breaks occur they lose a source and supply. The intent is to pull the line and change it to two separate lines. One would feed the Ranch and the other would be a dedicated pump line coming up from Uncle Tom's.

Mr. Foster reported that the Water Board briefly discussed changing the whole Ranch to the telemetry meters that can detect leaks by driving by a house or street. The transmission could quickly figure out the exact location.

Mr. Foster noted that the projects mentioned would be a significant expense and could require an increase in the water base rate for the entire Ranch.

Mr. Hutchinson thought it was important for the Board Members to understand why there is no water and why these projects are necessary, since the reps are the ones who field the complaints and have to explain why the base rate was increased when no water was available. Mr. Foster stated that the Board members should defer those complaints to the Water Company. When the two entities were split by the County, Ted Barnes wrote articles of incorporation for two separate organizations. Water issues should be directed to the Water Company, and this Board should not feel

obliged to explain projects or decisions made by the Water Company Board.

Mr. Foster remarked that the Water Company inherited 30 miles of sprinkler line and they are doing their best to turn it into 30 miles of culinary water line. Mr. Deaver remarked that the problem is the materials, because the material was not adequate for the area. Currently, when materials are changed out, it is done to current State specifications.

Ranch Manager's Report

Mr. Foster reported that Jody Robinson was unable to attend this evening.

Equipment Status

Mr. Foster reported that until today the equipment status was good. However, when he spoke with Jody this afternoon, the dump truck had a broken axle. Jody ordered parts and expected to receive them the next day. He should be able to do the repair work himself. If everything goes smoothly, the sander should be running again. Mr. Foster stated that the grader is running well and the blades are good. Snow removal is not an issue. They were just without the sander for a short time.

Mr. Foster stated that Jody would also fix the ABS sensor, as discussed at a previous meeting, which was an additional \$100. Jody estimated the total cost at \$600 for the axle and the ABS repair.

Mr. Deaver remarked that Jody should be applauded for being able to handle the repairs without having to hire outside assistance. Mr. Foster agreed that Jody continues to be the best investment for the Ranch.

Projects Anticipated

Mr. Foster stated that a week ago he and Jody discussed that due to the warming trend and the depth of the slush, that it might be time to shave the roads back and let the main road dry out. Since that discussion the weather has been blowing and snowing for a week and weather reports indicate the same weather until early next week. The Ranch was back to winter conditions therefore, the project to shave the roads was put on hold.

Ranch street signage

Mr. Foster had a short list of projects that the Board wanted to work on this year. One was signage. He was unsure of the status of the sign list. He recalled that a spread sheet was prepared so the area reps could fill in the information. Mr. Burdette stated that the spread sheet was sent to each area rep, however, only one was returned.

Mr. Foster reiterated the project. The areas reps were asked to describe the signage needs for roads in their area. Not every intersection needs a sign, but the roads should be fairly well signed so people and emergency vehicles can find the appropriate road. Mr. Burdette offered to send out the spread sheet again to all the Board members. He believed the spread sheet was simple and self-explanatory.

Mag Chloride Application

Mr. Foster reported that last year the Board received feedback from the Ranch owners regarding the process for deciding where the mag chloride should go. He noted that it was time for the Board to make that decision. The mag chloride application is for artery roads only, to keep the heavily traveled streets firm. It is not for the purpose of keeping dust down for the residents on side streets. Mr. Foster named some of the roads that would receive mag chloride. He stated that it would be applied to Pine Meadow all the way out to the exit of the Church property, per their agreement. The Church has the highest traffic level during the summer and they pay a substantial contribution to have that artery maintained.

Mr. Foster suggested that the Board members look at the map and see which roads in their area fit the profile for mag chloride application. Mr. Hutchinson asked if there was a schedule of roads that received the mag chloride last year. Mr. Foster thought each Board member should write down which road they want to have mag chloride. Jody could use that list, calculate the new mileage and then compare it with the mileage that was done last year.

Mr. Burdette recalled that last year they ordered three truckloads of mag chloride. The third truck was slow in arriving for the season and Jody cancelled it. Therefore the amount of mag chloride ordered was reduced and the mag was spread thinner.

Mr. Powell asked if there was a benefit from year to year in the fact the mag chloride is applied to the same roads each year. Mr. Foster believed it needed to be re-done each year. Mr. Foster explained that to apply the mag chloride requires a balance. It needs to be done early enough in the season before the roads get bad, but late enough to be entering the dry part of summer.

Mr. Gonzales asked if it was possible to order mag chloride application as a fee service from the Ranch to owners who are off the main arteries, and whether Jody would have time to apply it. The problem would be if one person wanted to do it, but no one else on their road was interested in contributing. Mr. Foster was not opposed to it, but he thought they should gather cost information before moving forward.

Mr. Foster requested that the Board members send in their recommended list of roads for mag chloride before the next meeting.

Asphalt

Mr. Foster remarked that the Board needed to discuss plans for asphalt this year. The Board discussed problems and solutions related to cracked asphalt on Tollgate. Mr. Foster stated that the alternatives would be to pave again, ignore, seal, or patch. Mr. Hutchinson pointed out that Jody Robinson has had a lot of experience with asphalt and they should wait to hear his opinion on repairs.

Mr. Deaver asked if they could look at asphalt on the bottom part. Mr. Burdette thought they should seriously look at it and begin to compare what work needs to be done with the money that is available.

Mr. Burdette stated that the Ranch has the benefit of equipment and skills that they have never had before. Jobs can be done differently now than when Tollgate was first paved. Mr. Burdette recalled that a neighbor who is not in the Ranch attended a Board meeting last year and promised to contribute \$1500 if the Board would asphalt Forest Meadow Road. The owner actually paid \$350, which is the dues paid by any full-time resident. Mr. Burdette contacted the owner, who said he was waiting to see how well the road holds up before paying anything more. Mr. Burdette reasoned with the owner and he ended up paying the entire \$1500 that he had agreed to in the first offer.

Mr. Foster stated that Jody would provide his input, but the Board would need to decide how to spend the money.

Sand shed for next winter

Mr. Foster reported that Jody has been going to the pit to get sand because the winter conditions have made his uncovered sand pile unusable. He had asked Jody to think about building an economical sand shed this summer and to estimate the cost. Mr. Foster thought they could also consider an inexpensive pole building in the gravel pit

area, which could use a sand stocking area. He felt it was important to do something so Jody would have full use of the sand in the winter. Mr. Burdette stated that another option would be for Jody to drive down to Geary and get sand whenever he needs it.

Mr. Foster suggested that the Board members compile a "want" list of projects they would like to have done this summer. They could then go through the list and prioritize the projects based on what they can actually afford.

Mr. Gonzales asked if there was a reason why they do not have large snow blowers on the Ranch to keep the roads wide. Mr. Foster replied that there was no reason, other than it would be another piece of equipment to purchase and maintain.

Mr. Burdette provided a brief history of how they obtained each piece of equipment and why the decision was made to purchase each one. He stated that the collection of equipment has been an evolution of growing, and he thought it might be possible to purchase a blower if they determine that it is the next large piece of equipment to consider. Mr. Burdette also suggested the possibility of renting blowers that are already on the Ranch. Mr. Foster pointed out that in the past the Ranch has contracted with property owners for the blowers. Some have also volunteered their time and equipment.

Mr. Foster thought they had reached the threshold of equipment that one person, being Jody, could manage. He noted that they already own several pieces of equipment that are stored or buried in the snow all winter. At some point, they need to talk about whether or not Jody needs an assistant, and whether they need to build a barn and a shop.

Mr. Foster recalled a discussion at the last meeting about contracting the large blowers on the Ranch to help when necessary. He preferred to move forward with that idea to see how it works before investing in another piece of equipment.

Old Business

Mr. Foster noted that at the last meeting Dan Heath had been assigned to look into signage for the lower parking lots. He would follow up with Dan Heath before the next meeting. Mr. Foster thought they should put up the signs in April, and by June they should begin to haul away anything that does not have a Ranch approved parking decal. If it does have a Parking Decal, they should contact the owner.

Mr. Foster stated that the Board should discuss expectations for those lots once they

are cleaned out. He was surprised to be approached by a Ranch owner who wants to lease the parking lot from the HOA, build a fully covered storage unit, provide security and lease the storage.

Mr. Gonzales suggested that they could make the lower level short term parking and the upper level long term parking. He believed it was better to keep it open and maintained, as opposed to making it storage.

Mr Foster remarked that it was better to first get the lots cleaned up and then move toward other proposals.

New Business

Mr. Burdette reported that three lot owners had sent in comments about the annual dues. David and Lenora Milligan believed their road assessment was voluntary. Since they are not within the Ranch, they will not be contributing to the road assessment this year. Mr. Foster stated that if the Milligan's are connected to the Water Company, their assessment is not optional. Mr. Burdette explained that the Milligan's argue that because they never signed anything to join the Owner's Association, they are not members, but they have contributed in the past.

Mr. Foster remarked that someone needed to explain to Mr. and Mrs. Milligan that they need to sign the annexation agreement to Pine Meadow Ranch, or the Water Company will be legally forced to discontinue their service. The Water Company cannot sell water to anyone who is not a member of the Association. Mr. Burdette stated that he would follow-up with the Milligan's. Mr. Foster suggested that Mr. Burdette provide them with a copy of the Water Company's bylaws, which clearly states that they need to be part of the Pine Meadow Ranch Owners Association in order to be provided water. In addition, they should be sent the agreement to be signed with an apology that the paperwork was missed. If they do not return the paperwork with a check, the Board will have no choice but to follow up with the Water Company to discontinue their service.

Mr. Burdette read correspondence from William and Arthel Murdoch, Lot FM-D-150, who were unhappy about the entry to the Ranch. They are tired of the horrible entry up to three-quarter miles into the Ranch, and will not invite anyone to their cabin because they are embarrassed and afraid that their friends would damage their cars. They have "owned property on the Ranch for 30 years and the entry is still a mess".

Mr. Foster noted that the potholes on the lower three-quarter miles of Tollgate have never been deeper or more ferocious. Regardless of the decision for asphalt work, Mr.

Foster was certain that Jody would need to do truck patching on those holes early in the season. Mr. Foster thought this was a valid criticism. Mr. Burdette pointed out that the Murdoch's had paid their fees.

Mr. Burdette reported that Owen and Janet Wood, lot FM-C-86, dispute the fees because they think it is robbery. Since the road was put on their property, they believe the Association should pay them. He noted that the Wood's had not paid their fees. The CC&Rs of the Ranch and the bylaws are very clear that the roads are on private property and that the HOA has control of the roadways. Mr. Burdette clarified that the Board would proceed to collect under the regular guidelines as with any other lot.

Mr. Gonzales stated that he heard comments from people after the Water Board meeting, questioning why the Ranch does not impose a building moratorium until the water problems are resolved. He wanted to know if that was possible to make sure they do not run out of water resource before it is too late. Mr. Foster explained that a moratorium is not within the Board's purview of authority. When someone wants to build, they apply to the HOA Board and the Water Company, then the Water Company is required to provide a water letter showing that they can provide water for that lot. Mr. Foster was unsure of the State regulations, since Pine Meadow Ranch is not a community water system.

Monthly Budget Review

Bob Burdette reviewed the unpaid bills in the amount of \$9,737.

Mr. Burdette noted that the Clyde, Snow, Session and Swenson was a legal bill for a collection matter against a lot owner. Mr. Foster explained that he, Carol and Dan Heath had to testify in court in a trial that was a foreclosure hearing against one of the Ranch owners. He had specifically asked Ted Barnes to attend on the day he and Dan would be testifying, since Ted is the legal counsel for the Board. Mr. Foster clarified that Mr. Barnes was not involved in the matter. The matter was Revenue Recovery's vs the lot owner, and the Association does not pay Revenue Recovery for their legal expenses. Mr. Foster noted that the court was still out on a final decision.

Mr. Burdette noted that the bill from KGC Associates was higher than usual, again due to the collection matter and court proceeding.

Mr. Foster asked Carol to contact Revenue Recovery to see if the Association should be reimbursed for time they compensate Carol for being in court and gathering documents related to the collection of the MyCorp case. He believed it should be a

reimbursable expense.

Mr. Burdette noted that the \$9,737 included Jody's payroll for the last paycheck in February and the first paycheck in March, as well as the Federal withholding and FICA tax.

MOTION: Bob Burdette made a motion to pay all the bills outlined in the amount of \$9,737.78. Suzanne Larsen seconded the motion.

Tom Deaver asked if the insurance amount showing on Jody's payroll was a monthly premium for health insurance. Mr. Burdette answered yes.

VOTE: The motion passed unanimously.

Mr. Burdette stated that he had reviewed the documents from Revenue Recovery and it appeared to be the same contract they originally signed.

Mr. Foster did not believe item 8 reflected the original agreement. He understood that the agreement with Revenue Recovery was that the Association would receive 100% of the assessments owed and collected, and that the total recovered amount would be increased to accommodate Revenue Recovery's fee. The agreement did not reflect that provision. Mr. Burdette agreed.

Assignments Review

Mr. Foster reminded all the Board members to follow through on the list of road signs.

Mr. Foster asked if someone would follow up with Dan Heath on signage for the lower parking lots. Tom Deaver would follow up with Mr. Heath.

Mr. Foster asked Mr. Hutchinson to pursue a meeting place at the fire station on 3300 South in Salt Lake. The Board would begin meeting on the Ranch in May. Mr. Foster had posted the six months in the valley, six months on the Ranch rotation schedule on the website.

Mr. Deaver noted that the Board members also needed to highlight the maps for the mag water.

Pine Meadow Ranch Owners Association
Monthly Board Meeting
March 22, 2011
Page 11

The meeting of the Pine Meadow Ranch Owners Association adjourned at 8:09 p.m.
