

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
RANCH MANAGER'S OFFICE
OCTOBER 25, 2011

In Attendance: Hutch Foster, Dan Heath, Bob Burdette, Suzanne Larson, Bruce Hutchinson (Area 5), Alan Powell (Area 3), Tom Deaver (Area 4)

Jeff Hubbard (Area 2) and Mike Gonzales (Area 6) and Jody Robinson arrived later in the meeting.

Matt Brown (Area 1) and Amy Jackson (Area 7) were excused.

Hutch Foster called the meeting to order at 6:32 p.m.

Approval of Minutes

MOTION: Suzanne Powell moved to APPROVE the minutes of September 27, 2011. Bob Burdette seconded the motion.

Bob Burdette noted that it was Jeff Hubbard who had volunteered to provide a pole for the signs and not Alan Powell as reflected in the minutes.

Mr. Foster corrected Pete Gilwold to **Gillwald**. He noted that Mr. Gillwald is a developer/land planner in Park City who updated the Board on Deer Meadows at the last meeting.

Mr. Powell corrected the spelling of his father's name from Lou to **Lew**. Lew Powell was a guest at the last meeting.

Mr. Foster called for a vote on the minutes as corrected.

VOTE: The motion passed 6-0-1. Tom Deaver abstained since he was not present for that meeting.

Owner/Visitor Open Forum and Owner Communications

Mr. Foster understood there was confusion on the Ranch regarding the shack and where it went. He would post a picture for clarification as to where the shack was relocated.

Bruce Hutchinson stated that at the last meeting he reported that Steve Treseder, Lot D58, wanted to know the parameters of building a small garage. Mr. Hutchinson visited the lot and while no one was on his lot, he found that the adjacent lot, D59, had already started construction on a garage. The structure appeared to be approximately 16' x 24' and had retaining wall on two sides. Mr. Hutchinson asked the owner, James Brown, to communicate with the Board but it was unclear whether he would. The footings,

foundation and slab were already constructed. Mr. Foster noted that a building permit was not posted on the property. He contacted Summit County and the garage was not permitted. The owner has now obtained a building permit, but that still left the Board in a position of following up on their requirements.

Mr. Burdette thought they should send Mr. Brown a bill. Mr. Foster replied that they could bill for impacts fees, but the Board would still need to approve it architecturally. Mr. Burdette stated that without seeing the plans to know the actual square footage, he assumed the charge should be \$2.00 per square feet and 10,000 square feet. Mr. Foster agreed that the Board could estimate high and inform Mr. Brown that when he provides a correct measurement the charge would be adjusted accordingly.

Mr. Hutchinson would follow up and write the letter of non-compliance.

Jeff Hubbard arrived.

Mr. Foster stated that he was contacted by two property owners regarding Deer Meadows who wanted to know the Board's position and how it would impact the Ranch. They requested a great deal of information, however, the information they wanted is not available at this time.

Mr. Foster noted that a public hearing on Deer Meadows was held last Wednesday but he was unable to attend. Property owners who live within a 1,000 feet of the development were notified, which generated significant interest and several emails. Deer Meadow was on the agenda for the Board to discuss later in the meeting.

Mr. Foster reported on a meeting he had with Doug McCallister a few weeks earlier. Mr. McCallister updated Mr. Foster on their proposal.

Jeff Hubbard had received an email from Steve Erickson, C69. Apparently the grader came by and covered his culvert and Mr. Erickson wanted to know what the Board would do about it. Mr. Foster would check with Jody Robinson and if he had graded over the culvert it would be fixed. If not, they would need to inform Mr. Erickson that maintaining driveway culverts is the responsibility of the property owner and not the Ranch

Environmental Control Committee Plan Review

Mr. Foster recalled from the last meeting that someone on Elk Road wanted to build a garage. He drove past the property and other than cleaning up the carport that had collapsed, there were no signs of construction.

Mr. Foster requested that the area reps inventory activity in their area before the weather turns bad.

Ms. Larson had received a call from someone on Alexander Canyon Road who reported on a deep hole that people were filling with logs. Mr. Foster stated that there is a spring under the road in front of Michelle Gardner's home and they have had a hard time draining it out. Ms. Larson stated that the property owner complained that the hole made it difficult to access his own property. Mr. Foster replied that Jody Robinson was aware of the problem. Mr. Heath thought it had been fixed within the last week.

Water Board Update

Mr. Foster had attended the Water Board meeting. He noted that the Water Board Annual Meeting was the week before the HOA annual meeting. The Water Company had open positions on their Board. Mr. Hutchinson wanted to know who was currently on the Board. Mr. Foster replied that current Board members were Cal Cragun, Eric Cylvick, Bill George, and Brian Zelch. He understood that Mr. Zelch was moving off the Ranch and would no longer be on the Board. Mr. Foster pointed out that he was also a Board member representing the Owners Association, until another person from the HOA Board volunteered to assume that responsibility. The Water Board meets once a month.

Mr. Foster reported that the Water Board has secured another low interest loan through the State Water Division to fix the water problems on I-Plat and to develop the Tollgate Canyon well to hopefully provide enough water source for 100% build out. Another reason for the loan was to change all shareholder meters to digital meters that can track leaks more quickly. That meter project has been completed and every meter on the Ranch has been changed. The Water Company is in the process of updating all the software and infrastructure for a fast read of the meters. If a leak occurs, Brody and Trevor can drive around the Ranch and any meter that has been running continually for 24 hours would set off an alarm on the laptop. Mr. Foster remarked that the new system would not easily identify leaks in the street, but it eliminates the higher probability that a leak is inside a cabin.

Mr. Foster stated that due to the development of new source and the meter change out, there would be an increase in the water rate. He recalled that the proposed increase was \$7.00 per month. Mr. Hutchinson noted that very few shareholders attend the Water Board Annual Meeting. He asked if it was possible for the Water Board to give a report at the HOA Annual Meeting.

Mike Gonzales arrived.

Mr. Foster noted that the Water Company was sending out postcards notifying shareholders of the changes and inviting them to attend the Water Company Annual Meeting. Mr. Hutchinson stated that the organization of the Water Company appears to be that they run autonomously with very little input from the general populace on any issue. Mr. Foster replied that input comes from people willing to make comment. He agreed with Mr. Hutchinson that the Water Company makes their own decisions based on a set of bylaws that outline their goals, and they work towards those goals. In addition to lack of input, Mr. Hutchinson did not think the Water Board was held to any accountability to the owners. Mr. Heath disagreed. Mr. Foster thought the Water Company was accountable to their founding bylaws. Mr. Hutchinson commented on the decisions that were made by the Water Company and the risks that were taken and the money spent on drilling wells, including some that were dry, without seeking input from the property owners. Mr. Foster explained that the bylaws of the Water Company Organization required securing enough source for current and build out needs on the Ranch.

Mr. Heath stated that when the Water Company was formed they had a mandate to do specific things. Having sat on the Water Board for many years, he believed they were meeting that mandate. Mr. Deaver stated that when he attends meetings the Water Board is open and willing to talk to him. Mr. Foster clarified that the Water Board is willing to take input, but no one gives it.

Mr. Burdette pointed out that initially the Water Company had talked about having a choice to opt into the electronic meter. However, they later made a different decision and a new meter was installed at every lot. Mr. Burdette believed that with the new meters the property owners lose the ability to read their own meter and monitor their usage.

Mr. Deaver remarked that with the initial option plan the owner had to pay \$300 for the meter. When the Water Company obtained the loan, they decided to use loan money to purchase and install new meters for the entire Ranch. The owner still pays for it but at \$7.00 a month instead of \$300 upfront.

Mr. Deaver noted that an emergency email was sent to everyone regarding the 22 gallons per minute leak. He thought it would be nice for the Water Company to send another email to let people know that the leak was found and repaired. Mr. Foster stated that they usually do let people know, but he was unsure whether they had found the leak in the last four days.

In response to a question regarding what the Water Company would do if they find a meter has been running for 24 hours, Mr. Foster assumed the meter would be shut off and the homeowner would be contacted. Mr. Foster pointed out that the Water Board has been disappointed with the low turnout for their Annual meeting and he encouraged the Board members to attend the upcoming meeting.

Ranch Manager's Report

Jody Robinson arrived late and Mr. Foster gave the Manager's Report.

Equipment Status

Mr. Foster stated that the small plow truck needs new tires and they need a new cutting edge on the plow and the grader. Mr. Burdette stated that the cutting edges are not completely worn out, but Jody would like to purchase them now and have them on the Ranch so they can be replaced when needed. Mr. Burdette did not have a bill and assumed that Jody had not purchased them or they were purchased and the bill would still come.

Projects completed or in progress

Mr. Foster stated that at this time of year stockpiling sand is required for winter. Mr. Burdette noted that three loads were delivered and he expected a total of ten loads.

Using the small dump truck, Jody resurfaced the area on Beaver Circle where it had been requested.

Mr. Foster noted that a small blading project was done on off-Ranch property south of A Plat. A property owner adjacent to the Ranch, who joined as a contributing member on the fringe, asked if they could contract Jody for a two-hour blade project on an access road. Mr. Foster stated that Carol would bill the property owner at the standard rate used in the past.

Ms. Larson appreciated that Jody had taken care of the divet on Oak Road.

Mr. Burdette commented on Windy Ridge and asked if that road was on the schedule. Mr. Foster replied that material was laid on Windy Ridge and bladed. However, a log company pulled a semi-truck on a wet day and rutted the road. Mr. Foster suggested that they leave the road as-is until after construction is shut down. At that point Jody can use his judgment on what should be done.

Mr. Burdette stated that Yvette Connely's contractors have equipment and trailers parked on the road at Lot G38, and he asked if that was something the Board wanted to pursue. Mr. Foster thought it was worth sending a note reminding the owner that road parking is not acceptable. He noted that it has turned into long-term parking.

Mr. Foster asked Mr. Gonzales about his builder who was using an empty lot on the corner as long-term parking. Mr. Gonzales replied that the truck was parked there overnight because the brakes locked and the builder was trying to find a mechanic. Mr. Burdette stated that the Board runs into problems when they are inconsistent. If they apply the rules consistently, they can stand on the fact of consistent enforcement. Mr. Foster thought the area rep should send letters of non-compliance for both parking issues discussed. Mr. Gonzales stated that he was the area rep and questioned whether it would be a conflict of interest if he sends a letter to himself. Mr. Foster suggested that Mr. Gonzales send a letter to Yvette and put the same letter in his own file reminding him about parking regulations. The first letter is a reminder with no fine.

Mr. Foster commented on moving the mailboxes from the bottom of Tollgate Canyon a hundred yards up the road. He noted that there was some confusion and inspectors were involved but it turned out to be nothing. Mr. Foster was unsure why the work was not resumed. He explained that the shack was moved up to the office because Jody could use it for storage and it was serving no purpose at the bottom of the canyon other than to hang a sign. When construction is completed, they will put relevant signage on that side of the road in some other form.

Jody Robinson arrived.

Jody reported that the grader needed new front tires and he would pick them up the next day. The cost for each tire is \$620.

Jody referred to the road ruts on Windy Ridge and noted that the truck should not have been up there. It was a snowy day and the truck slid off the road and needed a wrecker to pull it out. Jody stated that the road could be easily fixed, but the incident could have been avoided.

Mr. Foster told Mr. Gonzales to include two items in his letter to Yvette; 1) parking on the road being used as parking storage; 2) observed damage to the road due to heavy equipment on the road during wet conditions.

Mr. Hutchinson asked if anyone was monitoring the deer hunt to avoid past problems. Mr. Foster stated that Jody had requested vacation time during the deer hunt and he had approved his vacation. Mr. Foster moved the signage this year and was able to

spend some time monitoring. He had not seen any hunting traffic at all. He welcomed help from anyone else who had time to monitor the hunt.

Mr. Foster stated that property on the south and east side of Forest Meadow is a wildlife management area through the Department of Natural Resources, and they have private permitted hunts in their own seasons. Therefore, it is possible that legal hunters use Ranch roads as access.

Old Business

Mail Box Project

Mr. Heath updated the Board on the status of the mailbox project. Mr. Heath had arranged to get the trackhoe from the Water Company at no charge. He ran into a building inspector and told him what he wanted to do. The inspector approved the work. However, later on, Mr. Heath received a call from the Building Department saying that they had received an anonymous call and he was digging on someone else's property. They ordered him to stop work. Mr. Heath stated that the Building Department eventually determined that it was Ranch property, but decided that Mr. Heath needed to obtain a grading permit.

Mr. Foster suggested that Mr. Heath contact Rick Grouse to see if he was interested in doing a design proposal for the mailbox area. Now that the shack is gone, Mr. Foster thought there was flatter ground above the original spot to move the mailboxes.

Lower Lot Signage and Towing

The signs were ready to place at the entrance to each of the lower lots.

Deer Meadows

Mr. Foster reported that Doug McCallister had reapplied for a subdivision located in the rolling meadows to the right of the big orange sign and gate on Pine Meadow Drive. In 2007 Mr. McCallister submitted an application which included moving density off of Pine Meadow Ranch and leaving lots that would be permanent open space. Moving the density off Ranch changed the proposal from a 26 home to a 6 home subdivision. Mr. Foster recalled that the Board had mixed feelings and there were opinions supporting both sides. In order to find common ground, Ted Barnes crafted an agreement between the Board and Deer Meadows, LLC stating that this Board would neither support nor oppose the project based on criteria that Deer Meadows agreed to. Those criteria were 1) that the lots to be subdivided would become encumbered by the dues,

fees and CC&Rs of Pine Meadow Ranch; 2) Pine Meadow Owners Association would not be responsible for the roadways and that Deer Meadows would create their own private roadways. The Board signed that agreement. Therefore, Pine Meadow Ranch already has a binding agreement with Doug McCallister and the property is encumbered by the CC&Rs, dues and fees. Mr. Foster remarked that per the agreement, if those parcels subdivide, then each subdivided parcel would be encumbered.

Mr. Foster asked Carol to check on whether those lots have paid dues for the last four years. He noted that an interesting loophole that was never addressed is the fact that the CC&Rs prohibit subdivision. Mr. Foster believed there was obvious intent in the agreement since it mentioned subdividing. However, because the property is not physically within the boundaries of Pine Meadow Ranch, he assumed that was the argument that was made at the time

Mr. Foster explained that the 2007 application was denied by the County Council based on concerns over Transfer of Density Rights. A year-and-a-half ago Mr. McCallister submitted a new version of the proposal, which is a Specially Planned Area (SPA) application. Mr. Foster stated that a SPA is an application that does not fit into the current zoning requirements of an area, and in order to be approved, it needs to demonstrate a community benefit that would be better than building within the existing zoning. The current proposal is for 26 units under the SPA application.

Mr. Foster stated that in a recent conversation with Mr. McCallister he remained neutral and his comments were neither for nor against the project. However, he suggested to Mr. McCallister that if the project moves forward the Board would expect him to stand by the original agreement and that all subdivision within that project would be encumbered by the CC&Rs and all fees. Mr. McCallister was amenable and thought it was sensible.

Mr. Foster stated that Mr. McCallister had asked for his input on what he could offer as a community benefit. Mr. Foster was hesitant to suggest a community benefit partly because he did not think it was his place to do so. However, since Pine Meadow Ranch is the community in question, it may be appropriate for the Board to make a suggestion. Mr. Foster noted that Mr. McCallister had a proposal before the County for a cash benefit of \$4,000 per lot to be given to Pine Meadow Ranch as a community benefit for road repair. He told Mr. McCallister that a small one-time contribution to road maintenance was not a long term community benefit because the Association could achieve the same benefit with a periodic increase in dues.

Mr. Foster stated that if the Deer Meadow project was to move forward, the Planning

Commission and County Council would look to Pine Meadow Ranch for an opinion. The Board could choose to have a definite opinion on the project itself or they could choose to have an opinion on what Mr. McCallister was offering as the community benefit. Mr. Burdette remarked that the people who live above them on the Mountain use Ranch roads to access their properties. The project would cause those people to begin paying for the roads on an ongoing basis, and in his opinion that was a benefit. He pointed out that any number of units built would increase traffic. The Board would essentially be encouraging more traffic on the roads by supporting this plan. From a financial standpoint, Mr. Burdette was grateful to have an agreement in place that would require the lots to participate in paying for the roads.

Mr. Gonzales asked if the community benefit could be a way to reduce traffic by establishing some type of gated entry or controlled access to the Ranch. In that situation the traffic would reduce and the funds would increase. He was told that the County would never approve a controlled access because it is a public access road.

Mr. Heath believed a more basic question was what the County would do about the road to access the lots if they allow higher density in that area. He felt that Pine Meadow was being asked to take care of more people in Tollgate with this project. Mr. Heath thought the County should step up and settle Tollgate before they talk about additional density. Mr. Foster pointed out that Mr. McCallister was the one talking about additional development. The County was not proposing increasing the density within Tollgate. Mr. Heath stated that if Mr. McCallister wants the development, the Board should not express an opinion until a decision is made regarding Tollgate. Ms. Larson agreed that if the County condones the development, they need to allow Pine Meadow Ranch some latitude in addressing the traffic issue.

Mr. Deaver thought the \$4,000 per unit community benefit was an insult. When McCallister was talking about TDRs, the least expensive ones were \$25,000 per unit. In addition, the TDR did not add more building permits to the area because the density would be transferred. The current application leaves all existing building permits in place and adds additional permits.

Mr. Powell felt that a longer lasting benefit would be for Mr. McCallister to purchase lots within Tollgate and put them in some type of land conservancy.

Mr. Foster asked the Board members how they felt about the project in general. Mr. Foster noted that Ted Barnes was revising the previous agreement to reflect the conditions of the current application. Mr. Gonzales thought the Board should not take a position for or against the project, but they should expect the owners to join the Ranch and abide by the CC&Rs if the development moves forward.

Mr. Deaver felt it was a slippery slope. If the Board does not take a position and the County approves the application, it sets a precedent for the next developer.

Mr. Hutchinson remarked that when Pete Gillwald presented the Deer Meadow plan to the Board at the last meeting, he was offended when Mr. Gillwald said it would benefit the Ranch. Mr. Foster recalled telling Mr. McCallister that cash for road maintenance would not be a benefit because it was a short term panacea. He suggested that building Jody an equipment barn, offices and a sand shed may be given some consideration as a community benefit. Mr. McCallister was not interested. Mr. Foster noted that Mr. McCallister offered cash to the Water Company as a community benefit and they took the same position that a one-time cash payment was not a long-term benefit.

Mr. Burdette stated that in 2007 he favored the Deer Meadow development because transferring density from Pine Meadow Ranch to their location would reduce the crowded situation on the Ranch. He pointed out that the SPA application proposed would accomplish none of that and he would vote against it.

Mr. Foster asked if any of the Board members could find value or benefit in favor of the Deer Meadow project. They all answered no. He asked if the Board wanted to take a negative position on behalf of the Owners Association. Mr. Hutchinson thought their position should be that the proposal would not benefit Pine Meadow Ranch in any way. He did not think they needed to take a yes or no position. Mr. Hutchinson believed the new proposal presented more problems than the original proposal.

Mr. Foster clarified that taking the position that the project would not benefit the Ranch was a neutral position and not a position against the proposal. Mr. Hutchinson replied that this was correct. Mr. Foster had heard a negative position from other Board members. He preferred to have a general consensus position from the Board.

Ms. Larson thought the Board could be neutral. She could see nothing in the proposal that would benefit anyone but the developer. Mr. Heath did not think they needed to express a neutral position. It should be enough to say that the Board finds no benefit to the community. Mr. Burdette thought they needed to specify that it would be a detriment to the community.

Mr. Foster read the worded position the Board had taken with the first proposal. "Pine Meadow takes no position on whether Summit County should or should not approve the subdivision of the receiving property as proposed Deer Meadows, and as an organization Pine Meadow will neither advocate nor oppose the planned subdivision.

Pine Meadow notes that some of its members may have opinions relating to the proposal and confirms that this agreement is not intended to limit the rights of Pine Meadows members to express their views on this or any other matter". Mr. Foster thought the wording was a neutral position without any innuendo or hint of feeling. If the Board feels negative about the project currently proposed, creating a position that is vaguely negative has no advantage. Mr. Foster thought the Board should make a choice. Mr. Powell remarked that conveying the message that the project would create a detriment should clarify their position without having to say yes or no.

Mr. Burdette stated that if Mr. McCallister came to the Board and asked how he could overcome the negative traffic issue, he would like to have another way on and off the Mountain. If Mr. McCallister would pay for another exit off the Ranch with a crash gate, that would be a community benefit.

The Board discussed the detriments created by the proposal, as well as acceptable community benefits if the proposal moves forward. As proposed, Mr. Heath could not see an upside to the development. Mr. Deaver was uncomfortable allowing 26 additional building permits. The only way he would consider supporting the development would be if Summit County took over the maintenance and operation of Tollgate from the culvert up to Oil Well. Mr. Deaver pointed out that the Board would still need to address the road impacts above Oil Well. Mr. Hubbard stated that a second access would be the only benefit he would consider and the only reason why he would support the development. Mr. Foster stated that his general position on the project has been negative from the start. It was hard for him to imagine any scenario where increasing density could also provide a benefit. He agreed that the only benefit to consider would be a second access towards the Wanship side. Mr. Gonzales stated that he was midway between additional egress and putting properties into conservatorship. Mr. Powell concurred. Mr. Hutchinson thought the additional access would be an acceptable community benefit. Ms. Larson agreed.

Mr. Foster summarized that if the County requests a position from the Owners Association, the general consensus is that the Deer Meadows properties in question have already joined and are encumbered by the rules and regulations and the CC&Rs and fees of the Pine Meadow Ranch Owners Association. Regarding the offered community benefit of \$4,000 per subdivided lot, the Pine Meadow Ranch Owners Association opposes the Deer Meadows SPA application. The Board concurred that Mr. Foster had stated an accurate position.

MOTION: Mr. Foster made a motion that in its current form, the Pine Meadow Ranch Association Board was opposed to the Deer Meadows SPA proposal. Bob Burdette seconded the motion.

VOTE: The motion passed unanimously.

Mr. Foster believed that Mr. McCallister would read their discussion in the minutes. He asked the Board if he could share their thoughts on an acceptable benefit if he is approached by Mr. McCallister. Mr. Burdette thought access/egress to the Ranch should be their first choice. Mr. Foster would also tell Mr. McCalliser that since the first proposal was a TDR proposal which had a net zero density change, the Board would like him to consider a proposal that moves back in that direction. Mr. Foster clarified that the Board would be interested in having those discussions if Mr. McCallister was willing to research their suggestions.

New Business

Agenda for the Annual Meeting

Tom Deaver stated that he may be out of town for the Annual Meeting.

Mr. Burdette stated that he would present the budget and compare the 2012 Budget.

Plow Connector

Mr. Burdette noted that annually the Board visits the issue of whether or not the Owners Association would pay to plow the connector between Pine Meadow and Forest Meadows. He suggested that the Board have that discussion this evening. It is not automatic and requires a vote each year. Mr. Burdette believed the owners in Forest Meadow count on the plowing, and he had invited them to attend this meeting. Mr. Burdette remarked that if the Board wanted to continue paying to plow the connector it should to be approved this evening so he could include it in the 2012 budget. Mr. Burdette noted that the Board previously approved \$6500. The actual cost was slightly higher last year because they approved additional snow plowing to resolve a problem on Tollgate.

Mr. Deaver asked why they ride over the steepest part of the mountain as opposed to going down Arapaho to Forest Meadow. Mr. Foster stated that when the plowing was initially approved, Arapaho was not drivable when wet. If the Board approves plowing the connector for another year, he thought it would be a worthwhile discussion to consider Arapaho as an alternate. He personally favored that route.

Mr. Foster felt it was important going forward to approve the budget to continue maintaining that connector for safety as well as convenience. He clarified that one of

the roads is closed due to inappropriate vehicles or equipment quite regularly and it is important to have another access. Mr. Heath thought they should try the alternate route discussed.

MOTION: Tom Deaver made a motion to budget \$6500 for plowing a connector between Pine Meadow and Forest Meadow. The actual route would be decided at a later time. Suzanne Larson seconded the motion.

There was some discussion regarding the rate. Mr. Foster felt the Board should budget the same rate. If Mr. Scaling wanted to re-negotiate, he could come to the Board.

Mr. Deaver agreed and kept his motion as stated. Mr. Burdette clarified that the motion on the table was to approve plowing the connector between Forest Meadow and Pine Meadow Ranch with a maximum budget of \$6500 and the rates of \$85 for plowing and \$100 for blowing.

Mr. Hutchinson recalled that when the motion was made last year, it was based on some of the connector already being plowed by owners. He wanted to know what would happen if the \$6500 does not cover plowing with a new route. Mr. Hutchinson objected to any amount beyond \$6500. Mr. Foster replied that there was no way to know if changing the route would affect the season long budget. If \$6500 is not adequate, the Board would need to discuss their options.

Mr. Deaver asked if the connector would be plowed to the same standards as everyone else. Mr. Foster replied that all plowers on the Ranch are held to the same standard.

Mr. Foster called for a vote on the motion to approve \$6500 to plow the connector between Forest Meadow and Pine Meadow on a route to be determined at a later date, which would connect from the gravel pit to whatever the completion is of the fixed plow routes on the Forest Meadow side, either through Arapaho or through Valley View and Grandview to meet with existing routes, not to replace existing plowed routes.

VOTE: The motion passed unanimously.

Monthly Budget Review

Mr. Burdette reviewed the unpaid bills totaling \$10,281. He added \$207 to that amount to reimburse Tom Deaver for the "no parking signs". Mr. Burdette noted that the majority of the \$885 bill from Clyde Snow Sessions and Swenson related to legal fees for the Special Service Area. He stated that several months ago the Board approved a budget of \$3,000 to invest in those legal fees and they had exceeded that amount.

MOTION: Bob Burdette made a motion to pay all the bills as outlined. Dan Heath seconded the motion.

Mr. Gonzales questioned continuing the legal fees since they had exceeded the approved amount. Mr. Burdette stated that the attorneys did the work they were requested to do and he did not think they could withhold payment. Mr. Burdette proposed that they pay the bill even though it exceeded the current allocation.

Ms. Larson understood that the question was whether or not they would continue to incur legal fees. Mr. Foster stated that the Board could have that discussion after the motion.

VOTE: The motion passed unanimously.

Mr. Gonzales wanted to know who made the decision to proceed beyond the approved budget for the Special Service Area. Mr. Foster stated that he had authorized the legal work, but there is no way to know exactly when the budgeted amount is reached.

Mr. Hutchinson suggested that the Board re-approve for the additional amount to make it right. Mr. Foster agreed. They also needed to discuss whether or not to continue with the legal work. Mr. Burdette stated that they were \$400 over budget. Mr. Gonzales asked if the attorneys were making any progress. Mr. Foster answered yes. He explained that the attorneys have an extraordinary complicated task of trying to sort out and explore a number of different paths. Mr. Foster pointed out that the Owners Association had spent over \$100,000 fighting over the road. The intent is to find a way to end the fighting and turn the road over to someone who has both the responsibility and authority to deal with it. Mr. Foster stated that Summit County may end up in a position of wanting to turn the two roads into true public roads and using County funds to maintain them. He explained why that option was being explored.

Mr. Burdette stated that from a financial standpoint, the Board does not have a problem taking on additional funds from Deer Meadow to maintain Ranch roads, but they were not interested in taking on miles of additional roads to maintain. He could not understand why the County would want to take on the responsibility of additional roads that access Pine Meadow Ranch and Forest Meadow.

Mr. Foster stated that the County Manager, the County Attorney and Public Works were looking at issues with roads that are public-right-of-ways, but have no one with authority or responsibility to maintain them. He noted that Forest Meadow and Lower Tollgate met the criteria. Mr. Burdette questioned why Summit County would look for additional

places to spend money where there was no additional revenue.

Mr. Burdette noted that some Board members do not believe they should pursue the SSD or Special Service Area. They were willing to authorize \$3,000 towards the plan, but nothing more. Mr. Foster reiterated that the Owners Association spent \$100,000 trying to gate and fight over the road. In his opinion, spending a lesser amount to try to permanently solve the problem was worth pursuing. Mr. Deaver agreed.

Mr. Burdette stated that creating another agency or Board to maintain the road would give the Ranch less say in how the road is maintained but at a greater expense. Mr. Heath did not believe the Ranch has much say now because it is not their road. They maintain the road by default. Mr. Foster pointed out that the Board does not have the means to budget for major road repairs. They fix the roads the best they can but they do not have the funds to handle a mud slide or a full depth washout. It would require a special assessment and they would be six months late in doing it because they would need to call a general meeting of the Ranch owners. Mr. Foster appreciated Mr. Burdette's financial mind and he complimented him for keeping the Board on budget. However, he felt it was short-sighted not to address the roads they do not own and cannot make decisions on, but still spend money to maintain.

Mr. Burdette pointed out that for many years the Board has maintained a \$70,000 reserve fund that has been used when necessary for major emergency repairs. He used the road on Porcupine as an example. Mr. Deaver noted that when the Board looked at the price of a steel reinforced concrete culvert for the bottom, the cost for the pipe without excavation, backfill, or labor was \$50,000. The pipe alone would have taken the majority of the \$70,000.

Mr. Foster clarified that another Board or SSD is not being researched. The research is focused on allowing the roads to become part of Area 6, which is the County Road Management Program. Mr. Foster stated that the first component being researched is how to take a road with a public easement and turn it into a public road. Mr. Foster explained the difference between the two. The County Attorney and Ted Barnes are looking at the possibilities to change that designation. It cannot be managed by someone else until it becomes a public road because currently the land that the road runs across is privately held. Significant legal research is required to determine whether there are options and which option would be the best.

Mr. Foster remarked that the question for now was whether the Board should authorize additional funds for legal research or whether they should end the research and wait to see what happens.

Mr. Gonzales reiterated his previous question about progress. They keep looking at

precedent but they were not doing anything to improve the situation or benefit the community. Mr. Deaver pointed out that they had moved from “definitely no” to “maybe” with Summit County.

Mr. Powell was willing to make a motion for an additional \$2,000 for legal fees for the Special Service Area. It has been a benefit and it has improved relations with the County.

MOTION: Mr. Powell made a motion to budget \$2,000 to continue legal research on the Special Service Area. Tom Deaver seconded the motion.

Mr. Burdette believed that the money spent to date on the SSD was money wasted.

Mr. Foster called for a vote on the motion.

VOTE: The motion passed 5-4.

Mr. Burdette recommended that this item be put on the agenda for the annual meeting and he thought both sides should be argued.

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

The Meeting of the Pine Meadow Owners Association Board adjourned at 8:50 p.m.
