

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
SONS OF UTAH PIONEERS
23301 EAST 2920 SOUTH
SALT LAKE CITY, UTAH
NOVEMBER 19, 20123

In Attendance: Tony Tyler, Dan Heath, Bob Burdette, Honey Parker, Alan Powell Matt Brown (Area 1), Jeff Hubbard (Area2), Alan Powell, (Area 3), Tom Deaver (Area 4); Mark Hodgson (Area 5); Mike Gonzales (Area 6); Nick Boyle (Area 7)

Excused - Jody Robinson, Ranch Manager.

The Board held the regular monthly Board meeting following the annual meeting.

Tony Tyler called the meeting to order at 8:34.

Approval of Minutes

MOTION: Matt Brown moved to APPROVE the minutes of October 15, 2013 as written. Alan Powell seconded the motion.

VOTE: The motion passed unanimously.

Owner/Visitor Open Forum

There were no comments.

Ranch Manager's Report

Jody Robinson was excused. Mr. Tyler had spoken with Jody regarding the Manager's Report.

Jody purchased a new cutting edge for the snow plow. All the equipment was in good condition and ready for winter. Jody had been pushing snow and sanding. Mr. Tyler noted that during the last snow storm Jody worked non-stop for ten hours because the Canyon was slick.

Mr. Tyler had discussed the mileage issue with Jody that the Board addressed at the last meeting, as well as the option of a second part-time employee. Jody was in favor of hiring Cody Sorenson. Mr. Sorenson was currently working for Home Depot and he was in the process of quitting to Home Depot to take a job with a snowmobile tour company. His hours with the tour company would only be during nice weather, which would leave him available for part-time work on nights and weekends. Mr. Tyler wanted to meet Mr. Sorenson before making any decisions.

Mr. Tyler had discussed with Jody a pay schedule of \$12.00 per hour for a training period of two weeks, after which time the pay would increase to \$14.00 per hour. Mr. Sorenson was comfortable with the proposed wage. Mr. Tyler noted that the budget would allow up to \$15.00 per hour for the wintertime period, and still fall within the 7 day/\$1,000 range. It would be an on-call position and Jody was fully aware that he would not have a helper 29 hours a week. Mr. Tyler would email the Board once he meets with Mr. Sorenson and has additional information. If any of the board members were interested, Mr. Tyler would set up an appointment for them to meet with Mr. Sorenson as well.

Mr. Sorenson stated that Mr. Sorenson has operated heavy equipment in the past and currently operates a Forklift for Home Depot. He believed Mr. Sorenson would be a good option for the Ranch.

Mr. Powell stated that he knows Mr. Sorenson and has done a lot of training with him through the fire company. He would be comfortable hiring Mr. Sorenson. Mr. Tyler clarified that Mr. Sorenson was also a volunteer fire fighter.

New Construction/Additions

There were two sets of plans presented for Board review.

Jude Densley, Lot A-23, had submitted her plans prior to this meeting and they were emailed to the Board members. They also received the revised site plan showing the septic tank leech field.

Ms. Densley noted that the footprint was approximately 1,000 square feet, but it would have half of a basement with a one car garage and a loft. The materials proposed were stacked whole log with a metal roof. In response to questions regarding the roof color, Ms. Densley provided a brochure showing a copper color roof. She noted that it was actually copper paint. She had also printed out a number of cabins with the same roof color to give the Board a better idea of how it looks. Ms. Densley stated that she chose the color because it was a natural, neutral color.

As the area rep, Mr. Powell had emailed a copy of the Lot Improvement Plan and Agreement. He did not have a printed copy available.

Ms. Densley intended to start construction as soon as possible, pending the weather. She had submitted the plans to Summit County and they requested some revisions. The revisions were done and she planned to meet with Summit County within the next two weeks.

Mr. Deaver asked if the roof would fade into a lighter orange or darker orange color to match the logs. Mr. Tyler replied that it was a painted color and it probably would not fade. He assumed that if it did fade, it would fade lighter more like a tan. Mr. Deaver asked if Ms. Densley was committed to using the copper color. He noted that in the past owners have presented a pallet of colors they were considering, but once constructed the roof is a completely different color. Mr. Tyler stated that the color was specified on the Lot Improvement Plan and Agreement. He asked Ms. Densley to notify the Board if she intended to change the exterior colors or materials.

MOTION: Tony Tyler moved to APPROVE the plans as submitted, along with the Lot Improvement Plan and Agreement. Tom Deaver seconded the motion.

VOTE: The motion passed 10-1. Mr. Burdette voted against the motion.

Mr. Burdette stated that the copper roof color did not meet the architectural specifications. He thought it was ridiculous to vote on something that was a direct violation of the Building Agreement. Mr. Powell believed that the copper color was a natural color and matched nearly every rock on the Ranch. Mr. Burdette stated that someone could make the argument that if the sky is blue, blue should be a natural color. Mr. Powell replied that blue is not a natural color on the ground. He looks at the ground and the surrounding dirt, and in his opinion the copper looked natural and fit with the natural color of the rocks. He thought the copper stood out less than a forest green.

Mr. Tyler read from the architectural guidelines regarding roofs, "Roof coverings may be asphalt shingle composites, painted or rusted steel, or painted aluminum. All roof colors shall be earth tone and visually non-reflective. Roof colors should be brown, black, dark green or dark gray. White, red, blue or other bright or reflective roofs will not be approved." Mr. Tyler believed the language was open to interpretation. Mr. Powell clarified that his interpretation was that the color fits with the natural environment. He reiterated that the forest green roofs were much brighter than the color proposed. Mr. Powell thought the question was whether or not the copper color was considered an earth tone.

Ms. Parker thought from the brochure that the color looked the same color as the logs. It is not a dark brown roof, but she felt it would match the log color. If that is the case, she would find it acceptable. However, if the roof color is more orange, it would be questionable.

Mr. Deaver asked Ms. Densley to provide a sample of the roof material and color for the next meeting. Ms. Densley stated that she would obtain a sample and give it to Mr.

Powell. Mr. Tyler thought the clarification would be helpful.

AMENDED MOTION: Tony Tyler amended his motion to make the approval contingent upon the receipt of a piece of the material with the specific color, so the Board could see the actual color and decide whether or not to uphold their approval. Tom Deaver accepted the amendment to the motion.

VOTE: The motion passed 10-1. Bob Burdette voted against the motion. The Board reviewed plans for a tree house on Lot FM-D-87B. Mr. Tyler stated that the plans were submitted and he had briefly spoken to the owner, Greg Pack. Mr. Pack indicated that Summit County did not require a building permit for a tree house. As a result, he did not think he needed Board approval. Mr. Tyler informed Mr. Pack that since the structure exceeded 120 square feet, it required approval from the Board. He asked Mr. Pack to submit all the requirements of the Lot Improvement Plan and Agreement and the construction checklist. Mr. Pack had submitted the requested documents.

Mr. Deaver had noticed a water pipe going into the tree house and asked if there was a sewer pipe coming out of it, and whether there was a drain field. He asked if there was power and propane to the tree house. Mr. Deaver believed this was more than just a kid's hobby tree house if it had full utilities. Mr. Tyler stated that Mr. Burdette asked him in an email how the impact fee was handled. Mr. Tyler noted that based on his reading of the impact fee, once a lot is already developed with a house, the tree house would be considered an accessory structure or an addition. It would be subject to the \$2.00 per square foot requirement. Mr. Tyler suggested that the Board consider separating impact fees and charge a different impact fee specifically for a guest house. Under the current definition of an impact fee, the tree house would be charged \$2.00 per square foot.

Mr. Deaver stated that he raised the issue because he questioned whether Summit County was aware of the full size of the tree house and that it has full utilities. He was concerned that they were repeating the same issue they had with the Yurt. Mr. Tyler was unsure what the County knew, but it was not the purview of the Board to enforce Summit County building guidelines. He pointed out that an individual property owner could contact Summit County and request an inspection, but the Board would not do it. Mr. Tyler noted that the plans submitted showed a 196 square foot structure. The roofing material and color was a green metal roof. The siding material was a natural wood siding with natural finish. The plans show 14'6" x 13'6". Mr. Burdette asked if the size included the deck. Mr. Tyler replied that it did not include the deck. He pointed out that none of the impact fees have historically included decks. He stated that decks were another gray area that the Board needed to address regarding impact fees.

Mr. Tyler stated that the submitted plan was a legitimate site plan and meets the requirements. Mr. Pack had provided a drawing with materials and a signed Lot Improvement Plan and Agreement. Mr. Tyler noted that the square footage calculation is based on total square footage rather than floor square footage. The tree house appears to have a second floor with some square footage in the second floor. He wanted to know the square footage of the second floor for purposes of the impact fee. Even though the exterior dimensions are 13'6" x 14'6", which is 196 square feet, the structure may have a 10' x 12' loft that would increase the total square footage. Mr. Tyler stated that the plans only show an exterior elevation. It did not show an interior design and the HOA does not require floor plans.

Mr. Tyler stated that the owner needed to provide additional information. He noted that the Association requires a printed set of building plans, as well as a digital set of all plans in full size PDF format. They should ask Mr. Pack for the floor plans, which would allow them to calculate the impact fee based on the square footage. Mr. Tyler thought it was clear that the structure has utilities, even though it was not indicated on the plan. Mr. Burdette asked if Mr. Pack had discussed his plans with anyone on the Board. Mr. Tyler stated that he had spoken with Mr. Pack. Mr. Pack was Dan Heath's stepson and he assumed he had spoken with Mr. Heath. Mr. Heath stated that he told his stepson that he needed to come before the Board.

Matt Brown is the area rep and Mr. Tyler asked Mr. Brown to contact Mr. Pack and request the floor plans and clarification on the total usable square footage. Mr. Tyler noted that the proposed materials met the guidelines but the Board needed the floor plans and accurate square footage to calculate the agreement and vote on it. The matter was tabled until the next meeting.

Water Company Annual Report

Mr. Tyler had attended the Water Company shareholder annual meeting. He and Mr. Burdette, Mike and Janine Bowen and Tom LeCheminant were the only people who attended.

Mr. Tyler stated that multiple topics were discussed; however, and the most important issue was an increase in the water rate of \$120 per year per lot on the metered water assessment and the standby water assessment. The Water Company is in the process of paying back all of their loans, and they have a balance of approximately \$885,000 left to use from the Division of Drinking Water. The Water Company is not allowed to return the money to the State, because it is part of the community water system subsidized loan funds that they received from the State and Federal government. Mr. Tyler

explained that the Water Company intended to use the \$885,000 to explore the Aspen Ridge well. When they did the camera test pump of the well it only came back at just under 30 gallons per minute. They had hoped for 120 gallons per minute. Out of that well the first 12.8 gallons per minute belong to Aspen Ridge. Mr. Tyler stated that if the water company decided to improve the well, they would essentially be building a new well so Aspen Ridge could take the first third of the water from it. It was also determined that the well itself was not viable from a water source standpoint because the casing was too thin. They would have to cap the well and drill a new well next to it. Mr. Tyler pointed out that it would be problematic from several standpoints. Mr. Tyler stated that the Water Board decided that it was not worth drilling the Aspen Ridge well and they were looking at improving the Tollgate Canyon Road access with those funds. They have ordered a survey of the Canyon to determine where exactly the road sits so they can address whether or not to use those funds to improve the road or to engineer solutions.

Mr. Tyler stated that the Water Company believes that the terms of the loan that was given to them by the State and Federal government allows them to utilize the funds for access to their wells and pump houses. The State representative has given them clearance to use those funds to improve road access. Mr. Tyler was unsure whether or not the Water Company would go in that direction, but it was the primary reason for increasing the water assessment. The Water Company has approximately \$6 million of debt, including the \$885,000. The remaining \$5.1 million has been spent on improving the water system. They do not anticipate any other major foreseeable projects in the future and Mr. Tyler believed the Water Company would spend a significant portion of the \$885,000 toward improving lower Tollgate Canyon Road.

Mr. Tyler reported that Eric Cylvick spoke with him about also realigning the top section of Forest Meadows as it goes around the sharp hairpin turn and improving up to at least the flatter portion with those funds. Mr. Deaver asked if that portion was on Forest Meadow property. Mr. Tyler replied that it was actually on Ranch property.

Mr. Powell asked if the PMRHOA should be partnering with the Water Company on the road projects. Mr. Tyler thought the PMRHOA should do a partnership. He suggested that the Board discuss what they would like to see down there. If anyone has any reservations about the Water Company spending that money, they should attend a Water Board meeting and voice their concern.

Mr. Deaver asked if the Water Company had contingency funds for a potential future emergency. Mr. Tyler replied that the Water Company was required by the terms of the loans to have contingency funds and those funds were set aside.

Mr. Powell clarified that his suggestion was to work together with the Water Company simultaneously on road improvements. He believed there was a lot of efficiency in working together. Mr. Tyler agreed. In addition, he thought the PMRHOA should have some involvement in how that road gets designed. He would like to see the road improvement from a safety standpoint, but he would be opposed to turning the road into a highway. Mr. Powell thought they could improve the road and keep the turns. In his opinion, a straight narrow road is not necessarily a safe road. A curvy road is safer because it forces people to drive slower. Mr. Tyler understood that once the survey is complete The Water Board intends to use the survey to identify sections of the road that are currently narrow or dangerous. They also intend to work with the engineers to determine areas where they need more drainage or wider culverts to prevent washout issues.

Mr. Tyler stated that Mr. Cylvick had talked about improving the road to two ten-foot wide lanes, which is a 20' wide Class B County standard road, with four feet of rollover; two feet on either side. Mr. Tyler stated that the road would essentially be a 24' wide rollover with 20 feet of that being asphalt. The current road measurements vary. He had measured some sections that were down to 15' and other sections that were over 20'.

Mr. Tyler commented on the outside lights that were required on the pump houses, as well as the brouhaha that occurred because the lights were bright and intrusive. He noted that the Water Company plans to install a shroud on the outside of the light that will direct all of the light downward.

Mr. Deaver stated that his concern with the road was that he was told that the Water Company could very likely be taken over by Mountain Regional Water within five years. Mr. Tyler understood that Mountain Regional services lots in Red Hawk, but he was unaware about Pine Meadow Ranch. He would ask Eric Cylvick about it. Mr. Tyler pointed out that the Pine Meadow Mutual Water Company is structured as a shareholder-owned water company; and each individual shareholder, which are the lot owners, would have a share in the water company. Therefore, a majority of the shareholders would have to approve any type of merger or sale.

Mr. Deaver stated that if they find an unsafe condition, it could be done by eminent domain. Mr. Tyler agreed; however, the Water Company has gone to great lengths and a significant expense to make sure the water system is safe and meets all the standards. That was one reason for constructing the new pump houses.

Mr. Deaver commented on the increased water assessment and asked if there was an increase in the basic flow rate. Mr. Tyler replied that it was not mentioned at the annual

meeting. However, we called Mr. Cylvick after the meeting with that same question and Mr. Cylvick said that he forgot to mention it, but the base water allotment should increase in proportion to the amount of the assessment. Mr. Tyler intended to raise the question again at the next Water Board meeting to get additional clarification and information.

Mr. Deaver recalled from last year that if the assessments were increased, the Water Company would increase the base allotment to 20,000 gallons. Mr. Burdette stated that there was no discussion about changing the allotment. They only talked about adding \$10 per month to every water share for a total of \$120 per year. Mr. Deaver pointed out that increasing the water allotment to match the assessment increase would not benefit the part-timers.

Mr. Deaver raised the issue of the Water Company being forced to give up control of the water system if the State determines that they are unable to provide enough source for buildout. Mr. Tyler agreed that it was a possibility. He explained that currently the Water Company operates under a five-year Exception granted by the State that allows them to operate at a lower standard based on actual usage. He believed the risk of having the State condemn the Water Company was low based on compliance with the exception. Mr. Deaver wanted to know when the Exception runs out. Mr. Tyler replied that it ran out last year. Mr. Deaver was concerned about turning over control of the only access road they have to the Water Company. Mr. Tyler stated that the Water Company was in the same situation as the Owners Association. They can lay the asphalt but they have no legal right to maintain the road.

Mr. Tyler explained that Mr. Cylvick had tried to obtain easements, which was the reason for the sending letters; however, he has dropped that effort. Mr. Tyler stated that Mr. Cylvick had stopped trying to obtain easements from individual landowners, but he was still working with the Summit County Commission to gain control of the road once it is improved. If the Water Company gains control of the road and Mountain Regional takes over the Water Company; his question was whether control of the road would also go to Mountain Regional. Mr. Tyler stated that the road is considered a prescriptive easement; therefore, if Mountain Regional did control the road they could not close it down or charge toll access. Mr. Tyler personally knows some of the County Commissioners and he offered to ask them about Mr. Deaver's concern.

Mr. Burdette pointed out that Mountain Regional Water could charge every landowner who accesses the road an annual access fee. Mr. Deaver stated that Mountain Regional has already done that in other places they have taken over. He knows of one place where they charged \$18,000 per landowner. Mr. Heath reminded everyone that each landowner owns a part of the Water Company and they would have to agree. Mr.

Tyler remarked that if the Water Company is condemned, the owners would not have a say. However, he reiterated his belief that condemning the Water Company was a low risk. Mr. Tyler offered to notify the Board members prior to the next Water Company board meeting if anyone wanted to attend.

Ongoing Business

Mr. Tyler stated that Honey Parker had requested a discussion on the sledding hill. Ms. Parker clarified that she had wanted to talk about it at the annual meeting to let people know about the hill so they could start to create safer habits.

Matt Brown stated that Catarina Blais, Lot FM-D-94, has a towing refund due back to her in the amount of \$200 from last year. Mr. Tyler stated that Catarina had called him saying that she had submitted invoices to someone for towing fees. It was two \$100 invoices for towing. Mr. Tyler asked Catarina who had ordered the towing, when and why. She told him that she had ordered the towing because they were blocking the road and she had the two cars towed. Mr. Tyler informed Catarina that a private individual could not have a car towed on Association roads. It is the purview of the Ranch Board and she should have contacted her area rep. She could be in trouble if it is challenged by the person whose car was towed. Mr. Tyler asked Catarina to send him the invoices and the details so he could see if they were legitimate.

Mr. Powell noted that Park City Towing only had Board members listed and understood that those were the only people who were authorized to call for a tow. It was uncertain whether Dan Schow had been given the same list. Mr. Tyler stated that Dan Schow has agreed to tow cars on a consignment basis without any cost to the HOA. He told Mr. Schow that he and Dan Heath, as the President and Vice-President, were the only ones allowed to authorize the tow of a car. Mr. Tyler was asked why the authorization was limited to he and Mr. Heath and not the area reps. Mr. Tyler replied that it was easier than having Mr. Schow remember eleven names. The Board thought Mr. Schow should be given a list like they gave Park City Towing so all the Board members would have authorization. Mr. Tyler offered to provide Dan Schow with a list of Board members.

On another issue, Mr. Brown stated that Catarina asked if the parking violation could be changed to 12 hours versus 24 hours. Mr. Tyler stated that 24 hours was used on the notices and it was up to the Board discretion. If a car is in the middle of the road it could be towed immediately. Mr. Burdette asked if it also included construction vehicles. Mr. Tyler answered yes.

Mr. Hubbard reported on a construction vehicle situation on Porcupine Loop that has been a problem. However, when he went up there all the vehicles were parked on the

side and off the road. Mr. Burdette had pictures showing the violations. Mr. Tyler stated that the vehicles were on the road when he drove up there.

Mr. Brown remarked that Catarina would like to personally fund a sign that would alert people to watch out for wildlife when driving. Mr. Tyler wanted to know where the sign would be posted, the size and what it would look like. He was generally in favor of accepting donations, but signage was different because they have too many signs at the bottom. He was not opposed to a sign if it was located somewhere other than the bottom. Ms. Parker agreed. She remarked that if you show people too much they see nothing.

Monthly Budget Review

Bob Burdette reviewed the unpaid bills detail in the amount of \$20,229. He was unsure what was purchased with the Capital One card in the amount of \$348. Carol stated that it was for the new parking stickers.

Mr. Burdette noted that the bills from Dirtworld and Geary Construction were for road base that was laid on the south side of Bull Moose Drive. He noted that it was never approved by the Board, but the Association was paying for it. He explained that someone wanted road base on the south side of Bull Moose Drive up to Forgotten Lane. Mr. Heath understood that the owner had paid for the road base and it should not have been billed to the Association. Mr. Tyler recalled that the Board has approved 3" minus, but he agreed that they had not approved any road base. He would check with Jody to make sure.

Mr. Burdette stated that the bill from KGC Associates was \$2,443 and noted that approximately half of that bill was for supplies to send out the Annual Meeting notice.

MOTION: Bob Burdette moved to pay all of the bills presented with the exception of the bills from Dirt World and Geary Construction pending clarification. Tony Tyler seconded the motion.

VOTE: The motion passed 10-0-1. Tom Deaver abstained because he was out of the room when the bills were presented.

Public Input

Mike Bowen, FM-C48, commented on the plow meeting at the gravel pit, and stated that in an attempt to comply with the requirements, and because he does not wait until it snows to stake his roads, he stakes all of Bull Moose Drive and half of Forest Circle.

However, a few days after he had staked it, the Water Company put metal fence posts in by the hydrants and the valves. He thought the Water Company had a good idea, but at the same time they pulled out his stakes and left them on the ground. Mr. Bowen asked if the Owners Association could mention it to the Water Board. He believed the metal stakes would be more permanent, but his stakes were not in the way of where the Water Company places their stakes. Mr. Tyler asked if Mr. Bowen had recovered his posts and stakes. Mr. Bowen stated that he had recovered the stakes. He also approached Brody and Trevor to ask why they were pulling out his stakes. Brody told him that they were not his stakes. Mr. Bowen picked up the stake with the yellow flag to show Brody that it was his stake. Mr. Tyler offered to talk to the Water Company because the Owners Association Plowing Contract requires the plower to place the stakes.

Mr. Bowen commented on the early discussion regarding the copper colored roof and Mr. Powell's analogy that the roof looked like the ground and rocks and dirt. Mr. Bowen stated that he walks around looking at the sky because he enjoys it. Therefore, he wanted to know why he would not be allowed to have a blue roof. Mr. Tyler replied that a blue roof is prohibited by the architectural guidelines. He expects to review the Architectural Guidelines next year and suggested that Mr. Bowen watch the agenda and attend the meetings to provide feedback.

Mr. Deaver wanted to know who they should contact if someone has a major complaint about a warning letter or potential violation of the plowing contract. Mr. Tyler stated that they should contact him or the area rep. Mr. Deaver wanted to know the area rep for Junction Court. The Board thought Matt Brown would be over Junction Court. Mr. Deaver stated that Mike Collins has plowed for 30 years and does not charge any fees to plow. He has been clearing the road before Pine Meadow existed and he goes down Forest Meadow. Mr. Collins received a letter because he did not have a \$1 million liability policy. Mr. Tyler wanted to know who had sent the letter because it did not come from the Owners Association. Mr. Collins did not name an individual but he did say that it came from the Owners Association and it was a \$50 warning. Mr. Tyler emphasized that it was not from the Owners Association. Mr. Heath noted that the property Mr. Collins plows is not on the Ranch.

Mr. Tyler asked Mr. Deaver to ask Mr. Collins for a copy of the letter. If someone was impersonating the Owners Association the Board would send them a cease and desist letter.

Mr. Powell thought this raised the issue of knowing who were the approved plowers. Mr. Tyler stated that he would compile a list of approved plowers once he received all the contracts. He was not opposed to publishing the list of approved plowers and it

would be the responsibility of the area reps to enforce it.

Mr. Powell asked about the procedure for receiving complaints. Mr. Tyler stated that if the complaint comes from someone other than a Board member, they would need to provide proof that the person was actually plowing, such as a picture, and send it to their area rep. If the plower is not on the approved list, the area rep would send a letter. Mr. Tyler suggested a bumper sticker on the equipment of each approved plower to identify them as being approved by the Association. Mr. Tyler asked Ms. Parker to design a plow sticker. Carol would print the stickers and send them to the Board.

The meeting of the Pine Meadow Owners Association Board adjourned at 9:48 p.m.
