

PINE MEADOW RANCH OWNERS ASSOCIATION  
ANNUAL MEETING  
SONS OF UTAH PIONEER HALL  
3301 EAST 2920 SOUTH  
SALT LAKE CITY, UT  
NOVEMBER 19, 2013

In Attendance: Tony Tyler, President; Dan Heath, Vice President; Bob Burdette, Treasurer; Honey Parker, Secretary; Matt Brown, (Area 1); Jeff Hubbard (Area 2); Alan Powell (Area 3); Tom Deaver (Area 4); Mark Hodgson (Area 5); Mike Gonzales (Area 6); Nick Boyle (Area 7)

Ex-Officio: Carol Steedman, KGC Associates

Excused: Jody Robinson, Ranch Manager

Tony Tyler called the meeting to order at 6:34 p.m. He thanked everyone for coming and outlined the agenda items for discussion this evening.

### **Board Member Introductions**

Mr. Tyler introduced the Board Members. He noted that Carol Steedman with KGC Associates handles administrative responsibilities for the HOA.

Mr. Tyler stated that the HOA is in charge of infrastructure and maintenance inside the Ranch, as well as the roads getting to the Ranch. The work includes improving and resurfacing roads, applying magnesium chloride, asphalt repairs, winter snow removal up to the Winter parking lot and to the lower two parking lots. The HOA also maintains drainages, bar ditches and roadway culverts. Mr. Tyler clarified that the HOA does not maintain driveway culverts. The homeowner is responsible for maintaining culverts that cross their driveway.

Mr. Tyler remarked that the Board enforces the Protective Covenants and Rules and Regulations of the HOA. They review and approve construction within the Ranch through the Architectural Guidelines and collect impact fees. The HOA collects annual assessments based on the use of the lot and whether it is a vacant piece of land, a part-time cabin or a full-time cabin or residence. Mr. Tyler stated that the Board enforces compliance with the HOA Rules and Regulations, such as parking on the road and other issues.

Mr. Tyler noted that Honey Parker re-designed the website and the Board tries to keep the website updated. Items related to the Homeowners Association are posted on the website as quickly as possible.

### **Approval of 2012 Annual Meeting Minutes**

MOTION: Matt Brown made a motion to APPROVE the 2012 Annual Meeting Minutes as written. Mark Hodgson seconded the motion.

VOTE: The motion passed unanimously.

### **Board Elections and Introduction of Candidates.**

Mr. Tyler stated that each lot owner would be receiving a postcard outlining three Board positions for election. Bob Burdette, the current Board Treasurer would not be running for another term. Mr. Tyler thanked Mr. Burdette for his time and service on the Board.

Pat Kreis was a new candidate running for Treasurer. Ms. Kreis stated that she and her husband have owned a lot on Alexander Canyon for 19 years. Before making a decision on whether to develop the lot or sell it, she wanted to get more involved and better acquainted with her neighbors and to understand what it would be like to live on the Ranch. Ms. Kreis provided a brief background of her education and professional experience. She looked forward to meeting new people and representing the Ranch.

In Area 2, Jeff Hubbard was a current Board member who was running for re-election. Mr. Hubbard stated that he has been on the Ranch for 35 years. His family owned an A-frame cabin and when his parents passed away he purchased the property from the remaining family members. He joined the Board to get more involved with the Ranch.

Jeremy Jespersen was also a candidate from Area 2. Mr. Jespersen stated that his family has been part of the Ranch for 30 years. Mr. Jespersen intended to remain a long-term owner and he was interested in getting to know his neighbors and to get more involved. Mr. Jespersen provided a brief background of his education and professional experience.

Mr. Tyler noted that Mike Gonzales was the current Board member for Area 6 and his term was expiring. Mr. Gonzales had offered to remain on the Board if necessary, but his preference would be for the HOA to elect a new Board member. Anyone from Area 6 who was interested in running for a Board position should contact Mr. Tyler.

Tom Deaver had read the resumes for Ms. Kreis and Mr. Jespersen and noted that both had worked for land developers in the past. He asked if she had any intentions of working with other people to turn Pine Meadow Ranch from a primitive area into a substantially developed residential area.

Ms. Kreis stated that she admires the conservative management approach that the Board has exercised in the past. The mountain scenery is one of the things she loves about Pine

Meadow Ranch. One of the clients she worked with in the past was the Federal government and the contracts they supported would be buildings at a National Park Service. Her involvement with development was quite different from development of a residential or commercial nature. Ms. Kreis would continue to support the conservative approach as long as it was a balanced approach. Ms. Kreis likes the policy for requiring a snowplowing agreement. She appreciates the information provided on the website and the newsletters because it helps the property owners stay in touch with what happens on the Mountain.

Mr. Deaver asked Ms. Kreis to clarify her position on paving the roads. Ms. Kreis was unsure of the budget constraints, but she would not be opposed to paving the lower portion of Tollgate Canyon. Access is an issue that needs to be addressed and it became more apparent during the fire in July. However, she did not believe that every road should be paved to work out the access issue. Ms. Kreis stated that she did not have enough knowledge or information at this point to comment on specific issues or how she would handle specific situations.

Mr. Tyler asked Mr. Jespersen for his feelings on the direction of the Board, particularly related to maintenance, and his vision for the future of the Ranch.

Mr. Jespersen stated that because the Ranch is primarily second homes he did think paving the roads was a good idea. He would not be opposed to paving the winter parking lot or making the primary roads safer during the winter. Mr. Jespersen preferred to keep the Ranch primarily a second home community. Changes are inevitable and they need to adapt to change, but overall the Ranch should be a place to relax and enjoy time away from the city. At the same time, it is important to make the Ranch as livable and comfortable for full-time residents as well.

Mike Olsen, Lot D-17, asked how he could find which area he was in. Mr. Tyler stated that the map was difficult to see, but Mr. Olsen was in Area 7 and Nick Boyle was his area rep.

Bill Groot, Lot E70, thanked Bob Burdette for his many years of selfless service to the HOA and for putting the HOA in such an outstanding financial position. He was disappointed to hear that Mr. Burdette was not running for re-election.

Mike Bowen, Lot FM-C-48, stated that when Bob Burdette joined the Board the Owners Association was nearly bankrupt. For the past five years the HOA has had a surplus fund. In addition, they purchased a dump truck, a roller, a compactor, a tractor, sander, a snowplow and a snowblower. The HOA has an emergency backup fund of \$75,000 and an equipment replacement fund of \$150,000. Mr. Bowen remarked that Bob Burdette basically saved the finances of the Homeowners Association. Mr. Bowen hoped the new

treasurer would continue what Mr. Burdette has done for the Association.

### **2013 Projects Completed**

Mr. Tyler stated that in 2013 they worked on Bull Moose Drive, Pine Meadow Drive, and Forest Meadow Drive. He noted that the Board tried an experiment and decided not to apply mag chloride to the roads last summer to see how it affected dust and road maintenance. Six or seven weeks into the summer they realized that two of the major roads were having dust issues and Jody was spending more time than usual re-grading and re-rolling the roads. Mr. Tyler remarked that based on the experiment some roads were successful without the mag chloride and those roads will be removed from the list of roads to be mag watered. However, it was also helpful to see areas where applying mag chloride does make a positive difference, particularly on the high traffic roads.

Mr. Tyler stated that Tollgate Canyon Road was crack sealed and Rotomill was placed on the lower section several times. He noted that there were only four or five secondary roads that Jody did not grade or roll over the summer. Anyone who knew of roads or issues that needed to be addressed were encouraged to contact their Area Reps.

Mr. Tyler outlined some of the actions taken by the Board in 2013. As President of the HOA one of his priorities was to take up where Hutch Foster left off and to revisit many of the documents that were established to help govern the Ranch to see where they fit within the current desires and visions for the Ranch. Mr. Tyler stated that in 2013 the Board revised and updated the Lot Improvement Plan Agreement, the Cabin Construction Checklist, and they identified and defined Temporary Use for the purposes of applying impact fees. They also revised the Snowplow Contract and created an internal policies and procedures document that governs the Board Member responsibilities on an individual basis.

Mr. Tyler remarked that Tom LeCheminant headed the Bobcat Springs pond expansion that was funded entirely by donations from individual property owners. The HOA did not contribute any funds to the pond project. Mr. Tyler understood that the berm in the middle of the pond would be removed next year. The berm was added at Mr. Tyler's request to keep it from draining the water out of the existing pond. Now that they know the new pond holds water the berm can be removed.

Mr. Tyler noted that Honey Parker had revamped the website and it would be updated on a regular basis with Ranch information. They also started a Facebook page for the Ranch as another way to keep the owners informed.

Mr. Tyler explained the major overhaul that was done on the road grader. A long term plan is to maintain the equipment they have in the best possible condition. The overhaul

enabled them to upgrade the grader at a fraction of the cost of purchasing a new one. Mr. Tyler noted that the HOA also purchased a utility vehicle to help facilitate work on the Ranch in the summer.

### **2014 Projects Anticipated**

Mr. Tyler stated that Tollgate Canyon Road asphalt has been a contentious subject for some time. The lower section of Tollgate Canyon Road is in poor condition and they maintain it as best as possible with the limited budget available. Mr. Tyler stated that primarily due to Mr. Burdette's conservative guidance there is \$65,000 left over from the 2013 budget that the Board has earmarked for asphalt improvements on the lower part of Tollgate Canyon Road.

Mr. Tyler reported that he had attended the Water Board meeting and the Water Company may also contribute funds or make improvements to the lower part of the Canyon as well. The Water Company has money available from federal loans and he understood that the only money spent so far was the cost to survey the road. Mr. Tyler emphasized that the HOA Board is committed to maintaining that access and trying to improve the condition of the road as a primary access road.

Mr. Tyler outlined other smaller projects that would be done in 2014, which included resurfacing some roads, applying mag chloride on limited roads, and chip sealing the main section of the good pavement. The lower parking lots would be cleaned up and graveled. They intend to re-grade and roll as many of the secondary access roads as possible. Culverts were another major project. New culverts would be installed where necessary to direct the runoff away from the roads and into the ditches.

Mr. Tyler stated that a goal for 2014 is to review the Architectural Guidelines. The Board would review the Rules and Regulations and the Bylaws and make recommendations for revisions, and bring the draft to the Annual Meeting in 2014 for member input and a vote. These are the primary governing documents for the HOA that allows them to exist, to collect funds and to enforce the Covenants.

Mr. Tyler stated that the Board has also tried to focus on long-term planning. He gave credit to Mr. Burdette for the Ranch having a reserve that allows them to plan for major future expenditures. Mr. Tyler also intended for the Board to review the collection fee policy.

Mr. Tyler noted that Ranch signage and replacement were an ongoing issue, and it was an item for discussion in 2014. Mr. Tyler stated that they were also looking at overhauling or replacing the roller. Jody was seeking a professional opinion on whether the roller has any current value and the cost to overhaul it. The roller is integral to the

summer maintenance program.

### **Other PMRHOA Information**

Mr. Tyler noted that Carol had prepared forms for the members to vote on. One item was the fee schedule. He noted that the annual assessment was not increased from the previous years. However, the Board recommended increasing the impact fees for new construction and additions to existing structures, as well as garages and outbuildings. Mr. Tyler stated that a few years ago the annual assessment was increased by 20% but the impact fees remained the same. The proposed impact fees beginning in 2014 would be \$6,000 for new construction; \$2.40 per square foot for an addition to an existing structure; and \$1.20 per square foot for an outbuilding with no living space. Mr. Tyler pointed out that the numbers represented a 20% increase in impact fees, which was consistent with the previous 20% increase in assessments.

Peter Vanhook, Lot C-43, asked if the impact fee for outbuildings applied to all outbuildings or just the ones with a foundation. Mr. Tyler stated that as the Board reviewed and revised the Construction Checklist and the Lot Improvement Plan Agreement they identified what would or would not constitute an impact fee. Under the current guideline a foundation does not make a difference. The structure is measured by the exterior dimensions. If it is over 120 square feet it would be assessed an impact fee and the owner would be required to submit a Lot Improvement Plan Agreement to the Board for review and approval. Mr. Tyler clarified that outbuildings with any kind of utilities would fall under the category of additions and would be assessed the \$2.40 per square foot impact fee. Mr. Tyler pointed out that review and approval on a structure larger than 120 square feet was based on the Summit County Building Guidelines.

Mr. Tyler noted that snowplowing violations was another change on the fee schedule. In reviewing the snowplowing contract, the Board increased the penalties associated with plowing Ranch roads without a snowplowing contract. Damage has been done to the roads on occasion and the rules need to be enforced. Another requirement is for everyone plowing Ranch roads to have liability insurance. The fine is \$50 for the first offense, \$250 for the second offense, and \$500 per occurrence after that.

Mr. Tyler commented on the pet and leash laws. He stated that the HOA does not take a stance on pets and leash laws. Those are enforced by the Summit County Ordinance, which says that pets cannot be off leash outside of private property. If anyone sees an issue with off leash dogs attacking or chasing people or just running loose, they should contact Summit County Animal Control. The HOA does not enforce or provide guidance on pet policies.

Mr. Tyler emphasized that parking is never allowed on Ranch roads at any time. If there is

an emergency and the vehicle must be left on the road, the owner should notify their area rep as quickly as possible. The Board members will begin putting placards on vehicles that are parked on the road giving a 24-hour notice to move the car. If the vehicle is not moved within 24 hours or the same vehicle parks on the road a second time after receiving notice, the vehicle will be towed without warning. It is a safety issue that must be enforced.

Mr. Deaver clarified that the 24-hour notice applies to vehicles parked on the side of the road leaving access for cars to pass. If a parked vehicle is blocking traffic it can be towed immediately.

Mr. Tyler stated that Hutch Foster had set up a webcam on a snow stake at his home. There is a link on the website to the snow stake and people can click on the link to see the amount of snow that has fallen. Ms. Parker stated that they also post major changes in road conditions on Facebook.

Mr. Tyler reported that the North Summit Fire District has been circulating a petition to annex all of Tollgate Canyon from the highway to Blue Sky Ranch and back to the top of Lewis Peak. Currently, Pine Meadow Ranch is not technically covered by any fire district. Mr. Tyler explained that North Summit Fire District has tightened the reins and expects those they service to help pay for those services. The annexation petition has been submitted to Summit County for review and then publicly noticed. The property owners would receive post cards in the mail listing public meetings times. Mr. Tyler stated that the proposal is to annex Pine Meadow Ranch and all of the property within Summit County that is not currently within a fire district on the north side of I-80.

A member asked what the Fire District would charge the property owners. Mr. Deaver replied that they currently pay the Wildland Fire District approximately \$30-\$40 a year. That would be replaced with the North Summit Fire District fee which is approximately \$130-\$140 per year. It could potentially place a fire station on the Mountain and a fire truck would be immediately available. Mr. Deaver noted that the cost is minimal because it is all volunteer. The North Summit Fire Chief lives near Bobcat Springs. Mr. Tyler introduced Ken Smith, Lot PI-59, the North Summit Fire Chief. He suggested that the owners contact Mr. Smith if they have questions. Mr. Tyler personally supported annexing into the Fire District because it was a necessary service to the area. Mr. Tyler clarified that the Fire District had not promised a fire station but it would be a logical next step once the Ranch is annexed into the area. He believed there was a large enough group of property owners to support a fire station on a volunteer basis.

An owner asked how a fire truck could reach a cabin during the winter. If the fire is on a road that is not plowed, the Fire District would have to work with the Ranch to push the snow off the road, or they would have to use another method to fight the fire. Mr. Tyler

noted that there are fire hydrants throughout the Ranch and a simple solution would be to snowmobile or snowcat the firefighters in with hoses and equipment.

The owner of Lot D-19 returned to the discussing of increasing the impact fees and asked if it was possible for the members to vote on increasing the impact fee to \$10,000 to protect the integrity of the Ranch, and to grandfather in anyone with current plans to build. Mr. Tyler stated that the Board had discussed a higher increase than 20% but elected not to do it for a number of reasons. They felt that a 20% increase was substantial enough and coincided with the 20% increase of the standard HOA assessment. The Board also felt that a significantly higher impact fee would penalize people who have not yet built on their property. Mr. Tyler remarked that the Board did not recommended an increase higher than \$6,000; however, someone could make that motion and see whether it is approved or denied.

The owner suggested an impact fee based on the percentage of the size of the structure. If was unfair for someone building a larger home to pay the same fee as someone who builds a small cabin. Mr. Tyler replied that the Board had considered different ways to calculate the impact fee; but defining a logical solution for how to apply a rate to individual projects was too cumbersome. He noted that structures and size of structures are governed by the Summit County Building Department. The main construction impacts to the Ranch are the same, regardless of the size of the structure. The owner stated that he has seen the most impact and road damage when people build late in the season or early spring. Road damage was his primary concern. Mr. Tyler agreed that most of the damage occurs during that time frame but the timing is extremely difficult to enforce. The reality is that construction no longer just occurs in the summer.

Mr. Powell stated that when someone sees road damage from construction they should report it to their area rep. because the Board has the ability to make the property owner pay for the road repairs. That cost would be in addition to the \$6,000 impact fee.

Cheryl Groot, Lot E-70, asked if the \$6,000 impact fee would be voted on by the members in attendance this evening or would it go out to all the members in a mailing. Mr. Tyler replied that the impact fee is only voted on by those who attend the annual meeting. The vote will take place later this evening and the votes will be counted. If approved, the new impact fee would take effect on January 2014.

Mr. Tyler stated that the members in attendance this evening would also be voting on the 2014 Proposed Budget.

## **Year-to-Date Financial Report**



Bob Burdette reviewed the financial report from January 1, 2013 to the current date of November 19, 2013. He noted that the Board goes to great lengths to discuss financial issues. There is a variety of opinions and the vote is rarely unanimous on any decision related to spending money. Mr. Burdette stated that if there is a surplus for one year, they use it to build up reserves to put the HOA in a more financially solid position. Mr. Burdette pointed out that any Board could destroy the best financial plan laid out by any treasurer. While he appreciated the compliments he was given this evening, he wanted everyone to understand that it was a collective effort by a Board that was willing to listen to financial counsel and allow the reserves to be created.

Mr. Burdette stated that at the last annual meeting they presented a budget that included asphalt work. That work was not done this year partly due to discussions or disagreements between the Board as to how the asphalt should be laid. Some believe it should be laid professionally with a paving machine, and others believe that Jody should lay the asphalt using Ranch equipment.

Mr. Burdette referred to the profit and loss and noted that they had budgeted to collect \$250,000 in assessments in 2013. The total collections totaled \$267,000. The amount over \$250,000 came from past due collections from owners who were delinquent in previous years. Mr. Burdette stated that Revenue Recovery, the collection agency, has been aggressive in collecting on past due accounts.

Mr. Burdette commented on the fixed expenses and noted that they budgeted to pay \$150,000 and they only used \$116,000. The difference was primarily due to money that was not spent on the roads during 2013. Mr. Burdette remarked that the net income over the expenditures was \$98,000. He pointed out that they would still be paying bills in November and December; one of which were property taxes on the 11 lots owned by the Ranch. However, Mr. Burdette expected to carryover \$65,000 from 2013 to be used in 2014.

Mr. Burdette read a paragraph from page 3 of the 2012 Annual Meeting Minutes. "Mr. Foster stated that approximately \$20,000 of asphalt work was done on Lower Forest Meadow Drive." Mr. Burdette stated that the asphalt was trucked in and Jody Robinson spread it with the road grader and a summer worker rolled it with the roller. Mr. Burdette noted that Jody and his helper saved the Association a significant amount of money by doing the work themselves. He further read, "Mr. Foster estimated that hiring an outside contractor for the same work would have been in the range of \$100,000. Mr. Burdette stated that by using Ranch equipment and Ranch employees they were able to do \$100,000 of asphalt work for \$20,000.

Mr. Parker stated that even though the Board was split on how to lay the asphalt, they were very close to making the decision to lay the asphalt when the Water Company

informed them that they would be using the road and bringing in equipment for the pump house project. The Board delayed the decision to lay asphalt at the suggestion of the Water Company.

Mr. Burdette reviewed the 2014 Proposed Budget. In addition to providing revenue figures, it showed how the revenues were calculated. There are 405 land only lots, 299 part-time dwellings, and 126 full-time owners. The Board proposed to maintain the dues at the same level in 2014 as they were in 2013.

An owner noted that the assessment on part-time owners was \$300, which put the budgeted amount over by \$15,000. Mr. Burdette agreed and subtracted \$15,000 from the projected revenue. Mr. Burdette stated that it was unrealistic to expect to collect 100% of the dues. Therefore, the line indicating 5% for uncollectible dues was consistent with past years for dues that were not collected in the same year they were assessed. Mr. Burdette commented on the collection process and noted that in the past year some lots have been foreclosed and others have been auctioned off for failure to pay dues.

Mr. Burdette stated that with the \$65,000 carryover from 2013 and the \$15,000 correction on the part-time lots, the projected total funds for 2014 was \$330,000.

Mr. Burdette stated that the fixed expenses are expenses that can be reasonably estimated and it is certain that they will be paid. The total fixed expenses was budgeted at \$166,000 for the year. Mr. Burdette explained that variable expenses are expenses that are more flexible. One example of a variable expense was aggregates for the roads.

Carol Vanhook, Lot C-43, asked about the LDS church contribution under the revenue. Mr. Burdette replied that the LDS Church maintains several properties north of the Ranch that is predominantly used for Church camps. They have a number of vehicles coming in and out of the Ranch but it only occurs during the summer. Six or seven years ago the Ranch conducted a traffic study. Based on that study they approached the LDS Church and the contribution was re-calculated to reflect the traffic that was coming in at the time. Mr. Tyler clarified that it was a voluntary contribution from the LDS Church.

Based on the revenue and the expenses, the budget projected an \$11,000 surplus in 2014. Mr. Burdette noted that the surplus could increase or decrease if less assessments are collected or more impact fees are paid. If the revenue is less than projected the Board would have to adjust the expenditures.

A property owner commended the Board on making difficult decisions and using good financial judgment on behalf of the Ranch.

Hutch Foster, Lot G-12, agreed that the Board has done a great job in recent years, but he thought it was worth noting that previous to that time the Board was spending \$50,000 or \$60,000 per year in legal fees battling property owners internally and on the periphery of the Ranch. Mr. Burdette concurred that it resulted in a significant savings when the Board was able to capitalize on the legal work that had been done previously and not insight new legal problems.

MOTION: Bob Burdette moved to Accept the 2014 Budget with the \$15,000 correction to the dues for part-time owners. Scott Clausen seconded the motion.

The owners were given cards to cast their vote.

VOTE: The motion passed 37-2.

A suggestion was made to revise the impact fee based on the square footage of the structure. The Board and the attending members discussed the pros and cons of different ways to charge the impact fee. Mr. Burdette pointed out that the Ranch equipment and the reserve funds resulted from the impact fees paid by Ranch owners. People who have not yet built on the Ranch have not purchased their piece of these resources. Mr. Burdette clarified that the impact fee is not measured by the amount of road damage caused by construction. The impact fee is a contribution to the community that others have already paid. A request was made for the Board to continue to re-evaluate the impact fees because things may change.

John Vicar, Lot D-10, stated that he recently finished a cabin that he has been building himself for the last five years. He was interested in preserving the roads and he would never think of bringing up big trucks during winter weather. He believed that people who are interested in the Ranch will do their best not to damage the roads.

MOTION: Hutch Foster made a motion to ACCEPT the adjusted Impact Fee as presented. Honey Parker seconded the motion.

VOTE: The motion passed 34-5.

### **Reserve Study Review**

Mr. Tyler reported that Mr. Burdette had completed a reserve study last year. A reserve study is required by Utah Law for all Homeowner Associations and it is required to be reviewed annually by the members at the HOA Annual Meeting.

Mr. Burdette stated that the Ranch owns several assets, including all the equipment and

vehicles they have purchased to do the road work. The equipment is paid for, but it wears out a little each year. The Board is required to do an analysis of the equipment and report to the Association members what they consider to be the unfunded deferred maintenance on the equipment. For example, if the road grader broke down and could not be repaired, they would have to purchase a new grader at a significant cost. He noted that Jody Robinson has the ability to repair and maintain the existing grader because it is a non-electronic, non-computerized road grader. Having Jody's ability is a cost savings and benefits the HOA.

Mr. Burdette stated that in terms of the equipment wearing out, they know that the value of the equipment is less than when they purchased it. Therefore, the Board estimates what it would take to replace all the current equipment and how much of the current equipment is used or worn out. The calculation results in an unfunded reserve amount that is needed to replace the worn out portion of the current equipment. Mr. Burdette calculated the unfunded reserve amount at \$260,000. He explained that the Board is required to conduct the reserve study yearly and to disclose the projected amount to the members at the Annual Meeting. However, they are not required to have \$260,000 in a bank account. Mr. Burdette remarked that it would not be prudent if the HOA did not have some reserve funds.

Mr. Burdette referred to the last page of the packet which outlined what the Board expects to do with the reserve funds in 2014. The first reserve fund was the emergency reserve fund of \$75,000 to cover the cost of unforeseen emergencies. The second was an equipment replacement fund which currently has \$160,000. They have budgeted \$10,000 to add to the equipment replacement fund during 2014. Mr. Burdette expected to use some of those funds to repair the road grader. The estimated cost was \$50,000, but the road grader would be usable for many years.

Mr. Burdett noted that the interest earned on the reserve funds is used as an additional revenue source in the regular budget.

Mr. Burdette explained that the asphalt currently on the Mountain was not included in the analysis. Once asphalt is laid it is not considered a Ranch asset. The road improvement benefits the Ranch owners, but it is not on Ranch land. The same applies to the culverts installed on the Mountain that are not on Ranch property.

### **Miscellaneous Issues and Comments**

Peter Vanhook, Lot C-43, personally expressed his thanks to the Board for what appears to be exceptionally good management. Mr. Vanhook stated that he has watched Jody work on a daily basis and he suggested that the members find a way to express their thanks and appreciation to Jody for his hard work.

Scott Clausen, Lot C-63, asked if the Board had a feel for the difference in longevity between machine laid asphalt versus the asphalt that Jody has laid and rolled. Mr. Tyler replied that there were different opinions among the Board members. He noted that the asphalt laid a few years ago on the Forest Meadow side has held up well. However, only 10% of the traffic coming off the exit goes up the Forest Meadow side. There is a precedent of lasting several years on asphalt that Jody has laid. Mr. Tyler explained that the difference is that the thickness and the consistency of machine laid asphalt makes it easier to measure the long-term reliability. He summarized that some of the Board members believe it is better to have Jody lay the asphalt and save three to five times the cost of professional laid asphalt. Others believe it is better to spend the money on a 4" thick product that has a definable life span.

Cheryl Groot, Lot E-70, asked for an update on the Deer Meadows proposal. Mr. Tyler stated that the Board spent the first several meetings of 2013 working with Doug McAllister on the proposed Deer Meadows Project. The Board agreed to vote to support the development in Summit County under certain terms and conditions. The primary condition was that Mr. McAllister would transfer a development density right, which would expire within the Pine Meadow Ranch area, to Deer Meadows in order to complete the lots and provide buildable density. Mr. Tyler reported that Mr. McAllister has encountered some issues with another landowner within Deer Meadows and the project is currently on hold until that issue is resolved.

Ken Smith, Lot A-59, the North Summit Fire Chief, reported that the annexation petition into the Fire District has enough signatures and the petition was recently certified by the Summit County Clerk. Owners should watch for notices in the Summit County Bee and the Park Record regarding a public meeting scheduled on January 8<sup>th</sup> at 6:00 at the Coalville Courthouse. Mr. Smith encouraged everyone in favor of the annexation to attend the meeting and make comments. Following the public input, unless there is overwhelming opposition, the petition forces the County Council to address the annexation. There would be a 60 days waiting period for protests, after which time the petition goes to the State to be certified and the tax rate set. Mr. Smith noted that the tax rate would be the same as what everyone else in the North Summit Fire District pays, which is .000578%.

Mr. Smith stated that once he receives the resolution from Summit County, he would begin to invest Fire District money into Tollgate. The first phase would be to identify potential volunteers to respond. The Fire District provides the framework and the training. Mr. Smith announced his plans to establish a first response medical team in the Canyon.

Mr. Smith outlined his plans for the next few years. The volunteers will start training and

he anticipates building a fire station on the Ranch in 2016. He cannot commit to the fire station until the annexation process is completed. It would take at least a year to obtain property and to do the groundwork, engineering and architecture. In the meantime, there will be fire equipment on the Mountain during the summer. The Fire District recently obtained an UTV Ranger that would be on the Mountain year-round for medical rescues.

In response to an earlier question regarding emergency access on unplowed roads, Mr. Smith stated that they will put tracks on the UTV for the winter, which will enable them to reach the scene of the fire. A four-wheel drive engine is dedicated to be on the Mountain. If a vehicle can drive to the scene, the engine would be able to drive there. If people do not maintain the roads at all or they are not packed down by snowmobiles, it would be difficult to bring in fire equipment. Mr. Smith pointed out that because the roads are private, the responsibility falls on the homeowners to keep the roads emergency accessible for the Fire District.

An owner asked Mr. Smith for an assessment of what would happen if the Ranch experienced the same type of fire that occurred at Rockport. Mr. Smith replied that if the same thing happened at the same elevation, Forest Meadow would look like Rockport Estates. He noted that the fire slows down significantly once it reaches the Quakey trees. How far up the hill it would burn would depend on how dry a summer and which way the wind was blowing. Mr. Smith pointed out that Forest Meadow has the same terrain as Rockport Estates.

Mr. Smith stated that Summit County is very concerned about secondary egress out of the Ranch. The Fire District, with help from the County, intends to negotiate with landowners to obtain a secondary egress that would go out through Silver Creek on the Park City side.

An owner on Elk Road asked about clear space around the cabins. Mr. Smith replied that the recommendation is 30' of non-flammable vegetation. The owner noted that the insurance companies are requiring a 150' barrier of clear space. Mr. Smith stated that the Fire District and the State require 30'. Since Elk Road was up in the Quakey trees, he was surprised that the insurance company was asking him to clear out 150' of Quakey trees. He assumed the insurance people lived outside of Utah and did not understand the fire prevention benefit of Quakey trees. Someone asked about Evergreen trees. Mr. Smith stated that it was not good to have an Evergreen within 30' because they are much more flammable.

## **Election Results**

Mr. Tyler announced the motion voting results. The results are reflected in the text of the

Pine Meadow Ranch Owners Association  
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minutes under each motion that was made. The proposed impact fee and the proposed budget passed. Mr. Tyler stated that based on the comments and recommendations heard this evening, the Board would try to find a better solution to more fairly assess the impact against larger homes.

The annual meeting of the Pine Meadow Ranch Owners Association adjourned at 8:36 p.m.

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