

PINE MEADOW RANCH OWNERS' ASSOCIATION
ANNUAL MEETING
IN-PERSON AND VIA ZOOM VIDEO CONFERENCE
3301 EAST 2920 SOUTH
SALT LAKE CITY, UT
NOVEMBER 14, 2023

DRAFT

In Attendance: George Sears, President; John Adams, Vice President; Chris Moore, Secretary; Andrew Pagel, Treasurer; Dwaine Anderson (Area 1); Marty Hansen (Area 2); Joe Pagel (Area 3); Katie Winters (Area 4); Shaun Baker (Area 5); John Kleba (Area 6); Taissa Folden (Area 7)

Ex-Officio: Carol Steedman, KGC Associates, Administration

President George Sears called the meeting to order at 6:37 p.m.

Mr. Sears stated that the objective this evening was to talk about what the HOA has accomplished this year. He noted that they also dealt with historic snowstorms. Mr. Sears stated the intention to provide an overview of where they were statistically, Lot Improvement Plan approvals, and the Minutes. Mr. Sears indicated a QR Code for those who can use a QR Code to access the 2022 Annual Minutes. Hard copies of the minutes from the 2022 Annual Meeting were also available.

Mr. Sears noted that three owners were up for election as three Area Representatives and a Vice President.

Owner Statistics

Mr. Sears reported that they have 320 landowners, 304 part-time residents; and 179 full-time residents. He showed the square footage of the average size of some of the more recently built homes. He noted that the data came from the approved building on the Ranch and Summit County Recorder. The average was 4,271 square feet noting that some homes were larger, and some were smaller. Mr. Sears stated that the second square footage was additions, sheds, garages, and structures that were larger than 120 square feet. For those structures, the average size was 696 square feet.

Mr. Sears stated that when the Board reviews plans for new builds, additions, and add-on structures, they look at the total square footage to see how the layout fits within the lot size. Mr. Sears clarified that the 320 land-only lots have no structures on them. The part-time and full-time lots all have single-family residences on them as defined by Summit County and the CCRs.

Mr. Sears compared last year to this year to help owners understand how things were evolving and changing. For example, the number of land-only lots had decreased from 335 to 320, which indicates that owners either built on their lot or combined lots. Last year there were 317 part-time owners but this year there were only 304 part-time owners. He believed that occurred because owners sold their cabins to owners who became full-time residents. Last year there were 153 full-time owners and this year there were 179 full-time owners. Mr. Sears stated that the total number of lots decreased from 805 lots to 803 lots because two lots were combined.

Mr. Sears remarked that occasionally the owners may receive a mailer from Summit County saying there was a petition to combine lots and members of the community have an opportunity to comment if they wish. In most cases, the lots were combined for various reasons.

Mr. Sears commented on the significant increase in the assessed property value. The property values were based on averages. He pointed out that sometimes an owner can contact Summit County and challenge their assessed value. Mr. Sears outlined the assessed property values for part-time and full-time owners. He remarked that because of higher mortgage interest rates, the number of building approvals has gone down.

Mr. Sears stated that increased taxes from the North Summit Fire District also had a significant impact on part-time owners. He noted that most part-time owners live elsewhere, which means they have no power in the Summit County vote. There were ways to address that issue and to get more services from Summit County, but the Board has not had the capacity nor the willingness to do it.

2022 Annual Meeting Minutes

Mr. Sears stated that the owners would be asked to approve the Minutes from the 2022 Annual Meeting. Those who wanted to use the QR Code could access the Minutes. He noted that due to technical issues last year, the meeting was not recorded entirely so the Minutes did not reflect all the discussions. The 2022 Annual Meeting [PowerPoint](#) was available on the website.

Election Status

Mr. Sears stated that there were four areas to be voted on. There were only single candidates who responded for each of the open positions; except, there were two candidates for Area 3 and a write-in opportunity for anyone who wanted to run.

Mr. Sears stated that John Adams, the current Vice-President, was running for re-election. Pam Slaughter was running for election as Area 1 representative. Joe Pagel and John Pettijohn were running to finish the term for Area 3 representative. Taissa Folden, the current Area 7 representative, was running for re-election.

Mr. Sears offered the candidates an opportunity to speak.

John Adams thanked the HOA members for allowing him to take on “this mess” (*referring to the severe road damage from the spring melt, poind break, and mud slides*).. He remarked that it had been quite a year and stated that there was still a lot to do, and he hoped the owners would have enough confidence in him to continue in this role as Vice President. He was interested in staying in this position and seeing it through to the end.

Pam Slaughter stated that she has lived in Area 1 for 19 years and she sees what goes on. She also follows what does not go on. Her goal was to be transparent and to address the needs and concerns of the owners in her area. Ms. Slaughter noted that she would be available by phone, text, or email. She also wants to set up a Facebook page for Q&As so everyone in her area can communicate and get to know each other. Ms. Slaughter stated that she has ideas for Area 1 involvement and she encouraged those in her area to vote for her.

John Pettijohn, a candidate for Area 3, was not present.

Joe Pagel stated that he was running for the Area 3 Representative position. He and his brother and their families have been on the Mountain since 2016. Joe and his wife came from Kansas City, Missouri. They could not afford to live in Park City and then found Tollgate. gravel roads, dirt roads, and bumpy roads were his former lifestyle which was why they loved living on the Ranch. Mr. Pagel stated that he would love to be on the Board. He was on the Board in 2017 but after a couple of years, he needed to step away. He was able to take an appointed Board position again this year and he would like to represent Area 3 officially as an elected member. It was important to keep or cultivate the reasons owners liked being on the Ranch. Mr. Pagel requested their vote to serve on the Board and work for his area this coming year.

Taissa Folden stated that she has lived in Tollgate since 2018. She and her husband originally purchased a lot in Area 4, but they sold their lot last year and they purchased another lot on Elk Road

where they live in Area 7. Her background was in property and community management, and she felt the urge to get involved and be part of the community. Ms. Folden stated that she has been on the Board as the Area 7 representative for the past six months and she was excited about the direction the Board was taking, the projects that had been approved, as well as their vision for the future. She would like to continue being on the Board and asked for their vote.

Mr. Sears explained that the Board positions were on a 3-year rotation model, and an election was held every year. He encouraged anyone willing to volunteer to participate in the several committees on the Board. All the Board members were volunteers, and they did their best to serve in their spare time.

Mr. Sears noted that there were 11 Board members. They all work hard, and all do participate. He was happy to report that they currently have a unified Board that makes informed decisions. To facilitate the decision-making, Mr. Sears stated that John Adams did a fantastic job sending out surveys to communicate with the owners to see what they thought about important topics and issues.

Mr. Sears clarified that while some owners think the Board was managed by surveyed responses, it was not the case. However, they do like how the community feels about certain issues. Mr. Sears stated that the Board would like a greater percentage of owners to answer the surveys because it helps the Board with a broader spectrum to understand the issues each owner has from the perspective of the owner on the Ranch. He encouraged everyone to respond to the surveys.

Ranch Snow Plowing Update

John Adams explained that the connector was in the area of Arapaho Drive and Forest Meadow Road down to the *tricycle sign at the intersection of Bull Moose and Forest Meadow* and noted that the HOA had contracted the snow plowing for the connector. Last year was a challenging winter and many of the owners were disappointed in how the connector was plowed. Some of the owners took it upon themselves to pick up the slack. He thanked everyone who pitched in. This was what the community was about, but it was not what they intended in the long term to manage that service on the connector.

Mr. Adams stated that after much discussion, the Board decided it was time for the HOA to invest in proper snow equipment, so they were not left 'held hostage' during the winter. When the roads need plowing, if someone cannot get up the Mountain to run the machinery, the HOA needs to be able to do it. Mr. Adams reported that the HOA invested over \$200,000 in a 2018 John Deere loader. At the same time, they determined the need to have an actual snow blower and not one that sits on the back of a tractor. Mr. Adams stated that after a lot of research and due diligence, they decided to purchase the Sawtooth L36, 9' wide, self-contained snow blower.

Mr. Adams remarked that this new piece of equipment will take 300 days to build and in the interim Jody will be using a rental blower. The HOA will find out if they can plow the entire area which includes all of Tollgate Canyon, and all of Arapaho, and continue at the connector of Arapaho and Forest Meadow back down to I-80. Mr. Adams stated that the part they contracted was from the Upper Winter Lot on Arapaho down to the tricycle sign. It was still under contract this year because they were still in a transition phase trying to make sure the HOA can accomplish what they think it can.

Roadwork Overview

Mr. Adams stated that they made it through the winter, but Spring brought its own new set of challenges. The melt that came after the epic snow season was overwhelming and there appeared to

be no end. Mr. Adams remarked that they experienced the most damage on upper Tollgate Canyon Road. At one point there was a pond break at 11:00 p.m. and the water became so torrential that the culverts along the edges of upper Tollgate Canyon Road became clogged. They had to decide quickly to tear out all the culverts to save the road.

Mudslides

Mr. Adams stated that in addition to the torrential water, they also dealt with multiple mudslides.

Mr. Adams remarked that the roads all over the Mountain were a mess from everything that occurred during the winter and spring. The Board had to assess what needed to be repaired, which roads were top priorities, what resources they had, and how to organize getting the work done. Mr. Adams stated that they drew recommendations from several experts including civil engineers, paving companies, geo-tech companies, and standard contractors. They also reached out to the Army Corp of Engineers and Summit County. Everyone said that in addition to safety, to keep the road from being washed out, drainage was the number one priority. They also pointed out that Pine Meadow Ranch HOA needed better design and better road materials, they needed to improve their maintenance practices and expand their knowledge base from engineering analyses to determine what they were to accomplish first.

Culverts Replaced

Mr. Adams stated that they focused on drainage and took care of what they knew they could take on. They looked at Upper Tollgate Canyon *from Hillcrest up to BobBobcat Springs* and what needed to be done to save the road. After doing some research the Board decided concrete culverts should be installed because they were more durable than the corrugated metal culverts. They contracted with Rykestone for approximately \$55,000 and took out two 24" corrugated culverts at Hillcrest and replaced them with 120 feet of 36" concrete culverts. Rykestone built a headwall that helps capture the water at the culvert and funnels it into the culvert. Mr. Adams remarked that there were some challenges. One was that they did not know the location of the primary water line, which meant they had to work with the Water System Managers and move at a slower pace to avoid hitting the main water line.

Mr. Adams stated that they also contracted Rykestone to take out individual corrugated culverts further up that were 24" and they replaced them with 24" cement culverts. That project was mostly completed at a cost that was approximately \$48,000.

Lower Tollgate Canyon Road

Mr. Adams reported on a recent event outside of what they were expecting to deal with this time of year. At Lower Tollgate Canyon Road where a mudslide occurred earlier in the season, started to sink. The road started to crack. When the crack started growing rapidly, *you could see a step pattern forming from one level to another*. They were concerned with the progression, measured from the center of the road, and calculated a 13" drop at the edge of the road. One of the geo-tech engineers looked at it and talked to his colleagues about what could be happening. They believed the original mudslide on the uphill side of the road caused a movement or a wedge when the soils became wet, and the clays became slippery, it gave way. It was a dangerous situation. Mr. Adams stated that a civil engineer who lives on the Mountain also recommended that it be remedied now.

Retaining Wall

Mr. Adams reported that they began talking with other contractors about building a 100' retaining wall; however, the materials for the retaining wall were close to \$50,000 without any labor. They ended up speaking with Jonathan Pease who also lives off-ranch but on the Mountain. His business

was Rock Solid, and this was his expertise. They ended up contracting with Rock Solid because Mr. Pease produced a plan that would utilize the material already on the Mountain. He also proposed carving out the old material along the road where a 15' vertical drop was taking place and building it back up. Mr. Adams stated that the Board had approved \$100,000 and the preliminary cost was approximately \$85,000. He pointed out that a road with a 6-8" shoulder that was about to collapse was now relatively flat. There was a giant culvert underneath the road and the road now had a 6' wide shoulder.

Pond Break

Mr. Adams stated that road work along Tollgate Canyon Road required sufficient drainage to support the possibility of another pond break. He referred to Upper Tollgate Canyon Road at Boyce's Corner and noted that the slope on that side of the road was wrong. Therefore, any time there was water flow the culvert would clog up again. He provided other examples along Tollgate Canyon Road where most of the culverts dealt with constant sediment and cannot contain water and sediment at the same time. Mr. Adams remarked that they took care of the east side of the road, and they now needed to do work on the west side to achieve appropriate drainage.

Lower Forest Meadow Road

Mr. Adams presented a 1999 Horrocks Engineers Study and Map showing how many culverts were on the Ranch. The Board decided they needed to better understand culverts and know how to clean out the culverts and replace and install new culverts. He noted that the Board had allocated \$3,000-\$5,000 for culverts but according to their experts, they have not focused on the right places. They also have drainage issues that need to be studied on other important roads such as Lower Forest Meadow.

Mr. Adams presented a slide showing Oil Well Road. He explained that one reason for the multiple mudslides was due to multiple culverts under Oil Well Road that were in the same mudslide areas. Over the next few years, geo-techs have recommended the drainage ditch on Oil Well Road be re-designed and channel the water north-south, but mostly to the south underneath Forest Meadow Road. Mr. Adams stated that the Board will try to address this challenge as soon as possible.

Tollgate Canyon Road 5' Boring Samples

Mr. Adams stated that the HOA hired Gordon Geo-tech to do 32, 5' borings over 4 miles from the bottom of the Mountain straight through Tollgate Canyon Road. They now have a database and know what layered material base was underneath the roads. Whomever the Board contracts, that company needs to refer to the study and use it to properly engineer the road.

Mr. Adams stated that they still have a lot more work to do on upper Tollgate Canyon Road in 2024. He outlined estimates from civil engineers on the cost of engineering the road. The costs do not include labor.

In looking at repair costs, Mr. Adams suggested the possibility of repairing the asphalt areas. That section cost was in the \$150,000-\$400,000 range. If they rebuild it all the way up to Bobcat the cost would be close to \$2 million.

PermaZyme

Mr. Adams remarked that as discussed last year, the question was considered what could be done differently by using different materials that do not involve expensive asphalt. He noted that the Board talked about a binding agent called PermaZyme. He reported that they did a trial test with the PermaZyme on 1,000 lineal feet of road and brought in 700-800 tons of 3/8" crushed limestone. The

material was delivered however, Jonathan Pease told them they needed the right equipment to do the job properly. Mr. Pease helped the HOA arrange to obtain a big reclamation machine. He explained the process of preparing the material to be compacted into the road. Mr. Adams presented a before and after photo of the section that was PermaZymed. The challenge was to see how it weathers over the winter and what it would look like in the Spring. Currently, the PermaZyme material was not washboarded like other materials on the Mountain.

Alternative Road Materials

Mr. Adams reported that they were looking at other solutions. One was LANDLOK®, which was an organic material derived from natural gas and used for roads. The Board was talking about doing a trial with the [LANDLOK®](#) material. The military uses it to build remote landing strips. Another material they considered was a dry cement application. Mr. Adams explained the process of applying the dry cement material.

Mr. Adams commented on the number of other roads on the Mountain that needed to be addressed. Many areas were undermined and were wearing away. If they do not take care of those areas it will snowball on them, and in a few cases, it already has.

Roads and Assessments Survey Results

Mr. Adams noted that they were interested in hearing everyone's thoughts. There were four or five questions in the last survey regarding a one-time road assessment fee, increased annual dues, a new impact sales reinvestment fee, and the construction impact fee. He read the preliminary results from the questionnaire:

Mr. Adams stated that 165 owners responded:

- For the proposed one-time assessment of \$1,021, the response was split down the middle.
- Annual Dues to increase by \$100, 68% of respondents favored the increase and some owners suggested a higher increase.
- To increase the variable component of impact fees, 80% were in favor of the increase and some owners suggested a larger increase.
- To add a new impact sales reinvestment fee, 56% were in favor and 44% were opposed. Mr. Adams explained that the proposed impact sales fee on real estate was another way to help fund road improvements.

In terms of what was most important to focus on, the survey results were:

1. Drainage
2. Maintenance practices
3. Road materials

Mr. Adams stated that another question was what owners wanted to see on Upper Tollgate Canyon Road. The results were:

- Stay with the regular UDOT material currently was 30%
- Try the UDOT basic material combined with a binding material was 27%
- Try a new aggregate was 41%
- Try asphalt was 42%
- Chip Sealing was 26%

Andrew Pagel thought the 42% and 41% from the survey suggested something new indicated that owners were not happy with the current solution, and the Board would be open to fresh solutions.

FEMA Grant Update

Mr. Adams reported on a \$240,000 FEMA grant. He stated that Summit County asked Pine Meadow to do a more stringent bidding process. He explained that the process was a litmus test for the County, and they want to make sure no one can question the process. Mr. Adams stated that the HOA was doing a Request for Proposal versus the RFQ they originally started. The Executive Committee committed to focus on it after this Annual Meeting. The RFP will go out this winter so they would hopefully be ready to begin fire prevention work in the Spring.

2024 Budget Proposal

Andrew Pagel stated that everything the HOA has done and plans to do in the future was from a safety aspect. The biggest challenge they faced this year was a full deterioration of the infrastructure in conjunction with a winter that exceeded any other recorded winter since 1910.

Mr. Pagel remarked that the goal was to not only fix the existing conditions but also improve them. He explained that when they talk about roads that cost anywhere from \$150,000 to \$2 million, they would spend \$14,000 to get core samples and analyses to understand the current existing road structure to make the most cost-effective decision. Mr. Pagel stated that he takes his fiduciary responsibility very seriously by setting a budget based on the amount of money the property owners would provide.

Mr. Pagel commented on the proposed \$700 per lot annual assessment, which was \$100 more than the current \$600 assessment. When he started as the Board Treasurer seven years ago, the assessment was \$350. The result was an average of a \$50 increase per year over the last seven years. Mr. Pagel stated that when he came onto the Board the assessment was not enough to cover their operating costs. He noted that the proposed minimum of \$700 per owner annual assessment would give a total income of \$560,000 plus an additional \$42,000 in construction assessment fees. Mailbox renewals and contributions from other sources such as the Church camps would bring the income to \$638,000.

Fixed and Variable Expenses

Mr. Pagel broke the expenses into two primary categories: fixed expenses and variable expenses. He noted that the biggest cost was under fixed expenses for the two full-time employees who work on the Mountain. Seven years ago, they only had one employee. Employee payroll takes up 27% of the overall income. Secretarial/Administrative costs to Carol with KGC Associates were lower but another primary fixed expense.

Mr. Pagel commented on variable expenses. The Income that pays for two employees to do the road work as mentioned was 27% and the other 25% goes into aggregate to maintain the roads. Mr. Pagel explained that the Board was looking into materials such as PermaZyme as an alternative to the existing road base because the \$55,000 spent each year on the road base was not permanent and washed away each year. They were trying to find a balance between maintaining the feel of the existing roads without flushing money away from the constant erosion of the existing roads. To look at other alternatives was an effort to save money, as well as maintain the infrastructure that everyone on the Mountain loves.

Mr. Pagel noted that the HOA was still contracted to pay for the Arapaho/Forest Meadow connector to be plowed because, at this point, they could not guarantee that the HOA could maintain it even with the new equipment that was purchased. He clarified that they do not have complete buy-in from the employees who already work around the clock all year. For that reason, the snowplow expense

line item remains in the budget. Mr. Pagel stated that the goal was to reach the point when year after year they would not need to pay someone who could not keep up with the requirements for plowing. Since the HOA promised to maintain Forest Meadow, and because the Forest Meadow residents were not happy with how the roads were plowed last year, the Board decided to purchase the recent piece of heavy equipment.

Reserve Account Funding

Mr. Pagel pointed out that the overall 2023 expenses were 85% of the budget, leaving 15% remaining. Mr. Pagel presented a slide that showed the proposed reserve accounts. He noted that seven years ago the HOA had \$200,000 in the bank. This year they started with \$500,000 in the bank, which was the only reason they were able to financially handle mudslides, and failures in the roads, install proper drainage, purchase a large piece of equipment, and make sure the safety of the residents was managed first. This was the first year the balance between checking and savings accounts exceeded \$1 million. Mr. Pagel stated that after the purchase of the blower and the loader, after Lower Tollgate Canyon Road, cleanup work, and upgraded cement culverts they would have \$70,000 left in the savings account. This was the reason he asked for a one-time road assessment. Mr. Pagel remarked that all he could do was present the numbers and the reasons for it and ask for their approval. He clarified that the purpose of the one-time assessment was to reimburse the savings account and bring it back up to \$470,000. The proposed one-time assessment of \$1,021 per lot could be paid over a year and must be paid in full by the end of 2024.

Snow Blower Purchase

Mr. Pagel reiterated that they would pay the \$60,000 downpayment on the blower. They still need to pay the remaining \$180,000. Mr. Pagel noted that there was still approximately \$170,000 in the checking account.

Mr. Pagel commented on the \$1021 special assessment. He noted that \$145,000 of the one-time assessment reimburses the loader and blower. The amount of \$480 per lot would cover the cost of road repairs in 2024. Tollgate Canyon Road still needs a lot of improvements and \$480 should get the roads up to, if not better, than what they were currently.

Budget Income over Expense

Mr. Pagel commented on \$700 annual dues versus \$600. Last year was the first time that the income exceeded the operating expenses. They would still be able to pay the bills without the use of any construction assessment fees. Until last year they relied on construction assessment fees and if owners did not build, the HOA could not afford to plow or repair the roads. Mr. Pagel stated that last year they broke even, which was why they slowly and incrementally increased the annual dues to ensure they can continue to put money in the savings account, as well as able to work on new projects such as the LANDLOK® or the dry cement proposal. Mr. Pagel explained that \$700 per owner would provide an excess of \$92,000. Of that \$92,000, they can designate approximately \$35,000 to each of the two proposal projects. The remaining \$15,000 can go into culverts and additional drainage improvements. That will only leave an additional \$7,000 to deposit into the reserve account.

Mr. Pagel remarked that everyone votes on the 2024 budget, and he asked the owners to think of the importance of each line item individually versus the whole.

2024 Fee Schedule

Mr. Sears presented the proposed 2024 Fee Schedule. He noted that there were fees on it that current owners with new Builds would need to pay to have certain services provided.

Reserve Analysis 2023

Mr. Sears reported that three years ago the HOA did a reserve analysis. The HOA was required by law to do a reserve analysis every five years and an update of the reserve analysis at the three-year mark. The analysis was done by a professional and the updated version will be published. The person who did the analysis was surprised when he came up a few weeks ago versus when he came up three years ago. He made some adjustments to the reserve analysis and stated that the HOA needed to have over \$1 million in the reserve account to better handle emergency situations. Mr. Sears pointed out that the grader was very old when the HOA purchased it as used years ago. The grader was refurbished when they replaced the engine and whatever repairs were necessary to keep it operational. However, one day the grader will wear out and it will cost at least \$250,000 to replace it with another used grader. When that happens, instead of another one-time assessment request, they plan to use the reserve account for that purchase. Mr. Sears emphasized the importance of an established and well-funded reserve account for capital expenditures. Mr. Sears emphasized that the HOA was able to meet most of the capital expenses this year because there was almost \$500,000 in the reserve account.

Open Public Forum

Mr. Sears called for questions or comments from owners.

(Bold print summarizes the owner's comment/question)

A new fee for buyers benefits the HOA road work funding: A property owner asked how many homes were sold last year and how much revenue would be generated if the 1/4% (.0025) was applied. Mr. Sears estimated \$12,000 to 15,000. He recognized that it was not a large amount, but it would help with roads and replenish the savings.

Property tax and property value: Someone noted that the property taxes were increasing, and he wanted to know how Pine Meadow would benefit from the increase. Mr. Sears replied that there was no benefit until an individual sold their property. Andrew noted that as property taxes go up the property value increases.

A property owner suggested having a liaison to Summit County to ask what Pine Meadow gets for paying \$1 million in taxes. Mr. Sears thought it was a good point. He stated that an analysis was done last year on how much all of Tollgate contributes to North Summit Fire District and the amount was significant.

Mr. Sears clarified that Summit County presents no monetary responsibility for the maintenance of the roads. He explained that there was a Special Services District until 1999, which incorporated both the Water Company and the HOA, and the County was responsible for maintaining the roads at that time. When Summit County dissolved the Special Service District (SSD) in 1999, all the roads were reverted to private roads under the authority of PMRHOA. Summit County periodically contributed to help with some major elements for Lower Tollgate, but Pine Meadow was solely responsible for the roads and maintenance.

Tollgate population and traffic challenges: A property Owner asked if the HOA has done anything to reinvigorate the Special Service District (SSD). Mr. Sears replied that the Board has had some discussions with the County regarding an SSD. It was not a simple process and there were pros and cons to being a tax-funded service district. Mr. Sears noted that nothing can move forward without taking it to the owners because the owners will need to vote on how they move forward in the long term. Mr. Sears stated that they do need to approach Summit County on the fact that there were more full-time and part-time residents, and the population has increased traffic challenges. The number of vacant lots has decreased which shows that Pine Meadow has become a different type of community than it was 20 years ago when there was a Special Service District dissolution.

Invest in future cost replacement and maintenance practices: A property owner pointed out that the Board planned enormous projects with enormous costs. They have reacted to the one year in a 100-year storm cycle in less than one year. He understood that some things needed to be done because there was catastrophic damage; however, other things they talked about did not need to be done right away. Mr. Sears pointed out that they were not everything that would be fixed that just happened this year. The Board collectively concluded that the HOA in the past had been a reactionary entity and the previous Boards have not planned for four or five years out. They only reacted when problems happened. Mr. Sears stated that buying the new equipment to help provide and improve snow removal was something they should have done years ago and not just because it was a bad winter. He emphasized that the HOA should invest in future cost replacement, and maintenance practices and make better plans of what things will look like over time. Mr. Sears remarked that the connector was only one piece. The same heavy equipment will simplify how they do snow removal and summer roadwork in general. The strategy needed to begin now so the Board could bring back to the property owners the plans for future projects.

Request a grant or other assistance from Summit County: Mr. Pagel explained that if Pine Meadow turns to a full Special Service District, the HOA loses all control and taxes will increase dramatically for PMR to cover the same road expenses. They will not be able to remove snow or repair and maintain roads at will. They would be at the mercy of Summit County to react and fix things. A benefit of being an HOA entity was that the Board could show what the owners pay for with their annual assessment, as opposed to broadly being informed of what value owners received for taxes paid to Summit County. Mr. Sears stated that he has owned property through the Special Service District phase into where they were currently. He thought a better approach would be to request a grant or other assistance from Summit County versus returning to a tax-funded Special Service District. Because of safety conditions, he cited the years of projects that were done with financial help from Summit County.

Lot-only owners impacted: A property owner suggested that they need more lot-only owners to be engaged. He pointed out that only 150 owners were present to vote out of 800 lots. Mr. Sears remarked that when he first purchased the property, he went to the very first meeting and there was standing room only. It was during the time of the Special Service District, and he witnessed the pain owners were experiencing was incredible. At that meeting, he wondered about the investment into which he had bought. The property owner stated that he purchased his property a year ago and now he has wondered that same question because what he was told at the time would be a \$600 annual assessment. This year there was an added \$1021 one-time assessment and not the \$600 but \$700 to be increased by \$100 annually. Mr. Pagel emphasized that in the seven years he has been Treasurer of the HOA, this was the first time they have asked for a one-time road assessment. The only exception was two years ago the Fire Safety Committee asked for a one-time \$60 fire assessment that went towards the FEMA grant which in value would return to the HOA thousands of dollars from Summit County. Mr. Pagel stated that he takes the land-only owners seriously and every decision the Board makes needs to equally represent the owners who represented half of their community. Mr. Pagel stated that while he was treasurer, the plan was only for this one-time road assessment plus the HOA dues annual assessment. He provided a detailed list showing how much the owners would benefit from the one-time road assessment.

All lots are treated equally: Mr. Sears read questions from owners online. One was whether the proposed increases were enough. Mr. Pagel reiterated that last year and this year were the only times in seven years that he felt the proposed increases were enough. He did not increase the rates seven years ago to where they are now because half the owners were land only and every lot pays the same amount. They need to make sure that increases were incremental to make sure everyone was represented equally. Mr. Pagel remarked that this was the second year that the 2024 budgeted income exceeded the expenses. Therefore, they would accomplish the necessary work provide some

amenities, and still have savings in the bank.

Comments and praise from a state employee perspective: Donna Leighton, Lot FM-D-114, stated that she was a state employee and understood crises from a state perspective. The State puts out the fires and moves on. They never look at maintenance or anything beyond the immediate. She also welcomed Mr. Pagel's transparency and the helpful explanation for owners to understand what the projects were that needed the money and the money spent. She recalled an increase in the HOA dues for last year and pointed out that the additional \$100 for this year was actually a \$150 assessment because she felt the \$50 of the increase was approved last year for this year. She agreed that no one could have anticipated the extreme winter this year and the damage it created which required an additional assessment increase. However, she questioned the justification for the \$100 per year increase going forward. She also liked the idea of purchasing equipment to manage their own roads versus a hired contractor. The payment to the contractor could go towards the purchase price of the loader. She also understood the question of whether the HOA can manage all the snow plowing and she appreciated the information to help them understand the challenge. She referred to the roads and culverts project and was shocked at the Geo-Tech results and the cost of what was recommended to be done. Donna questioned if her culvert needed to be replaced, she would pay to replace it, but she was not sure why there were these costs to replace culverts if the lot owners were responsible.

\$500,000 planned for the Reserve Account: Mr. Pagel commented on the two increases mentioned. He explained that every year in November the Board discusses the budget and the need for an increase. Last year the assessment of \$500 was increased to \$600, but only \$40 of that \$600 went towards road repairs and improvement and the other \$60 was for fire mitigation. If they continue collecting that \$60 every year in the assessment for a total of \$70,000 for fire mitigation, then Summit County will contribute \$210,000 towards fire mitigation. Mr. Pagel stated that 2024 was a new year and they have asked for a \$100 increase from \$600 to \$700. The purpose was to slightly increase the dues so there was additional income over expenses and the next time they need extra money they will not need to ask the owners because they will have additional income in the bank. Mr. Pagel emphasized that they only rely on the annual assessment to operate the Ranch. They do not rely on one-time assessments or construction impacts.

An owner understood that the one-time assessment was to cover funds that were already spent from the reserves. She also understood from the discussion that another \$400,000 was needed to maintain the roads long-term. Mr. Pagel replied that half the one-time assessment would go towards the reimbursement of the reserves to the level they were. The other half would go towards fixing Tollgate Canyon Road next year to the same condition or better than it was before winter. If they approve the one-time assessment for next year, Tollgate Canyon will be repaired and almost \$500,000 will be back in the reserve account.

Short-term rental registration fee: An owner asked for a better justification for the real estate Fee. She believed that short-term rentals and other uses on the Mountain create more impact than a one-time sale of a property. On another issue, she thought the HOA was getting too large to be managed by volunteers. She asked if the Board had thoughts about a long-term approach to managing the HOA.

Mr. Sears replied that they do not have a long-term approach to management. Regarding short-term rentals, he stated that the HOA does not have the legal authority to charge more than \$200 per year for short-term rental registration. It was a State Statute that was passed in May of 2023. He pointed out that new HOA short-term rental rules were adopted last year. Mr. Sears stated that because the HOA cannot change their CC&Rs, the reality was that when they tried to change the CC&Rs a few years ago, they did not meet the required threshold of two-thirds of the owners who needed to vote. Mr. Sears thought the chances of ever-changing the CC&Rs were moot. However, the State and the County

were more involved in a variety of areas that will eventually override some of the CC&Rs rules. One example was the Board's authority to readjust the rules for short-term rentals.

Regarding the request for justifying the \$200 rental registration fee, Mr. Sears stated that the HOA Rules and Regulations and the CC&Rs stated that all lots need to be treated equally. The HOA has control over the type of structure that can be built on the property as well as colors and materials, and under State law, the owner can choose to use their property as a short-term rental and the HOA cannot preclude the law.

Church Camps contributions: Janae Barron, a multiple-lot property owner, commented on the LDS Church Camps. She referred to a line item indicating that over \$10,000 was donated by the LDS Church to the HOA to maintain the roads. She asked if that figure could be increased due to inflation. Mr. Sears explained that contributions from anyone outside the Ranch were voluntary contributions. He noted that the LDS Church has been very willing to help with support and they were particularly good neighbors. Mr. Sears stated that the HOA and the Church have an ongoing relationship. A representative from the Church was present this evening to hear and see what the Ranch was doing. The Church was involved and wanted to know what was happening in Tollgate. Mr. Sears was grateful for the Church's contribution. He pointed out that the LDS Church Camps made another generous contribution this year due to excessive road impacts from the winter snows and spring runoffs.

The representative from the LDS Church stated that they were currently in negotiations to develop a system where their donation to the PMRHOA could be linked to the HOA dues. As the dues increase, the donation increases. Mr. Sears emphasized that neither the LDS Church nor anyone else outside the Ranch was obligated to donate, and he appreciated that the Church has agreed to tie their donations to increased road costs.

\$3.50 per square foot impact: Janae understood that they proposed to increase the impact fee by \$3.50 per square foot on structures 3500 square feet and larger. She asked why they asked for the minimum rather than the amount of \$3.50 per square foot for any structure to account for inflation. She thought it was odd to apply it only to certain sized footage when the roads were impacted by all construction vehicles.

John Adams explained that the larger structures with a greater footprint have significantly more construction traffic on the roads, as well as larger equipment and more frequent equipment. Larger homes do impact the roads much more than smaller homes. Mr. Sears clarified that the \$3.50 per square foot was calculated and not determined arbitrarily.

New 2024 Fee Assessment Schedule: Cheryl Groot, Lot PI-D-70-AM, wanted to know the difference between the line item 2024 New Annual Assessment and the line item 2024 Fee Assessment Schedule. Mr. Sears replied that he previously showed the 2024 Assessment Schedule which included all the fees. The Fee Schedule was separate from the \$700 Annual Assessment. For example, the proposed Fee Schedule assumes that everyone will vote yes on the \$3.50 per square foot increase. If the majority votes against the square-foot increase the Fee Schedule would be adjusted.

Special Service District: Ted Bonnett, a multiple lot owner, noted that because Summit County permits larger homes that now increases the traffic density. Tollgate was not what they knew 20 years ago. Mr. Bonnett understood that an SSD was discussed but it might not be the answer. He asked if there was a way to look at the big picture and why the HOA must maintain lower Tollgate. The road, which was not on the Ranch, was used by all people and was being stressed beyond its design capacity. He felt that it was because the County permits density at a higher population count than Wanship. Mr. Bonnett suggested an exploratory committee to find out how they can get tax dollars directed back to Pine Meadow Ranch. He thought Summit County should be taking care of Lower

Tollgate. Mr. Bonnitt thought it was time to look at the bigger picture and make their tax dollars work for them.

Mr. Sears agreed that they needed a more concerted effort to make Summit County understand that the County should be obligated to help at least maintain the main off-ranch roads from the Freeway exit up to the HOA subdivision. Mr. Bonnitt preferred to look into it sooner rather than later and he volunteered to help. John Adams remarked that the Roads Committee had its first meeting and he thought Mr. Bonnitt's suggestion could be an exploratory item for that committee. Mr. Adams stated that earlier in the summer there was a discussion with John Angel at the County and unless there was an emergency where no one could get in or out, Summit County was not under an authoritative or financial obligation to help. Mr. Angel told them that the County will work with them; however, the HOA needs to figure out how to pick up the slack and bring the roads up to some measurable level of acceptance to receive Summit County help. Mr. Bonnitt reiterated possibly separating Lower Tollgate from the owner-funded HOA roads.

A long-term approach to budgeting: A property owner commented on the increase in annual dues. He asked if the amount collected would cover the expenses for the 2024 year. Mr. Sears replied that the budget accounted for a \$700 annual assessment resulting in enough money to cover all the expenses without relying on the building impact fees. The owner wanted to know why they needed to increase the assessment if they already met the needs for maintaining the roads. Mr. Adams stated that the conditions of the roads were concerning because there were so many locations where the road was worn away, a stream that needed to be moved, and material that needed to be put back in place. There were many issues caused by poor drainage that needed to be addressed. Mr. Adams pointed out that more money was spent on culverts this year, and those culverts would last decades. The goal was to take a long-term approach so they could stop annual repeated surface work and begin to address other issues beyond Tollgate Canyon Road.

Mr. Pagel explained that the numbers he presented in the budget were based on actual figures. The numbers came from taking geo-tech samples, understanding the conditions, talking to engineers, and understanding the current condition of the roads. Mr. Pagel remarked that the \$264,000 number was based upon the lowest bid numbers and to do the bare minimum required to make the roads as good or better than what they were before. Mr. Pagel stated that in his mind a one-time assessment was not to do new projects. The one-time assessment was only to fix the issues they were not prepared for that arose this last winter. After that, the Annual Assessment will cover most renovations.

Importance of Annual Meeting attendance: A property owner asked if the Board could sit down periodically and review the financials and forecast the needs before the Annual Meeting. Mr. Pagel stated that the Board reviewed the current financials every month at their monthly meeting. At the October meeting the Board reviewed and discussed the annual dues. This year they took an additional step and sent out a survey. If owners were opposed to a proposed increase, they should attend the Annual Meeting to make sure their voices were heard, and their vote was counted.

Restrictions on heavy vehicles during winter months: A property owner noted that there was discussion this evening about plans for the Ranch, roads, and how large homes tend to disproportionately cause a lot of road damage. He asked if anyone had proposed a weight limit for vehicles on the roads. He did not believe the roads were designed to handle some of the vehicles going up. Mr. Sears stated that it has been discussed but the challenge was how to enforce those rules. He explained that the HOA rules do not apply until a vehicle enters the HOA, which was at Hillcrest. He clarified that the HOA does not control all of Tollgate. Mr. Sears stated that there were restrictions on heavy vehicles during the winter months. They have warned the owners that if they catch someone who violated the seasonal rules and can identify the property where the vehicle was going, the property owner would be fined.

High-speed Broadband Internet update: Aaron Dewell, Lot PI-65, asked if there were updates on the high-speed internet. Mr. Adams replied that earlier in the year Summit County completed a survey and they were in the process of preparing a management plan. Summit County received a state grant to fund the management plan and the County will hire an engineer to go through and evaluate the broadband infrastructure throughout the entire County. Based on the metrics they would determine which areas need some kind of support and funding. Once that process was complete, the County would go back to the State and argue their needs. Mr. Adams noted that Jeremy Ranch and Summit Park were the two most underserved areas.

No box trucks (Item 11 of the Lot Improvement Plan): A property owner commented on the restriction of no big trucks coming up after November 1st. A box truck was stuck below the S-turn, and he helped a contractor tow it up. The contractor said he had written permission from the HOA stating that he was allowed to order box truck delivery and use bigger trucks and cranes all winter long as long as they had chains. Mr. Sears replied that it was not an accurate statement. The property owner said the contractor told him that if the HOA tries to fine him, he will contact lawyers because he has a signed contract. Mr. Sears stated that the contractor would only have the Lot Improvement Plan. There would be no other contract with the HOA and that contract would be with the owner. Mr. Sears reiterated that the HOA would not fine the contractor, but they would fine the owner. The [Lot Improvement Plan](#) item 11 does not allow box trucks or any large vehicles to access the roads during the winter months.

Construction road damage compensation: A property owner commented on the \$3.50 square footage assessment and a 1/4% (0.0025) transfer fee. He asked whether fees would be waived if an owner purchased his neighbor's adjoining lot because it would not impact the Ranch. For example, he has a 1,000-square-foot house and knows he will add on to it later. Now he estimated spending thousands of dollars for not choosing to build a 4,000 square foot house three years ago. He asked if the current owners could be grandfathered or precluded from the additional fees for a defined period of years. He recognized that the waiver should not be transferred to another owner if the property was sold.

Mr. Sears stated that the Board has not addressed that scenario. The property owner thought the Board should address it before they make it a rule. Mr. Sears pointed out that if they do it for one, they need to do it for all. He clarified that they were not penalizing anyone. They were only trying to make owners accountable for damage done to the roads when building. Mr. Sears offered to consider the suggestion, but the Board cannot be selective and that was the challenge.

Voting procedures

Mr. Sears stated that there were five items on the ballot. The owners who were physically present at the meeting voted and the ballots were to be collected. The owners who participated online would receive a ballot via email and they will have 24 hours after the email is received to vote and return their ballot. To allow for everyone present to vote, Carol recommended giving everyone until 5:00 p.m. on Friday, which was longer than 24 hours. Mr. Sears agreed.

Mr. Sears thanked John Adams, Andrew Pagel, and all the Board members for all they do because they really do make a difference with their time and efforts in how the Ranch operates. Mr. Sears also encouraged the owners to be more involved because the more the owners get involved, the more they help control the destiny of the Ranch.

The Annual Meeting of the Pine Meadow Ranch Owners Association adjourned at 9:22 p.m.
