

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
SHELDON D. RICHINS BUILDING
1885 W. UTE BLVD
PARK CITY, UT 84098
APRIL 21, 2015

In Attendance: Dan Heath – Vice-President; Pat Kreis, Treasurer; Honey Parker, Secretary; Matt Brown (Area 1); Tom Deaver (Area 4); Mark Hogdson (Area 5); Tom LeCheminant (Area 7).

Excused: Tony Tyler, President; Jeremy Jespersen (Area 2), Alan Powell (Lot 3), Mike Gonzales (Area 6)

Ex Officio – Jody Robinson, Ranch Manager, arrived later in the meeting.

Guests: Kendrick Wilson, Lot B-36; Bill and Cheryl Groot, Lot E-70; Mandy Deuel, Lot D-42

Dan Heath called the meeting to order at 6:31 p.m.

Mr. Heath thanked Cheryl Groot and her volunteers for doing the cleanup work on Tollgate Canyon. Ms. Groot stated that her book club was doing the cleanup and they would be cleaning up at the bottom on Sunday.

Approval of Minutes

Ms. Kreis referred to the bottom of page six of the minutes and inserted the word **asked** to the sentence “Ms. Kreis **asked** if the Board ...”

A motion was not made to approve the minutes.

Owner/Visitor Open Forum

Mandy Deuel came before the Board to discuss her proposal for a Tollgate Canyon community playground. She noted that the idea had been circulating for years and recently there was more interest and excitement for pursuing the idea. She currently has a group of approximately 30 homeowner families interested in doing the work to make the playground a reality. Ms. Deuel stated that the idea is to make the playground more than just a place for kids to play. She would like it to eventually become a community area where neighbors can get together for events.

Ms. Deuel commented on the number of children in Tollgate which justifies having a playground. She did not have a count of how many children come to the Ranch on weekends and holidays, but there are currently 40 children under the age of 12 who live there full-time. That number continues to grow as more families move up there and babies are born. Ms. Deuel thought the playground would be a good opportunity for all the children to play together and a place where the parents could mingle and get to

know one another.

Ms. Deuel believed a playground/community area would be a great amenity for future homebuyers and it would showcase Tollgate Canyon as a community area. The plan would be for the HOA to approve this project and to provide a piece of property with enough area for the playground now, and possibly a pavilion with picnic tables in the future. Ms. Deuel suggested that the ideal vicinity would be around the lower winter parking lot. The lower lot is flat and has ample parking. It is located off the main road and would be a safe place for children.

If the HOA would approve the project and provide the property, the next step would be to form a fundraising committee to privately fundraise 100% of the cost. Companies who service the Tollgate area and individual homeowners would be asked for donations. The Homeowners Association would not be expected to contribute. Ms. Deuel stated that the estimated budget was approximately \$20,000. It is a small budget but the intent is to start small with the playground and eventually build up from there in the future, again with 100% fundraising. Ms. Deuel remarked that \$20,000 would buy brand new commercial grade playground equipment. It would cover the cost of land preparation, installation, landscaping, fencing, etc. She was confident that the goal could be met. Her background is in non-profit fundraising and she has the experience of fundraising amongst small groups.

Ms. Deuel understood that the HOA had liability concerns. She had researched other HOAs and Park Districts in the area to see how they addressed the liability issue. She found that liability is in three parts. The first is to purchase brand new commercial grade playground equipment that is certified by the Consumer Products Safety Administration and under warranty from the manufacturer. The second part is to post a liability statement at the playground saying "Play is at your own risk. Parental supervision is required". They should also state an age range for children to be playing on the structure as well as other safety rules to be determined. The third part is to submit the plans for the playground to the current liability insurance provider for the HOA to see if whether the playground would be covered under the existing policy. If the plan is not covered, her research has shown that a playground can be added to an existing policy at a minimal cost.

Ms. Kreis asked Ms. Deuel if she was proposing that the HOA would be the owner of the playground if it was covered under the HOA liability insurance policy. Ms. Deuel stated that if the playground is located on HOA property the HOA would be the owner. Ms. Kreis pointed out that a notice to play at your own risk does not prevent lawsuits. Ms. Deuel agreed, which is the reason for having liability insurance. Ms. Kreis stated that having the playground covered under the insurance policy would have to be a hard requirement for approval. Ms. Deuel clarified that all three parts that she mentioned would have to be a requirement. It could not be just one or two. Ms. Deuel remarked that the fishing pond and kids riding ATVs were only two of many liability activities that

already occur in Tollgate.

Mr. Brown noted that every HOA in Park City has a playground and he thought it would be easy to get the insurance. Ms. Kreis explained that she was not opposed to the proposal; however, she wanted it clear that posting a sign would not prevent lawsuits. She thought that new equipment and liability insurance should be mandatory if they move forward with the playground.

Ms. Parker stated that if the Board chooses to move forward with the playground it would be important to look at other pieces of HOA property as a viable location besides the lower parking lot. Ms. Parker thought they should determine which steps should come first. For example, whether they should make sure they can obtain liability insurance before Ms. Deuel begins fundraising. Ms. Kreis thought they should find out how much the additional insurance would cost and the Board would have to vote on it since the additional cost was not in the budget. She asked if the fundraising would include the increase in insurance that the HOA would have to pay. Ms. Deuel thought it could. Ms. Kreis thought the Board should get the insurance quote and coordinate with Ms. Deuel.

Ms. Deuel and the Board discussed what would be required in order to obtain a quote. Ms. Deuel offered to provide a draft proposal with an estimate, but she would not have actual plans. Ms. Kreis asked if equipment maintenance was included in the \$20,000 estimate. Ms. Deuel had spoken with the playground manufacturer to find out what type of maintenance would be required. She found that it was primarily replacing the cushioning material underneath the playground and inspecting and tightening bolts yearly. Every five years an inspection should be done to make sure the equipment is still up to code. She thought those expenses could be covered similarly to how the fish pond is maintained, which is through donations from the users and possibly a volunteer day.

Cheryl. Groot thought it might be advantageous to have a playground located near the new fire station to make it easier for the first responders. Mr. Deaver pointed out that the parking lot area would not be the permanent location for the fire department. It would only be a temporary structure until they build a permanent station somewhere else.

Mr. Deaver asked if the playground equipment would be plastic like the ones in Sugarhouse Park. Ms. Deuel stated that it would be a standard material that would withstand harsh winters. Mr. Deaver noted that most of the public schools have eliminated their playgrounds and the ones that are left have galvanized steel equipment. Ms. Deuel clarified that they were not to the point of deciding exactly what type of specific equipment to purchase. Mr. Deaver suggested that the type of equipment may be a factor for insurance purposes. Mr. Heath agreed that the insurance company would probably want to know what type of equipment and cushioned surface was being

proposed. Ms. Deuel clarified that she would like an initial conversation with the insurance company to know what information they needed and she would make sure to provide it in the draft proposal.

Mr. Heath thought the size of the playground would factor into the insurance. Ms. Deuel stated that the playground area would be smaller, but she would like the HOA to choose a site that is large enough to accommodate future expansion. Parking should also be a consideration when choosing a site.

The Board discussed potential sites. Mr. Deaver and Mr. Heath favored the area of the lower parking because there was plenty of space to expand other activities and there was sufficient parking. It was also close to the fire station and the first responders.

Mr. Heath volunteered to meet with Ms. Deuel at 10:00 on Saturday morning to walk some of the properties. Anyone else who was interested was invited to join them and they would meet at the gravel pit. Ms. Deuel suggested that the Board reach out to the insurance company to see if they have specific recommendations for insurability. Ms. Parker recommended that Ms. Deuel talk to Tony Tyler since he would be the one contacting the insurance company.

Ms. Deuel thanked the Board for their time and left the meeting.

Cheryl Groot, Lot E-70, stated that she had heard Tom Deaver mention a main sign for Pine Meadow Ranch at the bottom of Tollgate. Ms. Groot passed around a schematic drawing of a sign she had made for her property. She offered to make a sign 12' long with 6" lettering for the bottom. The sign could read Pine Meadow Ranch or whatever they wanted. Ms. Parker preferred that it say Tollgate Canyon to keep it inclusive for Forest Meadow other areas within the Ranch. She noted that the sign on the highway says Tollgate Canyon and the road coming in is actually Tollgate Road.

The Board liked the look of the sign Ms. Groot was proposing. Ms. Groot thought the logical place to put the sign would be the intersection of Tollgate and Forest Meadow. Mr. and Mrs. Groot offered to donate the sign. Ms. Groot asked the Board to decide what wording they wanted on the sign and whether they wanted it to be stacked or one long sign. Mr. Heath asked Ms. Groot to draw up some examples and the Board could vote via email. Mr. Deaver thought the wording should be "Tollgate Canyon Private Property".

Mr. Heath stated that he has always pushed to embrace the heritage because Tollgate was a famous place at one time. He suggested the wording "Historic Tollgate Canyon" with whatever else they wanted to say underneath it.

MOTION: Dan Heath made a motion to have Bill and Cheryl look into a wood sign and provide ideas via email, and the Board would select one via email so Cheryl Groot could

start making the sign. Pat Kreis seconded the motion.

VOTE: The motion passed unanimously.

Kendrick Wilson, Lot B-36, stated that the Ranch was a close-knit community and he looked forward to being part of it. He could tell that the Board had a strong vested interest in preserving what makes Tollgate Canyon awesome. Mr. Wilson stated that he married a few years ago and he and his wife had a baby a month ago. He looked forward to building his house and he believed this community would be a nice fit for his family.

Mr. Wilson had read through the articles and ordinances of the HOA and he wanted clarification on some items relative to his vision for his property. Mr. Wilson stated that he would like to build a house in an old stone motif and his goal is to break ground next year. Prior to that, he would like to build a small outbuilding structure to be used as a storage facility. He understood that any structure over 120 square feet must be approved by the Board. Mr. Wilson met with Summit County and found that a building permit is not required if the structure is under 200 square feet. Therefore, he would like to build a 196 square foot, 14' x 14' shed with a stone veneer.

Mr. Heath informed Mr. Wilson that the regulations of Summit County and Pine Meadow Ranch were completely different, and often times the County is more lax. He explained that Mr. Wilson would need to submit drawings so the Board could see what he was proposing. He informed Mr. Wilson that he would also have to pay an impact fee. Mr. Parker told Mr. Wilson that his drawing should also show the exterior material being proposed and colors. Mr. Deaver noted that an authorization approval form was on the website. It was determined that the property was in Area 4 and Mr. Deaver was the area rep. Mr. Deaver would help Mr. Wilson fill out the form and guide him through the process.

Bill Groot, Lot E-70, spoke about roads. Now that Tollgate was done he thought this was a good time to formulate a long-term plan for the roads rather than the hit and miss approach to fixing problems. It would be helpful to have a long-range plan that people could look at to see when roads in their area were scheduled to be done.

Mr. Heath believed they were finally getting beyond the band-aid approach to road repairs, and he agreed with Mr. Groot on the merits of having a long-range plan. Ms. Kreis thought Mr. Groot made a good point about having a plan that everyone could see. The Board continually discusses road work and which roads to do each year, but that information is never provided to the homeowners.

Mr. Deaver thought the Board would have the opportunity to look long-range when they discuss the road projects this year. He was also concerned that if the Board did not take the time to discuss road projects this evening it would be too late to accomplish

everything they would like to do this year. He pointed out that last year they waited until the end of May and it was too late.

Mr. Heath asked Jody to obtain prices for doing the same amount of road work that was done last year. Ms. Kreis noted that last year the Board had budgeted \$50,000 for aggregate, \$5,000 for general road repair, and \$9,000 for three applications of mag water. She pointed out that if adjustments are necessary, the Board could vote to adjust any of the budgeted amounts.

Mr. Deaver suggested that the Board vote to approve the mag water so Jody could place the order now. Ms. Kreis noted that they only did one application of mag water last year, even though they had budgeted for two. The plan was to do three applications this year. Ms. Kreis remarked that the budget has already been approved and Jody could place the order. Ms. Parker asked if it would be three applications to the same areas or whether they intended to mag water additional areas this year. Ms. Kreis replied that three applications were in the budget. Mr. Tyler and Jody would decide which roads to mag water.

MOTION: Mr. Deaver made a motion to authorize Jody to duplicate the amount for mag water that was spent last year. Ms. Parker seconded the motion.

Mr. Heath clarified that the motion was to allow Jody to place the order for mag water up to the amount that was spent last year. Jody would obtain prices and the Board could review it via email.

VOTE: The motion passed unanimously.

Mr. Heath commented on the poor condition of the road signs. He had researched different companies and found that the cost of metal signs equivalent to what they have start at \$20 each. Most companies on the internet were between \$20 and \$30. If they buy local the quotes have been as much as \$80 per sign. Mr. Heath handed out printed samples of signs in the \$20 price range, not including holders and posts. He had counted approximately 105 to 107 signs. Mr. Heath estimated the cost of replacing all the signs to be approximately \$4,000. If they stayed with the brown color they could start with replacing the signs that were in the worst condition. However, they would get a better price if they order a larger quantity. Mr. Heath suggested the possibility of metal posts for longevity.

Ms. Kreis stated that signs are typically categorized under the repair section of the budget. However, because they did not have a quote for signage when they did the 2015 budget they put in a placeholder with \$1,000. She noted that additional money could be taken out of the reserve but it would require Board approval.

Mr. Heath stated that if the Board wanted to set money aside he would work with other

Board members to obtain quotes. The Board could then discuss whether or not to change the sign color, the type of posts, etc.

Ms. Kreis stated that there was \$160,000 in the reserve account. Ms. Parker noted that if \$1,000 was already budgeted they would need to take approximately \$3,000 from the reserve account for signage. Ms. Kreis explained that the \$1,000 was a miscellaneous line item. If the Board makes a motion specific to signage, she recommended that they identify the full amount to come out of the reserve account. Ms. Parker preferred to know the full amount before they approved it. Mr. Hodgson agreed.

Mr. Heath offered to do further research on sign types and pricing and he would email the information to the Board.

Ms. Groot was concerned about using metal posts because they could start to look like an in-town neighborhood. Ms. Parker shared her concern.

Ms. Parker preferred to know the full amount before they approved it. Mr. Hodgson agreed.

Ranch Managers Report

Mr. Deaver commented on a section of Tollgate on the river side where the pavement is caving in because there is nothing underneath to hold it. He thought it was something that needed to be fixed immediately.

Mr. Heath asked Jody his thoughts on the best way to fix it. Jody replied that he would use cement blocks. The cost is \$50 each for 2' x 2' x 6' blocks. Jody would determine how many blocks are needed and the cost, and report back to the Board electronically. Once they have that information the Board could vote electronically to approve it and Jody could start the repair as quickly as possible before it gets worse.

Jody reported that the dump truck needed a new windshield at a cost of \$217. The roller needed an alternator for \$365, plus a new battery. The dump truck needed an injector at a cost of \$2,800.95. As directed by the Board at the last meeting, Jody had looked at renting a roller for the summer. A Caterpillar roller would be \$5600 per month to rent. A Komatsu roller is \$3,500 per month. Ms. Kreis did not believe that renting was a feasible option.

Mr. Deaver asked for the cost of purchasing a new roller. Jody estimated \$130,000. Mr. Deaver pointed out that renting a roller for three months would be \$10,000 to \$16,000.

Jody reported that the Ranger also needed a battery. He estimated the cost to be approximately \$250.

Jody stated that the dump truck was due to be licensed next month and he needed the new windshield before he could do that. The roller needed to be operational for mag water.

Mr. Deaver itemized the total repair costs be \$3,600.

Jody stated that the tractor and the grader were in good condition.

Ms. Kreis noted that \$10,000 was budgeted for equipment repair.

MOTION: Tom Deaver made a motion to approve funds for the estimated costs to repair the equipment as Jody had outlined, and to take the funds from the line item entry of \$10,000 for equipment repair. Pat Kreis seconded the motion.

VOTE: The motion passed unanimously.

Jody reported that he has been doing general projects and equipment maintenance.

Mr. Deaver understood that the roller would be repaired as opposed to renting a roller. Jody answered yes.

New Construction and Additions.

No plans for construction were submitted.

Water Board Report

Mr. Deaver had received the general letter that was sent to all the owners regarding the cross-connection backflows. He explained that the State is demanding that everyone with a personal storage tank be inspected annually by the Water Company to make sure the tanks have a separate back flow preventer to keep from contaminating the main water system.

Mr. Brown recalled a previous discussion about asking the Water Company to inform people when a leak is detected. Ms. Parker stated that the Water Company was going to post the meter readings on the website and Mr. Tyler was going to ask them to notify the HOA when that information was available. She recalled that the Water Company was still recommending that individual owners periodically check their own water meters. Mr. Deaver agreed that the Water Company was not too cooperative on their request to notify the owner when the water runs continually for 24 hours to make them aware immediately.

Monthly Budget Review

Ms. Kreis stated that at the last meeting she had presented quotes from four companies for a full audit of the last three years of financials. At that time Mr. Tyler and the Board gave her authorization to assess the bids and come back with a recommendation. Based on that direction, Ms. Kreis had selected a firm. The quote ranged from \$8,900 to 9,500. Ms. Kreis thought the price was reasonable because the HOA had paid \$10,000 for an audit ten years ago. She recommended that the Board hire this company because they were the least expensive and she was familiar with their work. Mr. Brown understood the value of an audit, but he wanted to know what the HOA would get in return for the investment. Ms. Kreis stated that the Board is fiduciaries of the land owners. Given the fact that the landowners pay dues, the Board needs to give assurances that they are managing the funds properly. She thought it was wise that the Board decided to pay for an audit because the last audit was performed ten years ago. Therefore, ten years of accounting data has not been looked at by an independent party.

Ms. Kreis stated that Board would get a report at the end of the audit and the accounting firm could possibly meet with the Board and give their recommendation on what they saw as strengths and weaknesses.

Ms. Kreis remarked that the firm she recommended was Company A. She disclosed that this firm does accounting for another organization she is affiliated with; however, she did not perceive that to be a problem. Her association with the company was one reason for seeking competitive bids.

MOTION: Pat Kreis made a motion to Approve hiring Company A to perform the audit, and for Ms. Kreis to make sure the bid price was still valid and to get a commitment as to when they would do the audit. Tom Deaver seconded the motion.

VOTE: The motion passed unanimously.

Ms. Kreis reviewed the unpaid bills detail. She noted that because it was still early in the year the unpaid bills detail was not very extensive. Mr. Deaver understood that the monthly statement for the Capital One credit card goes to Carol, and that the statement itemizes all the charges. He wanted it clear for the record because those are the questions the auditors would be asking.

MOTION: Pat Kreis moved to pay all the unpaid bills as presented in the amount of \$4,131.00. Tom Deaver seconded the motion.

VOTE: The motion passed unanimously.

Ms. Kreis had checks that needed to be signed. However, since only one signer was present this evening she proposed to use the emergency procedure for signatures, which allows Carol to be the second signer.

Ms. Kreis stated that the Board had voted to give Carol a bonus. She asked Carol if she had received the approved bonus and she had not. Ms. Kreis understood that Tony Tyler has been very busy and she asked Mr. Heath if he would see that Carol received her bonus. Mr. Deaver pointed out that they only had one person who could sign a check this evening and since Carol could not sign her own check they needed to wait until Mr. Tyler came back. Ms. Kreis asked Mr. Heath to follow up with Mr. Tyler when he returns.

Ms. Kreis reported that currently they were at 90% of budgeted revenue. She credited the success to Revenue Recovery, their accounting function, the website and the fiduciary responsibility of the Board. Ms. Kreis believed the members were pleased with how the Ranch was operating and they were willing to pay for it.

Ms. Kreis stated that they were at 61% of other budgeted revenue, including the contribution from the LDS Church camps. That was also very good for this early in the year.

Miscellaneous

Mr. Deaver commented on changes to the fire pit regulations. He suggested that the Board members receive a redlined copy so they would know and understand the changes.

Mr. Deaver suggested putting a group together before the next meeting to come up with a road maintenance plan for the top roads. They could do a three year plan for primary secondary and tertiary roads and outline a work schedule. Mr. Brown liked the idea. He suggested that every area manager could come up with a list of primary and secondary roads through their area.

Mr. Brown had sent an email to Jody suggesting that he place stones around the new dumpster, and that he put a drain ditch at the pond where the recycle bin was at the bottom so it drains into the river instead of across the road. Mr. Heath thought the ground around the new dumpsters needed to be stabilized with 3" minus. Jody thought it would take three truckloads.

Mr. Deaver asked if the recycle bin could be moved over by the dumpsters. Having them in the same location would keep people from putting recycle materials in the dumpsters. Mr. Brown offered to talk with the company to see if the bin could be moved.

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Mr. Brown assumed the area reps should come to the next meeting with a list of road projects. Ms. Parker suggested that someone should send an email to the areas reps that were absent this evening to let them know that they need to have a list for the next meeting and it should be broken down into primary, secondary and tertiary roads.

Jody suggested that the area reps print off a map of their area and mark with a colored marker the road or piece of road that needs to be fixed.

The meeting of the Pine Meadow Owners Association Board adjourned at 7:55 p.m.
