

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
EAST MILLCREEK LIBRARY
2266 EAST EVERGREEN AVENUE
SALT LAKE CITY, UTAH 84109
FEBRUARY 19, 2013

In Attendance: Tony Tyler, Bob Burdette, 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: Jody Robinson

Honey Parker and Dan Heath were excused. Alan Powell arrived later in the meeting.

Tony Tyler called the meeting to order at 6:34 p.m.

Approval of Minutes

Mr. Tyler referred to the Executive Session minutes, page 2, second line, and corrected Mr. Parker to correctly read, **Ms. Parker**.

Mr. Tyler referred to the monthly Board Meeting Minutes, page 4, and corrected "Cheryl Groot, Lot E-90 as..." to correctly read, "**Cheryl Groot, Lot E-90, asked...**"

Mr. Deaver noted that Ms. Groot's Lot number is actually E-70. His lot is E-71 and Ms. Groot is his adjacent neighbor.

Mr. Tyler referred to the bottom of page 7, and corrected "Mr. Tyler reported that Mr. Boyle had sent a letter..." to correctly reflect that Mr. Boyle had **drafted** a letter.

Mr. Tyler referred to page 9 and the sentence, "Jody stated that someone told him that it was caused by a Ford Ranger". Mr. Tyler thought that was untrue and he changed Ford Ranger to read a **side by side ATV**.

Mr. Tyler referred to page 12, Assignments Review, and the statement that Mr. Boyle would send a letter. He corrected that to reflect that **Mr. Tyler** would send a letter.

MOTION: Bob Burdette moved to APPROVE the minutes of January 15, 2013. Nick Boyle seconded the motion.

VOTE: The motion passed. Mike Gonzales abstained since he was absent from that meeting.

Owner/Visitor Open Forum

Matt Brown stated that a few people on the Forest Meadows side were requesting a traffic merging sign or some type of sign indicating a yield to oncoming traffic. Visibility is limited in the winter and there have been problems between Forest Meadows owners and Pine Meadow Ranch owners because oncoming traffic cannot be seen where the two roads merge.

Mr. Burdette asked if the yield sign should be placed on the Forest Meadows side or the Tollgate Canyon side. Mr. Brown believed that legally Forest Meadows should yield, but they cannot see the Pine Meadows traffic.

Mr. Deaver asked if people would actually pay attention to the sign. Mr. Brown did not believe they would. Mr. Tyler stated that another option would be to install a concave mirror across the street on the Pine Meadows side. Mr. Gonzales thought a sign would create more confusion because it could be interpreted differently by individual drivers.

Mr. Tyler suggested that they research the cost of a mirror bubble to see if it was a practical expense. Mr. Brown would research costs and report back.

Mr. Deaver noted that the ECC was not scheduled as an agenda item. Mr. Tyler explained that the new policy is to finalize the agenda a week before the meeting. Since he had not received ECC plan review documents, he assumed there was nothing to report.

Mr. Deaver had information to report on an item that had not come before the Board for review and approval. Mr. Tyler stated that those reports should be given at the time of the Owner/Visitor Open Form and Other Communications.

Mr. Deaver reported that the Koeliker cabin on Arapaho, across from the tower house and next door to Hunt Electric, started clearing land and cut down a tree. Mr. Deaver noted that the house is already there and the building permit is to construct a garage with a bunkhouse, bathroom and power. Mr. Deaver noted that the lot is not in his area but he became aware of it and wanted to inform the Board. Mr. Hubbard believed that was in his area, Area 2 and he would follow through with the owner. Mr. Tyler stated that he would contact Summit County to confirm that a building permit was issued. In addition, all new construction on the Ranch requires impact fees and those would have to be paid. What the owner appears to be building is allowed, but it still requires going through the Environmental Control Committee.

Mr. Hubbard reported on an email he received from a gentleman wanting to know which

to internet service was best to service Area 2. Mr. Tyler stated that it would depend on the individual lot. There is regular internet through Catapultion and Utah Broadband. Mr. Hubbard stated that this gentleman was asking for the best service. Mr. Deaver felt best needed to be defined because each lot has services that will or won't work. Mr. Hubbard was told that Verizon is typically the best option.

Alan Powell arrived.

Ranch Manager's Report

Equipment Status

Jody Robinson reported that the equipment was in pretty good shape. He had to replace a wheel bearing on the dump truck. The cost was approximately \$700 on the Capital One card. Mr. Tyler noted that Jody had contacted him and he had authorized the purchase.

Projects completed or in progress

Jody had purchased another eight loads of road base for sanding material because he ran out over the Christmas holiday. He expected to have enough for the rest of the year.

Jody reported that a security camera was installed on the shop. He has spent most of his time plowing and sanding.

Anticipated Projects

Jody stated that he would eventually have to do some work on the tractor.

Mr. Burdette recalled a discussion from the last meeting that once the cameras were installed signs would be posted to announce video surveillance on the premises. Jody replied that one sign was posted on the front of the shop stating that there is video surveillance. Mr. Burdette asked Jody for his opinion on additional signage and whether it would be of value. Jody thought signs would be something else for vandals to destroy. Mr. Burdette stated that putting up signs to be destroyed would be useless; however, if a sign deters someone from lurking around in the area, it might be worthwhile. The Board discussed the pros and cons of signage. Jody would post a few signs as a trial. If the signs are destroyed they would not be replaced.

Mr. Tyler had received an email from Hutch Foster expressing an interest in being

Jody's helper this summer. He asked the Board for their thoughts. Mr. Burdette preferred to hear Jody's opinion since he would be the supervisor. Jody stated that he would take Mr. Foster's offer in a heartbeat. He is good on the equipment and he is already on the Ranch if there is a problem in the middle of the night. If Jody sees something suspicious on the video surveillance he could call Mr. Foster and he could immediately check on it.

Mr. Tyler believed Mr. Foster would be a great asset. As long as Jody was comfortable with it he thought the Board should consider having Mr. Foster as Jody's helper this year. Jody pointed out that he was not going to bring Brandon back so he would be looking for someone else. He thought Mr. Foster would be great.

Mr. Deaver agreed with the comments, but he was concerned with how Mr. Foster would handle going from president to assistant helper. Mr. Tyler thought Mr. Foster would be fine with it.

Mr. Tyler pointed out that the Board did not have to make a decision this evening. The issue had just come up and he thought it should be discussed. Jody reiterated his interest in working with Mr. Foster. Mr. Tyler asked if he should tell Mr. Foster that the Board would plan on him working with Jody this summer. The Board agreed.

Water Board Update

Mr. Tyler noted that the Water Company had postponed the January meeting until later in the month so he had January and February meetings to report this evening.

A major item is that the Tollgate well is up and running and currently tied into the system. They were surprised that the existing piping up to Bobcat was still functioning and in very good shape at 35 gallons per minute. The Water Company had set back the production to 32 gallons per minute. At that rate they only have to run the well approximately 36 hours a week, which is a 50% reduction over previous running time. The cost has been reduced nearly half for the same amount of water. The increased production also allowed them to turn off the valve at Bobcat Springs, which significantly reduces potential contamination issues because the well at Bobcat is shallow. The ground is clay and the surface water does not have enough filtration. Mr. Tyler noted that Bobcat was producing approximately 5 gallons per minute and they were able to completely shut it off.

Mr. Tyler reported that the total water production was approximately 77 gallons per minute for the entire system. The lower Tollgate well produces 32 gallons per minute. The Tollgate well and the Contact well each produce 5 gallons per minute. Uncle Toms

was running at approximately 35 gallons. Mr. Tyler noted that the Water Company is tasked with approximately 130 gallons per minute for build out. Currently they were slightly over half that amount.

Mr. Tyler reported that the Water Company was still trying to acquire the Aspen Ridge well and expect that well should produce approximately 50 gallons per minute. If that is the case, they could be very close to the desired capacity for Ranch build out.

Mr. Deaver asked why the expectation on the Aspen Ridge well was lowered. He recalled that the well was producing 112 gallons per minute and the Water Company would give 25 gallons per minute to the existing residents. That would leave 80-90 gallons per minute for the Ranch. Mr. Tyler stated that all wells fluctuate in production and he believed the Water Company was conservatively saying 50 gallons per minute. When they drilled the new well they anticipated 200 gallons per minutes but the actual production was 32 gallons per minute. Mr. Tyler reported that the Water Company was still working out the legal issues in terms of gaining access to the well. They were also planning on running a camera down to make sure the well is in good working condition.

Mr. Deaver stated that the last he heard, the Water Company had to re-drill and case the well to make it culinary water legal because it was originally drilled as an oil well. Mr. Tyler explained that it was a misnomer. The well was originally drilled as a water well to support the drilling operations. Mr. Deaver was correct in that they would still have to re-case the well, but it would be half the cost of drilling a new well.

Mr. Deaver recalled that the Water Company had seven of the eight signatures required to gain access. He asked if they were able to obtain the last signature. Mr. Tyler replied that the Water Company was confident that the legal issues would be worked out and they were continuing to pursue the Aspen Ridge well.

Mr. Deaver asked if the Water Company was still planning to run a new line up Oil Well Road past Bobcat next year. Mr. Tyler stated that currently they have enough pressure capacity with the existing line; however, if the Aspen Ridge well comes on line, they will have to redo the entire line.

Mr. Tyler reported on additional engineering issues the Water Board had discussed. Currently the two water tanks are set up in tandem and the 500,000 gallon tank feeds the 200,000 gallon tank. When they reach the point of putting in the new lines, they would like the ability to feed directly into the 200,000 gallon tank and make the two tanks independent from each other.

Old Business

Deer Meadows Update

Mr. Tyler reported that the attorney, Ted Barnes, was in the process of drafting the documents that were agreed to on behalf of the Owners Association. He spoke with Mr. Barnes prior to this meeting and it would probably be two weeks before the documents are completed.

Mr. Tyler stated that there was still a question as to whether or not Deer Meadows owes POA assessments. He had personally done an analysis and sent it on to Ted Barnes for final review. The 2007 agreement states that the property becomes part of the Pine Meadow Ranch POA, with all the associated rights and responsibilities. However, two sentences down, the agreement states that POA assessments are due when the lots are approved.

Mr. Burdette noted that Summit County has assigned lot numbers to Deer Meadows. Mr. Tyler pointed out that the agreement specifies when the new lots are approved, which are the six lots referenced within the agreement. Mr. Burdette understood that when Summit County assigned lot numbers to those six lots in 2007, they became lots of record. Mr. Tyler did not believe that was the case by virtue of the 2007 Agreement. The lots existed before and after, and they technically joined the HOA, but two sentences later the agreement says that POA assessments are not paid until the replat is approved by Summit County. Mr. Burdette questioned how the lots were assigned numbers without the replat. Mr. Tyler explained that the property has always been multiple lots together for the development. The entire Deer Meadows property is made up of five or six Summit County parcels, but they are not buildable because they do not meet Code for the amount of land required under the Ag-100 zoning. None of the lots are 100 acres. Mr. Tyler remarked that there is a gray area and Mr. Barnes needed to interpret the intent of the original agreement and whether or not assessments are owed.

Mr. Burdette stated that a clause in the original agreement states that regardless of the outcome of the decision by Summit County, the lots are to join the POA. Mr. Tyler reiterated that two sentences later the agreement states that POA assessments will be due once the new lots are approved. He agreed that the language was ambiguous. Mr. Tyler noted that Ted Barnes had written the original agreement. If the intent of the original agreement was that any individual lot that was annexed into the POA at the time would be built as a POA lot regardless of buildable status, then Deer Meadows would owe five or six lots worth of POA dues. Pine Meadow Ranch has billed Deer Meadows for dues on a single, but all the bills were ignored because Deer Meadows did not believe they were obligated to pay the POA assessments, per their interpretation of the agreement.

Mr. Deaver remarked that Mr. McAllister owned the blue roof house in 2007 when the agreement was signed, and it was part of the 117 acres. Mr. McAllister has since split that off. Mr. Tyler pointed out that the 2007 agreement did not include the parcel with the blue roof house. It also did not include the lot that Uncle Tom's is on. Mr. Deaver provided a history of conversations with Mr. McAllister at that time, where he constantly talked about the blue roof house being his and his family's; and not the current owners. Mr. Deaver was certain that the blue roof house was counted as one of the existing structures on the 117 acres. Mr. McAllister had personally showed him each one of the buildable lots.

Mr. Tyler explained that the current development proposal going to Summit County includes Uncle Tom's and the blue roof cabin and all of the other property. Mr. Tyler clarified that the 2007 agreement did not include the blue roof cabin lot or Uncle Tom's lot. Part of the reason for amending the 2007 agreement is to include the blue roof lot and Uncle Tom's lot, as well as the entire Deer Meadows development; and to further define when the assessments have to be paid. Mr. Deaver had spoken with the owner of the blue roof house and he thought they may have a hard time getting the owner to agree. Mr. Tyler felt that issue was up to Summit County because the entire development proposal as proposed includes the blue roof lot. He reiterated that the blue roof lot was being included in the amended 2007 Agreement.

Mr. Burdette was very frustrated that the attorney who is paid by the Owners Association could not draft an agreement that was recognizable.

Mr. Tyler stated that they were dealing with an agreement that has ambiguity and they were trying to fix it. In terms of the assessments currently due, that question was still unanswered. He was relying on Ted Barnes to interpret the agreement and advise him on the legally defensible standpoint regarding the dues. Mr. Gonzales thought that was one way to approach it. However, when Mr. McAllister presented the proposal at a previous Board meeting, he appeared to be amenable to making everyone happy. Mr. Gonzales suggested that Mr. McAllister come back to the Board and write a check for the assessments. Mr. Tyler stated that he had emailed Mr. McAllister asking him to write a check, and Mr. McAllister responded back stating that he did not owe any money at this point, and he referenced the agreement. Mr. Tyler clarified that this issue came up because he had asked Mr. McAllister to pay the dues. The total amount owed is \$1600 on a single undeveloped lot for five years.

Mr. Burdette remarked that others around the table would say that the agreement involved six undeveloped lots at \$1200 per year for five years. That total was \$6,000.

Mr. Tyler pointed out that the POA had not billed Mr. McAllister for six lots. Mr. Deaver felt they needed clarified on "approved" since the language specifically states that dues are owed when the lots are "approved" by Summit County. Is it when the developer sells the lot and transfers the development right, or when Summit County assigns a plat number to the lot.

Mr. Burdette noted that the Board would be asked this evening to authorize a bill to pay the attorney, and the majority of that bill was related to Deer Meadows issues. The Association has paid thousands of dollars to their legal team to deal with Deer Meadows, and now Deer Meadows is arguing over paying dues on six lots.

Mr. Gonzales was concerned that Mr. Barnes was trying to evaluate the spirit of the contract when he in fact wrote the contract. He thought Mr. Barnes should intimately know the spirit of the contract without having to interpret it. Mr. Tyler stated that attorneys can make mistakes like everyone else, and this was one of those mistakes. Mr. Gonzales emphasized that mistake or not, Mr. Barnes should not have to interpret the spirit of the contract he wrote because he should know it.

Mr. Tyler remarked that he had only sent Mr. Barnes an email that afternoon asking for an interpretation of the two issues in the agreement. He wanted the Board to understand that this was not something that has dragged on for months. Mr. Tyler would contact the Board as soon as he hears back from Mr. Barnes.

Mr. Tyler understood from Mr. Burdette's comment that the original intent of the agreement was that the individual parcel numbers were intended to be separately accessible parcels through the Pine Meadow Ranch Owner Association, regardless of the outcome of the County decision. He would follow up with Ted Barnes and Doug McAllister and give them that perspective of the intent of the original agreement. He would cite that paragraph in the agreement and ask Mr. McAllister to pay assessments on all the lots identified in the 2007 Agreement.

Mr. Deaver stated that in 2007 he was one of the people transferring multiple lot development rights. His question was whether Summit County listed those five or six lots separately and assesses taxes on them separately. Mr. Tyler answered yes. Mr. Deaver stated that if the lots are listed separately and taxes are assessed, Mr. McAllister should be paying dues on each of those lots. Mr. Tyler pointed out that the lots have not been replatted. They have always been separate parcels from Summit County's perspective. Since Mr. McAllister owns all the lots, he can put them all together and redraw all the lot lines and that would be replatting the parcel. The individual Tax ID numbers exist as they existed prior to and after the 2007 agreement, but they were never replatted to what Mr. McAllister intended them to be. Mr. Deaver

believed that if the lots are physically, geographically and tax basis identified, that should support their position. Mr. Tyler agreed with Mr. Deaver, but they were still dealing with another sentence in the agreement that made their position ambiguous. Without that sentence he would not be seeking clarification from Ted Barnes and he would insist that Mr. McAllister pay the assessment owed on the individual lots as outlined in the agreement.

Mr. Tyler stated that he would email a copy of the 2007 Agreement and the excerpts he was referencing to the Board members with an explanation of why he did not believe the assessment issue was black and white. It is important to have the matter clarified because traditionally the Board does not approve or discuss any items that are not current with their POA dues. If they find that Mr. McAllister owes the assessment, it needs to be paid before the Board can make any decision on Deer Meadows.

Lot D-69 - Yurt

Mr. Tyler reported that Mr. Bethke, Lot D-69, had responded to the letter from the Board. He contends that the Yurt is allowed since Summit County did not require him to have a building permit. Mr. Tyler responded immediately and told Mr. Bethke that despite the fact that Summit County may not require a building permit, Pine Meadow Ranch has architectural guidelines, and he attached the documents he was referencing. Mr. Tyler was trying to keep the situation from escalating to the point where Mr. Bethke involves an attorney. He ended his correspondence with an invitation to attend a Board meeting to discuss the process, as well as the Board's initial reaction to having a Yurt on the Ranch.

Mr. Gonzales suggested that the Association have a County Inspector look at the Yurt. If a permit is required the Inspector would red tag it on the spot. That would keep the Association from being subject to a lawsuit. Mr. Tyler agreed. However, he did not take that approach because it is not the purview of the Owners Association to turn in someone who does not have a building permit. Mr. Gonzales thought it was the best way to take liability off of the Association and still get the owner to comply.

Mr. Tyler stated that if Mr. Bethke comes in to discuss the issue, the Board would need to decide how they feel about having a Yurt on Ranch property. It does not meet the current design guidelines and that needs to be taken into consideration. Mr. Tyler anticipated an answer from Mr. Bethke and if it was anything of substance he would copy the Board.

Security Camera at Winter Parking

Jody had shown the video and Mr. Tyler believed everyone was happy with the camera. The total cost for the camera was \$500. The camera is wired directly to the DVR and it overrides every 120 days.

Recycle and Trash Bins

Mr. Tyler spoke with Republic Waste and they would work on scheduling a regular pickup twice a week. The person he spoke with mentioned Wednesday and Saturday pickups. They would check into a second bin for the Ranch. Currently they are only scheduled for an every other week pickup. The solution may be to change the pickup to once a week instead of having another recycle bin. Mr. Gonzales preferred a once a week pickup to keep from cluttering the lots with extra bins. The suggestion was made to request an adjustment to the schedule so trash can be picked up after three-day weekends.

Long Term Planning Discussion

Mr. Tyler asked if the Board members had thought about five or ten year goals. He would leave the item scheduled on the agenda and each meeting they could tweak it until they were comfortable with a long term plan. He had several ideas of his own and he suggested that they begin the process by writing down everyone's ideas and discussing the merits of each one from meeting to meeting. Mr. Tyler did not want the discussion to take a considerable amount of time and he suggested that they allocate 15 minutes at every meeting.

Mr. Tyler presented his ideas. The first was to build an equipment shed to protect the Ranch equipment from the elements. Mr. Tyler would like to have a discussion with the North Summit Fire District to annex the Ranch. He pointed out that the Ranch is currently not in any Fire District. He was certain that it would eventually be an issue and he preferred to address it before that happened. Jody pointed out that annexing would be by decision of the County Council and not the Fire District. Mr. Tyler thought a smart long-term goal would be to have a small fire station on the Ranch. Mr. Gonzales commented on the tax obligation if the Association becomes part of a Fire District. Mr. Tyler agreed that taxes would need to be paid, but they would also have the benefit of grants and other things that come from working with the Fire District.

Mr. Tyler outlined his ideas to clean up the entry corridor as another goal. Mr. Gonzales agreed with the idea of cleaning up the entry corridor, but he would not favor moving the trash bins higher up because it would be difficult for the trash trucks to get

up the road in the winter. Mr. Tyler would like to look at replacing signage on the Ranch. He commented on the different generations of signs and he would like to schedule replacing those signs over time with a contiguous sign design.

Mr. Tyler thought they should address their real estate and define what they want to keep, transfer, or improve, and find a way to get out from under the \$14,000 a year tax burden. Mr. Burdette had also pondered the real estate issue and he believed they could all agree that there was already a density problem on the Mountain and no one was interested in increasing density. He noted that the Owners Association owns 11 parcels. Mr. Gonzales pointed out that the Association pays taxes on the 11 parcels to keep the density down. Mr. Burdette thought they could do something with the land that would relieve some of the tax burden without increasing the density. One parcel is 40 acres. Mr. Gonzales asked if they could get a non-profit break on taxes if the land was put into some type of conservancy. Mr. Powell stated that he previously looked into that option and it could be done; however, it is complex because someone needs to be the responsible party. He suggested that the Board could be the responsible entity. Mr. Tyler noted that it could be quite expensive and he would prefer to pass it on to an entity that handles that such as Utah Open Space Advisory Board. Mr. Alan thought the Association would end up paying those entities instead of paying taxes. Mr. Burdette remarked that if they abandon the building rights on the property the valuation of the land goes way down. If they could reduce the property value by 90%, the tax liability would be reduced from \$14,000 to \$1,400 per year. Mr. Burdette stated that abandoning the building right would still allow the Owner Association to put in picnic tables and use it as common open space for the Ranch owners. Cross-country skiing or snowmobiling would be another non-buildable use for that land. Mr. Powell stated that he thinks about recreation opportunities in terms of five or ten year goals.

Mr. Tyler thought it was important to improve the common areas and he wanted the Board to come up with a plan and do it. Mr. Hubbard asked about the status of the pond expansion project. Mr. Tyler stated that he spoke with Tom LeCheminant and he still has approval from the Corp of Engineers on the plan to expand the pond and/or add a second pond. LeCheminant is anxious to move forward with the pond expansion, and Mr. Tyler told him to bring his plans to the Board for review. Mr. Gonzales asked if anyone had looked into the insurance consequences associated with recreation use of the pond expansion. Mr. Tyler believed the liabilities already exist. He thought they should post a sign at the pond this summer stating that Pine Meadow Ranch is not responsible. Mr. Powell pointed out that using the pond for recreation purposes increases the risk but it does not change the liability. Mr. Tyler noted that Mr. LeCheminant had collected approximately \$4500 and he was looking to see what could be done with that amount. Mr. Tyler reminded the Board that during the annual meeting the membership voted to allow the Board to do what they saw fit with that area

provided that funding does not come from the POA accounts.

Mr. Tyler remarked that another goal is to draft a Mission Statement to identify what the Owners Association does and why it exists. A mission statement provides guidance and it needs to be simple, concise and to the point. Mr. Burdette suggested that the Mission Statement say that they are here to preserve and protect the natural beauty of the Canyon and the quality of life of the residents. Mr. Tyler thought "preserve" was the key word. He would draft a Mission Statement and the Board members should email him if they have suggestions or ideas.

New Business

Signage

Mr. Tyler had scheduled this item to discuss the merge signs; however, the Board had addressed the matter earlier in the meeting.

Internal Policies and Procedures Review

Mr. Tyler stated that he would like to create a policies and procedures document, similar to the example attached to their packet, specifying how the Ranch does business. Some things are only a recollection of how it was handled in the past and he would like to have it clarified and put in writing. The Board discussed archiving documents and plans. Mr. Burdette noted that the Association had many years worth of documents in a storage unit before he, Dan Heath and Bruce Hutchinson sorted them into piles of what should be kept and what could be thrown away. During that effort, they realized that once a plan is reviewed and the agreement is signed with the owner, the Association could keep the agreement and give the plans back to the owner. If Summit County approved the plans and the building was not built according to those plans, the issue was with the County. Once the agreement listing materials, colors and other specifics is signed, the agreement is sent to Carol and she files it by lot number.

Mr. Tyler thought the Board should also update the construction checklist. He suggested that all plans submitted to the Board should be in digital format. Summit County already requires a digital copy along with the hard copy. He could file the plans on a hard drive and keep it updated and ready to pass on to the next President. Mr. Tyler asked the Board to read through the Policies and Procedures and be prepared to discuss it at the next meeting with their suggestions. The goal is to move forward with a document the entire Board can agree with and approve. It would be for their internal use only.

Snow Plowing and PMEEF requirements

Mr. Tyler believed this matter was a liability issue for the Ranch. A few owners were electing to plow their own roads in a manner that does not comply with the plowing requirements and does not provide insurance for the Ranch. If someone were to get injured on one of those sections of road either as a pedestrian or in a vehicle, the Ranch is liable for anything that happens regardless of the fact that the Association did not plow it. Mr. Tyler stated that there was a specific reason for having a contract for people that plow on Ranch roads and to require a minimum of \$1 million of liability insurance that names the Ranch and the Board as additional insured. The contracts are kept on file and renewed on an annual basis.

Mr. Deaver asked if the liability to the Ranch included the roads that are not on or part of Pine Meadow and Forest Meadow. Mr. Tyler answered yes. Mr. Gonzales questioned why they would be liable for something that was not part of their development. Mr. Burdette asked Mr. Tyler to explain why he believed they were responsible for liability. Mr. Tyler stated that as the Ranch was originally platted, the roads are private but they allow for public use. The snow plowing issue in particular is that the Ranch itself has the responsibility and liability for access through the roads. By Board decision, most of the Ranch roads are not plowed in the winter. However, groups of people want plowed access and pay people to do it. He commented on a prior lawsuit where it was determined that the Ranch could not deny access, but they could control how it is accessed. Therefore, if someone wants to plow the road, they have to meet the same requirements as everyone else on the Ranch. The Board has established minimum standards that must be met. The Owners Association owns the roads and that assigns liability regardless of how they are plowed or by whom.

Mr. Deaver disagreed because they only own the road above Oil Well and above Dan Heath's house. Mr. Tyler replied that they own anything within the Ranch boundaries. Mr. Deaver clarified that he was referring to the roads below the Ranch that belong to the Lower Tollgate Association from Oil Well down. That also includes the horse property below Forest Meadow and over to Forest Meadow Road down to the dumpsters. Mr. Deaver stated that those are literally pioneer heritage public access roads that are privately owned. Mr. Tyler stated that the Ranch has historically maintained sections of those roads and if an accident happened on one of those sections, the Ranch could be sued. Mr. Tyler remarked that he was very sensitive to liability issues because one major lawsuit could destroy the Owners Association. Mr. Burdette believed the Ranch only owned the easements on those roads. The land is actually owned by the owners on both sides of the road. Mr. Tyler stated that the plats actually show platted roads that belong to the POA. He clarified that he was not proposing a change from the existing procedure, but he wanted to enforce what exists.

Mr. Tyler had read through the plowing agreement for PMEEF and made changes. Some of the changes included a requirement to provide documentation of liability of insurance before the start of the winter season for anyone who wanted to plow. Mr. Deaver noted that PMEEF maintains a master policy that all the areas that plow contribute to and it lists the POA. Anyone plowing under PMEEF is already covered. Mr. Tyler presented a list of the plowers who had signed a plowing contract this year; Bill Groot, Tom Deaver, Hutch Foster, Diane Foster, Michael Bowen. He noted that PMEEF needed to provide documentation that an agreement was signed allowing them to plow and that the Board had seen their proof of liability insurance. Mr. Powell had the documentation from PMEEF available.

Mr. Tyler stated that he had also changed the non-compliance language in the agreement. He noted that there was a \$50 per occurrence fee if an unauthorized person was plowing. That was a minimal fee compared to what plowers are paid. Mr. Tyler suggested a graduating scale to strengthen the penalty.

The Board discussed and revised the changes to the agreement that Mr. Tyler had proposed. Some of the revisions included marking the end of all plow routes, clarifying the language regarding accessibility, changing "fair amount of snow" to read, "sufficient amount of snow for snow machines to travel", rewording the language related to drainage ditches, and that the appropriate documentation must be provided by October 1st each year. Mr. Burdette thought they should remove the asterisked language at the bottom of the agreement that talks about polling the members on the road. He recalled that the Board previously determined that it was not applicable because one person could plow the entire road against the wishes of the owners on the road. The Board concurred that it should be removed.

Mr. Tyler would revise and update the plowing agreement per their discussion for Board review and approval at the next meeting. If the Board members had additional changes they should forward those to Mr. Tyler.

Website

Mr. Tyler reported that he and Honey Parker have been working on trying to update the information and better organize the website. He noted that Ms. Parker has a company that does this and she created a draft updated website for the POA that would be simple to update. Mr. Tyler and Ms. Parker would continue to finalize the details and once that is done, he would send a link to the Board to review it. He noted that Ms. Parker was doing this as the Board Secretary and there was no cost to the Association. She was using a free web based system for the update and it would continue to be free

even after Ms. Parker leaves the Board.

SSD Discussion

Mr. Tyler had not included the SSD in his five to ten years goals; but he personally felt it should be considered. The Association pays for and maintains roads they do not own and other people use. He believed an SSD was a worthwhile discussion, if for no other reason than liability. The question to consider is whether or not an SSD would be in the best interest of the Ranch. His opinion would be predicated on the details. Mr. Tyler remarked that an SSD could work very well or it could also be their worst nightmare, depending on how is it structured, funded and maintained.

Mr. Burdette noted that the Board has spent many hours and legal dollars pursuing the SSD. Summit County has no interest in spending money on maintaining the roads up Tollgate Canyon. The County would only maintain the roads if they could assess a revenue source to pay for the equipment and the man hours. Mr. Burdette remarked that there was also a question as to whether Summit County would provide the same quality of road maintenance that Jody provides. In addition, they would not be priority roads for the County to plow. He was also concerned that the cost to maintain the roads would be much higher under an SSD than what they currently pay. The Ranch was operating on a very efficient model and he doubted that Summit County would operate as efficiently.

Mr. Tyler clarified that he was the one responsible for re-introducing the SSD issue after reading through the history of the Ranch and trying to learn everything he could about the Owners Association. There was very little information about the SSD in the records and he had contacted the Summit County Engineer, Derek Radke, who provided additional history and information. Mr. Tyler understood that the SSD initiative was dropped because Pine Meadow did not want to spend any more money on the matter and Summit County was not in a position to commit to additional responsibility due to budget cuts. Mr. Burdette pointed out that there were also people on the Mountain who worked aggressively to stop the SSD because there was no advantage to it.

Mr. Tyler stated that the original SSD that Pine Meadow Ranch was under years ago was completely different and misused. He did not intend to spend any money on pursuing an SSD, but he wanted to find out if there was a way to get the best of both worlds.

Mr. Deaver suggested that investigating an SSD should be part of 5-10 year plan. Mr. Powell commented on the possibility of creating an SSD and having Summit County contract the Ranch to maintain the roads. Mr. Burdette pointed out that if the Ranch is

under contract to maintain the roads, it would not eliminate their liability. He was told that Summit County would still be the liable party. Mr. Burdette was also opposed to an SSD because the taxes would be an unfair burden on part-time residents who use the roads less than full-time residents. He noted that all the issues related to the SSD have been discussed at length and he preferred that it not be part of any long-term plan.

Mr. Tyler believed there was common ground and that details could be worked out to find an advantageous and less costly system for maintaining the roads. Mr. Burdette felt strongly that an SSD was a bad plan.

Monthly Budget Review

Mr. Burdette presented the unpaid bills detail in the amount of \$11,378.00.

MOTION: Mr. Burdette moved to pay all of the bills as outlined. Tony Tyler seconded the motion.

VOTE: The motion passed unanimously.

Mr. Tyler asked for an update on collecting the 2013 assessments. Mr. Burdette replied that from January 1 through February 19, 2013 they have collected \$77,000. He expected that the majority of the assessments would be paid within the next two weeks because the due date is March 1st. Mr. Burdette indicated an additional \$7,000 contribution paid by the SS lots.

Assignment Review

Matt Brown would investigate the bubble mirror and signage. Jeff Hubbard would follow-up on the garage being built. Jody would inform Hutch Foster that he could probably be the summer assistant. Mr. Tyler would continue working with Ted Barnes on the Deer Meadow issues. Mr. Tyler would draft long term planning goals based on the discussion this evening. The Board would review the internal policies and procedures document and send changes and/or additions to Mr. Tyler. Mr. Tyler would review and update the snowplowing agreement and PMEEF.

The meeting of the Pine Meadow Owners Association Board adjourned at 8:59 p.m.
