

Approved
July 17, 2012

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
PINE MEADOW RANCH
MANAGER'S OFFICE
JUNE 19, 2012

In Attendance: Dan Heath, Bob Burdette, Suzanne Larsen, Alan Powell (Area 3); Tom Deaver (Area 4) Mike Gonzalez (Area 6), Bruce Hutchinson (Area 5), Matt Brown (Area 1); Nick Boyle (Area 7); Jeff Hubbard, (Area 2); Alan Powell (Area 3).

Excused: Hutch Foster

Ex Officio: Jody Robinson

Guests: Stephen Jones, Lot E-58; Cheryl and Bill Groot, Lot E-70-AM, Sherry Richardson, Lot E-25AM; Peter Skiby, Lot B-35; Tony Tyler, Lot D-33.

Dan Heath called the meeting to order at 6:30 p.m.

Approval of Minutes

May 15, 2012

Tom Deaver referred to page 1 of the minutes, "Mr. Deaver referred to page 6 and corrected Carol Groot to correctly read Cheryl Groot". He noted that Ms. Groot's name was misspelled and corrected the minutes to the correct spelling of Cheryl.

Mr. Deaver noted that language in the minutes stated that if all the criteria were developed successfully, Mr. McAllister would want an approval by this Board to positively support the project. Mr. Deaver recalled that the Board had decided to remain neutral and neither oppose it or support it.

Mr. Burdette recalled from the discussion that the Board said they would be in favor if 1) an alternate access was granted to the Ranch from the Deer Meadows property towards Wanship, 2) if it was a year-round access to be maintained by McAllister, 3) if the development fees would be paid as previously outlined, 4) if a transfer fee was assessed on the lots and each time a lot is sold an additional transfer fee would be paid to the Owners Association, 5) if all the lots would become members of the Owners Association and subject to the CC&Rs and the impact fees paid by Ranch owners.

Mr. Gonzales thought the Board has said they would reserve judgment and would review the next offering before making a decision. He agreed that the Board did say that it could be favorable if a full access road was one of the community benefits. Mr. Burdette believed the Board gave Mr. McAllister the impression that if the package they discussed could be delivered, the Board would be in favor.

Mr. Deaver clarified that it was the entire package and not just the road. Mr. Burdette replied that this was correct. It was pointed out that the Board had not committed to anything because they wanted to see the revised proposal.

Mr. Burdette read from page 8 of the minutes, "Mr. Deaver asked if the developer would be listing all of the components of the revised proposal or whether they would concentrate on the development rights transfer and ignore the rest. Mr. Shurtz replied that they would be working on everything; however the primary work would be the details of the access. Mr. Deaver did not want to give the impression that the Board was only concerned about one piece. Mr. Foster clarified that the Boards' opinion was that it was all one package. The details of the TDRs, the development agreement and so forth could be hammered out. Access was the one piece they would like to have more detailed. Mr. Deaver agreed. He just wanted that clarified."

Mr. Deaver read from page 7, fourth paragraph, "Mr. Shurtz replied that they wanted to know if the revised proposal was going in the right direction and whether the Board would encourage the developer to explore it in more detail. Mr. Foster assumed that if the Board asked them to explore it further and they came back with details acceptable to the Board, the developer would expect to receive a letter from the Board favoring the revised project. Mr. Shurtz replied that was correct." Mr. Deaver recalled that the Board said the developer would have to bring everything back for the Board to evaluate. His understanding was that the Board would neither oppose nor support.

Mr. Burdette thought the Board has said that if the package came back as proposed in the meeting, the Board would be favorable to it and not be neutral. The Board saw that the additional access in and out of the Ranch was something that would benefit the community and it was something that the Owner Association has not been able to provide. Other Board members recalled the general consensus, primarily based on the access road.

Mr. Deaver questioned why the paragraph he read had been included in the minutes when the Board had not made a decision. Mr. Heath replied that the minutes were a record of their discussion and Mr. Foster did make that statement. Someone pointed out that the language indicates that Mr. Foster assumed that the developer would expect a letter. It was clear that Mr. Foster made an assumption, not a commitment. Mr. McAllister could expect anything but that did not mean he would get it.

Nick Boyle referred to page 8, third paragraph, "Mr. Boyle disagreed with all previous comments". He had actually agreed with the same concerns the Board members had expressed, and corrected disagreed to be **agreed**.

MOTION: Tom Deaver moved to APPROVE the minutes as corrected. Suzanne Larsen seconded the motion.

VOTE: The motion passed unanimously. Bruce Hutchinson abstained.

ECC Plan Review

No plans were presented.

Owner/Visitor Open Forum

The visitors in attendance were concerned about the Deer Meadows project.

Mr. Jones, Lot E-58, understood that the access road mentioned was the one on the plat map that goes clear to the edge. He was told that the Board does not have details on the proposed road access. The discussion the Board had with Doug McAllister was for a second full access road that has yet to be developed.

Mr. Heath explained that McAllister would have to develop a viable two-lane access road to the satisfaction of the Board. Having the second access would be a major benefit for the Ranch owners, particularly in the event of a fire. Mr. Deaver clarified that it would not be just a fire emergency road. The Board was clear that it would have to be a full access two-way, year-round road for everyday use, the same as Tollgate. McAllister would have to develop the road and maintain it year-round. In addition, the Deer Meadow lot owners would have to pay the HOA road fees.

Ms. Groot understood that the Deer Meadow development would be 20 lots. Mr. Jones gave a thumbs up for whoever negotiated the density reduction. A question was asked about water. Mr. Deaver stated that Brody Blonquist told him that the Water Company Board members took the position of not supplying Deer Meadow with water. As a hydro-geologist told the Pine Meadow Water Board, finding water on this side of the interstate was speculative at best.

Someone asked about the Tollgate well. Mr. Deaver replied that the well produced approximately 45 gallons per minute, which was far from the 400 gallons they expected. The Water Company is having someone flush and de-sedimentize the well. The Water Company is hopeful that it would greatly increase the flow to triple digits. The person they hired has done similar well cleanings in the area with great success.

Mr. Deaver reported that the Water Company would not be installing the water pump

and the pump stations all the way to the big 500,000 gallon tank this year. They intend to stop where the survey stakes were at Oil Well. Without knowing the full flow rate of the well, they could not determine what size pipe would be needed.

Ms. Groot wanted to know what Mr. McAllister presented that had changed the Board opinion to consider supporting the project besides the complete access road and not providing Deer Meadow with water. Mr. Burdette explained that a major consideration was that the developer went back to the original plan of a transfer of density proposal, rather than the SPA proposal. The SPA proposal is not dead, but the developer is not pushing it.

Some stated that the County might approve the SPA proposal if they can show a large benefit to the community. The access road would be the biggest benefit to the community, and it could also be a reason for Summit County to approve the SPA proposal.

Mr. Burdette continued with his explanation as to why the Board might consider changing their opinion. The developer proposed to change the plan to do a transfer of density, which means they would have to buy building rights from Pine Meadow Ranch owners for the 20 additional lots they want to build in Deer Meadows. Mr. Burdette explained that 20 lots within Pine Meadow Ranch could never be built upon because the building rights would be transferred to Deer Meadow. The resulting benefit would be open space in the Pine Meadow community. Mr. Burdette thought it would be difficult for Mr. McAllister to find 20 lot owners who would be willing to sell their building rights.

Mr. Deaver understood that if an owner sold building rights on an adjacent property, they would also lose water rights to that property. If someone sells a building right they are left with an unbuildable piece of land, which it loses 90% or more of the market value.

Ms. Groot clarified that the new proposal would take care of the roads, the development transfer and the water system. She asked if there were other agreements. Mr. Burdette stated that one agreement was that a \$3500 per lot one-time assessment would be paid to Pine Meadow Ranch to cover the impacts of additional traffic on the Mountain. In addition, each lot would be required to join the Owner's Association. When a lot is developed, the owners would be subject to the impact fee in place at that time, and to begin paying the annual assessment of the Owners Association. Another offered benefit was the dedication of open space and conservation easements on adjacent properties; and 90% of Deer Meadows property must be kept as open space. Mr. Burdette noted that it was already defined in their proposal with Summit County.

They had defined very small building envelopes on the property and the rest of the 100+ acres would remain as open space.

Someone expressed concern that Deer Meadow could split the five acre lots into one acre lots to increase density. Mr. Burdette stated that County restrictions govern who can build and where. The current zoning for the property was Agriculture-100, which is why there is one home on 110 acres. If Summit County approves the proposal, the zoning for the property would be the same, but would become Agriculture-100 with 20 more building lots approved on it. In order to split a five acre parcel into one acre lots, the developer would have to request a zoning change through Summit County. Mr. Burdette pointed out that anything is possible and things can change in the future. He provided a brief history of how property on the Ranch evolved into building lots.

The question was raised about setting precedent. Mr. Burdette stated that he personally favored transfer of building rights. The County has told Pine Meadow that what they allow or deny for Deer Meadow would set the precedent for other developers. Mr. Deaver pointed out that TDRs could also come from Mount Lewis and not just from Pine Meadow/Forest Meadow. In the end, there would be no more houses authorized to be built than what was planned for now. They would just be spread over a larger area.

Ms. Groot asked if the three Board officers would be the only ones voting on a decision or whether the area reps would vote as well. Mr. Burdette replied that the entire 11 person Board would be voting to determine whether or not the Owners Association would express an opinion. Before that determination was made, input from the Ranch owners would be taken into consideration.

Ms. Groot pointed out that if it were not for the few owners in attendance this evening, none of the property owners would be informed. She asked if there was a way for the property owners to be made aware of the situation. Mr. Burdette stated that it could be posted on the website. Mr. Hutchinson noted that all their discussions are reflected in the minutes. Ms. Groot suggested a special meeting to give the owners an opportunity to express their opinions so the Board could get an overall sense of how they feel. It was noted that a special meeting would be premature because the Board did not have a formal proposal to consider. Ms. Groot stated that once they receive that proposal, the Board should at least notify all the homeowners who provided email addresses. Mr. Burdette stated that the email would request that the owners respond to back to their Area Reps. The Area Reps would track the opinions and report back to the Board.

Ms. Groot asked if the proposal from McAllister that the Board might agree to would be in writing and legal. Mr. Burdette replied that Doug McAllister was already working with

Ted Barnes, the attorney representing the Owners Association, to create a legal document. Ms. Groot wanted to know who would enforce the agreement once the Deer Meadow lots are sold and McAllister is no longer involved. She was told that it would become part of the CC&Rs for Deer Meadow and recorded with Summit County.

Ms. Groot asked who from the Board would attend the Planning Commission the following evening to make sure that what Mr. McAllister presents is actual facts. Ms. Groot thought it was important for a Board member to attend. Ms. Richardson noted that the July Planning Commission meeting was scheduled for public input. However, she agreed that someone should attend the June meeting to hear the information presented and discussed.

Mr. Deaver was interested in knowing if the Planning Commission actually said they would look more favorably at a TDR proposal or whether Mr. McAllister told that to the Board hoping that it was a possibility. Mr. Gonzales stated that Adrian Slaughter told him that the Commissioners did a site visit last week and they were fully aware that Mr. McAllister had approached the HOA about the TDR proposal and potential community benefits. Mr. Slaughter stated that the Planning Commission would take that into account at their meeting.

Ms. Groot stated that she had a petition with 161 signatures from people who were opposed to the Deer Meadow Development. Updating those people through email was important because new information might change their mind.

Mr. Heath reiterated that the Board had not yet been given a plan. Mr. Deaver stated that the meeting with Mr. McAllister was brainstorming ideas. If Summit County votes in July, it would be done without input from Pine Meadow Ranch.

Mr. Burdette offered to attend the Planning Commission meeting the following evening.

Area Rep and Open Forum

Mr. Hubbard, Area 2, stated that a property owner wanted to know what constitutes a legitimate fire pit. He was told that the requirements from the Fire Marshal were posted on the website. Mr. Powell stated that there is a checklist on the website and the area rep should inspect the fire pit to make sure all the conditions were followed and that the owner understands all the rules for burning.

Mr. Deaver clarified that due to the fire danger there was a "no fires" restriction, even for approved fire pits. Mr. Powell pointed out that the language in the restrictions says no open fires. It does not prohibit fires inside a home.

It was reported that the owners next to Bobcat Springs were told that there had been an approval to expand the pond from both the Water Board and the HOA Board.

Suzanne Larsen stated that the proposal was presented to the Water Board and they were in favor. It would be supervised and planned by the Army Corp of Engineers. Mr. Heath believed the Water Company owned that land. Mr. Deaver asked if it was not proposed to this Board because the Owners Association does not have jurisdiction over the property. Mr. Heath replied that this was correct.

Ms. Larsen clarified that the pond would be expanded for recreation purposes and for fire protection. The pond will be deeper and wider so helicopters can lift water out of it.

Mr. Boyle, Area 7, was approached by an owner who wanted to know how they could get a mailbox at the bottom. He was told that the owner needed to contact the Coalville Post Office.

Ms. Groot asked about the SSD that was previously considered. Mr. Heath replied that the County Attorney and Ted Barnes were working on negotiations and trying to clarify ownership issues and property rights. There was nothing new to report at this time.

Someone asked about getting an extra recycle bin at the bottom because the bin is always full. Mr. Heath stated that he would speak with Kevin Callahan about a second bin. He recalled that it took a year to get the first bin. Mr. Burdette suggested that they empty the bin they have more often.

Mr. Heath asked if everyone was aware of the bond issue for the Rec Center. Everyone answered yes. Mr. Heath stated that Summit County was trying to push a \$8.5 million bond for a Rec Center in Coalville. For every 100,000 of assessment, the taxes would increase \$130. A vote on the bond was scheduled for June 26 at the Wanship Fire Department. Mr. Heath encouraged them to pass the word to their neighbors so everyone who is registered to vote in Summit County has the opportunity to vote for or against the bond. Mr. Heath pointed out that if the bond is approved it would impact the canyon, particularly those who are not primary residents.

Someone noted that in May the ownership of Lot E-16 was transferred to Revenue Recovery and then immediately transferred to another entity. He wanted to make sure they paid their past due assessment of \$15,000. Mr. Burdette explained that when an owner becomes seriously behind on their balance the account is turned over to Revenue Recovery and they work the claim as long as they feel is reasonable. Once Revenue Recovery exhausts their efforts they file suit against the property owner and

proceed to foreclose. At that point Revenue Recovery commits all the legal expenses to pursue the claim and they bid at the Sheriff's sale for their fees, including the money that is owed to Pine Meadow Ranch. Because Revenue Recovery won the bid, they become the owner of that property. Mr. Burdette remarked that anyone is free to bid at that auction and the property gets sold to the highest bidder.

Stephen Jones, Lot E-58, asked if the Board was comfortable with him going from cabin to cabin asking if he could help clean up the dead wood to help with fire prevention. He would be doing it on his own and not as part of the Association. His intent was to make people more aware of the fire restrictions and that removing the dead wood could make a big difference in a fire situation. Mr. Heath stated that he did not need Board approval to approach the owners regarding cleanup.

Ranch Manager Report

Equipment Status

Jody reported that all his equipment was in good working order. The water/fire trailer was ready to go.

Projects in progress

Jody stated that he has been doing routine maintenance and gravel work. He informed the Board that with the high fire danger he would not be running the grader. The roads were not that bad and he was more concerned about sparks from the grader starting a fire. Once the dry spell is over and they have rain, he would grade all the roads.

Mr. Heath recalled that the Board had talked about putting road base on Upper Forest Meadow. Jody agreed.

Mr. Deaver asked about the asphalt on Forest Meadow they discussed at the last meeting. Jody stated that he would begin that project in July.

Mr. Burdette told Jody that Bear Tooth Ridge could use some ditches for the culverts. Jody replied that he would do that.

Jody asked for approval to purchase culverts. He was unsure of the cost and would have an estimate for the next Board meeting.

Jody had purchased tools and still had money left in his allowed budget.

Monthly Budget Report

Mr. Burdette stated that periodically Carol produces a Customer Balance Summary, which is a list of everyone lot who owes money. He noted that the balance was \$131,000 of unpaid dues. The list showed properties that were either in collections with Revenue Recovery or in lawsuits the Association was pursuing.

Mr. Burdette stated that Revenue Recovery had sent an attorney demand letter on another property for \$13,000. He noted that most of the balances were small. However, if they can collect the accounts with larger balances they would be able to do more improvements on the Ranch than what was talked about last month.

Mr. Burdette reviewed the unpaid bills in the amount of \$26,655. He pointed out that the Sinclair bill was excessively high because this is the time of year when they run the equipment for road maintenance. Mr. Deaver stated that he observed Jody and his assistant working on separate projects simultaneously. Therefore, having two drivers uses more fuel, but twice as much work was getting done.

Jody cautioned everyone to spray for Dyers Woad on their properties because Summit County will start issuing citations.

MOTION: Bob Burdette made a motion to pay the Unpaid Bills as presented in the amount of \$26,655. Suzanne Larsen seconded the motion.

Mr. Deaver asked how \$26,655 compared to where they expected to be on budget. Mr. Burdette replied that they still had more to spend. None of the money approved for asphalt had been spent. They had only spent half of the dirt money that was allocated. Mr. Burdette expected to see money from collections at the next meeting, which was money they had not talked about spending at the last meeting.

Mr. Burdette called for a vote on the motion.

VOTE: The motion passed unanimously.

Mr. Burdette reviewed the procedure for paying bills. Two signatures are required on the checks and three people have that authorization. Dan Heath and Hutch Foster are the typical check signers; however, Carol is also a signer on the account in the event of an emergency. Mr. Burdette explained why it was not a good idea to have Board members as signers on the account.

Someone asked about the cost for mag watering the entire Ranch since they had

unexpected money coming in from collections. Jody stated that the cost would be approximately twelve times what they were paying now.

Water Board Update

Suzanne Larsen had attended the Water Board meeting.

She reiterated that the Water Company had approved expanding the pond as she had reported during the Owner/Visitor Open Forum.

Jody clarified that Tom LeCheminant was spearheading the pond project. It was not being done by the Water Company. Mr. Deaver stated that Tom LeCheminant told him that he could not start the project until he received a letter from the Army Corp of Engineers authorizing approval. He and Tom had funded the majority of the cost to stock the pond with trout this year.

Suzanne noted that the Water Board had discussed a new pump house that would be built near the road up Bobcat. The start date for the new well was unknown because they were still trying to flush out the mud.

Bids for the I-plat project closes on June 21st. The work would begin on June 22nd.

The lines for the new well above Oil Well would not be installed this year.

The meeting of the Pine Meadow Owners Association Board adjourned at 7:45 p.m.
