

Michigan Hill Owners Association
Board of Directors Meeting Minutes - APPROVED
Jefferson Community Church – 9 AM
October 12, 2013

Board Members Present:

Blenda Crawford, Lot 66
Steve Johnson, Lots 182/183/184
Larry McClymonds, Lots 206/207
Paul Montgomery, Lot 175
Traci Bailey on behalf of ACC,

Homeowners Attending:

Judy O'Neill, Lot 246
Terry O'Neill, Lot 246
Andy Bailey, Lot 248
Rebecca Heisler, Lot 221

The meeting was called to order at 9:00 a.m. It was determined that a quorum was present with four out of four board members in attendance.

Review of Minutes. Review of August 3, 2013 Board of Directors Meeting Minutes for Approval: Call for changes. None offered. Steve moved to accept minutes as submitted; Paul seconds. Approved.

Open Forum: Open Forum for MHOA Member Comments - 15 minute limit. No comments offered.

Officers' Reports:

President

Status of Easement Negotiations:

High Plains Ranch - Burn Pit Grazing Lease and Outlot E agreement.

The document has been circulated among Board members for review. Steve motions to approve as finalized. Blenda seconds. Call for vote: approved. Summary: negotiated a trade with High Plains ranch where they will deed back 8.5 acres (gained through ongoing use over the past 17+ years) and MHOA, in exchange, will lease 13 acres of its land for grazing. Fence to support the new agreement is up, or in process pending final signature of the agreement. In 2-1/2 years, MHOA will be able to file for agricultural tax status on the 35 acres in burn pit area. Four deeds total will be filed to swap lands, two Michigan Hill property owners, MHOA and the Carringtons.

Augmentation Road - On-going.

Will begin to work actively on this negotiation now that the High Plains Ranch negotiation is complete.

Well Water Usage on MH:

Improper well water usage - Garver Brown, water commissioner, visited a Michigan Hill property. He conducted inspection and determined there was no issue. Property has since been sold and new owners have been informed of appropriate water usage.

MHOA financial review

Review of the 2011-2012 financials is complete. Review of 2013 to be completed early January. MHOA hired Richard Sotiros, CPA of Sotiros & Sotiros, LLC to conduct the review based on RFPs submitted. To date, have received financial statements for the last two years, which was requested at the annual meeting by members. MHOA asked for additional comments regarding how it can improve processes for the future. Sotiros has submitted additional information to the Board just prior to the meeting, which will be reviewed for next meeting. Larry will pass these recommendation letters on to Board members for their review.

Vice President

ACC Report

Approvals: Since the last meeting on August 3, 2013. The ACC a committee managed by and for the MHOA Board has received, reviewed and approved one (1) request for a reroof from asphalt to metal on lot 202.

There are no outstanding requests at this time.

Note: Lot 185 has a new owner. The Board and ACC have been in contact with the new owners and have discussed that they complete an ACC approval form for the log fence at the front of their property that has been erected temporarily. ACC and homeowners are working together to address this.

Continuing Issues:

Lot 77: No building permit. No Certificate of Occupancy, Trailers, abandoned vehicles and trash and old unlicensed vehicles. Paperwork was sent to Park County Building Department waiting on response. Dennis has been in talks with Park County and it is now in the control of Park County. They (Park County) has sent the Homeowner parameters in which the homeowners needs to meet Park County requirements or they will not issue any building permit and require all outbuildings, trailers and vehicles to be removed immediately.

Lot 104: A letter has been sent to the owners regarding trash cans, grills and tarps that must be removed when leaving a campsite. Information received from Bob O'Conner (with Environmental Health) indicates that no porta-potties are allowed on properties. Per Park County land use regulations, if owners camp on their lot using a motor home, they must use the bathroom in the motor home. If camping on their lot in a tent, owners must have a septic tank system in the ground for sewer waste. Dennis has been in talks with Park County and it is now in the control of Park County.

Lots 89 and 90 were sold. The Board has sent the new owner a letter indicating that the boat inside the foundation on lot 90 needs to be removed effective immediately.

Lot 216: Trailer on lot. No structure. Active building permit and as of this date Homeowner has not submitted plans to build. This has been what the H.O. has been doing for over 4 years. Dennis has had conversations with Park County about this issue and it is now in the hands of Park County. They have sent the Homeowner parameters in which the homeowners needs to meet or they will be pulling his building permit. At which time, if requirements are not met his trailer will need to be removed. A letter will be sent by the ACC to remove the trailer effective immediately.

At-Large

Augmentation Pond - Garver Brown onsite visit TBD

Board discussed augmentation pond with Garver Brown. Pond was built in 1981 and is not up to the standards that the Commission currently uses to approve augmentation ponds. The inlet is shallow and allows water to spill on adjoining property, which is to be a dry property. The outlet from the pond should also dump directly to the creek via a direct ditch and not run across the dry pasture. It should be redesigned to dump directly into water drainage. Garver will meet with Larry to walk the pond and provide ideas to bring pond up to the current standards. Currently, MHOA is in good compliance with the Water Commission; however, having plans for improvement in place will help to keep the pond in compliance.

The Commission recommends that owners hauling water in for use acquire water it from the area so that it is generally part of the same water aquifer. Owners should go to the Water Conservation site for additional water options. The link is available on the MHOA website as well as being in previous Board minutes, as follows: www.water.state.co.us and www.dwr.state.co.us/WellPermitSearch

Road Gravel, Grading and plugged Culverts

110 tons of gravel was laid down on the following roads: Selkirk, Glacier, French, Deadman Gulch, Earnest easement, Guyot, specific intersections, and the pond road. Five culverts (3 on Fremont and 1 on French, 1 on Georgia) were dug out. One culvert was taken out, located on an abandoned driveway. Thanks to Paul Montgomery for donating time and equipment for some of the culvert work.

Terry O'Neill, Lot 246, roads are better than they've ever been.

Road Signs

The road signs are still on order. No answer from County as to when they will be done. They have been on order since August and MHOA is waiting on the County to work them into their schedule. Steve will talk with county to get suggestions for temporary signs for immediate needs.

Snow Plowing

MHOA received the required insurance papers for snow plowing by South Park Plowing. Jaimin and Tom Clinton have been approved under the coverage. If South Park Plowing requires additional drivers, they will require proof of proper insurance and be approved in advance prior to plowing. South Park Plowing has been asked to raise plows until the roads get frozen to avoid damage to recently graded roads. It has also been asked to plow at 6 inches and to plow drifts as they impede ingress/egress. South Park Plowing will notify the Board via email when it goes out to plow.

Terry O'Neill, Lot 246: Raised the question regarding who is contracted to plow and asked if the Board has received documentation of the required \$300,000 liability coverage. Board reiterated that the contract is with South Park Plowing and they have provided the required \$300,000 general liability coverage documentation. South Park gets a \$600 advance each month which goes toward actual plowing hours. This is the second year of a 3-year contract.

Rebecca Heisler, Lot 221: Asked if the plowing contract was a conflict of interest since the plowing company is comprised of MHOA homeowners. Board responded that the contract was put out for bid and was awarded by a previous Board based on submissions. The contract is similar to previous contracts. The owner of South Park is not on the Board and there are some benefits to having the contractor on the Hill who knows the conditions. Last year he did a good job on the hill and worked with the Board when there were concerns. The Board works very hard to communicate with South Park to assure that the needs of MHOA are met.

Rebecca Heisler, Lot 221: Sent the board a memo regarding road grading with three key concerns: 1) the material that the roads consist of; 2) grading; and 3) culverts. Rebecca is a geologist so works with dirt all the time. She indicated that once there is a nice compacted surface and the grader removes the compacted surface it creates a dust problem, makes the road surface loose making it a driving hazard; and that the loose materials erode into the ditches. The road grading is good; however, they don't need to be graded at all going forward. The material in the ditches, when put back onto the road, needs to be compacted onto the road with a bit of a crown to maximize efforts of Board. The dust could be eliminated by the timing of the grading. The intersection of Fremont Hill and Michigan Hill has a lot of runoff with the loose material ending off at the bottom of the hill. The culverts were cleaned out; however, the material was put on the uphill bank that will erode back into the ditch. As of this a.m., the culverts are ¼-1/3 full again. In specific areas, a dam was created to direct runoff water into culvert, which is ½ blocked. She felt that there is no future need to import gravel. The material that the roads are made of are good material because it is free-draining. Once it is compacted, it should not be disturbed because it wrecks the compaction. She recommended that MHOA stock pile gravel in ditches and use it to repair needed areas. She indicated for her driveway and others that the grading has created a foot cutaway which creates problem entry. With some care, these issues can be eliminated. The Board responded that there does need to be road maintenance. MHOA is pulling the ditches and has a new road grader operator this year who has years of experience grading county roads. The Board is trying to put roads back into proper shape. The grader operator is the county road grader and this is the first year that the MHOA is using a professional grader, so the owners should see an improvement. MHOA got a major deal

on road gravel this year and decided to take advantage of it. It used the recommendations of the new road grader operator to suggest where the gravel be placed.

Rebecca: Indicated that there is a difference between grading and maintenance. Suggested using the grader to grade the ditch material back onto the road and compact it rather than grading the road itself. Also indicated the blade should be used to raise the road to minimize the height of the crown and asked how the cuts and fills could be more balanced. The Board indicated that it is taking down the crown where necessary to get roads back to optimum condition and then will maintain from there. Owners will see a lot less cutting next year and the Board is actually moving in the direction that Rebecca is recommending. Another key goal is to decrease the rapidity of water runoff with various dams to slow the flow. Some of the piles of dirt are remainders from work in past years. The material put on this year had a compaction rate of 2. The Board expressed its appreciation with having a local expert. It continues to work on the plugged culverts. The grader operator has gotten a number of them from plugged to partially open; and is trying to open all of them. Culvert on corner at Fremont was originally open 2-1/2 feet below culvert. Perhaps the homeowners in the area the specific culverts that have annual problems can look on this as an opportunity for a project for a neighborhood Volunteer Day, as many of the culverts require ongoing digging given the Hill's weather conditions. The intersection at Fremont Knoll and Michigan Hill has had major maintenance every other year since 1994.

Terry O'Neill, Lot 246: Its nice to have people come to board meetings with a passion. Need that passion; and also need your participation. The Board is trying to correct some of these concerns and don't want you to get turned off by what may seem to be slow progress.

Board response: we continue to work on the culvert issues and long term maintenance of roads. Comments are most appreciated. We are on the same page and working in the same direction.

Dump Station

Shirley Septic is coming on Tuesday to empty the dump station. No record of previous service to the dump station could be found.

Treasurer

Fence at burn pit. Replaced center fence and will do maintenance along highway should be done this weekend. Had to put in 100 new posts.

Tracy Bailey, Lot 248: What is going on with the Carrington's fencing?

Board response: First had to get a centerline fence for the burn pit. Then High Plains Ranch is allowed to use 13 acres to the south of burn pit. The two weeks a year they will put cows in the burn pit area so that MHOA can apply for agricultural tax status on the entire burn pit property. Agricultural tax status will greatly reduce MHOA's tax liability on that acreage. MHOA is working with the Carrington's to schedule the new fences in Outlot E, which will tie into Outlot C. Once new fence is in, it will be the Carrington's responsibility to maintain it. The old section of 100-year-old fence is weak and the cows can lean on the posts and get through. If an owner has a problem with cows getting through the fence, they should text Larry and he will text Abby about the situation.

Account status: Checking as of Oct 4,2013 is \$8,114.55; CD \$6,577.88, Savings \$54,835.56, totaling \$69,527.99. Does not include accounts payable. Have six outstanding dues accounts totaling \$1,151.88. MHOA is sending certified letters to notify owners of liens that will be filed for non-payment. It is working with one homeowner to who is paying \$100/month toward dues until the balance is paid in full.

Secretary

Nothing additional to report.

Rebecca Heisler, Lot 221: Recently submitted plans to ACC. Complimented the committee on its timely response and turnaround of the paperwork.

Old Business: None offered.

New Business:

Once grading is complete, will require maintenance on the grader. Look into putting a 500 gallon tank for fuel on MHOA property rather than hauling it in 55 gallon drums. Also, need a debit card for Sinclair because wouldn't accept a check as payment for fuel. Will look for a used tank. It could be placed next to the grader in burn pit. Will need to look at containment requirements.

Adjourn Meeting: Steve motioned to adjourn the meeting with a second by Blenda. The meeting was adjourned at 10.17 a.m.