

Michigan Hill Owners Association
Approved – Board of Directors Meeting Minutes
Jefferson Community Church – 9 AM
August 3, 2013

Board Members Present:

Blenda Crawford, Lot 66
Steve Johnson, Lots 182/183/184
Larry McClymonds, Lots 206/207
Paul Montgomery, Lot 175

Homeowners Attending:

Judy O'Neill, Lot 246
Terry O'Neill, Lot 246

The meeting was called to order at 9:05 a.m. A quorum was present with four out of five board members in attendance.

Review of Minutes. Review of June 8, 2013 Board of Directors (New Board Formation) Meeting Minutes for Approval: Call for changes. Blenda moves to accept; Steve seconds. Approved.

Open Forum: Open Forum for MHOA Member Comments - 15 minute limit. Terry O'Neill, L246. Wanted to express satisfaction of lot owners on job that board is doing. Acting on behalf of members; restored balance to decision-making and actions on the Hill.

Officers' Reports:

President

Status of Easement Negotiations:

- a. Ernest Permanent Easement is completed, with official agreement now recorded with the county. The first payment of \$4,300 was made, delivered by Steve Johnson and Paul Montgomery.
- b. High Plains Ranch negotiations are nearing completion. – The Board is presently negotiating the general terms, which include the following proposals:
 - i. MHOA will fix its fence where needed.
 - ii. MHOA is considering a 20 year grazing lease with an additional 10-year option with the Highplains Ranch for the small wetlands area portion of the burn pit property which received approval at the annual general meeting..
 - iii. For two weeks a year, the MHOA will permit the Ranch to put cattle in the larger burn pit area, which will enable MHOA to have both areas of the burn pit reclassified to agriculture tax rate. This action has the potential to drop the property taxes \$900+ per year on the burn pit property due to change in tax rate.
 - iv. The High Plains Ranch will agree that the Outlot E acres they've been grazing on belong to MHOA, which MHOA will reclaim and fence. MHOA has the option to permit High Plains Ranch to put cows on it two weeks per year if the original fence is left to enable agricultural tax rate for that piece as well. MHOA will pay for fencing repair; and the Ranch will maintain it. In addition to cattle, the High Plains Ranch may continue to graze horses and burros.
 - v. Should the Ranch change owners, the lease will become null and void.
 - vi. Additional items: Steve will talk with Casey and Scott of KW Fencing to take care of the fencing repairs and will get an estimate of the needed fencing and repairs. A hard copy map of the areas was reviewed at the meeting to enable the Board to identify specific areas for new fence and fence repair. As soon as the fence work is complete, the clock starts for being considered as agricultural by the county, which requires three years. Fencing includes proper fencing of Outlot E and the repair/replacing of fencing at the burn pit. Will be working with the High Plains Ranch to schedule fencing, depending on where cattle are. A survey will need to be taken to assure correct property lines legally for the future.

c. Augmentation Road

- i. Work is on-going. In a good position because of adverse possession. These negotiations are third on the list in priorities.

MHOA Water Well Permits

- i. A complaint was filed with Garver Brown, water commissioner, for improper well water usage. Garver Browne was asked to look into the complaint. He will do a site inspection and will talk with the owners. He'll get back to the Board with results of this action. The Board discussion options to make the water permitting guidelines and information more available to all owners. It was decided that this water permit information would be added to the annual dues invoices to assure all owners receive water usage guidelines and restrictions reminders on an annual basis.

MHOA Financial Review

- i. Board members were asked to review the financial review proposals received to date. The MOHA put out a request for proposals for a review of MHOA financial records to eight different firms. It received proposals from three different firms to review 2011, 2012 and 2013 financials. The last financial review was conducted in 2010. While the MHOA is not required by CCIOA to conduct this review, the Board determined to proceed with a review given member interest expressed at the Annual Board Meeting. The Board interviewed three potential reviewers and was most impressed with Sotiros & Sotiros and think they will be easiest to work with. The goal is to get two-thirds of the review completed by end of year, with remaining 2013 review and balance sheet due in January. The review is not a budgeted item; however, was voted on as a Board action. Richard Sotiros will need to work with Judy to get the required documentation for review. Steve motioned to proceed with the review under the terms of the Sotiros proposal and on the timeline discussed by the Board; the motion was seconded by Blenda. The Board voted to approve. Larry will proceed and let Richard Sotiros know his proposal has been accepted and that he should move forward to communicate with Steve and Judy.

Vice President

ACC Report:

- i. Paperwork was sent to Park County Building Department for Lots 77 and 104; waiting on response.
- ii. A letter will be going out soon to Lot 104 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.
- iii. Lot 120 was contacted about the poor condition of the Michigan Hill road that was left by his contractor when doing his driveway. The owner spoke to his contractor, who will fix the road. He doesn't have a date as of yet, but will get back with the contractor and try to pin him down to a specific date to fix the road to its original state and to remove any additional debris.
- iv. Lots 89 and 90 were sold. The Board will send the owner a letter indicating that the boat inside the foundation on lot 90 needs to be removed in the very near future.
- v. **ACC Submissions since 6/8/13:**
 - a. garage - (lot242)
 - b. re-stain Home - (lot 256)
 - c. reroof and stain - (lot 126)
 - d. Deck addition - (lot 221)
 - e. Garage - (lot164)
 - f. exterior chimney rocked - (lot 248)
 - g. reroof from metal to asphalt - (lot 191)
 - h. metal roof - (lot 72)

At-Large

a. Augmentation Pond:

- i. Fish stocked 6/26/13.
- ii. Complaints about road ruts near pond. Ruts cause normal cars to bottom out; driving around bog and causing larger problem. Fix: one load of rock/fill and hour of tractor work. Complaint about dam leakage; perhaps source of bog. Should self-heal

because of new water levels. Will use MHOA grader to address issues and push a small berm against base of dam.

iii. Pond level has receded.

b. **Canadian Thistle Control Spray:** been done in July and paid for. Will watch for die-off.

c. **Road Gravel:**

- i. Steve's been working on the contract for road gravel. Will start hauling by 2nd week of August. The gravel has a compaction rate, which is very close to road base. \$5.00/ton. Will get about 40 loads for budgeted amount. Details will be provided for individual who desire to pursue contracts for hauling gravel to individual driveways. Road Priorities: Selkirk, Glacier, French, Deadman. Will drop it and work it in, followed by grader work. 15-ton will do approximately 200 yards at 1.5-2". (15 yds/truck load/200 ft). The Board discussed economies of scale based on the excellent price and quality of the gravel. A motion was made by Larry to increase this year's gravel budget to \$10,000 to take advantage of the price and extend the linear footage of road that the MHOA would be able to surface this budget year. The motions was seconded by Steve and approved by the Board.
- iv. Ditch problem at 155/156 – This culvert on Michigan Hill Road is plugged and is creating road problems. Needs approximately 1 hour of tractor work at that location. The culvert crosses a property line: most of it is on lot 156; with the remaining footage under an old abandoned road on Lot 155.
- v. Complaint from Lot 165/129 (Gary Cole) on culvert. The culvert runs under Georgia Pass at Glacier intersection and empties runoff on his property. The Board discussed a proposal to abandon the current culvert and put in new culvert under Glacier Peak, which would funnel water into natural drainage that goes on to CR 35. The Board will get estimate and anticipates the cost to be upwards \$1500 min.

Treasurer

- a. Savings on hand: \$64,835.56; Checking account balance \$17,411.79. Outstanding checks - \$5,000. Will be purchasing grader blades and opening account to handle future purchases for this type of supply. Generally, \$300 for 2 blades including bolts.
- b. Seven lots with outstanding dues. Only one that is more than 1 year in arrears. Two of the certified letters were returned with no forwarding address. The Board will research these two properties. Liens will be placed on properties with outstanding dues. Currently, \$1493 in collections. Amounts do not reflect monthly assessment and certified letter fees.

Secretary –

- a. All minutes for prior meetings have been transcribed and submitted to the Board for review and/or posting to the website.

Old Business:

- a. Received original agreement back from Earnest's. Future agenda discussion: designated location for critical agreements, etc.
- b. Owner Communication: Presently have all official documents including covenants, bylaws and policies, etc. on the website. CCIOA states that as long as owners are notified that all information is available on the website, MHOA is in compliance. However, the Board is considering creating a postcard to notify all non-email owners to inform them of availability of MHOA materials. A motion was made by Larry for the Board to create postcard along with an estimate of associated costs to develop it and send it to homeowners for whom the Association has no email address, to assure that all owners are aware of the detailed information available on the website. The motion was seconded by Steve and approved by the Board. The Treasurer will research the cost of supplies and postage for the mailing; and the Secretary will provide a draft of the contents for the postcard for review by Board members.

New Business: No additional business was identified for discussion.

Adjourn Meeting: Steve motioned to adjourn the meeting with a second by Paul. The meeting was adjourned at 10:17 a.m.