

Michigan Hill Owners Association
Board of Directors Meeting Minutes
September 1, 2007

Board meeting called to order by Board President Larry McClymonds at 10:15 AM. Current board members in attendance; Larry McClymonds, Terry Hull, Terry O'Neill, Loretta Hubert, Steve Johnson. Past Board member in attendance; Jerry Dean.

Old Business

Approval of minutes of the August 25, 2007 Annual Association meeting.

The official minutes of the 2007 Annual Association meeting were approved with the following corrective amendments:

The tabulation of votes recorded for election of new Association Board Members should be corrected to reflect the fact that the 2006 Board Members present had assigned the 21 proxy votes provided to the top three candidates, allotting seven additional votes to each. This assignment would not have altered the relative positions of any of the other candidates or altered the election results.

These minutes should indicate that the minutes of the 2006 Annual Association owners' meeting had actually been approved at the 2007 Annual Association owners' meeting.

Motion to approve the minutes of the 2007 Annual Association meeting with the indicated amendments made by Terry Hull and seconded by Steve Johnson. Motion carried on unanimous voice vote.

Discussion regarding Board Members' individual responsibilities and assignments.

Larry McClymonds acting in capacity as current Board President inquired as to interest of new Board members in assuming responsibilities and duties during the coming year of service. He asked for members to nominate themselves for specific Board positions and additional duties as required. Terry Hull indicated his willingness to serve as Board President. Steve Johnson indicated his desire to assume responsibility for oversight of subdivision road maintenance operations. Loretta Hubert indicated her willingness to continue as Board Treasurer. Terry O'Neill indicated willingness to serve as Board Vice President and as Board Representative on the ACC and as backup to assist Johnson with road duties. Larry McClymonds indicated willingness to serve as Board Secretary. Motion carried on unanimous voice vote.

Continuation of Board Meeting with members assuming new duties and responsibilities.

Discussion began regarding the status of the proposed Association By-law amendments dated December 9, 2006. Terry O'Neill indicated that the indicated amendments were ineffective because these had not been voted upon and ratified at the 2007 Annual Association meeting.

Terry Hull stated that he proposed a subsequent amendment to the **Membership** Section of the by-laws that incorporated the first line of the previously approved 2005 amendments with the language of the ineffective 2006 amendments to read as follows:

Any person, persons or entity purchasing property within the MICHIGAN HILL development automatically becomes a member of the MHOA when the purchase is closed and title transfers. A person becomes a member of the MHOA at such time as a deed or instrument transferring to that person a present vested interest in a Lot within the MICHIGAN HILL subdivision is recorded in the records of the Park County Clerk and Recorder's Office. This is the sole requirement for said membership. Each subdivided MICHIGAN HILL Lot represents one membership unit. Membership is appurtenant to and may not be separated from ownership of property.

Motion to submit the proposed amendment to the existing Association by-laws made by Loretta Hubert and seconded by Larry McClymonds. Motion carried on unanimous voice vote.

Discussion regarding the issue of violations involving improper storage of trailers.

Larry McClymonds discussed several incidents of improper parking of trailers and members considered the appropriate action that should be taken to address the violations. Terry Hull stated that the Board should task a member to determine violations and attempt to make contact with owners to attempt to resolve the issues. Hull assigned these duties to Steve Johnson and Terry O'Neill as appropriate responsibilities of the at-large representatives.

Contact with COMNET regarding their interest in erecting a cell phone tower.

Larry McClymonds advised the Board on the status of contacts with COMNET. Larry stated that discussions with COMNET were ongoing and had not yet progressed beyond the exploratory stage.

Meeting with M&M Enterprises concerning road grading operations.

Terry Hull reported on the meeting with Marvin Mundt representing M&M. Jerry Dean added information regarding the arrangement with M&M and the specifics of the requirements. Discussion followed regarding concerns about lost road-base material and corrective and remedial work that will be required to maintain the roads within the complex. Terry O'Neill cautioned that efforts to secure a viable future contract should begin immediately to afford ample opportunity to find a contractor to assume correct road maintenance responsibility.

Motion made to pay invoice in amount of \$5,400 as submitted by M&M made by Larry McClymonds and seconded by Steve Johnson. Motion carried by unanimous voice vote.

Discussion regarding signage to indicate closure of North entrance.

Discussion indicated need to place signs at three locations to warn traffic of closure of the North entrance when required due to snow accumulation.

Motion to approve funds to purchase the indicated signs made by Larry McClymonds and seconded by Loretta Hubert. Motion carried by unanimous voice vote.

Changes to proxy forms to allow assignment of proxies to either Board or other designated MHOA members.

Board authorized the creation of a form to allow either designation (Board or MHOA member proxy).

Payment of bills for incidental items purchased and used at the MHOA Annual Meeting Barbeque.

Jerry Dean presented five bills for items totaling \$338.48. Loretta indicated that fairness dictated that those having provided personal items for past functions should also be reimbursed for their costs. Board agreed and authorized reimbursement to Dean and \$20 to Gene Hubert for past propane expenses.

New Business

Owners' dues increase.

In accordance with the vote at the Annual Meeting, the Board authorized the appropriate changes to the Association by-laws to indicate dues of \$175 effective January 1, 2008.

ACC requirement violations and appropriate fines and penalties.

Board decided to amend existing by-laws by adding language to define and stipulate the authority to levy fines to address violation of not submitting the ACC approval form and proceeding with building or painting. It was agreed to that a range of the fine shall be \$2,500 to \$5,000, dependent upon the nature and severity of the violation.

Terry Hull proposed a detailed survey of Association properties to document existing structures and improvements, wells, vehicles, or other items out of compliance with requirements. Motion to amend the existing by-laws and authorize the proposed property survey made by Terry Hull and seconded by Larry McClymonds. Motion carried on unanimous voice vote.

Discussion regarding erection and placement of snow fences.

There was discussion regarding determination of proper placement of snow fences and an attempt to contact property owners to determine whether they would consider allowing placement on their properties. Terry Hull assigned the ACC committee with the task of following up and making the required contacts. Hull further directed the ACC to also look into the possibility of use of Frostex in culverts prone to ice blockage.

Newsletter.

Board had a discussion regarding the benefit of having a periodic Association newsletter. Decision that a newsletter would have significant benefit, including dissemination of critical information and eliciting volunteers for needed projects. ACC member Traci Bailey volunteered to coordinate the newsletter and Loretta Hubert volunteered to assist with labeling and mailing.

Board Meeting schedule.

Terry Hull set quarterly Board meeting dates of December 1, March 1, June 7, and September 13. The 2008 Annual Association Meeting will take place at the June 7 meeting.

There being no further business, motion to adjourn made by Terry O'Neill and seconded by Steve Johnson. Motion carried by unanimous voice vote.

Respectfully submitted,
Terrance O'Neill
Board of Directors - Vice President