



2015 Annual Meeting Minutes

11:00 a.m.

Contoy Indoor Arena, Mount Pleasant

Welcome from Morgan Warner

Shilo with Wild Fire Services

#1 Priority fuel break to tie in with Whispering Pines, Spring City Canyon, ended up getting shut down; it is all on private ground. He is hoping they will begin to start moving forward.

Next priority is taking a five man crew into the firebreak area to begin spraying for the oak and thistle.

He would like everyone to know that he is always available. If you didn't get his card, contact a board member, they have his information.

This year there is very little funding and help will be based on a first come first served basis. He would appreciate if projects that are brought to him will include your neighbors; and will be coordinated so his crew can take an entire day to knock out an area. If you call for chipping, the crew needs to have access to it; stacks need to be stacked correctly, ends not cross tied and all in the same direction, no building materials, otherwise the crew will leave it right where they found it. When doing in kind work, log your hours, your gas, your materials; if you buy a chain saw or lawn mower, please log it on an in-kind worksheet. Large equipment must be purchased by the Association to be considered, not by individuals.

Public safety boxes: Originally installed for fire safety, keys are installed in the boxes and key people have possession of the public safety box, such as local fire fighters and the county sheriffs.

If you come to a gate and it is tied open, DO NOT CLOSE THE GATE.

Fire prediction: initially the general prediction was really bad; August and September will begin the fire season; they are expecting an average fire season. You must get a permit for a large project, and burn season is closed. Camp fires are according to Association regulations.

Fire wise information is available on-line, utahfireinfo.gov, or ask for an assessment from Shilo.

Gene Reno – Whispering Pines Water Company, B Shares water

Last year the tank was repaired, the goal was for good safe drinking water, during inspection last year a significant leak was found and required repair within 120 days. The tank was shut down, sand blasted, and a product called Commercial Industrial Membrane (CIM) was used to seal the inside of the tank with a finished coat was applied 60 mils thick, which is the thickness of a bed liner. After the drying

time the tank was refilled and flushed. After the tank was refilled, last year, the testing showed very minimum levels of contaminants. Three months later another test was done that came up clean. The state required one more test which came up clean, which means that this year there are no problems with the water and the tank will be good for years to come.

If you know there is a fire in the area and you see the large hose on the well unlocked, LEAVE IT UNLOCKED.

Gene commended our Association for paying our dues on time.

At this time, there are still no B Shares available for purchase. The only B shares being sold are already attached to the lot.

Cindy Bell – 2014 Minutes, Annual Budget, Rekeying Update

The 2014 minutes are read.

Rekeying – we did not rekey due to lack of funds. Our plan for rekeying will be to re-notch the existing keys and locks. We will be able to have a supply of keys on hand for those who are not at the meeting and exchange keys. This will be the most cost effective way to rekey.

2014 Annual Costs – read as attached.

Terri Eagan – Dues Committee

Received several letters and emails

Dues have not been raised since 2002

We have been getting maps from the county and have several roads that on the map we haven't done a lot of work on in the last few years and have had a lot of people move into the area. We also have the twin creek area that we need to do work on. We have a lot of ideas and thoughts that we will be discussing later on the agenda.

John Hoonakker – Road Report

We had a lot of damage to the roads last fall and have had a lot of moisture this year. The contractor has had a hard time starting on the roads because of rain. We are going to widen the road where the silver gate is and put a ditch on one side to keep the road more stable, In the next 3 weeks or so we should have the roads back in shape but it has been a real task for this year. We had beautiful roads this year and now it has gone downhill, we are back to the gullies; we are trying to put our ditches back in order. We are trying to stick to the budget, talk with Nick or Terri about the roads on the South side and John about the roads on the North side.

Shane Johnson asks, “why we do we not hire a quality grader operator that will take the dirt down the road instead of putting the gravel , taking the gravel off of the road, and making it flat and putting the gravel over into it. We spent a lot of money putting them ditches in and the last couple of years with his grader, he’s done nothing but fill them full of gravel and if you drive up and around the roads you’ll see that all the gravel their putting out on there in the ditches instead of out on the roads. Why are we still using him if he is not doing his job right”?

John answers, the person he’s using is the grader operator from Johansson Construction Company, we are not using him this year because Aaron Dennison is doing the grading but you are right we need to plow the roads and keep the water off, this isn’t always the easiest thing to do because the way that the water will spill off the roads, we don’t always have ditches on both sides, we are doing everything we can, you guys have a lot of gravel on your side, and you know how gravel rolls, it just kind of rolls off to one side, the thing that the board and I have talked about and I have talked to Aaron was make sure you pull the material back and keep the material out of the ditches. I know that the roads need to be crowned to get water on both sides, and a lot of our roads don’t even have a ditch, it’s more like a tire track than anything else, it would be most ideal to have a crown and to be able to have a ditch on both sides. It is expensive to have a grader man come up and most of these guys have older equipment, we could have them come out with their John Deere and put those ditches back in and it’s a humongous cost, and there is a lot of rock bed to concern themselves with.

Shane: the problem is we pushed the gravel off the roads; when I was on the roads they did the same thing and I would not pay him until he went back down and pulled it back up onto the road, we’re not making sure that they are doing the job right.

John: he’s going to be working on your side in 2 or 3 weeks and Morgan and I will meet with him and make sure and we’ll do everything we can because you are 100% right we need to maintain what we have and take care of the ditches and be able to put the top back on because the worst scenario is last year it just flattened out especially around Walton Loop; it’s as flat as a pancake and water does not run off and it just sits there on the road.

Another member asks about putting culverts in the roads where the water sits, John responds that we have some culverts and what we find is that the culverts have a tendency to plug, and we are trying to wean the water off before it gets to the culvert, we need to put a crown into the road to lead the water off and clean our ditches back up.

Morgan Warner – Culverts

In the newsletter we talked about it in some length, and right now we have some people who are in the process of putting culverts in. They need to call a board member who will inspect the culverts, make sure they are the right size, put in right and sign off on them.

Terri Eagan – We have assigned board members to certain areas and I am assigned to SCR 6, and am assigned to assist you and help you with concerns on the road, and as I drove around I there are many land owners who have all dug in our road and there are a lot of us who have not put in culverts and a lot of the water is running down and destroying the roads and we really need to move forward and get those culverts put in and so that we are not fixing those roads year after year putting money towards that, so if you are a land owner that has put in a road, please assess it and make sure that you haven't blocked the natural flow of the water and that you are going to put in your culvert. If you have concerns in my area I believe my number is on the web site.

Nick Olsen noticed that during the recent storm that a culvert on gully road was washed out even though it was a 10". 8" is the minimum but when you are looking to put one in always make it bigger. If you are going to put one in on a steep slope, it does collect a lot of silt in front of it, dig down a ways and put larger rock below so the silt has a place to go in. Avoid corrugated culverts because they trap a lot of dirt, where a slick one pushes everything through and rocks don't get hung up in it. The exit end needs a wide mouth tunnel type pitch to it with a good deep rock pool basin to catch the silt and some of the bigger rocks that roll down. This last year we looked at a couple of problems where the culverts funneled out into the middle of the road or across the road and it washed the gravel away; be mindful of what you are doing; so as not to take money out of the fund, which is low anyway; we might get to the point where that land owner is going to have to pay for the repairs and it might get into the 100's or 1,000's of dollars to repair; so think about it, call your board member for approval and do it right.

Morgan: as you drive by and see the rocks and the debris don't close your eyes.

Leon Mylroie is complemented for going above and beyond; working on Deer Run, trying to keep it flowing decent and keeping the water in the ditch as opposed to out of the ditch.

On Deer Run we tried something new by putting 3" rock that was pulled to the road side. It held pretty well, in other places where I just let it run off, it rolled down and clogged up the culvert. There are several places where the culverts are not big enough and are clogged. The grader guys are staying away from them, we are going to have to ask those people to pull those culverts out of the ground and put them back in right.

Dues Discussion

We are talking about raising dues and you don't have to raise dues if things don't change. Who can stretch a dollar as far as they did in 2002? When talking to other associations he has found that they are raising their dues on average 2 to 5% yearly.

The idea is that we've got a lot of people that own multiple lots and only pay one due, he doesn't want to pay \$750.00 but if that is what our membership votes on then that is what I will do. Shane thinks that way and I know he's got an extra lot and he says he hasn't paid it yet because nobody

else does. I added it up in my head and if we only charged \$50.00 for the additional lots it would amount to just over \$6,000.00. Shane comments that if you bought a lot from a person who paid dues, that person would have paid \$100.00 for that lot and if you owned a condo, a couple of condos in the association, they are not giving you a break on your dues, he thinks that we should pay the full dues on each lot, he is willing to pay the full dues for each lot he owns.

Discussion ensues among members on the pro and cons of making multiple lot owners pay dues on each lot they own. Some felt that people should pay as they do with their taxes, with each tax parcel. The multiple lots and not having to pay the dues on them have been in existence for a really long time. Gordon Johansen comments that we had this battle 35 years ago, with everybody's opinion, like we are hearing right now, that if everyone owns 1 lot or 5 lots it's still that one parcel, that your family is using, and it created so much problems that the Association decided it would be better to charge one due for each owning member, as far as comparing this with condominiums, this is not condominiums, it is still one family, driving their one car, bringing their one set of friends, they are not putting anymore wear or tear on the roads, and as far as having a million dollars and turning this into Park City overnight, he hopes it doesn't happen. Terri Eagan says, we are going to vote on this today.

A member asks if we own multiple lots, do we get multiple votes. Morgan answers that that is the one thing that our covenants and bylaws does say, if we own multiple lots we only get one vote, he cannot find anywhere that it says we don't pay dues on our 2nd or 3rd or how many other additional lots we have, but it is there that a member is senior and has one vote only.

Berndt Watchtel, takes the floor: he is a past president of the Association, he owns one lot, but he knows there are people up there that own more than one lot, Berndt has 10 acres, Gordon has 7 acres, when we were discussing this when I was president and some people said you have got to pay for every lot, we said, on all of the lots that touch their borders, why don't we consider all of those lots as one due, if I have a lot over on Spring City and I have a lot in Skyhi, so two different areas that don't touch each other, then it is fair if I pay two dues for each of those lots. He felt that this is something that we might want to think about. He pays taxes in 3 different counties and he doesn't get a break there so he can see that in some ways what Shane says is fair but it has been this way for 40 something years and maybe you should work with these people a little bit instead of saying pay for every lot, you people who have multiple lots and all of the borders touch each other in some way we would call that one lot one due, but you who have one over here and one over there maybe you ought to pay more than one assessment.

Shane comments: there are people who only have one lot in the association and we are going to raise their dues but people like me, I have 3 lots and maybe if I am paying dues on those lots then maybe they wouldn't have to raise their dues.

Berndt replies that this is a very touchy situation and some people are already getting boiling mad and some people who have several lots think it is unfair to raise it that much.

A member asks what happens if 20 people buy lots in the association and those people pay \$100.00, but what happens if someone buys extra lots and he keeps doing that and he ends up with a hundred lots and he keeps paying one due.

Berndt replies that with his plan, that person would be paying dues with each set of extra lots he buys.

Another member comments raise the dues and eliminate all of these decisions.

Alma Ernst enters the discussion and says we are discussing more than one issue here and we need to discuss one issue at a time, we are talking about membership, talking about raising the dues, and it's a mess, we are talking about raising the dues and we to know how much we need in the budget to get the roads where they need to be, he hasn't heard a figure, last year we spent \$18,000.00 on the roads; roads every year have washed out; he is with Shane on this, somebody needs to tackle the roads and get a contractor in here that is going to work so we don't have to do this every year, we are throwing money down the drain.

Terri Eagan: We spent \$18,000.00 but what we have found is that we have roads that have not had any maintenance on them for year and years, and people have bought property and moved in and they want their roads maintained, and so with that between us having to maintain additional roads and inflation we are going to need more money. She figures it will between 20,000 to 25,000.

Shane Johnson: We need to spend money to fix the roads so we don't have to spend that money every year, we need quality work, not the junk we have been getting.

Terri: We do, that's why we are talking about culverts, that's why we saying that as land owners we need to not damage the roads, because it's costing us more money, but with inflation.

Member: Are we getting 3 bids?

Terri: We are not getting bids and I proposed we do that as a board member.

Shane: We bid that 4 years ago, it was mandatory that we got 3 bids. Now apparently it doesn't happen that way.

Terri: I personally proposed the 3 bid situation; we don't always want to go with the lowest.

Member: Have we ever brought someone in who understands water and what must be done, or do we just bring someone like myself who thinks they know I what I'm doing but doesn't.

Terri: We have a lot more roads to maintain, new land owners have bought and they've called and they want their roads maintained so we have to start working on those roads.

Shane: How many people own multiple lots? From what Morgan was saying we would bring in \$6,000.00.

Cindy: According to our minutes from last year's meeting we had 412 lots and we sent out 241 invoices.

Alma: It sounds like we need to decide what a member really is and how we should assess that member between multiple lots or single lots, if that was decided at that point, we probably would not be having this discussion about raising the dues at all, his suggestion is to go back to the drawing board and decide.

Cindy: we budgeted \$20,000 for the roads this year; our whole budget for this year is \$28,100.00, and we expect to bring in approximately \$22,000 this year.

Alma: Once your membership is decided, then you will know where to go.

Nick Olsen: There are 37 people on this list that haven't paid their dues, 23,000 is back dues that is a whole year of road work.

Shane Johnson: If they all have liens against the property, why haven't you put the property up for sale like it is supposed to be handled.

Terri: We have had this discussion, when we foreclose, we assume all liabilities that is on that property all of the back taxes or any other liability that is on that property.

Shane: When that property is sold, the money that is brought in from the sale pays the property taxes and the association dues that are owed on and the remaining money is paid back to the property owner.

Randy: the first order of business we need to take care of is how we are going to get the back money; they are getting away with it.

Morgan: We have addressed this issue of dues not being paid. We employed a guy who put liens on every property that was delinquent. We then just this past year talked with another company that is in the collection business about utilizing them and what they do is at first they make phone calls, several phone calls, and that's why I divided up the association among all of the board members, Terri told you she has SCR 6, Nick has SCR 5, Cindy has 1,2,3, and 4 in SCR and if John gets any help on the other side of the mountain we will divide it up so he can get some help. Before we go much further than this I want you to know that whoever has served on the board, they have never deliberately not done a good job, they may have neglected some things, but you go back to the problems at Twin Creek with the roads and the bridge, that goes back to 1983 when the flood. Nobody is trying to do something that is going to cause frustration and grief, but it goes back to the previous boards and everybody has

been delinquent in one way or another, they all still tried to do the best job they could for the association.

John Hoonakker adds: Last year during the meeting we talked about how great the roads were, we get a couple of flash floods and all of a sudden we have incompetent people working on the roads. When he first bought here, the roads were maybe 12' and we were lucky to have a speck of gravel on them. Now everybody is paying more in dues and they want beautiful graded roads. Some don't want graded roads; but want the mountain road; that's their opinion, that isn't everybody's opinion.

Multiple Lot Vote

Shane Johnson makes a motion that if you own multiple lots you pay multiple fees. If that passes then we move on to whether we are going to raise the dues. It is seconded by Tom Johnson.

Vote by raise of hands. In favor 25, against 12.

Shane: makes a motion that we do not vote to raise the dues this year until we see if this is going to generate enough money. It is seconded by Rich Dorrans.

Nick Olsen brings up a scenario that if you own one lot that is a ten acre lot and takes as much frontage, so the guy with the 10 acres is paying as much money as the guy with the 1 acre lot.

Nick and Cindy: We have a legal issue here, this was a vote to increase the dues to \$150.00 or not. We are breaking the rules by not giving a 30 day notice to all interested parties. We are not here to vote on multiple lots, we are here to vote on the dues being raised.

Morgan: The dues will not go up until next year.

Shane: Put on the agenda for the next year for multiple lots, put it on the agenda for next year that we may raise taxes (dues) also.

Nick: But we need to vote on raising the dues because that is on the agenda for this year.

Developer

A question is asked whether the developer pays dues on his unsold lots. Morgan cannot find an association in the state of Utah that assesses a due on the unsold lots. Fassios do pay on at least one lot, but they do not pay on lots that are still in Recreational Lands Unlimited.

Raising Dues Vote

A member comments that raising the dues to \$150.00 is not a big deal to anybody, but raising the dues on individual lots is going to affect a lot of people and it is not right.

Vote passes to raise the dues 53/20

The dues will be \$150.00 in 2016 for a member owner.

Lot Due Charge

A member has asked for a vote to also be added to the newsletter that we will vote to charge a full due on the first lot and decrease down for the others. This will also be on the newsletter for all of the Association members to consider.

Budget Approval

The budget has nothing for security, is there anything earmarked for maintenance on our gates. Yes on the budget we have Safety and Security which will

For next year, the budget for roads 20,000.00

Thistle- 600.00, you are paying for the spray, last year John and Morgan used their own side- by-sides, their own fuel, their own time and spent 2 to 3 days each spraying as far as the sprayer will reach. There are a lot of members who are not taking care of their own thistle.

Signs- 300.00, kudos to Shane for helping out when we need signs. If you have noticed all of the gates have a number on them now, it's because of the people who are willing to help out; Randy goes out with his tractor and scrapes on the road, and Cal does, Kevin Parker took his mini ex down and dug some ditches.

Snow Removal - 200.00, Gordon works cheap, he's still holding money from 2 years ago, he doesn't charge labor, he only charges for fuel and parts; Gordon says if you are going to start charging per lot he will be raising his rates.

Administration fee- 600.00

Secretary fee- 2400.00

Meetings – 800.00, this includes, during the winter, when Morgan holds the board meetings at a restaurant

Dumpster – 1,200.00

Liens and Taxes – 1,000.00

Keys and Remotes – 1,000.00

Total budget is 28,100.00

Morgan motions to approve this budget for 2015. Second Bernd Watchtel.

Budget is approved by a vote of 35

Board Member Votes

We have 3 positions available on the board.

Nomination – for the north side

Mike Conran is nominated, seconded by John Hoonakker

Dennis Huggard is nominated, Bernd seconded

Cindy Bell motioned that we have 2 nominations and 2 positions, we vote by a show of hands to accept the 2 nominees. Seconded by Richard Dorrans. Vote passed to accept the two nominees by a show of hands of 29.

Nomination for a 3 year member taking Cindy Bell's place.

Morgan nominates Cindy Bell, Tom Johnson seconded.

Bernd objects because he feels that it is unethical for the secretary to also be on the board.

Terri Eagan, nominates Kirk Tolbert, Shane Morgan seconds.

Shane Morgan is nominated, he declines.

Cody Smith, is nominated, he declines.

Alma Ernst, is nominated, he declines.

Rollo Bennet is nominated, he declines.

Shane Morgan motions that nominations be closed.

Nominations will be closed for lack of other nominations.

Kirk Tolbert is the new board member representing the south side.

Liens

We can put a master lien on all of the properties; we will not do this until we have checked it out thoroughly and make sure that it will not adversely affect any member who is current on dues.

Meeting is called to a close at 1:30 p.m.