

Mountain Springs Ranch Homeowners Association

Board of Trustees Meeting Minutes

June 23, 2021

Attendance:

Carrie Clark, President
Cyndie Rippy, Treasurer and Vice President
Julie Coy, Co-Treasurer and Secretary
Chris DeSantis, Trustee At Large

Also Present at the meeting:

Gary Starr, Peggy Hill, Louisa Morrissey, Ben Young, Megan Chance, Micah Embrey, Ed Walters, John Rippy, Tom Heald, Nancy Welder

Call to Order:

President Carrie Clark called the meeting to order at 6:02 p.m. CMT via Zoom

Meeting Expectations:

President Carrie Clark opened the meeting and asked that people mute themselves when not talking, and to use the hand/icon to request to be recognized by the President and invited to speak. When invited to speak by the President, the speaker will be allotted 3 minutes. Carrie also asked that Trustees indicate agreement if someone says something you agree with, and only speak to add something new.

Approval of 6/18/21 Meeting Minutes:

Cyndie moved approval with change made as recommended by Chris DeSantis and emailed to Carrie Clark.

Chris DeSantis seconded.

All approved.

Road Committee Report: *Recommendation to the Board for use of remaining \$18,000 + donations*

Cyndie Rippy was asked to clarify what funds were carried over from last year for this year's road work and the total funds currently available with dues, payments from Boyd and donations made, minus paid invoices including plowing and legal fees. After a bill paid last week, about \$15,000 remain for road work.

Carrie Clark, Julie Coy and Cyndie Rippy will meet outside of the meeting to review the budget detail and assure that we are working with accurate numbers.

Chris DeSantis stated that he had recommended in an earlier meeting that the \$18,000 available be used for road infrastructure improvement.

Cyndie Rippy offered to donate an additional \$3,000 to give the Road Committee the full \$18,000 to use. She also indicated that we are in good shape financially overall.

Ed Walters reported that he has checked the MSR roads but was not able to arrange a time to go over the road with members of the Road Committee. Ed's assessment is that current essential drainage issues are dealt with to prevent water running across the road and damaging it. The most important capital improvement would be reclaiming material from drainage ditches in specific locations such as by Lot 25/Hinchliffe (across from Bill Parks' place) to give us the dirt/fill to create fire truck turnarounds. He recognized that grant funding is needed to create the fire truck turnarounds. Need to clarify the locations desired for fire truck turnarounds.

Louisa Morrissey requested an estimate from Ed Walters for the cost of creating the fire truck turnarounds so we could pursue grant funding and to identify the planned turnaround locations. Carrie requested that Ed Walters get with Louisa Morrissey to discuss locations and cost of fire truck turnarounds.

- **AMMENDED during approval of minutes at the BOT regular meeting on 7/14/21**

- Fire truck turnarounds: This idea originated from Ed Walters (not the FC) and the FC will add it to the agenda of our next meeting for discussion. Ed's idea is to use the dirt harvested from drainage ditches to build fire truck turn-arounds. I think the first step is to get the fire department up here and have their experts determine the best locations for turn-arounds, how many are needed and how large the turn-arounds need to be. The second step is to get an estimate from Ed regarding the cost of doing this work. We may try to find a grant to cover the cost but we need much more background information before we move forward with the grant or anything else. Perhaps the minutes could be modified to clarify this point.

Gary Starr said that application of mag chloride will cost roughly \$15,500 not including water expense. Some trucking and gravel will be donated through Matt Graham/Hyle Construction and Fedrizzi's. Should be able to do the double shot application of mag chloride and hydration with the funds available.

Carrie restated her question from the last meeting: Are these one-time funds best spent on mag chloride application to secure the work done to date or is it more important to tackle capital improvements like creation of fire truck turnarounds.

Gary indicated that securing the road work done to date with Mag Chloride application is highest priority.

Ed Walters added that he spoke with Steve Beckley and Longorias (Black Bear Ranch) about contributing to the road maintenance expense. Ed said he will offer to contribute funds as a match to incentivize their giving. That would enable a double shot of mag chloride plus hydration. Also said that the State water authority has released a small amount of water from Hughes Reservoir as a call on water rights from the trailer park at the bottom of 3 Mile and water is available for the work now.

John Rippy stated that application of mag chloride is extremely important to preserve the road and we should proceed.

Carrie Clark asked if application of the Mag Chloride will resolve the recurrence of wash boarding and acknowledged that we still have problems with drivers exceeding the speed limit, which degrades the road. Ed responded that watering, grading and rolling still needs to be done to address most of the wash boarding. They've only done tailgate application of gravel so far and still have about 12 more loads of gravel to place. If we do that and apply the mag chloride it will take care of most of the wash boarding. There are 2 spots that wash boarding will probably still occur.

Julie Coy made a motion that we go ahead and approve a double shot of mag chloride on the road as discussed by the Road Committee and Ed Walters to preserve the work done on the road to date.

Cyndie Rippy seconded the motion.

Carrie Clark amended the motion to include addition of two loads of water over the summer to keep it wet and stable.

Julie Coy seconded the amended motion.

Chris DeSantis said he deferred to the more senior members of the Road Committee.

Carrie Clark called for a vote, and the amended motion received unanimous approval by the Board of Trustees.

Gary Starr thanked the Board on behalf of the Road Committee for supporting this road work.

Micah Embrey asked if we have a contingency plan in case the water in 4 Mile (3 Mile?) Creek disappears. Gary and Ed Walters affirmed that arrangements have been made with Steve Beckley for release of a small amount of water for road work from Flannery Reservoir, which feeds Hughes Reservoir, and then flows into 3 Mile Creek where Ed can draw it from a small pond/culvert near Austin's home on lower 3 Mile to do essential road work.

Road work has commenced, and Mag Cl is scheduled to be put down on July 7th. Residents and neighbors should avoid use of the road that morning and drive slowly on treated sections. Signs will be put up

Carrie Clark indicated that Road work planning should begin in March and April of each year to make sure that road work can be done late April to early May.

Easement Update: *Legal Counsel Review of Documents Researched*

Chris DeSantis and Carrie Clark met with MSRHOA's lawyer, Mary Elizabeth Geigor. Chris and Christy Milner had done excellent and extensive research in preparation for the meeting. The attorney did find one additional historical document that affirmed that MSRHOA has an express utility and maintenance easement of 8 feet on either side of the road and must still negotiate work with private landowners. The attorney indicated that the utility easement of 8 feet on either side of the road is reasonable. Second type of easement described in MSR documents is described as 60 feet for ingress and egress on owners' properties. The 60-foot easement is only for ingress and egress to a privately owned lot, not what is afforded to the HOA for road maintenance.

Julie Coy asked what impact this clarification has for fire mitigation work along the main and secondary roads. There are a lot of places where the Fire Committee knows that vegetation needs to be removed along the road. Chris indicated vegetation removal would be fine if it is within 8 feet of the edges of the road. The Board must get permission from the landowner(s) involved in order to do work beyond 8 feet on either side of the road, such as for additional vegetation removal or for a parking area or a fire truck turnaround.

Carrie Clark thanked Chris and Christy for all the work they did to prepare to clarify these issues related to the road easement.

Revised Articles and Bylaws Review Before Sending to Lawyer:

Carrie Clark thanked Chris DeSantis and Christy Milner for an enormous amount of work on these proposed revisions, which need to be approved by Members of the HOA at the Annual Meeting.

Chris indicated that it is essential to create alignment across the Articles, By-Laws and Covenants; and to make sure that the right information is located within the appropriate governing document and/or policies.

Chris summarized the process of their initial review and said that they first looked at requirements of Title VII and CCIOA for the Articles and By-Laws to determine what legally must be in each. Next, they identified what is 'commonly' included in By-Laws. Then they went on to make sure that nothing in one document disagreed with the content of any other document.

The Articles get filed with the Secretary of State and have their own provisions for making amendments. The By-Laws and Covenants also have provisions and standards for making and

approving amendments. Carrie Clark added that the Covenants get filed with the County and take precedence over the Articles and By-Laws.

Chris is trying to simplify things by requiring a generic 2/3 of members present in person or by proxy to approve a measure. There will be specific issues identified that will require $\frac{3}{4}$ of all members to approve a measure. An example might be related to limitations on owners' use of their own property.

Chris also pointed out that the current documents disagree if the Board of Trustees can function with 5 members or if it shall or must consist of 7 members. Achieving consistency is both critical and time-consuming. Chris asked for a volunteer to help him continue this work; and Tom Heald offered to assist.

Julie Coy asked if we have a Corporate Seal. No one indicated awareness of the Board having one. Chris said the 5th Amended Covenants do show a seal, so a seal exists somewhere. May need to obtain a digital seal. Carrie Clark said the Board will deal with obtaining a seal.

Chris affirmed that the principal authors, now Chris and Tom, will prepare a careful draft that they believe meets legal and regulatory requirements. Then they will take it to the Board for review. Chris and Tom will address needed revisions requested by the Board if those revisions are not inconsistent with legal requirements. Then the draft will go to the HOA attorney for final review. Once the draft is determined to meet legal requirements, it will go to Members for review and comment to assure the process is inclusive.

Louisa Morrissey suggested using a survey method to solicit input on the governing documents. Chris said the Articles will be simple and limited to what law requires. There will likely be a few issues for input in the draft By-Laws, and more issues needing input in the Covenants to assure the vision for the community is inclusively generated and reflected in the Covenants and consistent across governing documents.

Comments and input will then be considered by the principal authors in light of what the law and regulations indicate are and are not appropriate. The final draft will be brought to the Membership for approval.

Carrie Clark pointed out that Article XI changed from $\frac{3}{4}$ to 2/3 membership approval and asked for the rationale. Chris indicated that CCIOA recognizes 2/3 approval as the minimum except for certain issues where the Articles or By-Laws may call for a $\frac{3}{4}$ approval for ratification of a measure.

Julie Coy asked if the provision in Article XII regarding dissolution was in our old documents and whether it could be changed to $\frac{3}{4}$ from what it is currently listed at as 2/3 approval. Chris said the Articles legally must have a provision for dissolution of the corporation. The minimum standard for approving dissolution under CCIOA is 2/3 of members; but we could determine that dissolution should be approved by 3/4 of the members. There must also be a plan for distribution of assets held by the HOA. Those assets are bank accounts and debts, which are

proposed to be distributed equally among the members in the dissolution process once that process is approved. Chris needs to check Title VII to see if it allows deferring to the Covenants and By-Laws for a ¾ approval vote, if so he will change it. If Title VII requires it to be a 2/3 vote of members for dissolution, Chris will let the Board know.

Carrie asked where information about the easement should be included. Chris said it should be in the Covenants.

On page 1 of the By-Laws, Carrie asked if we should use one term, either Declaration or Covenants, for clarity. Chris said the law refers to “The Declaration” as all governing documents for the corporation. The Articles are part of the Declaration, but not the entirety of the Declaration; and all documents should be written so that referring back and forth among documents is rarely necessary.

Carrie reminded Board members that questions can be emailed to the HOA email address.

Carrie suggested we postpone further discussion until more members of the Board are present and have had time to review the previous versions and the proposed revision and identify specific questions for discussion.

Other/New Business:

Deferred.

Next Meeting:

July 14th, 2021 at 6 p.m.

Meeting Adjournment at 7:50 pm:

Julie Coy moved adjournment.

Chris DeSantis seconded the motion.

All approved.