

Cedar Highlands HOA Board Meeting
Gaines Home 2215 S High Mountain View Dr. September 26th 2009

Board members present: John Tully, Lindford Nelson, Manny Mosqueda, Clive Newell, and Beth Gaines. Janet Webb was absent.

Homeowners present: Ron Reber, Teri Porter, Glenn Crawford, Stephanie Mosqueda and Jacqueline Tully.

The minutes were taken by John Tully.

1. President John Tully welcomed everyone to the meeting. The meeting opened with homeowner concerns, and then the Agenda was addressed.
 - A. Terry Porter voiced his concern that grazing cattle were frequently in the subdivision on his property and left cow manure and occasionally broke things. He came to the meeting to ask Linford specifically, who owns some of the cattle, to be neighborly and assist with the cleanup and repair. He stated that this problem has been going on for years, and that some livestock owners show courtesy and some don't.
 - B. Linford's response was that Iron County is a "fence out" (open range) county which means that if a homeowner does not want cows on their property then they are responsible for building a fence to keep them out. Linford said that he and his family have been responding to calls and herding the cows out of the subdivision as well as cleaning up when neighbors call.
 - C. Terry asked that Linford agree to a 24 hour response time and to be responsible for all damages. Linford could not agree to this, and Mr. Porter left the meeting without discussing the matter further.
 - D. Glen Crawford also voiced his concern that recently there were two young bulls in his yard. He has a fence but they broke it down, caused some damage to his property once they got inside the fence, and were pushing against the logs that hold up his deck.
 - E. Linford suggested that Cedar Highlands association fence the entire perimeter. At one time, Linford suggested, the board was spending about 6,000 dollars annually on fencing. However, it was pointed out that the money spent on fencing was for the upper common area only, to protect the water collection area. Since Cedar Highlands now has Greenbelt status, cows must be allowed to range freely, and not be fenced out.
 - F. Linford stated that Crawford's problem may be that he did not have the right type of fencing to keep the cattle out. He stated that county code on fencing is 10-47 field fence at least 46 inches high.
 - G. Linford also pointed out that the cows only go to places where there is water and green grass. The CC&R's state that there is not to be any outdoor watering and

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possibly it is the action of the homeowners that is bringing the cows to certain areas.

- H. Manny asked if Linford would pasture the cattle further away from the subdivision, since he owns property further away. The answer was that they will move towards water and grass which is abundant in the subdivision.
- I. Beth does not think that fencing the perimeter is the solution.
- J. The board decided to look into the cost of fencing the perimeter of the subdivision. Beth and Manny volunteered to go on an expedition to find the edges of the subdivision with Linford this next week. Linford will find the information from the ordinance to as to type of fencing needed. Beth, Stephanie and Linford will all get bids for the cost of fencing and bring the information to a later board meeting to be discussed.

The board then went back to the agenda.

1. Minutes:

Manny asked what the proper procedure is for approving the minutes from the 2008 annual meeting. Manny will review the CC&R's.

The June minutes, with two corrections, were approved unanimously.

2. Committee Reports

A. Architectural - Manny Mosqueda

- 1. Manny told the board that there is only one home currently under construction which is the Yates Home. It has been under construction for about 4+ years, and the current ARC committee does not have a set of the approved plans. Some owners have brought up concerns that many of the projects could be additions to the original plans and have not been presented to the ARC committee.
- 2. John Tully said that he would speak to Rob Yates and get a current set of plans to the ARC committee.
- 3 Security deposits of \$1,000 each were returned to Cavalieri and Bravin for garage construction and \$3,000 to Linford Nelson for completion of house construction at Lot 2 Block 3.
- 4. The HOA received a check from Fanny Mae in the amount of \$655 for HOA dues pro-rated to the closing of the house on Lot 10 Block 8. The new owner owes \$260.90 in HOA dues for the rest of 2009. They have moved in. Beth Gaines volunteered to contact them about a current address and the payment of their dues.

B. Water Committee: See attached water report.

1. George Mason is out of town and his assistant Tom is available if we need him. Water levels are currently low. It appears that we are drawing more out of the lower tank than we are replacing with the springs and it has become necessary to transfer water from the upper tank to the lower.
2. The Porter family has contacted George Mason regarding decreased water flow when the lower tank level goes below 16 feet. The upper tank is not completely full at this time.
3. John Tully feels that it is important to get our well on line due to recent drought-like conditions and low flows at the springs. He mentioned that historically in January water levels are at their lowest. He spoke with the DEQ who stated that we could get temporary approval if our water situation became worse.
4. The well house and the potential location of trenching for power are marked in the upper meadow but there are some concerns from one homeowner.
5. Owner of Lot 8 Block 11 spoke. He has some concerns about trenching near his property. He feels that the power box which is being considered for the source of electricity for the well house and upper water system is in a precarious setting. He is concerned that trenching above his home may create a conduit for water to travel onto to his property. He told the board that water already pools in the meadow across the road from his home and seeps through the dike that the road sits on, causing him some problems in the springtime. He stated that he has already spent \$80,000 to keep water away from his cabin and worries that the trenching will cause new problems. He told the board that there is another power box approx 300 feet further away from the intended well house site, on Linford's property, and he would like the board to consider pulling power off this box instead of the one in front of his house.
6. Linford stated that he is willing to work with the board to use the power box on his property but would require that the board hire him to do the trenching work. He said that he would allow the subdivision an easement across his property and do the work for the same cost as trenching from the other box near Reber's home. The current bid for trenching is \$7,500.
7. John Tully stated that the person who does the job needs to be licensed bonded and insured.
8. There was considerable discussion about the feasibility, benefits and pitfalls of using this other power box.
9. The concerned homeowner brought the discussion back to his concerns about drainage from the water in the meadow on to his property. There was some

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discussion about how to prevent water from pooling in that area. A culvert was discussed as well as trenching to allow the water to move south towards Green's lake. Owner of Lot 8 Block 11 said he would talk to his neighbor Owner of Lot 7 Block 11 whose driveway is also adjacent to the power box in question. Possibly with drainage of the standing water and a slight change of the angle of the trenching, the problem could be solved using the originally planned transformer.

There was considerable discussion about the pros and cons of the situation and the need for more information. It was decided that John Tully, Owner of Lot 8 Block 11 and Phil Schmidt, the excavator who was hired to do the trenching, as well as a representative from the power company will all meet at the site and discuss possible solutions.

Linford stated that he thought the board should stick with the original plans because he does not think he would have time to get the job done this year.

10. The loan/grant package from the state was accepted on Sept 10th at a separate meeting and was approved by the board today.
Beth got documents in the mail a few days ago that need to be signed and returned in order for the money to be released. The total loan/grant package was for \$40,000 to go towards a master plan for our water system. \$25,000.00 is a 0% loan and \$15,000.00 is a grant. Nolte engineering has already started on the master plan and will be working closely with John Tully and George Mason to make it a very complete set of guidelines for any future boards to follow.
11. A land use agreement has been drawn up by the HOA attorneys in order to protect our springs that are located on Linford Nelson's properties adjacent to our subdivision. Linford will be given a copy to look over and discuss with the other owners of the property above our upper common area so that in the event that there is construction in that area our water source will be protected.
12. Pump House construction for the well.
According to Manny the well house in North Ridge is a nice model for us. He will find out the dimensions and get them to other board members to get bids for construction. Clive is going to contact a pre-fab company to discuss a bid for a pre-made pump house and John and Manny will get bids for constructing one.
13. Other water issues discussed were about turning our system over to a company who would manage and maintain it rather than have the board continue as they have been. The system might be too big and complex to be managed by a volunteer board of homeowners. Clive stated that there is a company on the east coast who buys up small water systems, fixes them up and charges you for water. Clive will look into more information on this.

C. Roads:

1. The board reviewed several bids for a new road contractor as Jeff Hunter went out of business. Bids were received from Ray Bulloch, Mr. Urie and John Schmidt. Western rock, Ashdown and Clark did not respond.
2. Manny, Clive, Beth and John favor Schmidt. Linford thinks we should go with the lowest bidder. Manny made a motion to hire John Schmidt for the job. Clive seconded the motion and the vote was unanimous.
3. Beth spoke with Jeff Hunter and they discussed his impression of our roads. He conveyed frustration in the frequent appearance of wash-boarded areas. His thought was that because of the grade of the road, there is really nothing we can do to prevent washboards unless there is an unlimited budget. Beth recommends that we limit the work to a blade in the spring and the fall only. She does not think that any more than twice a year would be a good use of our funds and reminds those present that we do have a paved road available $\frac{3}{4}$ of the year.
Many people agreed with this sentiment, and agreed that spring and fall maintenance were very important. Others felt that although the road does get washboards in the summer, blading does help to maintain the drainage and overall constitution of the road.
4. Everyone wanted to continue with the special projects such as the reclamation project done this year. Clive has 2 areas in mind for reclamation next year. There was also mention of a letter that was sent asking the county to put more signs on the road but they never responded.

D. Financial

1. Beth passed out the check register for the past 2 months for the boards review. Of note the domain name for the subdivision, cedarhighlandshoa.org, has been paid for the next 3 years at \$30.10 for 3 years total.
2. One future item that was discussed was in the water budget; Tom Biller will be attending a water certification class for which we will split the cost with The Cross Hollows HOA.
3. Past due accounts are at a record low of \$6,000 still owed and many owners have started payment plans.
4. There was mention of a Law firm that deals with HOA collections and only charges the HOA a \$250.00 one time initial fee. They take care of liens and judgments for the association and then charge over and above what the homeowners owe to cover their fees.
5. Motion was made by Clive to sign on with the Fotheringham law firm to take over collections. Beth seconded the motion and the vote was Unanimous. Beth stated that she would contact them in order to get signed up.

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6. John received an E-mail from Richard Dickinson discussing his concerns about his work done for the HOA. He would like to have an agreed upon procedures audit done to show that our accounting is sound. Clive discussed this idea with several local accounting companies and felt that Robert Cox from Hinten Burdick was the best choice. They already do the accounting for several other HOAs in the valley. Beth and John agreed to go talk to Mr. Cox about the cost of an “agreed upon procedures” audit.
7. There was also some discussion about hiring an outside accounting firm to handle the books for the HOA. Outsourcing may provide a smoother transition with changing board members. Richard has volunteered his time to do the accounting for the subdivision for the past 12 years, which is more of a commitment than any other homeowner has made. Questions asked included: How much would it cost? How does it really work? How do you pay the bills? Do we want HB to do our agreed upon procedures then see about them doing our accounting?
8. Lastly, John asked the board to think about whether they want to ask for a special assessment next year or raise the water fees in order to get the well on line as soon as possible. We are looking at expenses in excess of 60K. There may be other funding options according to Nolte Engineering, but we need to plan to cover the costs ourselves if necessary.

E. CC& R’s:

The legal review committee who are currently working on updating the CC&R’s did not have anyone show up to the meeting.

3. Action Items:

- A. **Clive**-Look into the company on the east coast who takes over small water systems. Get a bid for a pre-fab well/pump house.
- B. **Beth**-Contact Fotheringham about hiring them for collections.
Meet with Robert Cox about a “agreed upon procedures” audit.
Look into marking the fire hydrants for the new snow plow contractor
Get a bid for the cost of fencing the perimeter of the subdivision
Contact the new owners of Block 8 Lot 10 regarding the annual dues owed for the rest of the year.
- C. **Manny**-Find out the dimensions of the well/pump house at North Ridge
Get a bid for a well/pump house to be constructed on site
Post the most recent approved minutes on the web site
Help Beth mark the fire hydrants
- D. **John**-Talk with George Mason and the water conservancy district about the possibility of taking over our system in the future.
Meet with Robert Cox about a “agreed upon procedures” audit.
Ask Owner of Lot 17 Block 4 to give the ARC committee a copy of his plans.

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Meet with Phil Schmitt and Owner of Lot 8 Block 11, about trenching for power to the well house.
Get a bid for a well/pump house construction.

- E. **Linford**-Will talk to Beth and Manny on an expedition to find the edges of the subdivision for fencing.
Will find the information from the ordinance to figure out what type of fencing is needed for the perimeter of the subdivision.
He will submit bid for the cost of fencing the cattle out of the subdivision.
- F. **Stephanie** -Get a bid for fencing the cattle out of the subdivision.
Work on a master calendar of events for the board.

4. Other discussion:

- A. Many board members feel that the board is overwhelmed with running the subdivision and needs to delegate and hire more outside help. They feel that the board should oversee the daily activities of the subdivision but not do so much work themselves. Especially in light of the lack of interest in filling board positions at the last annual meeting.
- B. Clive suggested that instead of nominations from the floor at the annual HOA meeting that the January dues letter contains a statement asking homeowners to put their name on an RSVP if they are interested in participating on the board and a short list of qualifications.

5. The next meeting: Friday Oct 16th 6:00 PM Newell house

6. Meeting adjourned: 9:00 pm