

**MINUTES OF THE  
REGULAR MEETING - BOARD OF DIRECTORS  
DOUGLASS RANCH PROPERTY OWNERS ASSOCIATION  
AUGUST 19, 1996**

FINAL 9/17/96

A regular meeting of the Board of Directors was held on August 19, 1996, at 7:00 p.m. at Mike Rheinberger's home. All Board Members were present. In addition, Cathy Rheinberger and Mr. and Mrs. Stanzler also attended the meeting. Ben Day was also present for a portion of the meeting.

1. Minutes of July Meeting. The minutes of the July, 1996 meeting were read and approved.
2. Lot 29 Easement. Ben Day made an informal presentation to the Board on behalf of Robert Kessler with respect to the Lot 29 easement issue and passed out an information sheet (a copy of which is attached hereto as Attachment A). Robert Kessler will be meeting with the Board at Dick McAtee's house on 8/28/96 at 7:00 p.m. to answer questions. The Board was asked to prepare questions to be presented at the 8/28/96 meeting with Kessler.
3. Financial Report. The Treasurer presented the July, 1996 financial report, a copy of which is attached hereto as Attachment B. It was reported that the majority of the expenditures pertained to pond work and maintenance, i.e., dredging pond, installation of dry hydrant, re-seeding around pond area, and installation of fish to control vegetation growth.

Dick McAtee proposed that an audit committee be formed to perform an annual audit of the Association's financial records, such audit committee to be comprised of non-Board members, with the audit to be performed prior to the new Board coming in. The Board agreed to this proposal.

4. Design Review:

(a) July 15, 1996 letter to Board. Mike Rheinberger specifically requested the following to be included in the minutes of this meeting: Mike Rheinberger stated that it was his understanding following last month's Board meeting that a letter would be sent out by the Board (Dick McAtee) in response to the complaint of Spooners and Rheinbergers set forth in their July 15, 1996 letter, and that no letter was sent out. It was pointed out by other Board members, however, that no time period was specified for the letter to be sent. To which, Mike and Jane responded that it was their understanding that such response letter would be mailed out before the next Board meeting to be held in August. Mike further stated that it was his understanding that there was a private meeting held by Dick McAtee, Bob Brand and Martha Williams in which the decision to send out a letter was reversed. Mike stated that the complaint still stands and quoted Article 6, Section 4(a) of the Bylaws. Mike further stated that he feels the Board is obligated to uphold the design standards. The discussion was continued to a latter point in the meeting when "Covenant Enforcement" would be discussed. (See item 8 below, Covenant Enforcement).

(b) Sheplers. A copy of Sheplers' August 1, 1996 was distributed to the Board members and discussed (copy attached hereto as Attachment C).

(c) Status of Driveway Paving. It was reported that Lewises', Joneses' and McAtees' driveways are to be paved next week; Coburn is not doing his driveway at this time; and Adrian expects to have his driveway done next month. At the end of August, 1996, there will be two property owners that have violated the 18-month deadline within which to get their driveways paved, i.e., <sup>Cockburn</sup> Coburns and Adrians. The Board decided that before the next meeting a letter would be sent (Dick McAtee) to Adrians and Coburns reminding them of the 18-month deadline. It was also agreed that Dick would call the Association's counsel to inquire regarding options/ and follow up procedures in this matter.

(d) Proposed Rule to Augment Covenants. Mike Rheinberger presented a proposed rule to augment covenants, a copy of which is attached hereto as Attachment D. A discussion followed. The Board will further investigate to check which section of the Covenants this should go in, such as the Design Review Rules.

(e) Erosion. It was reported that there was some erosion on the Stanzlers' property as a result of the recent heavy rains. The Stanzlers, who were present at this meeting, reported that the erosion was probably due to the fact that they do not have gutters in place yet and that the culvert was unfinished at the time of the heavy rains. They reported that the culvert will be completed this week and that they had talked today with their landscaper about this matter.

## 5. Annual Meeting.

(a) Notice of Meeting. The Douglass Ranch annual meeting has been confirmed for 9/24/96 at 7:00 p.m. to be held in the Elk Creek Elementary School gymnasium. Dick McAtee presented a draft of the proposed notice of meeting to be mailed to property owners, which notice was approved by the Board.

(b) Resignation of Board Member. Martha Williams presented the Board with her notice of resignation, a copy of which is attached hereto as Attachment E.

(c) School Bus Safety. Bob Brand stated that a homeowner had presented to him the issue of school bus safety and had requested that this matter to be brought to the attention of all members at the annual meeting. The Board agreed that this would be mentioned at the annual meeting.

6. Snowplowing. It was reported that new ads requesting snowplowing bids were placed in the following local publications: Hustler, High Timber Times, and Canyon Courier. No credible response was received to the ads. A discussion followed among the Board members regarding our current snowplowing arrangement. It was reported that our current snowplower, Andy has been doing it for 6 years and has not raised his rates in that period. It was decided that, in the absence of other bids, Andy would receive first consideration.

7. Pond. It was reported that the sediment stacked up around the pond had been graded and dirt had been stacked up around the dry hydrant for insulation in the winter. One load of rip-rap

will be delivered next week to be placed around the inlet pipe. The cost is \$230/load, per Wallworks. The stacked-up sediment has been raked, seeded with grass and straw placed over the seeded area. This work was completed by volunteers, at no cost to the Association. Twenty fish were installed in the pond to control vegetation growth.

8. Covenant Enforcement.

(a) July 15, 1996 Letter. The discussion regarding covenant enforcement continued from earlier in the meeting. Board Members Dick, Bob and Martha responded to the issues raised by Mike and Jane by stating they felt the Board has a duty to investigate any complaint brought before it before taking any action, including the complaint that had been brought by Jane and Mike; and by explaining the "inspection/walk through" and the decision that followed which was to include a reminder in the quarterly newsletter to all homeowners regarding covenant/design standard violations, which action did not preclude any follow up letter to those homeowners that were determined to be in violation. The consensus of this discussion was that better communication among Board member was needed to prevent future misunderstandings, so that all Board members would be apprised of what was going on and no one would feel that secret meetings were being conducted.

(b) Loose Dog Issues. The issue of the Wackers' dog(s) running loose was discussed. It was reported that the dog running loose at the Stanzlers was not the Wackers' dog, but, rather a stray which has been reported to the Animal Control Services several times. Cathy Rheinberger, who was present at this meeting, reported dates the Wackers' dogs were seen running loose on and off the Wackers' property. Covenants were read and discussed regarding restrictions on dogs in Douglass Ranch. Different Board members held differing views on the interpretation of the Covenants with respect to this issue.

(c) ATV/Recreational Vehicle/Trailer Storage Issues. Dick McAtee reported that he had spoken to the Moats regarding storage of their jetskis and the Moats stated to him that they planned to store the jetskis on racks in their garage. The issue of the Wackers' trailer was brought up and discussed. It was pointed out that the Wackers have been storing a trailer outside on the east side of their garage. It was agreed that Dick McAtee would speak with the Wackers regarding storage of their trailer and report at the next meeting. The Board decided if no action had been taken by the Wackers by the time of the September meeting that a letter from the Board would be sent after that meeting.

9. Bylaws Changes. The matter was briefly discussed before being tabled to the next Board meeting.

10. Next Board Meeting. The next regular meeting of the Board has been scheduled for Tuesday, September 17, 1996 at 7:00 p.m. to be held at Martha Williams' home.

The Project: Access 2 35 acre parcels through Dounglass Ranch Development specifically, create a single lane access drive extension through lot 29.

What is known about this project: The lots will be sold for \$250,000 to \$300,000 each.

There are two other possible access routes, through the Elk Creek Ranch and through Pine. Cost makes these expensive at this time.

The owners of Lot 29 and the ranch are interested in negotiating a deal to obtain access.

Some possible bargaining chips:

1. Design covenants apply to these two lots.
2. Access fees are paid annually to DHRA from lot owners.
3. One time fee is paid to DHRA for use consideration.
4. Various improvement projects to be determined.
5. Open space is established behind lot 2 to prohibit future expansion.
6. No hunting or ag applications are to exist on new lots. The same covenants will apply to new lots as apply to existing lots.

Some possible questions:

1. Will this add or subtract value?
2. Can this project be done without DRHA approval?
3. What impact will this have to DRHA?
4. What happens if other access is granted, not through Douglass Ranch?

FINANCIAL STATEMENT for 1 Month Period Ending July 31, 1996

Beginning Balance      \$ 19180.20

INCOME

Dues  
Interest 14.42 + 53.00  
Other

Total Income 67.42

EXPENDITURES

Taxes  
Insurance  
Legal Fees  
Mountain Mutual  
Newsletter  
Meeting & Socials  
Repair & Maintenance 53.90, 72.00, 1400.00  
Snowplowing  
Miscellaneous 13.00

Total Expenditures 1538.90

Ending Balance      \$ 17708.72

FINANCIAL STATEMENT for 1 Month Period Ending 3-31-96

Beginning Balance \$ 18,359.09

INCOME

Dues  
Interest 17.07 + 28.00 = 45.07  
Other

Total Income 45.07

EXPENDITURES

Taxes 126  
Insurance 0  
Legal Fees 0  
Mountain Mutual 0  
Newsletter 0  
Meeting & Socials 0  
Repair & Maintenance 0  
Snowplowing 348.75  
Miscellaneous 6.45

Total Expenditures 481.20

Ending Balance \$ 17,922.96