

MINUTES

Rafter J Annual Homeowners Association Meeting

**August 23, 2005; 7:00pm
Jackson Hole Christian Church (in Rafter J)
Jackson, WY, 83001**

I. Call to Order:

Parliamentarian Paul D'Amours called the meeting to order shortly after 7:00 p.m.

Directors/Officers/Staff present:

Chuck Rhea	President
Don Martin	Vice President
Vern Martin	Secretary
Jim Huspek	Treasurer
Kip MacMillan	Director
Cheryl Fischer	Office Manager
Paul D'Amours	Parliamentarian

Quorum: Vernon Martin reported that a quorum was present.

II. Minutes:

Minutes from the 2004 Annual Homeowners Meeting were distributed to all attendants prior to the Call of Order. Minutes carried by a unanimous approval.

III. President's Introduction – Chuck Rhea:

Chuck introduced the Directors of the Homeowner's Association (HOA) as well as Cheryl. He also indicated the Directors of the Improvement and Service District (ISD). He gave a special thanks to the Don Martin who is leaving as a Director of the HOA for his many years of service.

Chuck provided a summary of things that have happened in the last year including the water pump building, water storage tank project, the upcoming infrastructure improvement project, and the chip-sealing of the main roads. The water system building, the roadwork on Big Trail Drive and Tensleep Drive, and the work on the water mains was all part of the Intergovernmental Agreement with Teton County. This is now all but done. An important event that has occurred is the transfer of ownership of the infrastructure from the HOA to the ISD. The HOA retains ownership of the common areas but the water and sewer piping and related equipment as well as the roads are now owned by the ISD.

The east-side ditch had been running with too high a level that, in turn, led to water in crawlspaces in nearby homes. Chuck had spoken with the ditch owner, Melody Ranch, and the county in an attempt to provide better control of the operation. Chuck and Melody Ranch representatives, together, walked the ditch to observe, first-hand, the water level and ditch condition. Chuck observed that the Tensleep Drive culvert was under water, so it was running at capacity and therefore partially damming the flow, backing up the water, causing ground saturation high on the ditch banks. This year, the water level was being kept below the top of the culvert and fewer problems developed. He emphasized that communication with the ditch owner/operators has been established to let them know what is happening with the ditch. The owners did clean out the ditch earlier this year. They are also responsible for any failures of the ditch.

The Board has spent a fair amount of time on the issue of covenant enforcements. Chuck feels that the Board has the enforcement capability provided it is done through a process that is equitable to all. Covenant enforcement is a broad area covering upkeep of homes and lots, pets, and many other issues. Chuck described the process which starts with staff contact regarding a violation. If the violation is not addressed, the issue is brought to the Board which usually communicates by letter to the responsible party. If this is unsuccessful, the HOA Attorney communicates with the responsible party but attorney's fees are now being generated that, in fairness, are passed on to the violator. The next step is to file a complaint with the district court which,

again, incurs fees passed on to the violator. Chuck provided assurance that the process would be applied in all cases. He also stated that the Board relies on the Association members to inform the office of violations including submitting the notice/complaint in writing. He provided assurance that the complaints are not divulged until or unless the issue is filed in district court at which point the complaint is essential. He provided a status of how many were in some of the stages.

Chuck stated that there was a weed-spraying program in place. Most of the administration of it is handled by Chuck McCleary. He requested that issues and concerns about weeds be communicated to Chuck McCleary.

He indicated that there was a group who had approached the Board regarding dog problems with suggestions as to how to deal with them. He stated that the issue would be addressed later in the meeting and that there were handouts provided. The group is going to have a workshop at a later date.

IV. Improvement and Service District Report — Matt Ostdiek:

Jim Huspek, ISD President, indicated that it had been decided that it was appropriate to include a report from the ISD within this HOA meeting to update the members on the recent activities and those upcoming. He introduced Matt Ostdiek of Rendezvous Engineering.

A new water system building is now in place with new pump controls, chlorination controls, with a standby diesel generator to provide power to the water pumps and controls. A new telemetry system monitors the water storage tank and the sewer lift stations. The project also included a new well which is still being worked to bring the total number of wells to four.

Rafter J secured the funding for an additional water storage tank. The present tank volume of 200,000 gallons is about half of what today's standards are. The state provided a grant of almost \$300,000 to build a matching tank.

The main roads were rebuilt and chip-sealed. A new bridge over Flat Creek was installed as part of the work.

The infrastructure project involving repairs to the water and sewer piping is in progress, mostly in the engineering area. A water leakage survey was done and a crawlspace inspection was done to identify the existing water service pipe material and to collect as much information for the contractors who will be installing water meters, back-flow preventers, and expansion tanks in those crawlspaces. The sewer system was inspected by inserting a TV camera to determine the state of the system. The system presently experiences considerable in-leakage of ground water in the summer when the ground water level rises. The inspection revealed where leakage was occurring, where joints between a private service line and the main were not properly aligned, and where pipes are collapsed or where the slope is disrupted. Matt displayed maps indicating the results of the sewer inspection and crawlspace survey. Private water service lines of galvanized pipe must be replaced. Matt described plans for a demonstration project that uses boring techniques rather than open trenching across streets as a way to reduce costs and avoid damaging nearby electrical, telephone, and cable utilities. He plans to have bids out in the coming winter, have two contracts working simultaneously during the spring and summer of 2006 in two different parts of the subdivision, each completing the work there before moving on to another part. The work would extend into the fall of 2006 and resume in the spring of 2007 to finish in the summer of 2007. The roads would then be completed by the fall of 2007.

In response to questions, Matt further described some of the techniques to be tried during the demonstration project. Matt stated that the cost of lawn repair, other than reseeded, would be borne by the homeowner because the ISD's responsibility stops at the water stop valve. The ISD has adopted rules that will pressure test the existing private water service line and the line would have to be replaced if it fails the test or if it is of galvanized material. The cost of replacement of these private service lines would be borne by the homeowner though it could be done by the construction crew working the project if desired under a separate contract. Matt said that homeowners would be notified of possible costs as soon as they have been established.

Jim responded to a question about sweeping the chip-sealing. He stated that Teton County is managing that area of the project. The sweeping has begun and should be done by the end of the week. Rafter J is keeping the excess gravel. In response to another question he stated that the unpaved areas between the roads and the pathways have been hydro-seeded but the contractor who did it will be contacted and may re-seed. Some areas along the road had fill material brought in and is producing plants that have never been seen before. Broadleaf weeds can be killed easily but others can only be killed along with the grass. He stated that the effort to deal with the weeds and promote grass will be an on-going issue. He hoped that the re-seeding would be accomplished by this fall.

In response to another question about the pathways, he stated that the county is responsible for maintaining them.

Jim also indicated that many of the corners were widened because traffic had driven off the pavement. The corners had been cut to help reduce the vehicle speeds, but in those areas where it has been demonstrated that vehicles are going off the road often enough to be digging up the dirt, the corner was filled in to prevent that kind of damage.

V. Financial Report/Budget – Jim Huspek, Treasurer:

He noted that the budget form now included a column indicating the actual amount spent during the last fiscal year along with those for last year's budget and this year's budget. He also noted that blank entries on the HOA budget represent line items that were transferred to the ISD. He further addressed the transfer of ownership of the infrastructure to the ISD in stating that ownership was a condition required to receive the grants and low-cost loans provided by the state.

He also addressed the decrease from last year of the ending cash on the HOA budget. This was due to the transfer of the Replacement Fund to the ISD. Since the Replacement Fund had been established to fund infrastructure replacement, and since the infrastructure had been transferred to the ISD, the Replacement Fund was also transferred to the ISD. The ISD will continue to put approximately \$65,000 annually into the Fund. This money has, in the past, come from a portion of HOA fees. At some point in the future the ISD will become self-sufficient with its own revenues from water meters and other sources. In the meantime, the ISD and HOA Boards have agreed to continue to support funding for the ISD by way of HOA fees.

Additional questions were asked regarding the Reserve Fund and the transfer of ownership of the infrastructure. Differences between the ISD organization and the HOA organization were described by Chuck Rhea. He explained that Rafter J committed to develop a reserve for future infrastructure replacement of \$1.5M in the 15-year payoff period for the money borrowed as part of the Intergovernmental Agreement. There was additional discussion of the transfer and description of the operations of the HOA and ISD provided in response to further questions by various Directors.

Jim responded to questions about the employee health insurance coverage in stating that Cheryl and Chuck McCleary are both covered in order to get a group policy and that Chuck has family protection.

Jim also spoke about the net cash flow of the Association. He recalled last year's budget that showed a net loss due to using some of the reserves that had been built and contrasted it with the current budget's projected surplus. He praised the employees' attempts at keeping costs under control. He also described the purpose of the Emergency Fund is to be used for large expenditures that were not budgeted though no formal description of this fund has been established. He also stated that, while the Replacement Fund has been invested in various CD's and securities, the Emergency Fund is a cash fund.

In response to questions about sprinkler system work in the park areas, Jim and Vern explained that the systems were being brought up to code by installing backflow preventers and by isolating the sprinkler systems from the fire hydrants as needed in order to avoid the wear to and added cost of maintenance for the hydrants.

He stated that both the HOA and ISD budgets and cash flow statements are available to anyone who wants to see them.

VI. Old Business:

No old business was discussed.

VII. New Business:

A. Board of Directors Election: Vern Martin – Secretary:

Vern described a new process to provide assurance of a valid vote. Director elections will be determined by written ballot only. Ballots from the meeting will supersede ballots received via the mail or dropped off. If issues arise, a floor vote count will be based on the cards handed out prior to the meeting.

In response to a question, he also described who is eligible to be a Director in accordance with the Association Bylaws.

B. Introduction of the Candidates for Director:

The candidates on the Ballot are Kip MacMillan, an incumbent, for the 3-year term and Joe Greene for the 2-year term.

Kip MacMillan was not present but Joe Greene provided a summary of his background.

C. Nominations from the Floor for Director: There were none.

D. Discussion items:

1. *PAWS and Responsible Dog Ownership Group:* There being no-one present from these organizations present, Vern Martin provided some background. The group intends to have a workshop meeting on August 30th at the Jackson Hole Christian Center. The intent is to promote responsible dog ownership.
2. *Dog Waste Stations:* Vern stated that the waste receptacles were removed because not all waste made its way into the receptacles and, given the summer heat, removal of the used container had caused illness. It was hoped that users of the collection bags would take the waste home and dispose of it properly on their own.

VIII. Questions and Answer Period:

- Chuck Rhea stated that late night barking dogs should be reported to the sheriff's office as an instance of disturbing the peace.
- Chuck Rhea provided some additional information about covenant violations. Most of them involve house and lot maintenance but also include vehicle parking including recreational vehicles.
- Chuck Rhea stated that, at present, the HOA does not have the authority to levy fines. At present it appears that an amendment to the covenants would be necessary to do provide that authority. Vern described some additional covenant changes that are being contemplated.
- Someone inquired about the possibility of providing some work along paths in the common area. Chuck Rhea stated that the timbers from the old Flat Creek bridge were saved for the purpose of providing shoring of paths but it needed someone to decide where the work should be.

IX. Adjournment:

There being no other business, the motion was made, seconded, and passed to adjourn. Meeting adjourned.