

**RAFTER J RANCH HOMEOWNER'S ASSOCIATION
BOARD OF DIRECTORS REGULAR MEETING
MEETING MINUTES—APPROVED
May 24, 2005 at 7:00 p.m.
Rafter J Office**

IN ATTENDANCE:

DIRECTORS: Vernon Martin, Kip MacMillan, Don Martin, Jim Huspek, and Chuck Rhea

STAFF: Chuck McCleary and Cheryl Fischer

HOMEOWNERS: JoAnn Grant

GUESTS: Matt Ostdiek, Rendezvous Engineering

CALL TO ORDER: Chuck Rhea, President, called the meeting to order at 7:06 p.m. and gave a brief meeting summary.

MINUTES: (APRIL 26, 2005) Don Martin moved to approve the April 2005 minutes. Jim seconded the motion. All were in favor.

ACCEPTANCE OF THE FINANCIAL REPORTS:

Jim Huspek reported that it reflects the budget modification that put extra money into the Improvement and Service District (ISD) for some of these additions like the roads. The \$15,000 came from the water system maintenance line item. Jim noted that the HOA is under budget on the Operating Expenses and the money allocated to Major Repairs and Replacements has not been spent. Chuck R. asked for any comments and concerns. Then Vernon moved to accept the April 2005 Cash Flow Statement. Don seconded the motion. All were in favor.

Improvement and Service District (ISD) Issues: The following ISD-related information was reported to the Homeowners Board:

ENGINEERING REPORT: Matt Ostdiek gave an update on the following items:

Water Supply Project:

Well Construction: Matt noted that last week the well screen was installed and this week they grouted the service casing.

Well Development: Matt also stated that the next step is to start drawing the sand out of the well. Matt further noted that once the sand has been pumped out, some pump tests would be conducted to estimate the yield of the well. After that the well pump could be sized and installed. Matt shared more information on this well and on the other wells. Matt also noted that once we get the new well hooked up all the contracts associated with the well and new pump house should be finished.

Telemetry System: Matt noted that the telemetry system had been installed a few weeks before the meeting. It was noted that a few bugs and minor changes to the programming were being worked out.

Tensleep Highway Crossing: Matt stated that the county was successful in working with Hansen to complete the grouting. Matt mentioned that the water pipe was on top and there were four extra conduits installed. The additional grouting was injected by cutting two of those conduits to get the grout in. In other words, two of the four extra conduits were sacrificed to accomplish this work. He understood backfilling had begun earlier in the day. Further work involves restoring the pathway and seeding the area.

Building, Generator, Chlorine contracts: Matt noted that all those projects are practically complete. Matt stated that he is waiting on a couple of submittals and these projects will be complete.

Fence Contract: Matt stated that the fence contract around the pump house and well area is approximately \$9,000 and the Board needs to decide whether to proceed with that phase or not. Delaying the project would free those funds to be used to offset other cost overruns.

Seeding: Hansen's contract by the wells and also his contract on Tensleep contain a seeding item and between both jobs the cost amounts to \$5,000. It calls for straight mulch on the seeding. Matt stated he had obtained a price from a couple other seeders that would do both projects for about \$1,200 if the seed were broadcast and fertilized. Discussion followed.

DEQ Discharge Permit: Matt noted that the DEQ discharge permit for water discharge expired on May 15. Matt reported that he had made several telephone calls and wrote a letter such that an extension to the permit should be in hand soon. Matt further commented that the wells must be pump tested causing discharge of some clean water in the creek. In addition two wells must be connected and the water main connection must be completed before the project is done.

Project Budget/Engineering Fees: Matt reported he had attempted to add up all the costs that he was aware of to date in a spreadsheet attached to a letter given to Jim Huspek the previous week. He noted there were some bills that Rafter J had paid that were included in order to obtain an accurate project cost. Matt noted every contract had been itemized and shared comments. Matt also noted that the results indicate the costs are approximately \$40,000 over budget at this time unless items are eliminated. Matt led the Board through the spreadsheet details. Matt also discussed the projected engineering fees to finish the project that are not presently in the contract. Matt further stated that he tried to include every cost he was aware of on the spreadsheet. Matt asked the Board about being reimbursed for the electric/heat bill and Jim replied that there would not be any submittal for that. Chuck R. also asked if there are warranties on everything. Matt replied that all these contracts have a full one-year warranty period built into them. After discussion, Jim recommended that the Homeowner's budget line item for the ISD be increased by \$40,000. Jim also shared comments on the ISD's and Homeowner's budgets. Jim further requested Matt to get the billing done by June 25 in order to be able to close out June and the fiscal year. After discussion, Jim moved to increase the ISD's line item budget number an

additional \$40,000 to \$134,000 to cover cost overruns for the water control building project. Don seconded the motion. All were in favor. Jim further requested Matt to get the paperwork to ISD. Matt also noted the total project cost to date is about \$880,000. Matt recalled that this job was bid three times and just barely got it in budget. Jim congratulated Matt and thanked him saying he had done a great job on it.

Infrastructure Project:

ISD Rules: Matt indicated five ISD rule/regulation changes that are needed. Jim further noted it is important to understand them but the items have to go to Paul D'Amours, Attorney, to obtain his opinion on these items. Jim asked Matt to present the case to Paul at the request of the (ISD) Board. Jim suggested developing some language in the regulation revision that addresses these points.

Easements:

Church: Matt stated he received the easements for the wells about three weeks to a month ago and would put them together. He noted they look fine and would let Paul know that.

Phil Wilson: Matt noted he has easements with Phil Wilson. He checked in with him several weeks ago and Mr. Wilson had said he did not have any problem with the language of the easements but he had not had a chance to have another attorney review it. He thought the language was straightforward. Matt noted the only concern mentioned was the traffic limitation on the road of 200 trips per day. Mr. Wilson did not necessarily have a problem with the number but he wanted to know what it meant. Matt noted that Mr. Wilson said his daughter is considering operating a vet clinic and he wanted to know what kind of traffic numbers that would typically generate. Matt stated that he told Mr. Wilson he would research that and get back to him.

Update on Crawl Space Inspections: Matt reported that there were to ten houses left to complete. Matt noted he just got the final list today and passed it around.

Sump Pump Connections: Matt mentioned there are eight houses that definitely have sump pumps.

Groundwater Monitoring Wells: Matt reported that the groundwater monitoring wells were in and it was good timing on that. Matt noted there were a couple weeks of low water level and the irrigation began about mid-May. There was also two weeks of rain. All the ground water has come up. The wells are in two feet of surface water and were able to get some good data.

Project Schedule: Chuck Rhea asked Matt for his best guess as to when the infrastructure project work will start. Matt noted that he is behind schedule on it and his best guess is six weeks out at least to get permits and the bid process going.

Water Service Repairs: Matt showed the Board a colored map that noted color-coded water service line type. Matt noted that most of the subdivision has polyethylene water service lines. It was noted all the curb stops to the mains are galvanized but, as far as private lots, there are about 50 galvanized lines. Matt also mentioned there are only a couple PVC lines and about 47 copper lines. Matt noted that Chuck M. helped them out when he did his maintenance on the hydrants. It was noted there was about five fire hydrants that have either bad valves or bad valve seats that these are expensive to fix. He noted that having five leaking hydrants out of 80 some hydrants is not bad. Matt also mentioned there were about 11 with valve boxes full of rocks.

Sewer Repairs: Matt showed the Board another colored map that noted the lots that show evidence of leaking sewer service lines. Matt noted there are actually 82 houses. More discussion followed and it was further noted to post these maps on the office walls. Matt noted that he wanted them back to make sure they are accurate before giving us clean ones.

MAINTENANCE REPORT: Chuck McCleary gave a report on the following:

Sprinklers: Chuck M. stated that separating the sprinklers from the fire hydrants is about 75% completed. Also included are sprinklers that were ripped out during the road project. He also had a few additional sprinklers where the trees had grown up and it was not watering anymore that were also relocated.

Fence: Chuck M. stated that he is done with this year's portion of the fence of about 1,100 feet. Chuck M. noted that actually, 1,100 feet is a fair amount but there is still much more to do. It was also noted the office should get a bill within the next few days.

Chevy Truck: He reported four tires were replaced on the back of the truck and had the transmission and oil changed.

Hydro-Seeding: Chuck M. noted he has had several people call about the hydro-seed that was put in. Nothing is growing.

Covenant Violations: Chuck M. mentioned individuals with covenant violations. After discussion, it was noted the Board is taking action against three of them by turning the cases over to Paul D'Amours, Attorney, and would bill them for any legal fees. There was also discussion on stored items where people are storing items that the covenants prohibit storing outside. It was suggested to mention in coupon mailing cover letter that the Homeowner's Association has started legal action concerning several people and note what the legal action would be. There were also comments on a dog that was injured by another dog. Chuck R. asked Chuck M. to call Darren Rudd, County Animal Control, to let him know that stray dog activity has increased.

Ground Keeper's Laborer: Chuck M. noted that he interviewed Derek Jones this week and mentioned that Derek has to pass his driver's license test first before he can take the job.

Pathway Planting Strip and Tight Turns: Don commented on the pathway planting strip and wondered if it would be better to simply pave over the strip. Discussion followed. Don also commented on the tight turns around the postal shed parks. He noted that drivers are cutting the corners and digging big potholes where they go off the pavement. Don further suggested that this issue needs to be addressed in the budget next year.

HOMEOWNER'S ISSUES AND CONCERNS:

JoAnn Grant was on the agenda regarding dog stations and cleaning up the open areas. JoAnn asked the Board if they were aware of the problem of dog feces in Rafter J. JoAnn noted that she had spoken to two Board Members here about the problem. She also asked the Board if any of them had seen the article recently in the paper stating that 40% of the domestic source of E-Coli comes from dog feces, and that Parvo is also spread to other animals through dog feces. She noted that Parvo is deadly to animals. She also shared comments on the large open area by her house where there is a trail where people walk their dogs and stated that the area needs to be maintained. She further commented on the dog waste problem. She was also concerned that mitts are not provided for picking up the droppings and that the Board should inform homeowners that they need to pick after their dogs. There were further comments that the coupon cover letter includes a comment on this issue and that there has been conversation with this Board before in looking into a dog station. JoAnn also noted that PAWS is a good resource. Kip noted that it was possible to get a trashcan, a post, 400 dog mitts, and a container for them for \$214. Much discussion followed. JoAnn thinks it is a problem and it is going to get worse if the Board does not try to do something about it. She also noted health reasons. Chuck R. further noted that the Board had talked about a demonstration project to see if people would use it. Further discussion followed on loose dogs and pet control regarding the Homeowner's Association power, law enforcement, and County Animal Control. After much discussion, Don moved to have this demonstration of one station for \$214 plus tax. Vernon seconded the motion. Don, Vern, Kip, and Chuck R. were in favor. Jim was opposed.

Another concern: The Board received a note from a gentleman regarding individuals building forts and leaving trash in the willows. It was noted to have Chuck M. check into it, talk to the gentleman about it, and make a plan to deal with it.

CORRESPONDENCE AND DISCUSSION ITEMS:

Health Insurance sub-committee: Chuck R. shared a general discussion about the health insurance. He noted the price increase of 12% in health insurance and stated it is on the way up. Chuck R. commented on two account plans offered, one with a Health Saving Account (HAS) and another with a Health Reimbursement Account (HRA) and shared information about each of them. He further noted that this is only the discussion phase so he was wide open to ideas and thoughts on HAS versus HRA. He also talked about risks and benefits of each. Comments and discussion followed. He further noted that this is a big decision to make and that it should be decided before the end of June. Chuck R. also noted that Blue Cross is as good as it gets regarding coverage and customary and normal fees, and his suggestion was to stay with Blue Cross/Blue Shield. Kip also suggested that a Director discuss these options with the two employees to understand their views on the choices. Chuck R. also noted that his hope would be to get it started because health insurance is an essential component of anybody's long-term planning.

Spring Letter: There was discussion on the spring letter (coupon cover letter) and changes were noted.

New Storage Tank: Chuck R. asked if the tank would be built this year. Jim stated he didn't know and shared comments. Jim further noted that he had not asked Matt but he would.

Amend Rafter J Rules: Vernon presented a version of the Rafter J rules that showed additions and deletions that were being proposed. Comments followed. Kip made a motion to accept the changes as proposed. Don seconded the motion. All were in favor.

Correspondence: The Board reviewed the incoming and the outgoing correspondence to delinquent owners along with some e-mail.

River Rock Lodge: The Board discussed e-mail received regarding the River Rock Lodge parking lot lights. It was decided somebody needed to talk to Pat Holahan, River Rock Lodge Director, and indicate the problem is not yet solved. After discussion Kip noted that he would be glad to talk to Pat Holahan and deal with this.

Jackson Hole Christian Center status of the well easement: Jim noted he would be talking to Paul D'Amours and would check with him on the well easement.

Job Descriptions: It was noted to push this to the next month.

Delinquent Property Owners: The Board reviewed and discussed the action to take on the delinquent accounts.

Insurance package renewal for the Homeowner's Association: Vernon presented an insurance comparison table. He noted that it was only a summary and shared comments on the table. After comments, Jim stated to Vernon that he would give him whatever help he could give on this. After more discussion, it was noted to resolve this issue soon and to sound the other Directors out when the Office gets something rather than delay until the next scheduled meeting.

Budget Worksheets: Jim presented two draft budget worksheets—one for the ISD and one for the Homeowner's Association. They were based on a meeting that the ISD had in trying to determine which line items and responsibilities should be transferred from the Homeowner's budget to the ISD. Jim discussed some details on the budget worksheets. Discussion and comments followed. Jim further noted that the next step was to develop proposed numbers for next year in a discussion involving himself as Homeowner's Treasurer and Vernon as ISD Treasurer. Following that would be a budget workshop to develop the final numbers. The plan is to e-mail the Directors to establish a convenient time for the workshop.

Nominating Committee: The Board shared comments on the Annual Meeting agenda. It was also noted that the Annual Meeting date is set for August 23, 2005. Kip suggested having the maps of the Sewer and Water repairs enlarged for the meeting. Discussion followed. It was also noted that Don was not running and that he had talked to Joe Greene and noted that he was interested. Kip also stated that he would run again for the Board.

Amendments to the Covenants: Vernon shared comments with the Board in changing the covenants primarily to show the transfer of infrastructure to the ISD and then secondly to perform a general update. There is still some language that Don had identified earlier that is out of date. Comments and discussion followed.

ADJOURNMENT: Jim moved to adjourn. Kip seconded the motion. All were in favor. Meeting adjourned at 10:41 p.m.