

RAFTER J RANCH
HOMEOWNER'S ASSOCIATION
BOARD OF DIRECTORS MEETING
Tuesday August 31, 2021, 3:00 pm
Online Meeting <https://zoom.us/>

MINUTES

GIVEN THE CORONAVIRUS (COVID 19) ISSUES, THE BOARD FELT THAT FOR THEIR SAFETY, AND THAT OF RESIDENTS, THAT THIS BOARD OF DIRECTORS MEETING WOULD BE HELD ONLINE.

In Attendance:

Directors: Tracy Baiotto, Karen Jerger, Mike Keegan, Brian Remlinger, and Chuck Rhea.

Staff: Nancy Henderson, and Larry Lennon.

Property Owners: Jessica Brown, Jean Day, Steve Foster, Allison and Brian Merritt, Vicky O'Donoghue, Jim Turley, Colleen Walls, Randall Woodford.

1. Call to order.
Mike Keegan called the meeting to order at 3:00 p.m.
2. Election results and Director positions.
Election ballots were counted August 18, 2021 by Chuck Rhea and Jean Day. Karen Jerger was elected to serve a 2-year term and Tracy Baiotto was elected to serve a 3-year term.

Nominations were made for HOA officers. Following discussion and election, Mike Keegan will serve as President, Brian Remlinger will serve as Vice President, Karen Jerger will continue as Treasurer, Tracy Baiotto will serve as Secretary, and Chuck Rhea will serve as Member-at-Large.

3. Homeowners' issues and concerns.
 - a) Jessica Brown (3155 S. Pitch Fork Dr., Lot 31), Allison and Brian Merritt (3165 S. Pitch Fork Dr., Lot 30): Questions regarding Lot 332 plat 330.
Future usage of Lot 332 is a concern. Rafter J CCRs Article VIII classifies Lot 332 as a miscellaneous area that can be used for corrals and stables, but since the HOA purchased the Lot, the HOA can determine the usage, provided, however, that it cannot be further subdivided for residential or multiple family dwelling.

It was questioned if the Board or the HOA members determine the usage of Lot 332. This question will need to be answered, possibly by legal counsel, if the HOA wants to change the usage. There are no plans, at this time, to change the usage of Lot 332. The Board is interested in moving the three residential development rights from Tract 3A to Lot 332, with the intention of keeping Tract 3A as open space. Tract 3A and Lot 332 are owned by Tract 3A LLC, in which the HOA is the sole member. The HOA can recoup the original purchase price of Tract 3A by selling one of the development rights to someone else in Teton County, and keep the other rights for future sale or use. Using Lot 332 to develop housing for employees of Rafter J has been discussed, but housing is not needed at this time.

Allison and Brian Merritt, and Jessica are concerned that Board discussions are not being clearly communicated to the homeowners. Recordings of meetings, minutes of meetings, and recaps of monthly activities are being provided to homeowners.

Jessica requested that the homeowners be asked to vote on moving the Tract 3A development rights, and to consider leaving one of the development rights on Tract 3A for the potential use of employee housing.

b) Colleen Walls (1950 W. Homestead Dr., Lot 232): Appeal parking violation fine. Colleen received a violation notice and a fine for parking a boat in the roadway in front of her house. Colleen was unaware of the Rafter J rule that does not allow parking in the roadway, was unaware of previous notices and fines, and asked the Board to forgive the fine. The Board will discuss the appeal.

4. Approval of the July 27, 2021, Rafter J HOA minutes.

Tracy moved to approve the July 27, 2021 minutes. Karen seconded the motion. It passed unanimously.

5. Financial report.

a) Approval of July, 2021 financials.

Annual common area mowing/haying was expensed in July. Water expenses are billed quarterly and will appear on the reports as a quarterly expense. A number of homeowners as of July 31st did not pay HOA dues, but this is fairly typical with the start of the fiscal year and not a concern at this time.

Chuck asked about the amount of reserve funds and how they are kept. Karen explained that \$1,365,861 as of July 31st is being held at Bank of Jackson Hole in an Insured Cash Sweep (ICS) account which is comprised of multiple money market accounts that are FDIC insured, and earning interest at a low rate. Total cash is \$1,469,902.

Chuck moved to approve the financials as presented. Brian seconded the motion. It passed unanimously.

6. Maintenance report.

a) Per homeowner request, one of the new dog waste signs by Southeast Forty Townhomes was relocated.

b) Vehicles in the storage area are being checked for current registration.

7. ISD report.

Steve Foster, ISD Secretary, was in attendance. Steve, as liaison between the ISD and HOA, is available if the Board has any concerns to discuss.

8. DC report.

a) Steinman and Ferris (1785 W. Diamond Hitch Dr., Lot 292): Shed approved.

b) Lowe and Helean (3100 S. Stirrup Dr., Lot 304): Concrete pad for AC unit approved.

c) Martin (1790 W. Diamond Hitch Dr., Lot 261): Asphalt roof shingles approved.

d) Back up Committee member.

Karen moved to appoint Larry as back up committee member when only one primary member is available for a regular meeting, and rescheduling or approvals by email is not possible. Chuck seconded the motion. It passed unanimously.

Karen appreciates the efforts of Chris Moulder as the Design Committee Architect, and questioned if a backup Architect should be appointed. Mike offered to consult with Chris.

9. Office report.

a) Two little libraries were purchased for \$892.54 and will be installed soon. Mike suggested having a grand opening to promote the libraries.

b) The office will be closed September 6th for Labor Day.

c) Office documents.

A homeowner has requested to see legal invoices. The requested invoices have been scanned, reviewed by legal counsel, and will be forwarded to the homeowner's legal counsel.

Retention of different types of documents was discussed. Mike suggested earlier in the month to move away from paper files and scan all office documents. Chuck noted that certain documents would be essential to keep in perpetuity. Karen offered to follow up on legal requirements regarding record retention.

10. Old business.

a) Transfer of HOA development rights.

Jorgensen Associates, over the past six months, has been working on and has confirmed that the three residential development rights that exist on Tract 3A can be sold to anyone within Teton County and can be moved to other properties within Rafter J. Two buyers have shown interest in purchasing development rights, one of which is very interested in one of the rights. The Board needs to decide how to proceed. The CCRs allow the Board to sell the rights, and the process to move the development rights to Lot 332 requires a Pre-Application with the County, submitting a PUD Amendment and Development Plan, and applying for a Replat or Subdivision Permit. Jorgensen Associates has submitted a proposal for \$38,000 to oversee the process of moving the development rights from Tract 3A to Lot 332.

Brian explained that developing Tract 3A as opposed to Lot 332 for employee housing would be extremely expensive. In addition to the construction expense, a road would need to be developed, and mitigation would be required for disrupting wildlife habitat.

If one development right is sold, one of the remaining two would have to be sold or moved off Tract 3A because, in order to do a non-continuous Planned Residential Development (PRD) on Tract 3A, 35 acres per unit must be deeded as open space. Due to the expense of moving the rights, it is not cost effective to leave one right on Tract 3A. Lot 332 is a place to park the rights and in the future they can be sold, moved or used. Karen emphasized that the Board does not have a plan to use the development rights to build housing for Rafter J employees, and any gains from selling the rights should be kept in a designated reserve account. Brian is strongly in favor of providing housing for Rafter J employees.

The intent of the Board is keep Tract 3A as open space, protect wildlife habitat, and prevent future development that could encroach on the storage area and compromise stability of the hillside. Once the development rights are moved, placing a conservation easement on the property does not provide significant benefits. A deed restriction, designating it as HOA open space can be filed and a Quit Claim Deed transferring ownership from Tract 3A LLC to Rafter J Ranch HOA can also be filed.

Selling the development rights to conservation groups was researched, but is not considered to be the best option. Donating the property to a conservation group does not make sense financially. It

was noted that expenses for Tract 3A, such as property tax, weed control, and general maintenance will continue to exist.

Tracy asked what the reasoning is for selling two development rights as opposed to just one, and if there would be a need in the future for the HOA to have two rights as opposed to just one. Brian explained that one development right allows a single family home and a 1000 square foot accessory residential unit (ARU) to be built. Selling two rights will generate \$900,000 that can be used to build future employee housing. Current County policy and the current HOA Board make it possible to sell the development rights now. The mechanisms needed to sell the rights may not exist in the future.

Brian moved to have the Rafter J HOA Board sell and transfer two of the Tract 3A density units to buyers outside of Rafter J for \$450,000 per unit and have Rafter J HOA apply for a PUD amendment to transfer the third density unit from Tract 3A to Lot 332 of Rafter J Ranch, Plat No. 330 as a place to park the density unit. Karen seconded the motion. The Board will vote on the motion at the next Board meeting.

The Jorgensen proposal to oversee the PUD amendment process will be made available to homeowners.

b) Lot 333 usage.

Stage Stop Inc. has not submitted an application to the County to change the usage of Lot 333. Sadek Darwich, at the Rafter J HOA annual meeting, stated that housing residents is still being pursued and any required legal process to do so will be followed.

c) Flat Creek hydraulic analysis.

Kurt Stout of Meridian Engineering has completed a preliminary Flat Creek Hydraulic Analysis. The analysis shows a reduction of the 100 floodplain zone and a significant number of homes could be released from a requirement to have flood insurance coverage. The next step is to send a revised floodplain map to FEMA. Kurt Stout will be asked to submit a quote for preparing and submitting the map. The preliminary Hydraulic Analysis will be made available to homeowners.

d) Open Space Study.

Hans Flinch and a consulting group are meeting tomorrow to discuss open space improvements and to review preliminary maps. Community meetings will be held in September for residents to comment on the potential improvement alternatives and maps. Specific dates for the community meetings have not been finalized.

e) Adams Canyon Trail Easement.

The County is reviewing the easement documents. Karen noted that the tunnel under the highway needs to be cleaned up, but this is not the responsibility of Rafter J. Larry is concerned about public access to the area by the Rafter J water tanks.

f) Suggestions for e-bike management.

Mike will include a request in the monthly recap to ask e-bike users slow down when on Rafter J pathways. Rules, such as limiting speeds can be made, but enforcement is difficult. Education and public awareness will continue.

g) Permit requirements for common area ditch cleaning.

Brian received confirmation from the County and the Core of Engineers that permits are not needed for ditch cleaning, as long as the work is in the ditch, the ditch is not rerouted, and the debris is

hauled away. Larry will follow up with Westwood Curtis regarding the fall project to cleanout Adams ditch. Homeowners will be notified in advance of project activities.

h) Cul de sac improvements.

The cost estimate for installation of top soil and natural grass seed is \$1,200 per cul de sac.

i) Eastside ditch maintenance.

A survey regarding crawlspace water issues will be sent to homeowners when the eastside ditch water flow is shut off. Information from the survey will be used to coordinate a maintenance plan with the irrigator.

j) Cedarwoods tennis court proposal.

Cedarwoods has submitted a formal proposal to sell their tennis courts to Rafter J HOA. The Board will review and discuss the proposal at the next meeting.

11. New business.

a) START Bus survey,

START Bus is researching the feasibility of extending bus service to Rafter J. A survey was sent to Rafter J residents on 8/10/21; 90 responses were received.

12. Review action items.

Action items were reviewed and completed items removed.

13. Adjourn.

Chuck moved to adjourn. Karen seconded the motion. All were in favor and the meeting adjourned at 4:51 p.m.