

HIDDEN MINE RANCH OWNERS ASSOCIATION BOARD MEETING

Tuesday, February 14, 2017

**Board members attending: Rusty Johnson, President; David McEntire, Vice President;
Curt Koutelas, Treasurer; Chuck Beck, Secretary, Niki O'Connor, Board Member**

Owners Attending: Brent Barker, C J Clark, Ira Con, Don Ochs, Paul O'Connor, Megan Paden

Staff Attending: James Brennan, Ranch Manager; Wendy Chatham, Bookkeeper

The meeting commenced at 9:00 AM Mountain Time:

A motion was made by Chuck Beck and seconded by David McEntire to dispense with the reading of the minutes of the 12/1/2016 Board Meeting and move for approval. The motion passed unanimously.

Ranch Manager Report: James Brennan reported that the CB area has experienced 279" of snow since November, 2016. Seasonal plowing expenses through today are \$18,667 with February's bill already at \$11,954. All contractors in the area are overwhelmed and our service has reflected the limitations of equipment and personnel. Don Ochs reported difficulty in maintaining one lane to his building site and Curt Koutelas indicated that he was pleased with the continued ability to access his property. We await payment of \$1,007 from Whetstone Mountain Ranch for their portion of plowing Smith Road. Per Wendy, this is primarily a function of a new Board of Directors now that Colvin has sold his property. James indicated that the new Board of WMR is exploring several subjects including building their own trash receptacle area near the highway and natural tree cover along the line between HMR and WMR property.

Notice of Intent to File Lien: David McEntire discussed the legal notice received that indicates the intent of Freeman Enterprises, contractor for the entry gate project, to file a lien in conjunction with a claimed disputed payment. The proposed lien, as written, includes the reservoir work, water rights and David McIntire's lot 5. There was a long discussion by Board members and several questions by owners dealing with fact and rumor. Curt Koutelas recounted how he had reached out to the contractor to try to achieve resolution to his concerns. To say this is disappointing is an understatement, given the prompt payment of every bill received and the inability to establish any dialogue with the contractor on his claim. Wendy's practice has been to pay all invoices within two weeks. To assure that all owners are engaged and able to communicate how HMR handles invoices Rusty and Curt will present for vote at the annual meeting a formal policy covering how invoices will be paid and the process for handling disputed charges. According to the notice from the contractor's lawyer, all communications on the matter should be directed exclusively to him. We have turned the matter over to our attorney who is attempting to set up a meeting.

New Construction Update: David reported that the project is still a work in process, with plantings, seeding and the trash enclosure area to be completed in the Spring as well as erosion control rip rap for the surface water intake and the spillway.

Website Update: In light of the lack of response from the contracted web site designer, Nikki has sought out others to finish the work. She has had limited response but has been encouraged by the input from

Crested Butte Computers and will pursue this opportunity. First step is to get a game plan and proposed expenses. A motion was made to support the initiative by Rusty Johnson and seconded by Nikki. It was approved unanimously. Nikki will report back with project scope and expected expenses before proceeding. Transferring the web site maintenance responsibility to James Brennan has been interrupted by the continuing snow emergencies and James' illness. James and Nikki have scheduled a meeting to address this.

Financials Update: Kurt discussed cash on hand as of year-end, approximately \$14,000, and expenses due to the project. He pointed out that an updated balance sheet would show the proceeds of the loan negotiated to cover the full project costs. In response to a question about where the funds are shown for fees charged at the start of building projects, Wendy explained that these are shown as income in the Design Review Fees line and the disbursements as expense in the Design Review Expenses line.

Annual Meeting: It was agreed to schedule the meeting for Friday March 17 at the Community Banks of Colorado from 9:00AM to 11:00AM Mountain Time.

Open Comments: There were several discussions involving owners and the Board that occurred during the meeting. They are summarized below:

On the Entry Project: David was questioned about whether a drain was needed at the bottom of the reservoir but was not included in the project. David indicated that a drain was included in the project however the one installed is of a different design and different location than originally specified. He referenced that Norm Whitehead was the engineer on the project and while he was not notified of this change the system installed works. David was also questioned about whether a subcontractor had sent a bill directly to him. He is not aware of the bill or the amount mentioned.

On concerns about trespassing: There were some continuing concerns about trespassing on the private property of HMR owners. In two instances, one between HRM owners and another involving a new WMR owner on HMR private property, discussion has taken place and seems to have solved the problem. Other reports by the new WMR Board regarding contractors fishing in their ponds are unsubstantiated by anyone in HMR and may be a subject of mutual interest if the two Boards meet.

On the topic of the image of HMR: Two Owners expressed their concerns that the image of HMR is negative in the community. They provided their opinions as to why this was the case and requested that one Board member consider stepping down. The Board listened to the comments and asked questions. This opinion about the community's perception of HMR was not proposed ahead of the meeting as a topic to discuss and, lacking any preparation by the Board, one that could not intelligently be responded to. All owner's opinions are important and this topic deserves to be discussed further. With the focus of the Board's effort on the annual meeting, James Brennan pointed out that elections of Board members will be held at that meeting, scheduled in a little over a month.

The meeting was adjourned at 11:00 AM Mountain time

Respectfully submitted, Chuck Beck Secretary