

HIDDEN MINE RANCH OWNERS' ASSOCIATION, INC.
ANNUAL OWNERS' MEETING
TUESDAY, MARCH 15, 2022 – 9:00 A.M

Present by Zoom: David McEntire
Rusty Johnson, Lot 2
Will Frischkorn, Lots 12 and 15
Derek Zeck, Lot 14
Jeff Jones, Lot 3
Damon Wright, Lot 5
Steven Langbein, Lot 17
Megan Paden, Lot 6
Mikal Darden, Lot 9
Ira Conn, Lot 11
Matt Dungan, Lot 13
Chet Boyce, Toad Property Management

Proxy to Rusty Johnson: John Chain, Lot 19

Proxy to David McEntire: Joe Chiaf, Lot 1

Chet Boyce called the meeting to order at 9:02 a.m. Chet said notice of the meeting had been mailed on February 25, 2022 and confirmed there was a quorum present.

Rusty Johnson made a motion to approve the minutes of the March 16, 2021 Annual Meeting. Ira Conn seconded the motion, and it was unanimously approved.

Chet presented the Manager's Report. Chet said that there had been 6 sales in the past year, including Lots 1, 3, 4, 5, 8, and 15. Chet said that the Association had accrued some net operating income in 2021 and was generally in a good financial position for the coming year.

David McEntire made a motion to approve the 2022 Budget as presented. Steven Langbein seconded the motion, and it was unanimously approved.

David McEntire explained that work on the excavation and grading of the subsurface reservoir had been completed. David said that the engineers, the State inspectors, and the Board were pleased with the results. David said that the Board was looking forward to seeing the performance of the reservoir in the 2022 runoff season before moving on to Phase II, which would include installation of a flume and gate at Baxter Creek to bring water into the reservoir on an as-needed basis. David said that Community Bank had approved the Association for a loan, which could be considered as one option for financing.

Megan Paden said that the Association had already spent a great deal of time and money on the reservoir, and she was concerned that the Board was moving forward with investing further resources into the project.

David explained the historical reasons for the reservoir project exceeding the initial budget. David said that the original contractor hired by the Association had not completed the job satisfactorily. As a result of the work being completed in a manner that did not meet the specifications of the plan or the contract, the reservoir infrastructure as first completed had not met State code requirements, which had necessitated further work. David added that the previous property management company had issued payment to this contractor prematurely. David said that the project and the Association were now moving in the right direction, but he shared some owners' frustrations that issues with the original contractor had led to delays and unforeseen expenditures.

There was a long discussion of the budget for the project, including the amount already spent on completion of Phase I and the amount contemplated for completion of Phase II. David said that the total cost of the project was predicted to be about \$400,000, which exceeded the initial budget by about \$100,000 due to the amount paid to the first contractor and the cost of the lawsuit, which Hidden Mine Ranch had ultimately won. David said that the work for Phase II of the project had already been contracted, and he would be able to share the total cost for the remaining work needed to complete the project via email after the meeting, which could be appended to the minutes of the Annual meeting. Chet said that he would also share information about the current loan with owners, including the total term and the rate.

David confirmed that he had sold his home in Hidden Mine Ranch, but said he had agreed to stay on as President of the Board to see the reservoir project through to completion.

There was some discussion of the ownership of the reservoir. It was explained that, while the reservoir was located on Lot 5, it was considered an asset of the Association, and the owners of Lot 5 were open to having the HOA assume ownership of the portion of their lot that contained the reservoir.

Rusty Johnson said that he had just received from the water attorney the application to make the Association's water rights absolute, which was only possible because of the reservoir.

There was some discussion of the Board's communication with owners. David said that the Board made all efforts to keep the website up to date, and all minutes were published on the website. David encouraged owners to speak up if they saw any issues or inconsistencies with the minutes or the information available on the website. Rusty said that Toad had helped the Board to improve communication with owners.

David discussed the proposed Covenant Amendment, which was being pursued at the request of the County Assessor to address ambiguities identified by the County Assessor and to ensure continuation of Hidden Mine Ranch's agricultural designation. David said that the agricultural designation led to significant property tax savings. Rusty added that Whetstone Mountain Ranch also had an agricultural designation. David confirmed that the Ranch had been grazed the previous year. There was some discussion of fencing requirements and the possibility of the Board considering making t-post and barbed wire fencing allowable in future.

David McEntire moved to set the next Annual Meeting date as Tuesday, March 14, 2023. Derek Zeck seconded the motion, and it was unanimously approved.

David McEntire made a motion to adjourn the meeting at 10:25 a.m. Rusty Johnson seconded the motion, and it was unanimously approved.

A meeting of the Board of Directors would be held following a short break, and all owners were invited to attend.

Prepared by Rob Harper
Toad Property Management

DRAFT

DRAFT