

**May 16, 2009, minutes of Board Meeting
Of Swains Creek Pines Lot Owners Association**

Meeting called to order at 10:02 AM. Alan Zellhoefer, Frank Pearce, Cathy Jones, Bob Runkle, Paul Hicks, Bill Moser, Jayne Alcorn, Dale Gardner and Cheryl Case present. Bill Rodreick, Manager, also present.

Secretary's report: Cheryl Case – The proposed minutes should be amended on page 3, item #7 to delete the three words "To be determined" as the meeting dates were scheduled. Refer to page 3, #5b. Paul Hicks moved to accept the January 10, 2009 minutes as amended. Seconded by Cathy Jones. Motion carried.

Treasurer's report: Cathy Jones – About 726 lots have paid their dues. There are not a lot of expenses yet. 80 properties have not paid; this is 58 owners. Dust control fees collected is same number as those who paid their dues; 90% of property owners responded. Total fees collected for road issue is \$53,971.50 as of the end of April. Net income is \$113,745.61, which includes all dues and road fees. Net operating income is \$59,774. Cash on hand is high, \$221,285.71. About \$54,000 of that is for the road. Total assets are \$415,598.24. Liabilities are \$34,556. Frank Pearce moved to accept Treasurer's Report. Jayne Alcorn seconded. Motion carried.

Manager's report: Bill Rodreick - Fish are ordered for next week. A lot of maintenance on tables and Pavilion has been done. Bill talked to Aaron about the well; in the next couple of weeks there will be a lot of work being done there. Work will be left to one contractor; the building will be attached to our restrooms, then they need to go underground to attach to well. After that, we will not be able to use their water.

Presentations concerning road dust control

Doug Heaton, County Commissioner, and Burt Harris of the County Road Department were also present.

Burt explained the County has already widened some roads, and put the road base on; with so much traffic, the dust is a problem. If Swains buys a dust control agent, Kane County will work with Swains and will prepare the roads to a condition where the dust control product will work; they would be bladed, free of big ruts, and smooth. The County will provide a little bit of water, and coordinate the timing of that. The County has held off blading because they know Swains will improve the roads. The County cannot provide the amount of water it will take to put magnesium chloride down. The County will water when they blade the roads

When the roads were widened, if the County affected the driveway when they improved the roads, they put in culverts. In other places the County expected the lot owner to put them in. The County is not finished. Some areas the County did not expect to be affected were affected.

The Forest Service is not allowed to put magnesium chloride down, the County is not either. Lawsuits are pending The Forest Service road goes from the Swains sign to the highway; we cannot use magnesium chloride on the Forest Service road. They cannot use it at Navajo as they have done in the past.

Burt said chip seal probably would not last very well because of winter conditions.

The County has committed to be in Swains quite a bit this summer.

There are limited supplies of gravel.

Doug said we (Swains) should be aware of snow removal; it picks up road base and shoots it over onto lots. Doug is working with CMFPD to address that issue. Magnesium chloride is a salt, and apparently can damage trees.

Burt said on treated roads, if there is a pothole, it is much tougher to get those taken care of. There

are some issues with contractors tearing up the roads. The contractor now needs a permit to work on a county road. The County will hold the contractor accountable. The County is getting ordinances in place to police that. The permit process takes 5 minutes. The contractor needs to have insurance, etc. The County is using the same type of permit as is used to plow roads.

The County tries to fix areas that do not drain, if they can. Bill shows the County where there are problems.

Alan said when we do the road improvements, we would like all water diversion done before we improve the road. Bill Rodreick said Wade is aware of the problem at the Burks' lot

The County lead-time is probably within a week.

A large water truck will be needed as they put down the dust control product. Doug said he would have to go before the full Commission to get authorization.

Burt said the County could probably get 3 to 4 miles done per a day. The water truck holds 4,000 gallons. Bill Rodreick said Jeff Hoyt assured him we can get the water from them (KCWCD); the water would be used from hydrants from KCWCD.

Doug asked the Board to send a representative to the Commission meeting next Monday, 5/18 at 3:00 PM. Jayne agreed to go. Doug will call Jayne if he is unable to get the issue on the agenda.

Doug suggested we consider incorporation. Irene Briggs said CMAC is looking into that for the same area that is covered by the CMFPD.

Doug said, as private citizen, he had a water truck, and would make it available at a screaming deal.

Doug said there are other ways to get improvements such as special improvement districts. Irene Briggs asked about special improvements, and special districts. Burt said special improvement charges for project. Doug said it doesn't perpetuate.

Burt has not seen any damage to trees. Magnesium chloride has been used in the area. The Forest Service tried B-Gel at Navajo. It didn't work. It's an animal fat, and smells like french fries.

Strawberry has done 2 or 3 applications of magnesium chloride. No trees were dying, except one tree killed with the install of the water system.

U-Dot uses magnesium chloride, which is salt basically, to keep ice off roads. Grasses are growing along side of those roads.

Meeting recessed from 10:45 AM to 10:55 AM.

Meeting resumed at 10:55 AM.

Cliff Rader, of Desert Mountain Corporation (DMC), gave a presentation about options for gravel roads, and said the roads are in pretty good shape. There is a reject material on the roads; it's ok.

Mag chloride is salt and magnesium. First application is .50 gal per sq. yd. He would not put this on bridges and around water. Typically reduce second year application in half if use mag chloride. Does not work well in high clay or sandy soil.

Dura blend is a performance enhancing polymer. It has been on the market for 3 years. It is mag chloride based, repels rain, and uses half the amount of chloride. Application is ¼ gal per sq. yd every year. He suggested this for our area. Leaching affect is cut by 75% by this product. Seals road to keep moisture in road.

Lignosulfonate is a co-product from the paper industry. Basically tree sap. They use a lot of this in the Forest Service. Great stabilizing product. Not great for dust control and not good to spray around the water. It is very costly and would not work well for our area.

Cliff addressed the issues raised by Bob Runkle. As to irritation to the respiratory tract, we will see dust if there is no moisture on the road. Product is airborne during application for de-icing. Product will kill some trees, but realistically the dust will kill more trees. Later we might have some dead trees.

This year, we will not. Colorado study results of areas 18 " from highway showed no traceable factors. Some say it hurts aluminum wheels. It might if you don't wash it off.

We could use mag chloride this year, and use the blend next year. We could use the blend this year, and mag chloride next year.

Kim Wolfley, of Road Packers, gave a presentation and introduced **Road Packer**, a product which is acidic based. It comes in a 55 gallon drum, and ionizes with the clay particles in the road base. A soil analysis is needed; there must be 12-15% clay in the road base. Another Association did an analysis and was ideal for the product. The soil would be prepared, watered, and product would be sprayed, then mixed. Road would be formed, crowned, packed, and a vibrating drum would give the road a real smooth surface. The type of dust it will create is a heavier dust. Only one application is needed. Snow doesn't hurt the product. After the product is down, it is always in the soil. More info is at their website at Roadpackerusa.com. The County would not have to blade the roads every year. The product is more expensive than mag chloride. We would have to pay for the soil test. Kim uses a St. George engineer for a cost of \$15. We would need to gather road samples, 3 or 4 per mile. Bill Rodreick said we have about 15 miles. Kim said the road should last 3-4 years or more.

The product is acidic, phosphoric, and other chemicals. Information is at roadpacker-group.com. The price does not include rebuilding road; Kim would furnish the product and be on site to make sure it is done right. We would hire someone to do the roadwork and utilize the product. Kim normally works with the County.

Kim said John Messina from Duck Creek submitted road samples which came back 12.9 – 33% clay. The product can go on a road already treated with mag chloride.

Meeting recessed for executive session at 12:08 PM.

Meeting resumed at 1:45 PM. Cathy Jones not present.

Alan summarized the information provided during the executive session. Three basic views for dust control were presented.

Mag Chloride is 30% mag chloride plus water. This has been the only item used on mountain. It is a salt based product and tends to migrate out of roads. There may possibly be negative affects on vegetation.

The **second product** is mixture of 8% mag chloride and 20% polymer, which is a tree sap product. There is less effect to the environment.

The **Road Packer product** requires: rip road, mix in product, water it, and build the road. That is 2 ½ to 3 times the cost.

Estimates will be sent to the Board. The Board will pick one by the end of the week. We have about \$60,000 in budget, and have a commitment for this for next year. Contractor will coordinate through Bill Rodreick with the County. We plan to start the project the second week in June; project should take about a week. There may be road closures. Dave McGaw asked if they would do his driveway when they are in the area. Property owners may contact Bill Rodreick, who will find out if this can be done. Property owners may negotiate with the contractor themselves. Bill Rodreick said he also knows another person who does small jobs.

Committee reports:

A. Finance Committee – Cathy Jones, Chairman. Frank Pearce, Vice-Chairman.

- a. Liens - Irene Briggs said there are 58 owners of 80 properties that have not paid as of now. The May late fee was just billed. The June late fee will be added, and properties will go to lien status July 1st.
- b. Reserve to Preserve – balance is \$80,232.54.

B. Legal Issues Committee – Bob Runkle, Chairman. Bill Moser, Vice- Chairman. Cathy Jones to assist.

- a. C.C. & R.s - no report
- b. Insurance - Irene Briggs said she received a questionnaire from Nation's Air for the runway. The insurance should remain at \$2,000.00. Thank you to John Ewing.
- c. Security - Bob Runkle said he heard rumors of several burglaries. One incident turned out to be snow pushing open a garage door. The other incident was when Bob saw a vehicle, and the people left when they saw Bob. They had kicked in a window. Rudy's truck was broken into and they stole camera. They know who owns the car; do not know if the person was caught. There were no other problems. Bill Rodreick said he talked to Dustin, of Fish & Game, who is a resident here now. This is bear season. No bear have been sighted that we know of. Be aware.
- d. Public Easements - no report. Larry LaBruce said when the road was improved, they covered his marker. Cheryl to notify Larry of contact info.

C. Property & Facilities Committee – Jayne Alcorn, Chairman. Dale Gardner, Vice-Chairman. Frank Pearce to assist.

- a. Water & Pond - Fish to be planted next week. Dale Gardner said she received no response from Ducks Unlimited.
- b. Environmental & Fence - the fence is down by the Case & Hoesley lots in Unit 1. We will also work with Cathy on horse corral.
- c. Roads, Parking, Runway & Facilities - road cleanup set for May 30, at 10:00 AM. Meet at the barn.
- d. Water Conservancy - see old business.

D. Community Relations Committee – Cheryl Case, Chairman. Bob Runkle, Vice-Chairman, Jayne Alcorn and Paul Hicks to assist.

- a. Newsletter - submit news to Cheryl. Next newsletter to go out in July. Karen to update the meeting dates for 2009 on our website.
- b. Fire & E.M.S. – Jayne said they are not sure when the slash pit will be opened. New EMT-I class will start. Quite a few slash piles were burned. If people want wood, they need to get a wood permit from the Ranger near Duck Creek Pond. Cost is \$20 for permit for 4 cords. Alan Zellhoefer said the ISO rating for our subdivision is between 6 & 7. Jayne said Derrick Thomas has ISO information at 800-930-1677, extension 6209. Bill Moser said his insurance is with Allstate and the rating is 4. Jayne said State Farm does not go by ISO. We are 8 miles from the fire station, and 7-8 miles from the Elk Ridge fire station.
- c. Personnel - Bob Runkle. Contract to be signed.

E. Events Committee – Alan Zellhoefer, Chairman. Bob Runkle, Vice-Chairman, Bill Moser to assist.

- a. Labor Day - Bill & Bob & Alan to work on menu.
- b. Nominations - Five people are going off the Board: Bob Runkle, Frank Pearce, Alan Zellhoefer, Cheryl Case, and Jayne Alcorn. Ballots go out 30 days before the vote on September 7. Information needs to be to the printer by the 3rd week of July.
- c. Election - see above.
- d. Pot Lucks - (6:00pm-Utah time- on Board meeting days at the Pavilion) Today at 6pm.

F. Architectural Committee – Bob Runkle, Chairman. Frank Pearce, Vice-Chairman.

- a. Architectural Review - two were approved since last fall. Another was requested but no plans were submitted. There is an issue with Terry Nelson again. A survey was done at #665 and #664. Project was started without our knowledge. Project was red-tagged. Neighbors thought he encroached with the dig. They did not, but trees knocked down are on the neighbor's property. Terry is operating without a license. Inspectors are aware. The survey is legitimate. Property is on View Drive and Ponderosa, at the culdesac below Walt Lloyd, near Galardi's place. Excavation left a huge scar; trees were knocked onto the neighbor's property. A large tree fell over the power line on Cherokee, it knocked overhead

power and it was redone and buried. At BG's the power goes underground. Alan said it looks like a tree on his property was cut down.

- b. Lot Owner's Complaints - discussed above

4. Old business:

- a. Road dust control - discussed above.
- b. Water well for Sunrise Engineering - they have cleaned up pretty good, and will build an attachment to the restroom.

5. New business:

- a. Debit vs. Credit card for manager - Irene Briggs said at times it's inconvenient for her to Fed Ex a check to Bill to handle something. If we use a credit card, a person has to guarantee it. A debit card would not have to be guaranteed by anyone on the Board. We can set limit on a debit card. Bill Rodreick said he has petty cash, and didn't know that he would want a card but that he could think about it. Irene said it takes three weeks to get card. Issue was tabled.
- b. New laptop for secretary - Irene said she found mini for \$349 but it does not have enough resources. She can get a Dell for \$649.99. Frank Pearce moved to authorize purchase of computer for less than \$800.00. Bill Moser seconded. Motion carried.

Lee Gardner recently passed away. She frequently fished here. Following discussion, a plaque will not be ordered as she was not a lot owner.

Irene provided letter from JB Investment, requesting waiver of all future assessments and dues for lots 1, 42-46, and 703.

Lot #703 has been taken out of existence and no longer has ownership; KCWCD cut a road there. Lots #42-46 are at the south end where the small water tank is. There are still existing liens on those lots.

Lot 1 is still recorded with County; it has been deemed unbuildable by the County.

Following discussion, Frank Pearce moved to authorize lot 703 to be removed, and to remove other lots as long as they are recorded, and they pay taxes. Paul Hicks seconded. Further discussion. Paul suggested we not grant this until further info is received. Bill Moser said the properties are still getting a service for their Association fees. Frank rescinded motion. Frank made a motion to exempt #703 since it does not exist, Paul Hicks seconded. Motion carried. Effective as of 5/16/09, lot #703 will no longer be billed for Association fees.

6. Open meeting: lot owners to address the board:

7. Meeting schedule:

- a. Meeting schedule: June 13th, Sunday July 19th, August 15th, September 6th (annual), October 3rd, and January 9th, 2010.

Bob Runkle moved to adjourn. Seconded by Frank Pearce. Motion carried; meeting adjourned at 2:48 PM.

Respectfully submitted,
Cheryl Case, Secretary

SECRETARY'S NOTE:

On 5/28/09 Cathy Jones made the following motions via email:

1: A motion to accept the bid with Desert Mountain in the amount of \$56,524.90.

2: A motion to "borrow the balance of funds needed to proceed, approx. \$2500.00 from the reserve to preserve. These funds are to be paid back from any special assessment payments that come in later this year as well as from the first special assessment funds received next year.

On 5/28/09, Bill Moser seconded the above two motions via email.

Pursuant to email responses, these were the vote results as of 6/7/09:

Cathy. Yes to both motions.

Bill. Yes to both motions.

Dale. Yes to both motions.

Cheryl. Yes to both motions.

Bob. Yes to both motions.

Paul. Yes to both motions.

Alan. Yes to both motions.

Jayne. Yes to both motions.

Frank. Yes to both motions.

Motion carried.

Respectfully submitted, Cheryl Case, Secretary