Three Canyons Ranch Master Homeowners Association
Board Meeting Minutes
October 13, 2004

Members Present:
Beverly Pickering, Tom and Linda Gleason, Gene Mundt, Ron Moyle, Hi and Jae kim, Patrick Kirk, Keri Sylvyn, Dave and Pat Angell, Bob and Cathy Gilbert, Ron and Judy Slyter, Carl Gromund, Annette Gear, Mary Knicter, Ross, Macer, Joanie and Wayne Brow, Jerri Spragg, Jane Holland, Donna Williams, Ray Falhengez, James Nye, L.A Leach, Wayne Johnston, Erik Lyle, Dorothy Brown, David Brown, Jack Dempsy, Farrell Taylor

Board Members Present:
Gerald Chouinard, Darrel Crowley, Paul Holland, Rich Frederici, Tom Pickering, Gary Brock, Chris Carson, David Paris.

Call to Order
5:20 p.m.

Acceptance of June 9 and July 24, 2004 Minutes
The Minutes were unanimously accepted.

Call to Membership

The issue of mailboxes was raised. The Board responded that in order to proceed, we would need to obtain approval from the post office, identify a location and funding. There are no plans at the present time to pursue this initiative, although eventually they may be provided.

A question was raised concerning the status of the gate at the east end. The Board responded that this project is still in the planning stage. There are technical concerns about drainage, lighting and location that need to be resolved. At the last meeting, the board advised that they hoped to obtain an easement from a property owner to aid in this project. Unfortunately, the owner declined to grant the easement The concept for an east gate has been approved by the members and capital funding of $45,000.00 has been budgeted for this project.

A question was raised concerning voting procedures. The procedures were explained as stated on the ballot. “ Directors for even numbered sections are elected in even years. Directors for odd number sections are elected in odd years. All directors are elected for two (2) year terms.”

The Meeting was open to nominations from the floor. Susie McKay was nominated from section 20 E. The nominations were closed and ballots were collected and tallied

Presidents Report
Tom Pickering advised that the required 30% quorum had been achieved and thanked everyone involved in the door to door efforts to encourage voting.

Attorney’s Report
The association’s attorney was not present and no report was provided.

Treasurer's Report

Gary Brock submitted the Treasurer's report; copies of bank statements were provided to board members.

General account balance.....$60,173.23

Capital checking account balance...$54,592.67

Capital savings account balance..$50,436.26 ..... ($45,000 budgeted for East Gate)

A motion to renew the agreement for CPA services with Jim Varga was made and passed

A motion to institute a $25.00 fee for bad checks was made and passed There were three (3) NSF (insufficient funds) checks received in payment for association dues. Approximately $120,000.00 have been collected in annual assessments (mailed in June) and $9,060.77 (including late fees) remain to be collected. Outstanding assessments after October 18th will result in litigation being filed for collection.

Gary updated the board and members concerning the proposal from BankOne to renew the capital loan. The amount would be $187,500.00 financed for four (4) years with no prepayment penalty at a rate of 5.75%. The loan would require an annual principal payment of $46,500.00, with quarterly interest payments. The loan would carry a $900.00 origination fee.

A motion was made and passed to accept the BankOne proposal within 30 days, but to check with other institutions in an effort to obtain better terms The treasurer was authorized to accept BankOne's offer or better terms if they could be obtained.

Committee Reports:

Design Committee

Reports they have approving 47 new home constructions, 4 pools, 3 walls/fences and 10 roads/other. They have pursued corrective action on 25 violations

Gate Committee

Reports they have video of a Silver Saturn colliding with the entrance gate resulting in serious damage to the gate (amount unknown at this time). The gate has been repaired and reinstalled. Once a control problem is resolved, the gate should resume normal operations. The accident has been reported to the police

Paul Holland stated that all vendor codes have been updated and that manual gate codes for all residents will changed in the near future via a letter

Old Business

Kirk Development (Pat Kirk) made a presentation for development of the western half of section 21. The plan would be similar to Vista Del Oro and result in 105/106 lots on the 321 acre parcel. A village declaration was submitted to the board that also proposed the initial land use classification. The Board responded that it was not prepared to react to recently prepared documents. A motion to table the proposal was made and carried.

New Business

Preliminary Election Results were announced including the fact that a 30% quorum had been obtained and that the Board members on the ballot had been elected.

A motion was made and carried to retain the Board members in their current positions

Motions were made and carried to accept certain lots that were slightly undersized as full 8 acre parcels and that they would be assessed as 8 acre parcels. These errors resulted from inexact survey methods when parcels were originally laid out; one 40 acre parcel was actually 39.57 acres. When divided into smaller lots this produced two 8-acre lots and remaining lots of 7.90, 7.90 and 7.77 acres. In another section a lot of 7.95 acres was created from a similar survey error. Exact lots included are as follows:
10401058G
10427032D

The Board heard appeals from the following individuals concerning fines.

Mr. Nye was fined for grading a road without approval of the Master Design Committee. The initial fine was proposed at $500.00. Mr. Leach claimed that he was not aware of the CC&R's requirement on this issue. A motion was made and passed to reduce the fine to $250.00

Mr. Leach was fined for failing to complete construction of his residence. The design was initially approved in November 2000 and the residence is still not complete. A series of four separate $1,000.00 fines was proposed. One covering October 2001-October 2002, another covering October 2002-2003, another covering October 2003-October 2004, and a final fine of $1,000.00 for construction of an outbuilding without master design committee approval. Mr. Leach cited personal financial reversals and anticipated completion of the home in the next 12 months A motion was made and passed to reduce the fines to $2,000.00. Also fines in the amount of $500.00 per month be levied starting November 1st, 2004 until the parcel is in compliance.
Furthermore, after December 31, 2004, if this parcel (104-27-058 A) is not in compliance, this matter shall be turned over to our Attorney for legal action.

Mrs. Brown was fined for construction of a shed without master design committee approval. The initial fine was proposed at $500.00. Mrs Brown claimed that he was not aware of the CC&R's requirement on this issue. A motion was made and passed to reduce the fine to $250.00.

A motion was made and passed to impose a fine of $1,41665 on Mr. Short for failing to complete construction on a residence within the specified timeframe allowed by the CC&R's. The project has been under construction for 3 years. The motion also included a provision to impose additional fines of $500.00 per month be levied starting November 1, 2004 until the parcel is in compliance Furthermore, after December 31, 2004, if this parcel is not in compliance, this matter shall be turned over to our Attorney for legal action.

Call to Membership

A suggestion was made to post the official voting results on the association website including the actual votes cast and the level required for the 30% quorum.

Election Results:

3416 votes were in attendance with 3142 vote needed for a quorum. The quorum requirements were met.

Directors:
The following directors were unopposed and therefore have been elected for a two year term expiring in July, 2006

Section 20E	Susie McKay
Section20W	Paul Holland
Section22	Jerry Chouinard
Section24	Rich Frederici
Section26	David Paris
Section28	Evans Guidroz

Proposition 1:
“Change 2.7 of the by-laws requiring 30% of the total voting power to 10% of the total voting power. All other quorum requirements remain unchanged.”

3016 “yes” votes, 300 “no” votes. Proposition 1 passed.

Opinion Poll:
“ Would you be in favor of decreasing the regular assessment next year if a substantial carry-over is available?
57 “yes” votes, 46 “no” votes.

The election results were certified as accurate by David Stern President and CEO of SiSC and reviewed by the law offices of Cardinal and Stachel.

Adjournment
9:00 pm

A Special meeting will be held at the La Purisma Community Center on November 10, 2004.
Agenda will be to reopen the tabled motion concerning the kirk property and their application for village status. This Meeting is open to the General Membership. 5:30 p.m.

David Paris
Secretary