**Missouri River & Eagle Canyon Ranches Landowners Corporation**

2022 ANNUAL MEETING – August 6, 2022

**Board Members Present**: Mark Pieloch (Developer and Board Member), Richard Kollars (President), Sharon LaFaver (Developer’s Representative), Salina Hunter (Resident Board Member), Secretary – Michelle Petersen

**Current Business**

1. **Roads: Presented by Sharon LaFaver**

Grading, road base and asphalt millings completed on Rocky Road, Cinnamon Bear. Work beginning on Eagle Canyon, then Frazier to Charbonneau. (These side roads may be used to divert traffic during work on Eagle Canyon entrance)

Road Updates are posted on the LOC website.

1. **Developer Report: Presented by Mark Pieloch (Developer)**

Developer provided a brief background of his connection to the state of Montana, his upbringing and education, and his purchases of land in the area. He addressed rumors regarding his motivation and noted that he has built zero homes on any of his land purchases. His goals include the elimination of raw sewage pollution to Stickney Creek from properties with inadequate and illegal septic systems, and to eliminate “eyesore” properties that have become dumping grounds. He wants these lands to be “a good place where people can live.” He plans to enforce the Covenants, Conditions and Restrictions (CCR). To that effort, he has brought in large dumpsters to accept residential garbage and encourage clean up on the parcels needing it. Note: Please bag garbage to avoid trash blowing out and affecting the lodge and Sterling Property.

The Department of Transportation has recommended that the asphalt millings be seal coated. Beginning August 22, they will begin seal coating Eagle Canyon, Cinnamon Bear, then Rocky Road. Road efforts are costing approximately $400,000 (Prep, gravel, millings and seal coat = $1.35/square foot of roadway). Seal Coating should increase lifespan of the asphalt millings by 50%. Work is estimated to be completed by end of August.

Two cattle guards on Rocky Road were also replaced. LOC shared cost of the guards with the Developer (LOC is paying $14,000). Developer is absorbing labor costs. Total expense = $40,000

Question from audience addressed to Developer asked whether the asphalt millings being placed on steep road sections had an engineering study for safety? Answer: Asphalt prevents dust, lasts longer. Developer explained the road sections were paved based on the experience of the Developer on many similar projects performed in other states, combined with the experience of the existing road crew to perform the work. But no engineering study was conducted. Further, it’s a “test patch.” We’ll know how it holds up in three years.

Question regarding how long will it take for Developer approval on a project? Answer – depends on the extent of the project.

Question – Are all landowners required to pay for a survey? Developer – yes, too many previous mistakes with alleged survey corners were inaccurate. The covenants say you must get developer’s approval. This will be part of that approval process. Trying to avoid new problems. It is the Developer’s goal to post the full set of requirements (for approval) on the website.

Question regarding any setbacks from property lines? Answer – In the bylaws, there are easements from centerline of all roads within the LOC or property line (60’, 30’ on each side), or as designated by the Developer if terrain restrictions prohibit that activity. The word “setback” is not used in our bylaws.

Next, the bridge over Stickney Creek needs replacement. Land is owned by Sterling Ranch, he has secured their support for replacement, but will need environmental approvals. Due to time involved in approval process, replacement most likely will take place in 2024.

Another section of Rocky Road is on Bureau of Land Management (BLM), which also requires permitting. S. LaFaver will be working on these approvals.

For 2023, goal is to prep and gravel spur roads (those that do not loop back to a main corridor). Based on population, July is low priority and will be one of the last roads improved.

Developer will be bringing in a 4-man crew to clean up lots he has purchased that are existing dumpsites.

Regarding the dumpsters – cost is approx. $1000 per load. Developer is absorbing this cost. Anticipate dumpster to remain until end of October unless snows come sooner. Will return in April (again, weather dependent). 2023 costs will also be carried by the Developer.

CCR Violations – Developer does not plan on “going after” violators right now, in an effort to give landowners an opportunity to use the dumpsters and reach compliance. He will begin taking action in 2023. S. LaFaver will be researching the Junk Vehicle program and providing information to those that want to participate.

Snow Removal – One of the efforts to maintain the roads includes snow removal on the main roadways. Developer is proposing setting up contracts with residents to pay them to participate in snow removal. Note: Vehicles/Plow Equipment with chains are not encouraged to plow on paved areas.

1. **Budget: Presented by Richard Kollars**

Kollars started by apologizing for the lack of written notice about the meeting date or printed agendas at the meeting. Lack of board members has been challenging for those remaining on the board.

Dumpster – As noted by Pieloch, the Developer will pay dumpster fee in 2023.

Road Maintenance – Developer is paying all paved road costs. The LOC has budgeted $60,000 for non-paved roads. Work will consist of road mix, grading, compacting, and water truck. Audience question regarding what, if any, environmental impact reports have been done regarding pulling water from Stickney Creek and/or the runoff from the paved portions? Answer: None

Snow Removal – Budgeting $6000 for snow removal efforts in 2023. Costs will be shared with the Developer.

Legal Fees – Budgeting $5000 for legal fees.

Accounting Services – Budgeting $5000. Company collects and tracks LOC payments and performs billing services. Should note that thanks to the accounting service, they identified and collected $8000 in outstanding LOC fees from the Lanes. Having an accounting firm also prevents misappropriation and embezzlement risks.

Website Maintenance – Budgeted $2500. This is a necessary expense; board members do not have the expertise to update and maintain the site as required.

Office Supplies - $2500. Used for stamps, copying services, etc.

Note: Savings in office supplies, legal fees, and accounting costs will be redistributed if not used.

Donations - $1000 total. $500 each to Wolf Creek and Craig Volunteer Fire Agencies

Financial Hardships – $11,000 An application process is in place for those unable to meet their LOC obligation. Matter is brought before the board to consider income, other factors. Process is confidential. Budgeting for 10% of all landowners to receive this benefit.

Non-Payment of Dues – Budgeted $11,000. Has previously been as high as 40%, goal is to reduce this number to the 10%.

Questions from the audience included:

What is our projected income? Answer: $110,400

What are our projected expenses? Answer: $110,000

When will accounting firm update financials on the website? Current info is out of date as of August 2021. Response: Once the accounting firm is fully caught up on the financials. Hopefully soon.

Are liens going to be filed on non-payment? This matter is being researched now. Board recognized that previous invoices were not complete. New invoices will include amount due, a due date, and will begin charging 1.5% interest for late payments. Collection fees could also be included if legal processes are initiated. Liens will be issued beginning in 2023. For Lot B owners, liens will most likely be filed against D. Lane and/or the other corporate entity on the deed, since landowners pay their fees to the deed holder.

**Landowner Addresses – Salina Hunter**

Hunter requested that all landowners ensure that the Board and LOC have their correct mailing address. She has been actively updating the existing list, but many landowners remain unreachable. LOC payments should be mailed to the Douglas Wilson Accounting Firm (located on your invoice), not the Board’s P.O. Box in Cascade. The second half invoices have been sent out. If you have not received your second invoice, please contact Salina so she can research the issue and get the matter addressed.

Question/concern from audience, regarding the lack of information provided to new homeowners about the board, CCRs and HOA fees. Answer: Board has reached out to most title companies in the area to provide them with updated CCR’s and HOA fee info. Board will also work to develop a sign at each entrance to provide Board contact info to persons entering the ranch entrances.

**Nominations for Board Members – Michelle Petersen (Secretary)**

Board positions are staggered (3 year, 2 year, and 1 year to allow existing Board members to maintain institutional knowledge between veteran and new members)

Positions available:

1 Year Position (currently filled by Salina Hunter)

2 Year Position (vacated by Louie Cassey)

3 Year Position (currently filled by Mark Pieloch)

Term Limits – 12/31 – 12/30

Besides those nominations taken today, nominations are open until August 31. Please draft a short statement about your background, goals and objectives if you accept a nomination and forward it to the Board Secretary, Michelle Petersen, at (petesdragon0837@yahoo.com) by that date.

Plan is to mail out ballots and receive votes by October 15, 2022. Ballots will be counted and verified on November 1. 2022.

Nominations:

3 Year Position – Mark Pieloch nominated (via email) by Dennis Greany. Seconded by Tatiena Pieloch.

Wade Crittenden nominated by Salina Hunter. Seconded by Tyson Hunter.

2 Year (Remaining) Position – Randy Trefry volunteered, seconded by Salina Hunter. Dennis Greany, nominated by Mark Pieloch, seconded by Don Woody.

1 Year Position – Salina Hunter nominated by Randy Trefry, seconded by Dennis Greany

Secretary – Kim Trefry agreed to take on this position.

Question regarding the ability of the Developer to hold a Board position (as a landowner), as well as have a representative on the Board (as the Developer) Answer – It’s not prevented by the Bylaws. If landowners have an issue, bring it up for discussion or modification of the bylaws. Additionally, the bylaws state that if the Developer’s land ownership drops below 10%, the Developer Representative position becomes a regular 3 year Board position.

Question – Does the Board still hold “D&O” insurance? (Directors & Officers) No, due to a claim filed in the previous year, the insurance is now cost prohibitive. As an aside, a $5000 deductible was paid by the Developer in the hopes it would help to allow the Board to qualify for lower cost insurance, but it did not help.

Discussion about the date for next year’s meeting? The Board will work together to select a date soon.

Meeting Adjourned.