

Eagle Canyon and Missouri River Ranches

LOC Board Meeting Minutes Draft

July 05, 2023

Call to Order: Randy Trefry, Mark Pieloch, Salina Hunter, Sharon LaFaver, Richard Kollars in attendance on conference call. Kim Trefry taking minutes. Meeting called to order at 6:02 p.m.

Approve Minutes from June Meeting Richard moved to accept the minutes, Mark seconded. All in favor. Minutes approved.

Delinquent Dues –

- **Status of 4 current liens?** One landowner has paid in full. The lien will be removed from this property. Three remaining landowners are still delinquent.

- **Status of MRP Class B delinquent properties** No communication from Montana Recreational Properties, despite multiple efforts. LOC attorney will be directed to begin the lien process on these lots.

Covenant Enforcement (Developer)

- **Goats** Written deadline to remove the goats has expired. The LOC is now learning that FWP has concerns about the loose goats bringing in diseases that may adversely affect the wild Bighorn Sheep population on adjacent lands. Sharon will be working with FWP to determine if FWP has a recommended approach to addressing this violation before the Developer takes legal action.
- **Roadway Encroachment** Two landowners have been contacted that their sheds and/or fencing are within the roadway, and in violation of the easements. One landowner is willing to comply but is elderly and may not have the ability. Mark has offered to send his crew to move the fencing. Second landowner is resistant to work with the Developer. Mark will be referring to his attorney to address the matter.
- **Horses –** Despite the horse owner's insistence, the CC&Rs are very clear on free range animals within the LOC. The Developer will begin working with his attorney to determine the best approach to this violation.

Ref: 6. Use Restrictions:

D. No person affected by this Declaration shall permit any domesticated fowl, livestock, or animals, including, but not limited to dogs and cats, to escape from his/her lot so as to cause any public or private nuisance.

9: Fencing:

Any Grantee desiring to maintain livestock on his lot shall at his own expense contain the same with fencing and/or cattle guards (which cattle guards shall be at least 14 feet

in width), such fencing to confirm fully to the laws of the State of Montana, **whether or not the lot shall be now or hereafter included in any herd district.** (Emphasis added) All fencing shall be located at least 30 feet from the centerline of any roadway easement designated pursuant to this covenant.

Budget

- **277 Parcels = \$110,800 for the budget** (with 100% of assessments collected). Richard stated we need to obtain the expense report from the accounting office so that we can quantify actual expenditures over the last year. Mark commented about the assessment fees staying the same since 2020, even though inflation has risen significantly. He suggested the LOC consider a 10% increase in future assessment fees. General discussion among the directors agreed that road maintenance costs have risen greatly. No decision on a fee increase was made. Discussion tabled until expense reports are received.
- Sharon's notes – 2023 roadwork totaled \$91,000 (including \$28,000 for the road mix that Mark donated)
- Mark brought up the subject of the LOC possible purchasing a road grader as a long-term investment in road maintenance. Could be a value if there are LOC members that can operate it and provide in-house services. Richard commented that we don't know the maintenance and upkeep costs. He suggested that this idea be put before the members at the Annual Meeting.

Board Expenditures – Entering into a Contract Sharon brought this topic to the directors for discussion. Historically, a director may have signed off on a bid document and moved forward with a service. Is this considered a contract now? Or can a submitted bid be signed by a director and become an agreed upon work order? Both Richard and Mark commented that a signed bid is sufficient to act as a work contract. Sharon noted that we need to have more detailed conditions for service agreements going forward.

Road Update:

- **Speed Limit Signs** After discussion last month, the Developer has decided to post all roads at 20MPH. Mark has purchased the signs, and Richard said he will get a volunteer crew to install them signs. Kim will post a request for volunteers on the webpage.
- **Permitting for culvert replacement work on Charbonneau** The permit was submitted at the end of May 2023. We were told it could take up to 45 days for approval. Hopefully we will get a green light very soon.
- **Update of Developer roadwork** Crews are halfway up Spring Drive and working towards Eagle Canyon. Depending on the amount of time left, and road base, crews will

work towards July, Little Valley, Bratton Loop and Frazier. Mark stated the crew will only be working 6 more weeks.

Email from Matt Bartlett; Are LOC roads considered County Roads? The Board responded to Mr. Bartlett's email and explained that the LOC roads are considered private. They asked him to recontact us if he learned anything differently from his research. There has been no further contact from Bartlett.

Noxious Weed Spraying – Update

- **Quality of service provided** Despite having been provided with a map of the area to be sprayed, the vendor sprayed on the Rocky Road access adjacent to Sterling ranch. Richard will be seeking a legal opinion from the LOC attorney on whether the LOC could be held liable if a Sterling Ranch cow or bull is injured from the sprayed vegetation. Sharon will be recontacting the vendor to ensure they have full liability coverage.
- **Pay Invoice** The board agreed to withhold payment until we are certain there's no liability on the LOC.

Annual Meeting

- **Elections & Nomination Period** Richard explained that last year the board opened up nominations at the board meeting and held them open for 30 days. Mark stated this gave anyone present or watching the livestream to hear from potential candidates and could help them make a voting decision. Salina reminded the board that the bylaws state the election is supposed to occur at the meeting. Mark expressed strong opposition despite the bylaw language, reminding everyone of the contentious nature of some previous meetings along with the difficulty in accurate ballot counts. Sharon suggested reducing the amount of time needed to keep nominations opened. Mark suggested a 15 day window as a compromise. Randy suggested that nominations be due by the Annual Meeting date. Salina also wanted to see nominations closed by the annual meeting date. Sharon asked if the LOC attorney could provide a legal opinion on updating the bylaws to reflect some of these issues/challenges.
- **Lot A owners:** For voting purposes, it was discussed and confirmed that Lot A owners can vote for the At-Large Director(s) vacancy. If they are a full-time resident, they can also vote for the Resident Director vacancy.
- **Lot B owners:** Lot B purchasers do not have a vote, unless they are a resident. Then they can vote for the Resident Director vacancy. The entity holding their Contract-for-Deed (Treasure State or the Developer) has voting rights for the At-Large Director vacancy(s).

LOC Mailbox Update The existing P.O. Box was listed in the names of former board members and could not be changed unless we let the lease lapse. The lease on P.O. Box 162 is now leased by the LOC under Richard and Salina's names. During bad

weather, the mail can be forwarded to a residential address to avoid driving into Cascade when needed.

Other Matters The board received an email from a landowner who expressed concerns and questions about the LOC building CC&Rs. Specifically, the Developer's denial of his request to install a septic system on his property to allow for the installation of a toilet in his barn/building. Mark stated that this is a Developer matter and the LOC should not be involved. Randy asked Mark about building standards within the LOC, stating that the Developer sign(at the community entrances) states that building standards would be forthcoming. Mark explained that he does have written guidelines, but that each request will be considered on a case-by-case basis. Mark voted No to spending LOC money on the matter. Richard, Randy and Salina voted to seek the LOC attorney's opinion on whether this should be addressed by the Board. Sharon agreed with Mark not to seek a legal opinion. Richard will move forward with seeking a legal opinion on the issue, as well as requesting "Best Practices."

Meeting Closed Richard moved to close the meeting. Randy seconded. All in favor. Meeting ended at 7:57 p.m.