

## **FALLS CREEK RANCH ASSOCIATION, INC. BOARD OF DIRECTORS MEETING**

A regular meeting of the Falls Creek Ranch Association, Inc., Board of Directors occurred on August 24, 2017 at the home of Jim McCarthy. Present were President, Jim McCarthy; Treasurer, Robin Lucie; and Secretary, Susan Morton. Also present were Larry Hansen, Mike Hicks, Eb Redford, and Phil Boroff.

### **1. APPROVAL OF MINUTES**

A motion, duly made to approve the minutes of the August 1, 2017 Transition Board of Directors meeting, was seconded and unanimously approved.

### **2. APPROVAL OF AGENDA**

The agenda, as drafted, was unanimously approved.

### **3. LIAISON/SUPERVISOR REPORT**

Mike McQuinn submitted the Liaison/Supervisor Report via email.

During the past work period tasks performed have been;

- ❖ Collected and delivered bacti samples
- ❖ Worked the slash pile site creating a more efficient work area
- ❖ Assisted with installation of fire hydrant #41
- ❖ Assisted with installation of new culvert at Aspen and Starwood
- ❖ Assisted with cleaning of culverts on Snowshoe Ln
- ❖ Graded Oakcrest, Snowshoe, Aspen, Starwood, and FCR Main from gate to gate
- ❖ Applied 40 tons of new sand on beach area
- ❖ Serviced Kabota
- ❖ Serviced DR. brush hog
- ❖ Performed annual sampling and delivered to San Juan Basin Health Dept.
- ❖ Assisted with installation of new starter on backhoe

Next month plans are to reschedule Bonds Construction to setup more culverts to clean. Pull maintenance at equipment shed and Ranch House.

### **4. TREASURER'S REPORT**

There was no Treasurer's Report – this will be done after all assessments are in at the end of August.

### **5. COMMITTEE REPORTS**

Fire Wise Ambassador - no report

Architectural Control - no report

Beautification/Entrance - no report

Common Property - no report

Lake and Dam – no report

Horses – no new business

Lake Recreation and Beach – no report

Road – no report

Utilities - no report

## **6. OLD BUSINESS**

Continued discussion of Animas Water System

The Utility Committee, represented by Eb Redford and Mike Hicks, has made a request for approval for funding, not to exceed \$100,000, for the acquisition of property easements to facilitate the drilling process for the proposed AWC-FCR water line project.

Working with SGM Engineering, the committee has identified the most favorable route which requires easements for drilling and connecting to our water system. The request is only for the easements and not the longer term project.

Jim McCarthy then led a discussion on the how to present the proposal to the membership to vote on. Larry Hansen presented a summary of his discussions with outside legal counsel (at request of Jim McCarthy) on the proper procedure under our Governing Documents for conducting a formal membership vote by written ballot. He reported that it was the advice of legal counsel that, if the funding was to be done through issuance of member Promissory Notes that this be done through a revision to the operating budget, pursuant to Section 28 of our Protective Covenants. If the funding was to be done through the levying of a Special Assessment, a different section (Section 29) of our Protective Covenants would govern the voting process. Upon further discussion it was agreed to eliminate the Special Assessment as a funding option as it was felt this would unnecessarily complicate the voting process.

After further discussion, Jim McCarthy made the following motion which was seconded by Robin Lucie and unanimously approved:

That the board pursue a membership vote, through written ballot, on the Utility Committee's request to acquire property easements necessary for implementation of the

AWC water project should the members approve that project at a future date. The cost of acquiring the easements shall not exceed \$100,000 and shall be funded through the issuance of member Promissory Notes with repayment spread out over five years. The Note proceeds and expenditure for the easements shall be reflected in a revised budget, the approval of which shall also be voted on.

After the motion was approved, there was discussion about the balloting process which was decided to be by regular mail with return receipt. Jim McCarthy will draft a preliminary letter explaining the upcoming ballot for review by the Board. This preliminary letter will also be mailed to the Membership before the ballot is mailed.

## **7. NEW BUSINESS**

No new business.

## **6. NEXT MEETING**

The next Board of Directors meeting will be held on September 20, 2017 (Wednesday) at the home of Susan Morton at 6:30 p.m.

## **7. ADJOURNMENT**

The Board, by motion duly made, seconded and unanimously approved, adjourned the meeting at 7:44 p.m.

This document constitutes a true and correct copy of the minutes of the Board of Directors Meeting of the Falls Creeks Ranch Association, Inc.

Respectively submitted,

Susan Morton  
Secretary  
August 27, 2017