

Ruby Canyon HOA Board Meeting

Meeting was called to order at 5:30 PM on Wednesday, August 19, 2009

Members present were Chris Walter, Mike Thompson, Danny Knutson, and Gary Degarmo.

#1: Cash flow statements were handed out reviewed and showed some folks have caught up on the back dues. Letters will be sent out to the remaining homeowners to encourage them to please get caught up as this will be beneficial as we move forward to rectify issues in the area. Linda with heritage will get these sent out.

#2: Open discussion on the visit to the county on the two outstanding issues. Here is a summary of what we found out.

The reservoir was looked at by the county and we found pictures of the core of engineer's flying over our reservoir. It was clearly stated that there was a Clean Water Act violation with the changing of the Salt Creek waterway and that the county was requesting the waterway be placed back into its original route that it was a good possibility they would grant the flood plain permit. We will not fix or touch anything associated to the reservoir until we clearly understand that all the existing issues have been cleared. It is currently undetermined when we will have water back in the reservoir based on all these circumstances as we do not want to put all the home owners at risk or liable. The board is working to get this matter to an end. There is also a bond associated to the reservoir that will be utilized to fix the lake should the developer not respond to the demands set by the county.

The status on the roads is we received a list of the issues needing to be fixed by the developer by a certain date in August otherwise the road and the reservoir issues will go to code enforcement between the county and the developer. We are in a wait and see mode and hopefully will get an update at the next meeting. We are still unsure that once the county says that the road is good that we may still need to wait an 18 month period before they officially take it over. We will update at the next meeting.

#3: We met with the Attorney to line out the issues they will pursue which include the following.

Now that Mack Mesa is no longer in the picture how does this affect the current covenants the way they are written. We outlined the specific areas we need looked at as well as what it would take to revise the covenants.

What is the water rights that are associated to the reservoir and Shell? Even if we fix the inlet do we have the rights to fill our reservoir with the water out of Salt Creek? If we do how much can we take and also check with Shell as they own the majority of the rights.

If we take tract "A" over from Shell what is the legal process and what is the financial burden to the association? The thought process is the original developer violated the current covenants by selling Tract "A" to shell which we believe he relinquished all of their rights to managing the reservoir and the land. If we as homeowners would own tract "A" and the water rights we would solely control the reservoir and the developer could not come in down the road and screw us after we fix everything. An update to follow at the next meeting.

#4: We started a discussion as to what we would change in the covenants once we were able to do this and several issues were talked about and we decided to leave this alone until later. In the mean time if anyone needs to build anything on their property please submit plans to Linda with Heritage and the board will review and approve.

Next meeting was scheduled for September 16th. Meeting was adjourned.

Action items: #1: Danny was going to contact Shell for the existing survey that they conducted on the reservoir as well as talk to them on the issues of taking over Tract "A" and how that might happen.
#2: Chris was going to touch base with the county on the issues with the reservoir and road. Also get an update from the attorney.
#3: Mike was going to attempt to find out more on the bonds and are they still in place.