

**MINUTES OF MEETING OF THE
EXECUTIVE BOARD OF
RED MOUNTAIN RANCH OF
GUNNISON COUNTY ASSOCIATION**

June 6, 2007

A meeting of the Executive Board was held on June 6, 2007 at 42 Stream View Lane, Crested Butte.

The following were present:

Bill Lacy
David Clark
Rocky Kimball
Becky Williams - by phone
Gordon & Angela Reeves, Toad Property Management, Inc.

The minutes of the April 12, 2007 special meeting were unanimously approved.

Angela explained that Buckhorn Geotech had finished their calculations of the McFaul house and confirmed that the house is actually 15,262 square feet. After a long discussion it was agreed that Rod Landwehr would be instructed to contact Art Tresize and confirm that the Association would be prepared to accept a \$650,000 lien on the house if Andy McFaul paid \$100,000 in cash to the Association upon signing an Agreement. The Agreement would include interest penalties and the recovery of all attorneys' fees and could also place a lien on a second piece of land owned by Andy McFaul at White Buffalo if that appeared to give additional safe guards to the Association. It was unanimously agreed that if agreement could not be reached by June 15, 2007 Rod Landwehr would commence the lawsuit for the removal of the offending improvements. Angela agreed to contact Rod Landwehr and report back to the Board.

It was agreed that according to the map prepared by Kent Cowherd it appeared that the Christ driveway on Lot 3 had been amended to address the Board's earlier concerns. Bill, David and Rocky agreed to walk the flagged driveway once again before final approval was granted. A discussion followed regarding driveways which had either not been finished or a considerable amount of debris had been left or stacked by the side of the driveways. It was agreed the present security deposit of \$1,500 was not sufficient to cover the cost of correcting or tidying-up these driveways and it was unanimously agreed that driveway security deposits would be increased to \$10,000 per lot. However, as the Christ driveway had been submitted prior to this discussion it was agreed that the Lot 3 owner would be charged \$1,500 as a security deposit. Bill stressed that all owners must be held to a higher standard for the completion of driveways and all future approval letters would stress the importance of tidy-up and removal of downed trees and completion of the driveway within one year from the commencement of construction.

Angela said Julie Hesse, owner of Lot 47 had received a letter from Petros & White LLC requesting a 20 foot wide, non-exclusive easement across her property to construct, operate, maintain, and repair a ditch and headgate for the conveyance of water from Willow Creek to the adjoining land, The Reserve. It was agreed that Bill would contact Dick Bratton, a Gunnison County water attorney and Gordon would contact Kap Fitzgerald for history of the ditch.

It was unanimously agreed that the Associations general liability insurance and the officers and directors insurance should be reviewed and increased if insurance experts confirmed that the present levels were insufficient.

Rocky expressed concern about the large amount of debris and downed trees around the Ranch. Bill agreed to contact the Fire District to obtain approval for the Association to have one large fire and burn the downed trees. Rocky, Bill and David agreed to inspect the driveway on Lot 44 as it appeared that work was presently underway to widen or enlarge the driveway. Concern was expressed that Kap Fitzgerald had not removed the cut trees from Lot 55 and Angela and Gordon agreed to contact her.

Rocky expressed concern about damaged telephone boxes around the Ranch and above ground propane tanks on two lots. Angela agreed to telephone Qwest regarding the telephone boxes and to review the house plans to see if above ground propane tanks had been shown on the plans for the two lots.

The meeting adjourned at 5:30 p.m.

Prepared by Angela H. Reeves