

Board Members	Office	Areas of Responsibility	Neighborhood	ATTENDANCE
Barry Clarkson	President	Legal,	Upper Slide	PRESENT
Brad Hunt	V.President	Agriculture, Social Media Relations	Lower Ranch	PRESENT
Joe Bosze	Treasurer	Cabins (upper), Equipment (maintenance),	Crawford West	PRESENT
Kathy Pierce	Secretary	Cabins (lower & hdqts), Fire protection, Reservations,	Podunk	ABSENT (excused)
John Harris		Public Safety, Ranch Caretaker Relations, Roads, Security	Meadow Canyon, Pipeline	BY PHONE
Phil Hall		Water, Web Development	Crawford East	PRESENT
Larry Clarkson		Equipment (operations), Wildlife	Lower Slide	PRESENT

DSROA Board of Directors Meeting

Saturday, January 12, 2019 – St. George, UT (Clarkson & Associates)

1. Welcome/Prayer/Roll Call

- 1.1. The Board and Members were welcomed Association President, Barry Clarkson. A prayer was offered by Barry Clarkson.
- 1.2. Roll call was conducted later in the meeting:
 - The following Board Members were present in person: Barry Clarkson, Joe Bosze, Brad Hunt, Larry Clarkson, Phil Hall.
 - Others present in person: May Woolsey (Lot 220), Candy Bosze, Phill and Rachel Hunt, Ranch Caretakers and Mariah Wheeler, Office Administrator.
 - Others present by phone conference: Vance Green (Lot 156), Jeff Curry & Denise Guajardo (Lot 242), John Harris (Board Member), Nick Brignoni (Lot 55).
 - Board Member(s) not present: Kathy Pierce (excused for Family Funeral)

2. Presentation and Approval of Minutes – The Board Meeting Minutes from the November 2018 Meeting were prepared and presented to the Board by email prior to the meeting. A motion was made by Larry Clarkson to accept the meeting minutes. Brad Hunt seconded the motion. The motion passed by unanimous vote. Barry Clarkson signed the approved meeting minutes.

3. Financial Report –Treasurer, Joe Bosze, led the report.

- 3.1. An accounting of the bank accounts was given as of today's date: \$58,325.91 in checking and \$25,000.00 in savings.
- 3.2. We are in the green in all budgets. The expensive items for the year were a septic tank replacement in Garden Cabin and the roof resurfacing of Cabin 4. The two areas in the negative were fishing and petting zoo. They both cost more than anticipated for the year. Brad Hunt questioned the fish and why they were more. Mariah Wheeler offered an explanation. Brad Hunt questioned if there were fish left at the end of the year? It was not determined if there were. Rachel and Phill that members liked the bigger fish. Phill and Rachel questioned the canoe that is frozen into the pond; who it belonged to and if it should be removed. Barry Clarkson said the canoe needs to be removed at the fall shut down each year. He instructed to have DSR painted on the side and store it in a shed. Barry Clarkson also reminded Larry Clarkson when ordering fish to make sure Phil Hall is made aware of the pending delivery as he likes to order fish for his personal pond as well. Larry Clarkson readdressed the reasoning for this year's late delivery and acknowledged he would do so in the future.

4. DSROA Office Report – Mariah Wheeler, Office Administrator

- 4.1. Many statistics were provided in a two-part report with year-end reporting for 2018 and new year information for 2019, as follows:
 - 4.1.1. New Members – Since our last meeting, we have 1 new member join DSROA, Scott Koller, Lot 15, formerly owned by Pleasant Haven, Inc., Diane Tew. Also, Ed and Candice Stratford have purchased a second lot, Lot 194, formerly owned by Clarkson Investments.
 - 4.1.2. In 2018, we had 19 lots change hands.
- 4.2. ASSESSMENTS:

- 4.2.1. We ended 2018 with assessment payments received from 95% of our membership. We were also able to accept payment from several lots that were severely past due. Total income from assessments, including that collected in past due's totaled: \$139,600.00
- 4.2.2. 2019 has begun with 25% percent of the membership already having paid their assessments in full.
- 4.3. WATER HAULING/CONTRACTS:
 - 4.3.1. In 2018 we had 20 Members Authorized to Haul Water from headquarters, with 1 Non-Member also authorized, Mr. Mel Heaton, long time cattle man friend of DSR.
 - 4.3.2. In 2018 we had 3 Members with approved connections to the Lower Water system and 1 member with approval to connect. Those lots are 143, 144, 146 & 147.
 - 4.3.3. Water Hauling Station combination lock will be under a new code for 2019, so all members who hauled water last year will need to pay their water hauling fee prior to receiving the authorized code.
- 4.4. CABIN RESERVATIONS:
 - 4.4.1. 2018 - We ended the year with cabin usage, over all, an average of 55% of their available season. For 2018, the top three most used cabins are: Garden Cabin, Cabin 1 and Cabin 4. The 2018 income produced by the cabins totaled: \$16,338.31.
 - 4.4.2. 2019 - Several Cabin Reservations are currently on the books, with more trickling in. Many members are excited to see the improvements in Cabin 7 & 8.
- 4.5. BUDGETS - Acknowledgment of the Board approved deadline for expenditures, of December 15. The deadline was successful in meeting its intended purpose.
 - 4.5.1. 2018 ended with a successful use of funds. This year, particularly, there were many things that could have seriously set back our finances, but with the careful spending of the budget in each department, we were able to cover those emergency costs without dipping into our savings account. That is fantastic. Kudos to the Board.
 - 4.5.2. The major purchases for the Ranch for 2018-
 - 4.5.2.1. Garden Cabin Septic Tank, Comfort Stop Store Chest Freezer, Diesel Generator for back-up at Headquarters, Re-roofing Cabin 4, Cabin 7 & 8 Décor improvements, 2 Propane Refrigerators for Cabins, Ranch House Upgrades in the Bathroom, and 30 Culverts used or stocked. Special projects completed - Lower Water Tank painting, Various fencing projects, New fencing in Headquarters corrals around main water line connections, Petting Zoo re-opened, Youth Service project painted Comfort Stop deck, picnic benches and stained welcome gate, New outdoor seating for Headquarters, Rachel Hunt certified as Water Supervisor, Podunk Road Repairs, Guys retreat brush clearing project, and more. It was recommended that this list be provided on the website for the membership to appreciate. Board approved its publishing. Phil Hall recommended we also keep a tracking of the reserve transfer for each year. It was approved to be added. Joe Bosze recommended a tracking of the water sampling for possible anticipatory action for months where failure is predominant. It was also approved to be added.
 - 4.5.2.2. The year end bottom line was discussed as follows: The checking account held \$35,143.22 as of December 31, 2018. Expenses listed in the amount of \$16,490.00 include all expenses that are outstanding for various reasons (checks cashed after the 1st of the year, etc.). Subtracting those two expenses leaves us with \$18,653.22. We keep a running base line amount of \$10k in the checking account at all times in case of emergency. Subtracting that, the total remaining amount that is available for transfer to savings is \$8,653.22. Mariah requested the Board consider approving the transfer of the \$8,653.22 reserve to Savings. Barry Clarkson motioned as such. Larry Clarkson seconded the motion. The transfer was approved unanimously. I ask the Board at this time to consider approving the transferring of that amount to savings, following this meeting. Are there any questions regarding this report?

5. Ranch Caretakers Report - Phill and Rachel Hunt

- 5.1. Website - Phill Hunt brought to the attention of the Board that Horse back riding, the contact number for the Rachel and ATV riding were all offered on our website and need to be changed. Barry Clarkson clarified that

horseback riding is provided through a 3rd party provider. ATV riding needs to be updated to indicate we don't offer ATVs for riding.

- 5.2. Phill suggested that an updated project list on the website would be helpful to give members an idea of the things they can do while at the ranch. Barry Clarkson suggested that Phill and Rachel come up with a list of things members can help with for Spring of 2019 and Summer of 2019. List can be posted to the website by Vance. That list can be amended as the list is completed and added to as needed. Vance Green requested the Caretakers keep him informed of changes and he will keep the list updated. Phill Hunt also suggested they could add the list to the folders in each cabin.
- 5.3. Phill Hunt referenced his recent email to the Board regarding things they have been working on and completed. Recognition to Larry Clarkson was given for coming and fixing the spring on the Kubota. Kubota is now working. Further, wood chopping continues, Cabin 7 – two days of work included pulling down all paneling, plastic put up, replaced insulation, tongue and groove. Next weekend, Robert McDonald and crew will be coming out to volunteer. Scott Koller (new member) donated a lot of time in Podunk and this project. Rachel intends to prep Cabin 8 to save time so the crew can jump to Cabin 8 when finished with Cabin 7 walls and ceiling. Kitchens will be wonderful. Plans to mouse proof the laundry hut. A question was raised by Phill Hunt re: the cabin renovations and should the paneling be saved? They were instructed by the Board to not save it. Brad Hunt questioned if the insulation in Cabin 7 & 8 will allow them to be opened longer in colder weather. When mouse proofing is done, it will all help keep it usable longer. It was suggested that insulating under cabin before mouse proofing would help to keep it open through colder temperatures. Phill Hunt commented that Cabin 7 stairs need to be replaced by a small little deck. It was recommended that an access panel be left on Cabin 7 & 8. Larry Clarkson suggested insulating behind the cement board with 2" rigid foam instead of straw. Then to use spray foam to glue it to the wall board on the inside. All pipes coming in should be insulated.
- 5.4. Phill Hunt reported that his accident was caused because the hose on the diesel fuel filler line is too short. He requested replacing the hose with a longer one. Joe Bosze requested they buy a new long hose so that only one connection is had at each end. Barry Clarkson recommended they contact PetroWest, use his name and order what they need and send the bill to Barry Clarkson.
- 5.5. Ranch House approved for the refrigerator. Joe Bosze gave instruction on what to look for in amperage, suggesting they buy one that uses 2amps or under. He also suggested they look at Lowes and he could order one for them so the Ranch could save some money by utilizing Joe's discount. It was agreed that Joe would order it in Vegas and have it shipped to St George for pick up.
- 5.6. Discussion was held on the Kubota plow attachment. Joe Bosze and Larry Clarkson gave feedback assessment on the plow attachment. It was noted that the Kubota is not reliable. It will be discussed later on the agenda.
- 5.7. Joe Bosze proposed to the Board the option to purchase a propane generator as a catch-up generator instead of the diesel generator. The proposed generator is 1100watt and can be run propane or gas. Cost is \$780, has an electric starter and and is portable. Main feature, propane fuel. It is a WIN from Home Depot. It is a pure sign, so no problem with phasing. It was decided to keep as an option and a potential future purchase. Phill Hunt reported the big generators are fixed and working great. Wires were the problem.
- 5.8. Phill Hunt commented that they needed to reorder propane light parts. Also the red-taped propane heaters have been removed from Cabins 7 & 8 and wondered if they should be stored. Board said to dispose of them.
- 5.9. Phill Hunt reported the refrigerators will be relocated slightly to accommodate the previously supplied hole in the wall meant for venting. There needs to be fresh air coming in and higher one will be the vent. Joe Bosze asked if the Garden Cabin has been vented yet? Phill Hunt replied that the stuff is there & they will get it done.
- 5.10. Barry Clarkson requested an update on Phills injury. Phill recounted the event and said the doctor thinks he pulled his MCL, but it is still unclear if it is a pull or a tear. If it is less than 50% , it will require no surgery. If greater, it will require laparoscopic surgery. It will be an 8 to 12 week full recovery. An MRI is scheduled for Thursday, in St George. Phill Hunt expressed that he would not be interested in physical therapy because it will require a lot of travel. Barry Clarkson expressed his concern that waiting for procedures may interfere with the upcoming season and stressed that Rachel & Phill need to express to the doctors that any procedures need to happen sooner than later. Barry affirmed that Worker's Comp will cover the expenses.
- 5.11. Phil Hall requested some guidance on designing the certifiable water delivery station at headquarters. What is the area, etc. Barry Clarkson recommended that Phil work with Caretakers for what makes the most sense. Larry Clarkson indicated that the site needs to be a state certified water station, with several elements

included such as a back flow, etc. Vance Green will provide Phil Hall and Barry Clarkson with the requirements from the State on what it needs to be.

- 5.12. John Harris asked a question by phone regarding who was helping on the cabins. Rachel reported it was Phill, Rachel, Kathy Pierce, Scott Koller, and Robert McDonald. Robert will be bringing a crew up for additional assistance. John Harris questioned if the Collins were helping with windows. Phill Hunt indicated they were going to help with the windows, but Kathy Pierce was advised that the windows just needed some spray foam for insulation and were otherwise okay. Windows will not be replaced. John was hoping to thank the Collins.

6. **DSROA CC&R's Newly Revised Draft** – Barry Clarkson

- 6.1 Barry opened noting that he had a recent conversation with Dale Clarkson and wished to share the results of the conversation. CC&R's allow the sale of 3 or 4 existing lots that DSROA owns. Dale would like to see the Board approve the possibility to develop certain common areas into lots, such as the backside of well field or the area off the roadway down to Jamison Ranch. The money from the sale of the developed lots would belong to the association and would be used to offset some or all of the expenses for the project. Dale does not want to see the 4 lots that DSROA currently owns be sold. The bottom line is the question, is the Board okay with or opposed to subdividing and creating more association lots? Phill Hall queried that if the Board would not approve it, Clarkson would not help pass the CC&Rs? He also queried had this issue of developing more lots ever come up before? Phil Hall stated two concerns, 1) impact on the rest of the cabins, etc., 2) Phil is opposed to having it paid for with dues. He would rather see the income used towards more cabins or capital improvements. Barry Clarkson indicated that if 10 lots were sold for \$30k each, that's \$25 difference for your dues for everyone. He agreed that any money earned should be put toward capital improvements or common area facilities to lessen the impact of adding more lots. Phil Hall felt that he couldn't give a quick answer and requested time to weigh it out. Barry Clarkson indicated that he was not looking for a quick answer, just a consideration of whether the Board would like to discuss it or leave as is. Brad Hunt requested on clarity of where more lots would be. Barry Clarkson indicated if interest exists with the Board, Barry would create and provide detailed information on where the lots would be and the anticipated impacts on the facilities. Joe Bosze expressed that he was not opposed to opening more new lots, but the Board should not have the authority to do it alone. An annual meeting vote should be done. Barry Clarkson iterated that Boards come and go, this is a decision that affects everyone and should not be a board decision. He felt it shouldn't require a 99% or 95% vote, but rather a 2/3 vote. Phil Hall commented he didn't understand this was an issue for Dale and wondered what Dale had to say about the CC&Rs declarant issues? Barry Clarkson said he took all that out and Dale said, no problem. Barry Clarkson again approached the Board to know if the Board thinks the topic is worth discussing, he will provide more info and a more formal discussion can happen. If the Board is opposed to the idea, we won't proceed with the discussion and the direct impact in the CC&Rs. Larry Clarkson asked if basically the idea is to create language in the CC&Rs to create the additional lots in the future at some point. Barry Clarkson said the language would spell out terms; it's already a statute. It would have to have approval of every lot owner, but we would be able to spell out more guidance to have everyone vote on it. It requires a 50% or 60% vote or Board can approve. We can determine that. Phil Hall indicated he was interested in discussing the topic further. Brad Hunt, Joe Bosze, Larry Clarkson, also indicated interest. Larry Clarkson insisted that this should not be a Board decision and needs a membership vote. Barry Clarkson asked for John Harris vote, but it was found that John was no longer attending the meeting by phone. The item will be added to the agenda for the next meeting. Mariah posed the question should an email be sent to the membership requesting input. Barry Clarkson felt it was a little premature and felt it should be done once the Board has more information to share.

- 6.2 Phill Hunt shared a suggestion by several members visiting the ranch that an RV pad be considered where Cabin 5 used to be. Barry Clarkson felt the best option would be to look at the pavilion and RV option at Headquarters as a first scenario. Phill Hunt also shared that several members had suggested that a canvas or hard shell adobe building be built for a camping option in the space of Cabin 5. Barry Clarkson cited whatever we can do to improve the ranch experience and make it less expensive or more economical. Phil Hall suggested - Lot 75 and 74, drainage and pond area could have more wonderful areas developed. Phill Hunt also shared a concern regarding the upper cabins. Attention was brought to the amount of traffic on that road and Phill made the suggestion that posts and chains could be put up to keep people from going up the road to the cabins and to assist in the effort to diminish vandalism. Brad Hunt was supportive. Barry Clarkson suggested that it be evaluated next October at the end of the season. It was suggested that the key be available at headquarters. A discussion on potential vandalism ensued. A discussion on security cameras at the ranch ensued briefly. Barry

Clarkson indicated that Ben Clarkson and Paul Brayton had placed them in secret locations for the purpose of protecting the common facilities of the ranch. John Harris is in charge of security and could assist with this matter. Barry Clarkson suggested that the Caretakers bring a proposal on where the placement should be and also cited it would be helpful if the camera had real-time imaging.

7 DSROA 2019 Annual Budget Approval

7.1 Mariah Wheeler led the discussion on the proposed 2019 budget that was emailed to the Board previous to the meeting, for review. It was noted that the bottom line included a negative number and possible areas that money could be drawn from needed to be found in order to balance the budget. It was also discussed that income needed a more realistic outlook for future budgets and had been adjusted appropriately on the proposed budget outline. Mariah Wheeler suggested that money in budgets could be lowered to help accommodate the deficit were: Red Diesel. The Red Diesel was lower in use because it wasn't used through the year, and will need to be increased in other years, but for now, could be lowered by \$1,000 towards the deficit. The Board agreed. It was discussed re: new inventory in the store and the Board felt money needed to remain for purchase of new inventory and a blow-out inventory would occur to clean out and replace it with new inventory. Candy Bosze suggested to take money from Annual Meeting allocation of \$1k since that money sustains itself based on donations. The Board agreed. Finally, the Bank Fees allocation was lowered by \$300 with Board approval. The deficit was met and the budget was balance. Barry Clarkson motioned to adopt the budget. Joe Bosze seconded the motion and the Board voted to accept the budget. Brad did not vote.

7.2 A short discussion was held on additional items that need to be considered for the year as special projects including the water system changes to the upper system as indicated by Brent Fullmer. A short discussion was held on the miscellaneous category.

8 Ranch Kubota – Brad Hunt

8.2 Tractor was parked for 8 months. It has moved a few hundred yards at a time max. Where are we at on the Kubota? Do we sell it, replace with a tractor. Is it like our fire truck and we don't use? Barry Clarkson felt that he would rely on the Caretakers recommendations. Barry Clarkson asked if it is repairable. Caretakers indicated they didn't know anything about repairing. Brad Hunt indicated it's not dependable. Joe Bosze commented it seems to be sucking air. Larry Clarkson Don Ray told him there was a problem in the banjo. Joe Bosze indicated a fuel cap with a lock needs to be installed. Barry Clarkson asked if there is someone in Kanab that can review and repair it and when an affirmation was heard, Barry suggested that the first step is to get the Kubota seen to find out if it's repairable. If it isn't, there is no reason to keep it on the ranch. Barry Clarkson assigned the Caretakers to make a list and get the Kubota to someone who can see it and diagnose it.

8.3 A short discussion was held re: the fire truck and its possible sale. It was indicated it won't be sold. Phill Hunt also informed the Board that an emergency call can be made from the Fire Truck.

9 Board Member Updates on Areas of Responsibility

9.2 John Harris – Public Safety, Ranch Caretaker Relations, Roads, Security

9.2.1 Skipped due to him not being available any longer

9.3 Kathy Pierce – Lower Cabins, Headquarters, Fire Protection, Reservations

9.3.1 Mariah Wheeler shared at an earlier time in the meeting, an email in behalf of Kathy Pierce. The email was read regarding the hope for more funding for the Cabins project. Indicating that the 2019 budget was insufficient to make the project go forward as completely as she had hoped. She also questioned the status of the Clarkson gift money as Kathy had applied for it assisted by Barry. Barry Clarkson provided feedback from his application to Dale Clarkson for the funding and Dale responded that he was not interested in helping with cabins, and actually wants member input and not Board requests. Barry indicate that Dale seemed more interested in communications development and Barry will look into that option with Dale.

9.3.2 Barry Clarkson opened the discussion on the cabin improvements and felt that it was important to focus some money on the cabins to bring up their condition. It was questioned whether all the improvements were needed, such as do all the doors need to be replaced? Rachel Hunt suggested the cost is so minimal for the improvements especially with member time being donated. She cited the time that Scott Koller and Robert McDonald have given and will give. She questioned why Dale would not be supportive of the cabin improvements as his main focus is to show the cabins to everyone he brings out. Barry Clarkson indicated that more members need to discuss it with Dale to perhaps show the value of it.

- 9.3.3 A discussion was held on the need for solar in Cabin 8. Cost could be \$1k according to Brent Fullmer who researched it. Joe Bosze said he was not in favor of solar in Cabin 8, citing all the trouble that Cabin 7 was with members who didn't know how to use it and it had to be reset so often. Rachel indicated that they had to reset Cabin 7 one time last year. The benefit of solar is great those who have sleep apnea machines.
- 9.3.4 Barry Clarkson proposed that the Board allow Kathy Pierce to take the \$3,500 from the 2018 special project money for the Cabin 7 & 8 renovations and apply it to the 2019 special project to be coupled with the already set \$4k in the budget for upgrades. Further money could be approved based on the improvements. With that proposal, it mean the Board would only transfer \$5k to savings at this time. Phil Hall seconded the motion and the motion passed unanimously.
- 9.4 Phil Hall – Water, Web Development
 - 9.4.1 Discussion not needed, question answered earlier in the meeting.
- 9.5 Larry Clarkson – Equipment operations, Wildlife
 - 9.5.1 RE: Equipment – Snowplow skids are missing. We either need to build some or find some skids. Plow snow should always leave $\frac{3}{4}$ snow on the road and not take dirt. Phil Hall inquired if they should trade in the plow? Larry Clarkson said no they just needed new feet. It was decided that when the Caretakers came back to St George for the MRI, they could pick up the skids at that time.
 - 9.5.2 Denise Guajardo interrupted the meeting to inquire about the groups of young men she has seen walking along Slide Canyon. She questioned where are they camping, and dumping their waste? Barry Clarkson explained who the group is and their parameters including that they do not have permission to camp on the ranch and must carry out all garbage. He also instructed if members come across them, call Barry Clarkson and he will let the company, Wingate, know there is a problem.
- 9.6 Joe Bosze – Upper Cabins, Equipment maintenance
 - 9.6.1 Nothing to report at this time.
- 9.7 Brad Hunt – Agriculture, Social Media Relations
 - 9.7.1 Agriculture – Brad wanted noted that he's been in contact with NCRS and is in the ranking process right now. Also that DSR has a Range management program for the ranch. There has been much work done towards brush hogging and agriculture money spent. Restoration at the ranch at headquarters.
- 10 Barry included that he would like to propose that the rules and regulations be amended per the discussion with the Board by email, to eliminate the regular practice of renting out ranch equipment. Barry Clarkson cited we are not a rental business and don't want the liability. Barry requested a vote for his motion that the Rules and Regulations be modified and amended to terminate the program of rental of ranch equipment except on a case by case basis approved by the Board. Larry Clarkson seconded the motion. The motion passed unanimously. If there are any questions, Barry Clarkson requested they be referred to him.
- 11 Phill Hunt brought up that the compressor needs repair. Barry Clarkson instructed that if an item like that breaks down or isn't functioning properly, find out what it costs to fix it, get approval from the Board and have it fixed.
- 12 Barry Clarkson made a motion to adjourn the meeting and hold the next meeting on February 9th at 10am at Barry's Office. Brad seconded the motion and the motion passed unanimously.

A luncheon was served and an executive session was held following this meeting.

Kathy Pierce, DSROA Secretary