

MISSION BAY PRESERVE HOMEOWNERS ASSOCIATION  
P.O. BOX 1775  
POLSON, MT 59860  
(406) 883-1730

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Mission Bay Preserve Steering Committee  
Meeting  
December 9, 2008  
**Minutes**

Present: Jill Southerland, Committee Member  
Kathy Beckley, Committee Member  
Cynthia Dunshee, Committee Member  
Dennis Duty, Board Member  
Glenn Gordon, Association Manager  
Kari Mausshardt, Accountant

The meeting was called to order on December 9<sup>th</sup>, 2008 at 10:00 a.m.

Dennis opened the meeting by stating that this is the first meeting of the newly formed steering committee for the Mission Bay Preserve Homeowners Association. He noted that he would like all members to gain an understanding of the purpose of the committee and its goals, than review the 2009 budget in preparation for the general meeting to be held on December 17<sup>th</sup>.

Dennis explained that the developer, Northwest Holdings is trying to transition the management of the association from the developer to the owners who live within the Preserve. Today's meeting will begin the process of sharing information about the financial management of the association with the review of the budget. The Board of Directors has the authority to make final decisions regarding the association. The Steering Committee serves as an advisory committee at this time.

The meeting schedule for the steering committee will decided by the members as they gain an understanding of what will be required of them. Kathy noted that one of the reasons she asked to serve on the committee is to improve communication to owners. Dennis noted that minutes would be prepared that can be sent to all Preserve members to assist in the goal of improving communication.

Kari began to describe the proposed budget for 2009 for the Preserve. Each member in attendance was provided with a copy of the proposed budget along with a supplementary schedule. Kari also provided financials showing actual results, one for the last fiscal year that ended June 30, 2008 and another with projected results for the six months ending December 31, 2008. The Preserve has changed to a calendar year for financial reporting effective January 1, 2009. Kari noted that Community Center budget was reviewed by the Mission Bay Steering Committee so while she would answer any questions about the Community Center, she didn't plan to go over that budget in detail with this committee.

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Kathy questioned the difference between private owner dues vs. developer dues. Kari and Dennis explained that the developer was billed 100% of dues for Phase I lots. The developer has been billed 100% of Community Center dues and 25% of Preserve general dues for Orchard lots as per the CC&R's. The developer has been billed 100% of Community Center dues for Phase II lots and was billed 100% of Preserve dues for those until 12/31/08, changing to 25% effective 1/1/09. The developer pays Preserve general dues for all lots and Community Center dues for an agreed upon number of lots. The supplementary schedule provided details about the number of lots and amount billed per lot for the developer and private owners.

Kari explained the items under the General & Administrative section of the proposed budget.

Dennis provided some history about property taxes assessed to the association. Roads and common areas within the Preserve are assessed property taxes to the association. Kathy asked about future common areas. Dennis noted that there would be an additional common area on the far eastern side of the Preserve. Once the property that includes that common area is final platted, additional property taxes will be assessed. Dennis noted that there would be additional lots included in that final plat to help offset some of the costs of the new common area. Dennis also encouraged owners to contact their legislators to voice their comments about property taxes. The legislators are in session beginning in January.

Kari explained the items under Maintenance – Landscaping & Grounds. She referred members to the supplementary schedule and explained details regarding mowing, plant bed maintenance and weed control. Glenn explained that the mowing schedules could be modified based on their recommendations. Discussion was held regarding efforts to keep landscaping natural for habitat while being mindful of fire concerns. Members agreed that the mowing of the green belt section should be reduced. Glenn was directed to try to eliminate three mows from what was budgeted for the green belt but to find out if the contractor would charge the same rates if the number of mows is reduced. Discussion was held regarding the section within the Preserve that is hayed. Discussion was also held regarding the irrigation water rights within the Preserve.

Discussion was held regarding the responsibility of the owners of vacant lots to have their lots mowed. The steering committee can assist the association manager in identifying lots that are not being maintained as they are required. If necessary, a lot can be mowed by the association and assess the owner. The nature of the Preserve creates complexities for this issue because of the desire of many owners to have maintenance practices that attract habitat. Mosquitoes were also discussed.

Jill commented that in the future the steering committee may choose to set up sub-committees or designate representatives responsible for CC&R compliance issues, etc.

Kathy suggested that a newsletter be established that could include friendly reminders about maintenance issues for owners. The newsletter could be distributed quarterly with the billing statements. Kathy volunteered to be responsible for the newsletters.

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Weed control was discussed. Jill commented that she thought the trails were in better condition than in prior years. Plant beds at each gate are maintained and those services were discussed.

Glenn noted that off of Tundra Swan some work was done and dirt was spread but gravel needs to be added. Jill also noted that more gravel may also be needed near the head of Red Tail. Dennis noted that the budget should be adjusted to include the gravel that needs to be added.

Glenn noted that the irrigation pump in the pond would be pulled and cleaned before spring.

Kari explained the items under Maintenance – Streets and Gates. Comments were made about how long it took last year for the plow contractor to get to the Preserve streets. Glenn was directed to continue using 2” as the measurement to require plow services. Dennis and Glenn noted that a different contractor could be hired if the current one wasn’t able to meet the needs of both Mission Bay and the Preserve. Sanding in the winter was also discussed.

Gravel and rocks on the streets have been an issue, specifically those left by building contractors. Street sweeping has been added to the budget for 2009. It was agreed that the budget should include street sweeping two times per year, before and after winter. Discussion was held regarding compliance deposits paid by owners and that those funds may be used to clean up the streets if necessary. Glenn will provide a list of requirements, to include street clean-up to each owner and their builder for homes under construction. Kathy added that this could be another reminder to be included in the newsletter.

Gate maintenance and repairs was discussed. Glenn noted that you have to make sure the gate is allowed to completely cycle. Also, the star key should NOT be used. Dennis asked that gate etiquette be added to the newsletter as well. The accidents involving the gates in prior years were discussed. Kathy requested that reflector lights be put on the gates. Glenn agreed to get reflectors installed.

Kari explained that \$3,000 per quarter is allocated to the maintenance reserve for the Preserve. Excess operating funds are also allocated to the reserve when available.

Kari explained that the proposed budget included a decrease in Preserve dues to offset the increase in Community Center dues. All members present requested that the reduction be reversed and additional funds be allocated to the reserve for the Preserve. Therefore, Preserve owners will have a \$6.00 per month increase in their dues effective January 1, 2009.

Kari referred members to the report showing actual financial results and explained the projected balances for operating and reserve funds for the Preserve at December 31, 2008. She requested that an audit committee be formed by the Steering Committee to review actual financial results. Kathy Beckley volunteered to serve on the audit committee and Dennis agreed to ask Gordon Zimmerman if he would assist her. It was agreed that February would be a good time for the

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review to be performed by the audit committee. Actual financial results will be sent to owners after the review is complete. Kari also noted that an adjustment was made in 2008 for an error in how the developer had been billed for Orchard lots. She noted that a review of this adjustment should be included in the audit committee's review.

Dennis provided each member present with a copy of a letter received from a Preserve owner regarding trespassing issues. Dennis explained that there are some complexities regarding the Preserve streets because they are owned by the City but maintained by the association as was a requirement when the development was approved. Dennis noted that the trails are private and only Preserve owners and their guests are allowed to use the trails. After much discussion, all members present recommended that Mission Bay owners be allowed to walk on the roads in the Preserve because of their desire to have a positive relationship with the other association with whom they share the Community Center and a comment by Kathy that their presence improves the sense of security for some year-round members. All members present agreed that the trails are for Preserve owners and guests only. They also agreed that anyone walking dogs must clean up after them. Dennis noted that there has been an issue with the gate at the back of the Preserve. He agreed to make sure it was closed. It was agreed that this topic would be discussed again at the general meeting.

Glenn noted that a street sign and beach access sign was stolen from the Preserve. Dennis noted he would follow up on the sign for Hawk Drive.

Kari shared the purchasing policy for the Mission Bay homeowners association. All members present recommended that the Preserve have the same policy. Once a budget is approved, Glenn is authorized to issue work orders for budgeted items. Non-budgeted items will require a board member's signature on the work order if the cost is \$300.00 or more. The Steering Committee's approval will be required for non-budgeted expenditures of \$600.00 or more.

Kathy asked about wells. Dennis explained that the city has refused to allow wells. Further discussion was held regarding irrigation water.

The meeting was adjourned at approximately 12:30 p.m.