

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

July 2, 2007

A meeting of the Executive Board was held on July 2, 2007 at the Gunnison County Courthouse followed by three site visits on Red Mountain Ranch.

The following were present:

Bill Lacy
David Clark
Rocky Kimball
Becky Williams
Angela Reeves, Toad Property Management, Inc.

The minutes of the June 6, 2007 were unanimously approved.

Those present at the Gunnison County Courthouse were: Bill Lacy, David Clark, Rocky Kimball, Becky Williams, Angela Reeves, Rod Landwehr, David Baumgarten, Gunnison County Attorney, Andy McFaul (owner of Lot ___) and his attorney, Art Tresize.

David Baumgarten explained that he was present at the meeting in the hope of brokering an agreement between the owner and the association. Rod explained that the house on Lot ___ was considerably larger than the 7,500 s.f. allowed by the Covenants and the association was willing to accept a penalty of \$750,000 in lieu of having the house demolished.

After a lengthy discussion it was agreed that Andy would approach lenders to obtain a \$100,000 line of credit. It was agreed that he had until Monday, July 9 at noon to confirm the money was available. Upon payment of the non-refundable \$100,000 Art Tresize would submit a Land Use Change Application to the County. Rod Landwehr would immediately commence work on drafting two liens. One would be placed on Lot ___ and the second, smaller, lien would be placed on Associate Member Parcel ___ which was land accessed by the Red Mountain Ranch Road. Rod would also draft documents to place the statute of limitations on hold while an attempt was made to resolve this issue. In addition to the above, interest would be applied to the \$650,000 secured by the liens at the rate of 8% and Andy McFaul would reimburse the association for all attorney's fees it had incurred relating to this matter. If the County did not grant a Land Use Change Permit the \$100,000 would be retained by the association and the association could pursue legal action to demolish the house. If the County issued a Land Use Change Permit the association would wait 30 days and if no individuals had voiced

objection to the permit the \$650,000 would be due and payable and a sale of the house could be completed.

The meeting at the Courthouse finished at 2:35 p.m. and Bill Lacy, David Clark, Rocky Kimball, Becky Williams and Angela Reeves went to Red Mountain Ranch.

It was unanimously agreed that the 5 trees and 1 dead tree which had been tagged could be cut on Lot 5.

It was unanimously agreed that Fire Ready could commence the selective thinning for wildfire mitigation and forest health restoration on Lot 12. However, only Phase 1 should be conducted at this time and Phase 2 and Phase 3 would be reviewed again once the location of the driveway was known.

Unanimous approval was given for the location of the flagged driveway on Lot 28.

The meeting adjourned at 4:50 p.m.

Prepared by Angela H. Reeves