



BLACK BUTTE RANCH ASSOCIATION

Board of Directors Meeting

MEETING MINUTES

5/16/09

May 16, 2009, 8:30 AM, Black Butte Ranch Community Center
Black Butte Ranch, Oregon

The meeting was called to order at 8:30 AM.

DIRECTORS IN ATTENDANCE: Matt Baker, Ruth Burk, Cathy Ellis, Wally Schulz, Lynn Stafford, and Bob Wollmuth

STAFF IN ATTENDANCE: Scott Huntsman, Sharon Dille, and Katie Williams. Minutes compiled by Katie Williams.

PROPERTY OWNERS PRESENT: Approximately 10 property owners were in attendance.

PROPERTY OWNER COMMENTS

Chair Wollmuth asked the audience if there were any property owner comments. A homeowner asked a question regarding some information she had heard about the updated Access Policy. The question regarded a rumor the homeowner had heard that the new access policy would open up the entire ranch to the general public. Bob Wollmuth answered the question by saying that the only public use, behind the gates, will be for golf or spa.

APPROVAL OF MINUTES

Motion: A motion was made and seconded to approve the Special Board Meeting minutes of February 6 2009 and regular Board Meeting minutes of February 21, 2009.

Motion was passed: Unanimous

Supplemental information on file: Minutes, February 6, 2009, Minutes, February 21, 2009

CHIEF FINANCIAL OFFICER REPORT – Sharon Dille

Sharon Dille gave a report on the April 2009 financial results. She highlighted the new format for the financials and indicated that revenue in April was good due to increase in golf activity and departments keeping expenses low.

Supplemental information on file: PowerPoint presentation – Black Butte Ranch Corporation/Association Operations Report for April 2009

GENERAL MANAGER REPORT – Scott Huntsman

Scott Huntsman discussed improvements that are being made to the forecasting model and focusing golf marketing on day trips and local business.

Supplemental information on file: PowerPoint presentation – General Manager's Report for Board of Directors Meeting May 16, 2009

AUDITORS REPORT – Candy Fronk and Al Columbo

Auditors presented their audit findings for Fiscal Year 2009. They indicated that there were no unusual correcting entries to be made.

Motion: A motion was made and seconded to accept the Auditor's Report and Consolidated Financial Statements for the years ended March 31, 2009 and 2008 as presented by Harrigan Price Fronk & Co. LLP.

Motions passed: Unanimous

Supplemental information on file – Auditor's Report from Harrigan Price Fronk & Co. LLP dated May 6, 2009 and "BBR Association and Subsidiary – Consolidated Financial Statements and Supplementary Information years Ended March 31, 2009 and 2008."

ARC - Glen Grader

Glen discussed the changes to the tree fine schedule. The changes were sent out a second time for property owner comments. Scott Huntsman reviewed the schedule and has made recommendations for additional changes in verbiage to the committee. He then opened it to the Board for further discussion. Bob Wollmuth suggested that the Board is not ready to vote on this schedule. He further suggested that it should be reviewed again and rewritten to the satisfaction of the Board. Bob Wollmuth recommended that Scott Huntsman work with the ARC to produce a final revision of the tree fine schedule before the Board votes on it.

Supplemental information on file – Mr. Huntsman's recommendations for changing the verbiage on the tree fine schedule. Cathy Ellis provided the Board with photos of a homeowner's lot nine months after the saplings were cut.

COMMITTEE AND TASK FORCE REPORTS

BLACK BUTTE RANCH ASSOCIATION RULES REVIEW AND UPDATE – Lynn Stafford

Lynn Stafford presented her findings as a result of her thorough review of all Black Butte Ranch governing documents. The main purpose of the review was to identify discrepancies in verbiage and nomenclature through the various governing documents. Lynn presented many recommendations for amending said documents in order to provide consistency in verbiage, content, and meaning. Bob Wollmuth suggested that he and Lynn make formal proposals to the Board on ministerial changes to the Black Butte Ranch Rules and Regulations and Bylaws first, and then continue discussion on any proposed amendments to the Master Design document.

Supplemental information on file: "Governance Documents Review", PowerPoint presentation by Lynn Stafford.

FINANCE COMMITTEE – Sharon Dilley

Finance Committee has several motions to present to the Board.

Motion: Moved and seconded that the Black Butte Ranch association approve a contribution of capital from Black Butte Ranch Association to Black Butte Ranch Corporation in the amount of \$350,000 effective immediately.

Motion passed: Unanimous

Supplemental information: Finance Committee recommendations for BBRA Board Meeting May 16, 2009.

Motion: Moved and seconded that the Black Butte Ranch Association Board approve the revised Finance Committee Charter dated May 16, 2009.

Motion passed: Unanimous

Supplemental information: Finance Committee Charter, revised May 16, 2009.

COMMUNICATIONS COMMITTEE – Ruth Burk

Ruth discussed the activities of the Facilities Naming Task Force. She mentioned that Rob Sprouse is heading the task force. She said that the task force has taken inventory of all building and room names at the ranch and reviewed the various naming conventions for each building or area. The task force will have recommendations for the Board in the next few months.

Ruth mentioned that the July/August issue of the Ranch Report will be coming out soon, and asked the board committees if they have any items they would like reported on to get them into staff for inclusion in the Ranch Report.

LODGE AREA TASK FORCE – Matt Baker

Matt reported the survey of the lodge area has been completed and the property corners have been located. Matt announced that the first Town Hall meeting held by the task force will be on June 20 at 3pm. Lynn Stafford asked what the next steps would be for the task force. Matt indicated that they are collecting as much homeowner feedback as possible and his goal is to have an architect on board by the June 20 meeting. Matt also said that Ruth Burk has volunteered to help sift through a large volume of data already collected and supplement it with homeowner comments; they will then disseminate the information, and the goal is at the end of the process they will have a long range plan for the lodge area and a site plan from the architect for the future.

NOMINATING COMMITTEE – Bob Wollmuth for Doug Pollack

Bob mentioned that there are four excellent candidates for the three open seats on the Board.

Supplemental information on file: 2009 Candidate profiles – Harold Cox, Phil Jackson, Rob Sprouse and Vanessa Wilkins.

NATURAL RESOURCES COMMITTEE – Cathy Ellis

Cathy Ellis discussed goals, phases, and key components of the comprehensive riparian study being conducted by the committee. Cathy also discussed two upcoming NRC activities: the identification and removal of noxious weeds and the removal of barbed wire. She also mentioned that any debris remaining from the tree thinning work being on Section 21 shall be removed within the next week.

Motion: Moved and seconded that the Board authorizes to divert the NRC Meadow Glass Lake Lining Pilot Project monies (\$25,000) to the NRC Riparian Study Committee to be used as necessary for consultants and such.

Motions passed: Unanimous

Supplemental information on file: NRC Riparian Study Committee Charge and email dated May 12 from Cathy Ellis (including motion verbiage).

TREE DENSITY REDUCTION – Wally Schulz

Scott Huntsman took a moment to recognize the achievement and hard work of Jack Barringer on the Lot Certification Committee and presented him with a golf pass.

Wally Schulz discussed the memo sent to the Board regarding the committee's findings and recommendations. He announced that there are approximately 400 lots that still need to be certified under the current guidelines the committee is proposing. He went through what the next steps should be for the program. The committee proposed the creation of the Black Butte Ranch Lot Certification Office, which among other responsibilities, would maintain the lot data base that includes lot inspection dates, completion dates, and certification dates. This would give Ranch management an active role in the process. The goal is to have 100% lot compliance by December 31, 2011.

Motion: Moved and seconded that the Board adopt the Black Butte Ranch Lot Certification Guidelines, dated 5/11/2009 and require that all BBR private lots be certified by the end of 2011.

Bob Wollmuth opened the floor for discussion. There were several comments made in favor of the adoption of the guidelines and turning the process over to Ranch management.

Motion passed: Unanimous

Wally Schulz added that by Ranch management taking on the administrative aspects of the program the Ranch is responsible for all program communications to homeowners.

Supplemental information on file: Memo dated May 12, 2009 - Committee Findings and Recommendations from the Black Butte Ranch Lot Certification Committee; Black Butte Ranch Fire Safety Lot Certification Committee Charter; "Combined Check List for SB 360 and BBR Lot Certification Requirements" document; "Black Butte Ranch Lot Certification Guidelines" document.

BLACK BUTTE RANCH POLICE SERVICE DISTRICT – Cathy Ellis

Cathy Ellis presented the Black Butte Ranch Police Service District's Managing Board appointments.

Motion: Moved and seconded to approve Paul Janssen to be appointed to fill Position #7 and for Cathy Ellis to be re-appointed to Position #1.

Motion passed: Unanimous

Supplemental information on file: Black Butte Ranch Police Department letter dated April 29, 2009

BOARD DISCUSSION

Lot Certification Committee –

Wally Schulz brought up the subject that perhaps the Lot Certification Committee be sunset. Bob Wollmuth agreed that the Board would sunset that committee.

Annual Meeting Agenda -

The Annual Meeting Agenda was discussed and it was suggested that more time allotted for the Lot Certification presentation.

2009 Access Policy –

Scott Huntsman discussed the purpose of re-writing the Access Policy. The idea was to streamline the policy and make it easier to understand; re-define certain classifications of guests and property owners. There was discussion regarding having a separate definition of a lessee. It was suggested that it be made to match the same verbiage as that used in the Master Design. Scott Huntsman requested that the Board send the policy back to management to reframe the definitions and some of the wording.

Motion: Moved and seconded to adopt the BBR Access Registration Policy 2009 with the addition of a separate definition of lessee to match the definition used in the Master Design document.

Motion passed: Unanimous

Supplemental information on file: "BBR Access Registration Policy 2009" document, "Access Procedures and Fees – Registered Guests" document, "Access Procedures and Fees – Vendor and authorized Service Personnel: document.

It was further discussed that the verbiage in the policy document that talks about "displaying" the green resident sticker should be amended to read "permanently affixed". It was generally agreed that that should be changed.

OTHER BUSINESS

There was no other business to discuss.

Motion: A motion was made and seconded to adjourn

Motion passed: Unanimous

The meeting was adjourned at 12:30 pm and Executive Session convened.

EXECUTIVE SESSION

Katie Williams

Recording Secretary, Black Butte Ranch Association

Ruth Burk

Secretary, Black Butte Ranch Association

SUMMARY OF MOTIONS

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Summary of Motions (continued)

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