



BLACK BUTTE RANCH ASSOCIATION

Board of Directors Meeting

MEETING MINUTES

7/18/09

July 18, 2009, 8:30 AM, Black Butte Ranch Community Center  
Black Butte Ranch, Oregon

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

**DIRECTORS IN ATTENDANCE:** Matt Baker, Ruth Burk, Cathy Ellis, Phil Jackson, Doug Pollack, Rob Sprouse, Bruce Vaughan, Vanessa Wilkins (via conference phone), and Bob Wollmuth

**STAFF IN ATTENDANCE:** Scott Huntsman and Sharon Dilley.

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

**PROPERTY OWNER COMMENTS**

Bob Wollmuth asked the audience if there were any property owner comments. A homeowner suggested that the custom of asking for property owner comments at the beginning of the meeting be changed to the end of the meeting, just before lunch break, thereby giving property owners more time and information to make comments. The board agreed and will change the format effective immediately.

**APPROVAL OF MINUTES**

**Motion:** A motion was made and seconded to defer approval of the May 16, 2009 Board Minutes and to post them on the website in draft form.

*Motion passed: Unanimous*

*Supplemental information on file: Minutes, May 16, 2009 Board Meeting Minutes – Draft*

**Motion:** A motion was made and seconded to accept the minutes of the June 19, 2009 Special Board Meeting amended as stated by Ruth Burk.

*Motion passed: Unanimous*

*Supplemental information on file: Minutes, June 19, 2009 Special Board Meeting Minutes*

**Motion:** A motion was made and seconded to accept the minutes of the June 20, 2009 Board Meeting.

*Motion passed: Unanimous*

*Supplemental information on file: Minutes, June 20, 2009 Board Meeting Minutes*

## **APPROVAL OF JOINT RESOLUTION BETWEEN POLICE SERVICES AGREEMENT AND BLACK BUTTE RANCH ASSOCIATION**

**Motion:** A motion was made and seconded to approve the renewal of the Joint Resolution between Police Services Agreement and Black Butte Ranch Association.

*Motion passed: Unanimous*

*Supplemental information on file: Joint Resolution between Police Services Agreement and Black Butte Ranch Association, dated July 18, 2009*

## **APPROVAL OF RESOLUTION TO AUTHORIZE ASSISTANT TREASURER TO EXECUTE AND RECORD LIENS**

**Motion:** A motion was made and seconded to authorize the Assistant Treasurer to execute and record liens.

*Motion passed: Unanimous*

*Supplemental information on file: Proposed Motions for BBRA Board Meeting July 18, 2009*

## **CHIEF FINANCIAL OFFICER REPORT – Sharon Dilley**

Sharon Dilley gave a report on the June 2009 financial results.

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

## **GENERAL MANAGER REPORT – Scott Huntsman**

Scott Huntsman gave an overview of June operations. He discussed some of the challenges the Ranch faced, specifically related to greens repair, lower food and beverage counts, and softer lodging numbers.

Huntsman asked the board for comments and Bruce Vaughan opened with discussion on the problem of maintaining Aspen Lake and Meadow Lake. He indicated that both lakes need to be flushed and then water levels kept up. He also mentioned that Big Meadow has not been flood irrigated and he believes it will be a fire hazard. He has asked the board for a solution. Scott Huntsman will follow up with the board on a plan of action.

Bruce Vaughan also brought up for discussion that the Ranch was misled by the first architect for the Welcome Center in that he failed to notify the Ranch that it was designated a wetland. This mistake has cost the Ranch approximately \$250,000 to solve this issue. He requested that this matter be taken up by an experienced attorney and investigated.

**Motion:** A motion was made by Bruce Vaughan and seconded that the board investigate the responsibility of the Welcome Center architect, Holbrook and Associates, failure to notify Black Butte Ranch of the wetland area.

Bob Wollmuth opened the floor for further discussion.

**Restated Motion:** A motion was made and seconded for Ranch management to begin an investigation into the alleged failure by Holbrook and Associates to notify the Ranch of wetland designation at the Welcome Center site and to determine the architect's potential liability and report back to the Board.

*Motion passed: 5 ayes (Matt Baker, Phil Jackson, Doug Pollack, Bruce Vaughan, Vanessa Wilkins), 3 nays (Ruth Burk, Cathy Ellis, Rob Sprouse), Chair abstained*

Bruce Vaughan also opened discussion on the Business Model Review Task Force (BMRTF). He stated that the recommendations made by the BMRTF and implemented by the Ranch have negatively impacted permanent residents. He pointed out deficiencies at the R.V. storage facility. Scott Huntsman has committed to do an evaluation on the pricing structure and will report back to the Board with any changes to be made.

*Supplemental information on file: Black Butte Ranch General Manager's Letter June 30, 2009*

### **ARCHITECTURAL REVIEW COMMITTEE REPORT – Marilyn Jack**

Marilyn Jack reported on recent ARC activity. She relayed that Jack Barringer reported that 236 lots have been reviewed for lot certification since September 2008. The common property near Birdbill will be thinned to remove aspen trees identified as hazardous. The committee reviewed the existing ARC water feature policy and will discuss it at their August meeting for possible revisions.

The owners of SM 3 have not responded to repeated attempts by the ARC to contact them. The committee is recommending the structure be torn down. The committee will discuss their final recommendation on how to contact the owner during their August meeting.

ARC member Sonia Lamoreaux will resign her position as an ARC member. Her last meeting will be September 2009. The existing alternate member, Mary Ellen Wright, will move into the regular position and the alternate position will be advertised following the guidelines outline in the ARC rules and regulations.

## **COMMITTEE AND TASK FORCE REPORTS**

### **NOMINATING COMMITTEE**

Bob Wollmuth appointed Vanessa Wilkins to chair the Nominating Committee.

### **FINANCE COMMITTEE – Bob Wollmuth**

Bob Wollmuth, who is representing the Board as Treasurer, reported on the most recent Finance Committee meeting. The committee discussed what the priorities will be over the coming year. They will review the reserve study for any capital expenditures that will need to be made in the forthcoming years; develop the five year financial plan and forecast; have more transparency about potential dues increases; examine investment policy; review banking relationships; review internal accounting financial controls; evaluate financing options for the needed Glaze Meadow golf course improvements. He also mentioned that the committee would like to see proposals for how Ranch management can get food and beverage to a profitable position.

*Supplemental information on file: Financials for June 30, 2009*

## **COMMUNICATIONS COMMITTEE – Ruth Burk**

Ruth Burk announced that future issues of *The Ranch Report* will be managed by Ranch staff members Kate Thomas Keown and Katie Williams. Rob Sprouse spoke about the Facilities Naming Task Force. He gave a synopsis of the task force's focus of reviewing building names for market appeal and consistency. Their intent is to bring recommendations to the Board in October.

## **LODGE AREA TASK FORCE – Matt Baker**

Matt Baker reported on the first LATF town hall meeting. Approximately 110 homeowners attended and participated in a lively discussion; all comments were recorded. The process is moving along and the LATF will present recommendations to the Board in October. LATF would like to schedule a Lodge walk-through for the board and finance committee in September. The floor then opened for discussion. Several board members contributed comments and the task force will be planning another town hall meeting in the future, most likely in the Portland area. In response to board comments, Matt confirmed that the task force has been working with an architectural firm to help with the study.

## **NATURAL RESOURCES COMMITTEE – Cathy Ellis**

Cathy Ellis reported that the timber on Section 21 has been thinned. The riparian study is moving forward and Maret Pajutee of the U.S. Forest Service will coordinate working with the Natural Resources Committee. The NRC has put together a handout on specific noxious weeds found on the Ranch. This report is also posted on the website. It was recommended that checking for noxious weeds be incorporated with the SB 360 check list and included in training for the 30 volunteers.

*Supplemental information on file: Noxious Weeds handout*

## **BOARD DISCUSSION**

Bob Wollmuth opened the discussion with several topics that should be discussed at the September board meeting.

### **Recommended Changes to Governance Documents –**

Bob suggested that the board review the recommended changes made by Lynn Stafford to see if there are any that the Board would like to implement. A document listing all recommended changes will be sent to the Board and discussed further at the September Board meeting.

### **Re-examining Long Range Plan –**

Bob opened discussion on how the Board should go about re-examining the Ranch's Long Range Plan. Scott Huntsman suggested that management can do the "leg work" in determining what may need updating and communicate that perspective to the Board.

### **Proposed 2010 Schedule of Meetings –**

The Board will receive a copy of the proposed 2010 Schedule of meetings to review at the September meeting.

## **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 11:10 am and Executive Session convened.

## **EXECUTIVE SESSION**

**Katie Williams**  
Recording Secretary, Black Butte Ranch Association

**Ruth Burk**  
Secretary, Black Butte Ranch Association

## SUMMARY OF MOTIONS

July 18, 2009

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**Restated Motion:** A motion was made and seconded for Ranch management to begin an investigation into the alleged failure by Holbrook and Associates to notify the Ranch of wetland designation at the Welcome Center site and to determine the architect's potential liability and report back to the Board.

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