

**Hart Ranch Camping Resort
Long Range Planning Committee Meeting
May 10, 2019**

Present: Lisa Beck (President), Bobb Stout (Vice President), Millie McCormick (Treasurer), Nathan Miller (Secretary), Elmer Pritchard (Membership Secretary), Tim Schnabel (Resort Manager). Also, in attendance was Shannon Hostettler, Jason Schuelke, Barb Rohde, Charles Ragains, Eddie Long, Paul Alink, Steve Miller, Kyle & Alana Wilson, Gene Graham, Alex Kulesza, and Shane Pullman (Attorney).

Call to Order: The meeting was called to order by Lisa Beck at 8:00 am.

1. Meadows Update and Discussion:

- Millie McCormick immediately addressed Lisa to go over the financial status of the Meadowlands Project.
- Tim presented updated information and financials on the Meadows project and the problems we are encountering from the contractor's failure to complete the project. Millie and Nathan interjected and asked several times why did we not get proof of a performance bond, certificates of insurance and waivers of liens prior to issuing any payments. HR now has 2 liens against our property and the possibility of more to follow. Attorney Shane Pullman did reiterate that by obtaining the performance bond it would have recouped monies. It would have stopped liens from being placed on the ranch.
- Hart Ranch has two liens against the Property \$17,105.17 and \$27,625
- Millie/Nathan asked if we had checked out the contractor's references and Tim had done so. We were told that he did quality work but was slow.
- Millie asked why they BOD had not been notified of the liens until she asked for them. Tim did email the BOD as soon as he had the information in order to present. Tim did not notify the BOD right away. Liens placed on April 16th and April 22nd, BOD first notified on April 30th.
- Millie asked if the contractor warrantied his work and did we have that warranty in writing and how long is the warranty? A warranty regardless should have been mentioned in the initial contract. Had the BOD seen the contract before signing this could have been addressed.
- Bottom line is the contractor could not deliver on his contract so warranty is a moot point.
- Aces Engineering inspected and took pictures of the work that was done and found the work to be quality work as far as grades, compaction and overall workmanship. The BOD has not seen the inspection report.
- Performance bond was misrepresented via email with no hard copy requested from the manager. After BOD asked if he received a copy. The noted attorney for Underground Specialists had no idea of who he was.
- Millie asked Lisa when she first knew about the liens and Lisa stated she knew about them in early spring and did not know dates.
- Attorney Shane Pullman discussed the options of bringing suit against Underground Specialists both professionally and personally.
- BOD will file when all liens have been received. Contractors have 120 days to file against Hart Ranch after last day of providing something for the Ranch

- Millie is concerned that we get a certificate of insurance—Waivers of Lien on any outside contractor performing duties on HR property to protect HR and its members.
- Nathan inquired why we paid Underground Specialists \$15,000 prior to the finishing the project. Tim explained that weather was wreaking havoc on the contractor and we paid him that money as an advancement on his last progress payment.
- Nathan wanted to know why the board was not made aware of this Payment
- Tim made it clear that he made mistakes and will learn from this experience

Elmer requested that the BOD go into immediate Executive session.
Executive session began at 8:31 am.

Meeting reconvened at 9:57 am.

Meadows update:

- Currently have estimate of \$35,995.00 that it will cost to finish this project;
- Will use Ferguson to provide the pumps and majority of materials to complete project;
- J & D Precast has lid hatches and will build the lids for the manholes for the lift station;
- Joe's Sandblasting will sandblast after the latches are installed on the lids, and lids installed on the manholes;
- Installation timeframe is quoted at approximately a week and a half;
- Pennington County requires installers to have an additional certification to install pumps;
- Tim will research contractors for installation and will check references
- Will get 3 bids for installation to get a more accurate figure of labor cost;
- We do not owe any monies to the 2 employees that stayed on the job and we did have them fill out a W-9 so they will be receiving 1099's.
- Elmer stated that even with the additional costs to get this job completed, we will still be substantially under what the next bid was to perform this project;
- Tim will get certificate of insurance on pump installers;
- Meadows will be ready to occupy for long term sites by end of next week;
- Will research the possibility of providing septic service for long-term sites for free as well as on a pay for basis for other occupied Meadows' sites.
- Kieffer Sanitation will pump for \$35.00 per unit and we will try to obtain another bid;
- Will research the possibility of setting up pumping to be done twice a week;
- We will also have to dig 500' of trench to replace a cable line;
- Project should be completed in approximately 5-6 weeks as long as we get cooperation with the weather.
- Will adjust usage fee for the 9-day buy;
- Tim to discuss with attorney the possibility of reporting fraud committed by the contractor to the Police Department.
- Millie asked why the Police Department had not been notified the Hart Ranch paid \$114,884.34 to Underground Specialists and that contractor failed to pay any supplier or contractor. Attorney Shane Pullman advised Tim that this should be done immediately.

Bobb Stout made a motion to allocate more funds to finish the Meadowlands project with the auspice that this is an emergency funding measure with funding not to exceed an additional \$50,000.

Millie McCormick 2nd.

No further discussion.

Lisa, Bobb, Elmer and Millie voted yes. Nathan Miller voted no.

Motion Carried.

Millie McCormick made a motion to reduce the 9-day buy rate in the meadows to \$15.00 per night until sewer is in then we will revert to the current price of \$25.00 per night.

Elmer Pritchard 2nd.

No further discussion.

All voted in favor.

Motion carried.

2. Review the funding formula for the long-range plan

- Millie and Nathan are reluctant to approve any long-term expenditures until we find out our liabilities with the meadowlands project;
- Tim shared a vision of partnering with Hart Ranch Golf Course for shared usage of our facilities and theirs.

3. Long-Range Line Item discussion

- Tabled the pool and mini golf options;
- Lisa thought maybe we should partner with the RCCS math/science and art classes for the golf projects; They could possibly be approached to assist in the design phase of making modifications to the mini-golf course.
- We have 2 Cheyenne cabins re-sided and have materials on-hand to complete 3 more.;
- Will continue with site repairs as we did none this past year;
- Hart Mart and Lodge will be stained in 2020 (hasn't been done since 2012);
- Tim will get another bid for staining;
- Center court sidewalk will be on hold until we see foot traffic patterns.
- Millie/Nathan did not feel it was correct or able to plan for long range items with not knowing full extent of Meadows project.
- Only immediate repairs are approved bringing original requested amount of \$316,100 to the reduced approved amount of \$112,500.

Long-Range Plan items for 2020					
Qty	Description	Cost Each	Total	Recommended	Approved
	Buildings & Land				
5	Cheyenne Siding (materials only--no labor)	\$ 6,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
20	Repair Sites (based on average cost per site)	\$ 2,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
1	Lodge/Hart Mart staining	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00
1	CenterCourt Sidewalk (priced @ \$20/ft (@48"w))	\$ 38,000.00	\$ 38,000.00	\$ 38,000.00	\$ 12,000.00
1	Gravel for RV storage yard	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
TOTAL LONG-RANGE PLAN ITEMS FOR 2020			\$ 138,500.00	\$ 138,500.00	\$ 112,500.00

Bobb Stout made a motion to approve the Long-Range Plan in the amount of \$112,500.00.

Millie McCormick 2nd.

No further discussion.

Motion carried.

4. Member Comments:

- Charles Ragains brought up that if we extended the lodge hours to better fit the needs of the "working" members, we might catch more phone calls for reservations. Tim explained the reason for reducing the lodge hours was due to minimal phone and foot traffic during the evening hours from 6-8pm.
- Alana & Kyle Wilson expressed concerns about how messy the meadows is and will be all season.

Meeting adjourned at 11:30.