3 December 2023 Dear YRR landowner;

We are writing to inform you of what has taken place this past spring and fall regarding our roads on the subdivision. It has been a challenging year to say the least. We've received a number of comments, both good and bad regarding the road conditions and we want to respond.

A reminder of how our fiscal year and budget works. Our fiscal year runs from July 1 to June 30 in the next year. So, our spring road work is typically paid out of the previous FY budget, and the fall road work being in the current FY budget. A bit confusing, I know, but we would have to go through the process of changing our bylaws in order to change our fiscal year to match the calendar year. Several boards have talked about it but none have wanted to take on the hassle of the change.

We started out the fiscal year with a road budget of \$85,640. We have approximately 24 miles of roads to maintain with that small budget. We did road work this spring using the final amount left in the budget from the 22/23 fiscal year. That total invoiced was \$48,204. Now in this FY (23/24) we have spent \$27,200 so far, on the roads. That leaves us with \$16,612 in the checking account. If you look back at the BOD meeting minutes from 9 September and 19 October (on the YRRLC.com website) you will see that lengthy discussions took place on where to spend our road budget. In the end it was decided to hold off on some specific road work in order to have a cushion of reserve cash on hand in case we have any emergencies such as having the roads dug out by our road contractor after a large snowfall or a rockslide closing Winding River Rd. Things like this have happened and we were looking at having very little cash on hand if we spent all that we had hoped to. It was a difficult decision to hold off on some of the road work, but it was a fiscally responsible decision. A contributing factor to this decision is that we still as of the date of this letter have over \$18,000 in long term outstanding dues. That money could have been used productively on our roads.

As far as the road work that was completed, specifically the grading of Winding River Road and the length of time (or lack thereof) before it reverted to substandard condition, here is what the problems are.

• Although we have a good base on most of the roads, many including Winding River are lacking enough finer road mix on top of the base. This means that the grader operator cannot go as deeply as both he and we would like in cutting out the washboards. To do so would mean digging up the large "cobble" from the base and causing more damage to the road than good. The grading was started on a Wednesday at the beginning of November and three days later, on Saturday we noticed washboards starting.

• Contributing to this, as it has for several years now, is the HUGE amount of construction traffic on our roads. Much of this traffic is trucks hauling heavy equipment or materials to job sites. Watch some of this traffic and you will see empty pickup trucks hauling equipment on our roads. An empty pickup pulling 8000 pounds is bound to spin/skip it's back tires causing the previously mentioned washboards. Now watch as tractor trailer rigs hauling 15 plus yards of gravel (about 45,000 pounds) drive on our roads. Same problem as the pickups, there rear drive wheels are bound to skip on the hillsides. Then imagine that same truck coming out with no load on the trailer and little weight on the rear end drive wheels. Spin, spin, spin. We have no idea of the number of tractor trailers with side dumps that came into the ranch, but it was in the dozens. Not to mention the number of concrete trucks and concrete pumpers. At the present time there are seven homes being built on the ranch with all the associated construction traffic.

In order to bring roads like Winding River up to a standard where we could do productive grading, i.e., having at least 4 more inches of finer road mix on top, we would have to spend enormous amounts of money. As far as the damage due to construction traffic, we are hoping things will eventually slow down, but who knows if they will.

The other item is the damage that is being done by our own residents. Some folks just don't seem to care about our roads. As we have mentioned at every annual meeting for as long as anyone can remember, the speed limit is 25 mph. A previous board a long time ago made the decision to make 25 the maximum speed for a couple of reasons. Primarily it was a compromise between getting to any lot on the ranch in a reasonable amount of time while at the same time doing the least amount of damage to our roads. The board has spent money posting 25 mph road signs in various areas along the roads, and yet some residents just ignore the speed limit. Let's understand, this is not a hard rule and we cannot issue speeding tickets. But it is a request from everyone on the ranch that folks show respect for the dues money spent and the rest of the residents who own here, to do as little damage to the roads as possible. Doing a quick calculation, to go from the entrance of the ranch 4 miles in, to a lot in the middle of the ranch at 25 vs. 35 mph means the difference between 15 and 11 minutes. Is saving 4 minutes of your day worth pushing gravel off the roads and costing your neighbors money? Not to mention we have close calls on a regular basis on some of the tight curves on our roads where a speeder has almost hit another vehicle.

Another major issue that is brought up at EVERY annual meeting is snow plowing. If you are going to plow on the roads, that's fine. Just make sure that you use skids or even install wheels on your plow to keep the blade at least 1½ inches off the ground. If you look off the edges of many of our roads you will see a lot of unrecoverable road gravel. Much of this was pushed to the edge by snow plowing. At this very moment there are

two piles of gravel at the edge of Owl Canyon Road that were deposited there by a careless and unknown resident who plowed during the last snowfall. They were not using skids, the ground was not frozen and they plowed up our gravel costing everyone money in order to fix it, likely not until spring. And if they do it the next snowfall, even more damage will be done. If you have a plow, install skids....PLEASE! See the included photos of gravel lost.





If we all work together, we might be able to slow the deterioration of our roads. If you are using a contractor to build your home, make sure that they know and understand the speed limit and the reasons behind it. And make sure they are aware that hauling heavy loads on wet roads after rainfalls or snowfalls does the most damage imaginable. Try to impress on them to watch the weather forecasts and haul loads with appropriate timing.

Now we get to the nuts and bolts of the issue. The board has discussed, but we have not made a decision, about the annual dues per lot. A bit of information for you: in 1992 there were no homes built on the ranch. The developer was still building the roads (the job was never completed, we'll save that for another day). The dues were \$200 per year at that time. The developer collected the dues from the few lot owners who had bought and used the money to offset the building costs. But as far as maintenance of the road went, there was none really needed as no one was building nor living here. Moving to today, if you do an inflation calculation from the internet, \$200 in 1992 is the equivalent of \$438 dollars today. So, our dues are actually ahead of inflation. However, there are now approximately 65 homes built on the ranch and as mentioned previously, 7 in the process of being built right now. The amount of traffic from 1992 to now is astoundingly higher. There is no way to keep up with the damage and the costs of repair even being ahead of inflation as we are now. We are sorry to say folks, but the dues are going to have to increase for the next fiscal year. If not, then the roads will continue to be in the condition that we see them in now.

Sincerely,
The Board of Directors, YRRLC