

Dear Melody Ranch Homeowners,

As most of you know, the Board of Directors (“Board”) of the Meadows of Melody Ranch Homeowners Association (“HOA”) and the developer of Melody Ranch, MRDN Corp., have been working toward the turnover of ownership and control of the Melody Ranch subdivision, including ownership and control of the Melody Ranch recreational common area, water and sewer systems, roads, and voting control for all director positions on the Board. We have made good progress during this transition period and hope to achieve a complete turn over by the end of this calendar year.

One item remaining on our list with the developer is the formation of the Melody Ranch Improvement and Service District (“ISD”). The Board strongly believes that it is in the interest of all Melody owners to complete this item. As explained previously to you there are a number of benefits to owning and operating the Melody Ranch infrastructure through an ISD, most important of which are the ability to access state and federal grant monies to replace and improve the infrastructure, as well as to borrow money from the state at preferential rates.

We have already filed enough petitions and gotten the approval of the Teton County Commissioners - and the final action to now form the district, and elect the initial slate of directors, is a mail ballot election to be held October 16.

By this letter and as further explained below, the Board is asking that you vote in favor of formation of the district and the initial slate of directors. On October 1 ballots were mailed to all lot owners and registered voters in the district. These ballots must be returned no later than October 16th to be counted in the election. There is no minimum number of votes needed to form the district.

Both the Melody Ranch CC&Rs and the Melody Ranch master plan contemplate the formation of an improvement and service district for the Melody Ranch subdivision. An improvement and service district is a governmental entity governed by a board of directors, which has a variety of powers including the powers to provide water and sewer services, to establish and maintain roads, as well as to provide general subdivision control. Once the improvement and service district is formed for Melody Ranch, it would eventually own, control and maintain the Melody Ranch water and sewer systems and roads. The HOA Board anticipates that ownership and control of the recreational open space, the approval of building plans, enforcement of Melody Ranch CC&Rs and other basic functions of the HOA pursuant to the CC&Rs will remain with the HOA.

The proposed District boundaries include the entire upper Melody Ranch subdivision, and the Glory View and Sage Meadows subdivisions. The initial slate of five directors are all owners of homes in our subdivision and have been involved extensively with the operations of the HOA and/or our significant infrastructure. Two of the ISD director candidates are civil engineers, two bring a strong finance background and one is the current manager of public works (sewer, water and roads) for the Town of Jackson. They are all volunteers who have agreed to serve on the initial ISD board. They are Rich Bloom, Bob Hammond, Brett Kroger, Larry Pardee and Jim Gute.

Frequently Asked Questions

Improvement and Service District (ISD)

Q-It appears that we will be paying dues to two organizations. Is there any idea of how those fees will be budgeted and how they will be paid?

The point of forming the ISD is to save homeowners money. Fees will not go up in the near term despite the ISD being formed – and future assessments and/or rates will likely be lower than if we did not form the ISD. Note: Sage Meadows is not part of our HOA as it only purchases water from our system – so will only share in the cost of that one service.

Yes, there will eventually be two entities with two boards and there will be your usual homeowners' dues and eventually ISD assessments. The primary purpose of forming an ISD is that it allows for access to state grants and/or low interest loans for any future infrastructure replacement and/or improvement needs, which greatly reduces the expense to the homeowners in the future. Budgeting and payment processes are yet to be determined by the soon to be elected ISD Board. In any event the experience from other associations that have gone through this process – is it can, and will be done with the same or greater efficiency then we have today.

Q-If by accepting a deed to a Melody Ranch lot, I have already consented to an Improvement and Service District, why do I need to do so again through this petition – and now vote in this election?

Forming an ISD is a process defined by a Wyoming State Statute (Title 18-Chapter 12). The CC&R's and deed acceptance language is only the first step. The petition for the formation of the ISD is the second step. It requires that we collect signatures and then hold an election. All fees and most of the legal work for forming the ISD are being paid for by the developer – not the HOA. We have successfully navigated all of the steps and this election is the final step in the process.

Q-Will the dues increase due to the ISD?

The dues may need to be increased at some time in the future, but it will not be related to the ISD. The ISD will be a separate entity encompassing all of Melody Ranch serving specifically the capital expenditures for the infrastructure – roads, sewer conveyance system and culinary wells and distribution systems. Because of access to both state and federal grants along with access to special low interest loans – any future major infrastructure needs will be lower because of these various subsidies which only ISD's have access to. In the short term, in aggregate, we do not expect any increase in either fees or water use charge rates. Note: Sage Meadows, as stated before, is only responsibility within the ISD for its share of water it receives from the district as it is not part of the HOA.

Q-Who are the initial slate of directors?

They are Rich Bloom, Bob Hammond, Brett Kroger, Larry Pardee and Jim Gute. They are all long-term owners and residents in Melody who also bring professional civil engineering, finance and/or infrastructure management skills to the ISD board. They are all volunteers who have already agreed to serve on the initial ISD board.