

**RESOLUTION OF BOARD OF DIRECTORS
OF
MEADOW STONE LODGE OWNERS ASSOCIATION**

RE: Allocation of Assessments for propane gas charges

Whereas pursuant to the Declaration of Covenants, Conditions and Restrictions of Meadow Stone Lodge (“CC&Rs”) at Article 8, Section 8.06, the Meadow Stone Lodge Owners Association is required to allocate Assessments for propane gas charges among the Meadow Stone Lodge Homeowners in varying manners according to the particular use of the propane gas.

Whereas pursuant to the CC&Rs and the Declaration of Annexation of Meadow Stone Lodge (Phase 2) (“Declaration of Annexation”), at Section 10, the Association is required to allocate Assessments for propane gas charges in a variable (Unit square footage) manner for “Common Domestic” propane gas for “hydronic space heating and hot water heating.”

Whereas the CC&Rs and Declaration of Annexation are vague and ambiguous as to the meaning of both “Common Domestic” and “hydronic space heating and hot water heating.”

Whereas the Association’s Board of Directors has studied, analyzed, and discussed how to determine the manner most equitable to the Homeowners for the Association to allocate the Assessments for propane gas charges which complies with the CC&Rs and the Declaration of Annexation.

Whereas the Association’s Board of Directors has obtained legal advice, and has met and discussed with counsel, how to determine the most equitable manner to the Homeowners for the Association to allocate the Assessments for propane gas charges which complies with the CC&Rs and the Declaration of Annexation.

Whereas the Association’s Board has determined the most equitable manner to the Homeowners for the Association to allocate the Assessments for propane gas charges which complies with the CC&Rs and the Declaration of Annexation.

NOW, THEREFORE, IT IS HEREBY

Resolved, that most equitable manner to the Homeowners for the Association to allocate the Assessments for propane gas charges which complies with the CC&Rs and the Declaration of Annexation for Phase 2 is as follows:

1. Unit space and water heating is not a “Common Domestic” use, because it does not relate to the Common Area, and, therefore, it is not an Association expense. The Association will pass through to the individual Homeowners Unit space and water heating charges billed by using meters.

2. Common Area use, consisting of use for hallways and the members' club, is a "Common Domestic" and "hydronic space and hot water heating" use. The Association will allocate the Assessments for propane gas charges for Common Area use in a variable (Unit square footage) manner.

3. Baseline amount for minimum operation of the Association's boilers is a "Common Domestic" and "hydronic space and hot water heating" use. The Association will allocate the Assessments for the propane gas charges for the baseline amount for the minimum operation of the Association's boilers in a variable (Unit square footage) manner.

4. Snow melt for roofs is a "Common Domestic" and "hydronic space and hot water heating" use since a space beneath the roofs is being heated. The Association will allocate the Assessments for propane gas charges for snow melt for the roofs in a variable (Unit square footage) manner.

5. Snow melt for the driveway is not a "hydronic space heating and hot water heating" use, since no space or hot water is being heated. The Association will allocate the Assessments for propane gas charges for snow melt for the driveway in an equal manner prorated among the Units.

Resolved Further, that this resolution be filed and maintained with the Minutes of the proceedings of the Board of Directors for Meadows Stone Lodge Owners Association.

Certificate of Secretary

I, _____, Secretary of Meadows Stone Lodge Owners Association, hereby certify that the above Resolution was adopted by the Board of Directors in accordance with California law and the governing documents of the Association, at a duly noticed Board meeting at which a quorum was present, on _____, 2007.
