

**SUN VALLEY ELKHORN ASSOCIATION  
BOARD OF DIRECTORS' MEETING MINUTES  
Friday, January 8, 2016 – 2:00p.m.  
Harker Center**

**AGENDA BUSINESS ITEMS**

1. Review and Approve 2014/15 Audit
2. Consider CPA Engagement Letter for 2015 Audit
3. Update Regarding Fire Station Equipment Storage
4. Consider Appointment of ADC Members
5. Discuss President's and Annual Meeting Assignments (Finalize Slide Deck)
6. Discuss 2016 Committees
7. Update from Ad Hoc Water Committee

**IN ATTENDANCE**

<b>Board Members</b>	<b>Staff, Counsel &amp; Others</b>
Pete Petersen, President	Jim Laski, Legal Counsel
Ira Shepard, Vice President – Via Phone	Chuck Williamson
Jim Monger, Treasurer	Darlene Kuehn
Harry Griffith, Director	Sue Ahern
Jack Haase, Director	Dave Mark
Angela Mabon, Director – Via Phone	Owners and others per attached sign-in sheet
Margaret Walker, Director	
Anita Northwood, Director	<b>Not Present</b>
	Nancy Auseklis, Secretary

**CALL TO ORDER**

President Pete Petersen called the meeting to order at 2:03 p.m.

**ESTABLISHMENT OF A QUORUM**

A quorum was established with eight (8) Directors in attendance in person or via conference call.

**REPORT FROM SUN VALLEY MAYOR**

Mayor Peter Hendricks was in attendance and reported on the following:

- Encroachment Ordinance – The first of three planned readings of a proposed street right-of-way encroachment ordinance was reviewed by Council Members in the January 7, 2016 Council meeting. Mayor Hendricks encouraged everyone interested or having concerns regarding the proposed ordinance to contact the City of Sun Valley.
- Mayor Hendricks announced that Brad DuFur was appointed to the City Council to fill the vacancy by Mayor Hendricks. Jane Conard and Michelle Griffith were sworn in having been reelected to the City Council. Keith Saks was appointed as City Council President. John O'Connor was reappointed to P&Z along with environmental engineer Sherri Newland.
- The City will be hiring one additional full-time Fire Fighter/EMT providing 24/7 emergency services.
- Sun Valley Center for the Arts is proposing a concert at festival meadows anticipating 5000 people in attendance to be held in August 2016, currently under review by the City.
- Mayor Hendricks thanked Margaret Walker for her service and contribution on P&Z.

Pete Petersen requested a copy of the street right-of-way ordinance for SVEA to review and make comment.

## **OWNERS ADDRESSING THE BOARD**

Dennis Tripp, Sagehill owner, requested that the Board review the ADC process for possible efficiency improvements in the noticing process, required fee structure and consider administrative approval to include photovoltaic and solar hot water panel installations.

## **APPROVAL OF FINANCIAL REPORTS**

Those present had reviewed the financial statements for September, October and November 2015 prior to the meeting. There being no questions or comments:

*Motion: Margaret Walker moved to approve the September, October and November 2015 financial reports, Jim Monger seconded, and the motion passed unanimously.*

## **BUSINESS**

### **1. Review and Approve 2014/15 Audit and**

The audit of the 2014/15 financial records has been completed by Scott Hunsaker of Mahlke Hunsaker & Company PLLC., and sent to Harry Griffith as Chair of the Governance Committee. Harry reported that he had reviewed the audit and found no discrepancies reporting SVEA is in compliance with standard accounting principles. Those present inquired on any established policies on the duration SVEA may use the same auditing firm, there being none:

*Motion: Anita Northwood moved to approve the 2014/15 audit as prepared by Mahlke Hunsaker & Company, Margaret Walker seconded, and motion passed unanimously.*

### **2. Consider Audit Engagement Letter for 2016 Audit**

Those present reviewed the proposed engagement letter of Mahlke Hunsaker & Company for the 2016 audit. After discussion:

*Motion: Anita Northwood moved to approve entering into an engagement with Mahlke Hunsaker & Company for the preparation of the 2015/16 audit and tax returns for a fee of \$6,250, Jim Monger seconded, and motion passed unanimously.*

### **3. Update Regarding Fire Station Equipment Storage**

Pete Petersen summarized the issue with regard to the Elkhorn Fire Station storing equipment on their property which is not screened from public view in compliance with the SVEA governing documents. Pete reported City representatives and neighbors will be meeting in February to discuss solutions agreeable to all parties. The screening plan when prepared, no later than March 31, will be submitted to the ADC for review.

### **4. Consider Appointment of ADC Members**

Staff presented the following slate of Architectural Design Committee candidates for Board consideration: Architect Ned Hamlin; Architect Steve Cook; Landscape Designer Isabelle McCarty; Architect Craig Lawrence and Architect Mark Pynn. Chuck asked those present to consider the addition of Landscape Designer Chase Goulay bringing the total number of ADC members to 11. After discussion;

*Motion: Anita Northwood moved to approve the proposed slate of ADC candidates and the addition of Chase Goulay, Jack Haase seconded, and the motion passed unanimously.*

## **5. Presidents' Meeting and Annual Meeting Assignments (Review Slide Deck)**

The Board reviewed materials to be presented at the Annual Membership Meeting as prepared by staff. Board members were given reporting assignments based on their respective Committee responsibilities. The slide deck package was reviewed and modified to include a capital budget spreadsheet slide identifying total budgeted expenses over the next ten years. Jim Laski was appointed Inspector of Elections to report processes and voting totals at the membership meeting. Pete Petersen and Harry Griffith agreed to attend the Associations President's meeting to update participants on SVEA and Water Resource Committee activities.

## **6. Discuss 2016 Committees**

Pete explained this matter is before the Board to determine annually if the Committee list is relevant for the succeeding year. Pete suggested that the matter be discussed at the Board meeting following the membership meeting, those present agreed.

Current SVEA Committees Include:

1. Capital Improvements/Long Range Planning
2. Communication
3. Executive
4. Finance
5. Governance
6. Recreation
7. Sub-Associations Liaison
8. Tennis

## **7. Update from SVEA Ad Hoc Water Committee**

Harry Griffith prepared a Powerpoint presentation which he reviewed with the Board and those owners in the audience. The presentation focused on overall water consumption in Blaine County and the City of Sun Valley. Consumption graphs comparing usage between various subdivisions, HOA's and condominium associations within Sun Valley and Elkhorn were made available. Harry described solutions for reducing consumption to include community education programs, self-help projects and system improvements. Harry reported that SVEA has applied for a Grant from the Department of Water Resources for approximately \$40,000. The grant will be used towards a pilot program around the Harker Center and Patty Rosewater Park. The pilot program to include converting current irrigation heads to low flow equipment, irrigation smart clock improvements and revegetation to include drought tolerant grasses. The intent of the pilot program is to present an example of potential improvements sub-associations might consider in an effort to reduce landscape irrigation consumption. Harry reported on the formation of the Galena Groundwater District and the efforts to secure Federal grant money to be used for irrigation moisture sensor installations. Board comment expressed the need for domestic water metering and increased water rates to aid in efforts to reduce consumption. The Board members agreed Harry should present the report to the owners at the annual meeting.

## **STAFF REPORT**

The Staff Report distributed to all Directors prior to the meeting included:

- An update on Twin Creeks Ponds and the Blaine County Tax Lien status, where the matter is still pending due to inaction by Blaine County.
- A summary report on SVEA Insurance Coverage's
- Amenities Report included an update on the Harker Pool changing room renovations; maintenance issues with the ladies and men's showers at the Village bathhouse; trail maintenance completed in the Sunrise area; and, management software system update.
- Dues Collections Report and Year End Property Sales statistics

- ADC Report on current projects
- General Restrictions Compliance Report

Chuck reported on the hiring of Dave Mark to fill the Operations position. Dave will come on as full-time staff in mid to late February or early March.

## COMMITTEE REPORTS

1. Capital Improvements/Long Range Planning Committee - *No Report.*
2. Communications Committee – *No Report.*
3. Executive Committee - *No Report.*
4. Finance Committee - *Slides reviewed for presentation at the Annual meeting.*
5. Governance Committee - *No Report.*
6. Recreation Committee - *No Report*
7. Sub Associations Liaison Committee - *Pete reported the liaison committee, comprised of all SVEA Board members, made attempts to attend all sub-association annual meeting scheduled over the holidays.*
8. Tennis - *No Report*

## OTHER BUSINESS

### Margaret Walker Recognition

Pete presented Margaret Walker a gift on behalf of SVEA for her 7 years of service on the Board of Directors. Margaret was thanked for her hard work, dedication and contribution in helping to make Elkhorn a special place for all property owners.

### Japanese Yew Trees

Those present expressed concern over the recent death of a large number of Elk in Hailey after eating Japanese Yew. After discussion, Board members directed staff to place an indefinite moratorium on the planting of Japanese Yew in Elkhorn.

## EXECUTIVE SESSION

An Executive Session of the Board was called for the purpose of:

1. Determine How Election Votes Assigned to Board Shall be Cast.
2. Consider Next Steps for Sale of Tax Lot #6218.

***MOTION: Anita Northwood moved to adjourn into Executive Session to discuss the issues noted above, Jack Haase seconded, and the motion passed unanimously.***

## RECONVENE OPEN BOARD MEETING

Motions as a result of Executive Session discussions:

***Motion: Jack Haase moved to allocate the proxies assigned to the Board equally between the five candidates with any fractional votes distributed between the two incumbents. Harry Griffith seconded, motion passed unanimously.***

Upon consideration of comments received by owners expressing concern about selling portions of SVEA open space; *Motion: Harry Griffith moved to not sell Tax Lot #6218, Margaret Walker seconded, motion passed with four (4) in favor and one (1) against.* Ira Shepard and Angela Mabon had signed off from the conference call prior to the vote.

## **EXECUTIVE SESSION 2**

The Board called for a second Executive Session for the purpose of

1. Discuss Personnel Matters

*MOTION: Harry Griffith moved to adjourn into Executive Session to discuss the issues noted above, Jim Monger seconded, and the motion passed unanimously.*

## **RECONVENE OPEN BOARD MEETING**

Motions as a result of Executive Session discussions: None.

## **ADJOURNMENT**

With no further business, Pete Petersen adjourned the meeting. Meeting adjourned at 4:29 p.m.

Respectfully Submitted,

/s/ Nancy Auseklis

Nancy Auseklis, SVEA Secretary

/cw

**SUMMARY OF MOTIONS & DECISIONS**

<b>Motion or Decision</b>	<b>Page #</b>
Motion to approve the November 2015 Financial Reports	2
Motion to approve 2015 Audit	2
Motion to engage Mahlke Hunsaker for 2016 Audit	2
Motion to appoint proposed ADC slate in addition to Chase Goulay for three-year terms	2
Motion to Vote Assigned Board Proxies	4
Motion to not sell Tax Lot #6218	5

<b>ACTION ITEMS</b>	
<b>Who</b>	<b>Does What</b>
Chuck	Confirm with Mahlke Hunsaker Engagement for 2016 Audit
Chuck & Sue	Include Japanese Yew moratorium as part of ADC applications and inform Owners
Chuck	Follow up with Fire Station Plan Submittal
Chuck	Contact Mr. Rees about the Board Decision to not sell Tax Lot 6218