

**SUN VALLEY ELKHORN ASSOCIATION
BOARD OF DIRECTORS' MEETING MINUTES
Thursday, September 19, 2019
Minutes**

AGENDA BUSINESS ITEMS

1. Review and Approve Financial Reports – <i>June, July & August 2019</i>
2. Twin Creek Ponds - Status
3. Village Racquet Sports -Status
4. 2019/20 Operational and Capital Budget Approval
5. Discuss Annual Meeting Information
6. Executive Session – Discuss Personnel Matters

IN ATTENDANCE

Board Members	Staff, Counsel & Others
Dave Galloway, President	Jim Laski, Legal Counsel
Anita Northwood, Secretary	Chuck Williamson, Staff
Karen Curry, Treasurer	Jon White, Staff
Jim Monger, Vice President	Sue Ahern, Staff
Laurie Fitzpatrick, Director	
Grady Burnett, Director	Owners and Others:
Clark Furlow, Director	See Attached Listing
Bob Diercks, Director	
Pete Petersen - Director	
Board Members - Not Present - None	

CALL TO ORDER

President Dave Galloway called the meeting to order at 2:00 p.m.

ESTABLISHMENT OF A QUORUM

A quorum was established with all Directors in attendance.

REPORT FROM SUN VALLEY MAYOR

Sun Valley Mayor Peter Hendricks reported on the following:

- Road Construction Communications – Mayor Hendricks introduced Bill Whitesell, Nancy Flannigan and Bryce Ternet and publicly praised their efforts in providing a very coordinated and successful communication campaign to keep property owners informed on summer roadwork construction activity. Those present expressed their appreciation for the work they did in keeping owners informed.
- Administrator Search – The City has received 10-15 applications and have identified many qualified persons within the applications received. The City is attempting to have the position filled by January 1, 2020.
- Kelly Rockwood has been hired as Assistant Treasurer and Clerk.
- The fire department has elevated two (2) part-time staff members into full-time positions.
- Rick Bower is new Assistant Fire Chief.
- The City is transitioning from EMT personnel to trained Paramedics.
- Road work will conclude in the coming week depending on weather. The road reconstruction work will resume next year with work on Trail Creek multi-use path, SV City Hall intersection, SV Road, Dollar Road, Old Dollar and Saddle Roads. Overall road construction costs are under budget. Excess funds will be allocated towards repaving the fire department parking areas.
- On October 1, SV City will take over the contract for the Wood River Rural Fire Department services.

- On October 3, the City Council will revisit the ordinance allowing the use of E-bikes on City multi-use paths and open discussions regarding the use of drones in Sun Valley.
- On September 23, the National Forest Foundation will meet and discuss the forest decline resulting from invasive pests. In addition, a tree assessment will be initiated by the City, and a program for tree removal in the street right of ways will begin. The City is concerned about line of sight issues, safety and potential fire hazard.

OWNERS ADDRESSING THE BOARD

Elli Bernacchi – 106 Thistle

Mrs. Bernacchi submitted a letter of concern and requested that the Board and Racquet Sports Committee address the following:

1. The fees charged to non-owners for pickleball programs and clinics are too low and not consistent with fees charged in tennis programs and clinics
2. The number of non-owners using the pickleball facilities and their ability to reserve space in advance that precludes owners from participating in programs and clinics.
3. Non-owners allowed to stay and play pickleball after clinics and lessons when not a guest of a property owner.
4. No hard tennis courts remain in the village after conversion to pickleball.
5. Increased noise due to the number of players. Continue and/or increase efforts to eliminate pickleball noise in the Village.
6. There is no other place in valley where summer pickleball is available causing issues for overburdened staff, court availability, increased noise and parking concerns.
7. All Professional Staffing should extend through September 15, or to Labor Day at minimum. Pros departed on August 12th.
8. Review insufficient available parking.

Mrs. Bernacchi concluded by asking the Board, at the very least, consider the following:

1. Increase fees for pickleball clinics.
2. Have cost estimate for noise reduction if current plan is not effective.
3. Look into parking issue.
4. Address the issue of Pro/office staff through the end of August.

Debra Heard – Summit 2830

Expressed her support of the letter submitted by Mrs. Bernacchi and the concerns over noise generated from pickleball.

Doug Brown – 406 Morningstar

Mr. Brown inquired as to the ownership of the Village parking area. Dave Galloway explained that SVEA has an easement agreement to use the parking area and access the Elkhorn pool and racquets facilities. Chuck explained that the actual parking area is owned by two (2) entities, Elkhorn Springs and Sun Valley Company. Sun Valley Company owns the parking area in front of the golf clubhouse while Elkhorn Springs owns all remaining parking areas.

Peggy French – 5 Aspen Lane

Peggy inquired as to who is responsible for brush removal and bank repairs near pond #2. Clark stated that SVEA does not yet know where the actual property line is located and could not answer the question at this time. Chuck expressed that SVEA is aware of the bank deterioration near the earthen dam of Pond #2; however, he requested that repairs not be done at this time. The reason for the delay is that a rubber liner has been exposed and SVEA would like to leave "as is" so that the hydrologist can see where the liner has been placed and the function it may be serving to retain water levels in the pond.

APPROVAL OF FINANCIAL REPORTS

The financial statements for June, July and August 2019 were provided to all Board Members prior to the meeting.

MOTION: Karen Curry moved to approve the financial reports as submitted, Pete Petersen seconded, and the motion passed unanimously.

BUSINESS

1. Twin Creek Ponds – Status

Clark Furlow reported that a hydrologist, Chuck Brockway Jr. of Brockway Engineering, was hired and is in the process of gathering data. The data consists of water flows, temperatures, and oxygenation testing and toxic algae evaluation. The Ad Hoc Committee members are anticipating an initial report by the end of October. That report will include alternatives and their impacts on the pond system. Jim Laski reported that communications with County representatives concluded that if SVEA legal counsel will prepare the corrected deeds the County will approve. Jim stated that this should be completed in the next 30 days. Dave Galloway asked committee members if the allocated funding for hydrologist services will be adequate. Clark stated that approximately \$5,000 of the \$10,000 allocated for hydrologist services has been spent. He expressed that the allotted funding should be sufficient to complete the initial discovery phase.

2. Village Racquet Sports Renovations – Status

Chuck reported that the post tension concrete pad for the pickleball courts has been completed. The fencing and painting of the courts will be completed in the spring as weather permits. The concrete pour was completed as expected. There is a straight hairline crack between the two large pads. This crack was placed purposefully between the two (2) large portions of the concrete pad to accommodate expansion. The entire area will undergo additional cable tightening as the concrete continues to dry. Staff will begin work on the City and SVEA ADC approval processes for the proposed check in and storage building. Chuck reminded the Board that the building with restrooms will be going to a vote of the membership. The members will be voting to ratify the Board's decision to install the proposed building with the addition of restrooms. Chuck stated that the Racquet Sports Committee has submitted a letter for Board consideration and approval. If approved, the letter will accompany the proxy/ballot sent to owners for the annual meeting. After discussion, ***MOTION: Jim Monger moved to approve the letter from the Racquet Sports Committee to be sent to owners regarding the vote on the proposed building, Karen Curry seconded, and motion passed unanimously.***

3. Approval of 2019/20 Operational and Capital Budgets

Karen Curry and Jim Monger presented the 2019/20 Operational and Capital Budgets for Board approval. Jim explained that the budgets were reviewed in detail by the Finance Committee. Karen stated there is no dues increase or fund reallocation being requested. The Finance Committee recommended Board approval for the proposed 2019/20 operational and capital budgets. Dave Galloway asked those present if they had an opportunity to review the information and if there were any questions. Grady Burnett asked if the Finance Committee considered whether or not additional funds should be allocated, beyond that of annual maintenance costs, towards the Twin Creek ponds given the current discussions surrounding this issue. Karen stated this topic was discussed at length by the Committee and they decided not to allocate additional funds beyond planned annual maintenance at this time. Karen explained there was insufficient information as to what will ultimately be done and what costs might be incurred. Jim stated it was not yet known if any work in addition to annual maintenance might also require a special assessment. After discussion, ***MOTION: Clark moved to approve the 2019/20 Operational and Capital budgets recommended and presented by the Finance Committee, Laurie Fitzpatrick seconded, and motion passed unanimously.***

4. Discuss Annual Meeting Information

Chuck reported that Grady Burnett and Karen Curry were eligible for re-election and that Jim Monger having served 6 years is term limited and unable to run for re-election. Chuck stated the cutoff date for Board applications is October 31, 2019. Dave Galloway asked Grady Burnett and Karen Curry if they would consider running for the Board and both agreed they would be willing to continue to serve and would pursue re-election.

STAFF REPORT

Pet Violations

In addition to the staff report presented to the Board in their packets (see below) a brief summary on dog violations was presented. Dogs running at large and pet owners failing to clean up after pets remains a problem throughout the area. During the winter months, the problem is most significant in Parker Gulch, Independence Creek and along Juniper Road. Chuck stated that the SVEA process for violations is time consuming requiring notification and a Violation Board Hearing which can take 30 to 60 days. The City allows citizens to issue citations for failure to clean up after pets and dogs running at large. If the problem continues, staff may request Board authorization to utilize the City citation process to quickly resolve problems. Those present suggested that Staff reach out to the City about potentially installing additional bag dispenser stations in the problem areas mentioned.

Wildlife Report

Laurie Fitzpatrick requested that staff issue eblast warning information with regard to aggressive coyote activity around the golf course and near homes. They are a threat to people and pets and owners should be made aware of what could be a serious safety concern.

The following is an excerpt from the Board meeting packet provided for owner information:

AMENITY OPERATIONS

Harker Pool – *The pool was closed after Labor Day Sept 2nd. The Wet Dog Festival was held on Sept 3rd and very well attended once again with over seventy (70) dogs participating throughout the sessions. A leak is being monitored this fall to determine the origin and have repairs made prior to the next summer season. The salt generators will be cleaned and stored for winter. Pool furniture will be placed in storage, and pool will be drained and winterized by mid-October.*

Village Pool – *The pool is currently open with modified hours from 11am to 6pm. Pool will remain open through September weather permitting. Local temperatures and owner usage are being monitored for possible earlier than planned facility closure. A proposal for re-plastering the hot tub has been received and upon budget approval by the Board, work could be completed this fall depending on weather. The summer pool cover roller cart is scheduled to be replaced in spring 2020.*

Ponds/Waterways - *Pond cleanup was completed to remove algae and debris. Spraying for mosquitos was conducted on several occasions this summer on all five Twin Creeks ponds. The sonic algae unit and surface aerator in the Village pond will be removed for the winter. Subsurface aerators will be kept operational this winter to maintain a healthy fish habitat.*

Harker Park – *The splash pad will be winterized and park umbrellas, game equipment and pool furniture will be placed in storage in October. Upon budget approval, additional sand and edging on the volleyball court along with new park fencing and repairs will be completed in the spring of 2020.*

Tennis Facilities - Pickleball – *The Har-Tru courts are currently operational and being monitored daily as a result of colder area temperatures. The courts will be closed for the winter at the first sign of overnight surface freezing. The shade structure and furniture at the Village courts will be stored for winter when the Har-Tru courts are closed down for the season. All water coolers have been disconnected and stored for winter. Harker nets, ball trays and furniture will be stored in October. Several Harker courts will remain playable weather permitting. Demolition on village pickleball site commenced on Sept 3rd. Prep for post tension concrete was completed by Sept 11th, and a scheduled concrete pour date was set for Sept 12th. Some initial pickleball court fencing work will be completed this fall. The contractor is scheduled to return next spring to finish fencing and paint court surfaces. A completion date of July 4th, or possibly earlier depending on weather, has been set.*

Season ending revenues and usage numbers are as follows:

Revenue Comparison – Tennis/Pickleball	2017	2018	2019
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Merchandise	\$ 1,573.50	\$ 1,067.56	\$ 1,381.74
Junior Tennis Programs	\$ 2,745.00	\$ 6,590.00	\$ 4,305.00
Pickleball Revenues	\$ 12,348.00	\$ 13,046.13	\$ 23,015.86
Tennis Lessons	\$ 4,775.00	\$ 8,870.00	\$ 12,320.00
Adult Tennis Programs	\$ 14,156.00	\$ 11,035.00	\$ 13,170.00
Mixed Evening Socials	\$ 98.10	\$ 72.72	\$ 36.36
Women's Tennis Programs	\$ 441.45	\$ 1,027.17	\$ 799.92
Total Revenues	\$ 36,137.05	\$ 41,708.58	\$ 55,028.88

Amenity Usage:	2017	2018	2019
Harker Pool	10,398	10,345	8,106 – Schools started earlier
Harker Tennis	2,672	2,655	2,675
Village Pool	8,027	7,796	8,334
Village Tennis/Pickleball	2,850	3,453	4,148 – Tennis; 1,454 – Pickleball; 2,694

ADC & Compliance Information September 2019

Current Projects

Project Type	Full ADC Committee Approval	Administrative Approval
New Residences	4	0
Remodels	3	0
Deck/Patio Expansion	1	3
Painting	0	3
Remove Trees	1	25
Add/Remove/Replace doors/windows	0	1
Roof over deck	1	0
Re-roof	0	2
Landscape	2	1
Additions	5	0
Pavers	0	1
Lighting	0	0
ADU	1	0
Air conditioner	0	1
Fence	1	1
New Asphalt	0	1

Restriction Compliance

Infraction	Total
Trash cans	9
Recycle bins	3
Trailer	1
Unsightly	3
Signs	2
Debris	2
Camper	1
Landscape neglect	2

Finance Directors Report

Dues Payments Overview

- *The Accounts Receivable balance is currently \$(4,198)*
- *As of September 11, the number of owners over 120 days delinquent stood at one.*
- *With the exception of the aforementioned account all of the previous past due accounts have been collected and the liens released.*

Operational & Capital Overview

- *As of August 31, 2019*
 - *Total YTD Assessments / Other Income is 1.5% (10.8K) over budget*
 - *Total YTD Expenses are 2.6% (27.2K) over budget primarily for the board approved down payment for the 2019/20 FY upgrades on the Village Courts*
 - *The Capital Reserve asset replacement fund balance as of August 31, 2019 totaled \$1,050,605*
 - *The Operational Account cash and investments balance as of August 31, 2019 totaled \$448,018*

Summer Program Income

- *As of September 11, 2019*
 - *Total YTD income is 1% over budget totaling 6.9K.*

COMMITTEE REPORTS

1. Communications Committee ~ Grady Burnett reported the Communications Committee met on September 12th. The committee reviewed photographs taken by professional photographer, Kat Cannell, that will be used to update the SVEA website. Kat will continue to take additional seasonal photographs of the Elkhorn area as well as special request images as directed by the Communications Committee. Darlene will organize all photos into different categories and the committee members will chose the best images for the SVEA website. This task will be performed over the winter months. Staff relayed the weekly road construction updates from the City to all Elkhorn property owners to keep everyone informed. The Committee instructed staff to send out an eblast prior to mailing the annual meeting information encouraging owners to submit their vote on the proposed building in the Village. This will be followed up by two additional communication efforts during the proxy return time frame. Committee members instructed staff to postpone sending the amenity survey until the pond matter is concluded.
2. Executive Committee – Dave reported that the Executive Committee met and approved the funding for the hydrologist and in a subsequent meeting discussed staffing matters that will be reported to the Board in Executive Session.
3. Finance/Long Range Planning Committee ~ Nothing further to report beyond the budget approval. (See Above)
4. Governance Committee ~ Jim stated that a meeting will be scheduled later in October to discuss the allocation of proxies.
5. Recreation Committee ~ Sue Ahern and Anita Northwood reported on the success of the summer programs and events. Sue reported that the summer concluded with the wet dog pool festival with over 70 dogs in attendance. The donations received during the event will be turned over to the Sun Valley Animal Center and placed in their fund for emergency pet care. The funds are used in instances where financial assistance might be required to properly care for a pet.
6. Sub Association Liaison Committee – No Report
7. Racquet Sports ~ Laurie reported that the Committee initiated discussions in their most recent meeting addressing many of the concerns expressed during the public comments. The Committee will continue

their efforts to address concerns over the winter months. Owners present inquired as to whether the committee meetings were open to the public. It was explained that the meetings are usually not open to the public; however, owners can attend by invitation to speak to specific issues. Committee meetings generally provide guidance to staff, address owner comments and recommend policies for Board consideration and approval.

8. Water Committee – No Report

OTHER BUSINESS

None

EXECUTIVE SESSION

MOTION: Pete Petersen moved to approve the Board convening into Executive Session for the purpose of discussing personnel matters and proxy voting, Karen Curry seconded, and motion passed unanimously.

MOTION: Pete Petersen moved to approve the Board reconvening into General Session, Karen Curry seconded, and motion passed unanimously.

The Board convened into executive session at approximately 3:55 p.m. and came out of Executive Session at 4:05 p.m. for the following motion as a result of Executive Session:

MOTION: Karen Curry moved to approve removing option 3A on the 2019 Annual Meeting Proxy, Clark Furlow seconded, and the motion passes unanimously.

Move back into Executive Session for the purpose of discussing Personnel matters:

MOTION: Pete Petersen moved to approve the Board convening into Executive Session for the purpose of discussing personnel matters, Jim Monger seconded, and motion passed unanimously.

Staff recused themselves from the meeting.

The Board moved back into General Session at 4:10 p.m.

Motions as a result of Executive Session.

MOTION: Bob Diercks moved to approve authorizing the Executive Committee to finalize the negotiations and executive compensation terms, Laurie seconded, and motion passes unanimously.

ADJOURNMENT

With no further business Dave Galloway adjourned the meeting at 4:10 p.m.

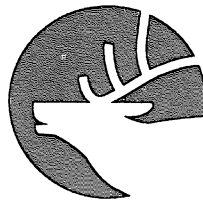
Respectfully Submitted,

_____/s/ Anita Northwood
Anita Northwood, SVEA Secretary

SUMMARY OF MOTIONS, DECISIONS & ACTION ITEMS

Motion or Decision	Page #
Motion to approve Financial Reports for June, July & August 2019	3
Motion to approve including Racquet Sports Committee letter on proposed new building in the Village with the annual meeting proxy.	3
Motion to approve the 2019/20 Operational and Capital budgets proposed by the Finance Committee.	3
Motion to Convene in Executive Session for Personnel Matters and Proxy Voting	6
Motion to approve removing option 3A from Annual Meeting Proxy	7
Motion to approve authorizing Executive Committee to finalize executive compensation	7

ACTION ITEMS	
Who	Does What
Chuck/Laurie	Bring Bernacchi Letter to Racquet Sports Committee for Review - Schedule meeting in November.
Chuck/Jon	Repair Pond #2 & #3 Earthen Dams
Jon/Chuck	Prepare for Village racquets building vote and city and ADC approvals
Darlene	Post Approved 2019/20 Budget to Website
Chuck/Jon	Talk to City about additional pet waste bag dispensers on Parker Gulch, Independence Creek and Juniper Roads
Chuck/Darlene	Prepare and send wildlife eblast reminder



Sun Valley Elkhorn Association
 September 19, 2019 Board Meeting
 Elkhorn Owners & Guests Sign-in Sheet
 (Please Print)

NAME	ELKHORN ADDRESS OR ACCOUNT #	EMAIL ADDRESS	TOPIC OF INTEREST
Sandy Kling	104 Parker Gulch	sandy.kling@gmail.com	tennis courts
JIM LAKE	102 Lupine	james.lake@cox.net	ponds
Doug Brown	406 MORNINGSTAR	DOUGLASPBROWN@cox.net	TENNIS
Kami Hart	109 Angoni Way	victorytug@gmail.com	Tennis
ITS MAHER	4392 F. 9 DR	TMMIAHER@ME.	COURTS
Bill Whitely	CITY OF S.V.		
Osse Skorpyski	7 Black Birch		
GREG COOKE	205 SUNRISE		
SUSAN MAHER	4099 BLUFF		
Nancy Ausekli	106 Juniper Rd	nausekli17@cox.net	
John Hemen	Summit II		tennis courts
IRA SHEPARD	115 Blue Grouse		
CHARLES Judd	2375 INDIAN SPRINGS		