

**SUN VALLEY ELKHORN ASSOCIATION  
BOARD OF DIRECTORS' MEETING MINUTES  
Friday, July 9, 2021  
Minutes**

**AGENDA BUSINESS ITEMS**

1. Review and Approve Financial Reports – <i>March, April &amp; May 2021</i>
2. Rental Amenity Access Dues - Report
3. Governance Committee Recommendations – Nominating Committee
4. Twin Creek Riparian Committee - Report
5. Committee Reports
6. Other Business – Review Elkhorn Subdivision Documents for ADC Modification

**IN ATTENDANCE**

<b>Board Members</b>	<b>Staff, Counsel &amp; Others</b>
Dave Galloway, President	Jim Laski, Legal Counsel
Tom Eklund, Secretary	Chuck Williamson, Staff
Karen Curry, Treasurer	Jon White, Staff
Grady Burnett, Vice President	Sue Ahern, Staff
Laurie Fitzpatrick, Director	Darlene Kuehn, Staff
Tom Kling, Director	
Clark Furlow, Director	
Bob Diercks, Director	<b>Owners and Others:</b>
Pete Petersen - Director	See Sign in Sheet
<b>Board Members - Not Present - None</b>	

**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:

- COVID-19 – Blaine County has transitioned into the green category on infection rates. County reports that Blaine County is 120% vaccinated due to part-time residents receiving vaccines.
- Road and Path Improvements will continue with the road work near City Hall concluding by the end of August.
- A new parking area with thirty-eight (38) spaces was installed at the Hemingway Memorial.
- The City is working on the next fiscal year budget to include Police, Fire and snow removal vehicles. City Hall is planned for much needed capital improvements. City will not be increases taxes in the next fiscal year.

**OWNERS ADDRESSING THE BOARD**

**Amy Lientz – 106 Village Way** – Amy wanted to publicly express her appreciation for the Terra Group and their work to resolve a serious water/drainage situation which left unattended could have compromised their association building integrity.

**Holly Mikesell 2395 Indian Springs** – Holly expressed her concern about the “Rental Amenity Access Dues” and requested that rental data information be compiled to include amenity usage per unit.

This information can be used to verify and compare short-term rental usage impact vs property owner usage impact, rather than relying on amenity cards issued data.

**Jonah Kendall – 321 Juniper Road – St. Thomas Episcopal Church** – Mr. Kendall, Rector for the Church, occupies the home with his family. He requested that the \$600 “Rental Amenity fee be waived as this is not a rental property situation. The Church provides housing for him and his family. Amenity cards were issued to him and his wife, but their children were not able to get a pass. Dave Galloway stated this matter would be addressed later in the meeting.

**Taan Robrahn – 3 Mock Orange** – Taan expressed his concerns regarding the Board’s decision to convert the Twin Creek ponds to a riparian area. He expressed that this decision by the Board was made without owner input. Dave reported that the Twin Creek owners are scheduled to meet on Monday July 12th, with the Twin Creek Riparian Restoration Committee to receive owner input. Taan stated that pond 4 is an important and viable source of water for fire suppression and urged that this pond be retained for such purposes.

**Nowel Pawliw – 2023 Village Condominiums** – Mr. Nowel expressed concern that he is not able to have an amenity card issued for his children. Mr. Nowel rents his Village condominium to an employee and has paid the \$600 fee. Mr. Nowel and his family reside in Ketchum. Dave explained that the Board reviewed this type of ownership situation and concluded that as an owner of the property and paying dues, he and his wife are entitled to an amenity card, even though they may not reside in Elkhorn. His children do not reside in Elkhorn and are not entitled to a card and the \$5 amenity access fee would apply to their children when accompanied by their parents.

**Al Stevenson – 106 & 108 Bluebell** – Al expressed that the loss of water rights for the Twin Creek ponds was an SVEA oversight and the results of not taking timely action in the Snake River adjudication process. He agrees with Taan that the ponds are an important fire protection feature. Al asked that the Board consider filing for a non-consumptive use permit and secure enough water rights to account for evaporation. Clark cautioned that the process Al suggested is not as simple as it may sound. The process suggested involves approval by several agencies and may be expensive to accomplish having to potentially buy water rights in the process.

## **APPROVAL OF THE FINANCIAL REPORTS**

Board members received the financial statements in advance of the meeting. ***MOTION: Tom Eklund moved to approve the financial statements for March, April, and May 2021, as provided to the Board, Karen Curry seconded, and motion unanimously passes.***

## **BUSINESS**

### **1. Twin Creek Riparian Restoration Committee - Report**

Clark reported that the Twin Creek Riparian Restoration Committee has met and formulated a conceptual plan to restore the ponds to a creek which will be presented to the property owners on July 12<sup>th</sup>. Experts hired by SVEA include a hydrologist, landscape architect, and wetlands consultant. These individuals will be present at the July 12<sup>th</sup> meeting to address questions from the owners with respect to the restoration plan. Clark encouraged those present to attend the July 12<sup>th</sup> meeting and ask the professionals their opinions on the questions raised during public comment in regard to fire suppression, the loss of water rights and feasibility of obtaining non-consumptive water rights.

### **2. Rental Amenity Access Dues – Policy Adjustments**

Dave Galloway reviewed the history involving the implementation of the Rental Amenity Access Dues. Dave explained that SVEA will need to raise approximately \$2 million in the next 3 to 5 years when it is time to replace the Harker pool. The Board will be reviewing the Association capital requirements going forward and develop a funding plan to meet the future needs. The Rental Amenity Access Dues is a new and evolving program meant to fairly allocate the expense of amenity replacement and operations among the owners and guests. The program will be reviewed at the end of the year, and adjustments may be made as

specific issues arise and adjustments are deemed appropriate by the Board. Staff recommended two policy changes for Board consideration as follows:

- 1) Chuck reported that the number of infants coming to the amenities with their parents is substantial. The current policy requires that every family member must have an amenity card or pay the \$5 access fee. Staff is recommending that children under five (5) be allowed access to the amenities without an amenity card.
- 2) Long-term tenants residing in Elkhorn are allowed to have an amenity card, however, the current policies excludes their Elkhorn resident children from possessing an amenity card. Staff would like to issue amenity cards to all long-term tenants residing in an Elkhorn property.

After discussion, Clark Furlow made two motions:

***MOTION: That the current policy be changed so that it provides that SVEA staff may issue an amenity card to any occupant of a rental unit who resides within that unit pursuant to a long-term lease for that unit. Karen Curry seconded, and the motion passed unanimously.***

***MOTION: That the SVEA adopt the policy that any child under five years of age who resides in Elkhorn with his or her parent(s) or guardian(s) does not need an amenity card to use an SVEA amenity provided the child is accompanied by an adult. Karen Curry seconded, and motion passed unanimously.***

Staff presented a request from St. Thomas Episcopal Church that the Board waive the rental amenity access dues for the St. Thomas Episcopal Church property. The church property is not rented to the occupants and used for the sole purpose of housing the Rector of the church and his family.

Staff requested Board approval to allocate two (2) corporate amenity cards for the Wood River Jewish Community commercial property. These cards will be treated in the same manner as a long-term tenant in that all guests accompanying a WRJC cardholder will be required to pay the \$5.00 amenity guest fee.

The Board members approved these requests.

### **3. Governance Committee – Reinstate Nominating Committee**

Bob Diercks, Chair of the Governance Committee, presented for Board approval the Committee recommendation to reinstate the use of a Board Election Nominating Committee and approve the guidelines under which the nominating committee will function. The Nominating Committee will be an Association Committee and the composition will consist of a seven (7) person committee with three (3) past board members, two (2) current Board members and (2) at-large homeowners. The purpose of the nominating committee is to interview prospective Board members and to recommend to the Board those candidates who are best suited to fulfill vital roles and needs of the Board based on their professional work and life experience.

Pursuant to discussions, ***MOTION: Bob moved to approve the creation of an association Nominating Committee for Board elections, Pete Petersen seconded, and motion passes unanimously.***

***MOTION: Bob moved to approve the Governance Committee recommendations for the composition and operating procedures (see attached) of the association Nominating Committee, Pete Petersen seconded, and motion passes unanimously.***

### **STAFF REPORT**

During the meeting, Chuck updated the information on the status of the Village pool construction. He reported that concrete supply continues to be a bottleneck delaying the completion of the pool. After the concrete has been completed, Infiniti Pools will plaster the pool beginning July 18th. The pool will be immediately filled with water and the chemicals adjusted to assist in curing the new pool plaster. Staff is

attempting to open the pool Saturday July 31<sup>st</sup>. The staffing of the pool will present additional problems with the local employee shortage. *(The following Staff Report is an excerpt from Board Packet)*

**AMENITY OPERATIONS**

**Harker Pool** – Harker pool was opened Memorial weekend. Adult swim has been offered from 9am-11am, with open swim 11am-7pm. Lifeguard training was conducted on June 16<sup>th</sup> & 17<sup>th</sup> with all guards passing the certification. Another smaller class training is scheduled for July 17<sup>th</sup>. Repairs completed this spring include; hydrostat valves replaced in deep end, some small cracking was sealed, and skimmer tiles replaced and leak stop liquid added to pool. The pool still has significant water loss and is believed to be from additional cracking along a previous return line repair and skimmer.

**Village Pool** – As reported by GM.

**Common Areas/Open Space Trails** – Dog station bags are being monitored and bags replaced as needed. Trails have been inspected by maintenance and cleared of overgrown vegetation. Additional trail connectors will be reviewed with recreation committee. The Juniper trail was relocated off private property and re-established above the corridor in SVEA open space.

**Ponds** – Village Pond aerator installed. Subsurface aerator compressor was replaced to provide additional oxygen. Fish were restocked this season for the upcoming fish derby on July 10<sup>th</sup>. Twin Creeks Riparian Restoration Committee plan reported separately.

**Harker Park** – Harker Park is open with basketball, volleyball, shuffleboard, horseshoes & bocce. Fence repair/replacement was deferred this year. Volleyball court cleanup completed and holes filled for safety reasons. Pergola shade structure has been cleaned and re-stained with oil preservative.

Horseshoe pits were weeded. Bocce Ball court was cleaned for play. A new BBQ was purchased for the park area for owners to reserve, which allows the large BBQ to stay on patio for grilling events. This will alleviate back-to-back scheduling issues with reservations on the patio vs the park.

**Tennis Facilities** – Village Pickleball courts were cleaned and opened in late April. Sound screening was installed. Clay tennis courts were prepped for play and opened in May.

Harker tennis court rebuild has been completed. New windscreens have been ordered and scheduled to arrive soon. Paver walkways have been installed. Landscape repair and grass seed in front of the courts has been scheduled for July.

**ADC & Compliance Reports**

**Current Projects**

<b>Project Type</b>	<b>Full ADC Committee Approval</b>	<b>Administrative Approval</b>
New Residences	8 approved 2 denied 1 tabled 5 scheduled for review	
Remodels/additions	5	
Guest house	1	
Tree removal		10
New trees		5
New paint color		11
Solar panels		1
Fence		5
Pergola		1
Address monument		1
Air Conditioner		1

Deck/Deck Railing/Patio Expansion		9
Landscape		3
Awning		2
Reroof		10
Driveway		3
Siding		2
Windows/doors		5
Hot Tub		2

### **Restriction Compliance**

<b>Infraction</b>	<b>Total</b>
Trash cans	10
Recycle bins	4
Trailer	5
Unsanitary	3
Boat	1
Camper	2

### **Finance Director Report**

#### **Dues Payments Overview**

- As of July 1, 2021, SVEA has received a total of \$177,600 for Rental Amenity Access Dues.
  - To date eighteen 18 owners billed in May and 2 owners billed in June have not yet paid the dues.
- Total income for Access Fees for the pool and racquet sports entries stand at \$4,895.
- Total Income for Set-up fees is \$1,100.
- Currently, the number of owners over 30 days delinquent are as follows:
  - Thirty-six (36) owe \$337.
  - Four (4) owe \$937.
- There is one (1) owner 60+ days past due for a total of \$479.

#### **Operational & Capital Overview**

- As of July 1, 2021
  - The Capital Reserve asset replacement fund balance totaled \$1,136,300.
    - The current principal due on the Zions loan is \$1,466,821.
  - The Operational Account cash and investments balance totaled \$912,254 nearly \$230,650 more than last year at this time.

#### **Communications**

- January 1 – July 1, 2021
  - The quarterly newsletter was snail mailed and sent by email to owners in March.
  - Racquet Sports and Amenity Guide Brochures were printed and posted on the website.
    - In addition, they are available by hardcopy at all venues.
  - Individual recreation posters were printed and laminated.
    - They have been posted at the Harker Pool and both Racquet facilities.
- 20 e-blasts have been sent to owners as follows:
  - 11 – Amenity Updates
  - 6 – City of Sun Valley Messages
  - 2 – Special interest notices
  - 1 – Newsletter
- Average open rate – 60%
- SVEA is currently communicating via email with 1,457 (89%) of Elkhorn properties. Last year we were in communication with 86% of Elkhorn properties. Information sent out via email is as follows:
  - 6 – Amenity Updates
  - 3 – Twin Creek Riparian Updates
  - 2 – Newsletters
  - 6 – Special announcements
  - 4 – Notice of Meetings

## COMMITTEE REPORTS

1. Communications Committee – No Report
2. Executive Committee – No Report
3. Finance/Long Range Planning Committee – No Report
4. Governance Committee – Nothing in addition to approved action indicated above.
5. Recreation Committee - Pete reported the Recreation Committee programs have been very active, he encouraged everyone to attend and help out at the kids fishing derby.
6. Sub Association Liaison Committee – Chuck W. reported that the Sub-Associations are transitioning back to normalized in person meetings and have started requesting an SVEA representative report during their annual meetings.
7. Racquet Sports - Laurie reported that the Harker Tennis Facilities are now complete and all the comments received she have been very complimentary about the new courts. Chuck stated that the Harker courts were completed on time and on budget. He reported that the tennis activity to date has increased by 45% over the previous year's records setting activity. The pickleball activity has increased by 63% over last year.

## OTHER BUSINESS

**Subdivision Architectural Restriction Review** – Grady Burnett reported that he had received owner comments that the Architectural Review process has been onerous recently because of the architectural compliance requirements of the individual subdivision governing documents. The documents are out of date and in conflict with the architectural design trends of today. These conflicts seem to complicate the process which can become frustrating for owners seeking approval for new homes and remodels. Grady suggested that over the winter months, the Board consider a review of SVEA ADC processes, and the aging subdivision documents. Chuck W. recommended that the Board set up a workshop to learn about the entire ADC approval process and the authorities of SVEA in relation to the various subdivision governing documents. Those present agreed.

## EXECUTIVE SESSION

***MOTION: Pete Petersen moved to approve adjourning into Executive Session for the purpose of discussing the following:***

- 1) ***Dues Collection Matters***

***MOTION: Clark moved to approve returning to general session, Karen Curry seconded, and motion passes unanimously.***

Motions as a result of Executive Session are as follows:

***MOTION: Clark moved to approve authorizing staff to continue collection of Amenity Access Dues in accordance with current SVEA collection policies and deny access to amenities for all nonpayment of dues, Tom Eklund seconded, and motion passes unanimously.***

## ADJOURNMENT

With no further business Dave Galloway adjourned the meeting at 4:30 p.m.

Respectfully Submitted,

/s/ Tom Eklund

Tom Eklund, SVEA Secretary

# Board Member Nominating Committee

**PURPOSE:** The purpose of the Nominating Committee is to select the best possible candidates for the annual election of directors.

**COMMITTEE  
SIZE, TENURE**

**COMPOSITION:** The Nominating Committee shall be made up of seven (7) members in three (3) distinct and separate group as follows:

- Group 1 - Three (3) past Board Members
- Group 2 - Two (2) current standing Committee Members
- Group 3 - Two (2) at large homeowners

If there are more volunteers than Nominating Committee positions available within any individual Group, a blind drawing of the applicants within that specific Group of volunteers will be held. Volunteers may only qualify under one (1) Group designation each year unless a sufficient number of volunteers are unavailable to fill all positions.

The nominating committee members shall serve no more than 3 consecutive years.

**CANDIDATE**

**SOLICITATION:** SVEA will solicit owners interested in serving on the SVEA Board of Directors throughout the year using established owner communications. Owners interested in serving on the Board will have their names and contact information recorded and maintained in the administrative offices. The cutoff date for Board applications is September 30th, each year. All owners volunteering to serve on the Board of Directors will be scheduled for an interview with the Nominating Committee. In the absence of a sufficient number of qualified candidates, the Board of Directors may recruit candidates to fill vacancies.

**CRITERIA:**

The Nominating Committee will utilize a list of questions presented by the Board of Directors. The candidate questions will be objective and solicit information on expertise that is currently essential or deemed necessary to best serve SVEA in the future. In addition, candidates will be questioned as to any special interest projects or issues they would like to address while serving on the Board of Directors. This criterion is in no way intended to limit the Board or Nominating Committee member in requesting any additional information or ask any other questions they deem important in the candidate selection process.

**MEETINGS:**

The Nominating Committee will meet at a time and place specified each year during the month of October. All Nominating Committee meetings will be concluded on or before November 1st. A list of all candidates, in addition to Nominating Committee recommendations, will be presented to the General Manager on or before November 1st.

**ELECTIONS:**

All volunteers for the Board, whether endorsed by the Nominating Committee or not, shall be permitted to have their names on the ballot if the candidate elects to do so.

**PROXY**

**VOTING:**

The Board of Directors shall vote the proxies received from Elkhorn property owners in any manner they deem to be in the best interest of the Association.

**SUMMARY OF MOTIONS, DECISIONS & ACTION ITEMS**

<b>Motion or Decision</b>	<b>Page #</b>
Motion to approve Financial Reports for March, April, and May 2021	2
Motion to approve issuing LT tenant amenity cards and children under 5 no card required.	3
Motion to approve creation of nominating committee and operating policies	3
Motion to approve collection of Amenity Access Dues according to SVEA collection policy	6

<b>ACTION ITEMS</b>	
<b>Who</b>	<b>Does What</b>
Chuck	Contact St. Thomas Church and WRJC about Amenity Card Decisions.
Staff	Implement Amenity Card Policy Changes.
Chuck	Solicit for Nominating Committee Members in July Newsletter.
Chuck, Sue	Prepare Winter Board Workshop – ADC & Subdivision Documents Review.
Darlene	Collect and report on past due accounts.