

**SUN VALLEY ELKHORN ASSOCIATION
BOARD OF DIRECTORS' MEETING MINUTES
Friday, July 8, 2022**

Minutes

AGENDA BUSINESS ITEMS

1. Review and Approve Financial Reports – <i>March 2022, April 2022 & May 2022</i>
2. Twin Creek Riparian Corridor – Committee Report
3. Owner Amenity Survey Approval
4. Village Core – Hennessey Property Report
5. Committee Reports – Finance – Budget Reallocation; Racquet Sports – Request for Pickleball extended hours 4 to 6 p.m.
6. ADC – Appoint Gretchen Wagner to ADC Committee

IN ATTENDANCE

Board Members	Staff, Counsel & Others
Grady Burnett, President	Jim Laski, Legal Counsel - Zoom
Tom Eklund, Secretary	Chuck Williamson, Staff
Karen Curry, Treasurer	Jon White, Staff
Clark Furlow, Vice President	Sue Ahern, Staff
Pete Petersen - Director	Darlene Kuehn, Staff
Tom Kling, Director	
Marlene Fletcher, Director	Owners and Others:
Bob Diercks, Director	See Attached – Attendance Information
Board Members - Not Present - None	

CALL TO ORDER

President Grady Burnett called the meeting to order at 2:00 p.m.

ESTABLISHMENT OF A QUORUM

With the resignation of Laurie Fitzpatrick, a quorum was established with all directors present.

REPORT FROM SUN VALLEY MAYOR – Mayor Peter Hendricks was unavailable. City Council President Michelle Griffith reported on the following:

- The planned road construction work on Sun Valley Road has been completed apart from the intersection of Saddle Road and Sun Valley Road. Revisions to the traffic pattern at this intersection are under consideration.
- The City of Sun Valley will be installing five (5) bike repair stations in various locations throughout the City. The bike repairs stations will have pumps and tools provided.
- The city believes Festival Meadows is underutilized. The city will be reviewing a 5-million-dollar renovation project to include an amphitheater, restrooms, sledding hill, water, sewer and electrical, etc. to expand the usage capabilities. The funding is available through accumulated capital improvement tax revenues.
- The Blaine County Ambulance Service has been removed from the Greenhorn fire station. Michelle reported that the city contends an ambulance service is necessary for the City of Sun Valley and mid-valley areas. Currently, the two areas represent 47% of the tax district and ambulance service should be provided.

OWNERS ADDRESSING THE BOARD

Sally Gillespie – 3 Black Birch – Greenhorn Fire Station – First Responder Housing:

Sally asked the Board for consideration in mentioning the Spur Community Foundation in the SVEA newsletter. The Spur Community Foundation raises fund through philanthropy efforts for community projects. Spur is currently seeking funding for construction of eight (8) single family homes at the Greenhorn fire station location intended for housing first responders. Tom Kling asked if Sally would write an article for review by the Board.

Lisa Wicklund – 3 Firewood Lane – Shared Road Maintenance:

Lisa requested assistance from SVEA in formulating a shared road maintenance agreement for her and her neighbors to maintain the private road access to their homes. The roadway is jointly owned; however, her neighbors are reluctant to share the expense for repairs and maintenance. Chuck recommended that Lisa meet with him and Sue Ahern to consider available options to persuade the owners to properly maintain their property.

Harry Griffith – 211 Lupine Road – Riparian Restoration in Twin Creeks:

Harry expressed his disappointment in reading in the newsletter that SVEA would not be pursuing the riparian restoration of the Twin Creek ponds. Harry stated deferring the project is a short-term savings versus a long-term gain and that SVEA should follow the science and opinion of the experts. By doing nothing, additional safety hazards are created. He expressed concern that SVEA seemed to be held hostage by a small number of owners. He asked that the Board spend no more Association money on maintenance and repairs of the ponds, as this would be unfair to the owners who viewed the riparian restoration as a more sustainable alternative.

Wendy Crimp – 204 Lupine – News Disseminated About Pond and Riparian Restoration Costs:

Wendy expressed concern that owner communications regarding the ponds lacked information on hard costs showing the ponds were comparable or lower than the riparian restoration cost, in addition to feasibility issues raised regarding the water table that was not conveyed. She expressed it would be nice to present broader information package about the water ways and ponds and educate the membership on more than the limited information provided. Grady explained that there was a tremendous amount of information gathered and reported. The Board has tried to fairly balance the concerns expressed on both side of this issue.

FINANCIAL REPORT APPROVAL

Board members received the March, April and May 2022 financial statements prior to the meeting. With no corrections or additions, ***MOTION: Tom Kling moved to approve the financial reports as presented, Karen Curry seconded, and motion passes unanimously.***

BUSINESS

1. Twin Creek Riparian Restoration Committee Report:

Clark Furlow reported that SVEA has approved abandoning the riparian restoration for now and subsequently withdrew its application from IDWR. The ponds continue to be created by dikes and dams which are at present illegal. It is unclear what IDWR may or may not do about this situation. If ordered to remove the dikes and dams, SVEA needs to be prepared to take that action. Clark reported that hydrologist, Chuck Brockway, will be working through the summer months monitoring water flows and preparing an analysis for SVEA. Bruce Smith has been hired to survey of property boundaries. This is being done to better define SVEA land around the ponds and that of adjacent property owners. The survey will include measuring the depth of the ponds to provide a better understanding of the total water volume of the ponds. SVEA has hired All Seasons Landscaping to chemically treat the ponds for

algae and weed growth. This process may require a couple of years to be fully effective. The algae treatment is scheduled for every three weeks throughout the summer months.

2. Owner Amenity Survey:

Chuck reported that the owner amenity survey was completed and sent to the Board members to take online prior to the meeting. He expressed that he received feedback that the survey takes about 10 to 15 minutes to complete. He asked those present if there were any changes or additions needed before the survey is sent to the owners. Grady commented on the fact that question involving the ponds were reviewed by area homeowners and some changes were made based on comments received. After discussion: ***MOTION: Tom Eklund moved to approve the amenity survey for distribution to the property owners, Bob Diercks seconded, and motion passes unanimously.***

Chuck explained that staff will conclude the survey after 60 days from the initial date of distribution. The survey will be distributed online on two separate occasions. After 30 days, owners who have not responded will be mailed a hard copy of the survey. After 60 days, the survey will be closed, and information compiled for Board review.

3. Village Core – Hennessey Property:

Chuck reported that the Hennessey property in the Village core is in the process of closing. Chuck stated that he had spoken with the buyer regarding the parking easement agreement held by SVEA. Blaine County Title has researched the easement and provided an updated plat indicating that parking spaces on Block 7 were relocated to block 10 which is the parking area in front of the golf course clubhouse. Chuck stated that he had Jim Laski verify the findings and that Jim was satisfied that the terms of the easement agreement had been met. Jim reported on the sequence of events that transferred the parking easement to block 10. The spaces were shown on aerial photos. Jim stated that it appears a few additional spaces may have been provided in the replat. A title search was done to ensure the parking area in front of the golf course clubhouse is non-exclusive, which was later confirmed. Jim explained that the block 10 replat indicates 43 spaces were created and the loss of spaces on block 7 were less than 43. SVEA has not given any formal statement regarding the parking easement and acceptance that the conditions have been satisfied. Sue explained the purchaser intends to build 18 rental units. The units initially proposed include ten (10) 3-bedroom and eight (8) 4-bedroom units. Construction type will be modular and of a contemporary design. Sue reported the 4-bedroom units will have a two-car garage with a driveway, and 3-bedroom units will have a one-car garage with driveway. In addition, there will be some on street parking. The City requires 1½ parking spaces per unit. She stated that no official submission of the plans has been made either to the City of SVEA. Tom Kling raised concern about parking and expressed that the shortage will need to be reviewed. Chuck stated that alternative options to vehicle parking may need to be reviewed and studied as well. Clark reported that the Board did review the options available to SVEA for acquiring the land, and Mr. Hennessey was unreceptive to the interest and purchase options expressed by SVEA. Owners were informed that the actual approval process will take a considerable amount of time to achieve. Property Owners will have multiple opportunities to express any concerns they may have in the various hearing and approval processes. Concern was expressed by owners present about the impact of a rental property development in Elkhorn. The Board was asked to closely monitor development of this project and assure compliance with the Declaration is maintained.

STAFF REPORT

Harker Pool - Chuck reported that the Harker pool continues to lose 5 to 10 thousand gallons of water per day despite recent attempts to repair. The cost of the most recent repair was more than \$17,000 and Chuck recommended that no additional monies be spent attempting any further repairs. He stated that SVEA needs to begin the design and planning stages of a complete Harker pool renovation project in preparation for replacing the amenity within the next 3 years. Chuck expressed his concern that the cost to replace the pool which was 1.5 million in 2020/21 may now cost 1.75 to 2 million given inflation and current local area construction costs.

The Board of Directors received the following staff report prior to the Board meeting for review. The following is an excerpt from the Board meeting packet. While not specifically discussed during the meeting, it is provided for owner information:

GM Report - Village & Harker Pool Operations – *The Harker Pool opened on schedule with modified staffing. Lifeguards are only available 3 to 4 days per week (Thursday-Sunday). The remaining days are staffed with a desk personnel only and the diving board is closed. Prior to the start of the season, GM informed the 5b Swim Team that SVEA would not be able to host their team this year due to staffing shortage and the inability to quickly clean the facilities after the team's usage. Swim Coach, Brian Gallagher, offered to help with cleaning and organized volunteers among the parents of the team members. SVEA has hired the parents to clean the facilities at minimum wage to satisfy SVEA insurance requirements. While they can't get everything done, they have split up the duties enough to where existing staff can get the remainder of the work done prior to opening the facilities to the members each day. This seems to be working well and the Harker facilities has never looked better. To accommodate staff shortages the hours of the Harker Center have been reduced by 1 hour and is currently open from 11am to 6 pm daily.*

The Village pool opened on Memorial Day weekend per the announced schedule and continues to operate daily. The pool hours at the Village have been reduced to operate 12 noon to 7 p.m. The ability to open for adult lap swimming with staffing is not possible at this time as it would require 4 people instead of 2 on a regular basis. To satisfy the owner requests for lap swimming hours, staff is working to install a security lock system on the Village Pool entry door. Owners will be issued an access code and must sign a waiver accepting responsibility for any injury. Each owner will have a unique access code. We have cameras in the pool area and should be able to access and view remotely if needed. This will be an on-request item, not publicized, and is strictly for owners only. No family members, no children, no guests are permitted to accompany the property owner. Owners will sign an agreement that if violated SVEA will discontinue their access and will cancel their amenity pass for the summer season. Lap swimming hours will be scheduled from 7 a.m. to 10 a.m. daily except Saturdays & Sundays. At 10:00 a.m. everyone must leave so pool staff has 2 hours for cleaning and maintenance before opening to the general membership. This will be on a trial basis to gauge if it is possible to operate pools in this manner without staffing oversight.

Racquet Sports Operations

Staff has had several owners request that the hours of operations for pickleball be extended. Currently the hours of operation for pickleball are 9:00 a.m. to 4:00 p.m. The Village tennis courts are open to 7:00 p.m. daily. After 7:00 p.m. the gate automatically locks. Owners are asking why the pickleball courts are not open to 7:00 p.m. They would like to be able to play after work and in the cooler evening hours with it staying light so late. The major complaint from nearby owners is the sound, and the desire to use their decks and enjoy a peaceful evening with family and friends without the noise associated with pickleball. Staffing of the Village ends at 4:00 p.m. each day. Staff ensure that the pickleball courts are cleared of all players at that time. The Racquet Sports Committee would like the hours extended for pickleball. They are recommending staying open to 6:00 p.m.

Idaho Power

Idaho Power will be doing maintenance work and replacing power poles in Elkhorn and Sun Valley. Some wooden power poles will be replaced with metal poles of similar design. The height of the poles will be approximately 5 feet taller than existing structures. The location of the poles to be replaced are on Juniper Road and the back side of Dollar Mountain on portions of SVEA land. There will be a planned outage scheduled for September 28. Staff will eblast a message to the owners prior to any scheduled outages.

OPERATIONS STAFF REPORT - July 2022

AMENITY OPERATIONS

Harker Pool – *Harker pool was opened June 18th weekend with hours of 11am-6pm. Lifeguard training was conducted on June 11th with all guards passing the certification. Another smaller class training may be scheduled for July for new hires. The pool will be staffed with lifeguards on weekends only due to staffing shortage, and one attendant will be on duty during the weekdays. Additional candidates are still being interviewed and hired. Repairs were completed this spring. Pool still has significant water loss.*

Village Pool – The Village Pool was opened on Memorial weekend and is staffed from 12-7pm with one attendant. The pool and hot tub are operating efficiently as expected. Usage as of Village Pool is 2503 and 143 guests as of 6/29/22. Harker Pool usage since 6/18 is 518 and 26 guests.

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

Ponds – Village Pond aerator installed. Subsurface aerators are operational to provide additional oxygen. Fish were planted this season in early June for the upcoming fish derby on July 9th.

Harker Park – Harker Park is open with basketball, volleyball, shuffleboard, horseshoes & bocce. Fence repair/replacement has started with final mesh to be installed Tuesday July 5th. Volleyball court cleanup completed, and holes filled for safety reasons. Horseshoe pits were weeded.

Tennis Facilities – Village Pickleball courts were cleaned and opened in May. Sound screening was installed. Clay tennis courts were prepped for play in May. Harker tennis court rebuild has been completed. New windscreens have been installed with SVEA elk head logos on back screens. New drinking fountain with bottle fill feature was installed in the Harker clubhouse. New shade cabanas with benches have been installed on Harker courts. Racquet Sports facilities are currently staffed. The racquet sports program has four Pros this year who can cross over between tennis and pickleball lessons and clinics.

ADC Managers Report - ADC & Compliance Reports - June 29, 2022

Project Type	Full ADC Committee Approval Second Quarter
New Residences	4
Landscape revisions	2
Additions	1
Roof over patio	1
Project Type	Administrative Approval Second Quarter
Tree removal	9
Windows/doors	4
Hot Tub	1
Fence	1
Solar Panels	2
Deck extension	4
Landscape	4
Patio	1
Reroof	2
Reroof – entire sub association	1
Add trees	2
Address Monument	1
Air conditioner	1
New light fixtures – entire sub association	1

Repaint	3
Repaint – entire sub association	1

Restriction Compliance

Infraction	Total
Trash cans	13
Recycle bins	2
Trailer	1
Unsightly	2
Yard debris	1
Boat	2
Pop up camper	1
RV	1
Real Estate Signs	3

Finance Director Staff Report - July 2022

Dues Payments Overview

- As of June 29, SVEA has received a total of \$161,454 for Rental Amenity Access Dues which is 9% (\$16,146) less than last year.
- Currently, the number of owners 30-60 days delinquent are as follows:
 - Thirty-eight (38) owe \$337 (Regular Dues)
 - Nineteen (19) owe \$600 (Amenity Access Dues)
 - Ten (10) owe \$937 (Amenity Access and Regular Dues)
- Total income for Access Fees for the pool and racquet sports entries stands at \$5,950
- Total Income for Set-up fees is \$8,200

Operational & Capital Overview

- As of June 29, 2022
 - The Capital Reserve asset replacement fund balance totaled \$633,968
 - The current principal due on the Zions loan is \$1,330,309
 - The Operational Account cash and investments balance totaled \$951,776 nearly \$37,910 more than last year at this time.

Communications

- January 1 – July 1, 2022
 - The quarterly newsletter was snail mailed and sent by email to owners in March and June.
 - Tennis 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 & Village Pools and both Racquet facilities.
- SVEA is currently communicating via email with 1,476 (90%) of Elkhorn properties.
- Last year we were in communication with 89% of Elkhorn properties. From July 2021 through June 2022 twenty-nine (29) e-blasts have been sent out via email as follows:
 - 6 – Amenity Updates
 - 3 – Twin Creek Riparian Updates
 - 4 – Newsletters
 - 11 – Special announcements
 - 5 – Notice of Meetings
- Average open rate – 64% - Up 4% from last year.

COMMITTEE REPORTS

1. **Communications Committee** – Tom Kling thanked staff for their work on the amenity survey and preparing it for online distribution.
2. **Executive Committee** – No Report.
3. **Finance/Long Range Planning Committee** - Karen reported that the finance committee will be meeting later in August to prepare the budget for Board approval in September. Karen wanted to let owners know that a dues increase is very likely given the impact inflation has had on the operational budget over the past two (2) years. Chuck reported that he and Karen spoke earlier, and he is requesting a reallocation in the capital reserve budget. There are two items: \$16,000 for laundry equipment replacement and \$35,000 for Steam/Sauna room replacement at the Village. He requested that the funds for these items be reallocated toward the \$17,000 Harker Pool repair invoice and \$21,000 for Landscape Improvements at the Village Pool and Racquet Sports Facility. After discussion, ***MOTION: Pete moved to approve Staff's request to reallocate the \$51,000 budgeted for Village Pool Laundry Equipment and Steam Room/Sauna in 2022, and redirect the funds towards Harker Pool repairs and Landscape Improvements at the Village Pool and Racquet Sports facilities, Tom Kling seconded, and motion passes unanimously.***
4. **Governance Committee** - Bob Diercks reported that the Governance Committee did not officially meet. He reported on the "Homeowners Association Act" that went into effect on July 1, 2022. Bob stated that he and Chuck reviewed the new statute, and he was satisfied that SVEA is meeting all the requirements of the new legislation. Chuck explained that the Act provides guidelines for financial disclosure, Board meeting notice, violation enforcement, short term rental provisions, display of political signs and flags with limitations, allowance for solar panels and fee disclosure requirements. Current procedures in SVEA operations meet the legislative requirements. Some condominium associations in Elkhorn may require operational changes and/or CCR amendments to meet the new requirements. Jim Laski commented that in addition there are limitations on Executive Session discussions that the Board must follow resulting from the new legislation. Bob stated that notice of regular Board meetings is appropriately handled through SVEA publications and eblasts. Special meetings will require notice which SVEA will primarily accommodate through the eblasts unless owner specifically request a written notice. Bob reported that he has been working with staff to investigate electronic voting for Board elections. It is the intent to use electronic voting for this year's election process. Bob reported that staff is gathering information which the Governance Committee will review and report back to the Board.
5. **Recreation Committee** - Pete reported on the current programs and encouraged those present to come out to the Fishing Derby and lend a hand. The summer programs are doing very well, and the grilling is again sold out. Pete reported that owners interested in viewing wildflowers the hiking on Proctor Ridge offers a great opportunity at this time.
6. **Sub Association Liaison Committee** – Chuck stated that some Associations have reached out and have asked that a Board representative attend their meeting. He asked for volunteers to help give the SVEA report during some of the Association annual meetings. Grady and Tom Kling offered to participate.
7. **Racquet Sports** – Tom Eklund reported that the racquet sports facilities have been very busy with pickleball activity. The addition of the 4th pro has been well received. The racquet sport staffing is exceptional and the junior's tennis program is being well attended. Chuck reported that the Racquet Sports Committee is recommending that the hours of pickleball be extended to 6:00 p.m. Currently the pickleball courts close at 4:00 p.m. Property owners have expressed an interest in playing in the cooler evening hours and after work. Chuck recommended that prior to initiating the change that the owners in the immediate area be asked to comment. Previously, there had been significant concern raised by the owners due to the noise generated from the facilities. The facilities would need to be staffed the additional hours which is a problem at this time with the current labor shortage. Chuck reported that owner participation for pickleball is rising. When asked about the discontinuation of the Women's

Summer Challenge, Chuck explained that the program growth was stagnant, and complaints were received from participants that they did not feel welcome. To be more inclusive, the mixed doubles program was introduced this year with an online registration. The Women's program is available to run as an independent program if desired through the online registration software.

8. **Water Committee** – No Report

OTHER BUSINESS

Appoint Gretchen Wagner to ADC – Sue Ahern provided Gretchen Wagner's resume for Board consideration. Sue reported on Gretchen Wagner's qualifications as having attended the Yale School of Architecture and holds a degree from Dartmouth College in Art History and Studio Art, and she attended the Harvard Graduate School of Design. After discussion, ***MOTION: Pete moved to approve the appointment of Gretchen Wagner to the Architectural Design Committee, Marlene Seconded, and motion passes unanimously.***

EXECUTIVE SESSION

MOTION: Pete moved to approve moving into executive session to review past due accounts and discuss with legal counsel the resignation of Laurie Fitzpatrick, Marlene seconded, and motion passes unanimously. Meeting convened into executive session at 3:46 p.m.

MOTION: Pete moved to approve moving back into General Session, Marlene seconded, and the motion passes unanimously. Meeting reconvened into General Session at 4:15 p.m.

Action Results from Executive Session:

Past Due Accounts: Staff was instructed to notify owners, allow an opportunity to bring account current and discontinue amenity access on past due accounts on July 31st. Legal Counsel will review SVEA authority under the recently passed legislation to lien properties that are in arrears on paying the Rental Amenity Access Fee.

Laurie Fitzpatrick Resignation: The Governance Committee will prepare a procedure and solicit potential Board members to replace Laurie Fitzpatrick during the SVEA Board meeting in September.

ADJOURNMENT

President Grady Burnett adjourned the meeting at 4:31 p.m.

Respectfully Submitted,

 /s/ Tom Eklund
Tom Eklund, SVEA Secretary

SUMMARY OF MOTIONS, DECISIONS & ACTION ITEMS

Motion or Decision		Page #
Motion to approve Financial Reports for March, April and May 2022		2
Motion to approve amenity survey		3
Motion to approve reallocation of capital budget items		7
Motion to approve appointing Gretchen Wagner to ADC		8
Who	Does What	
Chuck/Sue	Work with Lisa Wicklund on Roadway Maintenance Agreement	
Chuck/Darlene	Work with Sally Gillespie on Spur article for inclusion in newsletter	
Chuck	Follow up with Chuck Brockway and Bruce Smith – TC Pond Work	
Chuck/Darlene	Eblast Owner Survey	
Chuck/Darlene	Revise Capital Budget and Repost to Website as Amended	
Chuck/Darlene	Contact Area Owners about extending pickleball hours	
Chuck/Darlene	Send Demand letters to owners who have not paid Rental Amenity Fees	
Chuck/Bob Diercks	Get process to Board on Replacing Laurie Fitzpatrick	
Chuck	Get Electronic Voting Resolved	