

SWEETWATER GOLF COURSE HOMEOWNERS ASSOCIATION
BOARD MEETING
June 17, 2017

The Board of Directors of the Sweetwater Golf Course Homeowners Association met in regular session on the 17th day of June, 2017 in the Ideal Beach Reunion Center, 2176 Bear Lake Blvd., Garden City, Utah

Attendance:

Alan Edwards, Don Jardine, Kent Parker, Jim Roberts, Jon Ord, Bob Petersen, John Sullivan, Tom Bardsley and Pat Parker, Secretary. Excused was Mark Andersen. Others in attendance were: Burke Christensen and Tiffany Wahlberg.

Call to Order:

President Edwards called the meeting to order at 9:00 am

A motion to approve the Minutes of April 22, 2017 as submitted was made by Jardine. The motion was seconded by Bardsley. Passed unanimously.

Financial Report:

Peterson reported that we are financially sound. Not too much change from the last meeting. Our cash balance is \$349,000.00 and is exactly where it was last year at this time. Our receivables are up about \$6,000.00 from last year. The Collection Agency has been excellent. Edwards requested a copy of the current data. What will Edwards report to the membership in terms of our budget last year and our expenses – how did we end up? Peterson responded that expenses were \$76,000.00, the mag water is up approximately \$3,000.00 from the year before and road expenses were approximately \$3,600.00. Everything else was about the same. Edwards asked what our accrued balance was at the end of the year. Assets minus payables – approximately \$300,000.00. Cash on hand we are at \$350,000.00 and we owed \$110,000.00 for the water. This would put us at \$240,000.00.

Bardsley asked about doing something in the Dumpster area and the lot across the street. Perhaps more signing and some way isolate it to our HOA only. The area across from the Dumpsters could be cleared and more rocks put in. Perhaps we could hire the road guys to come in a clear it out.

Sullivan will follow up on getting an additional dumpster or maybe two.

Edwards was asked by the Hillside HOA about installing gates near the dumpster area so only residents would have access. They are tired of the ATV traffic. It was unanimously felt by the Board that they would not be supportive of installing gates.

Edwards stated that in the spring during the budget planning process we will look at projects that need to be done. Roberts suggested we be very careful in the manner we spend out the cash balance. Just because we have this money, we need to plan very cautiously how it is spent. The Board agreed.

Report on Roads:

Jardine reported that we would end up spending approximately \$45,000.00 this year which including, grading, application of road base, ditching, clean up culverts, and mag water. We have tried to prioritize roads this year –Bluebell, Yarrow, etc., with extra gravel. Jardine felt they did a good job. We were able to put a little more money into the grading and gravel. New culverts have been put in. Home Owners have to be aware of their responsibility of their culverts. The runoff this year was a little better. The mag water was put down. Because of the rain, we may have one of our better years with the mag water. The Board felt the roads looked good.

Bardsley asked about the potholes - perhaps we need to grade down lower to correct this problem

Jardine reported the weeds have been sprayed twice this year. Some of the weeds are somewhat out of control. Edwards suggested that in the Annual Meeting we remind the members that they need to address the weeds on their property and try to keep them under control – it is their responsibility. Jardine feels he may get them back to spray one more time this year especially on the noxious ones.

Building Permits and Issues:

Roberts reported that he has received two homes and one outside building. Roberts stated that he will no longer receives plans on a disk. They will have to send a set of plans full size. When receiving them on a disk Roberts has to have the plans printed off at the price of a minimum of \$200.00. Roberts asked that the web site be changed to reflect this. The Board agreed.

Website Report:

Ord reported that we have had a little problem with it being down but now we are good. Edwards stated that one thing we will be having on the CC&Rs, when we send it out for the mail-in vote, it will have to be open for one month under law. We are going to send out a cover sheet that explains generally what we are going to do and refer them to the web-site. We will need to have a place on the web-site where we post the proposed ones – here is what you are voting on if you want to review it in detail.

Signs:

Sullivan reported that the Duffer signs need attention. Sullivan did hammer in fence posts with 3M tape on them in various places. Edwards appreciated this effort, but would like something like road sign quality object markers that tell people to “stay to that side” of this post because there is a problem here. These are generally stripped.

Edwards asked why don't we make a list of what we need and hire someone to come in and put the signs in for us. One of us has to follow up on the project – but not necessarily do the labor. Edwards

asked Sullivan to follow up on this. Roberts stated that perhaps they could do the speed bumps also.

A motion was made to increase the budget by \$4,000.00 for signage to be used at the discretion of Sullivan was made by Roberts. The motion was seconded by Parker. Passed unanimously.

Dumpsters:

Edwards thanked Sullivan for the work he has been doing in this area. Sullivan hauled off the junk that was there. Within a week it was back. Edwards stated that it was very nice for our Board Members to go and haul the junk away, but didn't know that we should have to if there is someone we can hire to do this. Ord suggested that we hire someone to come in once a month and clean the dumpster area up. The Board agreed. Edwards asked Sullivan to contact Bear Lake Landscaping to see if they would be interested in doing something like this.

Water Report and Asset Transfer Resolution:

Edwards introduced Burke Christensen to the Board. Christensen had submitted a letter to serve on the Board to replace Tom Bardsley. Christensen is Robert's brother-in-law. Christensen stated he went to college at Utah State University and graduated from Law School at the University of Utah. Practiced law in Chicago and Philadelphia and retired a few years ago and now teach at the University of Kentucky – Business Law. He purchased a place next to Roberts a few years back and have owned property here for about 25 years. He spends mid-May to mid-August here each year and usually about four weeks over Christmas. Edwards thanked him for his willingness to serve.

Edwards reported, that Chris Coray had passed away this past December, and prior to that he had gotten signatures from registered voters on a petition. The number of voters that signed the petition was a super majority so there was no election required. It has been formally submitted to the County Commission. A step they had to through for the County Commission to formally decline to undertake to provide the water service. They agreed, at least for now, that the current Board and would continue to serve on the Board of the new service district. Edwards thought it would be called the "Sweetwater Improvement District". Then in subsequent years they will have elections for Board members.

The Water Company hired a surveyor to do a formal survey of the plat of the service area for the district. That has been submitted to the County. The County was going through the process of hiring a new surveyor – so this has been delayed about a month. As soon as our surveyor and the County's new

Surveyor get together that will be formally approved and at that point it will be where the County will submit it to the Lt. Governor's Office of the State of Utah to notify them there is a new improvement district. Edwards felt that it appeared to be a done deal. It will now be a matter of them figuring out how to manage the Improvement District in compliance with all the State Laws.

Edwards will ask the members today to support the Water Company transferring to the local Improvement District, taking over full responsibility that the Water Company now has for providing the water here, the assets of the Water Company to the new Improvement District. That will be all the physical assets, trucks, other equipment, and wells and may include on-going use of some of our common areas that we have allowed the Water Company to use. Edwards asked Christensen to join Andersen in writing the contract to make this transfer.

Rules and Fines:

Edwards would like the Board to propose a rule addition to the one on ATVs we presently have for access only – simply “NO JOY RIDING”. Edwards felt that some people do not understand what the intent is of what we have. Bardsley felt there would be a lot of opposition to that. He felt that people bought their lot up here so their kids could go out riding. Edwards agreed – they do have that attitude, but yet the By-Laws state “for access only”. Edwards asked the Board if they want to go this direction.

Jardine was opposed stating does this mean we can't get on an ATV and go for a ride? It's not like I would go back and forth – just a ride. Now, there are some that do go back and forth and it is annoying. Jardine felt the intent is good, but the prospective is not. Sullivan felt he would like to take the 4-Wheeler out if he is looking for signs or trying to find a street which is not joy riding, but is not access either. Parker stated that they ride all the time when they are over and it is relaxing and fun. What is joy-riding? Edwards stated that there was no consensus on the Board and we would leave this subject.

Edwards stated that the other item was Junkers. We have to get rid of the Junkers down by at least one home. The current CC&Rs say – “if unregistered it has to be garaged”. Edwards is proposing something like – “if an unregistered vehicle is not garaged”and then set a fine for that. Edwards is proposing a rule to that effect. A rate has passed as follows: “Prohibited Vehicle Violation – up to \$250/Day Maximum Fine – a Warning must be given”. The following language was presented to the Board with a time deferred for later action. “Vehicles prohibited by h CC&Rs including unregistered vehicles that are not garaged are not allowed.

Edwards will present this to the membership.

CC&R Revisions and Vote:

Edwards stated that Attorney Seth Tait (from the law firm of Olson and Hoggan) went through these and put them together for us. Where we are now, each subdivision has separate CC&Rs. They are mostly consistent but there are some differences. Yet each one of them where they talk about voting, everyone in the subdivision has to be a member of the HOA and the only place it talks about voting rights is relative to the HOA. What the CC&Rs would do is they would combine into one set that would apply to all. There would be a uniformity throughout the HOAs of the CC&Rs. Edwards asked the Board to send any comments they may have to him, Christensen or Andersen.

Wahlberg (non-member of the Board) asked on voting on the CC&Rs is there going to be any way to vote on certain changes and not others or is it all or nothing? Edwards responded right now it is all or nothing. Edwards stated the revised CC&Rs will specifically say “no short-term rentals” or “no rentals under 30 days.”

Jardine asked about no commerce in home. Edwards stated it as 7.03 and we did have him amend it to allow for some home office work.

Bardsley asking about voting. Edwards responded – “the question is does the majority of each subdivision have to vote for it, or as our attorneys are saying – looking at it as a whole – they said it is not the model of clarity, the CC&Rs are not, but they look at the fact that everybody is forced into one

HOA and the only place that it addresses voting rights is relative to the HOA. Their advice is the majority of the combined group will rule". Edwards did not know if that will go unchallenged. Edwards explained that we have to do the CC&R vote based on the original CC&Rs which is one vote per lot, two votes per house. In 1996 they changed ours to everybody gets one vote here and our attorneys say that will not fly. The HOA should be compliant with the CC&Rs. We will talk to the membership today about this and ask for their vote.

Edwards stated – we are going to ask for a vote on the mail-in provision for voting, it will have to be a month long – reverting to the original CC&R voting which is probably the only thing that has been legitimate anyway.

A motion was made by Roberts to support the CC&Rs subject to the Committee a review by Edwards, Andersen and Christensen and any input the Board may have prior to sending out for a vote. The motion was seconded by Sullivan. Passed unanimously.

By-laws Revisions:

Edwards explained the main difference here is that we revert to the voting rights that they had under the CC&Rs – 1 for lot and 2 additional per house for a total of 3 per house and 1 for a lot only. (Please see "Exhibit A" Article II of the By-laws attached hereto and made a part hereof)

A motion to support the Second Amended and Restated CC&Rs and By-laws was made by Jardine. The motion was seconded by Sullivan. Passed unanimously.

Assignments and Procedures for Annual Meeting:

Sullivan and Ord will register and sign members in.

Adjourn:

No further business was brought before the Board and a motion to adjourn was made by Ord and seconded by Roberts at 11:08 am. Passed unanimous.

Next Meeting:

The next meeting of the Board Directors will convene immediately following the Annual Meeting.

