

Sweetwater Golf Course Homeowners Association

Annual Meeting

June 12, 2021

Sunrise Resort and Event Center at Harbor Village
Sign in took place from 9:45 to 10:15 a.m.

Welcome-Mark Anderson

- Meeting was called to order at 10:15 a.m. by HOA President Mark Anderson
- Item 12 was moved out of order to become Item 1 because Burke Christensen had to leave.
- Burke Christensen withdrew his name from the list of candidates for President.

Report on Dumpsters and Signs-Burke Christensen

- Steve & Teresa Anderson along with Burke Christensen have cleaned up the dumpster area.
- All the broken and missing signs are being replaced in the next couple of weeks.
- Six road signs are being replaced (frequent dips and speed limit signs).

Review Notification of Meeting to Members-Mark Anderson

- Roll call and sign in took place at the back tables and members were assigned ballots.
- Each owner was allowed one vote for every undeveloped lot, and an owner gets three votes for each lot upon which a dwelling residence has been built.
- All members received invitations by mail to the addresses that are currently listed.
- The 2020 Members' Meeting was canceled (because of COVID) and so this year members are voting on six open board positions.
- It was moved by Dave Mills that the three open positions for the board will be for the 3-year terms and the remaining three open positions will be for the 2-year terms. The top three candidates receiving the most votes will be elected to the 3-year term positions. Then the next three candidates receiving the most votes will be elected to the 2-year positions.
- If candidates are not qualified for the election, then the next person with the most votes would be moved into that position. David seconded the motion. The motion carried unanimously.
- Most homes and lots are owned by individuals. Some are owned by an entity, like an LLC, a trust, a limited partnership, etc. About 20% of the owners are entities.
- CCR's and By-Laws determine qualification of the candidates. Proof that members are part of the group or entity is required to be considered as a candidate.

Secretary Report and Review Minutes of the 2019 Annual Member Meeting-Mark Anderson

- The previous secretary, Bob Peterson resigned. The recording of the 2019 meeting was not available. Based on the agenda and memories the Annual Meeting held on June 8,

2019 minutes were reconstructed and read by Mark Anderson. Allen Edwards was acting president in 2019. Four directors were elected. Amended by-laws were approved and adopted. Water company presented their report. Roads, growth, website, dumpster use and road signs were reviewed.

- Doug Pincock moved that the minutes be accepted and Dave Mills seconded the motion and the June 8, 2019 minutes were approved by members in attendance.

Report of the President-Mark Anderson

- The HOA President serves as a member of the Bear Lake Water Company. The president of the three HOAs and one additional representative of the three HOAs also serve on the Water Company Board.
- The Utah State Governor Spencer Cox has declared a “drought emergency”. The water company has limited the time of watering to twice a week. Fires and fireworks use is to be limited because of fire danger.

“Guest Pass” Management Company Discussion

- Because of the growth of the area, the Board has been looking at having a management company to help with the regulations with the cost being absorbed by the rentals. There is a program called “Guest Pass” and anyone who rents would have to register with “Guest Pass” where rules are reviewed. The Board has approved this idea and it will be implemented next year.
- Cost is about \$5,000-8,000 for the phone operator and cost is to be covered by people who rent the property. There is an additional one-time fee charged \$50 per person per year based on occupancy permit. There is no charge for hosting personal family members and friends.
- Renters would pay about \$5.00 for each car and amount would be collected by the management company. Renters would have a short-term rental pass displayed in their windows. During the summer, if there are any problems with short-term rentals, you could call a specified number and they will then call the property owner or the management company. Those people who are renting and do not have a valid county permit, they will be turned into the county. This will give us data for the problems.
- A straw poll was taken to see if we should continue to look into using management services.

Letter Regarding Rentals

- A clarifying letter about CC&R restrictions on short term rentals was read by Mark Anderson. This letter states the official position of the HOA regarding rentals and will eventually be put on the website.
- The CC&Rs have not been changed as some have falsely claimed. The original developer wrote the covenants and they have not been changed since that time. The CC&Rs are outdated and the Board has tried to amend them, but there were not enough votes to make changes.

- Members were reminded that they can go to the website and make comments.

Policing of Speeding on Roads, Use of Helmets, Fireworks, etc.

- The question was presented for discussion: Would members be interested having county sheriff take over traffic control?
- Because we are privately owned, our streets are not public streets, and the county doesn't do maintenance of the roads or utilities. We have private roads, but public access. The Rich County Attorney requires that both HOAs would have to be in agreement. Rich County Sheriff and County Commission would have to be in agreement as well. We already paying property taxes at a rate of 100% even though most of the homes are second homes. Green Belt homes/ranches in Rich County get lower rates. We are already paying for county services that we don't use.
- The Fire Chief would have jurisdiction over fireworks. If a full-time occupant sees a situation that needs some back up for enforcement of the HOA rules, we hope that we can call on local authorities.
- The Board has discussed the possibility of putting in gates limiting access. Both HOA's would have to work together on a gate. Many are not sure that gates are a positive idea. In the winter the Bear Lake Water Company would like to restrict travel on certain wintertime access for heavy trucks. A firetruck might have to break through the gates.
- Most members like the direction we are pursuing. Some objected to additional HOA rules. This HOA is necessary because we have no recourse as the HOA controls the roads and the water, etc.
- A trailer has been parked near the dumpster site near Kimball Lane and the ownership is unknown. If anyone has information, please let the Board know.

Report of the Treasurer-Tiffany Wahlberg

- Tiffany clarified that she does not serve on the Board. Jon Nichol does sit on the Board.
- HOA Fees paid January through December 2020 were \$95,484. In 2021 we have received about \$98,000.
- We received about \$69,300 in building permit fees.
- Road Maintenance in 2020 was about \$106,065.
- Rental Fees (\$50 per person per year) brought in \$27,500
- Total Income was about \$167,762. In 2021 Income is currently at about \$102,000.
- Major expenses include road maintenance. The HOA spent about \$45,000 in 2018 and \$140,000 in 2019. In 2020 we spent \$106,065 on Road Maintenance. We generally budget about \$100,000 per year. On new construction, the original road is put in by the owner, but after it is in, the HOA will generally help maintain it.
- Magnesium Water is put on the road after the maintenance work is done. In 2020 18,053 was spent on Mag Water.
- Crowning the roads is being done by a huge grater. Drainage will improve if the crowning is done.

- Overall, 2020 income was \$167,762 and total 2020 expenses were about \$163,341.
- Cash on hand is \$207,000. \$100,000 in savings after expenses are paid. 2019 we had \$201,000 in savings.
- Accounts Receivable is currently \$14,000. We have been using a collection agency.
- If your property was built prior to October 2020. You can get back the refundable building deposit by filling out the Builder Deposit Release Form that is found on the website.
- About 1/3 of the HOA lots have homes or cabins on them. There are about 900 total lots.
- By following engineering recommendations, we can get the spring run-off in control and spend less on road repair.
- The common area owned by the HOA includes the roads and the gullies.
- There is a possibility of building a common playground area in a ravine area, but we would probably have to purchase a lot.
- If you move, please contact Tiffany to update her with contact information.
- You can receive FedEx and UPS packages at your home or cabin.
- The amount of your HOA statement has dropped since the Bear Lake Water company is now doing their billing separately.
- A motion was made by Don Jardine and seconded by XXX that we approve the financial statement. It was approved by the majority of members in attendance.
- A copy of the financials can be made available via email upon request. Tiffany will also put it on the website. Hard copies could be made available at future Annual Members meeting. The HOA Board of Directors is trying to be transparent.
- The Board appreciates all the feedback they get. The Board wants to be responsive. Some decisions are made by the Board and some decisions are made by the input of the members.
- The agenda for the Annual Meeting is determined the By-Laws.

Election of Directors-Mark Anderson

- Three Board members terms expired in June of 2020. (Mark Anderson, Burke Christensen, and Greg Vause (who filled Bob Peterson's seat when Bob resigned.)
- Terms of Don Jardine, Jon Ord, and Jon Nichol expire in June of 2021.
- Associate members serve on the board but do not have a vote. Current Associate members are Doug Pincock, Diane Bell, David Mills.
- Each candidate was asked to take questions for 2-3 minutes.
- Diane Bell was unable to be in attendance and a letter was read giving her credentials.
- Paul Carter
- Kimberly DeVries
- Carol Hirschi
- Danielle Jensen
- David Mills
- Jon Nichol
- Lynne Pettit was unable to attend in person and a letter was read giving his credentials.

- Doug Pincock
- Dave Stringham
- Jeffrey Stringham

Other Clarifications

- Mark Anderson made a clarification on the question of whether short-term rentals are a commercial activity.
- There are three ways that short-term rentals could be defined as a commercial activity.
 - Utah State Legislature could define. (Currently they are silent on this issue.)
 - A judge could declare what is commercial activity through litigation (and it remains questionable).
 - The HOA could amend the Declaration of Restrictive Covenants and thereby prohibit short-term rentals.
- The purpose of the letter read earlier about rental properties is to clarify where we stand as an HOA on short-term rentals.
- The current Board has decided to not spend HOA funds in fighting a legal case when there is a division over what to do about short-term rentals.
- There is a variance that could be allowed for specific hillside properties where the 28 - foot height limit requirement could not be met. The grade over distance where the house location is on the lot. The height restriction is about the cabins to the side as well as in front and in back of hillside builds. The other Sweetwater HOA has a 35-foot height limit.

Brief Recess

Meeting resumed at 1:10 p.m.

Bear Lake Water Company Report-Mark Weiss and Mark Anderson

- We have been working toward getting enough water available for full buildout.
- Terry Allen has negotiating for enough water rights for full buildout for the HOA.
- State must do final approval. A new pumphouse was built. Another well is built and the ability to run water up to the tank at the top of the hill. Terry Allen and Steve Hislop are both retiring.
- The Bear Lake Water Company is asking us to conserve water. Drought tolerant grasses can be planted.
- Big trucks driving across drives frost down and damages waterlines during winter.
- We could stop heavy trucks doing construction during winter months between November – April.
- It would be a \$13 million dollar project to put the water lines deeper and we are not in position to do this.
- Historically the original developer went bankrupt. Owned the water company and the sewer system. The bank took over the assets. The HOA organized and took over responsibilities of the sewer system as a special service district. Bear Lake Water Company is owned by the three homeowners' associations.

- We are still trying to incorporate an improvement district that would take over the assets and liabilities of the Bear Lake Water Company. The files were lost at one time. Mark Anderson will still work on getting the improvement district organized if he can. If we can get an improvement district created, then we could apply for state grants, bonds, and do financing for fixing the system. There is more regulation for a special district but there are more funding opportunities.
- The pipelines under the roads are too shallow. In some places snow removal is limited because of these shallow lines. Ten years ago we had a 40% loss of water in our water system. We still have a higher loss than it should be. Newer materials are more flexible.
- Scott England will replace Terry Allen and Lance Harris will replace Steve Hislop in the Bear Lake Water Company.
- Water rights for the HOA has been an issue for many years. The application for water rights was dormant for many years. We are glad that we have this solved.
- Garden City has problems with their water/sewer system and it is probably a good thing that we didn't annex to their system.

Report on Roads-Jim Roberts

- We have been working on crowning the roads. We hoped to have it done by now. Mag Water will be sprayed near the 29th of June.
- We have twice the number of roads as we used to have.
- More roads are open year-round. In winter, when road are wet and muddy, they are being destroyed. Big construction vehicles are especially bad on winter roads.
- The engineer has created a master plan and we are working on fixing the challenging spots. We work on the projects according to the master plan. Generally, the north-south roads are getting damaged by the east-west drainage. The traffic count determines which areas are prioritized. Speed bumps have helped.
- Many homes of the upper HOA don't have winter access.
- There is one road (Country Club Road) that is maintained by the county.

Building Permits/Issues-Jim Roberts

- In recent years the development has had five times the number of building permits that we normally have. 30 building permits were issued in 2020.
- We upped the permit fee amount to \$5000 and new people haven't complained.

Website Report-Jon Ord

- Jon will be resigning as a Board member but will stay on as an associate member of the Board and continue to manage the HOA website.

Dumpsters & Signs-John Sullivan/Burke Christensen

- All three dump locations are for the hillside. The Kimball Lane dumpsters are being used by others.
- We pay county taxes and the county could put more dumpsters in.

- In the springtime, we need to add gravel to the dumpster area to the south.

Weed Control-Don Jardine/Doug Pincock

- We have pursued an agreement with Rich County.
- Don Jardine will no longer serve on the Board.
- Thank you to those who have served and to those who are newly elected.
- Please become an Associate Board Member and decide if you want to be on the Board. Don't be afraid to do something about the problems you might see.

Short Term Rentals and Snow Removal-Greg Vause

- Currently we have 40 licensed short-term rentals.
- The average occupancy per home is 25 people per home. That means we have 1000 people coming and going every 3 days. If you have 5 people per car, that is 200 cars coming in and out of the HOA every 3 days. One of the problems is overcrowding.
- If we lower the number of people allowed to occupy the homes, the problems with renters parking, noise, etc., would also decrease. We have been working with the county on this problem. It is the Rich County Building Inspector assigns the number of people who can occupy a home.
- We need more people to show up at the Rich County Council meetings. Thanks was expressed to Greg Vause for getting better communication with the County.

Other Issues and Board Business-Mark Anderson

- President Anderson expressed his pleasure at being able to serve on the Board for so many years.
- The President appreciates those who have stepped forward to serve as Board Members.

Announcement of Board Election Results-Mark Anderson

- 3 year term Doug Pincock
- 3 year term Carol Hirschi
- 3 year term Paul Carver (Will serve on the Bear Lake Water Board)
- 2 year term Danielle Jensen
- 2 year term Jon Nichol
- 2 year term Diane Bell or Jeff Stringham.
- The sixth spot a tie between Diane Bell and Jeff Stringham and the board member will be determined later.

Meeting was adjourned. 4:15 p.m.

Minutes transcribed by Cyndy Weiss

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