

**SUN VALLEY ELKHORN ASSOCIATION  
BOARD MEETING MINUTES  
September 24, 2010 – 12:00 Noon  
Harker Center**

**AGENDA BUSINESS ITEMS**

Consider Stephen Smith's Resignation
Board Member Candidates for Election
Consider 2011 Tennis Agreement Offer to USPTS
Approve 2010-11 Budgets
Consider Adoption of 2011 401(k) Corporate Resolution
Review Amenity Survey Responses – Determine Next Step
Consider Appointment of ADC Members (Lewis Isbell & Rob King; Terry King's resignation)

**IN ATTENDANCE**

<b>Board Members</b>	<b>Counsel, Staff &amp; Others</b>
Jim Fletcher	Ed Lawson
Margaret Walker	Marlene Lowry
Pam Bailey	Darlene Kuehn
Sid Alpert	Jan Kaas
Gary Black	Chuck Williamson
Cris Thiessen	Wayne Willich, Dewayne Briscoe & Nils Ribi (City of Sun Valley Report)
Ted Witt	Stephen Smith, Pete Peterson & Franz Suhadolnik (partial attendance)

**ABSENT**

<b>Board Members</b>	<b>Counsel, Staff &amp; Others</b>
Patty Rosewater	-

**CALL TO ORDER**

Jim Fletcher called this meeting to order at 12:05 p.m.

**ESTABLISHMENT OF A QUORUM**

A quorum was established with seven Board Members in attendance.

**CONSIDER STEPHEN SMITH'S RESIGNATION**

Stephen Smith submitted his resignation effective September 14, 2010. Stephen was in attendance for this portion of the meeting and the Board acknowledged his many contributions and expressed their appreciation for his service to SVEA.

Discussion was held regarding appointing a replacement to complete the remaining four months of Stephen's term. Since there will be only one meeting before the election results in January, it was determined there was no need to fill Mr. Smith's unexpired term.

## **APPROVAL OF JULY 15, 2010 MINUTES**

The minutes of the July 15, 2010 meeting were reviewed. **MOTION:** Gary Black moved to approve the minutes as presented. Sid Alpert seconded and the motion passed with Pam Bailey abstaining.

## **REPORT FROM SUN VALLEY MAYOR & COUNCIL**

Mayor Wayne Willich, Council President Dewayne Briscoe, and Council Member Nils Ribí were in attendance for this portion of the meeting. They reported on the following topics:

- 1) Mountain Rides- Nils reported on recent adjustments to the bus schedules due to reduced funding. The Elkhorn routes will stay the same; however, hours will change slightly. Mt. Rides is soliciting feedback on the bus service and it was decided their current survey would be linked to our website and a mention would be included in SVEA's October e-blast. Nils also reported on the bus shelter construction planned for October in four Elkhorn locations, as well as discussions currently taking place with Hennessy Company for a planned 'park-and-ride' location in the Village parking lot.
- 2) Marketing Plan Issues- Dewayne Briscoe reported on the status of the current marketing efforts and funding from the City.
- 3) Capital Improvement Planning- Wayne stated their work is progressing; the streets have been rated and it is estimated the costs for bringing them up to current standards will be approximately \$10M. He reviewed the current plans for a new maintenance building; reporting on three possible sites: adjacent to City Hall (SV Co. land), Elkhorn golf maintenance area (Hennessy Co. land), and Parker Gulch area (SVEA land). They plan to more aggressively notice the public and continue the planning process.

## **OWNERS ADDRESSING THE BOARD**

Franz Suhadolnik, owner of Willow Creek Lot #55 (519 Juniper), attended a portion of the meeting. Franz reported there are currently 155 condos for sale and 88 homes. He believes people are leaving the area because of the tax burdens and the economy, and stated that sometimes businesses need to reduce staff. He expressed concern over the fact that owners do not know what individual staff members are paid. Jim Fletcher explained the salaries/benefits studies that have been conducted and the Board is very comfortable that staffs' compensation is below that of comparable organizations. The past decision to post the salary ranges rather than exact salaries was a board decision. The Board feels ranges give members an accurate picture of what staff is being paid.

## **STAFF REPORT**

The report was reviewed. In addition:

- Discussion was held regarding a letter from Joe Cannon requesting the Board include the dredging of Twin Creeks pond #1 in the 2010/11 budget. The Board, having carefully considered this issue in 2008, directed staff to advise Mr. Cannon that his request is denied.
- The Sun Valley Summer Symphony sent a letter of thanks for the SVEA amenity cards offered to the musicians and their families.

## **BUSINESS**

### **1. Board Member Candidates for Election**

Nominating Chair Gary Black reported there will be three vacancies on the board created by first-term expirations for Pam Bailey, Stephen Smith and Ted Witt. Pam and Ted are both interested in running for election to a second, three-year term and Peter Petersen, David Taylor and Rick Flores have submitted applications. The Nominating Committee has determined all five candidates are qualified and recommended all be listed on the annual meeting proxy with no endorsements. **MOTION:** Gary

Black moved the five nominees be accepted. Cris Thiessen seconded and the motion passed unanimously.

## **2. Consider 2011 Tennis Agreement Offer to USPTS**

An agreement with USPTS for the 2011 tennis season was negotiated by staff and approved by the Recreation Chair for the Board's consideration. After a discussion about the economics of the program, the following motion was made. **MOTION:** Pam Bailey made a motion to enter into the recommended 2011 contract, subject to Ed Lawson's prior review. Sid Alpert seconded and the motion carried 6 -1.

Discussion was held regarding the use of courts, ways to possibly reduce tennis expenses. Chuck Williamson and the Recreation Committee were tasked to look closely at tennis program alternatives, as well as the pool operation, and make any recommendations to the Board at the January meeting.

## **3. Approve 2010-11 Budgets**

Patty Rosewater and staff prepared draft budgets for the Finance Committee's review on September 15<sup>th</sup>. The Finance Committee met and accepted the proposed budgets but wanted two issues reviewed by the full board. The issues were:

- a) Consideration of developing a Master Plan for the entire SVEA community: During an amenities brainstorming session held in early September, where seven of the nine board members were present, it was agreed a professionally prepared master plan would likely be an important tool in determining the type of amenities that would meet membership's needs in the future, as well as helping the board make long term decisions regarding the repair/replacement of existing SVEA assets. The last 'master plan' was done by the developer over 35 years ago. The amenities developed at that time were designed to facilitate property sales. In the next few years our reserve schedule calls for the repair/restructuring of all our tennis courts. Redoing 17 courts is projected to cost in excess of \$600,000, which money we have in reserves. However, the board questioned the need for such expenditures if other amenities may be more attractive to the owners in the future. A new master plan based on input from owners would provide a very good road map for the future. Lengthy discussion was held by the Board with the decision reached that up to \$35K will be budgeted for a professional consultant, and staff was directed to interview various consultants, especially those known to have provided services for other entities in the Valley. Staff will report back to the Board in January on its progress. No funds will be spent until further review by the board.
- b) Converting the Village Pool to a salt water chlorination system like what was done for the Harker Pool in 2009: Use of salt water chlorination is safer and provides a better experience than chlorine. Many good comments were received from owners about the conversion of the Harker Pool. Nevertheless, the expected cost of conversion of around \$40K raised concerns, especially in this environment. SVEA has reserves that could be used for this project. After discussion, the board directed staff to get additional bids for this project to determine the actual costs, and the following motion was made.

**MOTION:** Cris Thiessen made a motion to include up to \$40k in the budget for the conversion of the Village Pool sanitation system to salt-water. Margaret Walker seconded and the motion passed unanimously.

After discussion of the above items, the following motion was made.

**MOTION:** Cris Thiessen made a motion to approve the 2010/11 Budgets with the amendments noted above. Sid Alpert seconded and the motion passed unanimously.

#### **4. Consider Adoption of 2011 401(k) Corporate Resolution**

The SVEA 401(k) Plan & Trust requires the Board adopt a resolution for each plan year stating the contribution to the plan. SVEA contributes 6% of eligible and qualified employee earnings to the Plan.

**MOTION:** Pam Bailey moved to approve the resolution as presented. Cris Thiessen seconded and the motion passed unanimously.

#### **5. Review Amenity Survey Responses – Determine Next Step**

The amenity questionnaire, as approved by the Board, was sent via email on July 20<sup>th</sup> to all owners who have provided their addresses (1392). A second, reminder email, was sent on August 3<sup>rd</sup> to 948 addresses. Staff then followed up with 976 snail mail versions on August 20 – 24<sup>th</sup> to those owners without email addresses and to those with email addresses who had not responded to the emails. As of September 21<sup>st</sup> responses were as follows:

On-line-	486
Snail mail-	<u>285</u>
Total-	771 (47% of total properties or 58% of individual owners - considering 110 owners own 300 properties)

Following review of the returns to date, it was determined the results would be sorted by full-time and part-time owners. The Recreation Committee, with staff's help, will then dissect the information and report back to the Board in January.

#### **6. Consider Appointment of ADC Members (Lewis Isbell & Rob King & Accept Terry King's Resignation)**

Lewis Isbell is a property owner in Highlands and has served a three year term on ADC. He was also a former member of the ADC Liaison Committee.

Rob King is a local architect and is just completing a three year term on ADC. He also served two, three-year terms several years ago.

Terry King has relocated to Boise, is no longer available to serve and has submitted his resignation.

Both Lewis and Rob have proven to be valuable members of the Committee and it was recommended they be re-appointed for three-year terms.

**MOTION:** Cris Thiessen made a motion to re-appoint Lewis Isbell and Rob King to the ADC, and to accept Terry King's resignation. Sid Alpert seconded and the motion passed unanimously.

### **COMMITTEE REPORTS**

Architectural Design Liaison Committee- The ADC activity was addressed under Staff Report.

Audit Committee- The Audit Committee reviewed four proposals and has selected a new auditor for the 2009/10 report. Pam Bailey has signed a letter of engagement with Dennis Brown, CPA from Twin Falls. Dennis will begin the audit work in mid November, after staff completes the month-end

and year-end work. It is expected the completed audit report will be submitted to the committee by December 10<sup>th</sup>.

Capital Improvements Committee- The new 2010 Capital Component Schedule has been reviewed and appropriate assets included in the budgeting process.

Communications Committee- Margaret Walker reported on the success of the monthly news e-blast. Gary Black suggested we look at improving the website to include a comprehensive owner section as well as a segment or page for the general public which might include information/links on area schools, amenities/community events, real estate values, etc.

Executive Committee- There was no meeting.

Finance Committee- The Finance Committee activity was addressed under Approval of Budgets.

Golf Committee- Cris Thiessen reported the Golf Club is in strong financial shape with 19 new members. It was also reported the golf/swim/tennis agreement between SVEA and the Elkhorn Golf Club has been finalized.

Insurance Committee- Though a 'worst case scenario' was used in the budgeting process (a 10% increase), our agent is working hard and is quite confident that our premiums should be flat for 2011.

Nominating Committee- The Nominating Committee work was reported under Board Member Candidates for Election.

Recreation Committee- Ted Witt reported on the trail program progress. Pool Guest Fees were discussed and Ted agreed his committee would review this issue at their next meeting.

Sub Associations Liaison Committee- Pam Bailey reported on the Sub Association Annual meetings that were attended by SVEA Board Members and the feedback received. She thanked all for their time and efforts in this important community outreach effort. Fall/Winter meeting dates will be distributed in early October for sign-ups.

## **OTHER BUSINESS**

Prior to this Board Meeting, the Hearing Committee, made up of Jim Fletcher, Margaret Walker and Sid Alpert, heard an appeal from the Fairway Nine VII Board of Directors regarding a July 22<sup>nd</sup> ADC decision on sign posts. Details of the hearing and the recommendation to uphold Fairway Nine VII's appeal based on the wishes of the owners was reported to the Board. **MOTION:** Pam Bailey moved to approve the Hearing Committee's recommendation. Margaret Walker seconded and the motion passed unanimously.

## **ADJOURNMENT**

With no further business, the meeting adjourned at 4:15 p.m.

**MOTION:** Sid Alpert made a motion to adjourn. Pam Bailey seconded and the motion passed unanimously.

Respectfully submitted,

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Margaret Walker, Secretary

## SUMMARY OF MOTIONS & DECISIONS

Motion or Decision	Page #
Stephen Smith's resignation was accepted	1
Minutes of July 15, 2010 were approved as presented	2
Prior decision to not dredge Twin Creeks Pond #1 was upheld	2
Pam Bailey, Rick Flores, Peter Peterson, David Taylor and Ted Witt were accepted as nominees	2
Approved 2011 Tennis Agreement with USPTS	3
Approved 2010-11 budgets with amendments	3
Adopted 401(k) resolution	4
Appointed Rob King and Lewis Isbell to ADC	4
Approved Hearing Committee's recommendation to uphold Fairway Nine VII's ADC appeal	5

## ACTION ITEMS

Who	Does What	By When
Marlene	Update BOD roster and list	10-1-10
Marlene/Darlene	Finalize approved 7-15-10 minutes and post on web	10-8-10
Marlene	Inform Joe Cannon of decision re: pond dredging	10-1-10
Marlene	Inform nominees of their acceptance; obtain bios and answers to three questions; finalize proxy	10-20-10
Chuck/Ed	Review and finalize tennis agreement	10-1-10
Chuck & Recreation Committee	Investigate other tennis programs; Review pool & tennis issues and report to Board	ASAP
Darlene	Adjust dues allocation for October 1st billing	10-1-10
Staff/Recreation Committee	Continue to tally survey responses and do ground work for master plan	Ongoing, by 1-5 meeting
Chuck	Obtain more detail and/or additional bids for salt system	10-10-10
Marlene/Darlene	Finalize budgets (using after audit numbers) for annual meeting & web	12-20-10
Marlene	Finalize 401(k) Resolution and send to appropriate parties	10-31-10
Jan	Inform new ADC members of appointments – update roster and lists	10-1-10
Staff & Communications Committee	Suggest changes/improvements for website and implement	12-31-10
Marlene	Prepare minutes of Hearing Committee meeting and inform players of decision	9-30-10

9-24-10 Board Minutes – approved 1-5-11

mlp/