

**SUN VALLEY ELKHORN ASSOCIATION
BOARD MEETING MINUTES
September 25, 2009 – 8:00 a.m.
Harker Center & Sun Valley City Hall**

AGENDA BUSINESS ITEMS

1. Consider WRET Request to Lease Land for Elk Feeding- <i>Presentation held at SV City Hall</i>
2. Board Member Candidates for Election
3. Finalize Annual Meeting Proxy
4. Consider 2010 Tennis Agreement Offer to USPTS
5. Approve 2009-10 Budgets
6. Adopt 2010 401(k) Corporate Resolution
7. Discuss Application to City of Sun Valley for Rezoning SVEA Land Around Harker Center
8. Consider Appointment of ADC Members
9. Consider Sun Valley Water & Sewer Request

IN ATTENDANCE

Board Members	Counsel, Staff & Others
Jim Fletcher	Ed Lawson (except for business item #1)
Cris Thiessen	Marlene Lowry
Pam Bailey	Darlene Kuehn
Patty Rosewater	Jan Kaas
Sid Alpert	Chuck Williamson
Jack Dalieri	Wayne Willich & Nils Ribi (City of Sun Valley report)
Margaret Walker	Owners & others attending for Elk discussion (partial- see attached sign-in)
Ted Witt	Bill Van Deinse (item #4); Ron Moskovitz, Grady Burnett, Jim Monger, Bob Gilbert & Lynn Bockemohle (item #7); Pat McMahon (item 9).

ABSENT

Stephen Smith

CALL TO ORDER

Jim Fletcher called this meeting to order at 8:00 a.m.

ESTABLISHMENT OF A QUORUM

A quorum was established with eight Board Members in attendance.

Jim explained the plan for moving through the agenda, with the presentation of the WRET request for leasing SVEA Land for an elk feeding program being held at City Hall's meeting room as well as the Mayor's report to the Board, and then returning to the Harker Center for the remaining agenda topics.

APPROVAL OF JULY 16, 2009 MINUTES

The minutes of the above meeting were reviewed with two changes: 1) A sentence "It will then be considered a part of next year's budget", was added at the end of Business Item #2. 2) The 'second' and the 'outcome' of the motion for item #7 were added. **MOTION:** Jack Dalieri made a motion to approve the minutes as amended. Patty Rosewater seconded and the motion passed unanimously.

REPORT FROM SUN VALLEY MAYOR & COUNCIL

Wayne Willich, Sun Valley Mayor and Nils Ribi, Council President, were in attendance and reported on:

- 1- City Bus Issue- Nils reported route changes are being planned to improve bus service for Sun Valley and they may need our assistance in informing the citizens. In addition to considering 30 minute and 15 minute turnarounds to accommodate skiers all wanting to get to the mountain at the same time, bus stop shelters are scheduled to be installed at Indian Springs, The Community School (Trail Creek Campus), Blue Grouse, Fairway Nine, Syringa and The Ranch. The City of Sun Valley contributes \$330k annually for bus service.
- 2- Feeding Wild Animals- Wayne reported on the meeting he attended with IDFG and representatives from other Blaine County agencies and cities regarding living with wildlife. Not only does Wayne have concerns over the large predators inside the city limits as a result of the elk being fed by private land owners within the city, but believes residents need to understand the problems created by feeding the foxes and other small animals. The group is planning additional meetings and will be focusing on educating citizens against feeding any wild animals.

STAFF REPORT

The report was reviewed and discussed. Marlene added that the DeNovo group is on the City Council agenda for October 6th to request a Comprehensive Plan Amendment to include 313 acres of their land in the City's Future Land Use Map. Margaret Walker added that this proposal was heard and denied by the Planning & Zoning Commission. Jeff Carnes has informed staff that SVFD has applied for a grant to be used in the mitigation of wildfires and if received, funds will likely be allocated to SVEA open space willow removal/trimming.

BUSINESS

1. Consider WRETII Request to Lease Land for 1-year Elk Feeding Program

Approximately sixty (60) people were in attendance to participate in the discussion of this topic (see attached sign-in sheet). Presentations were heard from IDFG, the WRETII, a group of owners opposed to feeding, as well as comments from individuals.

Following the presentations and questions/comments, the Board returned to the Harker Center to continue the meeting. The Board carefully considered all of the points raised during the public hearing held in the city council chambers; IDFG's position that for the long term benefit of the elk they should not be fed; and IDFG's opinion that the WRETII's program most likely would not accomplish the goals of keeping elk and predators out of the residential areas of Elkhorn. While the WRETII argued that without feeding some elk were likely to die, the Board was concerned the group provided no detailed support for their argument, their financial ability to carry out their plan or why they believed their feeding plan would work.

MOTION: After substantial discussion a motion was made and duly seconded to deny the WRETII's request to lease the land. It passed unanimously.

An email will be prepared and sent to all owners.

2. Board Member Candidates for Election

Nominating Committee Chair, Pam Bailey reported that three owners submitted their applications for Board Positions and three incumbent members will be running for election. Those running include: Gary Black, Jack Dalieri, Tyler Ferris, Jim Fletcher, Peter Peterson and Margaret Walker. The Nominating Committee determined that all candidates are qualified to serve. There are three positions available and the Committee is recommended that all candidates be presented as unendorsed. Lengthy discussion ensued on the pros and cons of endorsing candidates.

MOTION: It was moved and seconded that for this year, the six candidates for election to the board will be listed on the Annual Meeting Proxy in alphabetical order without noting "Board endorsements." Incumbents will be identified as such and the votes given to the secretary will be divided among the incumbents. The motion passed unanimously.

3. Finalize Annual Meeting Proxy

The proxy format for the January 29, 2010 Annual Meeting was discussed.

MOTION: Cris Thiessen made a motion to revise last year's document to reflect the non-board endorsement and to amend text under the second directive to read: 'Grant this proxy to _____, or, if I have not filled in this blank, and have not indicated how to cast my vote to the Secretary of the Association, to vote for all incumbents on my behalf, or'. Pam Bailey seconded and the motion passed unanimously.

It was suggested a request form for comments from owners be included in the annual meeting mailing. Board Members will submit their ideas for questions to Marlene prior to 11-15-09.

4. Consider 2010 Tennis Agreement Offer to USPTS

Jack Dalieri reported that Chuck Williamson and the Tennis Committee have been working diligently with Bill Van Deinse to put together a contract for 2010 and that an agreement has finally been reached.

Bill Van Deinse was in attendance and requested the Board consider a couple of issues he was unable to negotiate with the Tennis Committee. Jim Fletcher stated the Board should consider Bill's requests separately from the approval of the contract and asked Bill if he was agreeable to that and if we have a contract. Discussion ensued and Bill confirmed he had informed Chuck that he would sign the contract. Bill left the meeting.

MOTION: Jack Dalieri moved to approve the 2010 Tennis Agreement with USPTS as presented if it is signed by October 1, 2009. Patty Rosewater seconded and the motion passed with Ted Witt and Pam Bailey opposed.

MOTION: Cris Thiessen made a motion to deny Bill's request for various in-lieu fees, scholarships and trade-outs. Pam Bailey seconded and the motion passed unanimously.

5. Approve 2009-10 Budgets

Patty Rosewater explained the budget preparation process and presented the proposed budgets as recommended by the Finance Committee. She explained that \$200k+ in expenses had been cut from

the original proposed budget in order to be funded by the current revenues while still allowing for the \$75k annual contribution for long-term capital projects, and maintaining the \$250k contingency/emergency fund.

Patty asked that the Board review the line-item cuts to see if there was anything they had particular concerns about and went on to suggest that consideration be given to reducing the \$75k (for long-term capital projects) by \$25k or reducing the amount of our contingency/emergency fund. A review of our insurance policies and the related deductibles indicate that the \$250k contingency for emergencies is probably higher than necessary and could be reduced by as much as \$100k. Either of those actions would allow some of the capital items to be added back in to the 2009/10 budgets while not putting our financial stability at risk.

MOTION: Patty Rosewater made a motion to add \$25k from Capital Reserves back to the Capital budget for Capital items. Pam Bailey seconded the motion which failed.

MOTION: Margaret Walker made a motion to approve the base budgets as presented by the Finance Committee. Ted Witt seconded and the motion passed unanimously.

6. Adopt 2010 401(k) Corporate Resolution

The SVEA 401(k) Plan & Trust requires that 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. Margaret Walker seconded and the motion passed unanimously.

7. Discuss Application to City of Sun Valley for Rezoning SVEA Land Around the Harker Center

One of the conditions of the 2008 Sun Valley Planning and Zoning Commission's approval of the Harker Center Upgrades was the requirement to submit an application for a Zoning Map Amendment for the land around the Harker Center. Our current 'OR-1' zoning of this land no longer exists as a zoning district in the Sun Valley municipal code; 'OR-1' has been split into either 'REC' (recreation) or 'OS' (open space) with the former definition for uses of 'OR-1' being applied to the new 'REC' classification. Also, a new classification of 'PI' (Public/Institutional) was created which applies to the Harker Center building, pool, tennis courts and park.

Given the fact the same uses were permitted under the old OR-1 classification and the new REC classification, and consideration of the Department of Water Resources and Corp of Engineer controls on wetlands and riparian areas, together with concerns of possible restrictions on future Boards regarding potential, future upgrades to the Harker Complex (additional tennis courts, pools, park expansions, etc.), staff felt it was prudent to apply for a 'REC' classification and did so. During the City's approval process, notices were posted and several owners voiced concerns requesting that the proposed 'REC' be 'OS' and that the amount of 'PI' (Public/industrial) be reduced to keep as much of the open space as possible. Following these concerns/requests staff withdrew the pending application with the City and included the matter on the agenda for this Board meeting.

Owners, Ron Moskovitz, Grady Burnett, Lynn Bockemohle, Bob Gilbert, and Jim Monger, were in attendance to share their concerns and recommendations with the Board. They were unanimous in their request the SVEA application be changed to reflect 'OS' in lieu of 'REC' and the amount of 'PI' designation be reduced to keep as much of the open space as possible. Following their presentation and after lengthy discussion the Board found merit in their suggestions.

MOTION: Pam Bailey made a motion to submit a revised application to the City reflecting a reduction of 'PI' on the west side of the tennis courts (the new boundary will need to allow adequate room to complete maintenance/rebuilding of tennis courts), and to reclassify all designated 'REC' to 'OS'. Sid Alpert seconded and the motion passed unanimously.

8. Consider Appointment of ADC Members

Section 8.01 of the Master Declaration allows the Board to appoint up to fifteen voting ADC members for three year terms. Between three and five members are selected from the "Roster" to serve for any given meeting and every effort is made to select a balance of skills for each meeting with a mix of architects, landscape architects and qualified Elkhorn property owners. Staff reported with recent term expirations there are currently ten members on the roster. Two applicants were suggested.

MOTION: Pam Bailey made a motion to appoint to the ADC Committee Jack Alcamo, a property owner in Sagecreek with prior service on ADC and the ADC Liaison Committee, and Marc Corney, a local architect whom has presented several projects to our Committee over the past years. Cris Thiessen seconded and the motion passed unanimously.

9. Consider Sun Valley Water & Sewer Request

Pat McMahon, Sun Valley Water & Sewer District Manager, submitted a request for the Board's consideration regarding reclaimed Water. For several years the District has been planning for the reclamation of wastewater from the treatment plant to use for irrigation of the Elkhorn Golf Course and potentially snow making on Dollar Mountain. The District first presented this concept to the SVEA Board on March 25, 2005 when Jack Brown indicated that portions of the piping, as well as the holding pond, would need to be located on SVEA Open Space (Tax Lot #'s 1695 & 6220). Jack explained that the timing of the project would likely coincide with the development of the Triumph Springs project.

Pat explained the Lane Ranch Partnership has resolved the legal issues that have been delaying the development of the Triumph Springs venture and are requesting the District provide water to their 140 acre parcel for the planned 4-lot subdivision. This request has resurrected the water reclamation plan.

To accomplish this project a waterline would be run from the treatment plant through Weyyakin property, Lane Ranch Partnership (Triumph Springs) property, and SVEA property to the Elkhorn Golf Course. In addition, a holding pond would be constructed on SVEA property. Reclaiming waste water to irrigate the golf course would save millions of gallons of water, and would more importantly free up capacity during peak demands (summer irrigation can deplete the water stored in the District's reservoirs) allowing for adequate fire fighting reserves, and a more ample supply of drinking water.

Following Pat's presentation the Board considered the benefits this project would have to SVEA property owners.

MOTION: Cris Thiessen moved to approve the concept of providing the land and easements necessary for the Sun Valley Water & Sewer District's water reclamation project as outlined in Pat's letter and map of September 21, 2009. Pam Bailey seconded and the motion passed unanimously.

The official request along with legal descriptions, etc. will be presented to the Board at a later date and will be subject to Ed Lawson's review prior to a final commitment.

COMMITTEE REPORTS

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

Communications Committee- There was nothing new to report; if anyone has suggestions for the Fall newsletter they should provide them to Marlene by October 15th.

Executive Committee- No meetings have taken place; nothing to report.

Finance & Audit Committee- Discussion was held under business item #5.

Harker Center Improvement Committee- There was nothing to report.

Insurance Committee- There was nothing to report.

Nominating Committee- Discussion was held under business item #'s 2 & 3.

Pool Committee- Sid expanded slightly on the information that was included in the Staff Report.

Tennis Committee- Discussion was held under business item #4.

Golf Ad hoc- Cris Thiessen and Sid Alpert reported the Elkhorn Golf Club had rejected the Committee's offer of pool and tennis use for the Club's non-Elkhorn owner members with the trade out that CG-Elkhorn provides land near the Village Tennis courts for a future tennis building.

MOTION: Margaret Walker made a motion that the Committee visit again with Don Shirey regarding the issue of pool and tennis memberships without the condition of the land issue. Patty seconded and the motion passed unanimously.

OTHER BUSINESS

There was no other business to discuss.

ADJOURNMENT

With no further business, the meeting adjourned at 5:30 p.m.

Respectfully submitted,

Pam Bailey, Secretary

SUMMARY OF MOTIONS & DECISIONS

Motion or Decision	Page #
Minutes of 7-16-09 were approved as amended	1
Motion to deny the request of the WRETII to lease SVEA land to them for the purpose of feeding elk.	2
Motion that for this year the six candidates for election to the board will be listed on the Annual Meeting Proxy in alphabetical order without any endorsements by the current Board.	3
Motion to amend the 1-29-10 Annual Meeting Proxy to reflect the non-endorsement by the board and to revise the language.	3
It was suggested that a request form for comments from owners be included in the annual meeting mailing.	3
Motion to approve the 2010 Tennis Agreement with USPTS as presented if it is signed by 10-1-09	3
Motion to approve the base budgets as presented by the Finance Committee.	4
Motion to approve the 401(k) resolution as presented	4
Motion to submit a revised application to the City for rezone of land around/including Harker Center	5
Motion to appoint to the ADC Committee Jack Alcamo and Marc Corney	5
Motion to approve the concept of providing the land and easements necessary for the Sun Valley Water & Sewer District's water reclamation project	5
Motion that the Committee visit again with Don Shirey regarding the issue of pool and tennis memberships without the condition of the land issue.	6

ACTION ITEMS

Who	Does What	By When
Marlene	Amend minutes – Pam to sign	ASAP
Staff/Board	Prepare and send an email re: elk feeding decision to all owners.	ASAP
Marlene	Inform candidates of decision, and obtain their bios and answers to questions.	ASAP & prior to mailing
Marlene	Finalize Annual Meeting Proxy	12/1/09
Board Members	Board Members will submit their ideas for 'comments from owners' questions for proxy mailing to Marlene prior to 11-15-09.	11-15-09
Chuck	Obtain Bill's signature on tennis agreement	10-1-09
Darlene/Marlene/Patty	Finalize budgets for website, presentation at Annual Meeting, etc.	After Audit
Marlene/Darlene	Obtain signatures on 401(k) resolution	ASAP
Marlene	Inform interested owners of decision re: rezone	10-1-09
Marlene	Work with engineer and City to finalize rezone application	11-1-09
Jan	Inform Jack & Mark of ADC appointments; update all lists and roster	10-1-09
Marlene	Inform Pat McMahon of decision and requirements	10-1-09
Cris & Sid	Talk to Don Shirey re: pool/tennis memberships	ASAP

9-25-09 Board Minutes approved

ml/