



**40th Annual Home Owners' Association Meeting
Minutes**

Pinewoods Resort Conference Room

Duck Creek, UT 84762

JUNE 22, 2019

10:00 AM – 12:00 PM

Members Attending

Gayle Barnes
Mike Charlton
Sheri DeMott
Kim & Sean Hayden
Rosann Krausch
Sue Marshall
John (Dick) Reed
Jerry Steffes
Peggy Stevens

Leo Basch
Dale & Thelma Clothier
Monica Daines-Evans
Alfred & Mary Hurtado
Lynn Larson
Donna Mooers
Doug Schmiedt
Dick Stephans
William Whitlow

Call to Order:

The meeting was called to order at 10:00 AM by President Sheri DeMott.

Robert's Rules of Order / Voting Process: one vote per lot Sheri explained the rules of order and the voting process. Members voting for 1 lot should raise one finger; two lots, two fingers and so on. Each member has one vote per lot owned. Robert's Rules of Order will be used. Proxy votes are valid.

Donna introduced Ed Beggs, who along with brother Don own Pinewoods Resort. They are the largest dues paying members of the Association.

Ed passed out menus for the newly remodeled restaurant and information about Resort services. He introduced Brad Sanders, General Manager and Scott Kramer, Kitchen Manager. Both are working on the 40th anniversary party.

Introduction of Board Members: Sheri DeMott, Lynn Larson, Rosann Krausch, Bill Whitlow, Donna Mooers

Determination of Quorum: Yes

Approval of Agenda: **Additions or Changes** There were none.

The question was asked regarding Brian Head having E coli in their water. Sheri advised the Duck Creek Facebook says we are on a different water system. Donna to check with Jeff Hoyt.

OLD BUSINESS:

Annual meeting minutes June 23, 2018: Sheri DeMott

Sheri asked for a motion to accept the minutes when there were no corrections, questions and the reading was waived. Peggy Stevens made the motion to approve. Al Hurtado second the motion. The minutes were approved.

Treasurer's Report: Donna Mooers reviewed the amounts.

Checking:	\$52,416.56	a/o 6-17-2019
CD 0079	\$26,951.24	a/o 4-14-2019
CD 0061	\$26,366.80	a/o 4-14-2019
CD 9050	\$63,258.31	a/o 5-14-2019

TOTAL: \$168,992.91

Dues paid in full all lots 2018-2019.

Jerry Steffes questioned why the expense report was not included. Donna apologized saying with the party and other duties she forgot it. She will send out a copy of the profit and loss report with these minutes.

Lot Sales: 2 sales 2019

Lots 210 and 131

Committee Reports:

Roads:

Coverage: Bill began the discussion by explaining the road has a number of issues to talk about. Last year the Board looked at the cost of alternative road coverage. It turned out the cost for any one of the possibilities was 3 to 5 times the annual cost of the present Magnesium Chloride.

Culverts and Grading: Rosanne contacted Bert Harris, Kane County Road Department to discuss the problems. During the discussion he advised other subdivisions had tried various alternative coverage and felt it was a waste of money. Mr. Harris did mention that if Mag Chloride is used on the roads for a period of no less than four years, by the 5th year the amount of chloride can be reduced. She is working to set up a meeting with Mr. Harris, on the mountain, to discuss and view the road and environmental issues. No matter what is put down, we still come back to the roads not being graded right, the clay content is not the same, the water runs off, kills the trees, the culverts are not cleaned out. We have to work with Kane County no matter what is put down.

Rosanne explained she did not receive a call back from any of the HOA's she called. The only one who called back was Mr. Harris. He did discuss the various areas including the use of Mag Chloride. She felt he knew the situation quite well. The Board agrees to meet with him and work with him for the best results.

One member advised members on Redwood agree the laying of the Mag is gone within a few weeks and the dust is back. They feel it is not worth the cost.

Donna talked about a ballot being worked on giving members information not presented in the past to make an informed vote. The ballot will have four options:

Option 1 Do nothing no cost

Option 2 Mag Chloride Cost average past 3 years \$1092.50 water, Mag \$21,294.66, includes delivery and lay down

Option 3 Earth Bind 100 Sold and transported in a concentrate must be diluted with water. Cost today between \$50 and \$73,000 for first application, requires 3 applications over 3 years. Does not include water. delivery or lay down costs.

Option 4 DustDown Poly Pro A 55-gallon drum will cover ½ mile. We have 5 miles of road which would require a minimum of 10 55-gallon drums. Average cost is 50 to 70 thousand dollars with free shipping. We still have the cost to lay it down, possibly water costs also. Two drums cost on average 9 to 10 thousand. A 3 year lay down.

The final decision will be good for at least 4 to 5 years.

She added some of the options are very, very expensive. Not just the cost of the product itself, but in some cases delivery and the expense of having it laid down. Mag Chloride is from Salt Lake, literally coming from the Lake, easily delivered and we have someone local and experienced to lay it down.

Other HOA's are using Mag Chloride but the roads are surfaced correctly. That is part of the discussion with Mr. Harris. Some of the other HOA roads have a different road base such as more volcanic sediment in them then our roads. Some HOA's actually own their roads and do not have to comply with Kane County requirements.

Jerry Steffes recommended, based on prior history with roads, a vote be taken of either Mag Chloride or no Mag Chloride.

Mag Chloride will be put down this year. The crew will be asked not to dump any excess on Rawhide Circle. This problem was brought up by Gayle Barnes regarding snow plows and the dumping onto property.

Members as well as Board members expressed their frustration with the road issues and want a resolution. The final decision was to have the ballot go out letting all members vote.

Later in the meeting this decision was changed.

Jerry made the motion to spend the money to have the Magnesium Chloride applied next summer. Shawn Hayden 2nd the motion. There was no further discussion. Sheri called for a vote. Two voted no. The majority voted yes. The motion carried.

Sheri advised the Board will work with the road department until we can find something better. We will vote at the annual meeting every year on the Mag or any other road coverage. The five-year ballot is null and void.

Rosann said she would work to have meetings with the road department. The report she will put out will include what other subdivisions use and their costs. She agreed with members; we have been working on this too long. Gayle Barnes added that it doesn't matter what is put on the roads if the underlying base is not right.

Street signs Bill & Donna The signs are up. Part of the discussion with Kane County will address the road street signs which are non-existent, twisted, bent, unreadable or even the wrong name.

Speed limit signs Sheri & Donna Further discussion with Kane County is more speed limit signs and reduced speed signs. Another topic is high volume times and the hiring of off duty Sheriff Officers to patrol the roads.

Member vote 5-year ballot void.

Lot Clearing:

Bill & Donna The Board has been working on this for a number of years. The intent this year is to present photos of the lots in question, give a time frame, and if not complied, go in, clear the lot and charge the owner. If a member is willing to work with the Board, the Board will work with you. Donna explained the process of notification, failure to comply, charging the member, filing foreclosure and handing the whole thing over to the Attorney.

Final Notice: Members will be given 30 to 45 days to comply.

Chip Feast Bill & Donna Bill talked about Chip Feast. Owners wanting to participate must fill out a form and submit it to the Fire Department. Forms are on the table. Bill reviewed the requirements of Chip Feast: start piling date June 14. End date September 8. Filing form September 6. Only trees and branches accepted. No brown pine needles, stumps or construction material. Piling is on the property and not on the road. Flags will be placed on piles correctly done. This year, if you want the chip left on your property, you must notify the Fire Department otherwise it will be taken away. Peggy Stevens advised if you have a corner lot, you must let them know there will be two or more pickup locations.

Sheri asked if everyone received a copy of The Cedar Mountain Lookout. If not, and you are the lot owner contact the Fire Department to get on the mailing list.

New member, Sue Marshall, questioned where to take brush and debris. Some can be left at the dump site, depending upon the debris. Contact Kane County Special Services District for further areas.

If a member has dead/dying trees or downed trees and will give permission for other members to enter the lot and remove the debris, let Donna know.

Rewrites:

Bylaw and CC&R rewrite volunteers Donna asked for volunteers.

The issue of trailers on lots came up. Bill explained trailers on lots are allowed when a cabin is being built, or with specific time frames. Donna added, persons who live in the subdivision, this is the primary home, have been allowed to keep their trailer on the lot as long as the trailer is not being used. A member questioned the possibility of discrimination based on a full-time residency as opposed to part-time. Donna added that is why members should be involved in the final outcome. The more we identify and find solutions, the better. Rosann added the final draft goes to the attorney to ensure we are on legal ground.

Bill added if you have someone you suspect is renting their property, you can contact the county as renter business licenses are now required.

Lynn added if you see something out of line contact the Board. Sheri added; we are Board Members but we are also members. We don't see everything. Send an email to Donna or contact Sheri, who lives on the mountain full time. If you want, she can meet you, take pictures of suspected violations, address issues. But you have to tell the Board. Sheri advised if your phone call shows "unknown" leave a message and she will call you back.

Working on rewrites can be done via conference call, face-to-face meetings, emails, pretty much anywhere. You can review, write out your suggestions and email them to Donna. You can be involved without taking a lot of time.

Monica Evans, Gayle Barnes, and Sue Marshall volunteered.

Web Site:

Update: Lynn Larson The web site is duck creek ridge owners association or duckcreekridge.com. Photographs submitted must be submitted with authorization for us to use them. The goal is to ensure everyone gets updated information. For example: Lynn recently updated the information about the I15 travel through the Gorge. Duck

Creek Days was cancelled because of the flood. Those who do Duck Creek Days just purchased 9 ½ acres of land in a higher area for the future. Updates on the dumpsters. There is archived information, dates of upcoming meetings. There is a subdivision map. An addition will be information on the Fire Wise, where you will account for your time, your money, your effort in cleaning up your lot, which will help in acquiring those federal grants. It will be available on the links, pretty self-explanatory which will also allow you to add pictures of before and after.

Anyone who can recommend a company or individual who provides a service please let Donna know. She maintains an updated list for anyone asking for help. There is a separate list for non-recommendations also.

Sheri explained the dumpsters are down Mammoth Creek road just passed the horses. Eventually it will be expanded to include construction material. The expansion was prevented due to the weather. It is hard to drive into but more work is to be done. A block from True Value in the village is another site, but only household trash is allowed. Recyclables may be in the future.

Members may have been inconvenienced the past few years when the dumpsters were on our parking lot, but the great working rapport between us and the special services district has been worth the aggravation. As Sheri explained, she can text them and get a response within a day. We are maintaining a positive relationship with them.

Project Updates:

Property Lines Sheri & Donna

The first issue was where a property was resurveyed and in the process the property line was changed. Looking at the situation it at first appeared that several lots were involved. We contacted Eric not sure how involved the Board should be. Eric interviewed everyone directly involved, including the former owner. He then advised the Board it was between the two property owners. He then instructed each owner as much as he could and as much as they wanted.

The second issue was construction. The contractor was bleeding over on to someone else's lot. Eric guided me as to how best to help the two owners.

All owners need to know where the property lines are. If you don't know where the markers are, you need to find them. You might need to have your lot(s) surveyed. The Board will help as much as possible. We can guide you and get you in touch with knowledgeable people.

First Responder Address Signs Donna The signs are up. Put up with Spax screws that prevent damage to the tree.

NEW BUSINESS:

Member issues and concerns Donna to check into lot 131. Long term members requested new parking permits. Some older permits have expiration dates.

Announcement:

Attorney Donna The Association Attorney is located in St. George, Utah. His name is Eric Olmstead, a member of the firm Barney, McKenna, and Olmstead. They just won first in the categories of Best Law Firm, Best Estate Planning, and Best Family Law for Southern Utah. Eric Olmstead, at the time he was interviewed and hired, he was very knowledgeable in HOA law. At that time, he had his own firm. He has since gone into practice with the Barney, McKenna group. One of the positives about the firm, they can draw on others within the firm who have experience in specific areas. They work together. They further assist us with rewrites we have, ensuring we are always in compliance with State and local laws.

Budget 2018 – 2019

Reports from Richard Stephens and Peggy Stevens

Donna explained a full audit done by a CPA is very costly. Instead our CPA reviews everything when doing taxes and files a report that basically says “I didn’t find anything wrong”. The Association, years ago, opted to have member-volunteers review a years’ worth of financial records for errors, discrepancies, balances.

Reports attached.

Peggy Stevens reported: “In my opinion the audit is correct”. She suggested finding another way to pay bills in a timely manner rather than Donna using her personal account to do so. Suggested using Quick Book report rather than printing out checkbook stubs. Questioned why the Association is paying full fees (taxes) on lots 113 and 114. Would like to see research done on having exempt status since we support the Sheriff. Would like to see an unimproved tax bracket for the parking lot.

Dick Stephan’s reported: “The informal auditor/reviews agree that the records substantiate that the Duck Creek Ridge Owners Association is operating fiscally in accordance with the membership desires and that there were no inappropriate expenditure’s...”. Everything with the CD’s is in order. The CD’s are going to the highest interest rate each time and that was found to be true. Everything was done correctly and above board.

2018 - 2019 Dues

Jerry Steffes questioned where the budget was. Donna apologized. Said it would be included in the minutes. The Board cannot spend over \$5,000.00 without membership approval. The laying of Mag is over that amount and approved every year at the annual meeting.

Shawn Hayden asked what is the financial comfort zone. Donna gave a brief history how each board had a different opinion on the amount held.

The question arose in Nevada HOA's must have a reserve study every 5 years. Donna stated when our study was done the members voted not to fund it. Bill added that at that time we had so few assets once the County took over the water system, no one felt we needed a reserve. Utah, at that time, did not require a study every time. Donna will have the attorney bring us up to date on the reserve study and a financial comfort amount.

Dues are presently at \$140.00. Peggy Stevens made the motion to keep 2019 - 2020 dues at \$140.00 per lot. It was 2nd by Gayle Barnes. With no further discussion the vote was a majority in favor.

ELECTIONS:

When there are more nominees than the number of seats available a ballot vote is held. The ballots are made up and sent to members along with any information a nominee chooses to add. Each owner receives the number of ballots according to the number of lots owned. The ballots are then sent by the member directly to the CPA for count. Once the count is finished and all ballots are in by the deadline, the CPA will notify the Secretary as to the outcome. The secretary notifies the nominees as to their standing. The secretary then collects the ballots and presents them to the other Board members and at the annual meeting for view should anyone choose.

Last year there were 3 seats and 4 nominees, causing a ballot. This was the first time the CPA has ever called questioning the ballots. Some ballots appeared to be photocopies run through a copier and were a little askew. Donna advised the CPA to hold the questionable ballots aside. Once all ballots were in, count the remaining ballots. What is the result? Then add the questionable ballots. What is the result? If the outcome is different, we will have to have a new election. Once the ballots were counted, even those questionable ones, the election result was the same. The 3 Board members are: Rosann Krausch, Bill Whitlow, & Lynn Larson.

About two weeks later Donna received an email questioning how did we know ballots were not being photocopied?

From now on, all ballots will be embossed or marked so they can not be duplicated. Several other suggestions were made and noted. None of the members chose to review the ballots.

Board Members

2 Seat each two-year term:

Sheri called for nominees, the 2 seats presently held by Sheri and Donna. Sheri & Donna were nominated and voted in unanimously. There were no other nominees.

ARCOM

It was explained that another HOA in Vegas has 3 Board members, one of which is on ARCOM. If a person wants to appeal an ARCOM ruling to the Board the member is already at a disadvantage. Something we do not want to occur here. Needs to be addressed in the Bylaws/CC&R's.

Another issue is ARCOM being answerable to the members. We want to change it to where ARCOM is answerable to the Board and the Board answers to the members. Presently we have 2 Board members on a 3 member ARCOM. We need to change that.

Bill explained ARCOM presently only deals with building plans. The Board wants to expand these duties, adding the Fire Wise and other possible related job duties. like lot clearing.

Suggestions and questions were noted for future review.

3 Seats each a one-year term:

Sheri called for volunteers. They are Gayle Barnes, Leo Basch, & Mike Charlton

AUDIT

2 members for 2019-2020 audit year

Sheri asked for volunteers: They are Monica Evans and Peggy Stevens.

PARTY Rosann

- Party at Resort Pavilion
- Food begins serving at 1:00 pm
- Raffle Tickets on sale
- Sign up for games, contests

Rosann advised Fire Chief Casey Tuttle and some of his crew and Sheriff Tracy Glover and his crew will be attending the party. Please take time to acknowledge them and the job they do. Fire Chief Casey Tuttle will be retiring in December. The Sheriff substation was built by the officers at their expense. That is why they do not pay rent at this time.

The SO will conduct tours of the substation.

It was suggested the SO be exempt in the future for rent and taxes. The Board will check in to the suggestion.

ADJOURNMENT:

Reminder to members: Give yourselves applause. We have 180 members, 257 lots and for the past 40 years this Association has governed itself, no property manager.

Sheri asked for a motion to adjourn. A motion and 2nd were given. There were no dissenting votes. The meeting was adjourned at 12:07 PM.