



Annual Meeting

October 25, 2018, 6:00 p.m.

St. Luke's Episcopal Church

1. **Call to Order, Quorum Verification, Meeting Procedures:** Meeting was called to order at 6:16 p.m. A quorum was established with 121 owners present either in person or by proxy.
2. **Approval of 2017 Annual Meeting Minutes:** The members approved the 2017 annual meeting minutes.
3. **A Message from the President:** Ed Robertshaw welcomed the owners and gave a brief President's update.
4. **Nominations and Election of Trustees:**
 - Joan Benson, Chair of The Nominating Committee presented the board of trustee candidates selected by the Nominating Committee: Deb Hartley, Edy McConnell, Christopher Kautz, and Paul Reddy.
 - The Nominating Committee accepted nominations from the floor: Richie Breza, Patrick Fannon, John Roberts, and Lucy Archer.
 - Each candidate introduced themselves and gave a brief bio.
5. **Financial Review**
 - Elena Gladson, Treasurer, reviewed the 2018 Year to Date Financial Report.
 - Homeowner, Randy Cassidy, asked for clarification of the Architectural Review Fee and Violation Fines columns in the financial report. (The architectural review fees will be addressed later during Committee Updates.) Both Elena Gladson and Ryan Dickey, (Model HOA), emphasized that fines are not given to make money for the HOA but are used as a negotiation tool to encourage homeowners to pay their dues and get their property in condition. Fines are usually waved once violations are rectified.
 - Owners discussed performing a financial audit. Ryan Dickey explained that Utah law states that any homeowner at any time can request to inspect the books and receive copies of the financials. SSSFHOA attorney, John Richards, added that audits are expensive and asked for a show of hands from homeowners who would like to have the new board explore the costs of an audit. The number of hands raised indicated that a large majority of homeowners thought an audit review unnecessary.
 - Elena Gladson reviewed the 2019 Proposed Budget.
 - Homeowner, Richard Callahan, asked if state law requires that we have a reserve fund for the underdrain system and how the amount was determined. Bill Noland, board of trustee Vice President and Underdrain Committee Chair, stated that the association is required by state law to have a Reserve Analysis done on any assets or items that we have an obligation to maintain. The result of the study (conducted in 2017) concluded that we are not required by law to have a reserve account for the underdrain because we don't meet the requirements. He added that that the association has been counseled to have a contingency/reserve fund set up for emergencies and for an analyses/exploration

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of the system. The goal is to have \$20,000 for emergencies and \$30,000 to conduct the exploration.

- A homeowner asked what criteria was not met in the Reserve Analysis Study. Bill Noland explained that the life expectancy of the underdrain doesn't meet the definition of "useful life" criteria (3-30 years). Attorney, John Richards, elucidated upon the useful life criteria and emphasized why it is still best practice that we have a contingency fund for emergencies. Elena Gladson stated that the last and final assessment will occur in 2019.
- An owner asked about the history of underdrain obstructions. Ryan Dickey mentioned that extensive underdrain information can be found on the SSSFHOA website www.silverspringshomeowners.com. Bill Noland provided a brief history of the initial backups that caused water to show up in streets and crawl spaces and how they located the problem then repaired and cleaned out the pipes. This initiated the current annual "roto-rooting" of vegetation and root growth from the pipes resulting in very few problems with the underdrain today.
- Rick Klein requested that the current balance sheet be posted on the website and asked how members can be involved in the decision regarding the underdrain exploration project. Ed Robertshaw responded that all BOT meetings are open to members and invited anyone interested to attend.
- Lucy Archer asked when members get to approve expenses related to the underdrain. President Ed Robertshaw responded that expenses are approved by the BOT.
- John Richards reviewed the underdrain maintenance obligation that has been legally established in SSSFHOA governing documents and the numerous legal opinions throughout the years which all conclude that the association has a legal obligation to maintain the underdrain system.

6. Committee Updates

- Architectural Review Committee: Joan Benson, Committee Chair, gave a summary of the many projects that she and committee members (Allison Dittmer, Edy McConnell and Julie Larson) reviewed this year. She explained the role of architect Thomas Eddington in the review process, outlined the procedure for submitting an architectural review application and described the review and approval process and timeline.
- Nominating Committee: Joan Benson, Committee Chair, provided an overview of the nominating committee process and asked that anyone who is interested in serving on the committee or running for the board of trustees to proactively reach out to the Nominating Committee or any board member.
- Underdrain Committee: Bill Noland, Committee Chair, reported that the underdrain is running as expected for this time of year but that there is more vegetation showing than is usual. He plans to recommend to the board that the system be cleaned out this Fall instead of waiting until Spring.
- CC&R Re-write Committee: Committee member, Paul Reddy, provided an overview of the steps taken since the CC&R re-write town hall meeting special and stated that the next town hall will be scheduled on November 5th or 6th. After that meeting an updated version of the CC&R re-write along with a white paper (which summarizes the significant changes from the original documents) will be posted to the SSSFHOA website and voting will begin. The target is to close voting before the new year.
- Compliance Committee: Ryan Dickey of Model HOA, gave a summary of the common violation types that have occurred this year.
- Communications Committee: Ed Robertshaw, Committee Chair, gave an overview of the new association communication mechanisms that have been put into place to increase communication between the BOT and members, such as the new SSSFHOA logo that will help homeowners decipher what information is coming from the board; board member emails to increase access to board members; and the recent owner survey

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used to help the board better represent homeowners in decision making and at the Masters Association level.

- Traffic Calming Committee: Elena Gadson, Committee Chair, discussed her meeting with the county to explore and improve traffic safety in the neighborhood. She asked owners to help her identify specific problem areas (including addresses and/or street coordinates) so that she can provide them to the county.
- SSSFHOA Representative to the Silver Springs Masters Association: Ed Robertshaw, Committee Chair, reported that 50% of homeowners' dues go directly to the Masters Association. SSSFHOA has one vote of twelve despite constituting 37% of the total owners. Because we are underrepresented, Ed encouraged owners to get involved and he recommended to the future board that they set up a Masters HOA committee.

7. Discussion from the Floor

- Hunt Williams discussed his concerns with the CC&R re-write, power of the BOT and underdrain. He would like to separate the underdrain from the re-write until more information is obtained.
- Megan Williams stated that maintaining the underdrain is important and she would like to see three separate documents instead of one: a basic CC&R, a basic Architectural Guideline and an underdrain draft.
- A homeowner expressed that because the underdrain is a contentious issue she suggests we spend the money and have the underdrain exploration project conducted so that we can obtain the needed information to determine the status, scope, location, etc. of the system.
- Bill Noland stated that we have a certified engineering drawing of the underdrain system signed by an agent from Jack Johnson Company.
- Paul Reddy discussed that because of legal opinion and the current practice of maintaining the underdrain we have an obligation and the associated liability to keep it in repair and allow it to function. He agrees with Hunt that the board has too much power regarding the underdrain and encourages all members to read the documents and to decide what spending authority future boards should have and to what standard they should maintain the underdrain so that there are no surprises. He added that he sees a real risk and cost in ignoring the underdrain or leaving it out of the CC&Rs.
- A member asked if it would be possible to separate the underdrain from the governing documents making it a separate document. Paul Reddy responded that he believes that the underdrain language should remain in the CC&Rs to provide transparency so that owners are not surprised that the association has the right if necessary to enter owners' property along easements for repairs and even remove trees if they're obstructing pipes. John Richards added that he believes it is not a good idea to disaggregate as it would be expensive and confusing because of the many cross-references throughout the documents regarding easements, liability, insurance, access, maintenance etc. He suggests we have one document. He encouraged members to carefully read Articles 4 and 10. He reminded owners that nothing new has been created in the documents, that the association already has the right to access the underdrain but the re-write makes it explicit, puts limits on access, puts limits on how much money the board can spend and outlines the board's responsibility to restore the property.
- A homeowner commented that if the underdrain is not maintained the HOA insurance company can choose not to pay if a claim is made against the association.
- Lucy Archer said we are not responsible for the underdrain because we've never voted to keep it, the language has repeatedly been removed from the documents and it's not a good deal if we don't want it.

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- Paul Reddy responded that he thinks it's a pretty good deal to pay only \$11 a year per household to maintain the underdrain, thus enabling the association to obtain insurance that protects us all.
 - Other comments were made: the underdrain issue may cause the re-write not to pass, there is no cheaper way to maintain them, the word assessment comes up 89 times in the re-write, there is nothing unusual regarding assessments in the proposed document, the cap on capital improvement assessments has been whittled down to \$110 per household per year, let's continue the Q & A at the next town hall meeting, the malicious and unsigned flyers in mailboxes which is a felony and lastly, the many complaints made to President Ed Robertshaw by members regarding the distribution of misinformation.
- 8. Announcement of New Trustees:** Ryan Dickey of Model HOA announced the new BOT members: Deb Hartley, Edy McConnell, Christopher Kautz, and Paul Reddy.
- 9. Adjournment:** The meeting adjourned at 8:32 p.m.