



**SILVER SPRINGS SINGLE FAMILY
HOMEOWNERS ASSOCIATION**

ANNUAL MEETING & ELECTION

TUESDAY, OCTOBER 10, 2017

St. Luke's Episcopal Church 7:00 PM

Proper Ten-Day Notice of this Meeting was bungled, finally sent on Monday, October 9, 2017 at 6:28 PM to the Homeowners via email one day prior to the meeting. A survey of 30 Homeowners on the Sunday prior to the election indicates that only two of the surveyed owners knew anything about the Meeting or Election prior to the October 9th email sent out by Ryan Dickey of Model HOA.

The BOT/Dickey email notice is included here
from: Ryan Dickey <ryan@modelhoa.com>
to: lucya0104@gmail.com
date: **Mon, Oct 9, 2017 at 6:28 PM**
subject: Silver Springs HOA Annual Meeting Proxies,
Nominations and Agenda

Homeowners were instructed to follow this link to complete the electronic proxy form. No hardcopies were provided to Homeowners who preferred non-digital voting. Homeowners have to 'Begin signing in' in order to view the Proxy candidates:

<https://na3.docuSign.net/Member/PowerFormSigning.aspx?PowerFormId=52d79881-c6ec-4856-8694-9b248f50f6ed>

The proposed 2018 budget is now available, the day before the Meeting, for review at: goo.gl/XnbLdd. Authors of this budget have furtively added \$12,000 for the underdrains after Homeowners have voted three times to "IGNORE THE UNDERDRAINS." And the Board snuck in \$17,500 for Model HOA when last year the Homeowners railed against PMA for requesting \$18,000. [2018 SSSF Proposed Annual Budget](#)

The agenda for the meeting can now be viewed at: goo.gl/Tw3vKg

* * * * *

- **The 2017 Board of Trustees** were: (1) President -Brian Zilvitis (**term ended tonight**), (2) Vice President- Edward Robertshaw (ends in 2018), (3) Secretary-Nominating Committee Chair: Polly Reynolds (term ends 2018); (4) Treasurer: Katy Lilliquist (**term ended tonight**); (5) Trustee-Liaison to MA- Allison Dittmer (term ends 2018); (6) Trustee-Arch Committee Chair: Ed Cody (**several terms ended tonight**), (7) Todd Evans' Nov. 2016 to Oct. 2017 **Vacancy**. The trustees and/or committee chairs whose terms end tonight were not included in tonight's ballot for re-election, therefore are required to vacate their seats on the Board of Trustees in lieu of tonight's newly elected Trustees.

* * * * *

This SSSFHOA Annual Meeting and Election was called to order at 7:10 PM.

- **ELECTION:** The Board, noting they did not have a quorum, took it upon themselves to announce they were throwing away the collected proxies, announcing there “were only three Board vacancies available, and only three candidates, therefore, they said, the number of votes did not matter. The truth is that there were four vacancies to be filled. There were also four qualified candidates. The Board is not being fair, their actions are mean-spirited and violate our Bylaws in several ways.

-- First, they discriminated against a Homeowner candidate by not including all four candidate names on the ballot indicating the four vacancies.

--Second, **a few days before this 2017 election**, the BOT circumvented the Annual Election Rules on Oct. 2, 2017, by seating Bill Noland on the board to fill the 2016’s vacancy. Section 5. Vacancies: An appointed seat for an officer vacancy shall be for the remainder of the term of the trustee replaced. This rule’s intention is to immediately fill a vacancy not to wait for nearly a year to do so. –Article 8. Section 5. Appointee to such vacancy shall serve only for the remainder of the replaced term.)

-Third, the required **written votes** were replaced by uncounted and unverifiable **voice votes**.

SSSFHOA BYLAWS: Article III Meetings of Members, Section 5. Quorum: Fifty percent (50%) or more of the Members (94) in good standing present in person or by proxy shall constitute a quorum for any and all purposes, except in situations in which express provisions require a greater vote...”
 Section 6. VOTING. When a quorum is present the vote representing more than 50% (94 lots) shall decide any question of business properly brought before such meeting. All proxies shall be in writing, and must be **of record** with the Secretary. [Members in attendance estimate around 25 lots were represented at this meeting. Another member counted the cars in the parking lot with a similar result.]

- Fourth, the Board included a large portion of the Annual Budget to the underdrains committee and to ModelHOA after the Homeowners had disapproved these expenditures at other Annual Meetings.

-Fifth, the Board did not have a quorum to pass the Proposed 2018 Budget.

--Sixth, the Board is allowing Bill Noland to be the Committee Chair for the underdrains committee and Chair for the CCRs Rewrite committee, though this is an obvious conflict of interest. Additionally, the BOT filled the board vacancy with Bill Noland. Section 6: Multiple Offices: No person shall simultaneously hold more than one of any of the other offices.

The Nomination Committee comprised of Trustee Polly Reynolds, and two or more Members of our Association (Article V. Section 1) were Julia Loughlin, Brian Zilvitis. This “Nominating Committee was charged to make as many nominations for election to the Board of Trustees ballot as it shall in its discretion determine, **but not less than the number of vacancies that are to be filled.**” These trustees: Zilvitis, Lilliquist, Cody, one vacancy (Todd Evans Nov. 2016) have completed their terms. Four candidates for election were available for placement on the ballot by the middle of September (Elena Gladson, Joan Benson, Hunt Williams, Lucy Archer). The Nominating Committee made an error that can be rectified by correctly adding candidate Archer to the Board. See insert above.

Board Minutes state: **“Three nominees were elected by unanimous voice vote.” Leaving one vacancy.**

- **BUDGET REVIEW:** Treasurer Lilliquist reviewed the 2017 Budget and the proposed 2018 Budget. Homeowners questioned why after voting to “Ignore the Underdrains” on a number of occasions the Board added \$12,000 to the 2018 Budget for the underdrains. Dale Gifford, expert at Complex Solutions, was hired by the Board. Gifford reported the **underdrains have no predictable useful life** to the Homeowners therefore do not have to be maintained nor is a reserve required for underdrain replacement or expansion.

-The Basin household and infrastructure development over the last four decades, viz. storm drains, drainage channels, development of watersheds to common stream outflows (many within concrete culvert

pipes), gutters, retention ponds, diversions for subdivisions and golf courses, sewers, roads, etc. have greatly diminished the underdrains necessity or usefulness. The reserve on the proposed 2018 budget will be satisfied in 2018 and ended. The underdrains are not owned by the HOA, neither require minimal maintenance and hopefully will also end trespassing on Homeowner private property, and the **leaching of Homeowners' landscape and valuable ground water** as it is carried away to Swaner and other lower elevations. We look forward to the underdrains return to a natural state that existed in 1978 to 2007.

-A **secondary benefit** to allowing the underdrains to return to a natural state is that the SSSFHOA will not be reclassified for having them as "the only common areas in SSSF." (The Master Association holds ownership of the common areas, viz. parks, ponds, tennis court. Homeowner property lines extend to the center of each road within our SSSF subdivision therefore are not classified as common areas.) The underdrains as common areas have the potential to place SSSFHOA in a more demanding State of Utah administrative category including more government oversight and review, and would require a Reserve Study, much more paperwork, more costs and liabilities, and more attorney and management fees to keep up with the demands of a HOA holding "common areas". So far Homeowners have been successful at keeping underdrain expenditures away from reserve components by categorizing and using operating and contingency funds for Noland's engineering studies and repairs that have not been authorized by HOA votes.

- **FIDUCIARY DUTY TO HOMEOWNERS:**

- The BOT has the *duty of care* to act in the best interests of the association and in good faith, using the "business good judgement rule" to hold meetings and honest elections. The BOT must give duty of *faithfulness and undivided allegiance* to the Property Owners, holding no conflicts of interest above the rights of the Owners. The BOT has the *duty of obedience* to act in accordance with the association's Articles of Incorporation, Bylaws, and other governing documents, as well as all applicable laws and regulations.

- The underdrain committee has **misrepresented the underdrains** by associating or identifying them with recorded legal easements, in the draft CCRs, in Compliance rules, in the newest version of the "SS Design Standards" aka Architectural Guidelines, and in the annual HOA budgets without the consent of the Homeowners. In Summit County changes to easements can be effected only through a plat amendment process; by individual easement conveyance by a property owner; or by Homeowners' 66 2/3% voted consent to amend the CCRs to include changes in easement descriptions.

-The **BOT has also failed to produce a cost analysis** for the underdrains revival and expansion plans. There has been no cost or effectiveness analysis for alternate methods of groundwater control, or for individual owner responsibility vs communal depletion of our natural and valuable groundwater resource. These analyses have been requested by the Homeowners during the last several Annual Meetings.

-Brian Zilvitis admitted the board commissioned a Reserve Analysis in accordance with Utah law that is required via the Articles of Incorporation when a corporation owns "common areas". These are the kind of rules, costs and liabilities the Homeowners are trying to avoid though the BOT continues to ignore Homeowner votes and requests. Expert **Dale Gifford of Complex Solutions** stated the **underdrains do not have a predictable remaining useful life" [therefore do not at this time require a reserve study](#)**. Noland's FAQ on underdrains and his companion draft CCRs lay the liability and costs on the INDIVIDUAL PROPERTY OWNER where, at Noland's discretion, the maintenance and repairs to extend the underdrains life are to be located on private properties. His FAQ's estimate **costs** per incident range from \$5,000 to \$10,000 or more. The S.C. engineers estimated \$500,000 or more.

-When the Homeowners questioned the **removal of PMA in favor of Model HOA** on November 2016, the Trustees answered they expected Model HOA to be a savings over the previous **management company**, PMA. The Proposed 2018 Budget places Model HOA \$500 within the last proposed contract of PMA. The expected savings are difficult to assess at this time as Model HOA is a company of two people, PMA had a larger staff and performed many more responsibilities. Model HOA bungled the 2017 SSSFHOA Annual Meeting notification, effectively not getting notice to the Homeowners until the night before the meeting. Model HOA has also implemented a registered **“Ticket” process for HOA communication**. What “Tickets” do is distance the BOT from the Homeowners and the management company. Examples at [This ticket system generates a quick computer notice and usually no further answers](#).

- **ARCHITECTURAL GUIDELINES:** The BOT adopted new Guidelines on April 5, 2017 without Homeowner input. Ed Cody presented the newly drafted architectural guidelines. The definition of guidelines is a general rule, piece of advice, recommendation, suggestion. If this is the case why are the costs and run-around for not complying so high? Much of the content of these guidelines are superseded by the Summit County Planning and Building Code. There is little reason why owners of SSSF property should be put through a second parallel process in order to remodel, repair, or otherwise improve their private property. And does it seem arrogant and a waste of trustee time to have lay trustees review complex home plans that have already been approved by the County engineers? The new 2017 guidelines, written by someone not a resident of Silver Springs, and not approved by the Homeowners, are posted online here: <https://www.silverspringshomeowners.com/info.php?pnum=32>

If Homeowners were given a voice on the content of the Arch. Guidelines, the CCRs, and Compliance do you think the report by Model HOA of approximately 70 violations logged since the beginning of 2017 would be so numerous? Taxation without representation translated to BOT Rules followed by excessive warnings and fines without Owners' endorsement. This also wastes Model HOA's time and increases costs to everyone.

Any rules that force the Homeowners to comply and pay fines should be agreed upon by the Homeowners and their vote before implementation.

Model HOA reports the majority of violations have been by renters in the seventeen rental homes in SSSF, or for mailbox repairs and **landscape upkeep**. (Why water, plant, care when the underdrains are leaching out our irrigation water, stressing out trees and desiccating all forms of vegetation?)

- **MASTER ASSOCIATION REPORT:** SSSF Trustee Allison Dittmer is the liaison to the MA. Dittmer reported that another **Reserve Study** is in progress (costing several \$thousand).
-The MA has accrued to date over \$333,000 in their bank account. The original windfall began in 2010 when Bill Noland illegally assessed the 512 Master Association property owners a one-time 200% assessment of \$357 for pond/lake improvements, much more than was obviously required. This was done without the Special Assessment 66 2/3% vote required in the 1989 MA HOA Bylaws drafted by Lynn Stevens in Article III Section 5A Quorum, making it a misuse of authority, as well as subverting Silver Springs MA Bylaws and frustrating [widespread Owner protests](#).

-In part due to the phosphates (lawn fertilizer) and other chemicals passing into the ponds, these bodies of water are producing great quantities of vegetation which in turn has been choking and killing the hundreds of sterile fish the MA board has authorized to be introduced nearly annually into the ponds. When vegetation is crowded, it begins to rot, creating a murky congestion and appearance. The MA board hired expert **Steve Dahmer of Environmental Solutions** to advise the lake front owners on how to improve their enjoyment of these amenities. The initial advice is that the MA installs two lake bottom aerators into each of the two ponds at a cost of \$60,000. Normally an expenditure of this size requires a 66 2/3% voted approval from the Homeowners. Because the MA BOT has such a large bank roll they figure (incorrectly) that they can spend what they want without authority from those who expect fiduciary duty from the trustees.

What happened to the **aerators previously installed** in the ponds/lakes circa 2010?

-Remember that the small pond's Lots 1 to 22 "lake front" owners enjoy a [Private Enjoyment Easement Agreement](#) thereby disallowing the remaining 490 MA Property owners access and use. The MA BOT has not remedied this situation. Is it fair to pay for an amenity not useable by the Community?

-The MA BOT has yet to re-write or have ratified the [1990 Draft MA Bylaws](#) provided to them by the Developer as a condition for allowing the Developer to improve his land and provide Parcel H for a Community Park.

[MA Bylaws Article XIII Adoption is incomplete. No meeting of the Board of Trustees was held and no vote of adoption was ever taken. Aside from the difficulty of getting each HOA to provide specific language or organizational changes, the last step proves to be problematic due to there never occurring a vesting of the authority of each HOA trustee to bind its HOA to the Master Association.](#)

The MA BOT persists in their failure to comply with the Summit County agreement requisites for completion.

This vesting failure forestalls oversight of the MA activities, it demonstrates that the dysfunctional MA of Silver Springs **illegally continues to assess and collect dues** from the various Silver Springs Homeowners so doing while administering without transparency and without authority. [This explains much about the Master Association's surreptitious behavior.](#)

-Can this also be the reason why the [Meadow Springs subdivision has not transferred their tennis court deed to the Master Association?](#)

-When Silver Springs Drive was re-striped this summer by Summit County and Geneva Rock the dimensions of the lanes were changed to accommodate a **bike lane** which will now be a No Parking Zone.

-The Parcel H Park facilities were "upgraded" which included **insensitive cutting down of more trees** that had been beautifying the landscape, naturally aerating the pond water, providing shade and privacy, and making glucose energy by exchanging carbon dioxide to produce fresh oxygen. Little consideration was given by the maintenance crew or their employer Green Leaf to the reasons the Homeowners developed the Park.

-The Parcel H **volleyball court** was converted from a sand base to grass.

- **DRAFT CCRs from MORRIS & SPERRY:** Attorney John Morris gave an update on his firm's 2015 contract to re-write the SSSF CCRs. Needless to say, the draft is overdue. Morris has not produced any changes or a new draft for the board since his Meeting on March 2, 2017 with the SSSF Homeowner's group that provided **much push-back to his proposals** and his addition of the underdrains (eleven times) to the new CCRs. The suggestion at that time was to shred what M&S came up with and to start over. Tonight John Sperry told the attendees that he is working on the draft.
- **WEBSITE:** The Homeowners shared their frustration when using the BOT website provided by HOA Sites. Some Owners' are experiencing login difficulties. Others question the one-sided content. To use the BOT website an owner must register by entering their name and a password. Silver Springs Homeowners find it more user-friendly to explore the [Silver Springs Community website](#) at <https://www.silverspringscommunity.com>. There is also much more information and uncensored content, maps, history, Master Association information and the 12 Community subdivisions and their boards, local news and pictures, and much more.
- **ADJOURNMENT:** at 8:40 PM.