

Silver Ponds HOA Minutes
Annual Meeting May 20, 2015

Present: Bryan & Wendy Bagley, Tom & Kathie Clifford, Randy & Debbie Deming, Stu Farnham, Mehdi Ghoreyshi, David & Elizabeth Hansen, Paul & Cyndi Jensen, Debbi Johns, John & Dinah Kress, John Kuhlman, Dan & Shonda Monks, Ron & Gayla Pipkin and, Eric Stephen.

Proxies: Mike Reynolds (commercial lot, 3 votes), the Ben family and the Hearn family all delegated their voting power to the Jensen family.

Meeting started at 6:10pm and adjourned at 8pm.

OLD BUSINESS:

The minutes from the 2014 annual meeting were briefly reviewed. No changes or updates were recommended. Mr. Randy Deming moved to approve the minutes; Mr. Dan Monks seconded the motion. A vote was taken and the 2014 annual meeting minutes were unanimously approved.

The improvements to the area around the common mailboxes were finished in late June 2014. A special thank-you to Mr. Dan Monks for his efforts to get the cement work completed so quickly. Mr. Stu Farnham put in the plastic break-away reflectors. The group noticed that both reflectors have been broken/removed. The consensus of the group was not to replace the reflectors. Please remember to keep vehicle tires on the cement – please do not drive off the cement onto the dirt/grass. This will help to prevent soil erosion around the new cement pad.

On Jun 16, 2014 sixty grass carp were delivered to the lower pond (purchased by the HOA). These fish feed on the algae & weeds growing in the pond and will reduce the pond scum. The goal is to improve the quality of the pond water.

The board sent out a letter on Jun 30, 2014 reminding all owners to be in compliance with the community covenants to ensure full payment of annual dues. Owners responded, some are still out-of-compliance but are communicating their improvement plans to the board. All back dues have been paid with one exception. Arrangements are being made for the one delinquent lot and payment is expected in a month or two.

The damaged pipe in the upper pond was fixed on Oct 2, 2014.

The Silver Ponds snow removal contract was briefly discussed. The cost of snow removal last winter (~Oct 2014 to Mar 2105) was \$212. If 3 inches or more of snow falls, the snow plow will automatically come and clear our roads. If roads need plowing at other times, it would simply require a phone call to request it.

COMMITTEE & OFFICER REPORTS:

1. Treasurer/Finance:

The treasurer, Ms. Angela Clementi, was not able to attend the meeting however, she provided the finance report (attachment 1 to these minutes):

- Annual income: \$15,236
- Annual expenses: \$8,644
- Annual net gain: \$6,592

2. Water Czar:

- Mr. John Kuhlman provided an update on the HOA water usage. Over the past year, a couple of lots were slightly over their ½ acre-foot limit. Otherwise, all lots met the limit.
- As discussed at previous annual meetings, it is in our best interest to increase “base use” (winter water utilization) across the community thus reducing the augmentation needs. (“base use” is defined as the water used between 31 October and 1 February; strive to maximize water usage during these months).
- If any lot/owner replaces their water meter, please notify Mr. John Kuhlman.

3. Covenant Committee:

- The year was fairly quiet for the covenant committee. As mentioned in the Old Business section of these minutes, some property owners planted trees to become compliant with the SPHOA covenants.
- General consensus: we should all take pride in our neighborhood and be diligent in maintaining our property in a manner which adheres to our community’s covenants.

4. Architectural Committee:

- This was a “slow year” for the architectural committee. There was a potential buyer (for one house/lot in the neighborhood) that inquired about the possibility of building a large barn/garage on the property. The committee did discuss compliance requirements with the potential buyer. Since they did not actually buy the house/lot, this was not a significant action.
- As a reminder, our covenant requires approval by the architectural committee prior to certain actions. For example, building new structures like sheds or garages require approval. In addition, major modifications to homes also require committee approval. If you are considering any modifications or new structures on your lot, please review covenant or contact the committee for clarification on required actions & approvals.

UNFINISHED BUSINESS:

1. Road Repairs:

The cost for road patching and/or major road repairs continues to be a concern and discussion item for the community. Damage, to both Silver Ponds and Skip Stone Point, include cracks, "alligatoring" and other defects in the road surface. Debbi Johns agreed to take an action to get road repair and resurfacing estimates. When these estimates are available, the board will be able to make a decision on how to proceed.

2. Pond maintenance:

The ponds are looking very good at this time. The water quality has significantly improved over the last year. This improvement is likely due to the tremendous amount of rain/precipitation that has fallen this spring and early summer. In addition, the recently procured grass carp may have contributed by reducing the algae and pond scum. This issue is considered closed however; residents are encouraged to continue monitoring both ponds and are asked to please notify the board if any new issues/situations arise.

NEW BUSINESS:

1. Water Decree Deficit -- Association Must Address Pond Evaporation Augmentation:

In Feb 2015, the HOA was contacted by the state water commissioner. In short, our water decree was written in such a way that precludes us from ever being able to comply as it pertains to compensating (putting water back into the basin) for water evaporation from our ponds. The letter from the water commissioner indicated that we are "short" about 4.5 acre-feet per year. If this calculation is correct, this is a very large amount of water the SPHOA would have to purchase every year.

Thoughts for compliance: amend the water decree (would need to hire water engineers & lawyers/attorneys), or find a water source to augment the basin every year (potentially a very large, annual bill). These are just a couple of potential solutions, not an exhaustive list. The goal is to find a permanent (and cost effective) solution for the HOA.

The group discussed the need to form a committee to investigate solutions to our water issues (specifically how to address water deficits). The following people were identified to be on the water committee: Randy Deming, Dan Monks, Bryan Bagley and John Kuhlman. This committee would be allowed an initial expenditure authority of \$10K. If additional funds are needed, it would require Board approval. John Kress made the motion to approve this water committee (with authorization up to \$10K); Mr. Dave Hansen seconded the motion. A vote was taken and the water committee was unanimously approved.

2. Break-ins and Robberies in the Black Forest Area:

The local news channels and newspapers have been reporting an unusually high number of home break-ins and robberies just north of our neighborhood (in the Black Forest area). Please keep vigilant on locking doors and looking out for one another.

3. Lock for Back Gate:

As the community knows, during the heavy rains in early May, the lower pond overflowed the dam and water ran across Silver Ponds Road. During this time, the "back gate" (between the Kuhlman's house and the Peterson's house) was opened to allow cars to access homes on the east side of the ponds. During this process, the chain holding the gate shut had to be cut. Mr. Stu Farnham agreed to take action to find a lock to close & secure this back gate.

4. Discussion Regarding Next Year's Dues Amount:

Given the potential for large bills over the next year (water attorney fees, water engineer fees, water assessments, road patching/repairs, etc.) the group thought it prudent to increase annual dues this year. A suggestion was to increase dues to \$650.

BOARD OF DIRECTORS APPOINTMENTS:

All board positions are currently filled. In May 2016 there will be 3 board members at the end of their term. At the next annual meeting (May 2016), these 3 positions will need to be filled.

COMMITTEE/OFFICER POSITIONS:

Treasurer: Mr. Eric Stephen graciously volunteered to become the SPHOA treasurer (many thanks to Ms. Angela Clementi for filling this position for so many years past)!

Water Czar: Mr. John Kuhlman agreed to continue in this position

Covenant Committee: Ms. Cyndi Jensen agreed to remain on the committee and Mr. Dave Hansen agreed to join the committee

Architectural Committee: All three committee members agreed to remain (Mr. Randy Deming, Mr. Ron Pipkin and, Mr. Paul Jensen)

Secretary: Ms. Wendy Bagley agreed to continue in this position

BOARD OF DIRECTORS MEETING:

Meeting was called to order at 8:15pm and adjourned at 8:35pm.

Members present (years remaining on the board):

Ms. Debbie Johns, Pres (1)

Mr. Stu Farnham, VP (2)

Mr. Mehdi Ghoreyshi (1)

Ms. Kathie Clifford (2)

Mr. John Kress (1)

New Treasurer: Mr. Eric Stephen

Secretary: Ms. Wendy Bagley

- The board welcomed Eric Stephen as the new treasurer.
- Briefly discussed all SPHOA contracts and concluded it would be prudent for the Board to review all contracts/policies annually (i.e. trash/recycle removal, snow removal, web design/maintenance, common area insurance policy, etc.)
- The board discussed HOA finances in order to set the 2015 annual dues amount. Given the certainty of large bills (road repair and efforts to find a solution to the water decree deficit) the Board decided to raise dues to \$650. The Board members voted, unanimously, to set the 2015 annual residential dues at \$650.

Debbi Johns
SPHOA President

2 Attachments:

1. HOA Profit/Loss Statement, dtd 19May 2015
2. Board & Committee Membership

SPHOA 2014/2015 Profit Loss Statement

Income

2014 Dues 15236.26

15236.26

Expenses

Trash 3866.00

State/DORA filing 75.00

Snowplow 212.00

Maintenance

 cement 750.00

 fish 510.00

 Lake tags 35.99

Insurance 1559.00

Water Augmentation 1371.00

Office supplies 120.00 (4 books checks, stamps, envelopes)

Internet 145.10

8644.09

Profit

6592.17



Attachment 2
Silver Ponds HOA Board Members, Officers and Committee Members
May 2015 to May 2016

Board Membership (years remaining on board)

President: Debbi Johns (1)

Mehdi Ghoreyshi (1)

Vice President: Stu Farnham (2)

John Kress (1)

Kathie Clifford (2)

Secretary: Wendy Bagley

Treasurer: Eric Stephen

Water Czar: John Kuhlman

Covenant Committee:

Cyndi Jensen

David Hansen

Architectural Committee:

Randy Deming

Ron Pipkin

Paul Jensen