

**Cedar Highlands Homeowners Association Board Meeting  
286 North Main, Cedar City, July 22, 2005, 6:30 p.m.**

The Cedar Highlands Homeowners Association Directors held their monthly board meeting on Friday, July 22, 2005 at 286 North Main, Cedar City. The meeting was called to order by President Dave Rowles at 6:25 p.m.

**Members Present:** President David Rowles, Board members Linford Nelson, Gary Rosenfield, Jacqueline Tully. Richard Dickinson was excused.

**Others Present:** Karl Baumann, Bob Havens, Elaine Monaco, Manny Mosqueda, Clive Newell, Al Saa, Teri Saa, Kemp-Burdick representative Robert Cox.

**1. Approval of Minutes:** Jacqueline Tully made a motion to approve the minutes of June 17, 2005. Linford Nelson seconded the motion. The vote was unanimous.

**2. Treasurer's Report:** Robert Cox said the firm of Kemp-Burdick had been retained to do a review of internal controls for the Association. Mr. Cox presented a written report and explained the various items in the report. He said the Association in general was doing a good job with the financial operations, and suggested the following changes to improve internal control:

A greater segregation of duties, keeping the depositor duties separate from those of the recorder. This is sometimes difficult to do with a small group. Options to do this were discussed by the Board.

Invoices be stamped 'cancelled' to prevent double payment. Mr. Cox suggested the Board consider obtaining the cancelled checks from the bank to ensure the payee on the check is also the endorser. The Board agreed that the two check signers will now initial the invoice that is being paid.

Establishment of a firm policy on the annual water usage fee billing, including beginning of billing period (e.g., when meter installed, or when water usage begins) and pro-rated billings for the year of hook-up.

Coordination of billing with meter placements, to ensure all meters are placed when paid for.

Implementation of the official interest policy stated in the CC & R's, that is, 15% if not paid within 30 days of the due date, or making a change to said policy. Grace period, if any, should be noted on bills.

A greater segregation of water monies and general fund monies.

Gary Rosenfield made a motion to accept the Kemp-Burdick financial report. Jacqueline Tully seconded the motion. The vote was unanimous.

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**3. Legal Opinions:** Last month Dave Rowles gave the Board copies of Kent Corry's legal opinions on a variety of issues. The Board read the opinions and discussed them briefly.

In essence, Mr. Corry's opinions were as follows:

- a) The Board is authorized to levy any fees to the extent reasonably necessary to maintain the integrity of the established CC & R's and the Community.
- \_\_\_ b) The Association has no authority over construction firms and workers, but does have authority over the lot owner. If contractors fail to comply with proper procedure, penalties may be assessed against the property owner.
- c) The Board size may be increased by a vote at the annual meeting, or at any special meeting where a quorum is present.
- d) The Board is authorized by the CC & R's to take whatever legal action is appropriate and reasonable to ensure assessments are paid.
- e) The Board may take up any issue deemed appropriate at the annual meeting. A list of items to be discussed and voted upon should be included with the notice of the meeting.

It will be noted on the website that members may contact Jacqueline Tully if they would like a copy of the complete opinions.

**4. Committee Reports - Roads:** Linford Nelson reported for the Road Committee. Roger Murie has submitted a bill for \$4,920. He plans to begin work on Tuesday, July 26, at the top of the road and work down, widening the road as he works. There have been some problems with people not slowing down when Mr. Murie is working. Elaine Monaco and Teri Saa are going door to door with the fire hoses and general information, and they agreed to ask people to slow down on the roads when Mr. Murie is working on them.

John Childs, who was concerned about 4 wheelers in the subdivision, did some research on the question. He reported there is some liability, but it is basically not the Association's obligation to say whether or not 4 wheelers are allowed on the county road. The Association has no authority over non-members, but home owners do have the option of calling the sheriff. Gary Rosenfield suggested putting up the signs again. Dave Rowles said he would like to read about some different perspectives on the problem and continue the discussion at another meeting.

Mr. Rosenfield said he had some information on the steps needed at this time to continue exploring the option of paving the roads. The Association first needs to appoint a neighborhood leader to represent the HOA before the county. A majority of the owners then need to agree to create an SID. This would authorize the commissioners to have Steve Platt do a detailed estimate on the cost of paving. There would be no obligation at this time. Then a request would be submitted to be on the agenda at a County Commissioners meeting. After Mr. Platt comes up with an official figure, the lot owners would again be asked to vote on the SID. Elaine Monaco said she would prefer to see Right Hand Canyon plowed rather than the road paved. The Board will place the SID question on the ballot at the annual meeting

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**Committee Reports - Water:** Dave Rowles reported for the Water Committee. Richard Peterson has indicated the cost of a new well would run about \$40,000. The membership will be asked if they prefer to spend money on a new tank, which would cost around \$100,000, and/or on drilling a well, which would hopefully cost less than \$50,000. About \$30,000 is available in the water fund to offset some of the cost, with the rest to be raised in a special assessment. It takes some time to complete the legal steps of the application process before a well can be drilled. Linford Nelson said there is a protest period for wells, and a group called the Mountain Valley Water Protection protests the development of all wells. The application cannot be processed until the protest period is over. Because the subdivision was set up as a seasonal area, more water rights may need to be acquired.

The redevelopment of Spring 1 is completed. Spring 2 and Spring 5 are delivering a good supply of water. Mr. Peterson has not yet begun work on the hydrant or the tank skirt.

Bob Havens said the State has not had time to run the particulate test. During the heavy rains there was high chlorine demand, and a new well would help to get farther down to cleaner water. The June tests show no bacteria.

Mr. Havens said a sanitary survey needs to be done every five years. Al Saa volunteered to help with the survey.

One of the homeowners is refusing to pay his water bill, on the grounds the water meter is not in the right place. Mr. Havens said there are a few misplaced meters, and it would be best to find out how many there are and fix them. Manny Mosqueda said he would be willing to drive around in a 4 wheeler and check the water meters out.

Finding someone to set new water meters was discussed. Mr. Mosqueda said he would see if he can get some bids on the work.

Jacqueline Tully said she has a bid from Perkins to continue working on the fence by the upper meadow. The bid is \$6 per foot if cleared and \$6.75 per foot if not cleared.

Jacqueline Tully made a motion to approve an expense of not more than \$7000 to fence around the water protection zone as required by law. Gary Rosenfield seconded the motion. The vote was unanimous. Ms. Tully will contact Mr. Perkins.

**Committee Reports - Architectural Committee:** Jacqueline Tully reported for the Architectural Committee. A sliding scale has been developed for the deposit amount required for construction, based on square footage and on whether the construction is for a dwelling or non-dwelling unit. The non-refundable impact fee for initial construction will remain at \$1000. The following fee structure was presented:

**Additions to a dwelling unit**

0-500 sq ft	1,000 damage deposit	250 impact fee
501-1,000 sq ft	1,000 damage deposit	500 impact fee
Over 1,000 sq ft	1,000 damage deposit	750 impact fee

**Non-dwelling units**

0-100 sq ft	1,000 damage deposit	0 impact fee
101-500 sq ft	1,000 damage deposit	250 impact fee
501-1000 sq ft	1,000 damage deposit	500 impact fee
Over 1,000 sq ft	1,000 damage deposit	750 impact fee

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**3. Committee Reports - Architectural Committee, continued:** The Board discussed the sliding fee scale. Linford Nelson said the long term goal was to get the county to take over the roads. He felt the fee was unfair to new home builders, as those already in the subdivision had not had to pay the fee.

Jacqueline Tully made a motion to approve the proposed sliding fee scale for dwelling and non-dwelling units as developed by the architectural committee. Gary Rosenfield seconded the motion. The voting was as follows:

Dave Rowles	Aye
Jacqueline Tully	Aye
Gary Rosenfield	Aye
Linford Nelson	Nay

The motion passed by a majority vote.

The question of building dwelling and non-dwelling units at the same time was brought up. After some discussion, Jacqueline Tully made a motion that if two addition projects were done on the same property at the same time by the same contractor, the square footage would be added together, and the impact fee based on the total footage. In no case would the total impact fee exceed \$1000. Gary Rosenfield seconded the motion. The vote was unanimous. Two new homes will be started this week. One of the lot owners has asked about putting a pad on a lot, and some guidance on culverts is needed. Linford Nelson said he will ask Roger Murie for some culvert guidelines.

**Committee Reports - Fire Safety:** Clive Newell reported for the Fire Committee. The chipper has been in the subdivision area for the past few weeks. Members can call Jon Schmidt if they would like to be put on the schedule.

Mr. Schmidt has been talking about putting portable storage containers by Green's lake for helicopters to use. Linford Nelson is working on a possible pipe and water storage unit. Mr. Newell said he has been getting more in-kind match forms turned in, which means the subdivision is eligible for more services. The current chipping is in response to forms being turned in.

The Forest Service would like to cut a fire break through the center of the subdivision. Foaming systems may be used if the area is directly confronted. An education trailer and evacuation plan will be available at the annual meeting.

**4. Annual Meeting:** The Board discussed the proxy ballots for the annual meeting, some of which have been returned blank in previous years. Elaine Monaco said she did not feel the Board should be filling those out. The ballots will be updated to make them easier to understand and use. Incomplete ballots will be rejected. Dave Rowles will work on the mail-outs for the annual meeting and email the finished pages to Linda Midgley, who will send copies to the Association members. At the annual meeting the Board will set up the tents, Jacqueline Tully will head the luncheon committee, and Teri Saa and Elaine Monaco will count the ballots.

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- 5. New Business/Public Comment:** Gary Rosenfield was able to obtain a metal detector at a trade show for \$142.50. The Association will purchase it from Mr. Rosenfield to use in finding valves. The detector will be kept in the pump room.

The meeting adjourned at 9:20 p.m.

