

CEDAR HIGHLANDS HOA BOARD MEETING MINUTES

252 N., 200 W., Cedar City, UT

January 18, 2019 at 6pm

APPROVED

1). Welcome/Quorum established – The meeting was called to order at 6:02 pm. Board members present : Mike Brask, LynAnn Imlay, Jim Byler, Linford Nelson and Regina Tashjian. Other members present: Jay & Cathy Hampton, Jim Hilton, Erv & Lisa Nelson, Rob & Jeanne Shelton, Cynthia Byler and Nick & Patty Palanza. Mike Brask made a motion to approve the December minutes which was seconded by Regina Tashjian. Vote was taken and the minutes were approved unanimously.

2). Communications

A. With members:

I. Short Term Rentals are creating a problem for the community as several of the vehicles not prepared for winter driving conditions have gotten stuck causing dangerous conditions for other drivers and blocking plow equipment. There is also the issue of garbage overflowing the HOA trash bins which are sometimes found unlocked, concern over outdoor fires, use of fireworks, usage of our limited water supply, extra traffic on the road, etc. CC&Rs prohibit rentals less than 30 days, however there are no provisions for enforcement of these violations other than 60 days suspension of voting rights. The town is struggling with how to deal with this issue and no ordinance has been voted on to date. A member suggested perhaps after a few letters to known violators with no compliance, an action should be filed in small claim court. We will discuss with an attorney on possible solutions. It will take 2/3 vote of the members to change the CC&Rs.

II. Discussion regarding suspending voting rights for those members who violate CC&Rs or failure to pay HOA dues. Jim Byler made a motion that any member who has not paid dues by end of February 2019, which is the end of current billing cycle, we will notify them their voting rights are suspended until they are paid in full. LynAnn seconded the motion. Vote was taken and approved unanimously.

B. With Town

I. Fire/Police Contracts- the town does not have the funding for the approximately \$30k. for the police contract. The town's current budget has only \$5k for police. We currently have 911 service but the town will pay for services as incurred. The mayor does not want to have a police contract. We understand the fire contract will be voted on at the next town council meeting.

II. A balance of \$32,500 remains due from town, which we need for snow removal. Mike received a text message from Steve that the HOA would receive between \$12-20K and the balance the first of March. We have not yet received any payment. We are on a limited budget as we are only collecting \$200 HOA dues to buffer the effect of increased property taxes to the members. The town council acknowledged we were to receive the money in January. Mike presented a spreadsheet to the town council at the

last meeting with all the expenses with what is posted to determine the town's cash flow. The budget tracker differs from what Steve has presented for expenses which ultimately effects payment to the HOA for the balance due.

C. With attorney- tabled

3). President's Report

I. Plowing to date. Full plow cost averages approximately \$4k using loader. The sander is not useful until the road is plowed. To date, the HOA has spent \$16,920 for snow removal costs. We monitor the storms carefully to determine when to call in for a plow and most times, when there is 6 inches at the top. We skip the lower road passes if not required. Mike has the invoices from Bullocks for the road work last summer showing the hourly rate then was \$185 and the winter rate we are being charged is \$210. Other contractors we asked to give us plow bids did not have graders/equipment to properly do our job.

II. Comments from members re: plowing & sanding efforts. Good buddy scoops in front of driveways not always done. Concern for out of state people coming up when the berms freeze over and then difficult to remove. Other concern is that some roads are not plowed wide enough allowing room for vehicles to pass. Also, if the snow berms are not past the culverts, the melting causes serious problems with mud. Mike said he would discuss with Ray.

III. Discussions with Bullocks re: different plowing options & costs. By not using the loader and only the grader & sander for smaller storms and no good buddy scoops saves us more than \$1K per plow such as the New Years Eve plow bill which was \$2600. Bullocks plowing has overall been good and they have been better about keeping the blade up to minimize road damage.

IV. Effect of Air BnB customers on community. Discussed in COMMUNICATIONS.

V. The sander is 18 yrs old and unreliable. It was previously used solely for salt. There is approx. \$2500 repairs needed. We have spent \$2K to date in repairs and used it 6 times. New Salt dog similar to what we currently have is about \$6k delivered. There is another sander that is heavier gauge for approx \$8500 which would be better for our needs. If the town is unable to service the community in the future, the HOA needs to be prepared to resume road responsibilities and therefore purchase of new equipment makes sense.

VI. As the Town Council minutes do not adequately convey what is happening with our community, Mike and other board members attend the work sessions and TC meetings in order to communicate with the HOA members important information. We will begin planning late spring for possible responsibility of snow plow next season.

4). Committee Reports

A. Financial

I. Expenses. Current bank balance is \$37,187.67. Bills for approval: \$20 HOA filing fee paid by Jim Byler; CPA \$400; and \$4.82 for HOA common area property tax. Mike

made a motion to approve the bills for payment seconded by LynAnn. Vote was taken and unanimously approved.

II. 2019 HOA dues. Approx. 25% of HOA dues have been collected to date. Budget discussed in association with plow costs and reimbursement from the town of the \$32,500.

III. Collection of delinquent dues- Jim had the CPA update the statements and collection letters to include all associated collection costs (i.e. attorney fees) in addition to interest, which were sent to members.

B. ARC

I. Pending Construction include Nelson -2 homes; Roger Thomas and Henson exterior completed with only the interior. HOA impact fees collected from everyone except Roger Thomas as his construction began after incorporation.

II. Impact fees & building permit costs for the town. The new fees are on the website which were proposed by Roger Thomas who is in charge of the town building & zoning. Also, we understand that Sunrise Engineering to be the building inspectors for the town, yet when we called them, they said the contract was not yet signed. It is unknown who is currently conducting building inspections.

C. Roads

I. Discussion about the town not needed for the community to improve the roads. There are grants we could get as an HOA for road improvement. A recent meeting with officials from Iron County Building & Zoning said the HOA was previously very close to having the county take over maintenance of the main road. Removing the cost of the additional layer of government created by the town, the property tax level would return to what it previously was with Iron County and include all associated services (police/fire). The HOA could better control our finances and decide as a community about road improvements.

D. Fire.

Jim Hilton (HOA Fire committee) & Paul Starks attended a meeting regarding state fire requirements for the town. Jim & Paul plan to have more 2 or 3 Fire Wise events this year that were very successful. The HOA will work closely with the town on fire events.

5). Member Questions – Open Discussion

During COMMUNICATIONS WITH TOWN, members voiced much concern that the town will encumber the property owners with debt for roads or other items. We explained that board members attend every town council work sessions and meetings to give a voice to each & every resident, non-resident and lot owner in Cedar Highlands. Our purpose is to hold the town accountable to be honest, ethical and financially responsible. A purchasing ordinance was passed limiting the mayor to committing the town to any expense over \$1K.

Members also expressed concerns that a subdivision was in the works within the town. The mayor advised someone approached him about creating a subdivision. The concern is that the developer would not bear much of the burden of road improvement but rather that burden would be on the owners of the 165 lots in the HOA.

Member suggested we improve the warning signs at the bottom of the roads to better advise motorists to use 4WD and also they assume the risk. Discussion about community projects to improve the signs in the spring.

6.) Executive Session

6). Date and Time for Next Meeting: February 21, 2019 at 6pm

7). Mike moved to Adjourn to executive session 7:56pm seconded by LynAnn.