

APPROVED

**Cedar Highlands HOA Board Meeting
March 9, 2023
Cedar City Library, 6:00 PM**

1) Welcome by Mike Brask. Board members attending were Mike Brask, Tom Wootton, Jeff Hartman and Lori Silva.

- a. HOA members in attendance were: virtually—Larry Miracle, Ankara Rosser, Jim Grimes, Phil Miller, and physically—Rick Silva, Monica Wootton, Deb Hartman, Darren Hatch, Lisa Hatch, Glen Cole, Nick Palanza, Stan Carrizosa, Greg Ditel, and Manny Mosqueta,
- b. Mike made a motion to approve the October 2022 and February 2023 meeting minutes; Jeff seconded, and all were in favor. Motion passed.
- c. Mike asked if there were any Code of Ethics forms that still need to be signed by committee members and there were two yet to be signed due to illness.

2) President's Report

Mike stated that it is time to make the decision about whether to have the new water tank placed on HOA property or not. If the membership votes to have it on HOA property, 22 fire hydrants will also be placed throughout the community. However, if it is decided not to put it on the HOA meadow, the hydrants will not be put in right away, but will be put in over the next few years as budgeting allows. In the meantime, the HOA must plow the road to provide access to the current water tank per agreement with the water conservancy. Tom stated that our current tank is reaching the end of its life expectancy and something would need to be done to replace it if it failed. Jeff asked if we didn't decide to do the new tank now, we may be inconvenienced when the old one fails. Mike said that the Water Conservancy is under obligation to provide us water and they would still need to do the maintenance on the current tank.

Mike wanted to update the members on where we are with our budget. We have spent \$74,000 for snow plowing so far this winter and we budgeted for only \$65,000, so we are \$8,000 over budget and still have some time to go. We have to decide on how we manage our resources, so we don't go over our budget. This may require some adjustments to our plans for this year. Some items may need to be pushed to next year. Stan Carrizosa reported that the review of the CC&Rs will be complete by the first of May, but action doesn't necessarily have to happen until next fiscal year, so we can save on legal fees there. Mike said we would get through the election process and reevaluate.

3) New Business

Tom moved to have vote sent out to have water tank on placed on HOA property; Jeff seconded; and all were in favor. Motion passed.

Carson Bagley, HOA attorney will work with the water conservation attorney to get voting packets ready to be sent to members for vote. A question arose about a member not

responding and a non-response will be counted as a 'no' vote. An active vote from two-thirds of our members is needed for the approval of using the HOA property for the new water tank. If there are not enough votes received, then a special meeting can be called.

Mike made the motion to have Carson to prepare voting packets, but not be the one to count them. Jeff seconded and all were in favor. Motion passed.

The board will select the committee to count the ballots at next month's meeting.

4) Communications

- a. With members has been ongoing and mostly about the road conditions and snow removal. Jeff brought up that some members are calling a board member to complain about something that is not in their purview to take action. Mike encourages members to access the website to see who is the correct board person to call about specific issues to expedite response.
- b. With attorney, Carson Bagley, continues about the details about voting on CC&R amendment and water tank placement.

5) Committee Reports and Old Business

- a. Financial report was given by Jeff Hartman
 - i. Jeff moved to pay \$100 to bookkeeper, Lori seconded, and all were in favor. Motion passed.
 - ii. Other bills paid were to Pierce and the attorney.
 - iii. Mike brought up that we need to file an extension to file our taxes before April 15th and he and Jeff will get together with the bookkeeper to get that done.
 - iv. Beginning balance for February: \$147,979.32
 - v. Debits: \$28,039.61; \$25,849.00 to Pierce, \$1,310.00 to the attorney, \$58.41 for QuickBooks, and \$194 to USPS for annual mailbox
 - vi. Deposits: \$53,158.00, \$13.00 in interest, and \$50 title transfer from the new homeowners up on top
 - vii. Ending balance: \$173,097.71
 - viii. As of this date, 25 lots have not yet paid this year's dues. Two of those lots belong to Iron County who don't pay dues, so 23 are still due. Of those, 21 went out via email and haven't responded. Some members are still paying the dues amount of five years ago instead of the current amount, so that needs to be addressed. Jeff asked if we need to send out another email or a certified letter via USPS. Mike responded that we need to consult with the attorney about that and the possibility that those who are not current on their dues are not allowed to vote, so that may reduce the number needed for upcoming votes.
 - ix. Jeff proposed that the HOA buy several certificates of deposit (CDs) for \$10,000 each to increase the earning potential of the HOA dues. Current interest would be at 4.25 percent which could earn the HOA \$4,250.00 in a year for \$100,000 in CDs. Statements would be quarterly and no paperwork to

keep. By separating the total investment into \$10,000 increments, if the money is needed, only the amount needed would have to be cashed in and only interest for that month would be the lost. Mike made the motion to do that right away at our current bank, Tom seconded; and all approved. Motion passed.

- b. ARC (Architectural Review Committee) report was given by Tom Wootton
 - i. There have been no changes to the properties under construction over the past month.
 - ii. One new application has been received for Cole, Block 4, Lot 9, 759 Cedar Highlands and fees have been paid. Mike made the motion that we approve the application, Jeff seconded, and all approved.
 - iii. Jeff asked the question about the impact fees for roads, should we consider making that non-refundable. Tom said that the impact fees are currently non-refundable, but other fees are and they could take money from that portion if damage has been done to the roads. Mike said the contractor has the option to repair the damage. Tom said that if you see a contractor that doing damage to our roads, the homeowner is supposed to contact the HOA board within 24 hours or repair the damage, otherwise the HOA can keep part of their deposit. Nick said he approached a contractor in a heavily loaded truck and he responded that he had mentioned it to the general contractor and it had no resolution. Other issues related to roads and contractors will be discussed under the next committee report.
- c. Roads—Rick Silva commented that we should keep deposits for some of the construction projects due to the damage to the road base and mag chloride. Nick Polanza said that building in the winter and all the heavy trucks associated with it is breaking down the roads. Tom stated that High Juniper is a heavily trafficked road and it has a breach in the culvert at the dip in the road that is causing major problems and could be dangerous. Nick Polanza suggested that building a retaining wall on the high side and fill the low area to raise it up. Tom said that all the side roads are HOA-owned roads and are going to need a lot of attention this year. Mike suggested that they wait until the snow melts to evaluate what side roads to fix and then prioritize their repair (High Mountain, High Oak, and High Juniper). Tom said that putting mag chloride on the main road is out for this year. Rick Silva said that this part of the road would be a good opportunity to test another product, Perma-Zyme, to see how it holds up to all the heavy equipment traffic. It would require a build-up of road base of 4-6 inches and timing is good if the culvert is replaced. Tom said that you have to close the road for three days after applying the soil stabilizer. Nick Polanza said it may be closed for more than that if a concrete culvert is poured. There are other side roads that will become bogs when the snow melts. Mike said that grading has to be done and then the ditches need to be cleared throughout the community. Between the emergency road fund and the mag chloride we budgeted for this year, you have \$80,000. Lori suggested that the problem on High Juniper should be fixed this year, otherwise we will have to do it next

year. Mike estimated that the culvert project would easily be \$50-60,000 to complete—it's just one spot. Homeowners are responsible for maintaining the culverts at their drives and they will need to be notified where issues are causing road problems. Mike said the committee could present at the annual meeting a proposal for road maintenance that's needed for HOA roads. Greg Ditel suggested that we do nothing to the county road. Nick Polanza said members need to take care of themselves instead of expecting the HOA to fix everything. If you need to pay people to clear snow, then do so. They need to take more responsibility of their area. Mike said that Clint Bunting has joined Pierce Excavation and that has helped a lot. Tom looked at [having] a community snow blower that is owned by the HOA—but questions who keeps it running and where will it be stored during the off season. Nick said we should keep our equipment on the meadow, he wants the HOA to look into owning the equipment. Tom said that the snow blower is so much better than the snow plow for our neighborhood. Nick also agreed that snow blowing is better. Both think it is a good idea to look at allocating funds for snow fencing. Jeff said that the upper drift area is mostly on Linford Nelson's property, so we should look into fencing what's ours. Mike said he would call a special roads committee meeting. Jeff asked if anyone has looked into getting grants. Mike said that there may be matching funds available. Reid Erickson's group may be where we could look for matching funds. Rick Silva asked if we were under contract with Pierce Excavation for our road maintenance needs. Mike said we were in year two of a five-year contract. Jeff thanked Rick Silva for picking Brad up at 4:30 in the morning when he couldn't get up the mountain. Lori said that we should be a community—one that helps each other and ourselves. Mike said there are people out there that are wanting to help with committees and want to attend the Roads Committee meetings. They want to be part of the solution.

Greg Pierce said that the board needs to be careful about using the word "contracts" and that long-term ones aren't allowed in the CC&Rs or Bylaws. There must be adequate ability to cancel them and he would like to see the one we have with Pierce Excavation. Mike said he would email him a copy.

- d. Fire & Safety Committee —Tom volunteered to take the chair for the Fire & Safety Committee and Lori will be the second board member needed. Tom will call a meeting for the volunteers of the Fire & Safety Committee. Signs that were put up last year for the Fourth of July and Pioneer Day were done by only four people and it took several days. This year they will ask for volunteers. Jeff said they could only be put up during fire season—red flag conditions. Tom said they have the ability to put out an email or text to all members to call for volunteers.
- e. Website—Kevin said he responded to the suggestion to go through notices on our home page on the HOA website and update them and remove outdated items. Tom will help Kevin decide what should stay and what should go.
- f. Water—Mike will take the chair position and Lori will stay as second board member on this committee. He has been monitoring the agenda items, but hasn't been able to attend. Lori will start going with other members. County water meetings are held on the

third Thursday of every month and he plans to attend once our water projects start. Mike asked Lori to ask Kevin to remove Linford from the website. Monica Wootten asked if any committees need volunteers. Tom said all committees need more volunteers. Lori said more committee members were needed and the current members need to be included in the text communication.

CC&R Committee—Stan Carrizosa reported that the committee was now on Article 10 of their complete review and they plan to be done by May 1st. There are issues with the water agreement and Article 9 may need to be more closely aligned with it going forward. Not maintaining the main road may be an issue because we are obligated to keep the road that's not ours maintained per the water agreement. Article 10 Duties & Obligations has a conflict in CC&Rs duties and the water agreement. Mike said that Title 5 that's on record with the BLM pertaining to public safety and maintenance on the BLM road stating that the county should maintain portions of the road. Stan said now is the perfect time for us to reconcile the conflict and get language to protect our community. If we make repairs to the main road, does it make it our liability? Lori volunteered to get a copy of the Title 5 from the BLM office. Tom suggested we ask for road base if the county is supposed to maintain the road. Mike said we pay taxes so we should ask for support. There may be some documents from the county that gives us permission to maintain the main road. We had to maintain the road last year so we could get services and so that Pierce would be willing to plow and not damage his equipment. Greg said that the Kolob road was very nice and asked the difference between it and ours. Mike responded that the road is kept as dirt, but the residents are taxed as if it were paved. Deb Hartman said there is a description of what the county will maintain as to the road base and structure. Anything outside this gives them a reason not to maintain our road-- it isn't up to their standard. For example, the 17 percent grade is outside their standard.

- g. Community sign project—Mike said that the poles are ready and Patty Polanza is to decide whether to sand blast and paint or not. Wood still needs to be cut to hold the sign. Nick Polanza said he would be cutting the wood, but wants to wait until the poles are installed. Mike is waiting on the wood to be cut for the metal frame to be fabricated. We will have one at the meadow and down where the current speed limit sign is at the bottom. All this is waiting for the ground to thaw. A rough estimate of when it will be finished is sometime in June.

6) Member Questions

There were no questions from the members.

7) Next meeting will be Thursday, April 13, at 6:00 pm in the Cedar City Library.

8) Meeting adjourned 7:46 PM.