

**Secretary's Report of the Annual Meeting and Board of Director's Meeting of  
Kinesava Homeowner's Association, Inc.**

March 10, 2012 – 10 a.m. to 5:00 p.m.

Canyon Community Center, Springdale, Utah.

Present:

Darci & Jeff Carlson

Gary Hunter

Betina Lindsey

Dan and Roxy Mabbutt

Paul Mailloux

Randy & Peggy Taylor

**I. Secretary's Report:**

a. Quorum. Roxy Mabbutt confirmed that a shareholder quorum was present.

b. Approval of last year's minutes. The minutes were approved without objection.

c. Proxies

Paul Mailloux had 1 proxy from Douglas Gregg, 3 proxies from Neil Milch, 2 proxies from Vincent Chiarello, and 1 proxy from Doug & Gail Alger.

Roxy Mabbutt had 1 proxy from Barbara Bruno and 2 proxies from Phillip Bimstein.

Gary Hunter had 1 proxy from Ann and Scott Hinckley.

d. All voting through the meetings was done with open voice.

**II. Financial Report:**

a. The Treasurer's Report is included as an attachment.

b. The income consisted of annual assessments, late fees on annual assessments, refunds and interest earned on the infrastructure account.

c. Expenses were within the budget for 2011. The largest expense was for work done in 2010 but not paid out until 2011. Due to this expense, net income was just under \$2000.

d. In 2012, current budget categories will have no change or will be increased. Categories listed in the report will be expensed. The report also lists the estimated amount for the extension of the road work for Serendipity Lane. When this is invoiced and paid after the completion of the work, the exact amount will be transferred to the checking account from the infrastructure account. The effect of this transfer will be to decrease the general expense and leave KHAI with a larger net income than the one shown on the expense forecast for 2012.

e. Peggy wants to remind all homeowners that the prompt payment of all assessments will keep all projects moving towards completion.

g. Once the infrastructure account decreases - general account money will be added in plus a minimum of \$1.00 because the infrastructure account cannot be depleted.

### **III. President's Report** (attached)

a. Doug Alger cleaned up the trash left next to the pasture fence across from lot 13. After this, Carlos and Luis repaired part of the fence.

b. Repairing of the pasture fence was discussed. Paul Mailloux thought it would be best to replace fencing one section at a time. However, if parts of the fence become non-functional, it will then be dealt with. Paul is having trouble getting irrigation system parts here. Jeff Carlson volunteered to help with this by looking for pipe. Paul said he thought the roads should be dealt the highest priority.

c. A lot of money was spent on attorneys regarding hikers. The Town of Springdale will no longer give out parking tickets because KHAI is private land and except for one case, these tickets have been dismissed. Given the lack of enforcement, the next step is towing. The KHAI attorney says we can tow vehicles if there is a sign stating our intention to do so. Paul contacted Winder Towing and Economy Towing. Economy Towing (Hurricane) is willing to tow cars and only needs a authorized letter from KHAI. According to Economy Towing, if hikers return and find their vehicle missing, homeowners do not have to volunteer any information. This might be advisable because people who have just had their cars towed could become aggressive.

A good first step would be to put up a sign that says KHAI will tow vehicles and see if this helps the hiker parking problem. Placing a notice on vehicle windows might also help.

d. Contractor damage to the infrastructure. KHAI should maintain consistency about contractor parking. If illegal parking is allowed in one part of Kinesava, contractors will be more likely to park illegally as well. Another HOA in Springdale requires a \$5000

deposit for damages to HOA infrastructure or common areas from any contractor prior to the commencement of any work.

Remedies to the problem of guest parking were discussed such as parking downtown and carpooling. Several homeowners volunteered their extra space for guest parking if they were notified in advance and their consent given. The Kinesava Ranch advertising brochure passed out by the developer states that there is an RV storage area next to lot 2 which is undeveloped. Even if it was developed, it would be hard to get to and would require a long walk to most residences.

**e.** The ditches need clearing (the main wash and the ditches behind lots 3, 5 and 7). The next phase of pasture burning is scheduled for March 11, 2012 - 7:30 am.

**f.** Roads. There will be an application of chip seal on the slurry sealed road from SR9 to the first cement pad at the entrance to lot 2. The road will be closed for 1 day. The road from the 1st concrete pad to the south side of the driveway of lot 3 will be slurry sealed. The cement pads will receive two coats of sealer and this should last about 5 years. To protect the cement pads from construction vehicles tarps will be used. Several homeowners have volunteered to help do the cement seal and tarp placement.

This road work will be coordinated as to not interfere with the lot 16 renovation.

Members should all be prepared for an unforeseen capital expenditure in the future due to contractor damage.

**g.** Speeding is still a problem. Speed bumps were discussed. Delivery trucks and bike speeding is also a problem. Paul Mailloux suggested to move a 15 mph sign and to add a sign underneath it that says 'bump' at the site where the speed bump would be situated - between first concrete pad and lot 3. This would require another 15 mph sign. Paul Mailloux will contact KHAI's attorney to see about liability issues. Paul said that the next section of road repair should have a second speed bump with a third bump on Parunuweap.

### MOTION

Dan Mabbutt motioned to install one speed bump in the currently scheduled section of roadway to receive the slurry seal approximately half way between the current concrete slab and the lot 3 driveway.

Paul Mailioux seconded.

The motion passed unanimously.

**h.** The infrastructure fund is now isolated and named.

i. Digitizing all KHAI documents and annual meeting minutes with attached enclosures was discussed. This could be done through email or with a new web site. Dan Mabbutt volunteered to set up and maintain the site. The web site would be the authoritative source of KHAI documents once established. The cost of the site would include the cost of a domain name cost plus a periodic hosting fee. Members gave the authorization to proceed. All the official documents will be cross-checked by the attorney. This will be done at a subsequent Board of Director's Meeting.

**IV. Election of the Board of Directors:** Doug Alger, Roxy Mabbutt and Gary Hunter are up for re-election. All three were willing to serve another term.

MOTION

Jeff Carlson motioned to reelect Doug Alger, Roxy Mabbutt and Gary Hunter to serve another 3-year term as board members.

Betina Lindsey seconded.

The motion passed unanimously.

MOTION

Betina Lindsey motioned to close the annual meeting.

Jeff Carlson seconded.

The motion passed unanimously.

**Board of Director's Meeting**

1. Roxy Mabbutt confirmed that a quorum was present for the meeting.
2. All voting through the meeting was done with open voice.
3. Paul Mailloux, Dan Mabbutt, Roxy Mabbutt and Peggy Taylor were willing to serve another year in their respective offices.

MOTION

Gary Hunter motioned to re-elect Paul Mailloux as President, Dan Mabbutt as Vice President, Roxy Mabbutt as Secretary and Peggy Taylor as Treasurer of KHAI.

Jeff Carlson seconded.

The motion passed unanimously.

4. Peggy Taylor reworded the assessment penalty clause. Paul Mailloux wants to approve the new language as a rule subject to the attorney's recommendations - see Amended By-Laws, Article IX, 5.2.8. See enclosed Late Annual Assessment Procedures.

Dan Mabbutt referred the Board to Article 9, 9-1 of the Amended By-Laws.

The attorney told Paul that rules are a better method than by-laws to detail procedures where the architectural committee or board of directors are going to act in the interpretation, modification or implementation of a by-law. Paul referred the Board to Article 5, 5.2.8 of the Amended By-Laws. This allows KHAI to set up a set of rules that are easily amendable by the board of directors and that basically defines the interpretation, modification or implementation procedures.

#### MOTION

Paul Mailloux motioned to adopt Peggy Taylor's procedure as a Rule governing assessment and late fees subject.

Gary Hunter seconded.

The motion passed unanimously.

**Note:** This means that Peggy Taylor's procedure is now a Rule. No number was given to it. Rules will be numbered after review and formatted by the KHAI attorney.

#### 5. Presidents Board of Director's Report (enclosed).

Paul Mailloux put together a set of proposed rules that will eventually take rules that are currently in the Amended By-Laws and move them over into the Rules and Standards of Conduct as recommended by our attorney. Paul provided the Board with a draft. Dan Mabbutt kept track of all the changes on his laptop as the new rules were discussed.

**a.** Discussion of Rule Group 1 - Procedures to be used in enforcing no parking on the pavement or on private lots. Several members had no problem with hikers. Dan Mabbutt noted that the Town of Springdale has a lot of rules but many are only enforced if someone complains. The Fire Protection Standards for parking have often not been enforced by the Town of Springdale. One suggestion was to put a warning sign on vehicle windows stating that repeat offenders will be towed.

#### MOTION

Roxy Mabbutt motioned to adopt Rule Group 1.

Jeff Carlson seconded.

The motion passed unanimously.

MOTION

Concerning Rule Group 1, Paul Mailloux motioned that he be authorized to investigate the placement of signage that states that violators of the trespass law will be towed at the owners' expense to determine whether the signage alone deters trespassing.

Peggy Taylor seconded.

The motion passed unanimously.

**b. Discussion of Rule Group 2 - Architectural Control Committee Review Procedures Clarification of By-Laws Article X.**

MOTION

Jeff Carlson motioned to adopt Rule Group 2.

Peggy Taylor seconded.

The motion passed unanimously.

**c. Discussion of Rule Group 3 - Clarifications to the Architectural Standards in By-Laws, Article X.**

Discussion of a. - General Reference Data.

MOTION

Gary Hunter motioned to approve a. - General Reference Data as part of Rule Group 3.

Roxy Mabbutt seconded.

The motion passed unanimously.

Jeff Carlson had concerns with outbuildings with regards to his future house plans.

MOTION

Roxy Mabbutt made a motion to include By-Law 10.8 Outbuildings.

It was not seconded.

MOTION

Jeff Carlson motioned to exclude By-Law 10.8 Outbuildings from Rule Group 3 and further assess it.

Gary Hunter seconded.

There were 2 no votes and 3 yes votes; the motion passed.

MOTION

Peggy Taylor motioned to adopt Rule Group 3 as amended by the previous motion.

Jeff Carlson seconded.

The motion passed unanimously.

**d.** Discussion of By-Laws 10.17 (Time Limit for Review of Plans) and 10.18 (Submission of Plans).

MOTION

Paul Mailloux motioned to delete the existing By-Laws 10.17 (Time Limit for Review of Plans) and 10.18 (Submission of Plans) because they are now covered in Rule Group 2.

Roxy Mabbutt seconded.

The motion passed unanimously.

**e.** Discussion of By-Law 10.19 (Zoning Variances).

MOTION

Gary Hunter motioned to delete the existing By-Law 10.19 (Zoning Variances).

Roxy Mabbutt seconded.

The motion passed unanimously.

**f.** Discussion of old Rule 10.20 - Exception to Standards to become a new Rule 10.17 with no changes in content.

MOTION

Roxy Mabbutt motioned to adopt the change for new Rule 10.17 - Exception to Standards.

Gary Hunter seconded.

The motion passed unanimously.

**g.** Discussion of old Rule 10.21 - Standards to Compliment Ordinances to become a new Rule 10.18 with no changes in content.

MOTION

Roxy Mabbutt motioned to adopt the change for new Rule 10.18 - Standards to Compliment Ordinances.

Gary Hunter seconded.

The motion passed unanimously.

**h.** Discussion of a new Rule 10.19 - Protection Standards for Infrastructure.

MOTION

Roxy Mabbutt motioned to adopt a new Rule 10.19 - Protection Standards for Infrastructure.

Gary Hunter seconded.

The motion passed unanimously.

**i.** Discussion of a new Rule 10.20 - Traffic Safety.

MOTION

Peggy Taylor motioned to adopt a new Rule 10.20 - Traffic Safety.

Jeff Carlson seconded.

The motion passed unanimously.

**Note:** There is no rule 10.21 now. Rule 10.22, Fine for non-compliance remains the same. There was no discussion about it.

Thanks was given by all present to Paul Mailloux for all the work he has done.

**6.** Discussion of annual assessment and maximum allowable annual assessment.

MOTION

Jeff Carlson motioned to keep the annual assessment the same as last year - \$425.00 per lot.

Gary Hunter seconded.

The motion passed unanimously.

MOTION

Jeff Carlson motioned to increase the maximum allowable annual assessment for 2012 to \$562.00 (3% of \$546.00 which is \$16.38 and rounded down to \$16.00).

Peggy Taylor seconded.

The motion passed unanimously.

7. Miscellaneous items.

Paul Mailloux indicated that the KHAI approval letter for the Hinckley Renovation would be submitted to the Town of Springdale on Monday March 12, 2012.

MOTION

Gary Hunter motioned for the 2013 Annual Meeting of KHAI be set for the second Saturday of March 2012.

Paul Mailloux seconded.

The motion passed unanimously.

MOTION

Gary Hunter motioned to close the Board of Director's meeting.

Peggy Taylor seconded.

The motion passed unanimously.

Roxy Ann Mabbutt  
Secretary, Kinesava Homeowners Association, Inc.

Enclosures:  
Treasurer's Reports  
President's Report  
Assessment Notice  
Address List (report any changes or errors to Roxy Mabbutt)

