

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

March 9, 2013 – 10 a.m. to 5:00 p.m.

Canyon Community Center, Springdale, Utah.

Present:

Doug Alger

Darci & Jeff Carlson

Douglas Gregg

Ann Hinckley

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

Roxy Mabbutt had 2 proxies from Phillip Bimstein.

Douglas Gregg had 1 proxy from David & Karen Post

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

**II. Financial Report:**

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

b. There were a few late assessments. These were taken care of.

c. Peggy would like to remind homeowner's that there is no state and property taxes on the pasture. The federal taxes are below \$100. KHAI is non-profit and the pasture is in "green belt" status.

d. There was due diligence done on both insurance policies (liability and director's). On the liability insurance, there were two small areas that were not covered and are now added to the common areas. One on Wanda Lane and the other in front of lot 2.

e. There are going to be a few open meetings in Springdale regarding fire protection. There will probably be an increase in taxes due to fire protection.

**III.** Paul Mailloux gave his President's Report as part of the Discussion.

**IV.** Election of the Board of Directors: Jeff Carlson is up for re-election. He is willing to serve another term.

### MOTION

Paul Mailloux motioned to re-elect Jeff Carlson.

Roxy Mabbutt seconded.

The motion passed unanimously.

**V.** Discussion and President's Report.

a. Roads. Work done on the roads this past year by Holbrook and his subcontractors was substandard. Doug Alger negotiated with Holbrook and got a \$500 reduction in the total bill. KHAI is looking for a new contractor, so there are no new plans for slurry seals. The concrete is working fine and members thought we should move forward with more concrete.

Doug Alger called the Posts during the meeting and found out that they are planning to build this summer. The members present agreed that the resurfacing or modification of part of Serendipity adjacent to their project should wait until after they build. Paul Mailloux suggested work could be done at the same time such as road excavations for economy of scale.

With KHAI Board of Directors' preliminary approval, Paul Mailloux had begun a design for the lowering of a portion of Serendipity Lane for the purposes of enhancing the existing flood channel capabilities. The concept depended upon the installation of a box culvert on lot 6 to provide access to lots 8, 6 and 4 resulting in the removal of the existing bridges which potentially limit the flow of the channel. However, the owners of lot 6 have bought at house here in Springdale instead of building on lot 6.

Paul has suggested that an alternative exists which does not depend on the removal of the bridges or the installation of the box culvert. The members present had a question about KHAI's liability

concerning the proposed project. The members agreed that if KHAI pays for another flood study, it doesn't guarantee the future performance of the flood channel. The members were also notified by Paul Mailloux and Doug Alger that having engineering support for the project neither guarantees the performance of the channel nor indemnifies KHAI. Doug Alger suggested that KHAI contact the lot owners involved and ask them to review the proposed project and sign an agreement releasing KHAI from liability before the road work commences.

Paul Mailloux agreed to produce this amended proposal, the appropriate preliminary drawings and answer any questions about the existing or proposed additional flood studies involved with the project if circumstances allow him to remain in Springdale.

Jeff Carlson proposed the formulation of comprehensive roadway plan that prioritizes repairs because there are concerns over a future special assessment. Other members thought this was a good idea. Jeff Carlson and Doug Alger have volunteered to work on a comprehensive plan. Several members present had no problem with the roads as they are now. If any homeowner has problems with the road in front of their property, that homeowner should let KHAI know.

When asked what road section would be next on the list of priorities for repair Paul Mailloux suggested the section at the junction of Parunuweap, Mukuntuweap and Serendipity. He suggested that an asphalt structure across Parunuweap at that point would act both as a very needed speed bump and enhance the drainage of both slope and roadway water to the existing culvert extending under Mukuntuweap Drive. The Board of Director's agreed to visit the site after the conclusion of the general meeting as an extension of the Board of Directors' Meeting. Note: no action was taken.

Paul Mailloux thanked Ann and Scott Hinkley and their contractor for doing an excellent job in the remodeling of their home with regard to the protection of roads during the project. Paul said they helped put together the rules of good conduct and practices, which has become part of the code.

**b. Pasture.** The whole front fence needs replacing due to rotting and the gate valve needs replacing. Randy Taylor got the lumber for the recent repairs. Paul said Allen Lee doesn't seem to want to do the work of replacing the gate valve. Jeff Carlson and Doug Alger know of some other people that have a backhoe. The problem is that these people will be subcontractors and need insurance. As far the fence repair, KHAI volunteers could do it and they are covered by their own homeowner's insurance. Paul Mailloux will find out what the repairs will cost and call another Board of Director's meeting for a final decision.

**c. Document Revisions.** KHAI's main document is the CC&R. Paul said the lawyer's recommendation was that there should be no changes to Rules & Regulations and By-Laws that would be in conflict with the CC&R. Other than that caveat, Paul said there should be no problem with the way KHAI was batch processing the other documents.

Dan Mabbutt consulted Joe Wood and decided that a collaborative process was the only practical way to update KHAI documents. He added analysis to the KHAI web page that was created last

year to start the process. Dan said that because no responses had been received from members to continue the process, he planned to repurpose the web site (kinesava.com) to something else.

According to Dan, the lawyer has not blessed anything and their approval isn't required to update the documents. Although Paul's mandate to Joe Hood didn't result in anything, it isn't needed.

Paul said that our current legal counsel, VialFotheringham, is expensive and slow and with very little to show for all of Paul's efforts. Therefore, Paul would like to look for a new law firm or a different lawyer within the law firm.

d. Web Page. There was much discussion about what to post on the page and whether homeowner's were using it. Several members stated that they liked having the web site. This item will be taken up again in the Board of Director's meeting that follows.

e. Bettina Lindsey had concerns about the trees in front of her property. One has fallen over and the others need pruning. Paul Mailloux will review the plat to determine whose property they are on. Doug Alger has already done some tree trimming elsewhere on KHAI property. Bettina, Paul and Doug will work on this and other pruning along Serendipity.

#### MOTION

Douglas Gregg 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 throughout the meeting was done with open voice.
3. Web Page. Dan Mabbutt addressed the Board and asked what they wanted posted on the kinesava.com web site.

Board Members will make an initial list that can be amended later. Items discussed were CC&Rs, By-Laws, Rules and Standards of Conduct, annual meeting minutes, board of directors meeting minutes, some financial reports, architectural reviews, contractors, list of Board members with their phone numbers and emails. The Board decided against open forum discussion and decided to use the web site for documents only. Questions about KHAI business should be addressed to KHAI officers or Board members.

MOTION

Paul Mailloux motioned that the CC&Rs, By-Laws, Rules and Standards of Conduct, Annual Meeting Minutes, Board of Director's Meeting Minutes, the list of Board members and a set of directions for contacting the president and Board members be on the web site. Also, Paul Motioned that no single Board member can't represent the opinion or findings of the rest of the Board members.

Doug Alger seconded.

The motion passed unanimously.

Dan Mabbutt said he would amend the web site as soon as possible.

4. Pasture repair.

MOTION

Jeff Carlson motioned that Paul Mailloux purchase 10 railroad ties and investigate the main valve repair.

Peggy Taylor seconded.

The motion passed unanimously.

5. Annual assessments.

MOTION

Jeff Carlson motioned to increase the maximum allowable annual assessment for 2013 to \$579.00 (3% of \$562.00 and rounded up to \$17.00).

Peggy Taylor seconded.

The motion passed unanimously.

MOTION

Doug Alger motioned to raise the annual assessment to \$450.00 per lot.

Gary Hunter seconded.

The motion passed unanimously.

6. Comprehensive Roadway Plan.

MOTION

Peggy Taylor motioned that Jeff Carlson and Doug Alger proceed with a plan for an estimated future road repair.

Douglas Gregg seconded.

The motion passed unanimously.

7. Election of Officers. There was discussion about whether the Vice President should be on the Board of Directors in case Paul Mailloux resigns as President. If the President resigns, the Vice President will be acting President. KHAI's rules state that the Vice-President doesn't have to be a member of the Board.

MOTION

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

Gary Hunter seconded.

The motion passed unanimously.

8. Miscellaneous items.

Doug Alger has volunteered his home for next year's annual meeting.

MOTION

Roxy Mabbutt motioned for the 2014 Annual Meeting of KHAI be set for the second Saturday of March 2014.

Paul Mailloux seconded.

The motion passed unanimously.

MOTION

Douglas Gregg motioned to close the Board of Director's meeting.

Gary Hunter seconded.

The motion passed unanimously.

Roxy Ann Mabbutt  
Secretary, Kinesava Homeowners Association, Inc.

Enclosures:

Treasurer's Reports

Assessment Notice

Address List (report any changes or errors to Roxy Ann Mabbutt)