

## Sundance Mountain South Association 2006 Annual Meeting

By John Birch,  
Association secretary

President Dave Whitney opened the meeting at 12:47 on Saturday, Sept. 16. The meeting was held at the Shenvalee Golf Course dining room.

The meeting was opened by Dave giving a testimonial to Bob Reichard for his service to the Community and to the Board. Bob was one of the first residents and was instrumental in setting up the independent Board and has served on it for many years. He was presented with a notebook organizer as a gift.

Paula Clark, a realtor, gave a short presentation on the value of properties in the Association. A two-bedroom house with five acres on Berry Patch was listed for \$130,000 and had an offer of \$142,000 that fell through due to the issue of hazard insurance for the prospective owner. The house later sold for \$130,000. A house with 1300 square feet with three acres on Blue Smoke was listed for \$145,000 and sold for \$155,000. A house on Sundance with three acres was quickly sold for \$135,000. Bob Reichard's house was back on the market and was listed at the time of the meeting for \$199,900.

Dave indicated that the minutes from the last year's annual meeting had been mailed to all members and asked if there were any corrections. There were none. It was moved and passed unanimously that the minutes were approved.

Darlene Guinn provided her Treasurer's report that is attached. The Association is in the best shape it has been in for some time. There was less snow last year so our snow removal expenses were less than budgeted. The Lonsdale property owners have paid back dues of approximately \$5,000. We had attempted to purchase an easement for the use of the corner of the Lonsdale property for use for parking in the winter in lieu of collecting the dues but were unsuccessful. The charges for roadwork were also down from the budget estimate.

Someone asked what was done with the \$50 well fees. They are put in the general fund and used to pay for electricity associated with the wells.

Ray Orebaugh no longer does the roadwork as he has retired. James Bowman, who used to work for Ray, rents his equipment and now does the work. He also has a lawn service that seems to take priority for him over work for us. He has not done any brush cutting or ditch cleaning as of the meeting.

There was a discussion of whether we should change the mix of gravel that we put on the road. The washboard nature of the road was also discussed. The consensus was that while it was bumpy, it also slows people who would otherwise speed down to a more reasonable rate of speed.



As part of the sales of houses, the wells are tested. One well tested was slightly over the limits for bacteria. There is not a significant health problem as the amount was just slightly over the limit. The owner installed a UV light at the wellhead for approximately \$1,000 that solved that problem. There was a discussion as to what, if anything, we should do about the wells and whether that well was an aberration or whether we had a systemic problem. We are not subject to State Department of Health rules if we have fewer than 15 hooks ups per well or fewer than 25 people using the wells for over 60 days a year. We are close but under the limits. No other Association in the area has subjected themselves to the State rules. There was a discussion of whether we should pay for testing the wells ourselves to determine whether we had a systemic problem. Each test costs \$50 per well. There was a motion that was seconded and passed to test the wells both to assure ourselves that we did not have a problem and to allay any concerns real estate agents or buyers may have. Wells number 13 and 14 now will be tested now as they had not been recently tested as part of a sale of a property. All other wells would be tested over the next year, probably in July when a favorable result was most likely. The well fees would be increased by \$10 to cover the cost of the testing. The Board would report back to the people on wells number 13 and 14 and to Association about the results of the other tests.

Les has agreed to do a new directory for next year.

There was a discussion of assertions made by David Diaz, the first owner of the property at the junction of Smith Creek and Sundance Mountain Roads, that the entrance road for the Association is on his property and that we are trespassing by driving on the road. The issue has been reviewed by two counsel hired by the Association who have both concluded that the Association has acquired an easement for the road by adverse possession. In essence, since our predecessors and we have been using the road over the property for a long time, we have acquired a right to use the road even though Diaz owns the property. There had been unsuccessful settlement discussions in the past. We had offered to purchase an unrestricted easement for \$3,000 and Diaz had countered with a limited easement for \$15,000. Mediation of the dispute was discussed and ultimately a motion was passed to attempt to mediate the dispute with Diaz. Our goal would be to acquire an unlimited easement to use the road for an amount that the Board members would bring back to the Association for approval. That proposal passed.

The proposed budget for the next year, attached, was passed.

Steve Smith, Darlene Guinn and Pat McGrath were elected to the Board for the next term. Pat was appointed to serve out Bob's term.

The meeting was adjourned.

The Board is reviewing the covenants for the Association. There may be several different versions of covenants. If there are, we may need to merge or consolidate them. There may be some attorney's fees associated with this issue.

We may need to spend some more attorneys' fees associated with the Lonsdale property discussed earlier in the meeting.

The road at the entry of the subdivision continues to be an issue. David Diaz moved in about five years ago. The road on his property may be technically outside the plotted right of way however, we believe and have been advised by our counsel, that since the road has been where it is forever, we have acquired an easement by adverse possession. The road actually was where it presently is even before the subdivision existed. We have acquired a formal easement for the property above Diaz' on the road. We have not brought suit to resolve the issue because of the high cost of attorney's fees even if we were to prevail. We have been attempting to develop good relations with both homeowners on that stretch of the road by spreading calcium on the road to keep the dust down.

Steve Smith gave his annual bear report. He has seen none but has seen lots of deer.

The meeting was adjourned at 2:00 pm.

-Submitted by John Birch, association secretary

Sundance Mountain South Association, Inc.  
Approved 2007 operating budget

	Budgeted <u>2006</u>	Jan-Dec. 8 <u>2006</u>	Approved <u>2007</u>
Roads:	10,000	7,658	10,000
Snow removal:	3,000	730	3,000
Well/ electric:	2,000	1,584	2,000
Gypsy moth:	0	0	0
<u>Admin:</u>	<u>3,000</u>	<u>3,006</u>	<u>3,000</u>
Totals:	18,000	12,978	18,000

Income 2007:

Road fees:	16,000 (64 non-exempt lots at \$250 apiece)
Well fees:	1,960 (49 cabins at \$40 apiece)
<u>Well surcharge</u>	<u>390</u>
Total:	18,350

Total estimated 2007 funds:

Fees:	18,350
Gypsy moth reserve	2,673
<u>2006 est. carryover:</u>	<u>4,300</u>
Total:	25,323