

**Spirit Lake East Homeowners Association
Monthly Board Meeting Minutes
April 3, 2007**

BOARD MEMBERS PRESENT:

Edginton (238), Kramer (166), Martinez (268), Murphy (237), Cover (123), Lane (169),
Peloquin (148)

BOARD MEMBERS ABSENT:

GENERAL MEMBERS PRESENT:

Lowell Hayes(165), Ralph Shrigley (72), John & Gail Johnson (159), Mike
Schmidt(220), Don Murphy (237), Robert Luten (107), Darrell Richardson (262), Jeff
Hill (127), Jess Blocker (272), Arnold & Nancy Pearson (28), Steve & Kathy Gray (181),
Ron Bart (21), Ernest Niegel (123)

Meeting called to order by President Edginton at 7:00 PM.

MINUTES:

Minutes for March 2007 Board Meeting read by Secretary Angelo Martinez. Motion to
approve minutes by Cover, Seconded by Murphy. March 2007 Minutes Approved 7-0.

TREASURER'S REPORT:

By Treasurer Cindy Murphy. Motion to accept Treasurer's Report dated 31 March, 2007
by Cover, Seconded by Kramer. Report accepted 7-0

President Edginton opened the discussion on whether or not to implement the Auditors
March recommendation to add a \$15 late fee to outstanding Homeowners Association
Dues. President Edginton asked if there was a motion from the Board to adopt the \$15
late fee. No Motion was put forth.

COMMITTEE REPORTS:

ARC – None

TIMBER- By Committee Chairman Lowell Hayes. 1 logging query and 1 lot
logging without permit, Lot (103)

ROADS- By Committee Chairman Paul Peloquin. Road Committee is waiting on
outcome of the water system leak repairs before committing to any major
road repairs. Normal road grading can take place when conditions permit
it. New road signs will be ordered to replace the ones that are missing
throughout the development. Road Committee Chairman Peloquin stated

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that he had received complaints about Sand Creek Drive not being plowed over the winter. It is his belief that Sand Creek Drive maintenance is the responsibility of Bonner County and the Treetport Homeowners Association. Treetport Homeowners Association President, Bob Luten (107), asked if negotiations could be opened with Spirit Lake East Homeowners Association to clear up the matter. He suggested a working group might be formed to develop a formal presentation. President Edginton stated that some arrangement for a meeting might be set up at a later time.

WATER- By Ron Bart (21). Mr. Bart summarized the findings in the Idaho PUC Final Order No. 30279 concerning Spirit Lake East Water Company's General Rate Case SPL-W-06-1. A full copy of the Final Order can be downloaded from the PUC Website <http://www.puc.idaho.gov/orders/recent/recent.htm>. Mr. Bart also stated that to-date he has been unable to get an update from the DEQ on the Punitive Consent Order issued against Spirit Lake East Water Company.

NOMINATING-

By Lowell Hayes (165). Letters of notification along with proxy forms have been mailed to all Association Members. The committee continues to make phone calls to Association Members asking for nominees for the May election. Association Members still considering running may have themselves added to the ballot from now, up to, and including the day of the election on May 8, 2007.

Special thanks were expressed from the Nominating Committee and the Board of Directors to Renate French for her diligent work in assembling the letters and proxies for the mail notification.

OLD BUSINESS: -

1. Board Member Mike Cover presented his proposed changes to the Spirit Lake East CC&Rs. Board Member Covers proposal is to reach a quorum of Spirit Lake East Homeowners Association Members by the use of proxy votes attained by a recorded phone conversation as well as votes cast in person at the bi-annual Membership Meetings. The specific issue he proposed to be voted on was to change the current CC&Rs so that any future change to the CC&Rs could be passed by a 51% majority instead of the current 2/3 majority. Board Member Cover read the proposed modified proxy form and script. The modified proxy form would be vote specific to the issue of changing the size of a quorum. The Board Member or designated caller would document the response and sign for the General Member on the modified proxy form. Board Member Cover stated that

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the method of vote gathering he was proposing had been reviewed by the Association Lawyer. The layer had suggested the changes to the proxy so that it would be vote specific.

President Edginton asked if there were a motion from the Board to act on the proposal.

Secretary Martinez moved that the board submit the entire package as proposed by Board Member Cover to the membership for a vote during the May meeting using standard procedures. Motion was seconded by Board Member Lane.

Results of Board Vote: 3 for, 3 against, and 1 Abstain. The proposal was tabled. At the direction of President Edginton the proposal would be added to the May Agenda as an item of discussion for the Association Membership.

NEW BUSINESS: -

1. Secretary Angelo Martinez (268) brought a complaint against the residents of Lot (269). He read from a prepared statement saying that he witnessed one of the residents riding a dirt bike (motorcycle) down Tahoe Drive on 3 April, 2007 at about 10:00 am. He stated that he talked with the driver of the motorcycle and with who he believed was the rider's mother. He informed them that he believed they were in violation of the Restrictive Covenants regarding motorcycle use in Spirit Lake East. He informed them that he intended to bring his complaint before the Board of Directors. He also invited them to the Board Meeting.

Secretary Martinez then moved that the Board recognize that a violation of the Covenants had taken place and that a letter be sent to the residents of Lot 269 asking them to come into compliance with the CC&Rs. Secretary Martinez addressed the General Members to ask if anyone from Lot 269 were present. There were no residents of Lot 269 present. Board Members sought clarification on the contents of the letter to be sent.

Board Member Cover: Was the rider on the road? He wanted the letter to specify that the rider was on the road.

President Edginton: Was the motorcycle street legal? Was the rider licensed?

Secretary Martinez: Stated he didn't know if the rider was licensed or not and did not believe the motorcycle was licensed as he did not notice any headlight or license plate on the vehicle.

Board Members agreed to have the letter specify that "an apparently unlicensed operator was riding his non-street legal motorcycle along Tahoe Drive."

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Motion to recognize violation of covenants and mail letter seconded by Board Member Cover.

Motion approved 7-0.

Motion to adjourn - M/S Cover/Peloquin. Motion passed 7-0

ADJOURNED at 8:40 PM

Angelo Martinez, Secretary

Dan Edginton, President