

The Idaho Club Homeowners Association, Inc.

Special Meeting

17 November 2022, The Idaho Club Clubhouse

I. Member Sign-in and Call to Order:

Luke Reed, president of The Idaho Club Homeowners Association called the special meeting to order at 4:05 PM. He explained that the single purpose of the meeting was to consider and ratify Amendment No.8 to the Declaration of Covenants, Conditions, Restrictions and Easements for The Idaho Club.

All members of the HOA should have received a copy of the proposed amendment and proxy form in the mail.

II. Proposed Amendment

Luke read the following proposed amendment to those present:

AMENDMENT NO. 8
TO THE
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND
EASEMENTS FOR THE IDAHO CLUB

This Amendment Number 8 to the Declaration of Covenants, Conditions, Restrictions and Easements of The Idaho Club, recorded on October 6, 2007 as Instrument Number 714739, records of Bonner County, Idaho (“Master Declaration”) is made and entered by the Declarant, Valiant Idaho, LLC, an Idaho limited liability company. and shall be effective upon recordation.

RECITALS

A. Declarant is the owner of certain real property known as The Idaho Club and made subject to the Master Declaration and three amendments thereto. said amendments recorded as instrument numbers 736375, 739204, 808450, 937327, 991825, 991764 and 1002208 records of Bonner County, Idaho (“Project”).

B. The Project is a master planned golf, recreational and residential community.

C. In Amendment No. 5, instrument no. 99182, the Declarant dedicated certain property owned by Fairway Homes Northwest, LLC (“Property Owner”) to be added as an additional phase of the Idaho Club.

D. The Master Declaration may be amended upon the vote of no less than two thirds of the voting power of the Association., pursuant to Article XII, Section 12.2 therein.

E. Pursuant to Article II, Section 2.5 of the Master Declaration, the Declarant has five votes for every lot within the Idaho Club that it owns.

F. A duly noticed meeting of the record owners of the lots within the Idaho Club was held, with over two-thirds (2/3) of the voting power of the Association voting in favor of this Amendment.

NOW, THEREFORE, the Master Declaration is amended as follows:

1. The following new section, Article V, Section 5.21 is added to the Declaration:

Authority to Adopt Schedule of Fines. The Board of Directors is hereby authorized to adopt a schedule of fines for the enforcement of the Master Declaration, as amended from time to time, and/or its rules and regulations. Pursuant to Idaho Code § 55-3206, the Association may not issue a fine unless the following procedure is followed:

(a) A majority vote by the Board shall be required prior to imposing any fine on a member for a violation of any covenants and restrictions pursuant to the rules and regulations of the homeowner's association.

(b) Written notice by personal service or certified mail of the meeting during which such vote is to be taken shall be made to the member at least thirty (30) days prior to the meeting.

(c) In the event the member begins resolving the violation prior to the meeting, no fine shall be imposed as long as the member continues to address the violation in good faith until fully resolved.

(d) No portion of any fine may be used to increase the remuneration of any board member or agent of the board,

Except as amended herein, the Master Declaration, as amended from time to time, shall remain in full force and effect.

III. Confirmation of Quorum

Tom Curtiss, the associations management executive, stated that a quorum was present at the meeting.

Luke announced that John Herndon, who was present at the meeting had the Declarant's proxy to exercise the Declarant's votes, which are 70% of the total votes in the association.

IV. Question and Answer

Luke opened the meeting to questions from the floor.

Q: How does the "algebra" work for the Declarant's 70% of the vote?

A: The Declarant gets 5 votes for each unsold lot. The Declarant's holdings are calculated by subtracting the number of sold lots from the maximum number of lots permitted by the PUD. Although more than 300 lots have been sold the Declarant still has 70% of the votes.

Q: Will members see a schedule of fines?

A: Luke responded that a schedule of fines related to the Pet Policy will be included in the policy document.

Q: Are fines only for Pet Policy?

A: Luke said other nuisances may also be subject to fines.

Q: What are we voting on here? Does vote include the recitals?

A: Tom answered that a yes vote to the change will bring the CC&Rs into conformance with the new state law as well as authorizing fines. Luke added that new state HOA law requires open board meetings. Members will see meeting notices. Tom said this would keep Board actions transparent to the membership.

Q: How will the notice of Board meetings be made?

A: The statute is quiet with respect to how and when notification is to be made. Luke said the method of notification will be announced in a later all member communication.

Q: Is the change to the CC&Rs too broad?

A: The words are set by state law. Any fines must be defined in a Board policy.

Q: When can the Board meet in executive session?

A: Luke answered that the state law defines 5 instances when the Board can meet in executive session if the majority of the Board agrees. These include: (a) to consider matters of personnel, hiring, bid review, or contract negotiation, (b) issues not subject to financial disclosure, (c) to consult with legal counsel, although the presence of legal counsel does not alone justify entering into an executive session, (d) to discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings, or (e) to discuss sensitive matters related to a Member's assessments, violations, or delinquent assessments.

V. CC&R Amendment Vote and Final Announcements

Luke said the Board would sign the new Pet Policy in the next few days.

Luke asked if there were further questions or objections regarding the proposed amendment to the CC&Rs. None were made. Luke then asked for a motion to approve the amendment. Don Hague made a motion to approve the 8th Amendment to the CC&Rs as presented. Rick Carter seconded the motion. The amendment passed on a voice vote with no one voting no.

VI. Adjournment

Luke announced that the vote concluded the meeting agenda and asked for a motion to adjourn.

Don Hague so moved, and Rick Carter seconded the motion. The motion passed on a voice vote with no objections.

Luke adjourned the meeting at 4:23 PM.

Respectfully submitted,



Read S. Tuddenham