



These updates are intended to keep you in the know about the status of the Country Club Purchase. The information below is listed from newest to oldest.

To request a ballot, you can contact The Inspectors of Election (T.I.E.) by phone or email: [\(888\)211-5332](tel:8882115332) or info@theinspectorsofelection.com

Spring Valley Lake Association

NON-BINDING REPORT OF THE INSPECTORS OF ELECTION

The Inspectors of Election, LLC (TIE)

Membership Approval Vote for Annexation of the Country Club

The Inspectors of Election, LLC (TIE) was contracted to serve as the oversight authority and independent, third-party election service for Spring Valley Lake Association.

As the duly appointed Inspector of Election of Spring Valley Lake Association, we hereby report as follows:

Membership Participation:

1. The total Membership is 4214.
2. TIE determined that a total of 2390 members (56.72%) were represented by ballot.
3. 17 Registration Envelopes were received without signature and could not be counted towards quorum or opened and tabulated.

Supervision of Election

1. TIE reviewed and supervised the registration process.
2. TIE determined the authenticity, validity, and effect of each ballot received prior to the close of the polls.
3. TIE determined all challenges and questions in any way arising in connection with the right to vote.
4. TIE determined if any ballots were invalid and were not counted for any reason.

Voting Process

1. An **Action for Vote** was posed to the membership to approve: 1) the Sixth Amendment to the Declaration of Restrictions for Spring Valley Lake Association (Article I, Section (b); Article VII, Section (a); Article VII, Section (b); Article VII, Section (c) (1); and addition of Exhibit "1"); 2) the annexation of the Spring Valley Lake Country Club into the Subdivision (as defined in the Declaration) pursuant to the authority granted in Article VII; and 3) to finance the Association's purchase of the Spring Valley Lake Country Club through a loan not to exceed \$7.5 million, which will also fund renovations to the Spring Valley Lake Country Club and the refinancing of the Association's outstanding water loan.
2. **Quorum and Approval Requirements:** The quorum requirement is twenty-five (25%) percent of the Voting Power of the Association (1,054 of 4214 Separate Interests). The quorum requirement for meetings adjourned due to lack of quorum is fifteen (15%) percent of the Voting Power of the Association (633 of 4214 Separate Interests). The affirmative votes of at least fifty-five (55%) percent of the Voting Power of the Members (2,319 out of 4214 Separate Interests) are necessary to approve the Sixth Amendment to Declaration and Country Club annexation. The affirmative votes of at least two-thirds (2/3) of the total voting power of the Association (2,812 out of 4214 Separate Interests) is required to approve the loan to purchase the Country Club and to refinance the Association's outstanding water loan.
3. Due to a lack of membership participation, the board of directors decided to abandon the membership approval vote and requested the results of the tabulation on April 6, 2022. The results provided below are non-binding and are for information purposes only.
4. The votes were as follows:

I vote to approve:	Total
YES	2057
NO	331
ABSTAIN	2

5. TIE counted and tabulated all votes for the Membership Approval Vote as follows:

Total actual ballots counted: 2390
Total of ballots not counted: 0 *
*Reason for not counting ballots: N/A

Reported by Inspector of Election

I hereby certify that the above are the results of the voting undertaken by TIE as of this date and time.

Printed Name: Kurtis Peterson, CMCA
Signature: Kurtis Peterson, CMCA
Title: Chief Inspector of Election
Date: Friday, April 7, 2022
Time: 4:55 PM



Spring Valley Lake Association

Country Club Management Update
March 8, 2022

Dear Residents,

At the open board meeting on March 5, 2022, the Spring Valley Lake Board of Directors discussed the motion to utilize reserve funds with the intent to purchase the Spring Valley Lake Country Club ("SVLCC") from ClubCorp. ClubCorp has indicated that the closing date would not be extended. In an effort to prevent the golf course from falling into the hands of an investor who may not have the community's best interest or intent to preserve SVLA members' property values, the Board of Directors approved the motion to purchase the Country Club. Escrow is expected to close on March 15, 2022. The Board of Directors have also approved the company, Steele Canyon Golf Club Corp., to manage the Country Club's operations.

Although the Spring Valley Lake Association is currently in the process of acquiring the Country Club, membership approval is still required to make the annexation permanent and to obtain a loan. The Spring Valley Lake Association has sent out a second round of ballots to members who have not previously voted. As of now, quorum has yet to be reached, prompting the Board of Directors to extend the election to April 9, 2022.

The Association intends to transfer the funds back to the reserves promptly, once membership approval is obtained and financing is approved. In the alternative, if the contingencies are not met, SVLA has the option to sell SVLCC to a third party with deed restrictions. This would ensure that the country club is maintained and managed in accordance with SVLA's standards, and in a sum sufficient to cover the amount transferred from reserves.

If you have not done so, we are encouraging every SVLA owner to submit their ballot as soon as possible. You can find the history of the Country Club acquisition process on our website at www.svla.com, under "Country Club Updates".

Best Regards,

Spring Valley Lake Association



March 6, 2022

Dear Spring Valley Lake Residents and Members,

This letter is to introduce our company, Steele Canyon Golf Club Corp., and to outline our vision for the club and HOA. We will be assuming the management of Spring Valley Lake Country Club in the coming weeks and have been working closely with your HOA Board of Directors in understanding the needs and goals of the community. I have broken down their key areas of concern below.

Who is Steele Canyon?

We operate 5 prestigious clubs in Southern California. Four of them are fully private, and one is semi-private. They are, in chronological order:

2008 Steele Canyon Golf Club, Jamul	steelecanyon.com
2015 Bear Creek Golf Club, Murrieta	bearcreekgc.com
2016 Dove Canyon Golf Club, Rancho Santa Margarita	dovecanyongc.com
2018 Pauma Valley Country Club, Pauma Valley	paumavalleycc.com
2019 Bermuda Dunes Country Club, Bermuda Dunes	bermudadunesc.com

The last four clubs were purchased as either bankrupt or those needing major renovation. Another common characteristic is that they all were facing declining membership and revenues. Our organization has brought them all to a flourishing status, vibrant with new members to the point where we will be closed to new members, with waiting lists. I invite you all to view each club's web site above to get an even better understanding of our operation.

What are your plans for Spring Valley Lake CC?

Initially the plan is to observe and understand just how the dynamics of the club work. SVLCC is a very unique property with many more components than a normal club. From golf to tennis to exercise to racquetball to swimming – you get the idea. And that doesn't even include the restaurant operations!

Once we get a feel (which won't be long), we'll start implementing measures to improve our members' experiences. You'll soon start seeing a better maintained golf course as we give our crew more staffing and funding. The pro shop will be fully stocked as will the bar and kitchen. Operating hours will be expanded. You can't increase revenue if you're closed!

What about the employees?

We are planning on keeping all of the hardworking and dedicated staff that want to stay. Our goal is to inspire the team to new heights of excellence through closer direction and increased pay. The staff are the backbone of the operation and need to be fully appreciated for their efforts.

Why would we be interested in operating SVLCC?

The number one reason is because you have a "Rembrandt or Monet" golf course, designed by Robert Trent Jones Sr. and Junior. Along with that tremendous asset, you have a potentially phenomenal clubhouse that is both spacious and functional. We just need to get it spruced up and brought into the 21st century. This, of course, will take time, but we guarantee you'll start seeing tangible changes to complement our re-charged staff. Another key reason is the community is blessed with an amazing HOA with great roads, a spectacular lake, well-maintained homes, and great management. Our goal is to get the club on the same level of excellence as the rest of the community.

We know there are many more questions and we do plan on having a townhall meeting when the time is appropriate to address all your concerns. You will be seeing our transition team and me this week as we start our "soft landing" approach to our new partnership. I am excited to make SVLCC an amazing club being utilized by our entire community of 3800+ homes.

Sincerely,

Larry Taylor
CEO

Summary Timeline SVLA/SVLCC Acquisition

April 2019 - January, 2020 SVLA/SVLCC Task Force formed; 12 meetings held; Community Survey completed; Recommendation to Board to pursue purchase; report placed on SVLA website

January 2020 - February, 2020 Board Executive Committee formed to review Task Force findings (two meetings held); Board Committee recommends purchase and the hiring of a consultant

March, 2020 - September 2020 Task Force team modified to 6 members; RFPs for consultant sent out; Task Force met 7 times; interviews for consultants conducted; task Force recommends Christovich for consultant position; Christovich placed on consultant contract

November, 2020 - February, 2021 Christovich begins consulting report and conducts visits to Spring Valley Lake, SVLCC, and the surrounding area; report completed and sent to the SVLA Board for review; Christovich report made available to community

May, 2020 - June, 2020 SVLA attorney begins doc prep and contingencies for purchase; letter of intent sent to seller

July, 2020 - April, 2021 SVLA Planning Committee reinstated and begins meetings regarding acquisition of Golf Course/Country Club; 11 meetings held

February, 2021 - April, 2021 Contract negotiations continue between SVLA and seller

April, 2021 - Town Hall Meeting

May, 2021 - Escrow opens

June, 2021 Board retains consulting services

July, 2021 Country Club inspection

June, 2021 - September, 2021 SVLA Board holds special meetings (10) with consulting firms, management firms, lenders, discusses amenity enhancements, budget, Country Club tier schedules; Board has meetings with 4 prospective management companies

At the meeting on Saturday, February 5, 2022, we were informed that quorum was not met. The Board of Directors took action to extend the voting period for an additional 30 days until Saturday, March 5, 2022.

You can find the Country Club flipbook by clicking the icon below or refer to the Invest SVL tab on the homepage of our website.

[Click the image below to enlarge](#)





**Pre-Ballot Notice of Membership Vote to
Approve the Purchase of Spring Valley Lake Country Club**

To: Members of Spring Valley Lake Association

A Special Tabulation Meeting & Membership Approval Vote will be held at 10:00 AM on Saturday, January 29, 2022, at 12975 Rolling Ridge Dr., Victorville, CA 92395.

You will be asked to vote to authorize the Association, through its Board of Directors, to:

- A. Purchase the Spring Valley Lake Country Club;
- B. Amend the Governing Documents to allow for the annexation and maintenance of the Spring Valley Lake Country Club as part of the Association's common area; and
- C. Finance the purchase of the Spring Valley Lake Country Club through a loan not to exceed \$7.5 million, which will also fund renovations to the Spring Valley Lake Country Club and the refinancing of the water loan.

Election packages including a ballot and full instructions for return will be mailed to the membership at least 30 days prior to the Special Meeting and Tabulation of the Ballots. Upon receipt of your election package, the ballots may be returned via mail in the included self-addressed envelopes to: The Inspectors of Election, P.O. Box 131778, Carlsbad, CA 92013 by 5:00 PM on Thursday, January 27, 2022, or hand-delivered to the Special Meeting at the date and time listed above prior to the close of polls.

You are encouraged to participate in this election. Please check your mail shortly after the date of December 28, 2021, for your election package. We look forward to receiving your ballot and hope to see you at the Special Meeting on January 29, 2022.

Pursuant to Civil Code Section 5107(a)(7), as a Member of the Association, you have a right to verify the accuracy of your individual information (i.e., name, voting power and mailing or physical address/parcel number) on both the candidate registration list and voter list, at least thirty (30) days before the ballots are to be distributed. To confirm or change your information, please contact the management office.

Sincerely,
The Spring Valley Lake Association
Board of Directors

The SVLA Community Planning Committee (CPC) held its first meeting on Friday, November 6th, 2020. The members of the Committee are: Carmen Aguirre, Jeri Lawrence, Lisa Verhagen, Regina Dixon, Diana Bickhart, Michael Carl & Lori Rice.

Greg Christovich, President of Christovich and Associates, the Consulting firm hired to conduct the facility and operations assessment at the Club, was on hand to update the members on his initial observations, the due-diligence process, and timeline for report delivery to the Association. We expect the full report from the consultant by mid-December, at which time the Committee will set some dates for 'Town Hall' communication meetings, live, virtual and taped, for sometime in mid to late January, COVID permitting. These meetings will present the consultant's findings as it relates to our contemplated purchase of the Country Club.

Please share your feedback

We are in the process of developing a set of Frequently Asked Questions (FAQ's) regarding this topic, but would like to hear from you so we do not leave anything out. Please email your comments, questions and concerns regarding the purchase of the Country Club to: **countryclub@svla.com**.

Thank you for your participation and we will continue to keep you informed of our progress.

To request a copy of the consultants report by Christovich and Associates, complete a **Homeowners Request Form** and return to **admin@svla.com**.

[Click the images below to view the information:](#)

Country Club Consultant



Country Club Consultant



Invest SVL Letter



Townhall Meeting 4/21/21



SVL Country Club Q & A



Invest SVL Survey Results

