

# Frequently Asked Questions by Boulders Club Members

## Updated August 2024

### **Who owns and manages The Boulders Resort & Spa?**

The Boulders Resort & Spa is owned by CP Boulders, LLC whose parent corporation is Kentucky-based Columbia Sussex Corp (“**Columbia Sussex**”). William Yung is the founder and CEO. The estimated 223-room Boulders Resort & Spa, including El Pedregal plaza. was bought in 2015 for a reported \$83.3 million.

Columbia Sussex is owner-manager and makes all decisions about personnel, maintenance, capital improvements, etc. Hilton is the brand under which The Boulders Resort operates. There are some limited quality standards and details to which a hotel that is part of the brand must adhere. The Boulders uses Hilton’s reservation and email systems, and is part of Hilton’s guest loyalty program.

### **What is “The Boulders Club”?**

The Boulders Club is a semi-private golf club within The Boulders Resort & Spa that, like the Resort, is owned by Columbia Sussex. Memberships in The Boulders Club are non-equity memberships. The Boulders Club itself and all the Club facilities (golf courses, courts, clubhouse, locker rooms, swimming pools, spa, restaurants, etc.) are owned by Columbia Sussex.

### **Who manages The Boulders Club?**

The Boulders Club is managed by a Board of Directors, comprised of individuals *appointed by Columbia Sussex, none of them Club Members*. The Board of Directors (“**Club Management**”) has the exclusive authority to accept members, set dues and charges, establish rules and regulations, and control the management and affairs of The Boulders Club, subject to the terms of the Boulders Club Membership Agreement and Bylaws (“**Club Bylaws**”) and the Boulders Club Membership Plan (“**Membership Plan.**”)

### **What is “The Boulders Club Membership Agreement and Bylaws”?**

The Boulders Club Membership Agreement and Bylaws amended and restated 05/23/08, updated for change in ownership effective April 24, 2015 (“Club Bylaws” or “**2008 Bylaws**”) and The Boulders Club Membership Plan (“Membership Plan”), as well as the “the Club Rules” can be found on The BMA website at [www.bouldersmembersassociation.org](http://www.bouldersmembersassociation.org) under the BMA Home/Legal Documents section.

These documents establish and define the relationship between Club Management (Columbia Sussex) and Club Members. The Members’ rights to use The Boulders Club and the Club facilities are provided in the Club Bylaws.

In February 2023, Club Management unilaterally created a new set of bylaws (“2023 Bylaws”) that govern Memberships sold since then.

### **Who can be a Boulders Club Member?**

A person owning property within the Boulders may, but is not required to, join The Boulders Club as a Premier Golf, or Premier Social, or Premier Clubhouse Member.

A person who does not own a home or a residential lot within the Boulders may join The Boulders Club as a *Non-resident Premier Golf Member*. There can be a maximum of 400 total Golf Memberships. There is no cap on the percentage of Premier Golf members who can be non-residents, but property owners have priority over non-property owners to acquire available memberships.

The 50 Associate Racquet memberships are *only* available to non-residents, and they are not members of the BMA or represented by the BMAC.

### **How many members does The Boulders Club have?**

As of July 2024, there were 397 Golf, 74 Social and 92 Clubhouse Memberships, for a total of 563 Memberships, representing over 900 Members.

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### **What is the Boulders Member Association (“BMA”)?**

The **BMA** is an Arizona nonprofit corporation. It is the self-governing body of Members of the Boulders Club.

All Boulders Members, except for Associate Tennis Members, are automatically members of the BMA regardless which set of club bylaws govern their membership.

The BMA also has its own set of Bylaws, which set forth its governance, function and general powers, as well as Members’ voting rights and nomination procedures. You can read the [BMA Bylaws](#) on the BMA website at [www.bouldersmembersassociation.org](http://www.bouldersmembersassociation.org) under the BMA Home/Legal Documents section.

### **What is BMAC?**

Every spring, Club Members vote to elect volunteer Club Members to serve a three-year term on its Board of Directors, which is also known as the **Boulders Members Advisory Committee (“BMAC”)**. The elected members of BMAC then select whom among them will serve as its officers.

### **What is BMAC’s purpose and function?**

**BMAC has defined its goal as “to enhance Members’ experience.”**

Its function and authority are defined and governed by the BMA Bylaws *and* by the 2008 Bylaws.

**BMAC’s purpose, as defined by the BMA Bylaws** Article 5.4 is to represent the interests of the Membership generally, as those interests are reflected in the Club Bylaws, and in negotiations with Boulders Club management with regard to any proposed changes in the Club Bylaws; provide advice and Membership input to Club Management with regard to Club Bylaws issues, policy and operations, and maintain a direct and active communications process with the Members, and ensure Members are kept current with regard to BMAC activities.

### **Who is on BMAC?**

BMAC is composed of not fewer than 7 and not more than 11 elected volunteer Members, of which, up to two may be non-resident Members. Provided there are qualified candidates willing to serve, one is a Social Member and one is a Clubhouse Member. Committee members serve 3-year staggered terms. There are also two ex-officio (non-voting) members representing the men and women’s golf associations (BMGA) and (BWGA.) You can see the [current BMAC members](#) on the BMA website.

BMAC appoints Members to Committees to work with the Boulders’ Management in pursuit of Members’ interests. The committees are: Social, Ambassador, Greens and Courts, Facilities, Fitness and Spa, Rules and Communication.

### **How can I contact BMAC?**

BMAC responds to email at [bmac.boulders@gmail.com](mailto:bmac.boulders@gmail.com)

To report issues with the golf course or tennis or pickleball courts, please email details and photos to [bouldersgreenscommittee@gmail.com](mailto:bouldersgreenscommittee@gmail.com)

To report issues with club facilities, email details and photos to [issues.bmac@gmail.com](mailto:issues.bmac@gmail.com)

### **How does BMA cover its expenses?**

There is no provision requiring Members to fund BMA expenses. As needed, a voluntary contribution has been added to member invoices to replenish the BMA bank account. In December 2022 BMAC requested a \$50 voluntary contribution to pay for professional services that might be necessary. Expenses include annual Directors and Officers liability insurance premiums and subscription services for administrative functions such as the website, email, and polling systems.

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The following questions and answers refer to the 2008 Bylaws.

### **What is required to amend the 2008 Bylaws?**

Article 7.3 G of the Club Bylaws states that a majority of the then current memberships of the class affected by the change must vote in favor of the amendment, however, only Original memberships (those who joined prior to 2008) and memberships owning a residential home or lot in the Boulders Development are eligible to vote, one vote per membership, whether individual or family membership.

In 2023, then-eligible Members voted to approve a proposal to grant voting rights to non-resident Golf Members, except for specific provisions in the 2008 Bylaws that protect residents' special rights. The vote was conducted by BMAC and has not yet received the required consent of the owners to take effect.

### **Can The Boulders Club assess its members?**

There are no provisions for assessments.

### **Who decides when and how membership dues are increased?**

Club Management has the ability to increase monthly dues "in its sole discretion," however, the 2008 Bylaws article 5.2 C imposes a 5% limitation on those increases. Club Management may increase the memberships' monthly dues only up to the lesser of (i) 5% per year; or (ii) the yearly percentage increase in the Consumer Price Index for All Urban Consumers, published by the U.S. Bureau of Labor Statistics.

For 2024 monthly dues were increased by 3.7%. The increases for 2023 and 2022 were 5% each year (CPI was 6.5%, and 5.4% respectively.) Prior years dues were increased as follows: 2021 1.4%, 2020 1.7%, 2019 2.3%, 2018 2.2%.

### **Does The Boulders Club have a food & beverage minimum?**

No. There is no Club food & beverage minimum. Pursuant to the Bylaws, Club Management may not institute such a requirement.

### **How do Boulders Club dues compare to other area clubs?**

Monthly dues under the 2008 Bylaws are substantially lower than most other area golf clubs, half the cost of many of them. In addition, there are no assessments, no food & beverage requirements, and a limit on the amount of the annual dues increase. For specific information about the costs at other area clubs, see <https://www.topscottsdalehomes.com/compare-scottsdale-golf-club-memberships>

### **What is the total amount of income from dues that Columbia Sussex receives each month from Boulders Club members?**

A rough estimate of revenue from Boulders Club membership dues (based on the number of members and current rates) is that dues generate approximately \$ 350,000 per month or over \$4,000,000 per year, excluding trail fees, guest fees, cart rental, food and retail merchandise sales. The Boulders Resort & Spa is part of a private company, and Columbia Sussex does not disclose its financials.

### **Is Columbia Sussex required to use the dues it collects from Boulders Club members for maintenance or improvement of facilities or services used by Club members?**

There is no specific provision in the "The Boulders Club Membership Agreement and By-Laws" or "The Member Plan Overview" requiring Columbia Sussex to reinvest the dues it receives to maintain or improve facilities or services used by Boulders Club members.

### **What obligations does Columbia Sussex have under the 2008 Bylaws?**

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Club Management is responsible for managing and operating the Boulders Club in a First Class manner. (2008 Bylaws Article 1.8.). The Boulders shall use its best efforts to provide a “quality golf experience” as outlined in the 2008 Bylaws Article 2.1.C

The Boulders will maintain the Club and the Club Facilities in a first-class manner, comparable to other first-class clubs in the Phoenix metropolitan area, which will enhance and maintain the lifestyle of those choosing to live in the Boulders Development. The Boulders will employ the Boulders Club Manager and all other personnel necessary to meet this obligation. (2008 Bylaws Article 7.3.A)

### **What changes can Club Management make without a member vote?**

Article 7.3.G of the 2008 Bylaws addresses what changes Club Management may make, and specifically identifies which provisions may not be changed without an amendment, which requires a vote.

### **Why did BMAC hire lawyers?**

When Club Management requested an amendment to the Club Bylaws to increase the number of golf memberships in 2023, and BMAC wanted to find a solution that did not negatively affect members’ experience, BMAC sought advice about members’ rights and possible remedies under our agreement. Gallagher and Kennedy has been retained by BMAC.

### **What is the ongoing dispute between Members and the Club’s owner and what is Member Corbin McNeill’s complaint against the Club’s owner?**

The dispute is outlined in McNeill v C.P. Boulders court filings which are posted on the BMA website for you to read in the Lawsuit section.

### **How are the Contract Enforcement legal expenses funded?**

Members have voluntarily contributed directly to an independent Contract Enforcement Fund; a Trust administered by the law firm Gallagher and Kennedy. Members funded this account to pay the legal expenses necessary to enforce their contract, the 2008 Bylaws. It is used to pay the legal fees associated with BMAC’s effort to negotiate with the owners and with Corbin McNeill’s lawsuit against the owners. Any unused funds will be returned to the donors.