

SONORAN DESERT WILLOW ESTATES
Homeowner Association
Monthly Board of Directors Meeting

Minutes

Location: National Self Storage Lobby
7555 S. Houghton Road, Tucson, AZ 85747

Date & Time: January 21, 2008, 6:30 PM

Board Meeting

Monthly Meeting was called to order at 6:30 PM

Board Members:

	<u>Position</u>	<u>Present</u>	<u>Absent</u>
Glenn Bohnke	President	X	
Tom Musznyski	Vice President	X	
Karl Walton	Treasurer	X	
Bob Rice	Secretary	X	
Ken Moyes	At Large	X	

Management Representatives:

Bill Maguire	X	
Mike Connoy	X	

Quorum Five Board Members were present; therefore, a quorum necessary to conduct an official meeting was achieved.

Minutes of November Meeting

Mr. Moyes moved to approve the minutes of the November, 2007, Board Meeting. The motion was seconded by Mr. Musznyski, and approved by all.

Treasurer's Report:

1. The financial amounts reported were as of December 31, 2007.
2. The rate of delinquencies is decreasing, as pointed out by Mr. Moyes.
3. The Board needs to resolve the amount of Reserve Funds to put into high yield CDs. Mr. Bohnke indicated his desire for a recommendation for an amount to be placed into high yield CDs at the February meeting. Mr. Walton indicated he would coordinate with ADAM LLC to develop the recommendation. Mr. Maguire noted that one advantage to HOAs in using US Bank for reserves is that the bank will not charge a penalty fee if it is necessary to remove funds before a maturity date.
4. Mr. Connoy advised that he inadvertently over paid Kachina Signs for installing the lettering on the Valencia entrance sign, and that he would work to recover that overpayment.

5. The need for an audit of the 2007 accounts, as required by Arizona law, and preparation of the 2007 income tax returns was discussed. The discussions about the audit centered on whether Mr. Walton could perform that task. It was decided that since Mr. Walton was not the Treasurer of the Board until the beginning of 2008, he could audit the 2007 accounts without a conflict of interest. Mr. Moyes moved that Mr. Walton be asked to prepare the audit compilation and the 2007 tax return and that he be compensated at the same rate as paid last year. That motion was seconded by Mr. Rice and approved 4 – 0 with Mr. Walton not voting. Once complete, the audit compilation will be presented to the Board for acceptance and also posted to the web site.

Approval of Treasurer's Report:

Mr. Rice moved to approve the Treasurer's Report. The motion was seconded by Mr. Moyes and approved by all.

ACC Committee Report Sarah Struthers

Ms. Struthers indicated that there were no outstanding or open requests.

President's Report:

1. Letters have been installed on the new Monument and the bill received and paid. The Board discussed adding solar-powered lighting for both sign, but concluded that such lighting could be expensive and there were other, more immediate uses for current funds; however, the issue would be researched. The Board agreed that it is a project to be worked on.
2. Working with ADAM LLC to lock down violation scofflaws. Mr. Bohnke asked ADAM for copies of those liens that had been created in response to CC&R violations.

Secretary's Report:

1. Mr. Rice reported he had been working with ADAM LLC and the Board to prepare the Minutes of the December 18, 2007, General Meeting. Mr. Moyes indicated that the un-approved minutes had been posted to the Association's web site.
2. Mr. Rice began preparing the agendas and will prepare the meeting minutes of the periodic Board meetings to reduce administrative costs.
3. The A-frame meeting notice sign was modified into 2 single-board meeting notice signs so that they could be displayed and seen by members entering from either Houghton Road or Valencia Road.
4. In response to a notice received by ADAM LLC from the landscape maintenance contractor, Mr. Rice visited the common area behind a residence on Dusky Willow Drive and took pictures of the mesquite branches and debris that had been thrown over the wall. The picture files will be provided to ADAM LLC and a violation letter will be sent to the suspected property owner as well as the tenant.

Vice President's Report and Landscaping Report

1. Improvements proposals for CY 2008 were discussed. The bulk of the discussion centered on the replacement of 14 ± trees along Carolina Willow Way with 7 ± replacements and on the need to refresh and/or replace gravel in common areas and decomposed granite along existing pathways. Funding for this work was spread out over about 3 years during budget discussions in October

2007. At the end of the discussion, Mr. Bohnke asked Mr. Musznyski to meet with the landscape contractor and develop a line-item plan for the placement of gravel and decomposed granite based on costs and budget considerations. The plan should identify areas to stage materials and line-item costs for the work that can be brought to the Board at the February meeting.

Manager's Report:

1. Status of delinquencies and violations
 - a. Items at attorney – there are 10 individuals with the attorney
 - b. Items for liens – in Board packet
 - c. Items needing a hearing – in Board packet
 - d. Violations being or to be fined – in Board packet
 - e. Long standing violations with regard to hearing and fines and liens – any necessary hearings will be scheduled before future Board meetings. It was noted that the Association's Hearings and Fines Policy addresses repeat violations whereby repetitive violations are treated as one continuous violation.
 - f. Delinquent lots in name of banks and liens on same – at least one bank had responded and paid delinquent fees.
2. Status regarding hearing pertinent to damage to the Association's garbage can at 7420 S. River Willow, Lot 300.
 - a. Cost of repair -- \$100
 - b. Repairs required scrubbing with muratic acid. Discussion indicated that the police responded to the vandalism, a report was made, and ADAM is working to obtain a copy of the report for review.
3. Report on Property Tax Billing – A tax bill was received by the management company concerning Tax Parcel 141 17 0020 in the amount of about \$11,000 for tax years 2005 and 2006. Mr. Moyes stated that this was the square shaped parcel owned by U.S. Homes that was subsequently divided into 2 parcels and the parcel on the westerly side of the Atterbury Wash was deeded to the Association. Mr. Moyes said that because of the transfer of a portion of the parcel to the Association, the Association is responsible for a portion of the tax bill. He said he had contacted Kevin Tarbox (spelling ?), Vice President for Development at U S Home/Lennar, and he agreed to pay the bill. The bill was still unpaid as of January 21, 2008 (a county holiday) and he doesn't expect any significant delay with the payment. Further, Mr. Moyes indicated that the part of the parcel owned by the Association is, now, valued at about \$500 so that future tax payments should be minimal.
4. Lot ~~260~~-261 cleanup (per correction adopted at February 18, 2008, Board Meeting)
 - a. Legal opinion with reference to CCRs. Mr. Connoy said that information received from the Brown Law Group will allow the Board to have its landscaping contractor clean up the front yard of the property and the bill can be sent to the property owner. Mr. Maguire laid out the procedure: the property owner would have to be notified of the Association's intention to

clean up the property; if the owner did not respond, the landscaping contractor would do the work; the Association notify the police of the action to be taken, would pay the landscaper and bill the owner; if the owner did not pay the bill, the Association – through the small claims court -- would obtain a judgment and place a lien on the property for costs and expenses. The cost of the cleanup should be about \$150.

- b. Following discussion above, Mr. Moyes moved that the Board reserve up to \$175 for costs of the cleanup of the front yard of the property. The motion was seconded by Mr. Walton and approved 5 – 0.
5. Enforce rentals Requiring delivery of copy of lease to management company. Mr. Connoy said that ADAM had identified about 80 properties, out of about 105 properties that are not owner-occupied, that are rentals, letters had been sent to the owners of record requesting copies of the leases showing requirements to comply with the Association's CC&Rs, Bylaws, and other governing documents. The process was started in late November and will take time to resolve. During the discussion, the Board felt that ADAM should send notices and bills to the property if the owner says that the property is not rented and that a relative is living on the property.
6. Status of basin certification – Mr. Connoy expressed difficulty in locating a hydrologist to perform the basin certifications. The one quote received was from Physical Resource Engineering at not to exceed \$1,700 for all 6 basins which is near budget. Mr. Moyes moved the work above, Mr. Rice seconded the motion and it was approved 5 – 0.

Ken Moyes Report

1. President exit comments – Mr. Moyes referenced the letter that was sent to the Association at the end of last year that recounted the year's accomplishments.
2. Web site enhancements – A used computer was purchased and installed at ADAM, and the Association's data has been moved from Mr. Moyes's computer to the Association's computer. He also explained the workings and backup of the web site.
3. Status of Liability Insurance – The Association received the liability insurance policy that includes the D & O provisions. The policy will be given to ADAM and Jeff Noel will be asked to review the policy for understanding.
4. Solar light for monument – Mr. Moyes suggested that the Board review the information received, the cost will be about \$500 per installation, and make a determination about proceeding, and if so budget for the installations in following years.

Old Business:

1. Review of proposed changes to the By-Laws -- Target to accomplish this year.
2. Code of Ethics – Mr. Rice handed out copies for the Board to review, discuss at the February meeting, and approve or reject.
3. CC&R Amendment on Ballot – Needed. Need to determine the cost; may need to provide within the budget. Mr. Moyes suggested that the Board go through the existing CC&Rs for changes and then prepare a draft for further review.
4. Web site enhancements – Mr. Moyes indicated that additional enhancements are envisioned.

5. Basin certification – see above.
6. Letter to a homeowner concerning a barking dog – combined with Item 7
7. Letters to the membership concerning the control of barking dogs and clean up after pets – After significant discussion, Mr. Bohnke said he will work with Mr. Connoy to develop a letter.
8. Signage to remind pet owners to clean up after pets – It was determined that this should be a topic for the next meeting. Signs will be required for each park and certain walking paths. After discussion, Mr. Moyes suggested that ADAM provide a cost estimate for 10 signs to be installed.

New Business:

1. Paper signs on fence at west entrance causing damage to the fence – It was indicated that the use of the rails to post signs has caused damage to the paint on the rails. Discussion
2. Monument solar light proposal – See above.
3. Concerning Mrs. Herr, a member of the ACC, who has not been voting. Mr. Moyes moved to remove Mrs. Herr from the committee and replace her at a later date. Mr. Musznyski seconded the motion which was approved 5 – 0.
4. 10527 Dusky Willow Drive – Mr. Rice reviewed his visit to the property and provided pictures of the debris. Following discussion, Mr. Rice said he'd send his pictures to ADAM and ADAM will send a violation letter to the owner.
5. Tumble weeds behind 10551 Dusky Willow Drive. Mr. Rice provided a picture of the tumble weeds to Mr. Connoy. Mr. Connoy will ask the landscaping company to remove the unsightly weeds.

Homeowner Comments (3 minutes per home owner)

1. Discussion about the damage to a homeowners mail box. The tentative resolution was for the owner to develop a proposal, submit the proposal to ADAM for review by the ACC
2. Discussion about landscaping damage (broken, stolen, thrown into the stormwater basin, etc.) to a property on Hinds Willow Way. A report was made to the police. Since it was difficult to envision the situation, it was agreed with the home owner that Mr. Rice and Mr. Moyes would meet with the homeowner to see the damage first hand and to try to develop a solution.
3. A home owner reported that weed had not been removed along the back walls of the houses along Sandbar Willow. Mr. Bohnke indicated that ADAM should contact the landscaping contractor to make sure to remove these weeds.

Adjournment:

At 8:20 PM, Mr. Walton moved to adjourn the meeting. The motion was seconded by Mr. Musznyski, and approved by all.