

**Augusta Ranch Homeowners Association
c/o FirstService Residential
Mesa, AZ 85209**

**Board of Directors
General Session Meeting Minutes**

January 20, 2020

**Mesa Police Substation, 2430 S. Ellsworth
Mesa, Arizona 85209**

Present:

Board Members:

Lisa Quedens, President
Jeff Brown, Treasurer
David Kovach, Director
Barry Matlack, Secretary (Left meeting at 7:44 pm)
Greg Pifer, Director
Brad Whitehouse, Director
Brian Mackay, Director

Board Members Absent:

Sean McNulty, Vice President
Beth Patton, Director
Jan Wallace, Director

FirstService Residential Representative:

Kamin Havens, Community Manager

Two Homeowners were Present

I. Call to Order

President Quedens called the General Session to order at 6:30 P.M.

II. Review and Approval of November Meeting Minutes

MOTION: Dave Kovach moved to approve the November 18, 2019 meeting minutes as presented, seconded by Jeff Brown. Motion passed 7-0.

III. Review of December HOA Financial Statement

Treasurer Jeff Brown reviewed the December HOA financials.

Income: Under budget \$2700 in assessment income for December. The budgeted amount is basically an educated guess. Under budget \$900 in working capital as there were not as many home sales as anticipated. Over budget \$1600 for violation fines for December. Over budget \$1700 for reimbursement expenses for December. YTD over budget \$93,390 in Income-positive.

Administrative Expenses: \$3300 under budget for management fees as it was put under the wrong code and has now been corrected. \$1350 under budget for legal expenses. \$4800 under budget for lien as Maxwell Morgan

was paid out of a check from escrow. \$1950 over budget in social expense for the On Course event. We will be reimbursed this month from the Golf Course. \$660 over budget in insurance as it was budgeted in January. \$450 over budget for miscellaneous expenses for gift cards for Christmas. YTD under budget \$31,000 in Administrative Expenses, which is a huge positive.

Utilities: Water was over budget \$2700 for December.

Landscaping: Irrigation repairs were under budget \$2100 in December. Dan is doing great job. Dump fees were over budget \$4000 for Oleander and Natal Plum removal. We will be reimbursed 25% of the dump fees from the Golf Course. Landscaping was under budget \$7300 YTD, which was a big positive.

Security: \$600 under budget for patrol service in December as the pay scale for new officers is less. \$900 under budget for security gas as two billing cycles were paid in November. \$350 under budget for vehicle maintenance. Security was over budget \$900 YTD, which is good considering the age of the truck.

Common Area: The \$3100 over budget in common area is incorrect due to an invoice coding error which has been fixed. \$600 over budget for rodent exterminating/monitoring. We have not caught any big rodents.

YTD Totals: Total expenses had an under-run of \$24,000. Surplus had an over-run before Reserves of \$117,724, which is a big plus. Reserve contributions had an over-run of \$7208. Total Surplus (Deficit) under-run of \$7781.

MOTION: Greg Pifer moved to accept the December HOA Financial Statement as presented, seconded by Dave Kovach. Motion passed 7-0.

A. \$35,000 to Golf Course Reserve: It was recommended to transfer \$35,000 from the Surplus over to the Golf Course Reserves because the contract for the Golf Course insurance went up significantly. The prior company no longer does golf course insurance so we had to change companies.

MOTION: Dave Kovach moved to approve the transfer of \$35,000 from the Surplus to the Golf Course Reserve account, seconded by Brian Mackay. Motion passed 7-0.

IV. Review of December Golf Financial Statement

Treasurer Jeff Brown reviewed the December Golf financials.

Income: A transfer of \$25,000 into Operating from Reserves had been previously approved to pay for expenses. YTD over budget shows \$122,000 although it is actually \$22,000 to the positive.

Administrative Expenses: \$2100 over budget in professional fees as it was budgeted in another month. This was for the Golf Maintenance Solutions (GMS) bill for inspections. Under budget \$233 YTD.

Totals: Total expenses were under budget \$233. The Surplus before Reserves over-run of \$122,121 is actually \$22,000. Reserve contributions

had an under-run of \$7571 (negative) due to the \$25,000 transfer to Operating, \$2047 from interest reserve funds, \$18,472 from the CIF fund, \$8650 in painting assessments, \$75,000 contribution from the Master, and the \$25,000 transferred to Operating. The total Reserve expenditure was \$99,537, for a total under-run of \$107,108.

MOTION: Greg Pifer moved to accept the December Golf Financial Statement as presented, seconded by Dave Kovach. Motion passed 7-0.

V. Homeowner Forum

Barbara Ezyk, 9543 E. Los Lagos Vista, requested name plates for the Board members so that people attending the meetings will know who is who. Kamin Havens will have name plates made.

Bob Lawson, 2265 S. Vincent, received an overnight parking citation. He advised that his kids park in front of the house and go out dancing. They are not back until 2 a.m. but the car is not there overnight. He noted 6 to 8 cars were parked on his street during the day as a neighbor runs a business out of their house. He asked if security could mark tires and come back later to see if a vehicle is there overnight.

Board President Lisa Quedens explained that according to the CC&Rs, parking is not allowed on the street from midnight to 5 a.m. Security patrols over 2200 homes and that rule helps them determine which vehicles should not be in the neighborhood.

Kamin Havens suggested they park at the Golf Course. Mr. Lawson was not aware they would allow people to park there for an extended period. He felt that could be a good solution. The Board stated it would not be a problem to park at the Golf Course until 2 a.m., although parking for several days would not be acceptable. They could also submit an overnight parking request through the website.

Mr. Lawson stated when the last citation was issued he was in San Diego and did not know whose car it was. He also had a prior parking violation which was actually a neighbor's work truck.

Kamin stated she had taken care of that violation after Mr. Lawson called as it was the neighbor's vehicle. There is nothing in the CC&Rs about running a business. The City of Mesa came out regarding another house that had 5 or 6 employees with vehicles to determine if they were in compliance with city code and they said it was legal.

Mrs. Ezyk felt it was dangerous coming around the corner with cars parked on both sides of the street and the Cardinals van. Mr. Lawson often sees 3 or 4 cars parked in a driveway with a car parked across the sidewalk.

Kamin noted that blocking the sidewalk is a violation of City code and the police can issue a citation. The HOA can also issue a violation for blocking the sidewalk.

Barry Matlack mentioned a homeowner who got a variance to pour an extra slab on their driveway for their kids' vehicles.

Mr. Lawson felt parking at the Golf Course was a good idea. The Board will discuss the violations and fees during the Executive session.

VI. Golf Course Report

A. Golf Course Meeting Update:

- **Golf Course Lease** - Kamin Havens advised that the lease has been sent over to Maxwell Morgan for revisions, mostly language changes to clarify maintenance versus capital items. As owning a Golf Course is new to the Board, amendments to the lease were expected. The Lease will be sent to Board members by email for review before the end of the month and it will be ratified at the February Board meeting.
- **GMS Proposal** - Golf Maintenance Solutions submitted a proposal for one-year of assessments (3 site visits) for the Golf Course for a fee of \$6,000. Don Rea had advised that having assessments in the months of May, August and November would be helpful as far as his schedule for overseeding.

MOTION: Barry Matlack moved to accept the GMS one-year proposal for golf course assessments for a total cost of \$6,000; seconded by Jeff Brown. Motion passed 7-0.

VII. Manager's Report

Administrative Update: FSRConnect Reports:

208 Total calls for November and December.

24 New homeowners in the community for November and December.

22+ Architectural requests received for the January meeting.

131 Violations were sent out in November and December.

A. Resignation: *(Item was taken out of order)*

Board member Sean McNulty has resigned as of December 31, 2019. During the last two elections, Brian Mackay came in at number two and will fill the board opening. Brian has considered serving as Treasurer as Jeff Brown will take over the position of Vice President left open by Sean McNulty's resignation.

MOTION: Lisa Quedens moved to accept Sean McNulty's resignation effective December 31, 2019 and to approve the appointment of Brian Mackay as Board Treasurer. Greg Pifer provided a second. Motion passed 7-0 passed.

B. Ratify 2020 HOA Insurance:

The 2020 HOA insurance policy was signed in December and needs to be ratified in the Board minutes. An umbrella of \$15 million was added.

MOTION: Brad Whitehouse moved to accept the 2020 insurance proposal from Cincinnati Insurance/Mahoney Group; seconded by Greg Pifer. Motion passed 7-0.

C. Playground Equipment - Update (Tabled)

Kamin received a bid in November for recoating the playground equipment and is expecting another bid in the next week. This item will be tabled until the February Board meeting.

VIII. Landscape/Irrigation

Landscape Report: Dave Kovach reported that since November, the Oleanders and Natal Plums were cut back which increased the dump fees. As of January 1st, the minimum wage went up which raised the cost of labor. The Committee and Dan drove around and mapped out locations for tree and plant replacements. That will include 101 Oleander trees, 29 Vitex trees, 4 Pistache trees, 300 Lantanas, 4 Yellow Bells, and 13 Bird of Paradise plants. Most will be planted along the Loop to fill in blank spots and restore the Oleander trees. Scott from ProQual will provide renditions for the roundabouts at just under \$5,000 each.

Kamin stated there is \$5,000 in the Reserves for landscape replacement and \$25,000 for tree and plant replacement. ProQual will provide 200 plants free of charge as part of their agreement.

A. Water Savings:

Dave Kovach will report on the water numbers next month as there were issues accessing the utility account with the City of Mesa. We will need to re-register on their website.

Barry Matlack asked about the overage for water in December. Kamin stated water was over budget by \$2700 in December and the YTD was over budget by \$12,000. We were still watering in November to keep the grass green longer as there was no rain. Dave explained that there was also a water main break at 96th Street and the water rates have gone up.

B. Ratify the Granite Quote: ProQual

Dave reported that in December ProQual offered a discount of \$1,250 to install granite by the Crismon ditch for a total of \$18,000. That bid was approved by the Board via email. A vote by email must be unanimous. It now needs to be ratified in the minutes. That work has been completed.

Kamin explained that we usually order direct from Pioneer Rock and they deliver to the maintenance yard for Dan and his crew to do the work. This job was much bigger than usual and there was no way Dan's crew could do it. ProQual offered a price break for materials and labor. She can always get additional quotes for comparison.

Barry Matlack stressed the importance of having a process in place to obtain multiple bids on individual projects in order to justify those decisions to our constituents. It was suggested to set a dollar amount limit that would require additional bids. The Board discussed several contracts that were already in place. There are advantages of staying with companies that we have developed a relationship with and that have a history with Augusta Ranch as they are familiar with the conditions and provide ongoing services.

It was suggested to have the committees determine whether additional bids are needed as they are familiar with those companies and can better evaluate prices. Barry was fine with the committees vetting out bids as long as a standard process was followed. The rest of the Board agreed.

MOTION: Dave Kovach moved to approve the bid in the amount of \$18,000 from ProQual Landscaping for installation of granite along Crismon Road and the ditch; seconded by Barry Matlack. Motion passed 7-0.

C. Quote for Bradford Pear Treatment:

Arizona Termite, Pest and Weed provided a quote of \$4,350 to treat 58 Bradford Pear trees that are diseased. This was an unforeseen item that was not in the budget. Dave stated every year our trees are hit with some type of disease. It is much easier and cost effective to treat the trees than to replace them.

It was noted that Arizona Termite Pest and Weed has worked with Augusta Ranch for several years and are familiar with our trees. The Landscape Committee approved the treatment in December, but it cannot be done until January or February when the leaves drop.

MOTION: Dave Kovach moved to approve the quote from Arizona Termite, Pest and Weed in the amount of \$4,350 for antibiotic treatment of 58 Bradford Pear trees; seconded by Brad Whitehouse. Motion passed 7-0.

IX. Website Report

Dave Kovach reported that website visits were down 9.6% compared to this time last year. The popular pages and metro areas that visited stayed very similar to last year with a few changes in positions. For the second year in a row the Board page was at number 11. Website usage was down significantly compared to 6 or 7 years ago with the Golf Course activity. Now a lot of items are posted in the newsletter and on social media. People go to the website to look at the CC&Rs, the paint palette and for overnight parking requests.

Barry asked if we track which links people use to get to the website. It would be interesting to see the Google analytics on how many are coming from the Newsletter or the Golf Course from a marketing perspective.

Kamin stated that Constant Contact reports a 35-41% click rate on the newsletter.

X. Security

A. Security Report:

Jeff Brown is taking over the Security Report due to Sean McNulty's resignation. The nightly reports show a lot of open garage doors. If Security notices an open garage door, they will try to contact the homeowner by ringing the doorbell. If they cannot reach the homeowner, security will continue to drive by the house.

Homeowner Barbara Ezyk suggested a post in the newsletter reminding people to check their garage door before going to bed and advising that Security may ring their doorbell if the garage is left open.

The Security flyer noted a reduction in package thefts. Dave noted that Circle K will be a location for Amazon deliveries.

The meeting was recessed at 7:27 p.m. to go into Executive Session.

The General Session was reconvened at 7:41 p.m.

B. Security Truck:

Three quotes were submitted from Earnhardt Chevrolet, Van Chevrolet and Chapman Chevrolet for a replacement security truck, either a 2019 or 2020 Chevy Silverado crew cab. The lowest bid was \$32,286 from Chapman Chevrolet which includes tax, license and document fees (\$4,300) and the spray in bed liner (\$500). All of the needed security equipment will cost about another \$6,700. It would cost more to transfer some of the existing equipment to a new vehicle as it would require labor to take everything apart and rewire. It would be more cost effective to install new equipment.

Barry Matlack left the meeting at 7:44 p.m.

The quote from Earnhardt was for a 2019 model and included an extended warranty but not the tax, license and document fees.

Kamin stated an extended warranty was purchased for the current security vehicle for around \$1,500.

The Board discussed the quotes and agreed to accept the one from Chapman Chevrolet.

MOTION: Dave Kovach moved to proceed with the quote from Chapman Chevrolet for a new security truck (2020 Chevy Silverado 1500) in the amount of \$32,286; seconded by Greg Pifer. Motion passed 6-0.

C. Security Truck Equipment:

There is a detailed quote from Arizona Emergency Products in the amount of \$6,617 for lights, sirens, and other needed security equipment and installation. The existing siren speaker, radio frequency scanner and flashlight charger will be moved over to the new vehicle as part of the quote.

MOTION: Brad Whitehouse moved to accept the Arizona Emergency Products quote in the amount of \$6,617.43 to fit the new security truck with the required equipment; seconded by Brian Mackay. Motion passed 6-0.

Kamin stated the value of the current vehicle according to Kelley Blue Book was \$5,500. VWS may be interested in purchasing the old vehicle as they have done with the previous security vehicle.

XI. Architectural Requests

Brad Whitehouse reviewed the Architectural Requests and recommended approval as noted:

- A. 2146 S. Duval - Shed
- B. 2111 S. Bristol - Solar
- C. 9551 E. Los Lagos Vista - Landscape
- D. 9618 E. Monterey -Solar E. 9615
- E. 9615 E. Monte - Front Door
- F. 9543 E. Los Lagos Vista - Paint
- G. 2121 S. Compton - Roof
- H. 2207 S. Faith - Windows
- I. 2241 S. Faith - Paint
- J. 2263 S. Faith - Solar
- K. 2439 S. Bristol - Driveway Expansion
- L. 2446 S. Drexel - Paint
- M. 9335 E. Nopal - Paint
- N. 9335 E. Nopal - Paint **(Denied)**
- O. 9622 E. Nido - Paint
- P. 9707 E. Laguna Azul - Basketball
- Q. 9761 E. Natal - Paint
- R. 9831 E. Monte - Paint
- S. 9917 E. Monterey- Landscape
- T. 9815 E. Monte - Paint/Gutters
- U. 9521 E. Monterey - Paint
- V. 2710 S. Faith - Security Door
- W. 2462 S. Bristol - Gutters

One paint request had been denied as it was the wrong colors. It was resubmitted and approved. The Board discussed replacement windows and how they may change the look of the house.

MOTION: Dave Kovach moved to approve the Architectural Requests as presented; seconded by Jeff Brown. Motion passed 6-0.

XII. Next Meeting Date

The next Board meeting will be held on February 17, 2020.

XIII. Adjournment of Open Session

With no further business before the Board, President Quedens adjourned the meeting at 7:47 P.M.

Respectfully Submitted,

Dana Desing (TE: 10482507)
Acting Recording Secretary