

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

Board of Directors
General Session Meeting Minutes
August 19, 2019

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

Present:

Board Members:

Sean McNulty, Vice President
Jeff Brown, Treasurer
David Kovach, Director
Beth Patton, Director
Greg Pifer, Director
Jan Wallace, Director
Brad Whitehouse, Director

Board Members Absent:

Lisa Quedens, President
Barry Matlack, Secretary

FirstService Residential Representative:

Kamin Havens, Community Manager

Augusta Ranch Golf Club:

Don Rea

Four Homeowners were Present

I. Call to Order

Vice President Sean McNulty called the General Session to order at 6:30 P.M.

II. Review and Approval of the July Meeting Minutes

MOTION: Beth Patton moved to approve the July 15, 2019 meeting minutes as presented, seconded by Greg Pifer. Motion passed 7-0.

III. Review of July HOA Financial Statement

Jeff Brown reviewed the HOA Financials for July.

Income: Over budget \$34,500 in Assessment income for July and over \$14,000 for the year. This is an educated guess in terms of new homeowners moving in. Over budget \$1,300 in working capital as

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more homeowners moved in this month than was budgeted. Over budget \$8,000 in violation fines. We are collecting on past fines when homes are sold. Under budget \$750 for reimburse expense.

Administrative Expenses: \$2,800 over budget for management salaries as it covered three billing periods. \$2,400 over budget in rebill expense for the June invoice. \$1,800 under budget in legal expense for July. We have been under budget for legal all year. \$200 over budget for foreclosure. \$600 under budget for printing. \$1,600 over budget for billing statements. Many of these items are due to the timing of invoices. \$900 under budget in social expense. \$2,500 under budget YTD in Administrative Expenses.

Utilities: Water was under budget \$3,500 for July. The soil treatment allows for a lot less water.

Landscaping: The contract was over budget \$1,700 for the new company. Last fall, the budget used the prior contract and this item will be over budget every month. Irrigation repairs were under budget \$1,000 in July. Dump fees were over budget \$250.

Security: Patrol service was over budget \$600 for the Ring device at the Golf Shop, laptop accessories, and gift cards for retired staff. \$400 under budget in vehicle maintenance. \$100 over budget in security gas.

Common Area: \$125 over budget in common area maintenance and \$1,450 under budget YTD.

Totals: Expenses YTD had an under-run of \$24,500. YTD over-run of \$89,000 before Reserves. Reserve contributions YTD over-run of \$4,500. All in all, things are looking good and everything should balance out by the end of the year.

MOTION: Greg Pifer moved to accept the July HOA Financial Statement as presented, seconded by Beth Patton. Motion passed 7-0.

IV. Review of July Golf Financial Statement

Jeff brown reviewed the Golf Course Financials for July.

Income: Over budget \$1,000 for July for the Golf Course lease for both the June and July payments. Insurance was over budget \$849 for two months of bills.

Administrative Expenses: Tax and audit fees were over budget as it was budgeted in another month and will balance out. YTD under budget \$4,800.

Totals: Reserve contribution over-run of \$16,000. Contribution from the Master was \$43,750. Total under-run of \$42,800. November and December were both paid in January so the totals for the year will continue to be off.

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

V. Homeowner Forum

A. Trailer on Property - Homeowner Jennifer Popp, 2457 S. Duval, has a trailer in the side yard behind an RV gate and asked about the criteria as to how far it can go over the fence in height, etc. They asked if the trailer could be camouflaged with a tree or by digging down so that it doesn't sit as high.

Kamin Havens will send that portion of the CC&Rs to the homeowner. Basically, trailers, campers or recreational vehicles cannot be seen from the street or neighboring properties. A specific height is not listed, although the CC&Rs do state that those items are not to be stored on the lot. Sheds and other structures that are considered accessory buildings fall under another section with different criteria. She recommended that the homeowner call the City of Mesa as a City permit may be required if any changes will be made that affect the drainage of the back yard. Kamin did not see how a tree would hide the entire side of the trailer. She drove by Thursday and stated the trailer can be seen when turning onto Duvall.

Sean McNulty works for the City of Mesa and agreed on contacting the City because any changes may impact other homes in the area. Obtaining a permit would be the safest way as it would have to be reviewed and approved by the City.

The homeowner noted that other people have vehicles in their yard or the street.

Sean advised the homeowner to report anything that is in violation of the CC&Rs to Kamin. Once a report or complaint is received, the Board has no choice but to act on it based on the CC&Rs. In order to change anything in the CC&Rs, there needs to be a three-quarters vote of all the residents in the community and sub-communities.

Kamin advised that there are special permits for certain vehicles such as Cox, Southwest Gas, police and emergency vehicles. There are some residents who require 24-hour medical care. By law, we have to allow those vehicles. She can send the homeowner the statute. She advised that there is a storage facility on Guadalupe that rents parking spaces for recreational vehicles.

The homeowner stated it was convenient to have the trailer at the house to be able to work on the equipment kept inside the trailer.

Sean has a trailer stored off property and understood the inconvenience.

The homeowner was concerned with spending time and money on a solution that will not work for the HOA. They asked about an extension to allow time to contact the City of Mesa or explore other options before a fine is assessed.

Some plumbing trucks use a parking lot in the area. Parking at the Golf Course may be a short-term option with a permission. After seven days, there may be a charge for parking there. It may not be allowed during the peak season starting in October.

Don Rea stated he would give permission to the homeowner to park their trailer at the Golf Course.

The homeowner asked about the timeframe for parking the trailer in front of the house.

Kamin advised there is a form online for an overnight parking request for recreational vehicles that is good for 48 hours per the City of Mesa ordinance.

B. Golf Course - Jim Carothers, 9444 E. Natal, stated the condition of the Golf Course is not up to standards. The minutes from last month's meeting show similar comments regarding the Golf Course. In some areas the roughs are 8 inches tall, there are weeds and soggy areas, and he felt aeration should be done. Four years ago, he went through the front 9 of the course with Don Rea and pointed out areas of water and long roughs. Don had indicated on a scale of 0-10 that 5 was fine with him and the rest of the course was not evaluated. Mr. Carothers sees the same conditions today. There are supposed to be new sprinkler heads that can direct the flow of water to reduce these issues. He felt that was not done. He asked how many workers are there for the Golf Course and how many hours do they work.

Kamin Havens advised that the Board is aware of the situation, although she asked Don Rea to respond to the concerns.

Don Rea advised that there are 8 full-time people including Eduardo and Pablo for the 85 acres. The hours are 5 a.m. to 1:30 or 2 p.m. with a 30-minute lunch break. Pablo is the first assistant and the head mechanic and Eduardo is a supervisor. The crew also includes a head irrigator, a certified spray tech, and four laborers. Don also has a contract for Shalimar Golf Course with different employees. There is a contract for the school campuses with one dedicated employee. A few weeks ago, a lot of work needed to be done with trimming trees before the schools opened and a few extra staff were needed. One of Don's mowers is located at the schools. The crew did about 10,000 square feet of tee boxes this year, or five tee pads. With the community being the owner of the Golf Course, they are involved in the capital projects. For a crew of 6 plus Eduardo and Pablo to do such projects internally is a lot of work and it put the crew behind in their regular work. No overtime was

allowed during this lengthy project. The majority of our crew has been with us for over 3 years which means they get three weeks vacation. At times, there were between one and three people on vacation. There were also pump station issues and drainage issues at the same time.

Don has been at Augusta Ranch for 20 years as has Eduardo. He remembered saying that 5 was okay. He wants to be a 10, although there are needs and wants at a golf course based on resources. If something has to give, it will be the rough.

Mr. Carothers stated he periodically sees one of the workers hitting golf balls at 6:30 or 7 a.m.

Don said to call or text him even early in the morning if workers are seen playing golf.

Another homeowner, Dave Sroka, 2660 S. Joplin, stated Pablo has been chipping and putting on the course for 9 years and carries golf clubs in his cart. He felt there was no reason why wet areas couldn't be roped off to keep the carts off.

Don stated the crew would have to stop and take the stakes down to mow. Pablo is a salaried employee and he works at least 70 hours a week. He is the mechanic and first assistant. If he is on the course in the morning, Don was not concerned about it. Pablo is in the shop fixing mowers at 3 p.m. Don does not micromanage his hours, but knows that Pablo puts in his time.

Soggy Areas: Don stated that over time, the irrigation on a golf course can get full of silt. The southern exposure on a hillside will get dried out. Number 2 left of the green has been better as they put in French drains. He noted a lot of people go to the west side of that hill next to the green instead of staying on the cart path. If the sprinkler head directed at the hillside goes onto the other side, it may get soggy. But if we cut that irrigation back then the side closer to the cart path will get too dry. The carts compact the soil and aggravate the issue. He acknowledged that area has been a problem. It would be easier if we got rid of the little hill at #2. He noted to the left of Number 1 was bad until we got rid of the tree. Behind #6 is another troublesome area.

The new sprinklers will help but will not cure the whole issue. The new system allows us to control individual heads, rather than a block of heads. There are 50 heads that are adjustable up to 360 degrees, although those sprinklers are only used during the overseed. The Golf Course was designed to be overseeded wall to wall. In order to conserve water in the state of Arizona, we cannot overseed wall to wall. We won't see the benefits of that irrigation system during the summer as they are all on 360 degrees to get the growth in the Bermuda. During the winter we will see some benefits. This past peak

season, our wet spots were way less than in the past as a result of the new system and the 50 adjustable heads.

Roughs: Don felt 8-inch tall roughs close to the greens were not acceptable. Rough mowing is done in the afternoon. People don't want mowing done while they are playing, and constantly turning the mowers on and off is hard on the ignition switches. He acknowledged that 8 inches is too much and it requires a deck mower and then the clippings need to be collected.

Aeration: Kamin stated the assessment from the consultant, Golf Maintenance Solutions, only advised to aerate the tees. Don stated the fairways have never been aerified.

Mr. Sroka stated the minutes of last month's meeting reported the same issues with the Golf Course. Why spend money for an evaluation of the Golf Course every 90 days if nothing changes. He felt the Golf Course was not being managed correctly. These issues have been going on for nine years and that is why he will not play the course or spend money there.

Sean McNulty stated the consultant's reports provide the Board with data on the Golf Course so we can work with Don or any future lessee for improvements. He understood the benefits of aeration, although he is not an expert.

Mr. Carothers suggested the Golf Course rethink stating that it is the number one short course in Arizona when they answer the phone. That rating was back in 2003 or 2004.

VI. Golf Course Report

A. Golf Course Report - The Board and Don Rea discussed the homeowners' comments. The Golf Committee is aware that there was a pump down, staff had vacation time, and the tee box project took a lot of labor. During the summer there is hardly anyone golfing and this is the time to work on getting the course ready for the peak season and winter visitors. Kamin noted the positive comments we get during the winter on the course. Don has six workers plus the supervisor and first assistant to cover 85 acres.

Sean McNulty understood the challenges with resources and expected Don to schedule accordingly or hire extra help to fill in when they are short staffed in order to get those major projects done. The Board recognized that the projects being done now will benefit the course in six months. Sean suggested aerating two of the fairways as a test run.

Don would not mind aerating certain fairway sections as a test. He noted that the Golf Course brings up the property values and there have been outstanding reviews. Our net promoter score (NPS) is 65, which is excellent. A lot of golf courses look terrible in June. He felt the roughs that are most visible should be mowed to keep the homeowners happy. He stated some of

the crew can make better money elsewhere but they love Augusta Ranch. The other landscaping contract at the schools allow us to have two extra staff in the afternoon at Augusta Ranch. The work at the schools is done at 5 a.m. before the kids are there and spraying is done on the weekends. That work is never done in the afternoon. A lot of these guys take second jobs, so these contracts allow Don to give our guys that second job.

Don stated his door is always open and his cell phone is always on. He would be happy to make some videos to put on the website to educate homeowners on the golf industry.

Sean suggested a project plan be developed to keep track of projects and issues so we have some proof of what is being done and can report to homeowners on the progress.

Overall, the Board was not concerned about the present condition of the course and felt the issues could be easily resolved. It was suggested to restrict carts to the cart path temporarily in order to fix some of the issues, although some of our players are older and need the carts to get closer.

B. Golf Course Assessment - The Board discussed the timing of the assessments in order to provide a good comparison year to year.

Don Rea advised that a summer evaluation in July or August is needed to assess any issues with the Bermuda grass before overseeding is done and whether fertilizer or pre-emergent is needed. The summer assessment should be scheduled after the staff are all back from vacations. In November or December, the overseed can be assessed while there is still time to reseed or put down sod. January might be too late. In April we can look at areas that may be difficult to transition as well as upcoming projects. He believed three times a year would be sufficient and felt the consultant can be a great asset.

Don was disappointed with the scoring and felt the comparison should be with similar courses as listed in the lease. When he ran Eagle Mountain, it was rated number one in Arizona and was on the Golf Channel. He knows what it takes, but the resources are different here. Augusta Ranch is in the same competitive rate set as Apache Creek, Las Colinas, Greenfield Lakes, and Desert Sands.

VII. Manager's Report

Administrative Update: FSRConnect Reports:

128 Total calls for July
21 New homeowners in the community for July
12+ Architectural requests received for the August meeting
139 Violations were sent out in July

A. Tents/Weights for Events - Kamin suggested renting three or four 10x20 tents for the Octoberfest for shade at \$165 per tent.

Greg suggested buying our own tents that could be used at all events. Kamin asked the Board to approve \$900 to purchase three tents and weights plus tax.

The Board discussed different options for weights such as 5gallon buckets or PVC pipe filled with concrete.

MOTION: Dave Kovach moved to approve funding up to \$1,000 to purchase three tents and weights; seconded by Sean McNulty. Motion carried 7-0.

B. Events Update: Andrea will be in charge of vendors and a flyer will go out to the homeowners.

- Resident Golf Tournament - September 14. We are advertising once a week and Josh made signs for the roundabouts.
- Octoberfest - October 19. Last year's band will perform again. We are working on the T-shirt design. For games, we will keep the Stein Hold, Keg Roll and add the Pretzel Pass, but will get rid of the stein relay race.
- Community Garage Sale - November 2. We will work with the Choir and they will help with volunteers as well.
- Car Show - \$2,500 budget using credit from ProEm. The flyer is on CruisinAmerica but there are no applications yet. They will probably start coming in October.
- Cardinals Game - December 8. Kamin will find out about a bus to the game and what time the bus should leave.
- On Course for the Holidays - December 13, 5-9 p.m. ProQual and VWS will be donating \$1,000. Kamin asked if the HOA will donate their usual \$1,500. She suggested air pods or something electronic for a raffle prize that can be purchased during Black Friday sales. We will use the HOA movie screen to save \$1,500 and we will reach out to the community on the charity. We will have the same activities with the hayride and Santa. This year, the reservations will be done online starting December 6 at 6 a.m. We will coordinate with the ROTC and the Choir for volunteers.

MOTION: Beth Patton moved to approve a donation of \$1,500 from the HOA for On Course for the Holidays; seconded by Dave Kovach. Motion carried 7-0.

VIII. Landscape/Irrigation

A. Landscape Report - Dave Kovach reported that the irrigation replacement will be done in 8 sections starting in 2022 instead of 2023. Today, we met with John Serio on the 2020 landscape plan. Some items that were being done normally were moved from the wish list to the budget. There was a water main break at the 96th Street Park that ran for almost 24 hours because no one reported it.

B. Water Savings - We are at 16.9 million gallons for 2019, which is the second lowest since 2012. We received the second bill from the new meter at the Crismon Ditch for 400,000 gallons as we had not been charged for four months.

IX. Website Report

Dave Kovach reported a 20% drop in unique visitors in June although it was back up to normal in July. There were 10 new users for both June and July and we are not capturing all of the new homeowners. The popular pages and metro areas basically stayed the same over the past three months. There were seven countries tied at one visitor each. India was among the top 3 countries.

X. Security

A. Security Report - Sean McNulty reported that the new officers have been on board for few weeks and all is going well. Kamin advised that they are working on the numbers for a new vehicle and the equipment. Jan Wallace reported hearing what sounded like gunshots close to her home. Kamin can give Jan the contact in the Mesa Crime Prevention Unit, although their report covers the entire grid area including Augusta Ranch. Park Central has been quiet. Kamin will include info on the overnight vehicle parking rules in the next newsletter.

B. Crime Prevention Department Report - A report is provided by Mesa Police Department on calls for service for the area.

XI. Architectural Requests

Beth Patton reviewed the Architectural Requests. Many are for paint, two for solar, and two for gutters. A request for windows looks very nice. Beth recommended approval as noted.

- A. 9610 E. Monte - Paint
- B. 9913 E. Monte - Gutters
- C. 9913 E. Meseto - Windows
- D. 2125 S. Vincent - Paint
- E. 9537 E. Nido - Paint
- F. 9541 E. Keats - Paint
- G. 9649 E. Laguna Azul - Solar
- H. 9850 E. Natal - Paint
- I. 9909 E. Lindner - Paint/Landscape
- J. 9460 E. Lompoc - courtyard
- K. 2238 S. Duval - Paint
- L. 2508 S. Drexel - Paint
- M. 2133 S. Joplin- Shade Sail
- N. 9561 E. Nido - Paint
- O. 9923 E. Monterey - Artificial Turf
- P. 9923 E. Monterey - Side yard landscape
- Q. 9923 E. Monterey - Landscape

R. 9748 E. Navarro - Gutters
S. 9748 E. Navarro - Paint (Denied)
T. 9748 E. Navarro - Paint
U. 9665 E. Naranja - Solar

REVIEW: (Approval recommended)

- 9610 E. Monte - Paint. The previous colors were not listed in the new palette and the homeowner decided on Parcel 6, Scheme 7.
- 9366 E. Kiva - Paint. The homeowner received notice to paint and asked for a review. The Committee determined that only the garage door would need to be painted unless a power wash fixed the issue.
- 9646 E. Nido - Paint. The homeowner received notice to paint and asked for a review. The Committee determined that only the garage door would need to be painted unless a power wash fixed the issue.

NEW REQUESTS: (Approved)

- 2745 S. Drexel - Windows
- 2745 S. Drexel - Paint
- 9835 E. Lindner - Lights, Paint
- 9610 E. Monte - Paint, Parcel 6, Scheme 7
- 9523 E. Lompoc - Paint, new palette, Scheme 9
- 9910 E. Kiowa - Paint, new palette, Scheme 4

MOTION: Dave Kovach moved to approve the Architectural Requests as discussed; seconded by Jan Wallace. Motion passed 7-0.

XII. Next Meeting Date

The next Board meeting will be held on September 16, 2019.

XIII. Adjournment of Open Session

With no further business before the Board, Vice President McNulty adjourned the meeting at 8:05 P.M.

Respectfully submitted,

Dana Desing (TE: 10482507)
Acting Recording Secretary