

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

**Board of Directors
General Session Meeting Minutes**

February 18, 2019

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

Present:

Board Members:

Lisa Quedens, President
Sean McNulty, Vice President
Jeff Brown, Treasurer
Barry Matlack, Secretary
David Kovach, Director
Greg Pifer, Director
Jan Wallace, Director

Board Members Absent:

Brian Mackay, Director
Beth Patton, Director

FirstService Residential Representative:

Kamin Havens, Community Manager

No Homeowners were Present

I. Call to Order

President Lisa Quedens called the meeting to order at 6:32 P.M. She noted that some of the agenda items would be taken out of order to accommodate the landscape presentations.

II. Review and Approval of January Minutes

MOTION: Sean McNulty moved to approve the January 21, 2019 minutes as presented, seconded by Jeff Brown. Motion passed 7-0.

III. Review of January HOA Financial Statement

Jeff Brown provided a review of the January HOA Financial Statement.

Income: Over budget \$19K in assessment income for January as there were more new homeowners in the community. Under budget \$350 in Reimburse Expense. Over budget YTD \$24K in income.

Expenses: Administrative expenses were \$350 under budget in Management salaries. \$2500 over budget in Rebill Expense as it was for November rebills. \$350 under budget in legal, as we have not used as much as was budgeted. \$833 under budget for billing. This should

Augusta Ranch Homeowners Association
Board of Directors General Session
Meeting Minutes of February 18, 2019

be budgeted quarterly. \$2K under budget for printing. Over budget \$1350 for Miscellaneous for the Board dinner and gift cards from prior months. Water was over budget \$1300 for January. The Landscape contract was under budget \$20,500 as the invoice needs to be redone with the refund for the missing man-hours.

YTD there is an over-run of \$44K, of which \$21K is the January Landscape contract.

Water Bills: Kamin Havens discussed the water bills for November and December. She had the city come out to check the meter readings. There are 14 meters, and the two that were checked were running. Crismon is on a loop with Bashas and Auto Zone and Faith had a drip system on. That was not the issue. The water bills are set up to auto debit out of the bank account on the due date. In November, there were invoices due on the 2nd and the 30th covering 13 of the meters. Then there was an invoice on December 4 for \$355 for one of the meters. In November, we paid \$31K for the two invoices.

Water Savings: A chart was provided on water savings for overseeding versus dye (not including the seed or dye). Kamin received the February water bill which was \$2,700, compared to February 2018 at \$6,500. So far, we have saved \$5,235 versus overseeding. The cost to spray the dye was \$11,700 versus \$5,000 for seed. In April, when we start watering again for the Bermuda, we will have all of the water bills to be able to determine the exact savings.

Dave Kovach stated the average January water usage from 2012 to 2018 was 910K gallons. In January 2019, we used 466K gallons. The average February water usage from 2012 to 2018 was 801K gallons. In February 2019, we used 273K gallons. Combined, the average for January and February 2012 to 2018 was 1.7 Million gallons, compared to 740K gallons in January and February 2019, representing a savings of 970K gallons of water.

Greg Pifer asked if we have researched tapping into the Golf Course backflow valves like Don mentioned. We have not. There was discussion on the points of access to cover the parks and common areas and the cost of directional boring.

It was suggested to have a study done in that regard.

MOTION: Barry Matlack moved to approve the January HOA Financial Statement, seconded by Dave Kovach. Motion passed 7-0.

IV. Review of January Golf Financial Statement

Jeff Brown provided a review of the January Golf Financial Statement. Payroll expense was over budget \$10,600 as the November and December invoices were paid. That is a timing issue. The Golf Course lease was over budget \$1,000 as November and December were invoiced together. As discussed last month, \$60K will be transferred from the Golf Course reserve fund to the operating fund. Total expenses were under budget \$2,600 YTD. There was a total over-run of \$19,500 because two

months of invoices were put together. Total surplus/deficit had an under-run of \$22K as there were several expenses paid in January (fuel tank storage, pump station repairs, electrical work, and net repairs). Those were all budgeted for this year, although we did not expect them all in January. By the end of the year, that will all balance out.

MOTION: Barry Matlack moved to approve the January Golf Financial Statement, seconded by Dave Kovach. Motion passed 7-0.

V. Homeowner Forum - None.

VI. Golf Course Report

A. Year-Round Lighting - Kamin Havens reviewed bids for year-round lighting: Festive Lighting \$2,800; Spirit Lighting \$4,000; and Custom Lighting 3,900. Custom Lighting does electrical work and can put in the outlets. If the Golf Course digs the trench to access the sleeve, they will take off \$500. Kamin reached out to Jason who does a lot of electrical work for the Golf Course with no response.

Kamin also emailed the Board about landscape lighting on the Chinese Elms, which lights up the canopy, where holiday lighting is on the trunk. On the patio, you can't see the canopies, so the holiday lighting will be used. The price for the landscape lighting is \$4K, although they last longer than the holiday lights. A demo can be provided to see what it looks like. If we want a brighter look, they can add another light at \$150 per tree (10 trees).

Custom Lighting does the electrical work as well as the landscape and holiday lighting. Their bid did not list a warranty, although that can be negotiated.

The Board would like to see demos from Custom Lighting with both one and two lights.

VII. Manager's Report

Administrative Update: FSRConnect Reports

161 Total calls for January.

11 New homeowners in the community for January.

19 Architectural requests received for the February meeting.

197 Violations were sent out in January.

Kamin noted that a lot of the violations were for parking. Park Central stated they are working on the parking issue.

A. Vote HOA Now - Invoice for electronic voting in the amount of \$1,215. It is more expensive than last year at \$1,090, although it had not been raised for the previous two years.

B. Easter Bunny Photos - Jessen Associates quote for \$825. This is the same price as last year.

The Board agreed to the invoices as presented.

VIII. Landscape and Irrigation

The Board discussed forming a subcommittee to look at the bids and considered bringing in Monte McCall or John Newell in an advisory role as they have a lot of experience in landscaping. Dan may also be considered as an advisor. There may be a conflict with Monte and one of the bidders.

Kamin noted there was a large difference in price on one bid, although they thought the overseeding was for the parks instead of the Loop due to how it was labeled on the map.

A. Landscape Presentations:

A. ELS Landscape - Stephen Stewart

- In business 40 years, 2nd generation company
- Owns two wholesale nurseries in Valley
- Owns their own trucks and equipment
- 300 employees, certified arborists, plus continued training, many employees have been with ELS for 10-25 years
- No subcontracting, all in-house, one stop shop
- Divisions: Construction, Maintenance, Enhancements, Arbor Care
- Construction and Maintenance have general contractor licenses
- Clients: Fulton Homes, Cooley Station, Ironwood Crossings, Seville, etc. Allred Companies is the only commercial client
- 3-level Supervision: Foreman, Area Manager, Division Manager
- Weekly or monthly reports, weekly walk with committee
- Geocoding, electronic work orders
- Monthly educational piece to homeowners and website blog spot
- Dedicated equipment purchased for Augusta Ranch
- Involved with Community events, i.e. bring out grills, donate meat and buns
- Can provide services to homeowners (tree trimming, pre/post emergent). They did in Seville and Ironwood
- Can bring on current Augusta crew and offer same wages, bonuses, etc. (although have not done before)
- Why ELS:
 - Right size, right fit for community
 - Transparency is important
 - Have massive construction and maintenance yards, track and maintain equipment, sharpen blades, etc.

- Donate 50 plants per quarter/200 per year (5 gal. plants including labor if irrigation is in place)
 - Buying Power, long-standing relationships: RainBird/Hunter will donate cases of sprinkler heads
 - Offer 3-year Arbor Plan
 - Willing to work on pricing
 - Can be ready to start by April 1
- Recommendations for Augusta Ranch:
 - GIS mapping done for Augusta Ranch
 - Outdated plant material, wrong plant-wrong space That is the reason for donation of plants
 - Natal plum are monstrous specimens-should be removed
 - Rejuvenation pruning
 - Irrigation audit
 - 5-week rotation plan for maintenance

B. Caretaker Landscape - Rory and Paul

- Local, family-owned and operated
- 30 years in business
- Full service company, no subcontractors
- 250-300 accounts (Suncrest, Monterra, Cortessa, Eastmark, Cadence, Sunland Springs Villages)
- Divisions: Construction, Maintenance, Enhancement, Arbor Care
- Promote continued education from gardeners to executives
- Weekly or monthly reports
- Ipads for instant communication
- GIS mapping included in maintenance costs
- Can provide services to homeowners (tree trimming, pre/post emergent)
- Can bring on current crew, offer same wages, although may be issue with vacation time. VP not at meeting, can discuss further. Not a deal breaker.
- Dedicated equipment on-site, ability to trade out as needed
- Involved in community events, will help grill burgers/dogs
- Recommendations for Augusta Ranch:
 - Natural pruning, unless in confined space
 - Full irrigation assessment

C. Community Course Rescue Services (DREAM) - Don Rea and Kurt

- New company just incorporated, separate from Golf Course
- Dedicated equipment and crew of 5 for Dream Landscaping
- Will take on current crew, already familiar with them
- Can sub from Golf Course staff to fill spots if needed
- 9 years experience in residential landscaping
- Ben Franklin Charter Schools-4 campuses and fields (9 years)
- Water management/city water - minimize leaks, quick repairs

- Monthly reports/emails
- Communication through BaseCamp Software, tagging, photos
- Vested interest in community-fast response time, easy access
- Can offer pre/post emergent to homeowners. He will look into outsourcing for tree trimming services.
- Sustainable practices-Soil management, plant growth regulators to save on water, mowing (included in bid)
- Have relationships through golf course industry and Eduardo for arborist company. Would outsource for large tree removal.
- Recommendation for Augusta Ranch
 - Irrigation/Water Rights - There is an opportunity through a capital project to tap into the city water for irrigation of parks. This will become more viable as water becomes scarcer and will save money for homeowners.

The landscape staff would report to Eduardo. There was some concern from the Board whether Eduardo could split his time between the Golf Course and Dream. Dan felt it would work as they all know each other and have a good relationship.

D. ProQual Landscape - Scott Needham

- Currently manages 82 medium to large HOAs, \$250 Million in landscape assets, 185,000 trees in Arbor Care, over 1 billion gallons of water in 2018
- Divisions-Construction, Enhancement, Maintenance, Arbor Care
- Nearby clients include Mesquite Canyon, Superstition Springs, Boulder Creek, and Mountain Ranch
- Can pull from other crews to fill in if needed
- Interactive GIS map with clickable icons for meters, timers, backflows with pictures, serial numbers, history etc. (Provide client with PDF as well as link to map)
- Catalog of assets included at no extra charge
- Complimentary design services
- Already started GIS mapping and tree inventory for Augusta
- All equipment is cycled every 2 years, 3 full time mechanics
- Annual turf aeration is included in bid
- Water management is included and tracking is based on assessment and water bills
- Tree management-GIS mapping, location, size, health, dollar value, cost to manage (Proprietary program)
- Increase technology in different parts of community
- Can provide services to homeowners (tree trimming, pre/post emergent) coordinating through HOA

In response to Board questions on the tree management system, Scott will find out if the data is transferable to other GIS programs. They have put the data into Esri.

Barry Matlack asked if there would be a charge to GIS map the Golf Course, although it is not part of this RFP. Scott stated he would provide that at no fee. They are looking for a long-term relationship and that could easily be done and included as an overlay to the map.

BOARD DISCUSSION

Kamin received another bid from Ecosphere Landscaping in response to the RFP, although she was not familiar with them and had no contact. It was included for comparison.

The Board discussed the pros and cons of the presentations and bids. The total price does not include tree trimming as that has always been budgeted separately. The current landscaping contract is \$20,800 per month and the bids range from \$18,000 to \$27,000. Lisa Quedens felt that incorporating the smart technology equipment may be several years down the road in terms of the budget.

Caretaker was the highest bid and Dream Landscaping was the lowest. The Board narrowed the selection down to ELS and ProQual due to their years of experience, ability to do everything in-house, and other value-added features.

ELS has GIS mapping and electronic work order capabilities. They would donate 200 5-gallon plants a year including labor, although it was unclear whether that was only for the first year. They own two nurseries. ELS also has long-standing industry relationships and the potential for donations such as sprinkler heads.

ProQual included the interactive GIS map, catalog of assets, water management and tracking, tree inventory and management program, and annual aeration. ProQual would provide GIP mapping of the Golf Course at no charge. ProQual has two recommendations from FirstService.

Board Concerns:

- Lowest bid (Dream) does not include pre-emergent (\$6,000)
- Crew PTO - Caretaker may not cover, although they are willing to work with their VP and said it was not a deal breaker
- Concern with Dan being on board with new technologies, although test areas can be used to transition
- Concern with Eduardo splitting time with Golf Course
- Extra work needed for new technologies such as data gathering/input
- Costs involved in tech training for current crew

Kamin will contact references on ELS and ProQual for feedback. The Board will review the proposals in detail and email Kamin any further questions or concerns. Kamin will contact ELS and ProQual with

additional questions, and thank the other bidders for their submissions. The timeframe to start work would be May 1, 2019.

The Board agreed to form a subcommittee of three Board members and felt additional advisors were not necessary. The subcommittee will make a recommendation to the Board and a decision will be made at the March Board meeting.

MOTION: Sean McNulty made a motion to move forward into the final RFP process with ELS Maintenance and Pro-Qual Landscaping, and to form a subcommittee of three Board members to evaluate the final submissions and make a recommendation to the Board. Lisa Quedens provided a second to the motion. Motion passed 7-0.

Dave Kovach, Jeff Brown and Barry Matlack volunteered to serve on the subcommittee.

Board members should submit additional questions to Kamin by Friday, February 22. Kamin will contact ELS and ProQual with further questions on Monday, February 25. When answers are submitted, the subcommittee will meet to evaluate the final two candidates.

B. Ratify Treatment for Pine Trees - Arizona Termite, Pest and Weed invoice for insecticide treatment for flathead borer on all pine trees in the amount of \$16,800.

MOTION: Sean McNulty moved to approve the invoice from Arizona Termite, Pest, and Weed in the amount of \$16,800 for treatment of pine trees. Greg Pifer provided a second. Motion passed 7-0.

C. Additional Landscaping Bids:

- **Golf Course Pine Trees** - There is a bid from Arizona Termite, Pest and Weed to treat the pine trees on the Golf Course that are along the Loop (29 trees) for \$1,450.

There was discussion that the trees on the Golf Course that are not touching the buildings are the responsibility of the Golf Course. Not all 29 pine trees are infested, but two of them are and we want to prevent it from spreading to the others.

Don will be advised to take care of the problem.

- **Termites** - There are termites on at least five trees on Guadalupe. Arizona Termite, Pest and Weed submitted a quote to treat all 43 trees on Guadalupe at the cost of \$3,440.

The Board questioned treating all 43 trees. Kamin suggested treating Guadalupe from 96th Street west, on the north side of the street. Sean suggested treating to create a buffer on either side of the five affected trees.

MOTION: Sean McNulty moved to approve treatment for termites only for the trees on the north side of Guadalupe west of 96th Street. The cost will change from the original bid of \$3,440

as not all 43 trees will be treated. Lisa Quedens provided a second. Motion passed 7-0.

D. Water Savings - Overseeding versus dye:

This item was discussed in detail under the January HOA Financials. So far, there has been a savings of \$5,235 in water. In April, we will have all of the water bills and other costs in order to determine the exact savings.

IX. Website Report

Dave Kovach reported that visits are down 40% compared to last year.

X. Security

A. Security Report - Sean McNulty reported that the security truck had the transmission replaced, although the check engine light keeps coming on. A new vehicle is budgeted for next year. There are more patrols of the two parks with kids hanging out. There have been a few stolen packages and a person that was stealing packages at Mesquite Canyon has been spotted in Augusta Ranch. Security is doing extra patrols.

Barry Matlack asked what can be done if you catch a person stealing packages. Sean advised to try to get pictures, keep a visual on the person and call Security. People have the right to protect their property.

There has been a helicopter flying over the area. This is to augment the police in patrol cars. A tow truck driver called the police because our Security was following him.

Jeff Brown noted that the helicopters also fly over hotspots, such as the area Walmarts and the vacant area south of Mesquite Canyon. There have been issues with vandalism and kids setting fires. Augusta Ranch is within that loop that they fly over.

B. Security Calls in our Grid Area - Kamin noted that the reports on calls for service have resumed. It is included in the packet.

XI. Architectural Requests

Kamin recommended approval for the following Architectural Requests:

- A. 9740 E. Meseto - Landscape (Deny-white rocks)
- B. 9715 E. Knowles - Paint
- C. 2446 S. Sorrelle - Paint
- D. 2622 S. Vincent- Paint
- E. 9732 E. Laguna Azul - Paint
- F. 9734 E. Kiva - Paint (Deny-wrong colors, will resubmit)
- G. 9524 E. Lompoc - Landscape
- H. 9634 E. Natal - Paint
- I. 2546 S. Keene - Paint

J. 9937 E. Lompoc - Paint
K. 9830 E. Lompoc - Paint
L. 9814 E. Lompoc - Paint
M. 9815 E. Lompoc - Paint
N. 9757 E. Lompoc - Paint
O. 9619 E. Los Lagos Vista - Paint
P. 9929 E. Lompoc - Paint
Q. 9431 E. Los Lagos Vista - Paint
R. 2146 S. Duval - Paint
S. 9555 E. Lindner - New Addition
T. 2734 S. Faith - Paint

Review:

2555 S. Bristol - Garage and wall by gate need to be painted. The body and trim will need to be painted in the next year or two.

New Requests:

9734 E. Kiva (Resubmittal) - Paint, Parcel 10, Scheme 5 (Approved)
2336 S. Sorrelle - Paint (Denied for black door)

MOTION: Dave Kovach moved to accept the Architectural Requests as presented, seconded by Sean McNulty. Motion passed 7-0.

XII. Next Meeting Date

The next meeting will be held on March 18, 2019.

XIII. Adjournment of Open Session

With no other business before the Board, President Quedens adjourned the General Session at 9:39 P.M.

Respectfully Submitted,

Dana Desing
Acting Recording Secretary
(TE: 14082507)