

SONORAN DESERT WILLOW HOMEOWNER ASSOCIATION
EMERGENCY MEETING OF THE BOARD OF DIRECTORS

DATE: April 7, 2007

TIME: 9:00 AM

LOCATION: 10545 E Black Willow Drive, Tucson AZ 85747

CALL TO ORDER: The President called the EMERGENCY meeting to order at 9:00 AM with all Board Members present.

ROLL CALL: Members present: Ken Moyes, President
Glen Bohnke, V. President
Mike Howard, Treasurer
Bob Rice, Secretary
Neil Watson, Member At Large
Management: None
Minutes: Bob Rice

QUORUM: Sufficient members were present at 9:00 AM to establish a quorum.

APPROVAL OF MINUTES: Mr. Moyes stated that normal meeting activities would be dispensed with since this was an EMERGENCY meeting, brought about by the abrupt termination of the Association's community management contract by our community manager.

PRESIDENT'S REPORT: No report.

VICE PRESIDENT'S REPORT: No report.

TREASURE'S REPORT: No report.

SECRETARY'S REPORT: No report.

MANAGEMENT REPORT: No report.

OLD BUSINESS:

1. April 4, 2007, Letter from Cadden Community Management

The Board discussed the April 4, 2007, Letter of Termination of Services received from Cadden. The letter provides 30-day notice of termination of services as required by Paragraph VI, Termination, of the existing management agreement; the last day of services being April 4, 2007. It was informally agreed that this letter would be formally acknowledged following selection of a new community management services provider,

DRAFT

and the associated contract negotiations and approval of the requisite community management services contract.

2. **Selection of Replacement Community Management Services Provider**

As resolved at the March 20, 2007, Board Meeting, Mr. Moyes and Mr. Rice met with representatives of A Different Association Management, LLC trading as ADAM, Mr. Bill McGuire, Member, and Mr. Steven Conney, Community Manager, on March 29, 2007. Concerning the meeting, both Mr. Moyes and Mr. Rice stated that, coming from the meeting, their impressions of ADAM were very positive. It is noted that Mr. Moyes' impressions and Mr. Rice's impressions are recorded in separate but related emails to the Board dated April 5, 2007, Subject: "Letter to Cadden – New Community Management".

The meeting with Copper Rose was scheduled for April 3, 2007. Mr. Moyes attended this meeting, but Mr. Rice did not. Mr. Moyes impressions of Copper Rose was not as favorable as those for ADAM. Mr. Moyes stated that during the meeting, the Copper Rose representatives indicated a reticence about allowing HOA Board Members access to query a file of a lot whose Owner is not in good standing with the Association. Mr. Moyes recorded his impressions of the meeting with Copper Rose in his email to the Board dated April 5, 2007, Subject: "Letter to Cadden – New Community Management".

Mr. Howard then presented his analysis of the monthly and annual costs presented by ADAM and by Copper Rose in their responses to the Board's Request for Proposals, dated January 22, 2007, in comparison to current charges by Cadden Community Management. From his analysis, the Average Monthly Cost per lot for Cadden, ADAM, and Copper Rose is \$5.59, \$6.07, and \$7.47, respectively.

Following the above discussions, Mr. Bohnke offered a MOTION that the Board select ADAM as the firm to succeed Cadden Community Management contingent on successful contract negotiations. The Motion was seconded by Mr. Watson, and ADOPTED by unanimous vote (5 yeas and 0 nays) of the Board.

Then, a MOTION was offered and seconded to authorize Mr. Moyes and Mr. Rice to negotiate and execute a contract with ADAM. During the discussion, Mr. Moyes indicated his desire to request ADAM reduce their monthly compensation rate to the level Cadden currently charges, i.e., \$1,765.00 per month for basic services for the remainder of the fiscal year. This will allow the Association's account for community manager expenses to remain within budget. The motion was ADOPTED by unanimous vote (5 yeas and 0 nays) of the Board.

3. **Proposed Community Management Services Contract**

The Board next took up the issue of the community management services contract to be offered to ADAM. Two efforts had been ongoing somewhat simultaneously. Mr. Moyes had developed a Statement of Work, dated April 6, 2007. Mr. Moyes received comments

SDWE HOA Board Of Director's Meeting, April 7, 2007

from the Board and had incorporated those comments into his Statement, and distributed copies of his Statement to Board Members during the meeting.

Mr. Rice had developed a Draft Professional Community Management Services Contract dated April 5, 2007, with an attached Draft Exhibit A, Scope of Professional Community Management Services. He distributed his draft contract to the Board by email attachment on April 6th and passed out copies during the meeting.

The two offerings were discussed briefly during the meeting. Following the discussions, a MOTION was made and seconded to accept the documents with the changes suggested and to combine Mr. Moyes' Statement of Work with Mr. Rice's Draft Exhibit A to form a contract document to be offered to ADAM. The motion was ADOPTED by unanimous vote (5 yeas and 0 nays) of the Board.

NEW BUSINESS: No new business was offered.

DEPARTURE OF BOARD MEMBERS

At 9:40 AM, Mr. Howard and Mr. Watson indicated they needed to leave the meeting to attend to previously scheduled business, and did leave. This left three Board Members remaining in the meeting; therefore, a quorum continued to exist.

ADJOURNMENT:

While a quorum existed, Mr. Moyes, Mr. Bohnke and Mr. Rice concluded that the business for which the EMERGENCY meeting had been called had been completed. Therefore, Mr. Moyes moved to adjourn the meeting. The Motion was seconded. There was no discussion concerning the Motion and it was approved by a 3 – 0 vote. The meeting adjourned at 9:45 AM.