

SONORAN DESERT WILLOW HOMEOWNERS ASSOCIATION BOARD OF DIRECTORS MEETING

DATE: April 17, 2007
TIME: 7:00 P.M.
LOCATION: Empire High School Room 305
10701 Mary Ann Cleveland Way
Vail, AZ 85641

CALL TO ORDER

The meeting was called to order at 7:00 P.M.

ROLL CALL

Members Present: Ken Moyes - President
Bob Rice - Secretary
Glen Bohnke - Vice-President

Members Absent: Mike Howard - Treasurer
Neil Watson - Director at Large

Management: Kim Lax, Cadden Community Management
Minutes: Carrie Ressler, Cadden Community Management

QUORUM

Three directors were present, establishing a quorum.

APPROVAL OF MINUTES: March 20, 2007 and April 7, 2007 MOTION:

To approve March 20, 2007 Minutes and April 7, 2007 presented to the Board. The motion was seconded and approved by all.

PRESIDENTS REPORT

Mr. Moyes discussed his meeting with Copper Rose, ADAM; LLC and Cadden Community. He had prepared his recommendations for choosing a management company. However, during this interim, it was discovered that Cadden had some irregular accountings for invoices and check issuing. There was a check issued to Horticulture that the Board had not approved. Mr. Moyes asked Ms. Lax if that money had been recovered. Ms. Lax confirmed that Cadden had met with Horticulture on Monday (April 16) and recovered the money. During the meeting it was also determined that the amount due to Horticulture for services rendered was \$3772.50.

TREASURERS REPORT

Mr. Moyes read the Treasures Report for Mr. Howard. The March Financial Statement shows a balance of \$22,727.98. The statement does not represent the past due amount of \$3772.50 with Horticulture Unlimited. Mr. Moyes stated that any amount payable is a current liability. Mr. Moyes read off the balance sheet for the month of March. The motion to approve the March Financials was deferred for the next meeting. Mr. Moyes requested that Cadden look further into why the liabilities show a zero balance.

Mr. Bohnke asked about the management transition and when Cadden will be prepared to hand over information to ADAM. Mr. Moyes stated that some bank accounts needed to be closed out

and in proper balance. Ms. Lax stated that the transition is a step-by-step process and by the end of April everything will be placed in ADAM possession. Discussion ensued. The US Bank Lock-box has been closed and reinstated to ADAM. Cadden will provide as soon as possible the proper information for the rest of the financials to ADAM.

SECRETARY REPORT

Mr. Rice has finalized the RFP process. The Board has signed a new contract with ADAM. He has also sent thank you notes to the three other companies who responded to the RFP's.

VICE PRESIDENTS REPORT/LANDSCAPE REPORT

Mr. Bohnke stated that the cracks in the Culvert off of Dusky Willow are still an open issue. Mr. Moyes has forwarded the issue on to Ben Kramer of Lennar/US Homes. He expressed that the city might have to be notified since the streets are deeded to the City. It could be safely assumed that the City would have responsibility of repairing the roads as well as what lies under them. Mr. Bohnke reported that the broken water risers in the Common Area had been replaces. All the sprinkler heads had been ripped out in the South Park as an act of vandalism.

DIRECTOR AT LARGE REPORT

Mr. Watson was absent from the meeting.

ARC REPORT

A member from the ACC Committee was present and reported that all applications that he had in his possession had been issued a decision. It was asked that Cadden redirect any future applications they may receive to ADAM.

The placement of the monument has become an issue. A monument of 8" or bigger needs a permit from City Zoning and must be set back 20". Mr. Moyes has placed several calls in to Zoning but has yet to hear back. He believes that a waiver may be available for the Association.

PRESIDENT'S REPORT CONTINUED

Mr. Moyes stated that the letter sent to Mr. Walton from Mr. Parker of Cadden Community was inappropriate. Mr. Parker had also been specifically instructed to call Jeff Noel who was quite indignant about the letter. Mr. Noel will be meeting with an attorney to see what his rights are and what the next step will be. At some point Mr. Noel will e invited to a hearing as which time he will be allowed to plea his case. The Board will then rule according to what has been presented. Discussion ensued.

MANAGERS REPORT

Ms. Ressler provided a written report to the Board of Directors. It was decided that Ms. Ressler contact Empire High School and arrange for the room to be changed from 305 to 304.

OLD BUSINESS

Sign Monument

The sign Monument at Dusky Willow has been approved. There is now issue concerning proper placement. Mr. Moyes is waiting to hear from City Zoning. Lou Bach Construction is responsible for the payment of the monument. He made the mistake of placing his nursery on Sonoran Desert's property. Rather than have him move the nursery an arrangement was made that the Board may periodically ask for a favor, such as a clean out of the wash and the monument.

It was suggested that the monument be moved to allow for the 20 foot set back. The Landscape Committee will determine if there is a safe area to move the monument that will allow for the necessary space.

It was noted that there are time constraints concerning this issue and that finding a solution quickly is necessary.

Results of Audit/Payables

Please refer to attached emails and letter. Mr. Moyes explained that he sent an email requesting Cadden to determine if Horticulture will waive the outstanding balance. Horticulture responded that if Sonoran Desert pays \$3772.50 all other charges will be waived and the account will be in good standing. Cadden had on hand a letter stating this. Mr. Moyes noticed that a member of the LLC may not have signed the letter and there fore is not valid. He asked Cadden to request of Horticulture to provide Sonoran Desert with a valid letter, signed by a member of the LLC.

MOTION: A motion was made to proceed with payment to Horticulture Unlimited and to receive from Horticulture Unlimited an official release letter. The motion was seconded and approved by all.

Rita Ranch Fun Day

Mr. Moyes asked Board Members if they wish to participate in the Rita Ranch Neighborhood Association Family Fun Day. They all agreed to sponsor the day.

MOTION: A motion was made to cut a check for \$250 to go towards the Family Fun Day. The motion was seconded and approved by all.

ADAM will cut this check.

NEW BUSINESS

Accept John Passerella's Resignation

Mr. Passerella wishes to resign from the ACC Committee.

MOTION: To accept Mr. Passerella's resignation from the ACC Committee, effective immediately. The motion was seconded and approved by all.

Bank Accounts

With the changing of management companies it is necessary to change bank accounts.

MOTION: To retroactively authorize closure of current demand deposit account with US Bank and re-open a replacement account with US Bank to facilitate transfer of lock-box due to transfer of management company. The motion was seconded and approved by all.

Formally Accept new Community Management Contract

ADAM; LLC will be the new management company as of May 1, 2007.

MOTION: To formally accept the new contract with ADAM; LLC into the HOA records as soon as ADAM is able to fully take over. The motion was seconded and approved by all.

ACC Working Procedures

Mr. Moyes briefly reviewed the procedures that had been drafted.

MOTION: To accept the ACC procedures as distributed. The motion was seconded and approved by all.

NEW BUISNESS NOT ON AGENDA

Payment of Goldschmidt, Horizon's West and Cadden Community

Mr. Moyes stated that the Association paid Ms. Goldschmidt a fee of \$250 for reviewing the Fines and Enforcement Policy, which he felt was reasonable.

He also authorized the payment of Horizon's West for their monthly service.

When Mr. Moyes was presented the monthly service check for Cadden Community management services he refused to authorize. Stating that paying for a service that may be terminated earlier did not sit well with him. Discussion ensued. It was decided that AAM will hold on to the check until they feel comfortable with the transition. Once everything has been sufficiently turned over form Cadden to ADAM, the check will be released to Cadden. The cashing of the check will consummate the termination agreement. Ms. Lax stated that the Association has been billed at

the 1st of each month for that month and that the Association has been paying for their monthly services at the beginning of that month. Therefore did not feel that issuing the check was unreasonable. Discussion ensued.

MOTION: To execute the check for what would be final monthly service fee of \$1765.00 and turn over to ADAM. Upon completion of transfer between the two companies Mr. Maguire – new Association Manager will turn the check over to Cadden Community.

Lennar/US Homes Survey

Mr. Rice did notice an error in the survey done by Lennar that turns land over to Sonoran Desert. Lennar was made aware of the error and turned the survey over to Rick Engineering to correct. The survey will then be sent to the Recorder's office. The next step will be to insure that irrigation is properly routed for the area.

ADAM Additions to Meeting

Mr. Maguire is the Association's new manager. He is looking forward to working with this association and will be sending Welcome letters out to the homeowners informing them of management change. He did request a back-up of TOPS from Cadden.

ACC Chair

A Chair for the ACC Committee will be elected at the next meeting.

NEXT MEETING

The next Board of Directors meeting will be May 21, 2007, at Empire High School.

ADJOURNMENT

MOTION: A motion was made to adjourn the meeting. The motion was seconded and approved by all.

Meeting adjourned at 7:42 P.M.