

SONORAN DESERT WILLOW ESTATES
Homeowner Association
Monthly Board of Directors Meeting

Minutes

Location: National Self Storage Lobby
7555 S. Houghton Road, Tucson, AZ 85747

Date & Time: February 18, 2008, 6:30 PM

Board Meeting

Monthly Meeting called to Order at 6:30 PM

Roll Call:

	<u>Position</u>	<u>Present</u>	<u>Absent</u>
Glenn Bohnke	President	X	
Tom Musznyski	Vice President	X	
Karl Walton	Treasurer	X	
Bob Rice	Secretary	X	
Ken Moyes	At Large	X	

Management Representatives:

Bill Maguire			X
Mike Connoy		X	

Quorum Five Board Members were present; therefore, a quorum necessary to conduct an official meeting was achieved.

Minutes of January Meeting

Mr. Moyes moved to approve the minutes of the January, 2008, General Board Meeting with the correction of Item 4 of the January Manager's Report from Lot 260 to read Lot 261. The motion was seconded by Mr. Musznyski and approved by all.

Treasurer's Report:

1. Financial Summary:

	2008 Budget	January 2008	2008 to Date
Total Income	\$ 115,070	\$12,675.52	\$12,675.52
Total Expense	\$ 115,070	\$7,792.20	\$7,792.20
Difference	\$ 0	\$4,883.32	\$4,883.32
Account Balances:			
US Bank Operating		\$21,258.35	\$21,258.35
US Bank Reserve		\$8,015.41	\$8,016.41

2. Delinquencies Summary:

		January 2008	2008 To Date
Delinquent Fees, Total		\$12,331.15	\$12,331.15
Over 30 Days		\$6,048.80	\$6,048.80
Over 60 Days		\$0.00	\$0.00
Over 90 Days		\$5,392.35	\$5,392.35

Mr. Walton expressed concern about the collections received by the end of January; delinquencies being about 47% of the amounts due in the first quarter. There was discussion about whether shifting to a monthly billing might improve the cashflow – it was acknowledged that a monthly billing schedule would increase mailing costs – and other related issues. The Board agreed that the fees received during February would “tell us alot” and that the issue of delinquencies should again be reviewed at the next meeting.

The discussions then moved to several items on the “Checkbook Register”. Mr. Bohnke asked Mr. Connoy to resolve the questions developed with Mr. Walton within the next week or so.

3. Status of Reserve Fund Deposit Plan: This item remains outstanding from the January meeting. It was noted, however, that the money market accounts with U. S. Bank pay anywhere from 0.75% to 1.2% interest, and that CDs usually require a minimum deposit of \$10,000. Mr. Bohnke again expressed his desire for a “plan” that the Board could use to move funds from the operating account to the reserve account.

4. Status of Audit Compilation: Mr. Walton has questions that need to be resolved with ADAM.

5. Status of 2007 Income Tax Return: Mr. Walton has questions that need to be resolved with ADAM.

Approval of Treasurer's Report:

Mr. Moyes moved to approve the Treasurer's Report. The motion was seconded by Mr. Rice, and approved by all.

President's Report:

1. Mr. Bohnke reported that he had sent a letter to the Owners concerning the pertinent issues of the last month, and he expressed a desire that those members present tonight comment on the effectiveness of the letter. He indicated that the responses he has received so far are positive, but that the issues are not totally resolved and certain aspects of them remain.

2. Mr. Bohnke mentioned the receipt of a thankyou letter from Ms. Kristen Nielsen for prompt action to have the landscaper clear weeds behind the properties along the easterly side of Sandbar Willow Place.

3. Mr. Bohnke said that he is working on revisions to the CC&Rs, and hopes to have a draft ready for review next month.

Secretary's Report:

1. Prepared Minutes of January, 2008, Monthly Board Meeting.
2. Prepared Agenda for February, 2008, Monthly Board Meeting.
3. Took pictures of and alerted Board of 2 instances of graffiti within the Subdivision.

Vice President's Report and Landscaping Report

Landscaping Improvements Proposal for CY 2008. Mr. Musznyski reported that a meeting with the landscaper has been scheduled for Tuesday, February 19th, to discuss improvements for CY 2008 with specific emphasis on the placement of gravel around the border is percolation basins, the replenishment of decomposed gravel on common area walkways for 2 of the basins, and the relocation of a picnic table from the basin adjacent to the Pacific Willow-Meadow Willow intersection. Mr. Bohnke asked if his email on priorities had been received, and said that the first priority should address the "blighted" trees and that the costs to accomplish the plan should be established.

Manager's Report:

1. Status of Kachina Signs Overpayment. Mr. Connoy said that the report of overpayment for the signs made in January was an error. The overpayment had not been made, and the issue was closed.
2. Status of Liability Insurance Policy review by Jeff Noel. Mr. Connoy said that he has not heard back from Mr. Noel about his review. When asked if Mr. Noel has the policy for review, Mr. Connoy said that he believed he does.
3. Estimate for Pet Cleanup Signs. The Board was referred to the Kachina Sign Center estimate sheet included in the Board Packet. The 5 12" x 18" pet cleanup signs was estimated at \$192.25 with the posts being extra. After discussion, Mr. Moyes moved that the direction to order and erect the signs be tabled until July 2008. Mr. Rice seconded the motion and it was approved by all.

Mr. Bohnke asked that subsequent agendas have an item to list "Tabled Items" so these deferrals are not forgotten when they should be addressed.

4. Status of delinquencies and violations.
 - a. Items at attorney – 9
 - b. Items for liens – The attorney will do this; it is still a concern.
 - c. Items needing a hearing – Lot 300 will be called to a hearing at the next board meeting (police report filed). The Association wants restitution for the damages and time involved.
 - d. Violations being or to be fined – ADAM LLC will be taking a proactive approach and following up with violators.
 - e. Long standing violations with regard to hearing and fines and liens – Association Owners with continuous or intermittent violations will be called to a Hearing with the Board.
 - f. Delinquent lots in name of banks and liens on same – ADAM LLC will be sending final warnings, as appropriate, to resolve violations within 10 days. If the delinquent accounts are not brought current in the timeframe allowed, the delinquent accounts will be sent to the attorney for collections.
5. Status regarding Hearing pertinent to garbage can damage at 7420 S. River Willow, Lot 300 – The Board asked Mr. Connoy to schedule the hearing for March 17, 2008, at 6:00 PM, at the National Self Storage Lobby. Mr. Connoy was asked to get back by email to the Board Members within a week with information pertinent to the hearing at this time and place.
6. Status of Property Tax Billing – Paid
7. Tumble weeds cleanup behind 10551 Dusky Willow Drive – Mr. Connoy said he thought that this had been addressed and referenced the "Thank you" letter we had received. (This may not be the case

since the "Thank you" letter referred to weed clean up behind houses easterly of Sandbar Willow Place – Bob Rice, Secretary.)

8. 10527 Dusky Willow Drive debris cleanup – Mr. Rice reported that he thinks this debris has been removed.

9. Lot 261 (7398 S Pacific Willow Drive) cleanup – Recommendation (\$175 reserved for cleanup). While Mr. Connoy stated he'd been following an alternate method to achieve cleanup without cost to the Association, the Board asked him to have the landscaper clean the property and, if his alternative method proved viable, so much the better. Mr. Connoy said he'd notify the landscaper "tomorrow".

10. Enforce rentals Requiring copy of lease to Management Company – The CC&Rs, Provision 10.23, provides (1) that any lease agreement must require the tenant to abide by the CC&Rs and (2) the Owner must provide a copy of the lease to the Association. Failure of either of these two requirements is a violation of the CC&Rs.

Discussions included a "proactive approach", in lieu of ADAM going through every lease agreement received to determine if requirement (1) is in the lease agreement; consisting of sending a statement certifying compliance; development of a "rule" requiring lease termination for CC&R violations by a tenant (applicable to future, but not existing, leases); the fact that letters had been sent to Owners in 2007 notifying them of the requirements of Provision 10.23; and a procedure of notification to all Owners that did not send their leases, as required by 10.23, to appear before the Board to show compliance with 10.23 and, if they fail to appear or if they fail to remedy their violation within 30 days, to begin fines for CC&R violations.

Following the discussion, Mr. Moyes moved that the 50 ± Owners that are in violation of Provision 10.23 be sent a Hearing Letter by certified mail; require them to come to a closed Hearing (Executive Session of the Board) on March 17th; if at that time they come to the Hearing, they remedy, they show proof that they remedied, or give them the opportunity to remedy within 30 days by signing and returning a document showing remedy; or if they do not come or do not remedy, then fines will commence.

A brief discussion of the motion followed: Representatives of the Owners will be allowed according to CC&R provisions and Arizona Revised Statutes on Hearings.

The above motion was seconded by Mr. Musznyski and approved by a vote of 4 to 0 (Mr. Rice not voting).

11. Status of Basin Certification by Physical Resource Engineering (\$1,700 approved) – Mr. Connoy said that Physical Resource Engineering had been contacted to perform the certification but had not yet responded.

ACC Committee Report Sarah Struthers

1. Ms. Struthers reported that 1 request for a gate had been approved and 1 request for a backyard patio was outstanding.

2. A question was asked if the responses from committee members was a problem. Ms. Struthers said that responses were received usually within 3 weeks and that wasn't too bad. During the subsequent discussion, it was pointed out that as soon as a majority of committee members either approve or disapprove a request, the results of the committee action should be communicated back to the requester by way of ADAM. Mr. Bohnke asked that he be copied on all ACC requests and return communications.

Old Business:

1. Solar light for monument (Estimate of \$500 per installation) – Mr. Moyes stated that the price of the solar light is \$390 with installation extra (estimated at about \$300 to \$400 for a professional installation). The item is a non-budgeted item. Mr. Moyes moved that the item be Tabled until the 3ed Quarter and reconsidered at that time if the budget allows. The motion was seconded by Mr. Walton and approved by all.

2. Review proposed changes to the By-Laws – Mr. Bohnke suggested that action on the By-Laws be deferred until the revisions to the CC&Rs, the Articles, and the By-Laws can be completed and all can be reviewed and coordinated together. A motion was made, seconded and approved to defer Board action until the 3ed Quarter to allow for the revision, review and other work to commence.

3. Code of Ethics – It was noted that Mr. Bohnke provided an alternative Code suggested by the Brown Law Group as modified by Mr. Rice. The Board felt that the Code, if adopted, had to be coordinated with the CC&Rs and the By-Laws and, in fact, could be incorporated into the By-Laws. Mr. Bohnke deferred action on the Code until the April meeting.

4. Paper signs on railing at west entrance causing damage to the railing – it was indicated that the use of the rails to post signs has caused damage to the point on the rails. It was also indicated that action on the signs had been tabled until the 3ed Quarter.

5. Request for a letter being sent to a homeowner about a barking dog. Along with a letter to the Community about barking dogs and cleaning up after pets. – Mr. Bohnke requested an email from Owners and Tenants giving the address of properties where the barking of dogs is disturbing to the neighborhood.

New Business:

1. Litter Pick-up Position – The position and its description will be advertised on the web site for 2 weeks: <http://www.desertwillow.org>. The position will be as an independent contractor and will pay \$100 per month. The Association will pay for any necessary supplies and equipment.

2. Leaking Fire Hydrant – The hydrant is located at Pacific Willow and Dusky Willow, and ADAM will notify the City of Tucson of it.

3. Graffiti – Two instances of graffiti within the subdivision have been found. Mr. Connoy said that the City of Tucson Police and Community Services Departments had been notified. The graffiti was sprayed on the Meadow Willow Trail entry sign and on the west end wall of the culvert beneath Yewleaf Willow Place. The City's contractor was to have cleaned these locations during the week of February 11-15, 2008, but had not cleaned the entrance sign by the February 18th Board meeting. Mr. Bohnke stated that the subject of graffiti would be addressed in a letter to the Association Membership.

Homeowner Comments (3 minutes per home owner)

1. One Owner living at the intersection of River Willow and Dusky Willow offered a thank you for the cleanup of blowing debris in the area behind her property. Also, indicated a concern about neighbor use of ATVs. Concerning the ATVs, Mr. Moyes stated that the City rules and the Country rules governing the use of ATVs may be found by going to the Association's website at <http://www.desertwillow.org> under the tab labeled "Documents Forms Rules". Meeting attendees agreed that the address of the property where the ATV activity is occurring is 7420 S. River Willow Drive (Lot 300).

2. Another Owner expressed alarm at the amount of fees owed to the Association. It was noted that the Board is asking ADAM LLC to be proactive in its activities in order to improve collections. In response to a question about automatic payments, it was also noted that the Association's website offers the forms and information to allow an Owner to initiate payment of dues by automatic withdrawal arrangements. The use of credit cards to pay dues was raised, and it was noted that credit card companies charge from 2% to 5% of the total amount for the use of credit cards to pay dues (there is no charge for the use of debit cards to pay

dues). During the discussion, the Board requested that the website be more prominently displayed on Welcome letters and other future correspondence to the Association Membership.

3. The Owner living adjacent to the percolation basin at the intersection of Pacific Willow and Meadow Willow offered thanks to the Board for meeting with her in January about acts of vandalism by neighborhood youths. Mr. Musznyski indicated that the Board was meeting with the landscaper on February 19th to request planning information that could help reduce the vandalism while at the same time improving the attractiveness of this and other percolation basins and common areas.

Adjournment:

At 8:20 PM, Mr. Rice moved to adjourn the meeting. The motion was seconded by Mr. Walton, and approved by all.