

COLONIA VERDE BOARD MINUTES  
November 15, 2006

Attending:

Board members: Joey Curtis, Brenda Beckman, John Carlson, Jerry Eccles, Fred Hambly, Dee Ruelas, Nancy West, Gloria Williams

Treasurer's report (Dee Ruelas). – Dee presented year-to-date financial statements along with a proposed 2007 budget, which will be reviewed in an executive session of the Board. We are still operating within budget. MOTION: to approve the Treasurer's report, Williams, seconded by Hambly, motion passed.

Minutes (Gloria Williams) – October meeting minutes were approved. MOTION: Ruelas, second West.

Manager (J. Jaster) – JJ presented a summary of work accomplished since the last Board meeting. The pool cover has been installed and is working well. He is working with Bob Ferguson on getting additional bids for the landscaping contract. One security note: there has been some intermittent use of the ladies bathroom late at night at the cold pool. He will begin locking that facility to prevent problems. A question came up about people watering and/or feeding wildlife in common areas. It was the general sense of the board that it is not wise to put water down at ground level to encourage wildlife. Water for birds should be up off the ground and homeowners should use the insecticide pellets available to prevent mosquitoes from spreading. Joey will ask Bob Ferguson to send letters to the homeowners concerned. Complete report of the Manager is on file in the office.

Vice-President (John Carlson) – John mentioned a seminar that he attended recently covering reserve studies and insurance for homeowners associations. California and Nevada now have laws requiring reserve studies for all new planned communities. The seminar presenters suggested that laws have a way of spreading from the coasts, and that it is possible that Arizona may eventually have a requirement for a reserve study. It would probably be a good idea for CVHOA to do such a study. Other things learned at the seminar: having volunteers do work that is the responsibility of the association was not felt to be a good idea by either the attorney or the insurance provider. They felt that the association must, at a minimum, provide workers comp insurance for volunteers. The association can be held liable in a lawsuit if injuries occur. John also asked about liability for drainage problems and was told that if the problem occurs on common area property, the association is responsible. He said this is something we (and JJ) need to be sensitive to.

Landscaping (Joey Curtis for Bob Ferguson) –. Bob was not present, but had advised Joey that he has formed a committee to assist him. Their first task will be to review the bids for the landscaping contract.

Clubhouse (Nancy West) – October Open house had an attendance of approximately 50, with a good turn out of new residents. The November event had an attendance of 47, so attendance is starting off well. Next Women's club activity is a tour of Philabaum glass. Nancy did report that there was a recent question about the tuning the piano in the clubhouse. Some people remembered that it had been previously decided that tuning the piano was the responsibility of anyone who wished to use it. However, since it had not been found in the past minutes, we decided to restate the

proposal. MOTION: Nancy moved that the responsibility for tuning the piano lies with the party who wishes to use it (not the Association), and that the rules for Clubhouse use should be amended to include this requirement. Seconded by Ruelas, motion passed.

Architectural (Jerry Eccles) – Architectural Committee has received two requests which require Board approval.

1. Request received from a homeowner to put up a 4' holiday sign. We clarified that the request was for placement on common property, not on the house or in a window. MOTION: Brenda moved that the board support the recommendation of the Architectural Committee to reject the request to post a holiday sign on Common property. Motion was seconded by Carlson and passed by the Board.

2. Request received to expand the area where the A/C compressor is located. The current compressor is to be replaced and there is insufficient room to put a new compressor within the current wall. Expanding the space for the compressor will not impact any current walkways or plantings. The homeowner has agreed to cover all costs for the tear down of the old wall and building a new surround wall. Some people were concerned about the title problems if use of land was given to a homeowner without changing the formal property records.

Brenda has had discussions with the attorney which covered the association's right to require homeowners to maintain the wall, since the equipment within was for the sole use of one homeowner, but she will ask the further question about whether changes to title or easements are required. MOTION: Jerry moved that the Board vote to approve the request submitted by Mr. Miller for an expansion of the area for his A/C compressor, at the homeowners expense. Brenda asked to amend the motion to include a statement that the homeowner would be notified in writing that he is responsible for the maintenance of the wall and enclosure. Amended motion seconded by West and passed by the Board.

There were two informal actions, one the continuing issue of a non-conforming wall color, and another for required maintenance of a rental property. Jerry will continue to follow up on these issues, as required.

Legislative (Brenda Beckman). Brenda submitted a written report on actions to date with the CCRs. Brenda wanted to stress that the CCRs which were sent out should have been marked as DRAFT. They are still not complete. Homeowners will have an opportunity to provide input at the meeting scheduled for next Monday, Nov 20. We will put a notice in the December Chronicle requesting additional input. Homeowners will also be able to provide input at the next Board meeting, or they can submit it in writing to the CVHOA office. Brenda restated her intent to ask the attorney about the issue raised during the Architectural committee discussion: what procedures are necessary when a homeowner is given long-term permission to use some portion of the common area property.

Paving/Drainage (John Carlson) The input for 2007 paving budget has been submitted and is awaiting approval. After attending the recent seminar on liability, he does feel we need to be more cognizant of drainage problems. There is one area that may require a major tear down and rebuild, but we can address that in the long term plan. He is still trying to get the city to bring their street sweeper to sweep the storm runoff sand from the streets.

Pool/Utility (Fred Hambly)

As JJ reported, the new pool cover is in place and working well.

Nominating Committee Report (Bobbie Dexter)

The nominating committee interviewed candidates for Board position in 2007. They recommend the following names be placed on the ballot:

Fred Hambly (3 year term)

Jim Marsh (3 year term)

G.J. Spilde (1 year term)

MOTION to accept the Nominating Committee report by Williams, seconded by Beckman and passed by the Board.

A brief discussion followed about whether a person could serve more than one term on the Board. Although it has been common practice in recent years to limit Board terms, there is no written rule to prohibit it. Hopefully, maintaining this practice will allow more residents to become involved with the governing process and become knowledgeable of what is required to maintain our community.

Old Business – None.

New Business - None.

Comments from Guests: An attending homeowner had a few thoughts on the new CCRs. He felt that we should separate the issue of acceptance of the CCR from the issue of returning deposits. He also believed that the CCRs were too internal; we should be looking more at the shared issues of neighboring organizations. There should be one Board member assigned to be the lead person to contact and solicit input from homeowners. Board response was that we have not entered into this process lightly. We have received expert advice and hope to provide a living document that future boards will be able to live with and that will protect the community that we all enjoy. The CCRs address only the areas over which we have authority; we cannot influence neighbors except through existing city or county legal framework. The return of deposits is not tied to the new CCRs, only the possibility of return. The homeowner was encouraged to come back for a full discussion of CCR issues on 11/20, and to submit his thoughts in writing so that there is no danger of any ideas being overlooked.

Meeting adjourned to review 2007 proposed budget. After review the Board reconvened to consider two items:

MOTION: Dee moved that an increase of \$20 for long range capital improvements be placed on the ballot for the annual meeting. The assessment would begin on 1 April 2007. Seconded by Carlson, approved by the Board.

MOTION: Dee moved that holiday bonuses be paid to CVHOA staff on the first paycheck in December. Seconded by Hambly, and approved by the Board.

Gloria Williams  
Secretary