

**Board Meeting Minutes:  
September 19, 2012  
BOULDER CANYON BOARD MEETING  
6PM @ the Boulder Canyon Clubhouse**

Board in Attendance:

Via Skype: Chris Ferril, Susie Sundsby  
Via Speakerphone: Brian Wilson  
Joined at the clubhouse by Brianne Hansen of Paul Ash Management Co.

Members in Attendance:

At the Boulder Canyon Clubhouse: Carol LaCroix, Don & Barbara Williams, Marcy Fralick, Seth Mosher, Hugh Mosher, George Lord

**Call the Meeting to Order at 6:00 PM by Chris Ferril, President**

Chris Ferril requested that the audience hold their comments/questions until directed to make a comment and will then have the opportunity to speak.

Approval of board minutes: Chris asked if there were any corrections to the distributed and reviewed minutes of the July 18<sup>th</sup>, 2012 meeting. No corrections were noted. Brian Wilson moved to approve the minutes as distributed. Susie Sundsby seconded. The minutes as distributed were accepted unanimously by the board.

**Treasurer's Report – Susie Sundsby**

Financial Results for July and August were discussed and Susie provided additional information on the following:

- Through August 31<sup>st</sup> – Actual total operating expenses are \$251,700 versus budget of \$268,000 for a favorable variance of \$16,300.
- M&R– Plumbing July 12<sup>th</sup> – Recent water break affecting Units 15203/15103 near Bldg. 14 cost \$1,050; July 18<sup>th</sup> – Inspection \$90 to check for water leaks/nothing found; July 22, water main break Bldg. 14 cost \$2,012,(Sunday morning after hours rate) repaired by 007 Plumbing, LLC.
- Net operating income YTD \$92,000 actual versus budget of \$64,000 for a favorable variance of \$28,000
- Capital expenditures– July \$693 Landscaping Olsson Assoc, and Bates Asphalt Resurfacing \$28,000; August LC Angiolini Custom erosion project completed <\$14,000. Total Non–operating expenses YTD are \$73,100 actual vs. budget of \$59,100 for an unfavorable variance of (\$14,000).
- Total cash (Including \$100,000 CD) is \$743,700 as of 8/31/2012 a decrease of \$24,000 from July 1<sup>st</sup>.

The annual reserve study draft for 2013 from Association Reserves was received yesterday and will be reviewed this week. Susie will update the Board when review of the draft is complete. Based on the initial review, the Key card system is included in the reserve study components to be funded.

The Finance Committee will begin 2013 budget discussions in mid–October. Brianne will provide a proforma budget consisting of actual results through September 30<sup>th</sup> and projected annualized results to year end. Our 2012 budget included an audit of our 2011 financial records and Susie discussed budgeting for a 2012 review instead in the 2013 budget. Brian and Chris are open to going with a review of our 2012 financial records. Susie will request from our audit firm a review fee quote before the next board meeting.

**Landscaping Committee Report – Presented by George Lord**

Carol LaCroix, LC member, first presented to the board an overview of the budget. Actual landscaping costs \$15,000 to date are in line with (slightly lower) than the budget. Also, the \$2,500 budget for sidewalks has not been used yet. With no questions, from the Board, George then took over the presentation.

Since the beginning of the year, the LC has worked extensively with Chula Vista Landscaping to bring their work up to the standards expected. The LC is extremely dissatisfied with Chula Vista and by unanimous decision propose to the board ending our contract with Chula Vista effective 9/20 with a 30 day notice and engaging Complete Landscaping (our runner-up from last year) effective 10/20.

Reasons for ending Chula Vista contract:

- Have to micromanage CV employees
- Monthly cost of \$3,000 higher than Complete Landscaping's monthly cost of \$2,810 and includes fewer tasks than the Complete Landscaping contract would
- Lawns not maintained well; weeds throughout the lawn
- Does not work effectively with the checklist provided to them by LC
- Winter rye increased \$500 whereas LC found other companies only increasing \$100

Reasons for wanting to switch to Complete Landscaping:

- They perform audits of their work; property inspected each week to checklist
- Tailored presentation; custom checklist; and complete information including sample contract, names and phone numbers provided.
- 3 references checked by drive by and discussion with two of the property managers
- Complete Landscaping would do initial irrigation inspection for \$500
- First complete week of operations is free. They will provide two crews to bring property up to their standards.

Chris commented that based on the information provided, Boulder Canyon would save approximately \$5,600 annually by going with Complete Landscaping. Chris asked if the LC would also be using Complete Landscaping to assist in moving rocks like Chula Vista had done for the erosion project. George responded that the initial swale cleanout for degraded conditions would be charged a one-time fee for work performed. However, after the initial work is performed the continuing maintenance would be included in the contract after initial costs for initial clean-out.

George recommended not paying Chula Vista for October until the last day of the contract so they complete their work. Carol requested approval to use Complete Landscaping (CL) for the winter rye grass planting and noted that CL can be flexible on their start date, so that we are not being double charged during the 30 days' notice with Chula Vista.

Brian agreed with the LC recommendation and Susie seconded. Chris then stated that we have agreement from the board. The board hereby approves terminating our contract with Chula Vista effective 9/20 with a 30 day notice and engaging Complete Landscaping effective 10/20 and delaying the winter rye planting until Complete Landscaping can perform this for a cost of approximately \$1,250.

LC also brought up placing large flower pots on half circle in front of clubhouse where the curb is elevated. The board likes the idea, but would like to see the final cost (pots, irrigation lines) first before making a decision.

### **Old Business – Chris Ferril**

Chris discussed the following items:

**Speed Limit/ No Outlet Signage** – Installation of no outlet signs by buildings 14, 17 & speed limit signs by buildings 9; Additional speed limit sign to be placed near building 2 – exact placement TBD when Chris gets back.

**Painting of Curbs by Clubhouse (Restricted Parking)** – After discussion from the Board and input from the audience the clubhouse curbs are to be painted to identify the spots as NO OVERNIGHT PARKING, three of the spots to be 15 minute parking and three of the spots to remain sales office parking.

### **Garage Assessment Decision**

Chris gave an overview of the steps taken by the board in addressing the garage assessment question presented by David Heine. Mr. Heine demanded that the HOA pay for an attorney to obtain a legal opinion

as to whether or not the garage owners should be assessed separately for repairs and maintenance to their garages. The board relented and obtained a legal opinion. Once the opinion was received, the garage issue was directed to the finance committee to utilize the attorney opinion and perform research and due diligence to provide some direction to the board. The FC did submit their recommendation along with their research to the board and that information was distributed to all homeowners requesting their input on the FC recommendation.

Chris announced that the board received 13 homeowner responses, 11 for the FC recommendation and 2 against.

Two homeowners did include a caveat that they believe there should not be any change to the current assessment structure, and any garage repairs /maintenance are the responsibility of the HOA as a whole, as was explained to them when they purchased their unit and garage. Chris identified the homeowners for and against the FC recommendation by name and unit number.

Chris asked the board if we have a motion on this issue. Susie made a motion that the Board accepts the Finance Committee's recommendation that there be no additional monthly or annual assessment to the garage owners and instead garage owners will be charged on an as-incurred basis. Brian seconded the motion, and Chris asked if there is any discussion that the board wants to enter into regarding this and the board said no. Chris then asked if any audience members would like to provide any input before the board votes on this motion.

From the audience:

George Lord asked for clarification that the motion applied to garage owners and not to all homeowners. Susie stated yes that "garage owners will be charged on an as-incurred basis".

Hugh Mosher commented that he was opposed as the square footage for units was not considered to determine to calculate the HOA dues, so why should it be done that way for the garages? When he purchased the garage he was under the impression that the HOA dues were to cover all expenses as stated in the CCR's.

George Lord commented that Mr. Mosher's opposed vote would change the votes for the recommendation down by one. Chris moved Mr. Mosher's vote from yes to no. Accordingly, the final count is 13 homeowner responses, 10 for the FC recommendation and 3 against. Chris commented that Mr. Mosher's response includes the same caveat noted above from two other homeowner responses.

Mr. Mosher asked for additional background on why this topic was being put before the board. Chris responded that the issue was originally brought up by Mr. Heine because of the exact interpretation of the CC&R's that Mr. Mosher brought up. The board initially reviewed the CCRs and it was the opinion of the board that no further action be taken with respect to the issue. Mr. Heine insisted that an attorney opinion be obtained. The board engaged an attorney at the expense of the HOA and pursuant to Mr. Heine's request. It was determined the garages were a limited common elements owned by a fraction of homeowners. (60 garages and 240 condominiums). Therefore, garage owners need to be assessed in some form, so the board is trying to balance out the best way to act since they are still receiving emails from Dave Heine.

Hugh Mosher commented he would rather pay a monthly fee as he works from a monthly budget. Susie provided an explanation of the costs contained in the worksheet that was distributed with the FC recommendation and outlined the FC's best cost estimate of what it would take to repair the garages which would not be a large amount.

Mr. Mosher additionally asked for clarification of who is responsible for garage doors. Chris explained that if a garage door is damaged it is the owner's responsibility to repair and not the HOA. The structure, stucco, trim and roof are considered limited common elements but the doors and interior of the garages are the responsibility of the owners.

With no other input from the audience, Chris directed this vote to the board. All in favor of accepting the motion responded with aye with no opposition. The motion is approved to accept the FC's recommendation unanimously.

### **New Business**

**Board Vacancies** – Chris stated that we had two board members submit their resignations from the board, Bill Siegel in July and Larry Moore in August. Our bylaws state that the remaining board members may appoint replacements to fill the vacancies for the remainder of the board member's term which in this case

would be until our next annual meeting in March 2013. Both Bill and Larry's board terms were to expire in March.

The good news is that one homeowner, Kurt McMillen has come forward and expressed his willingness to serve on the board. We have two vacancies, however, our bylaws do allow for the board treasurer to hold both positions that of treasurer and secretary. Because of the lack of candidates stepping forward, there are two items in front of the board. The first is the appointment of Kurt to the board. Motion made by Brian and seconded by Susie to appoint Kurt to the board.

Chris asked the audience for any input on the motion. George Lord expressed his willingness to fill in the vacancy till the annual board meeting so that the board does not have an issue with Arizona meeting quorum requirements.

With no other input from the audience, Chris directed the first item to a vote from the board. All in favor of appointing Kurt McMillen responded with aye with no opposition. The appointment is approved and we welcome Kurt to the board.

As to the second vacancy, Chris noted that there is a motion put forth from George offering to fill the second vacancy until the annual meeting. Brian seconded the motion and Susie agreed. No input from the audience. Board approved appointment of George Lord to the board and we welcome George. Chris thanked George for stepping forward to help with our quorum issue.

**Clubhouse refrigerator**– The refrigerator is not working and Chris discussed whether we should repair the high end refrigerator or purchase a lower end refrigerator. The board needs more information before deciding on repairing the unit or purchasing a new one. Requested warranty information for replacing the compressor in the existing unit.

**Clock for pool area** – Homeowner requested a clock so that we can be more aware of the time, especially the 11:00 PM lockdown deadline for exiting the pool area. Chris researched a large waterproof clock for \$75 at the SafetyEd website and the board approved ordering the clock. The clock will be installed upon receipt.

**Clubhouse Cleaning Service** – Chris asked Brianne Hansen to lead this discussion. Brianne and Jodi are unhappy with the quality of work provided by Super Cleaning, our current service provider, and have requested proposals. Brianne commented that Super Cleaning has not provided a proposal as requested from PAMCO. Brianne went over the two other cleaning proposals from Environmental Control and Paradigm Janitorial Services. Cleaning services are month –to –month and do not entail an annual contract. Board approved terminating cleaning services with Super Cleaning and engaging Paradigm Janitorial Services. Brianne will check references and confirm that Paradigm is licensed and bonded.

**Clubhouse Rental**– This has been brought up previously. A policy for renting out the clubhouse had been assigned to a board member that has resigned. Chris has drafted a clubhouse packet (rental policy/rules & regulations/rental request) and will enlist volunteers to review when Chris is back at Boulder Canyon in two weeks.

**Moisture meter** – Tom Martinez has researched and would like to purchase a moisture meter for the HOA. This device will be beneficial in identifying water problems inside bldg walls before a major break. Board approved purchase.

**Board meetings**– We are looking at time periods and frequency of board meetings and will need input from our newly appointed board members Kurt McMillen and George Lord as to their availability.

### Call to Audience

Barbara Williams stated that she has observed outside people throwing large black trash bags in the dumpster by building 14 and the dumpster smell is very bad; speed limit signs are needed as speeding is still occurring & not slowing down for speed bumps; need more handicapped spots as the one spot at building 14 is being used by one person all day; sales office open sign on weekends when no one there.

- In house maintenance to ensure that all dumpsters are thoroughly cleaned
- Speed limit signs have been installed
- There are no additional free spaces in the vicinity of Bldgs 10–14 available to convert to handicapped
- Brian will follow-up on office signage issue

Marcy Fralick commented that the recycling bin by buildings 12 & 13 continues to be contaminated by trash being dumped in the bin; recycling signs have been posted; teenagers have been observed jumping over the pool wall by moving chairs to the wall by the fountain.

Carol LaCroix asked for the name of the attorney used for the garage legal opinion and whether we could post the legal opinion on the website. The board noted that the legal opinion was obtained from our HOA attorney, Carolyn Goldschmidt, and that we are unable to provide the full legal opinion, only an excerpt, as otherwise violates the attorney/board confidentiality agreement. The excerpt was included in the May minutes.

Carol also asked about the telephone in the pool and whether it could be utilized to contact Paul Ash Mgmt. Chris responded, yes, the phone number is printed on the emergency phone signage.

There were no further questions from the audience.

Chris noted that since the November 21<sup>st</sup> board meeting would fall the week of Thanksgiving, we expect to move our next meeting up one week to Wednesday, November 14<sup>th</sup> at 6:00PM AZ time. We will get the meeting schedule published to the website and bulletin board.

George Lord made a motion to adjourn, Susie Sundsby seconded and the meeting was adjourned at 7:50PM AZ time.