

The Foothills Clusters Homeowner Association
MINUTES - BOARD OF DIRECTORS MEETING

Date/time: September 12, 2016 at 6:30 p.m.

Location: Catalina Foothills High School, House #1, Seminar Room

1. CALL TO ORDER/ROLL CALL

- A. The meeting was called to order at 6:32 p.m.
- B. Roll call

Board Member	Present	Absent	Proxy
Aletha Kalish	X		
Bob Newcomb			X
Brian Bickel			X
Dave Spire		X	
Donna Sanders	X		
Laura Sheets	X		
Tim Strong	X		
Pat Tapke	X		
Open			

- C. A quorum was present.
- D. The next board meeting will be held on Monday, October 3, 2016 at Catalina Foothills High School, House #1, Seminar Room.
- E. Aletha announced that due to health concerns David Spire has tendered his resignation from the Board effective immediately.

2. APPROVAL OF PRIOR MEETING MINUTES

- A. Motion to accept the Minutes of the August 1, 2016 Board Meeting was made, seconded and passed.

3. PRESIDENT'S COMMENTS

Aletha Kalish welcomed members attending the meeting and introduced herself as President of the HOA, a long-time resident of Foothills Clusters and a realtor. Aletha indicated that during her tenure as President, her goal has been to get the roads repaired and update the governing documents. She believes we need a grass roots effort to amend the governing documents to allow for borrowing money to fix the roads. She believes that repairing the roads will protect the value of our homes and improve the safety of people who are walking and riding bikes on the private roads.

4. TREASURER'S REPORT

In Brian's absence, Aletha reviewed the attached BALANCE SHEET as of 8/1/2016, A/R AGING SUMMARY as of 8/1/2016, and TRANSACTION LIST for August, 2016.

- A. Motion to accept Treasurer's report was seconded and passed.
- B. Discussion regarding alternative investment options offering a higher yield for the HOA funds currently held in Wells Fargo savings account including Capital One CD which is currently paying 1.5% and Prudent

Investor's Network, an investment firm used by the Pima County Public Fiduciary, was tabled until the October meeting.

5. COMMITTEE REPORTS

A. Architectural Control Committee with CC&R Enforcement:

1. Report attached.
2. In Bob's absence Pat read the memorandum from Carolyn Goldschmidt, Esq. regarding White Roofs in Foothills Clusters and the Suggested First Letter to Owners with White or Near-White Roofs. Motion to allow the CC& R committee to send these letters to homeowners that we identify as having white or near-white roofs was made, seconded and passed 5 in favor and 1 against.
3. Because members of the Board did not feel they had had sufficient time to review the updated version of the Architectural Control Policy and Guidelines, discussion of this matter was tabled until the October, 2016 meeting.
4. The next two items on the report required no action by the board.
5. The fifth item on the report involves a pet that reportedly has been off-leash and off of the property of the owner. Neighbors have expressed concerns about the safety of the dog and that the dog has on occasion, chased motorcycles. The pet owners, Bruce and Becky Yim and their daughter, Zoe, were present at the meeting. Bruce and Becky indicated they are aware that the dog gets out of their property when they are not home and described in detail the measures they have taken to try to keep the dog in their house including purchase of several kennels and security doors and windows but the dog still has managed to get out. They tried an electric fence outside with no success and are currently investigating 'coyote rollers', increasing the height of their fence and installing a fenced dog run in their yard as possible solutions to the problem. It was noted that all three options would require ACC application and approval. It was further noted that that Pima County has an ordinance that requires the owner of a dog to confine the dog in an enclosure or on a leash. Discussion followed as to the applicability of Section 7 of the CC&Rs which reads in part as follows: "The Declarant or the Association, their successors or assigns, shall have the right to order the removal from any Lot of any bird, fowl, or animal which may be objectionable to any of the residents of the adjacent property. The owner of said bird, fowl, or animal shall immediately remove the same from the premises upon receipt of written notice." It was noted that to date the Homeowners' Association has not receive a complaint from any adjacent property owner, however it was suggested that we send a letter to the pet owners expressing our concerns about the dog not being confined or leashed and confirming that the pet owners have assured the HOA that they are moving forward with measures to successfully confine the dog. Question was asked as to whether we should ask our attorney if such a letter would release the HOA of any liability related to this matter. It was agreed, with one exception, that the CC&R

Committee should not act to enforce that all pets be contained on their property as an interpretation of the CC&Rs in cases such as this, however there was consensus to send a letter to the pet owners as previously stated.

6. Laura Sheets stated that she was not comfortable visiting the homeowner with the standalone car cover observed at 3845 E. Mount Kimball and that a letter should be sent to the homeowner indicating this structure is out of compliance with Article V of the CC&Rs.
7. It was agreed that establishing a procedure/process whereby the CC& R committee periodically checks the neighborhood for violations would be reasonable and prudent and in line with the duty to enforce the governing documents equally and not selectively.
8. Bob was asked to contact the HOA attorney and get clarification as to whether there is an applicable Arizona statute and if so, what is the applicable time frame at the August meeting. This matter is tabled until the October, 2016 meeting.

B. Landscape & Roads Committee:

1. Report attached.
2. Brief review of history of roads rehabilitation/renovation project was presented for members in attendance at the meeting. The Board has directed the Roads Committee to move forward with Option 3 as presented in the PSOMAS Engineering Assessment. The association has approximately \$575,000 in liquid assets which is about one-half of the estimated total cost of the project (Option 3). In order to pay for the project and allow for a 'Reserve Fund', the Roads and Finance Committees determined that the Association will either need to initiate a special assessment of the members or borrow the funds. The Committees are pursuing borrowing the funds which will require the following three steps: (1) an amendment to Article XI of the Articles of Incorporation which currently reads, "The highest amount of indebtedness or liability, direct or contingent to which the corporation shall subject itself at any time is FIFTY THOUSAND DOLLAS (\$50,000.00)." to delete/remove this section of the Articles; (2) an amendment to Article VII, Section 2(g) of the By-Laws which currently reads, "The Board of Directors shall borrow money for any reasonable purpose after the approval of seventy-five (75) percent of the Members." to reduce the percentage required for approval from 75% to 50%; and (3) an action by written ballot pursuant to A.R.S. §10-3708, to obtain the approval of 50% of the members to borrow up to \$750,000.00.
3. An alternative plan for financing the roads without borrowing money or initiating a special assessment has been presented to the Board and the Roads and Finance Committees by Pat Tapke. The plan would require that the work be done over three years. A copy of the plan with explanation related to the calculations is attached. A discussion as to whether the plan should be reviewed by a professional road engineering firm or by a professional accountant

followed. The Roads Committee would like to pursue the current option for borrowing the funds at this time.

4. The Roads Committee is getting bids to clean up the entrances and trim trees.
 - C. Business Process Committee: No Report – see discussion under Roads Committee.
 - D. Communications Committee (No Report):
 - E. Nominating Committee: No Report.
 1. Pat received no response from the article in the Summer Newsletter asking for volunteers to serve on the Board or on the Nominating Committee. Pat made a motion to allow the committee to spend up to \$200 to mail an appeal to members asking for volunteer to fill open positions on the Board and/or to run for open seats in November and/or to serve on a committee. The motion was seconded and passed.
 - F. Welcoming Committee: (No Report)
 1. Pat is in the process of putting documents together for a welcoming packet.
 2. The date for the Fall Social will be October 22, 2016 at 2:00 p.m. Aletha agreed to take on organizing the event with the assistance of Tim Strong and Pat Tapke.
 - G. Finance Committee (No Report) – See discussion under Roads Committee.
6. OLD BUSINESS
- A. Questionnaire – no discussion.
 - B. Review committee job descriptions and goal – Tabled until the October meeting.
 - C. Status of Administrative Assistant – Tabled until October meeting.
 - D. Status of annual meeting with attorney. Tabled until December meeting.
7. NEW BUSINESS –
- A. Roaming dog – see discussion under ACC & CCR committee reports.
 - B. Feeding wildlife – Pat will write an article for the Fall Newsletter.
 - C. Speeding – Discussion about the ongoing problem.
8. MASTER ASSOCIATION
- A. Dan has not yet sent the report to Aletha for distribution to all Foothills Clusters Board members.
 - B. Master Association Board Members terms – Joe Mucenski indicated that the governing documents do not set the terms for the Master Association Board members. Discussion regarding the Master Association revised By-Laws
9. The meeting was adjourned at 8:30 PM.
10. ATTACHMENTS: (TBD)