

The Foothills Clusters Homeowner Association
MINUTES - BOARD OF DIRECTORS MEETING

Date/time: October 3, 2016 at 6:30 p.m.

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

1. CALL TO ORDER/ROLL CALL

- A. The meeting was called to order at 6:37 p.m.
- B. Roll call

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

- C. A quorum was present.
- D. The next board meeting will be held on Monday, November 7, 2016 at Catalina Foothills High School, House #1, Seminar Room.
- E. The 2016 Annual Membership meeting will be held on Sunday, November 6, 2016 at 2:00 p.m. at Catalina Foothills High School, House #1, Seminar Room.

2. APPROVAL OF PRIOR MEETING MINUTES

- A. Motion to accept the Minutes of the September 12, 2016 Board Meeting was made, seconded and passed.

3. PRESIDENT'S COMMENTS

Aletha Kalish welcomed members attending the meeting and indicated that she is pleased with progress being made on moving the road project forward and that member, Dale Prescott had asked to address a comment to the Board at this time as he needed to leave to attend another meeting.

The floor was turned over to Dale Prescott who announced that a home at 3401 E. Guthrie Mount has recently been placed on the market and it is Mr. Prescott's opinion that the home has a white roof. Aletha Kalish, who is a realtor, indicated she has spoken with the homeowner who assured Mrs. Kalish that the roof is desert tan and that she has a receipt supporting her assertion. The CC& R Committee chairperson will check out the situation and if necessary, send the appropriate violation letter.

4. TREASURER'S REPORT

Brian reviewed the attached BALANCE SHEET as of 9/30/2016, A/R AGING SUMMARY as of 10//2016, and TRANSACTION LIST for September, 2016.

- A. Motion to accept Treasurer's report was seconded and passed.
- B. Brian reported that he checked out Prudent Investor's Network, the investment firm used by the Pima County Public Fiduciary and found that this is an investment account that has no FDIC or other guarantees and accounts are subject to market fluctuations. Brian indicated a strong aversion to considering any investment options for HOA funds where there was a risk that the principal investment can decline in the value. Brian will check out details related to a CD offered by Capital One which is reportedly paying 1.5% and report to the board at the November meeting.

5. COMMITTEE REPORTS

A. Architectural Control Committee with CC&R Enforcement:

1. Report attached.
2. Bob reported that the committee is in the process of identifying homes with white or near-white roofs and letters will be sent to all homeowners determined to be in violation of the CC&Rs.
3. The final draft of the Architectural Guidelines were reviewed and there was consensus among the board that the document should be made available to the members for review and comments. Motion was made, seconded and passed to post the draft Architectural Guidelines on The Foothills Clusters website and include an article in the upcoming Newsletter notifying members that the guidelines are available on the website. Hard copies will be available for distribution at the Annual Membership meeting.
4. The Board went into Executive Session to discuss the non-compliant fence at 3732 E. Guthrie Mountain. The property in question belongs to board member, Brian Bickel. Mr. Bickel recused himself from inclusion in the Executive Session. Bob gave a brief summary of the history of the non-compliant fence and efforts over the past three years to resolve the situation. The fence is a wire fence that was installed without Architectural Control Committee approval under the previously removed Board in 2013. Acting on complaints about the fence from neighbors, several members of the Architectural Control Committee have tried to work with Brian to remove or camouflage the fence with no satisfactory resolution. In August, 2016 the Board voted to direct the ACC/CC&R committee to send Mr. Bickel a letter indicating the fence was not in compliance. Bob sought the advice of the HOA attorney with drafting the letter and the attorney recommended arbitration. Motion was made, seconded and passed to set a date (after the election on November 8th) for arbitration at the attorney's office.
5. Pat Tapke reported that a letter was sent to Bruce and Becky Yim on September 29, 2016. The Board feels they are doing what they can to resolve the issue.

6. Bob reported a letter of non-compliance will be sent by the end of the week to the homeowner at 3845 E. Mount Kimball regarding standalone car covers.
7. In response to a question from the Board, Bob checked with the attorney and reported that the CC&Rs are considered a contract and a violation of the CC&Rs is a breach of contract. The statute of limitations for a breach of contract is four years from the date of the breach.
8. Bob indicated that his term us up as of the annual meeting and he will not serve another term. Arizona Revised Statutes require that the chairperson of the architectural committee be a board member so he will not be able to chair the ACC/CC&R committee.

B. Landscape & Roads Committee:

1. Report attached.
2. Discussion of the various options for financing the road repairs and procedures that need to be followed to change the governing documents to allow the Board to borrow necessary funds. Brian will check with the attorney for clarification as to whether changes to the Articles of Incorporation and the By-Laws require a petition or a ballot and get specific instructions as to how to move forward on this issue.
3. Several board members believe it is important at this time to get bids for the road work so we have a firm idea of the cost in order to determine how much money needs to be borrowed and whether the alternative 3-year plan is feasible. It was reiterated that if the cost for obtaining bid(s) exceeds \$15,000, members would need to be notified and given an opportunity to comment on the expenditure pursuant to Article VII, Section 3 of the Amended By-Laws.
4. Clean up of the entrances is scheduled for October 13 and dumpsters are scheduled for November 11-13 and 18-20, 1016.

C. Business Process Committee: No Report – see discussion under Roads Committee.

D. Communications Committee (No Report)

1. Bob is in the process of putting the fall Newsletter together. The deadline for submitting articles, announcements, etc. is October 6, 2016.

E. Nominating Committee

1. Report attached.
2. Pat received no response from either the article in the Summer Newsletter or the special mailing sent in September, 2016 asking for volunteers to serve on the Board or on the Nominating Committee. Pat will write an article for the fall Newsletter.
3. Tim Strong resigned from his current term on the Board which would expire on November 6, 2016. A motion to appoint Tim Strong to the open position on the Board with one-year remaining

(expiring November, 2017) which was vacated by Dave Spires was made, seconded and passed.

F. Welcoming Committee: (No Report)

1. Aletha is organizing the Fall Social which will be held on Saturday, October 22, 2016 at 2:00 p.m.
2. Pat has made no progress in organizing welcoming packet.

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 November meeting.
- C. Status of Administrative Assistant – Tabled until November meeting.
- D. Status of annual meeting with attorney. Tabled until December meeting.

7. NEW BUSINESS – None

8. MASTER ASSOCIATION

- A. The Master Association will hold their annual members meeting on Wednesday, December 7, 2016 at Manzanita Elementary School. Time and room location to be announced.
- B. The Master Association currently has 7 members.

9. The meeting was adjourned at 8:31 PM.

10. ATTACHMENTS: (TBD)