

**The Foothills Clusters Homeowner Association**  
**MINUTES - BOARD OF DIRECTORS MEETING**

Date/time: May 2, 2016 at 6:30 p.m.

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

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1. CALL TO ORDER/ROLL CALL

- A. The meeting was called to order at 6:33 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		
Irene Barg	X		
Laura Sheets			X
Pat Tapke	X		
Tim Strong	X		

- C. A quorum was present.
- D. The next board meeting will be held on Monday, June 6, 2016 at 6:30 p.m. Village Inn, 6251 N. Oracle Rd.

2. APPROVAL OF PRIOR MEETING MINUTES

- A. Motion to accept the Minutes of the April 4, 2016 Board Meeting was made, seconded and passed.

3. PRESIDENT'S COMMENTS

Aletha expressed gratitude to the Roads Committee for all of their efforts to provide the board with information that the board can rely on as we move forward with repair of the common area roads. Aletha urged the members of the board to work together to agree on a decision that will allow us to act in the best interest of the association to repair and maintain the roads.

4. TREASURER'S REPORT

(BALANCE SHEET as of 5/02/16, A/R AGING SUMMARY as of 5/02/16, CHECK DETAIL for April, 2016 and BUDGET OVERVIEW for January – December, 2016 attached)

- A. Motion to accept Treasurer's report was seconded and passed.
- B. The BUDGET OVERVIEW for January – December, 2016 was reviewed, questions answered and the budget will be amended to include expense for meeting room rental. Motion to approve the budget with correction was made, seconded and passed.

5. COMMITTEE REPORTS

- A. Architectural Control Committee with CC&R Enforcement:
  - 1. Report attached.

2. Discussion of fence at Lot 241, 3732 E. Guthrie Mountain. Brian Bickel will provide complete information regarding fence material to the committee.
  3. Letter to homeowners with white roofs has been submitted to attorney for review. Will report on attorney comments at June meeting.
  4. The homeowner at 3778 E. Marshall Gulch has not submitted an architectural change request for improvements that are being made to the exterior of the property. It appears that so far everything that has been done would have been approved by the committee but it would be a good idea for approval of the changes to be a part of the association lot file. The committee will continue to monitor the work.
  5. Motion to accept Architectural Committee report was made, seconded and passed.
- B. Landscape & Roads Committee:
1. Brian Bickel met with Naomi Romano at Pima County regarding creation of a special taxing district. Brian reported that because our cul-de-sac streets do not meet the county standards, our subdivision would not be eligible to create a special taxing district.
  2. Irene indicated the Roads Committee had met and was requesting that the board support option 3 as presented in the Psomas Roads Rehabilitation/Renovation Project Report.
  3. Discussion of the various options and financing of the financial shortfall for options 3 followed. It was noted that the association has the financial resources to pay for Option 2 (overlay 1-1/2 " on existing pavement) without borrowing money or levying an assessment, however the Psoma report indicates that although this option will improve the ride quality for the first five years, reflective cracking will begin between 3 to 5 years after 1-1/2" overlay and that the pavement will return to the state it is today in year 9. This option will raise the height of the streets by 2-1/2". The cost of raising the utilities manholes is included in the cost estimate. Option 3 (remove and replace existing asphalt pavement and pave with 2.5 inches of asphalt) would require an assessment to be levied on the homeowners to pay for the shortfall between the cost of option 3 and the current resources of the association. The Psoma report indicates that performing a complete replacement will give the association a pavement design life of 20 years, but with proper maintenance FCHOA should be able to achieve 30 or more years of pavement life. **NOTE: ALL COST ESTIMATES IN THE ENGINEERING ASSESSMENT ARE FOR PAVEMENT CONSTRUCTION ONLY.** Costs associated with raising survey markers, tapering connections to existing driveways, mitigating vegetation encroachment, permit fees, etc., will not be known until we go out for competitive bids.
  4. If an assessment is required the obligation to pay the assessment becomes the personal obligation of the person who is the owner of the property at the time when the assessment falls due. Discussion followed that this imposes an unfair burden on current

homeowners who may not plan to remain in their homes in the Foothills Clusters for 20+ years to benefit from the improvements for which they are being required to pay. Noted that the improved cul-de-sac streets would be a selling point for potential purchasers of homes in Foothills Clusters.

5. If the board decides to move forward with Option 3, the board recognizes that not all homeowners will be able to pay for an assessment in a lump sum and that the association will need to borrow funds to finance the project.
6. In order to borrow funds Article XI of the Articles of Incorporation which states, “The highest amount of indebtedness or liability, direct or contingent to which this corporation shall subject itself at any time is FIFTY THOUSAND DOLLARS (\$50,000.00).” will have to be amended. Pursuant to Article X of the Articles of Incorporation, “Amendments of these Articles shall require the assent of seventy-five (75) percent of the entire membership and must be recorded.” The process to obtain signature from 75% of homeowners can be done by petition.
7. If a petition is to be circulated by the board asking homeowners to approve a change to the Articles of Incorporation, the board will need to have a cost estimate of the proposed project. Motion to move forward with bid specs for options 3 and 4 if the cost is not in excess of \$3,000 was passed at the April 4, 2016 meeting, however the committee determined that the cost would be much higher than anticipated and that the bid would only be good for 60 days. The committee agreed that obtaining a bid at this time is premature.
8. Brian Bickel indicated that it will take approximately 30 to 60 days to create the petition, obtain a reasonable informal cost estimate and begin circulating the petition.
9. Motion to change the Articles of Incorporation to allow the board the ability to exceed current borrowing cap up to \$750,000 to pay for road improvements was made, seconded and passed. The vote was 8 in favor of and 1 against the motion.
10. Distribution and discussion of a survey of the neighborhood streets prepared by Bob Reuss will be tabled until the June meeting.

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

D. Communications Committee (No Report):

1. The spring newsletter was submitted to the printer and should be mailed within the next week.

E. Nominating Committee: No Report.

1. Table until June meeting.

F. Welcoming Committee:

1. Pat emailed a draft job description for this committee to all board member and asked for feedback.

G. Finance Committee:

1. Review of the 2016 Budget complete. See Treasurer's Report.

6. OLD BUSINESS

A. Neighborhood cookout.

1. A community get-together/cookout is being planned as a community builder for Saturday, May 21, 2016 from 4:30 pm to 7:30 pm. An article about and invitation to the cookout will appear in the upcoming newsletter and will be posted on Next Door and the Foothills Clusters website. Aletha has arranged for donations of food (hot dogs, buns, condiments), will supply the grill and music system, a table and some chairs. Additional tables and chairs will be needed. Drinks, plates, napkins, etc. will be purchased. RSVP to the president's email.

B. Questionnaire – The communication committee will continue to work on a questionnaire with the intention of incorporating the results into the plans and goals of the association.

C. Pat has a company that might be able to help with administrative support but has not yet been able to speak with the person in charge. She will continue to follow up.

7. NEW BUSINESS – None

8. MASTER ASSOCIATION

- A. Master Association anticipates having a financial report by the June meeting. All associations have paid their assessments to the Master Association at this time.

9. The meeting was adjourned at 8:22 PM.

10. ATTACHMENTS: (TBD)