

San Ignacio Vistas, Inc.
Homeowners Association
Minutes Board Meeting
November 1, 2004

Approved by the Board December 6, 2004

Present: Marianne Bishop, Doug Cameron, Robert Cohen, Gorman Fisher, Linda Gregory and Ron Sorenson George Jones, chair of MC, Susan Trecartin, chair of AC, Marcia Lucas, Communications Committee. Two homeowners were present. The meeting was called to order at 9:00 AM and proceeded using the agenda as published.

1. Reading of the Minutes

Minutes for the October 4, 2004 Board Meeting were delivered to the Board prior to the meeting. The minutes were unanimously approved as distributed.

2. Officers' Reports

a. Secretary

- Solicited changes from homeowners for the GVCCC phone directory; received 22 changes and/or additions to homeowner information and transmitted these to LMR to update our database
- Mail from lots 45, 71 and 83 has been returned as undeliverable.
- LMR advised that we must participate in the CondoCerts program. We were assured that this program is only for "resales" and that if homeowners need copies of documents they will be billed at ten cents per page.
- I revised the "Welcome Letter" LMR was sending to new homeowners and requested that this file be locked so that it cannot be changed without our approval.
- In response to a request from a new homeowner, sent budget and reserve information as well as a copy of the 2003 audit.

Discussion regarding CondoCerts raised the following questions:

1. What is the turn-around time between notification from CondoCerts receiving a request from a realtor/homeowner to getting the required documentation in the mail?
2. Is the package being sent certified, return receipt? (SIVHOA preference)
3. Is it possible for LMR to alert us when they receive requests from prospective purchasers? Possibly an email with the lot and new buyer's name and address and the date you mailed the material would suffice. This information could also be part of the monthly report.

These questions will be forwarded to LMR and hopefully we will have an answer before the next board meeting.

b. Treasurer

The Treasurer presented the Statement of Financial Condition as of 10/31/2004. A motion was made and seconded to accept the report subject to audit, and it is included as "Attachment A" to these minutes.

The Treasurer presented the 2005 Planning Budget ("Attachment B"). The budget will require an increase in dues for 2005 from \$307 to \$314 which is in line with the CPI. Many questions were answered about justification for expenditures as well as work planned for the coming year.

Bob Cohen moved to accept the budget as presented as well as 2005 dues of \$314. Gorman Fisher seconded and the 2005 Budget was unanimously approved.
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c. President

- At the October meeting it was stated that the HOA could not hire an unlicensed contractor if the project was more than \$750.00 and we would not be able to hire La Sierra Ranch. However, since that meeting, I have called the Arizona Registrar of Contractors and have learned that La Sierra Ranch does not need a license for the kind of work they perform. A landscape contractor working in the soil must have a license if the job is more than \$750.00. All of La Sierra Ranch's work is done above the ground.
- In the last few weeks I have had the opportunity, as has Marianne Bishop, to participate in training sessions offered by GVCCC at no charge to the Association. These training sessions were for the positions of secretary, treasurer and president. Both of us found them very helpful. In addition, GVCCC held a Presidents' Meeting where presidents had the opportunity to share their problems and solutions with each other. It was suggested that the Presidents' Meeting be held twice a year.

3. Committee Reports

a. Maintenance Committee

George Jones presented the report which is attached to these minutes as Attachment "C".

(1) Removal of Volunteers in Interior Common Area Project Request

An estimate from Felix to remove volunteer trees on interior streets was presented in October. Because there was only one bid the MC was asked to get two more bids and bring this request to the November meeting. Since the project is so small the MC contacted other arborists but was unable to obtain any other bids. Linda stated that these trees are continuing to grow and if we wait much longer the cost will escalate.

Gorman Fisher made a motion, seconded by Ron Sorenson to accept the bid of \$679.00 submitted by Felix Landscape Designs. (Attachment "D") Vote: all yes, except Doug Cameron who voted no

(2) Volunteer Removal in Perimeter Common Area Project Request

An estimate was received from Felix to remove volunteer trees on perimeter streets. This work is within the amount budgeted. Linda expressed the same concern for this project as for the Interior Volunteers.

Gorman Fisher made a motion, seconded by Ron Sorenson to accept the \$1,263 bid submitted by Felix Landscape Designs. (Attachment "E") Vote: all yes, except Doug Cameron who voted no

(3) Curb Reflectors on HOA Streets Project Request

A request from Gorman Fisher was made to install curb reflectors on SIVHOA streets to improve night time visibility and safety since we have no street lights. The only cost would be materials as Gorman has volunteered his labor to do the installation.

Doug Cameron made a motion, seconded by Bob Cohen to approve the expenditure of \$800 (Attachment "F"). Vote: all yes

(4) Maintenance Company Contract for 2005

George Jones presented a contract comparison chart (Attachment G). It is believed that Groundskeeper would provide better service with less micro-management. The MC is drafting a

contract and Ron Sorenson volunteered to work with the committee on this project for presentation at the December board meeting. Thirty day notice will be given to Felix Landscaping.

The Committee is in the process of obtaining estimates for painting and metal work of the two Monuments.

b. Architectural Committee

Susan Trecartin reported that the committee has not met in October so she has no report.

c. GVCCC – Linda Gregory

- (1) Duval Mine Road/I-19 intersection project started November 1 and will be completed by October, 2005. Project is being done by the same company that did the Valencia/I-19 interchange which was completed on time.
- (2) The annual Household Hazardous Waste Collection will take place on Saturday, November 13 from 8am to noon at the Valley Presbyterian Church parking lot.
- (3) CERT (Community Emergency Response Team) training will take place in January. This is free training in emergency preparedness, fire safety, emergency medical operations, light search and rescue, disaster psychology, terrorism, and disaster simulation.

d. Communications - Doug Cameron

Doug asked that we emphasize the web site in the upcoming mailing; Marcia suggested making a request for email addresses in the December mailing and start building a homeowner mailing list.

e. Nominating Committee – Ron Sorenson

The Committee will prepare a mailing to be sent out in December.

4. Continuing Business

a. Maintenance Committee Revision to Common Area Rule – George Jones

This was tabled until the December meeting in order to check with our Insurance Agent regarding liability matters and the proposed language of the Rule.

b. Ramada Rules Revision

Ron Sorenson advised that Item 5 of the Ramada Rule is in conflict with the CC&Rs.

Ron made a motion to remove the requirement of approval of adjacent neighbors in item 5 because the matter is covered under Article 12.4 of the CC&Rs. The motion was seconded by Bob Cohen. After discussion; Vote: all yes

c. CC&Rs Questions and Clarifications

- (1) Bob Cohen discussed Sections 8.6 and 8.10 with our attorney, Tanis Duncan. Bob now agrees with the changes as currently proposed for Section 8.6 but has reservations about Section 8.10 -- GVR being subordinate to any SIV liens for unpaid assessments. It was suggested that we look to the original CC&Rs to see if GVR has signed consent.
- (2) Linda Gregory's question about Views in proposed CC&Rs
While reviewing the proposed CC&Rs, it occurred to Linda that Section 1.25 "Views," Section 1.26 "Visible from Neighboring Property," Section 5.2 "Views," and Section 13.9 "Views" would obligate the Association to protect the views of homeowners. She asked Tanis the following:

"In regards to the proposed CC&Rs, if the view definition(s) is/are included in the CC&Rs does it mean that the Association will be responsible for maintaining homeowners' views?" Her answer: "It depends upon the wording and whether the declaration makes it the association's

responsibility. Making the protection of views the association's legal obligation is a very bad idea."

Ron Sorenson was asked for comment and he made the following points:

"Proposed Sections 1.25 and 1.26 are merely definitions and have nothing to do with enforcement. Proposed Section 13.9, as it pertains to trees, is very similar to existing Section 13.13, except for the last sentence pertaining to materiality. Both existing Section 13.13 and proposed Section 13.9 impose duties on Members, but neither Sections deal with enforcement which can be undertaken either by other Members or the Association. But none of the Members or the Association is required to do so. Existing Section 16.1 entitled "Enforcement" provides that: "The Association or any Member shall have the right, but not the duty, to enforce ... all restrictions ... imposed by ... this declaration."

"Proposed Sections 15.1A and 15.1B continue to provide that other Owners and the Association may enforce the CC&Rs. However, proposed Section 15.1C provides that "(t)he Association is not obligated to take any enforcement action if the Board determines, in its sole discretion, that by virtue of the Association's finances, possible defenses, the time and expense of litigation or other enforcement action, the likelihood of a result favorable to the Association, or other facts deemed relevant by the Board, would not be appropriate or in the best interests of the Association."

"It seems to me that proposed Section 15.1C provides greater cover to the Board than existing Section 16.1 because it sets forth specific reasons why the Board may decline enforcement consistent with the Board's fiduciary duty."

- d. Common Areas Tree Maintenance Resolution
This item was tabled until the December board meeting.
- e. Common Area Tree Study Session
The Secretary was asked to obtain a meeting room for either the 19th or 26th of January for the second homeowner session regarding this matter.
- f. Establish a "Record Date" for homeowners eligible to vote at the Annual
Ron Sorenson reminded that in December the board should take this matter under consideration.

5. Adjournment

The meeting was adjourned at 11:20 AM.

Respectfully submitted,



Marianne Bishop, Secretary

ATTACHMENT 'A'
SAN IGNACIO VISTAS, INC.
HOMEOWNERS ASSOCIATION

Statement of Financial Condition

10/31/2004

<u>2004 Assets and Liabilities</u>	
Assets	
Operating Funds	16,164.10
Reserves (<i>Face Value</i>)	<u>142,821.87</u>
Total	158,985.97
Liabilities	
2005 dues paid in advance	-

<u>2004 Income and Expenditures</u>	
Income	
Dues	69,996.00
Operating Funds	
Interest	208.25
Reserve Interest	3,638.46
Other Income: Reserves	<u>16,956.21</u>
Total	90,798.92
Expenditures	
Operations Expenses	38,417.71
Reserve Projects	<u>71,476.34</u>
Total	109,894.05

<u>Homeowner's Reserve Equity</u>	
Total Reserve Equity	142,821.87
Reserve equity, per member	626.41

Unaudited

ATTACHMENT "B"

SAN IGNACIO VISTAS, INC. 2005 BUDGET

OPERATING INCOME

Dues	\$ 71,592
Interest Earned	225
Other	1,000
Total Assets:	\$ 72,817

OPERATING EXPENDITURES

Association expenses	\$ 3,500
Board, Officer, Committee expenses	1,200
Financial Advisory Committee Consultant	150
Insurance	3,600
Legal: Operating	4,500
Management - Professional	5,400
Management - Ancillary	3,000
Maintenance	31,000
Taxes	35
Utilities	650
GVCCC	1,254
Contingency	1,328
Total Expenditures:	\$ 55,617

RESERVE ALLOCATION \$ 17,200

Total Expenditures + Reserves: \$ 72,817

Prepared by Linda Gregory, Treasurer/President

ATTACHMENT "C"

SIV Maintenance Committee Report
November 1, 2004

Common Area Maintenance:

Felix Landscape Designs cut weeds and grass on both interior and perimeter common areas. The landscapers also raked and weeded the entrance at Camino del Sol, swept up mesquite beans along Vista Ridge Drive, and swept streets. Grasses in drain swales along Gloria View Court were cut and treated with herbicide.

New Maintenance Contract:

The MC requested proposals from four landscape companies for an annual contract to maintain the common areas in 2005. Two of the four companies that reviewed the common areas declined to submit a proposal. After careful evaluation of the proposed services, cost, and professional qualifications of the two companies that submitted proposals, the MC recommends that the SIV HOA board approve the proposal from the company that the MC believes offers the most comprehensive service at the lowest overall cost.

Numerous volunteer mesquite and acacia are growing on the perimeter common areas. It is cost effective to cut and treat these trees while small. If they are left to grow it will cost more to remove them later. Therefore, the MC submits for the board's approval a proposal by Felix Landscape Designs to cut and treat these volunteers.

Common Area Trees:

The low bidder for pruning and trimming interior common area trees to restore views, clear low branches off sidewalks and roads, thin and prune as necessary to maintain healthy balanced growth, and remove unhealthy trees will schedule the work in December, 2004. At that time selective pruning of mesquite trees at the West Monument will be performed to allow more sunlight to reach the palms, which are under stress.

ATTACHMENT "D"

**San Ignacio Vistas, Inc.
Operating Funds Project Request
for Amounts \$500.00 and Above**

PURPOSE OF FORM: The purpose of this form is to provide enough information for the Board to determine if the project should be approved.

NAME OF SUBMITTER: George Jones, Chairman of Maintenance Committee

PROJECT DESCRIPTION: Remove volunteers on interior streets. Spray with herbicide. (It is part of the agreement with Felix Landscape Services to identify unanticipated needs – P. 4 Agreement, point 5.1 which are not included in the monthly maintenance agreement.)

LIFE EXPECTANCY: What is the expected life of the project? (How long will the impact of the project be available to the homeowners?)

Maximum: requires yearly evaluation

Minimum:

ESTIMATED COST OF PROJECT:

What is the expected cost of the project?

Maximum Cost: \$679.00 (estimate submitted by Felix Landscape Designs based on an hourly basis; our costs determined by the bid, not by the hour

Minimum Cost:

What could cause the costs to increase or decrease from the estimate? Nothing.

ESTIMATED TIME TO COMPLETE: What is the estimated length of time to complete the project?

What is the expected start date? When project is approved.

PROPOSED VENDOR(S):

Who is the proposed vendor(s)? Felix Landscape Designs

How was the vendor selected? Has bidding rights per annual maintenance agreement.

Which other vendors were considered? None.

FOR BOARD USE: Operating Category to be charged: Maintenance: budgeted

Actual cost: _____ Start date: _____ End date: _____

ATTACHMENT "E"

**San Ignacio Vistas, Inc.
Operating Funds Project Request
for Amounts \$500.00 and Above**

PURPOSE OF FORM: The purpose of this form is to provide enough information for the Board to determine if the project should be approved.

NAME OF SUBMITTER: George Jones, Chairman of Maintenance Committee

PROJECT DESCRIPTION: Remove volunteers on perimeter common areas and spray with herbicide. (It is part of the agreement with Felix Landscape Services to identify unanticipated needs – P. 4 Agreement, point 5.1 which are not included in the monthly maintenance agreement.)

LIFE EXPECTANCY: What is the expected life of the project? (How long will the impact of the project be available to the homeowners?)

Maximum: requires yearly evaluation

Minimum:

ESTIMATED COST OF PROJECT: What is the expected cost of the project?

Maximum Cost: \$1,263 (estimate submitted by Felix Landscape Designs based on an hourly basis; our costs determined by the bid, not by the hour

Minimum Cost:

What could cause the costs to increase or decrease from the estimate? Nothing.

ESTIMATED TIME TO COMPLETE THE PROJECT: _____

What is the expected start date? When project is approved.

PROPOSED VENDOR(S): Who is the proposed vendor(s)?

Felix Landscape Designs

How was the vendor selected?

Has bidding rights per annual maintenance agreement.

Which other vendors were considered? None.

FOR BOARD USE: Operating Category to be charged: Maintenance: budgeted

Actual cost: _____ Start date: _____ End date: _____

ATTACHMENT "F"

**San Ignacio Vistas, Inc.
Operating Funds Project Request
for Amounts \$500.00 and Above**

PURPOSE OF FORM: The purpose of this form is to provide enough information for the Board to determine if the project should be approved.

NAME OF SUBMITTER: George Jones, Chairman of Maintenance Committee

PROJECT DESCRIPTION: Install curb reflectors on SIVHOA streets to improve night time visibility and safety.

LIFE EXPECTANCY: What is the expected life of the project? (How long will the impact of the project be available to the homeowners?)

Maximum: 5 years

Minimum: 3 years

ESTIMATED COST OF PROJECT:

What is the expected cost of the project?

Maximum Cost: \$800

Minimum Cost:

What could cause the costs to increase or decrease from the estimate? Actual cost may vary depending on the number of reflectors needed.

ESTIMATED TIME TO COMPLETE: What is the estimated length of time to complete the project?

What is the expected start date? When project is approved.

PROPOSED VENDOR(S):

Who is the proposed vendor(s)? Property owner will perform labor to install reflectors at no cost to SIVHOA. SIVHOA pays only for cost of material.

How was the vendor selected? N/A.

Which other vendors were considered? None.

FOR BOARD USE: Operating Category to be charged: Maintenance: budgeted

Actual cost: _____ Start date: _____ End date: _____

ATTACHMENT "G"

2005 MAINTENANCE CONTRACT COMPARISON

Monthly Cost	Annual Cost	Post or Pre Emergent Treatment?	Treat Desert Broom?	Treat juvenile Brittlebush?	Prune trees up to 15'?	Cut & Treat Volunteers?	Treat non-native grasses?
\$1,735	\$20,820	YES-Post	NO (\$600)	NO (\$1,200)	NO	NO (\$1,942)	NO \$1,100

Felix Landscape Design (Armando)

COMMENTS

Contract calls for grooming entranceways and removing trash, etc. monthly (except Feb., May & Nov.); herbicide treatment of sidewalks,/curb and paving in June/Aug.; removing suckers from base of trees in May/June & again in Sept.; cut interior grass/wildflowers in June/July; cut grass 6' back from curb in Aug. and behind walls if necessary; and, cut all grasses and wildflowers in Oct./Nov. (Total cost \$25,662 including cost of additional projects)

Monthly Cost	Annual Cost	Post or Pre Emergent Treatment?	Treat Desert Broom?	Treat juvenile Brittlebush?	Prune trees up to 15'?	Cut & Treat Volunteers?	Treat non-native grasses?
\$2,069	\$24,832	YES-Pre	YES	YES	YES	YES	YES

GROUNDKEEPER

COMMENTS

Weekly servicing of monument and interior common areas to ensure a consistent, well-maintained image. Servicing of monument and interior areas includes trimming trees & native shrubs to eliminate obstruction of safety views and low-hanging branches; herbicide spraying to control weeds, volunteer plants, wild grass and brittlebush, deadheading brittlebush, removing suckers from trees, removing and treating volunteer trees, apply pre-emergent herbicides in conjunction with winter and summer rains to kill weeds and extraneous volunteer plants, blow curb lines to remove debris, trash pick up 2x per month, and clean drainage channel entries. Common areas along Camino del Sol and Calle Tres weed control 2x per month and trash pick up weekly 20' from base of slope to street and cutting weeds and volunteers 10-15' back from fence walls 2x per year.] Exterior perimeters along north and east side will be maintained from fence line out 15'-30', on flat terrain Oct 1 & Apr 1 to control noxious weeds and volunteer plants.

Hot Desert Landscaping No Proposal Submitted
M.C. Felix No Proposal Submitted