

Tonto Hills Improvement Association

MINUTES  
of the MEETING of the BOARD OF DIRECTORS

Wednesday, November 14, 2007  
6:30pm- Christ the Lord Lutheran Church

The meeting was called to order at 6:40pm by President Rick Nelson.

**BOARD MEMBERS PRESENT:** Rick Nelson, Carol Landauer, Bill Victor, Denny Maple, Curt Blik, Dave Seymour, Billy Hayes, Bob Malliet

**ABSENT:** Richard Smail

**GUESTS PRESENT:** Frank Villars, Ann DiChiara, Bob Swan

- 1. ITEM OPEN FORUM:** Mr. Villars reported that the cost of a 10'-12' saguaro with no arms to replace the one knocked over by a car will cost \$1500, including planting.
- 2. ITEM SECRETARY'S REPORT:** Mr. Victor motioned to approve October 17, 2007 minutes. Mr. Maple seconded. Minutes unanimously approved.

Mr. Hayes motioned to approve November 1, 2007 minutes. Mr. Victor seconded. Mr. Malliet objected to ITEM THREE, paragraph 2 which read, "After additional discussion regarding the wording of the survey, Mr. Nelson noted that the survey would address Scottsdale annexation only, the wording to be defined and agreed upon in the coming week via email communications. There were no objections." Mr. Malliet insisted that no such agreement had been reached. Mr. Victor, Mr. Maple, and Ms. Landauer asserted they remembered approving only a single subject (Scottsdale annexation only) survey, and Mr. Nelson claimed he remembered the same and wrote such an agreement down in his notes. The Board voted on the motion to add Curt Blik's words to the 11/01/07 motion regarding funding the PER: *for the part of the PER funded by the general fund*, and to remove the word *only* from ITEM THREE, paragraph two in the 11/01/07 minutes, regarding the annexation survey. The vote was as follows: NO: Bill Victor, Carol Landauer, Rick Nelson; YES: Curt Blik, Dave Seymour, Billy Hayes, Bob Malliet, Denny Maple. Minutes approved with the above noted changes.

- 3. ITEM TREASURER'S REPORT:** Savings balance = \$56,852.81 Checking balance: \$13,782.87. Mr. Blik motioned to approve the treasurer's report. Mr. Seymour seconded. Report unanimously approved.
- 4. ITEM COMMUNICATIONS AND REPORTS:** ACC- Mr. Hayes reported the ACC meeting is next week.

Roads Committee- Mr. Seymour reported that Mr. Villars and he drove around and checked 20 places that had been identified for repair. He noted that 18 spots have been fixed by MCDOT. Mr. Nelson raised concerns about the small size of the repaired spillway toward top of Blue Wash Rd. Mr. Malliet claimed that another problem exists at the end of Kachina Rd. Mr. Seymour recorded both concerns for future communication with MCDOT.

Water Committee- Mr. Victor reported that the contract had been signed with AZ Engineering. Mr. Nelson reported that he sent the signed certificate to WIFA that certified that we had approved application for the WIFA grant.

Environmental Report: Mr. Nelson reported he had attended a fundraiser for Harry Mitchell. Mr. Nelson learned of a new bill this session designed to revise the 1892 Mining Act. Mr. Nelson inquired whether any language in the revised bill could help Tonto Hills if the Gold Hill Mine is activated.

- 5. ITEM OLD BUSINESS:** Scottsdale Annexation Survey/letter- The Board debated whether or not to include a DWID survey question on the Scottsdale Annexation Survey letter. Ms. Landauer asserted that the reason for the survey is to fulfill the first requirement of Scottsdale's criteria for even investigating the annexation process. She questioned the justification for including a question about the DWID on a survey required by Scottsdale. Mr. Maple had drafted a survey letter that included an annexation question only. Mr. Maple's survey letter was not discussed or reviewed. Mr. Victor challenged the accuracy of many of the statements contained in Mr. Malliet's survey draft. Mr. Victor pointed out that Mr. Malliet's letter reviewed only the advantages of annexation, resulting in an "unbalanced" presentation that contained "value judgements" and lacked "objectivity." Mr. Victor had put his extensive corrections and changes to Mr. Malliet's survey draft in writing. Mr. Blik claimed that no harm could be done by including the DWID question in the survey.

Mr. Malliet motioned to approve the survey letter, including the dual survey cards, written by Richard Smail and Bob Malliet, as written. Mr. Blik seconded.

The vote was as follows: NO- Bill Victor, Denny Maple, Carol Landauer, Rick Nelson; YES- Curt Blik, Dave Seymour, Billy Hayes, Bob Malliet, Richard Smail (by proxy). The letter passes 5 to 4.

Letter of Engagement for Financial Due Diligence- Bob Swan reported that he'd written a list of prioritized tasks he intended to complete in his report, none of which would duplicate PER goals. Mr. Swan reported that he is seeking indemnification from the Board, so that he is protected from lawsuits by a third party. The Board discussed possible ways to achieve this. Mr. Swan has been researching various Accountant's Professional Liability insurance policies, and he agreed to gather more information and report back to the Board.

Carpenter Hazelwood Response to D of R Questions- Mr. Maple produced a copy of the D of Rs from 1961 that indicated that the rear setback is four feet, not forty. The Board considered the question regarding the ACC role in enforcing County requirements. Mr. Hayes pointed out that property owners must get County approval before receiving ACC approval. Mr. Malliet claimed the D of Rs state nothing about requiring County approval. The Board discussed verifying the lawyer's responses with Mr. Carpenter before proceeding any further.

- 6. ITEM NEW BUSINESS:** The Board agreed to hold the Annual General Meeting on March 31, 2008. The Board agreed to engage Carefree Executive Services to count ballots for a \$300 fee that has been budgeted.

The Board agreed that each property owner would receive a Scottsdale/DWID survey, so that multiple property owners would receive multiple cards. Mr. Malliet explained that the reason Mr. Smail wants two separate cards- one for Scottsdale annexation and one for the DWID- is so that he can take just the stack of Scottsdale cards to Scottsdale.

The Board agreed to send a letter in December, soliciting THIA members to run for the 2008-2009 Board, or ACC. The Board agreed to also solicit amendments to the D of Rs to place on the ballot from any interested THIA member.

The Board agreed to place a statement on the website asking for potential candidates for office.

The Board agreed to hold our next meeting on December 12, 2007.

- 7. ITEM ADJOURNMENT-** Mr. Hayes motioned to adjourn. Mr. Victor seconded. Unanimously approved. Meeting adjourned 8:50pm.