

Tonto Hills Improvement Association

MINUTES
of the Board of Directors

Thursday, November 1, 2007
6:30pm- Christ the Lord Lutheran Church

The meeting was called to order at 6:30 by President Rick Nelson.

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

GUESTS PRESENT: Kirk Landauer

- 1. ITEM OPENING COMMENTS:** Rick Nelson addressed the suggestion posed in an email from Curt Blik- and sent to all Board members- that the Preliminary Engineering Report (PER) be funded by a special assessment of property owners. Mr. Nelson reported that the D of Rs do not provide for special assessments, and only allow assessments to be levied by vote of members present at the annual general meeting (Article 1F). Mr. Nelson then provided support for Board authority to determine distribution of THIA funds, citing paragraph 1g of the D of Rs, which states that the Board of Directors has discretion to incur expenses that benefit the community. Finally, Mr. Nelson iterated that this is a special meeting of the Board, convened to review two issues only: 1) funding the PER; and 2) reviewing the survey question regarding Scottsdale annexation.
- 2. ITEM FUNDING THE PER:** Bill Victor reviewed the significance of securing a water supply for Tonto Hills. He advocated providing the funding for a Preliminary Engineering Report in preparation for forming a DWID as, in his opinion, a DWID will be necessary if the community chooses to own THUC (Tonto Hills Utility Company), *or* if the community chooses Scottsdale annexation. Mr. Victor also noted that THIA currently has a \$12,000 surplus that is left over from the 2006-'07 budget.

Mr. Victor motioned to fund the PER \$10,000, for the part of the PER funded by the general fund, to serve as a matching fund to the WIFA grant. Mr. Maple seconded the motion. Roll call vote results: Mr. Maple: YES; Mr. Victor: YES; Mr. Smail: NO; Mr. Malliet: NO; Mr. Seymour: YES; Mr. Blik: NO; Mr. Hayes: NO; Mr. Nelson: YES; Ms. Landauer: YES. Vote= 5 YES, 4 NO Motion passed.
- 3. ITEM SCOTTSDALE ANNEXATION SURVEY:** Mr. Maple reported that Mr. Smail, Mr. Malliet, and he had attempted to draft a survey, but Mr. Smail and Mr. Malliet wished to include a second survey question regarding community support for the DWID. No final survey draft was completed, so advanced copies were not available for Board perusal. The Board then reviewed the process of surveying the community first; then if 25% interest in annexation is documented, negotiations with

Scottsdale begin. After negotiations are complete, a petition is then presented to the community, which represents the final voting process. Both DWID formation and Scottsdale annexation determine community approval/disapproval via a petition process. Mr. Nelson informed the Board that AZ statute 9-471 states that multiple property owners may only sign the petition once, regardless of the number of properties owned.

After additional discussion regarding the wording of the survey, Mr. Nelson noted that the survey would address Scottsdale annexation, the wording to be defined and agreed upon in the coming week via email communications.

4. ITEM ADJOURNMENT: Meeting adjourned at 7:30pm.