

TONTO HILLS IMPROVEMENT ASSOCIATION

Minutes of the Meeting of the BOARD OF DIRECTORS

Wednesday, October 15, 2008
6:30pm at Christ the Lord Lutheran Church

BOARD MEMBERS PRESENT: Joel Cohen (A), Lou Frederick, Cheryl Kaufman, Carol Landauer, Rick Nelson (B), Rick Pearson, Bob Swan and Bill Victor

BOARD MEMBER ABSENT: Denny Maple

GUESTS PRESENT: Charles Civer, Billy Hayes, Kirk Landauer, Eric Luker, Rich Pagel (B), Mary Pearson, Rick Patterson (B), Mary Pearson and Michael Rockwell (B).

The meeting was called to order at 6:32pm by President Rick Nelson.

Mr. Nelson presented a proxy from Mr. Maple naming Mr. Nelson as his assignee for all THIA Board votes and decisions. Mr. Nelson advised that Ms. Landauer could not continue to act as Secretary as other obligations precluded her continuing in that added voluntary role. He solicited volunteers, offering to rotate the position monthly. Mr. Swan agreed to act as Secretary for this month.

OPEN FORUM: No comments were made.

APPROVAL OF MEETING MINUTES: Draft minutes of the September 17, 2008 regular meeting were amended based upon corrections suggested by Mr. Swan. Mr. Frederick moved to approve the amended minutes. Mr. Victor seconded. Amended minutes were unanimously approved. Draft minutes of the September 24, 2008 special meeting were amended based upon corrections suggested by Ms. Landauer and Mr. Swan. Mr. Victor moved to approve the amended minutes. Ms. Kaufman seconded. Amended minutes were unanimously approved. Draft minutes of the October 2, 2008 special meeting were not presented for approval, which was deferred until the November regular meeting.

TREASURER'S REPORT: Mr. Pearson presented the Treasurer's Report, which is included separately herewith. He reported an October 15, 2008 checking balance of \$4,491.11, a savings balance of \$70,041.37, and a total cash balance of \$74,532.46.

He reported that 5 property owners delinquent in their dues had liens filed and recorded. Each has received a statement and copy of the recorded lien without the county's stamp but with the recording number indicated on the statement. One property owner paid the amount shown as due but without interest. Since the interest more than offset the \$10 overstated lien filing fees that were paid, Mr. Pearson recommended no further action. He is prepared to send that owner a lien release.

Mr. Pearson reported that 2 property owners who had not paid \$15 owed on their current year's dues had received statements indicating balances owed. One owner has now paid.

He reported that 1 property owner who had not paid his prior year's dues had received a statement indicating balance owed. That owner has now paid all but the late fee. Mr. Pearson recommended no further action.

Mr. Nelson requested the remainder of the Treasurer's Report be tabled until later in the meeting due to the press of other business. Mr. Pearson agreed.

Ms. Landauer moved to approve the Treasurer's Report as presented. Mr. Victor seconded. The motion was unanimously approved.

Mr. Nelson adjusted the agenda to accelerate the Architectural Control Committee communication and report.

COMMUNICATIONS AND REPORTS

Architectural Control Committee - Mr. Rockwell reported on the secondary structure being built approximately 4 feet from the rear property line on lot 98. He cited building setback requirements from Maricopa County Zoning Section 601.4 and Tonto Hills' Declaration of Restrictions as follows:

	<u>County</u>	<u>Tonto Hills</u>
Front	40 feet	50 feet
Side	20 feet	25 feet
Rear	40 feet	See below

Mr. Rockwell indicated that item 8 in Tonto Hills' Declaration of Restrictions was subject to interpretation problems as currently worded. He suggested that amended language be submitted for approval by THIA members at the next Annual General Meeting ("AGM"). After discussion, he offered to prepare specific amendments to item 8 and other items deemed necessary in ACC's opinion for the Board's approval and inclusion in the AGM voting.

Messrs. Pagel, Patterson and Rockwell departed at this time.

OPENING COMMENTS

Mr. Nelson advised that he would circulate to the Board a list of rules for usage of the Christ the Lord Lutheran Church for meetings. He deferred consideration of an annual donation to the church to the next Board meeting.

Mr. Nelson advised that he received at his home address a letter dated September 26, 2008 from attorney Franklyn D. Jeans of Beus Gilbert PLLC. The letter was postmarked October 1, 2008 but was not seen by Mr. Nelson until his return home on October 6, 2008. Mr. Nelson read a prepared partial response to the letter and suggested that the Board request the Water Committee draft a detailed response. The Board discussed the circumstances.

During the discussion Mr. Cohen joined the meeting.

After discussion, Mr. Swan moved that (a) the Beus Gilbert letter be referred to the Water Committee for preparation of a detailed response and their recommendation as to its dissemination, and (b) a "quick look" response be posted to the THIA website and be mailed to Tonto Hills residents and lot owners based upon Mr. Nelson's partial response. The motion was seconded by Mr. Victor. Following discussion the motion was approved with one no vote (Mr. Pearson disagreeing only with the method of dissemination of the "quick look" response) and one abstention (Mr. Frederick).

COMMUNICATIONS AND REPORTS (returning to agenda sequence)

DWID Committee - Mr. Civer reported that the DWID formation petitions currently are expected to be delivered to Maricopa County by the end of October 2008. County officials will then have 2 weeks to validate the petition signers. Assuming no problem with this step, a public hearing before the Maricopa County Board of Supervisors will be scheduled about 40 days thereafter. Mr. Civer expects that hearing to occur sometime in the first two weeks of December 2008.

COS Committee - Ms. Kaufman reported that members of the committee met on with Mr. Hadder of the City of Scottsdale ("COS") on September 26, 2008. In that meeting Mr. Hadder advised the committee about the contents of his department's report to COS executives and Council, which included explanations and overall costs of several Tonto Hills infrastructure upgrades that COS would want. The estimated total cost of all upgrades was \$12.5 million before considering any possible cost sharing or requirement reductions. The Board discussed the report, the described annexation process, and possible THIA actions.

During the discussion Mr. Nelson departed. Mr. Swan chaired the remainder of the meeting.

Following additional discussion, the Board recommended that the committee hold a Town Hall meeting and draft a THIA member update mailing subject to Board approval. A special Board meeting was recommended to accelerate the THIA member communication process.

Environmental Committee - Ms. Kaufman had nothing to report. Mr. Frederick indicated that Tonto Hills road surfaces failed EPA PM-10 dust compliance tests. However the County is not obligated to take actions because of the low volume of daily travel in this community. He also indicated that the County is going to test an emulsion to control dust, and will seek Tonto Hills residents' reactions regarding road color, odor and dust control.

OLD BUSINESS

Action on the sign violation by Lot 18 was tabled. Ms. Kaufman offered to investigate remedies available to the board.

A THIA letter to Frank Villars was read.

ADJOURNMENT: Upon motion by Mr. Victor and a second by Mr. Pearson, the Board unanimously approved adjournment at 9:58PM.

Respectfully submitted,

Bob Swan

Acting Secretary

Legend:

(A) - joined during the meeting as noted in minutes

(B) - departed before meeting concluded as noted in minutes