

TONTO HILLS IMPROVEMENT ASSOCIATION  
42033 N. OLD MINE ROAD  
CAVE CREEK, AZ 85331

MINUTES  
of the ANNUAL GENERAL MEETING

March 26, 2009  
Christ the Lord Lutheran Church

The meeting was called to order at 6:47pm by President Rick Nelson.

BOARD MEMBERS PRESENT: Rick Nelson, Carol Landauer, Ralph Spurgin, Lou Frederick, Cheryl Kaufman, Denny Maple, Rick Pearson, Rick Ersland

ABSENT: Joel Cohen

1. ITEM INTRODUCTIONS: Rick Nelson thanked the Board, the ACC led by Mike Rockwell, the Water Committee led by Bill Victor, the Annexation Committee led by Denny Maple, and THVFD and Chief Robert Kroger for their service to the community. He also thanked Frank Villars and Kirk Landauer for helping to maintain the front entrance, and Billy Hayes for maintaining our street signs.

2. ITEM OPENING COMMENTS: Mr. Nelson reported that the dumpster for brush/yard waste removal is located at the top of Hohocam by the water tank. The second dumpster is currently being filled. Brush removal within a 30' perimeter of the house is highly encouraged to reduce fire danger. Mr. Nelson requested that material be cut so it lays flat in the dumpster. We are budgeted for seven dumpsters, depending on demand.

Mr. Nelson reported that the Maricopa County Board of Supervisors approved the recently formed DWID Board. The DWID Board is a separate entity from THIA.

3. ITEM APPROVAL OF 2008 AGM MINUTES: Mr. Swan motioned to accept 2008 AGM minutes. Mr. Markusen seconded. Unanimously approved; motion passed.

4. ITEM TREASURER'S REPORT: Current Balances = checking account- \$4,288; savings account- \$65,233. Total Assets = \$71,409. Total accounts receivable (still owed) = \$1,888. Mr. Luker motioned to approve Treasurer's report. Mr. Patterson seconded. Unanimously approved; motion passed.

5. ITEM REPORTS:

ACC: Mike Rockwell thanked the members of the Architectural Committee: Eric Luker, Rick Patterson, Scott Smallish, Rich Pagel, and Mike Clements. He also thanked the THIA Board and Lou Frederick, ACC liaison to the Board, and all homeowners for their understanding that the ACC is comprised of volunteers serving our community by maintaining the D of Rs. Mr. Rockwell extended a

special thank you to Tom Bailey for his years of service. Projects approved in 2008 include a grading design, a pool fence, a pool/ramada, two sheds, and two home renovations.

THVFD: Chief Robert Kroger thanked the 15 firefighters who donated hundreds of hours in their efforts to keep Tonto Hills safe. He also thanked the community for all their support. In 2008, THVFD responded to one fire and two medical calls. THVFD held 11 training sessions, attended training and certification for a newly purchased Automatic External Defibrillator, and continued keeping Cave Creek Rd. litter-free via their Adopt-A-Highway program. Chief Kroger reminded members of the value of our communication system and instructed everyone to please call 911 and our emergency phone # 480-437-9191 if they see smoke or fire. He also reported that a long-time TH resident has generously donated (at a cost of 20% of its appraised value) a vacant lot in Tonto Hills for use as the future site of a THVFD firehouse. THVFD continues to apply for grants and host fundraisers in support of our goals to build a firehouse and upgrade our assets. Finally, Chief Kroger reported that Forest Service officials are warning of an early fire season due to winter rains. Chief Kroger encouraged everyone to take advantage of our dumpsters, keeping their lots cleared of brush/weeds.

ENVIRONMENTAL REPORT: Ms. Kaufman reported that based on the results of a traffic counter utilized on Old Mine Rd. a year ago, a portion of Old Mine did meet criteria for PM10 and was therefore scheduled for paving. However, the project was tabled and instead the County employed a dust control surfacing technique that cut down on dust significantly. Ms. Kaufman reported the County will check to determine when re-application is needed. Traffic counts will determine if this County application will be done to other roads in TH. Ms. Kaufman will investigate the possibility of TH paying for this ourselves.

6. ITEM OLD AND NEW BUSINESS: Commercial Lot Parking/Assessment and Vote Allocation: Rick Nelson reported the answer to a question posed last year regarding commercial parking lot assessments and vote allocation. He explained that there are four parking tracts in the commercial section of TH: F, G, H, and I. Each is treated as one parcel and assessed individually at \$150. Each parcel is allowed one vote. If the parcel is owned by more than one owner, the fee is split. The breakdown is as follows: F = 1 owner; G = 2 owners- 73% and 27% ; H = 2 owners- 88% and 12%; I = 2 owners- 80% and 20%. No building is allowed on these tracts.

Dust Control: Mr. Nelson also reviewed dust control options. He asked whether members were interested in the Board pursuing this dust control application via an independent contractor. Questions posed and discussed included reviewing the County's PM10 criteria and the traffic numbers/vehicles per day needed to qualify. Two years ago the EPA lowered particulate levels but didn't provide a commensurate traffic count. Suggestions offered included possibly: negotiating with the County regarding cost-sharing and hiring a third party approved by the County to ensure quality control. A member reported that 15mph signs are currently being posted in TH as another dust control measure, since driving slower brings dust levels down.

More discussion elucidated the following: a) paving was tabled due to financial restraints; b) we do not know the commercial name of the product used on Old Mine Rd., but it's some type of soil cement; c) we do not know the chemicals used in this product; and d) the treatment seems to also help

with washboarding.

Mr. Markusen expressed that grading and/or gravel may be needed by the mailboxes. Mr. O'Brien reported that he'd photographed TH road issues and sent the photos to Mr. Wallace at ADOT.

COS Annexation Report: Mr. Maple first listed the members of the COS Annexation Committee. Members include Cheryl Kaufman, Eric and Terry Luker, Rich Pagel, Rick Patterson, Charlie Civer (water issues), John Stevens (legal issues), and Ralph Spurgin (assessments, values). Mr. Maple reported that members of the committee met with Don Hadder four times between June '08 and February '09. They also held five committee meetings and participated in two special Board meetings. Mr. Maple summarized the process with COS as revolving around what TH could bring to the table. In August, COS cited six figure numbers to do the necessary improvements. In September, those numbers increased to 6 or 7 million dollars to bring our water system up to Scottsdale's standards. (Please refer to the TH website for a complete summary, documents, and forms.) Mr. Maple reviewed some of the annexation requirements TH would have to meet, including ESLO standards, 24' building heights, rebuilding of our entire water system to meet fire requirements, and likely adding sewer. Current estimates to meet COS standards range from 18-21 million dollars. Hence, COS is not interested in annexing Tonto Hills. Mr. Maple clarified that just because we don't meet COS standards does not mean that our water system is inadequate. COS requires redundant 6" lines for firefighting; such high standards may be for insurance reasons.

Kachina Preservation: Mr. Nelson reported that the kachina on Tract J is currently for sale by owner for \$20,000. A poll was taken to determine interest in exploring kachina preservation for our community. A majority present expressed an interest. Kevin O'Brien volunteered to chair a kachina preservation committee to explore options.

7. ITEM ELECTION RESULTS: Members elected to 2009-2010 BOD include: Rick Ersland, Lou Frederick, Cheryl Kaufman, Ralph Spurgin, Cathy Rockwell, Rick Pearson, Carol Landauer, Kevin O'Brien, and Rick Nelson. Members elected to the 2009-2010 ACC include: Eric Luker, Mike Clements, Rich Pagel, Rick Patterson, Scott Smallish, and Mike Rockwell. The proposed ballot measure to amend the D of Rs (Paragraph 8) was defeated. 51% of the total membership did not approve the measure.

8. ITEM MEMBERSHIP FORUM: Ralph Spurgin provided information regarding County property assessments. From 2008 to 2009, The FCV (Full Cash Value) on fifteen "matched" homes in Tonto Hills (TH) increased 40%, while Carefree Hills (CH) homes decreased 9%. This indicates room for individual owners to protest their assessment. In the 2010 assessment, these homes had decreased assessments. TH decreased 17%; CH decreased 9%. Nevertheless, for the 2007 to 2010 period, TH is +31% while CH is -11%. The Assessor's office has not been able to explain this difference. Members have until April 21 to protest. Members must cite at least one other property's assessment to indicate that theirs should be lowered. On the <http://treasurer.maricopa.gov> website, members can look at these assessments and select similar parcels. Look for a "matching" property assessed less per square foot. As an alternative, members can contact a professional service such as Arizona Valuation Services or Arizona Real Estate Tax Services. For a fee they will determine if a member has a case and if so, pursue it for you. April 21 is the deadline.

A member asked for an update on the gold mine issue. Ralph Spurgin provided background information. Rick Nelson has sought help form governmental agencies. To date they have been non-responsive. The "considered opinion" is that the likelihood of dump trucks full of dirt rumbling down Old Mine Rd. is slim. Because it is still a possibility, the Board will monitor the situation.

9. ITEM ADJOURNMENT: Mike Rockwell made a motion for adjournment. Pat Montforte seconded. Meeting was adjourned.