

Pinnacle Canyon Condominium Association

Board of Directors Meeting
Tuesday, November 18, 2009

Present: Roger Harris – President, James Mackenzie – Vice President, David Marcy – Treasurer (via Skype), Andreas Petterson – Secretary and Kimberly Kenworthy Manaut – Director.

Absent: All Present

Management: Julie Hoover – Lewis Management (LMR)

I. Call meeting to order

The meeting was called to order at 6:00 p.m.

II. Call to Audience

Community Update

- New bulletin boards were installed by the mailboxes. One is reserved for Homeowner use, one is reserved for Board use and a third was installed outside the gym entrance.
- Repairs were made to the water fountain.
- A resident at 5103 was concerned about plants growing over the sidewalk. The plants were trimmed.
- Joel Moracco is the new maintenance man.
- All the sidewalk lifted areas were painted for safety.
- There will be a Board election coming up soon. Information was mailed to Homeowners and they were encouraged to volunteer.
- The roofers and a security company were interviewed.
- Stuart with LMR offered to order light strings to put around the palms but needed to know the color.

Residents

- Michelle – Advised she likes blue lights and wanted an update on the Neighborhood Watch Program.
The Sheriffs Department forwarded an information packet outlining the specific criteria. It was determined that the number of volunteers needed, were not available. The Association can form it's own form of Watch.
- Mimi – Expressed concern about irresponsible pet owners not removing their pet's waste, barking dogs and dogs in the pool area.
- Paul – advised there is dog waste all over and it appears the renter's are the ones that are not removing their pet's waste.

III. Approval of previous meeting's minutes

A motion to approve the October 2009 Board Meeting minutes as amended, was made seconded, and passed with a unanimous vote.

IV. Review of Financials

- Paul Ash has not forwarded the October financials.

V. **Committee Reports**

Nominations

- A Board Candidate form was mailed to all Homeowners. Forms can also be downloaded from the website.

Architecture

- A unit at Building 18 requested permission to install a satellite dish. The forms and guidelines were forwarded to the Homeowner.
- The Committee expressed continued concerns regarding ongoing violations to the Board and management company. Specifically unapproved landscaping and exterior alterations to the unit.
 1. Potted plants that should no longer be there
 2. Illegal bamboo slats and blinds on the lanai that are not approved
 3. There are a number of units with unapproved window treatments
 4. Holiday decorations that need to be removed shortly after the holiday
 5. Towels and laundry hanging of the lanai's to dry
 6. Bicycles chained to railings rather than in the provided bicycle racks
- Homeowners were requested to respectful and obey the rules.
- The Board discussed whether all the satellite dishes have been approved. The Committee will have to investigate the submittals to determine what has been approved.

Social/Hospitality

- Beverly is in charge of the Social/Hospitality Committee.
- Other volunteers were also recognized.

Budget/Finance

- LMR provided a proposed 2010 Budget for review.
- Committees were requested to submit the financial needs for 2010.
- Security issue at pool needs to be decided either re-key or swipe cards.

Clubhouse/Pool

- Bids to recover the pool furniture cushions were reviewed by the Committee.
- Rates were established to do the arrangement in front of the fireplace at \$1,053.93 including tax.
- A fabric was chosen for all the 15 chaise lounges and will coordinate with existing. The cost is \$2,562.06.
- A survey was conducted last spring and the number one concern is security. Bids were obtained on ways to best secure the premise.
- The card swipe system, security key and closed circuit television security cameras in the pool area were discussed.
- The Committee would like to get the palm tree lights replaced and purchase folding chairs for the clubhouse.

Landscape/General

- The Board discussed their satisfaction with the landscaping company.
- Homeowners were encouraged to report any problems like sprinklers hitting cars.
- The Board discussed planning to replace the 20-year old irrigation system.

Communications

- A newsletter will be provided through LMR.

- The newsletter will be published quarterly. Homeowners were encouraged to join the Committee or submit articles.

Bylaws/Governance

- The Committee worked on revised 30-day rental policies and forwarded the document for the Board to review.
- The Governance Committee would conduct the hearings for delinquent assessments or violations in an open meeting and make recommendations to the Board. Homeowners would have the right to appeal to the Board.

VI. Unfinished Business

Association's Collection Policy

- A draft Collection Policy was provided for the Board to review.
A motion to adopt the Collection Policy as presented to be effective January 1, 2010 was made, seconded and passed with a unanimous vote.

2010 Budget Timeline

- A draft 2010 Budget was provided to the Finance Committee for review.
- Committees were encouraged to submit their financial needs for 2010.
- The draft Budget will be provided for discussion at the next Board meeting.

Water Meters

- The management company pays for all PCHOA water usage for the entire complex to the City of Tucson. JR Metering Industries, a water meter company in Phoenix installed a meter on the top of each units hot water tank at the time of conversion by the developer. A radio system in the meter transmits via antenna on the roof of each building to a machine in the clubhouse, which sends the data by phone line to its office in Phoenix. It determines how much water each of the 225 units uses and subsequently the unit owners are billed to reimburse PCHOA for their individual usage leaving all common area usage (i.e. irrigation, pool, spa and clubhouse) being paid from the monthly assessments.
- An audit was requested and 43 meters were not working correctly. The company & PAMCO sent letters to each unit to inspect and 14 were inspected, 6 needing repair and 8 requiring additional monitoring. The remaining 29 were not inspected due to lack of access to the equipment. Anything installed by the company would be repaired and guaranteed at no cost. All of the bases were not replaced and some were not working properly, which could be repaired for approximately \$40.00 to the unit owners affected.
- Some new problems were battery related and would be replaced free of charge by the company.
- The Board discussed ways to simplify the billing process. Suggestions included \$10 for a one-bedroom unit, \$15 for a two-bedroom unit and \$20 for a three-bedroom unit.
A motion to remove the meters and develop a flat fee to be established by the next meeting was made, seconded and passed with a unanimous vote.

VII. New Business

Back Flow Covers Bids

- Dave and Jim previously discussed the need to buy the insulation bags for the back flows.
A motion to authorize LMR to order 11 backflow insulation bags was made, seconded and passed with a unanimous vote.

Tree Trimming Bids

- Three bids for tree trimming were included in the Board packet.
A motion to approve the bid from RO in the amount of \$2,000.00 was made, seconded and passed with a unanimous vote.
- The Board discussed the areas where the tree roots are raising sidewalks.

Pool Keys and Security Improvements

- Tabled to allow the Pool Committee to investigate further.
- The Board also discussed a code lock instead of key cards.
- Costs for each of the options being reviewed were discussed.
- The Board also discussed security patrols. The Association had security patrols in the past and found it was ineffective.

CCR Violation Policy Revision

- A draft Violation Policy was provided for the Board to review.
- The Board discussed the number of reminders that will be sent before a hearing is scheduled.
A motion to amend the current Violation Policy to include a Friendly Reminder after five days was made, seconded and passed with a unanimous vote.

Review of Bids for Audit

- Three auditors were requested to provide bids for an audit.
- Ms. Hoover is waiting on Paul Ash to provide financial information that is needed to prepare the bid.

Transition of Legal Representation

- The Brown Law Group provided a bid for legal representation. The charge a \$50.00 monthly retainer fee to answer questions and a hourly rate for preparing letters.
- The Brown Law Group also provides collection services. The Homeowner is responsible for paying all collection expenses.
- The Board discussed obtaining additional bids for the legal and collections services.
A motion to approve the Brown Law Group for collection services and monthly retainer was made, seconded and passed with one abstained vote.

Waste Management Agreement

- Waste Management is requiring the Board to provide written authorization to forward billings to LMR.
- Ms. Hoover inquired about the Association receiving the best price available and they discounted the monthly bill an additional \$94.32.

VIII. Second Call to Audience

- A Homeowner wanted to know if the Association is doing anything about the rental situation.
Owners renting their unit are required to notify the Association. LMR provided a new form for the Association to use. Some Owners do not notify the Association.
- Does the Association have a list of investors that are renting their units?
The Association is in the middle of the transition to a new property manager and all the information has not been transferred. A roster form was mailed to all Owners in order to gather information on which units are rented.

IX. Next Meeting

➤ The next meeting is scheduled for December 16, 2009.

X. Adjournment

With no further business to discuss, a motion to adjourn at 8:00 p.m. was made, seconded and passed with a unanimous vote.