

**Minutes of the Meeting of 3 Canyons Ranch
Master Homeowners Association (MHOA)
Regular Quarterly Board of Directors (BOD) Meeting
April 9, 2008, 5:30 PM, at La Purisima Center**

Board Members Present:

Gary Brock, Lois Bloom, Harvey Zeligman, Greg Chouinard, Ron Slyter,
Frank Diaz, Carl Bromund

Officers:

President, Carl Bromund
Vice President, Frank Diaz
Secretary, Greg Chouinard
Treasurer, Gary Brock

Call to Order

The meeting was called to order at 5:31 PM by President, Carl Bromund

Acceptance of Agenda

A motion was made and seconded to adopt the meeting agenda. The motion to adopt the meeting agenda was carried unanimously.

Acceptance of March 24, 2008 MHOA Board Meeting Minutes

A motion was made and seconded to accept the minutes from the Board of Directors (BOD) meeting of March 24, 2008. The motion to accept the minutes was carried unanimously.

Call to Membership

Several members requested the floor.

A motion was made and seconded to form an Insurance Committee. The motion was carried unanimously.

Treasurers Report

Account Balances as of 3/31/08:

Regular Checking Account: \$132,483.84

Capital Savings Account: \$68,720.05

Capital Checking Account: \$2,873.45

Total Capital Accts: \$71,593.50

Total all accounts: \$204,077.34

Delinquent assessments as of 2/1/08: 2006: \$2,556.00

2007: \$2,595.60

Total: \$5,151.60

Gary Brock, Treasurer

Committee Reports:

Gate Committee

A report was given by Rich Frederici. Mr. Frederici said the Committee believes that Castle & Cooke will accept the changes to the proposed Gate Relocation Lease Agreement, (As voted at the March 24, 2008 Special Board of Directors Meeting) and Castle & Cooke's Attorneys are reviewing the changes.

Master Design Committee (MDC)

A report was given by Jack Lang. (See Attachments, page 3)
A motion was made and seconded to appoint Ron Slyter as the Board Member on the Master Design Committee. After much discussion a motion was made and seconded to table the motion to appoint Ron Slyter as the Board Member on the Master Design Committee. The motion was carried by a vote of 3 for, 2 opposed, 2 abstain.

Road Committee

A report was given by Jim Dobis. (See Attachments, page 4)

New Business

a. Budget, Assessment Rate and Assessment Due Date for Upcoming Fiscal Year
The Proposed General Budget for 7/08 – 6/09 was presented by Treasurer Gary Brock, and discussed by the Board.

A motion was made and seconded to increase the regular assessment rate from \$8.40 to \$10.00 per membership. The motion was carried unanimously.

A motion was made and seconded to establish the due date for annual assessments as July 1st. The motion was carried unanimously.

A motion was made and seconded to leave the language pertaining to the West gate in the Proposed General Budget. After discussion, the motion was withdrawn.

A motion was made and seconded to approve the Proposed General Budget for 7/08 – 6/09 as amended. The motion was carried unanimously. (See Attachments, page 5, General Budget 7/08-6/09)

b. Voting Guidelines for Annual Membership Meeting

A motion was made and seconded to adopt the voting guidelines as drafted. The motion was carried unanimously. (See Attachments, page 6)

c. Location for Annual Membership Meeting

A motion was made and seconded to hold the Annual Membership Meeting at the Buena High School. The motion was carried unanimously.

Call to Membership

Several members requested the floor.

Adjournment:

A motion was made to adjourn. The motion was seconded and was carried unanimously
The meeting was adjourned at 7:59 PM.

Submitted By: Greg Chouinard, Secretary

ATTACHMENTS

Master Design Committee Report 9 April 2008

The Master Design Committee (MDC) received ten applications from members this quarter. Nine were approved and one was disapproved. That application is being resubmitted. Additionally the MDC performed five home inspections. All were approved for deposit refunds.

The MDC is implementing some minor procedural changes to better serve our members and address the concerns of the Board.

a. The MDC will provide to the Board a list of all applications received and their status, a copy of all correspondence, and minutes of the MDC meeting within 5 days after the monthly MDC meeting. Additionally the MDC will mail all checks received to the Lock Box address monthly.

b. The MDC has established Committee members availability for weekdays and weekends to perform final inspections on new construction. This will enhance the process. Upon receipt of request for refund on new construction from an Association member, the inspection will be assigned to MDC members, coordinated with the requester for inspection time and date, inspection performed, Treasurer notified to prepare the check, and the check delivered to the requester. This process should take less than 10 days from receipt of the request until the check is in the mail. This procedural change will enable the MDC to complete the process without waiting until the next scheduled MDC meeting to begin the refund process thus making the MDC more responsive to the Association member's request.

c. The MDC will implement a procedural change so when an application is received it will be assigned to a MDC member (normally the member from the application's section). The member will work with the applicant to resolve any issues prior to the MDC meeting. In the past quarter the MDC had issues with four applications (paint color missing, setback unclear on site plan, etc.) that were easily resolved by a MDC member, but occurred after the MDC meeting thus causing a delay in approval of the application and correspondence. The MDC believes the change implemented will alleviate this problem and enable the MDC to meet the Board's requirements listed above.

The MDC will perform all the administrative functions required to meet its responsibilities. The MDC will actively seek new administrative support using the Agreement for Administrative Services for the Three Canyons Master Homeowners Association dated 1 March 2007 as a guide. When that support is found the MDC will request the Board to execute a new agreement for administrative support for the MDC.

The Board has, in the past, required a Board member be on the MDC. The MDC request the Board waive that policy until the annual meeting in July. By the requirements listed above the Board will retain oversight on a monthly basis. As MDC chairman I will

communicate regularly with the Board and advise the Board of any problems that may arise.

The MDC welcomes the opportunity to assist the Association's members, our neighbors, to improve their property while complying with the Association CC&Rs.

Jack Lang
MDC Chairman

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Road Committee Report April 9, 2008 Quarterly Meeting

Items for discussion:

The publishing of the Road Committee Report has all but eliminated phone calls and e-mails regarding road work. Only 1 phone call was received. Thanks to the Board for allowing the Road Committee reports to be published in the Meeting Minutes.

Culvert work:

Culvert inlet and outlet work has been completed on seven driveways and roads. Monies will be budgeted for additional culvert work in the 2008 – 2009 time frame. Cleaning of plugged culverts is scheduled to start within the month.

Workman Project:

No progress has been made on the Workman Project. The stone and broken slurry rip rap at the intersection of Silver Conchos and 3 Canyons remains in disrepair. I am also concerned about the two road cuts that cross 3 Canyons Road. When they settle 3 Canyons HOA will have to incur the cost to compact and black top them.

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3 CANYONS RANCH MHOA**Approved April 9th , 2008****Regular Budget for 7/08 – 6/09****Income:**

Regular Assessments: 10,283 memberships (x) \$10.00 =	\$102,830
Non-Refundable Construction fees: 6 homes (x) \$1,000 =	\$6,000
Master Design Review fees: 6 homes (x) \$200 =	\$1,200
Transfer fees: 24 transfers (x) \$150 =	<u>\$3,600</u>
Subtotal =	\$113,630

Projected carry over from Regular Account 2007-08:	<u>\$121,000</u>
Total Income =	\$234,630

Expenses:

West gate construction project (if approved)	\$61,000
Attorney (legal: \$1,500/month + litigation \$12,000/year)	\$30,000
Culvert & Drainage Ditch Maintenance 3 Canyons Road	\$30,000
Road Maintenance 3 Canyons Road (road maint \$12,000, mowing \$5,000, weed control \$3,000)	\$20,000
Financials – Book Keeping – Billing out Assessments	\$12,000
Gate Remote Refunds (if 300 remotes refunded)	\$6,000
Taxes – Federal, State & Property Taxes	\$4,000
Gate Control Management / Administrative Assistant	\$4,000
Gate Maintenance (\$220/month 1 st year) / (\$360/month 2 nd year)	\$3,000
Master Design Administrative Assistant	\$3,000
Fence Maintenance	\$3,000
Lock Box Fee Chase Bank (\$200/month)	\$2,400
Board & Officers Liability Insurance	\$2,000
Committee Office Supplies	\$2,000
Gate Insurance (if west gate approved)	\$1,500
Electric (if west gate approved)	\$1,000
Telephone (if west gate approved)	\$1,000
Postage	\$1,000
Printing	\$1,000
Maps (updating map of 3 Canyons Ranch MHOA)	\$1,000
Meeting Room Facility Fees (board and annual meetings)	\$600
Storage Facility for Files (5ft x 10 ft = \$50/month)	\$600
CPA Annual Review	\$500
Web Site Hosting Fee	\$250
PO Boxes (2 boxes)	<u>\$150</u>
Total Expenses =	\$191,000

Regular Account Reserve Fund – for future projects if approved:

Re-chip sealing of 3 canyons road - \$300,000+ every 6-8 years.	\$40,000+
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Capital Accounts Reserve Fund – for future projects if approved:

Re-chip sealing of 3 canyons road, East gate project.	\$71,500
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VOTING GUIDELINES

(Approved by the Board 4-9-08)

1. A quorum equals 10% of the total memberships in the association.
2. Elections are held in conjunction with the Annual Meeting of the Membership and at other times as needed. The Annual Meeting is normally held in July with the exact date, time and location announced on the 3 Canyons Ranch HOA Website at <http://www.az3canyons.com> . An announcement concerning the Annual Meeting will be mailed to all members.
3. Voting may be accomplished either in person or by absentee ballot.
4. There may be a total of 10 Board Members. Board members will represent the following sections: 19, 20 East, 20 West and 29 (combined), 21, 22, 23, 24, 26, 27 and 28.
5. Board members for even numbered sections will be elected in an even year for a two year term. ***This year's election (2008) election will include Board Members for sections 20 East, 20 West and 29 (combined) 22, 24, 26 and 28. (set in bold italics for emphasis.)***
6. Board members for odd numbered sections will be elected in an odd year for a two year term. ***Next year's election (2009) election will include Board Members for sections 19, 21, 23, and 27. (set in bold italics for emphasis.)***
7. Members who desire to have their name placed on the ballot for election as a Board member should submit a written request to the President of the Board of Directors no later than June 11, 2007.
8. Within each section or combined section, the candidate with the largest number of votes will be declared the winner.
9. Any other candidates will be placed on an "at large" list. Those candidates on the "at large" list with the highest number of votes (not representing a section) will represent those sections that do not have a representative.
10. Voter eligibility, quorum determination, ballots (preparation, distribution and collection) will be under the control of the board of directors. Ballot counting will be handled by the voting committee. The Voting Committee will be appointed by the Board of Directors.
11. Ballots will be retained for thirty days following the election. After thirty days, the ballots will be destroyed.
12. You may vote if you own property in Three Canyons Ranch. ***(Memberships and Voting are covered in section 6 of the CC&R's).*** Each owner shall have the following number of memberships:

- One membership for each full acre in each lot or parcel owned by the member, but no memberships for fractional areas, and
- One membership for each one hundred (100) square feet of residential dwelling (including guesthouse) but no memberships for less than one hundred (100) square feet.

E.g. A member with a 2100 square foot house on an 8 acre parcel would have 29 membership votes.

13. All members of record as of July 1, 2008 will be eligible to vote in the election to be held in July 2008.

14. Non-payment of assessments for 60 days past the due date will result in loss of voting rights.