

THREE CANYONS RANCH MASTER HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
July 11, 2020

1. CALL TO ORDER

- Meeting called to order at 10:00 a.m. at the Palominas Fire Department Training Center, 9222 S. Kings Ranch Road, Hereford, AZ.

2. ROLL CALL | INTRODUCTIONS

Present	Section	Absent	Section
Cathy Chouinard	22	John McLeod (out of town)	19
Jim Dobis	27		
Richard Frederici	24		
Pam Hunter – P	26*		
John Langholff	20W		
Mike Needham	23		
Will Platt	29*		
Richard Sontheimer	21		
Donna Willard – VP and T	28		
Marilyn Wardlow	20E		

3. REVISION AND/OR ACCEPTANCE OF AGENDA

- Correct the date of the May meeting to May 20, 2020 on the agenda.
- Motion to accept agenda with correction, seconded, and there was a unanimous vote to accept.

4. REVISION AND/OR ACCEPTANCE OF MAY 20, 2020 MEETING MINUTES

- Correct the minutes to add the 2019 quarterly budget and the 2020-2021 proposed budget.
- Motion to accept minutes with revision of addition of the budgets, seconded, and there was a unanimous vote to accept.

5. CALL TO MEMBERSHIP

- Lynn Mattingly asked if the 2019-2020 annual meeting minutes needed to be approved. The president stated that those minutes were approved at the October 2019 board meeting.

6. PRESIDENT'S REPORT

- The HOA-owned Mellak Rd lot (#104-01-092B) price was reduced to 14,900 to get the property off the HOA's plate, as it's been for sale for 1.5 years.
- Reminder for board members: Per HOA's legal counsel, do not discuss or advise HOA members on assessments or legal issues. Board members should direct them to contact Michele DoPadre.

7. TREASURER'S REPORT

- The treasurer's report is attached to these minutes.

- Michele and Donna have tried different means to help collect assessments. Michele added handwritten notes to invoices for members who were delinquent. This year, Michele sent a statement of account instead of invoices for individual years, and this seems to be working. Donna will send a second notice to members that have not yet paid this year's assessments. Michele will continue to legally process the members with multiple years of delinquent assessments.
- Members need to remember to update the HOA through Michele with any mailing address changes. This was a big problem area this year, as several members did not do so. Members are responsible for doing this. The CC&Rs clearly state that it is solely members' responsibility to pay their assessment on time even if they do not receive an invoice in the mail.
- As is the same every year with the HOA, all assessments are due by July 1. A late fee is charged 15 days after July 1. Interest begins to accrue on August 1 at 18% per year.

8. COMMITTEE REPORTS

- **Master Design**
The president reported that Marilyn Wardlow had stepped down as chair of the MDC in June. Board member Will Platt has volunteered to be the new chair of the MDC. Committee approvals will be later in this meeting. The MDC will hold a meeting in late July so no member submissions are held up. Those member submissions have been contacted about this.
- **Road**
-We continue to place AB at worn road edge locations and to remove brush and cut weeds where the large mower does not have access. There are 3 big projects planned this fiscal year, and 2 were unexpected.
 1. Buried culvert just west of Mellak Rd - needed to be excavated and rocked to improve drainage.
 2. Fencing replacement - ½ mile of boundary fence on Cielo Grande due to vandalism. No trespassing signs are to be added every 100 feet along Cielo Grande on advice of attorney.
 3. Fence addition on 3 Canyons Rd east of Rio Santiago just outside the east gate – attorney advised putting up new fencing to stop access.

The 2 fencing projects caused the overage on the Road Committee's annual budget.

-The Finance Committee requested an estimated budget for the resealing of 3 Canyons Rd from Vista Del Oro to Palominas Rd. BNR Paving provided an estimate of \$68,000, which is directly impacted by the cost of oil. BNR Paving stated 3 Canyons Rd is in good shape and should not require resealing for at least 2 years.

-New projects for FY2020-2021 include replacing the blacktop at 3 Canyons Rd/Mule Pl due to damage from traffic from the heavy trucks at Workman's construction sites. At the west gate area of 3 Canyons Rd, the monolith is collapsing due to the heavy truck traffic. This area will need to be resurfaced, and this will include replacing the sensors for the gate. A member asked if the contractor could be charged for the road damage repair. Jim has tried to work with the contractor in the past without success. The contractor is also an HOA member, so the HOA does have some recourse.
- **Traffic Control**
Four new cameras, two at each gate, are being added for the capture of license plates and facial photos of the trespassers. The east gate is complete. The west gate installer is having trouble

getting electricity to the gate. CCSO requires clear photos of the license plates to take action on the trespassers.

- Gate
Signal Gates replaced a bad board in the system that caused the west gate to malfunction. Richard continues to work on deleting obsolete and misused gate codes.
- Governing Documents – None
- Maps
Donna and John continue to work on updating the maps. No new maps have been posted to the website yet. They are working to extract info from the county website to incorporate into the maps.
- Finance – Donna said there has not been a meeting yet, but one will be held soon. She assured members that the committee will protect HOA funds and not put it at risk.

9. NEW BUSINESS, PART 1: APPOINTMENT OF AT-LARGE BOARD SEATS

- It was proposed to table this item until we find out if the member from Section 26 is going to take the board seat. There was a discussion. A motion was made to table this and continue the current 3 at-large seats until the October meeting, it was seconded, further discussion ensued, and the board voted 8 yes and 2 no.

10. NEW BUSINESS, PART 2: ELECTION OF OFFICERS FOR THE BOARD OF DIRECTORS

- President: Pam Hunter was nominated, no other nominations. The board voted unanimously. Vice President: Donna Willard was nominated, no other nominations. The board voted unanimously. Secretary: Gina Mansell volunteered to be secretary, no other nominations. The board voted unanimously. Treasurer: Donna Willard was nominated, no other nominations. The board voted unanimously. Officers are elected every year.

NEW BUSINESS, PART 3: APPOINTMENT OF COMMITTEE MEMBERS

- MDC: Will Platt volunteered to be Chairman, other volunteers Cathy, Andrew Rodriguez, Virginia Stiles, Carol Daly-Martens, Stephen Burr, Craig Gundy, Peter Van Wesep, Sarah Bradbury, Joyce Bender, and Jack Bender. Will stated he is not comfortable with the possibility of being the chairman for only 90 days and possibly having another person take over would be very disruptive for the committee (due to 1 at-large board seat possibly going away in October). The treasurer noted that she is willing to step down as an at-large board member. Michele suggested to appoint at-large seats for Sections 28 and 29 and contact the write-in candidate from Section 26 soonest to validate their acceptance or decline of serving in that board seat. A motion was made to appoint the 2 at-large board seats. Donna stated that she would serve in the third at-large seat until the next meeting in October when we should know by then if the write-in candidate is going to serve. There was a discussion, followed by a unanimous vote. A motion was made to nominate Will Platt to one of the two at-large board seats, discussion, and the board vote was unanimous. A motion was made to nominate Pam Hunter to one of the two at-large board seats, discussion, and the board vote was 9 yes, 1 abstain. A motion was made to nominate Will Platt to be the MDC Chairman, discussion, board vote unanimous.

- Road Committee: Jim Dobis, Chairman, Rich Frederici, and Bob Gilbert volunteered, there was discussion, and a unanimous board vote.
- Traffic Control: Jim Dobis, Chairman, Richard Sontheimer, and Donna Willard volunteered, there was discussion, and a unanimous board vote.
- Gate: Richard Sontheimer, Gate Administrator, John Langholff, and John McLeod volunteered, there was discussion, and a unanimous board vote.
- Governing Documents: Marilyn Wardlow volunteered, and there was a unanimous board vote.
- Finance: Donna Willard, Chairperson, Pam Hunter, Will Platt, and Tom Gleason volunteered, and there was a unanimous board vote.
- Webmaster: Dimetri Wilker volunteered, and there was a unanimous board vote.

NEW BUSINESS, PART 4: PROPOSED RULE CHANGE #16

- A change to rule #16 in the HOA Rules was proposed by the president. Instead of stating that HOA assessment of a new build should begin upon "footers" being filled on a home construction site, the president suggested it should take place upon approval of the MDC. The last legally recorded records of the HOA state that the MDC approval date is when the assessment is to start. Michele verified this information. The "footers" date has never been communicated to the HOA administrator in the time since the rule was voted on in 2019. Several members did not have their newly built homes assessed at the proper time in 2019-2020 as a result. A member stated that consideration should be given for some new builds that get delayed while paying for the planned square footage. A motion was made to void the #16 rule and change it to the legally recorded start of assessment as upon approval of the MDC, and for the new MDC chair to see what works best in the future with the new builds, Michele, and the treasurer. Board discussion was held, and then the board vote was unanimous.

NEW BUSINESS, PART 5: APPEALS

- There was a total of 6 appeals for the board's consideration, 3 open and 3 closed. The 3 closed appeals were all regarding late fees, interest, and legal fees. All 3 were denied based on CC&Rs Section 7, paragraph 7.12. Of the 3 open appeals, 2 were regarding late fees and interest, and these 2 were denied based on CC&Rs Section 7, paragraph 7.12. The third open appeal was regarding transfer fees and denied based attorney research.

NEW BUSINESS, PART 4: DATES OF FY 2020-2021 BOARD MEETINGS

- The proposed dates for FY 2020-2021 board meetings are October 14, 2020, January 13, 2021, and April 14, 2021, all the second Wednesday of the month at 5:30 p.m., and July 10, 2021, at 9:30 a.m., the second Saturday of the month. The July 10, 2021 is for the annual membership meeting, followed by the quarterly board meeting. There was discussion, followed by a unanimous board vote.

CALL TO MEMBERSHIP

- None

11. ADJOURNMENT

- Motion to adjourn, no discussion, unanimous vote to adjourn. Meeting was at 1:30 pm.

GLOSSARY OF TERMS / SYMBOLS	
Term/Symbol	Meaning
*	At large
AB	Gravel used on edge of road to prevent road edge wear
CC&Rs	Covenants, conditions, and restrictions
HOA	Homeowners Association
P	President
S	Secretary
T	Treasurer
VP	Vice President

3 CANYONS RANCH HOMEOWNERS ASSOCIATION 2019-2020 BUDGET

BEGINNING BALANCE	74,246		ENDING BALANCE	78,843
Corrected to match actual amt remaining	Jun-20	YTD	BUDGET	REMAINING
INCOME TOTAL	\$25,431	\$245,617	\$212,001	(\$33,616)
2019-2020 Assessments	\$10,603	\$161,116	\$164,865	\$3,749
2018-2019 Assessments	\$3,180	\$8,470	\$11,335	\$2,865
2017-2018 Assessments	\$1,080	\$3,525	\$4,702	\$1,177
2016-2017 Assessments	\$0	\$555	\$1,230	\$675
2015-2016 Assessments	\$0	\$435	\$589	\$154
Late Fees	\$1,685	\$4,657	\$1,500	(\$3,157)
Interest	\$844	\$5,570	\$1,400	(\$4,170)
Gate	\$350	\$1,295	\$1,000	(\$295)
Master Design	\$0	\$1,400	\$600	(\$800)
Transfer Fees	\$2,800	\$30,790	\$10,000	(\$20,790)
Recovered Legal Expenses	\$4,489	\$14,172	\$15,000	\$828
Recovered Admin. Expenses	\$0	\$100	\$700	\$600
Construction Deposits	\$0	\$13,000	\$3,000	(\$10,000)
Miscellaneous Deposits	\$400	\$532	\$0	(\$532)
EXPENSES TOTAL	\$20,834	\$169,394	\$184,604	\$15,210
ADMIN	-\$3,453	\$10,403	\$10,190	(\$213)
Board	-\$3,453	\$462	\$500	\$38
Master Design	\$0	\$76	\$120	\$44
Gate	\$0	\$133	\$200	\$67
Road	\$0	\$125	\$100	(\$25)
Documents	\$0	\$0	\$100	\$100
Maps	\$0	\$259	\$100	(\$159)
Website Maintenance	\$0	\$348	\$70	(\$278)
Construction Deposit Refund	\$0	\$9,000	\$9,000	\$0
ACCOUNTING	\$300	\$2,256	\$2,500	\$244
ATTORNEY	\$0	\$47,706	\$65,000	\$17,294
Litigation	\$0	\$1,756	\$20,000	\$18,244
Professional	\$0	\$21,425	\$15,000	(\$6,425)
Administrative	\$0	\$24,525	\$30,000	\$5,475
INSURANCE	\$0	\$6,786	\$5,644	(\$1,142)
Board & Officers	\$0	\$2,219	\$1,859	(\$360)
Property	\$0	\$4,567	\$3,785	(\$782)
TAXES	\$0	\$861	\$780	(\$81)
GATE	\$977	\$11,886	\$18,490	\$6,604
Warranty	\$640	\$7,680	\$8,000	\$320
Utilities	\$212	\$2,483	\$2,190	(\$293)
Lighting	\$0	\$0	\$300	\$300
Remotes & Cards	\$0	\$1,473	\$1,500	\$27
Maintenance	\$125	\$125	\$1,500	\$1,375
Repair	\$0	\$125	\$5,000	\$4,875
ROAD	\$23,010	\$66,529	\$45,000	(\$21,529)
Maintenance	\$1,133	\$13,843	\$3,000	(\$10,843)
ROW/Mowing	\$3,400	\$12,742	\$10,000	(\$2,742)
Road Edge & Weed Control	\$2,907	\$12,056	\$6,000	(\$6,056)
ROW/Drainage	\$4,400	\$12,448	\$23,000	\$10,552
Fence	\$11,170	\$15,085	\$3,000	(\$12,085)
TRAFFIC CONTROL	\$0	\$3,190	\$3,000	(\$190)
Maintenance/Monthly Cloud Fees	\$0	\$2,700	\$3,000	\$300
Miscellaneous	\$0	\$490	\$0	(\$490)

3 Canyons Ranch 2020 - 2021 Monthly Budget

Beginning Balance:		JULY 2020		Ending Balance:	\$139,158
0	MONTHLY	YTD	BUDGET	REMAINING	
Income Total	\$141,063	\$141,063	\$203,505	\$62,442	
2020-2021 Assessments	\$141,063	\$141,063	\$171,720	\$30,657	
2019-2020 Assessments	\$0	\$0	\$3,749	\$3,749	
2018-2019 Assessments	\$0	\$0	\$2,865	\$2,865	
2017-2018 Assessments	\$0	\$0	\$1,177	\$1,177	
2016-2017 Assessments	\$0	\$0	\$675	\$675	
2015-2016 Assessments	\$0	\$0	\$165	\$165	
2014-2015 Assessments	\$0	\$0	\$154	\$154	
Late Fees	\$0	\$0	\$1,500	\$1,500	
Interest	\$0	\$0	\$1,500	\$1,500	
Gate	\$0	\$0	\$1,000	\$1,000	
MDC	\$0	\$0	\$800	\$800	
Transfer Fees	\$0	\$0	\$10,000	\$10,000	
Recovered Legal Expenses	\$0	\$0	\$5,000	\$5,000	
Recovered Admin. Expenses	\$0	\$0	\$100	\$100	
Construction Deposits	\$0	\$0	\$3,000	\$3,000	
Miscellaneous Deposits	\$0	\$0	\$100	\$100	
Expenses Total	\$1,905	\$1,905	\$215,314	\$213,409	
Admin	\$1,169	\$1,169	\$7,220	\$6,051	
Board	\$169	\$169	\$500	\$331	
MDC	\$0	\$0	\$150	\$150	
Gate	\$0	\$0	\$200	\$200	
Road	\$0	\$0	\$100	\$100	
Documents	\$0	\$0	\$100	\$100	
Map	\$0	\$0	\$100	\$100	
Website Maint	\$0	\$0	\$70	\$70	
Construction Deposits Refund	\$1,000	\$1,000	\$6,000	\$5,000	
Accounting	\$0	\$0	\$2,500	\$2,500	
Attorney	\$0	\$0	\$99,000	\$99,000	
Litigation	\$0	\$0	\$30,000	\$30,000	
Professional Services	\$0	\$0	\$32,000	\$32,000	
Administration	\$0	\$0	\$37,000	\$37,000	
Insurance	\$0	\$0	\$7,324	\$7,324	
Board	\$0	\$0	\$2,300	\$2,300	
Property	\$0	\$0	\$5,024	\$5,024	
Taxes	\$0	\$0	\$780	\$780	
Gate	\$442	\$442	\$18,490	\$18,048	
Warranty	\$0	\$0	\$8,000	\$8,000	
Utilities	\$105	\$105	\$2,190	\$2,085	
Lighting	\$0	\$0	\$300	\$300	
Remotes & Cards	\$337	\$337	\$1,500	\$1,163	
Maintenance	\$0	\$0	\$1,500	\$1,500	
Repair	\$0	\$0	\$5,000	\$5,000	
Road	\$1,294	\$1,294	\$45,000	\$43,706	
Maintenance	\$0	\$0	\$30,000	\$30,000	
ROW/Mowing	\$0	\$0	\$12,000	\$12,000	
Fence	\$1,294	\$1,294	\$3,000	\$1,706	
Traffic Control	\$0	\$0	\$8,000	\$8,000	
Maintenance/ Cloud Fees	\$0	\$0	\$3,000	\$3,000	
Equipment/Miscellaneous	\$0	\$0	\$5,000	\$5,000	
			Budget	Balance	
Contingency- Savings	\$0	\$0	\$12,000	\$73,901	
Road Savings Account	\$0	\$0	\$12,000	\$75,650	
Const. Deposit Savings	(\$1,000)	(\$1,000)	\$3,000	\$5,002	

Approved by BOD 5/20/20