

THREE CANYONS RANCH MASTER HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
October 14, 2020

1. CALL TO ORDER

- Meeting called to order at 5:30 p.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	JoAnne Ehasz	26
Richard Frederici	24	Jim Dobis – resigned in Sept. 2020	27
Pam Hunter – P	28*	Donna Willard - T	
John Langholff	20W		
John MacLeod	19		
Mike Needham	23		
Will Platt	29*		
Richard Sontheimer	21		
Marilyn Wardlow	20E		

3. REVISION AND/OR ACCEPTANCE OF AGENDA

- Add to the agenda under MDC Report – MDC Guidelines vote by the BoD.
- Motion to accept agenda as amended, seconded, and there was a unanimous vote to accept.

4. REVISION AND/OR ACCEPTANCE OF JULY 14, 2020 ANNUAL MEETING MINUTES

- Change recommended for the math of the individual votes not adding up to the correct total.
- Motion to accept minutes as amended, seconded, and there was a unanimous vote to accept.

5. REVISION AND/OR ACCEPTANCE OF JULY 14, 2020 QUARTERLY MEETING MINUTES

- Motion to accept minutes, seconded, and there was a unanimous vote to accept.

6. CALL TO MEMBERSHIP

- None.

7. PRESIDENT'S REPORT

- The HOA-owned Mellak Rd lot (#104-01-092B) received an offer of \$14,200 after being listed for nearly 2 years. It was accepted. The closing is scheduled for late October.
- Stachel & Associates is moving to a new office in Sierra Vista at the end of October. The new address will be sent out to board members. The phone number will remain the same.
- An FAQ section (Frequently Asked Questions) is planned for the HOA website in the future. Everyone is asked to send any info to the President that they think should be included, such as

mail box info, utilities available, points of contact commonly used by 3C residents, CC&R basic info like heights and setbacks, etc.

- The meeting minutes will be posted about 2 weeks after the meeting due to Donna being out of town and no secretary volunteer.
- 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.

8. TREASURER'S REPORT

- The treasurer's report is attached to these minutes.
- Reminder for members: As is the same every year with the HOA, all assessments are due by July 1. A 10% late fee is charged 15 days after July 1. Interest begins to accrue on August 1 at 18% per year, per the CC&Rs.

9. COMMITTEE REPORTS

- **Master Design**
The MDC Chair, Will Platt, presented the changes to the revised guidelines. The BoD had a discussion and decided to table the item until the end of the meeting. There was 1 in-person MDC meeting and 2 meetings via email since the July HOA BoD meeting. Some open items have been closed out, but his focus has been on revising the guidelines.
- **Road**
The new chair of the Road Committee is Rich Frederici, following the resignation of Jim Dobis from the BoD in September. Rich nominated a member, Aaron Huggins, to be added to the Road Committee. The BoD voted and approved the nomination with one member abstained. In committee activity, AB is continually being placed on the sides of 3C Rd to compensate for people driving off the road and compromising the shoulder areas. Driveway and road entrances have been sprayed and trimmed to be free of grass and weeds. The large mowers cannot get into these spaces, so it must be done by hand. The last major mowing along 3C Rd is now scheduled for October. The ditches on the south side of the road between Cielo Grande and Mellak Rd are scheduled for maintenance to correct erosion, create flowing water, and to mitigate any further damage to 3C Rd.
- **Traffic Control**
The President provided an update in Donna Willard's absence. With the departure of Jim Dobis, there are two committee members remaining. One or two dedicated volunteers are needed to assist with tracking the camera footage on a regular basis. A question was asked about the process of providing the evidence to law enforcement after it is on camera. The process was discussed, but one obstacle is that two required cameras for the west gate for facial recognition and license plates have not yet been installed due to the lack of a power source for the cameras. Donna previously stated that she asked the security camera company to research options to overcome this.
- **Gate**
Rick Sontheimer discussed an accident that occurred at the west gate on October 12, 2020. No one was injured. He asked Donna to retrieve any footage from security cameras for those involved in the accident. As a result of the accident, Rick changed the timer on the exit gate to 5 seconds to match the entry gate.

- Governing Documents – None
- Maps
Donna and John Langholff recently completed new 3 Canyons section maps after much work on Adobe software. The new maps are posted on the website.
- Finance – None

10. NEW BUSINESS, PART 1: ELECTION OF NEW VICE PRESIDENT

- Following Donna Willard's resignation from the BoD at the July 2020 meeting, the Vice President slot is open. There were two nominations from the BoD: Marilyn Wardlow and Donna Willard. BoD voted Marilyn 5, Donna 4. Marilyn Wardlow is the new Vice President.

NEW BUSINESS, PART 2: SECTION 27 VACANT BOARD SEAT

- Following Jim Dobis' resignation from the BoD in September, the Section 27 BoD seat is currently open. A member from Section 27, Sarah Bradberry, attended the meeting and volunteered to serve on the BoD in the open seat. A nomination was made for Sarah Bradberry to be appointed to the BoD, seconded, a BoD discussion followed, and the BoD vote was unanimous for Sarah Bradberry to be appointed to the BoD for Section 27.

NEW BUSINESS, PART 3: DISCUSSION ON CC&Rs 4.2.22 ABOUT UNDERGROUND POWER LINES

- Mike Needham initiated a discussion about Section 4.2.22 of the CC&Rs that requires that all power lines be installed underground. He questioned the interpretation of this section as it reads and said above ground power lines should be considered, following the President confirming the legal interpretation in August for a member who requested the HOA's official stance for emplacement of power lines within 3C. The BoD discussed the topic. Mike requested a copy of the HOA attorney's legal opinion on 4.2.22. The President said she would request that and email it to the BoD.

NEW BUSINESS, PART 4: SECTION 20E AIRSTRIP HANGAR

- The President presented a situation with the long-abandoned, dilapidated airstrip hangar in 20E that is the subject of a new complaint by a neighbor. The property has been in disrepair for two decades and been subject to neighbors' complaints in the past as an unsafe (Africanized beehive on site, broken down building, nails and trash strewn everywhere, used as a thru-way and hangout for transients or teens) and an eyesore. The President found a local beekeeper who will remove the most dangerous hazard, the beehive in a wall, from the hangar at an inexpensive cost. The President obtained bids for the cost of demolition for the site from licensed/bonded contractors, in the amounts of \$20,000, \$18,100, and \$1100. Given the low cost of the last bid, the President recommended that the BoD begin the legal process against the property's owner (who has been in arrears for several years on assessments and property taxes) by filing for "judicial relief." Michele DoPadre, who was present at the meeting, explained the process. Ultimately, the HOA can obtain legal permission to demolish the hangar and clean the site and charge the property owner with the cost. The first step, per the CC&Rs, is BoD approval that will be followed with a certified letter to the property owner giving him 10 days to respond. A motion was made to move forward with the legal process of judicial relief on this property.

There was a BoD discussion, followed by a vote of 9 approve and 1 disapprove. The President will ask the HOA attorney to move forward with the process.

NEW BUSINESS, PART 5: APPEALS

- There was one open appeal for Mr. and Mrs. Mansell, who request a refund of \$450 for the part of their FY20-21 assessment that was paid for square footage on a house not built on their lot. The Mansells informed the BoD that they decided not to build their house as planned due to costly expenses, to include SSVEC's estimate for installing power lines underground to the property. A motion was made to refund the assessment payment of \$450. There was a BoD discussion, followed by a vote of 9 approved, 1 disapproved. The Mansells will be sent a refund of \$450.
- There were two closed appeals that the BoD held in a closed session. Both appeals were disapproved unanimously.

11. CALL TO MEMBERSHIP

- Lynn Mattingly, VDO President, stated that he appreciated Jim Dobis' years of service to the 3C community. This was echoed by the BoD.

12. TABLED ITEM: MDC GUIDELINES VOTE

- The President suggested that the BoD hold a special meeting expressly for a BoD vote on the revised MDC Guidelines the following week. A motion was made, seconded, and a BoD discussion followed. Will Platt said he will email the final version of the document to the BoD members after the meeting and request feedback by a specified date. The vote was approved to hold a special meeting on October 22, 2020, 5:30 p.m. at the Palominas Fire Dept Training Center to vote on the revised guidelines.

13. ADJOURNMENT

- Motion to adjourn, seconded, no discussion, unanimous vote to adjourn. The meeting was adjourned at 8:15 p.m.

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

TREASURER'S REPORT

September 28, 2020

For October 14, 2020

1. Income YTD: \$178,366.00
2. Expenses YTD: \$48,387.00
3. Balance for Savings Account as of April 2020: \$73,906.00
4. Balance for Road Account as of April 2020: \$135,967.00
5. Balance for Const. Deposit Account as of April 2020: \$4,002.00
6. Michele sent 22 Demand Letters to members that are delinquent. All but 4 members have responded.
7. Assessments have been collected back to 2017-2018 fiscal year.
8. There have been 25 property transfers July through August.

Respectfully Submitted,

Donna R. Willard

3 Canyons Ranch 2020 - 2021 Monthly Budget

Beginning Balance:	Sept. 2020		Ending Balance:	\$130,029
\$147,905.00	MONTHLY	YTD	BUDGET	REMAINING
Income Total	\$8,660	\$178,366	\$213,391	\$35,025
2020-2021 Assessments	\$2,843	\$161,166	\$167,880	\$6,714
2019-2020 Assessments	\$918	\$4,156	\$16,326	\$12,170
2018-2019 Assessments	\$60	\$766	\$2,256	\$1,490
2017-2018 Assessments	\$0	\$334	\$2,632	\$2,298
2016-2017 Assessments	\$0	\$0	\$963	\$963
2015-2016 Assessments	\$0	\$0	\$180	\$180
2014-2015 Assessments	\$0	\$0	\$154	\$154
PREPAY 21-22 Assessments	\$842	\$852	\$0	(\$852)
Late Fees	\$161	\$1,367	\$1,500	\$133
Interest	\$75	\$1,082	\$1,500	\$418
Gate	\$50	\$340	\$1,000	\$660
MDC	\$0	\$400	\$800	\$400
Transfer Fees	\$2,400	\$4,698	\$10,000	\$5,302
Recovered Legal Expenses	\$1,271	\$2,059	\$5,000	\$2,941
Recovered Admin. Expenses	\$0	\$0	\$100	\$100
Construction Deposits	\$0	\$1,000	\$3,000	\$2,000
Miscellaneous Deposits	\$40	\$146	\$100	(\$46)
Expenses Total	\$26,536	\$48,337	\$188,314	\$139,977
Admin	\$1,165	\$3,536	\$7,220	\$3,684
Board	\$165	\$433	\$500	\$67
MDC	\$0	\$17	\$150	\$133
Gate	\$0	\$56	\$200	\$144
Road	\$0	\$0	\$100	\$100
Documents	\$0	\$30	\$100	\$70
Map	\$0	\$0	\$100	\$100
Website Maint	\$0	\$0	\$70	\$70
Construction Deposits Refund	\$1,000	\$3,000	\$6,000	\$3,000
Accounting	\$780	\$1,140	\$2,500	\$1,360
Attorney	\$15,436	\$23,989	\$99,000	\$75,011
Litigation	\$0	\$0	\$30,000	\$30,000
Professional Services	\$0	\$8,474	\$32,000	\$23,526
Administration	\$15,436	\$15,515	\$37,000	\$21,485
Insurance	\$0	\$0	\$7,324	\$7,324
Board	\$0	\$0	\$2,300	\$2,300
Property	\$0	\$0	\$5,024	\$5,024
Taxes	\$639	\$639	\$780	\$141
Gate	\$856	\$3,249	\$18,490	\$15,241
Warranty	\$640	\$1,920	\$8,000	\$6,080
Utilities	\$216	\$643	\$2,190	\$1,547
Lighting	\$0	\$0	\$300	\$300
Remotes & Cards	\$0	\$686	\$1,500	\$814
Maintenance	\$0	\$0	\$1,500	\$1,500
Repair	\$0	\$0	\$5,000	\$5,000
Road	\$7,660	\$16,784	\$45,000	\$28,216
Maintenance	\$5,958	\$6,078	\$30,000	\$23,922
ROW/Mowing	\$1,702	\$8,141	\$12,000	\$3,859
Fence	\$0	\$2,565	\$3,000	\$435
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	\$73,906
Road Savings Account	\$0	\$0	\$12,000	\$135,967
Const. Deposit Savings	\$0	\$0	\$3,000	\$3,002

3 Canyons Ranch Master HOA
Income Statement
For the Two Months Ending August 31, 2020

	Current Month		Year to Date	
Revenues				
Assessments 2017-2018	\$ 333.86	2.19	\$ 663.86	1.39
Assessments 2018-2019	706.04	4.64	1,036.04	2.16
Assessments 2019-2020	1,333.12	8.76	3,913.12	8.17
Assessments 2020-2021	9,279.50	60.95	36,020.30	75.20
Interest Income	581.50	3.82	1,518.88	3.17
Master Design Comm (MDC)	0.00	0.00	400.00	0.84
Transfer Fees	2,297.60	15.09	2,297.60	4.80
Late Fees	906.00	5.95	1,305.00	2.72
Other Income	0.00	0.00	456.00	0.95
Construction Deposit	0.00	0.00	1,000.00	2.09
Refunded Const Deposit	0.00	0.00	(1,000.16)	(2.09)
Recovered Legal Expense	787.98	5.18	1,286.73	2.69
Construction Deposit Refund	(1,000.14)	(6.57)	(1,000.14)	(2.09)
Total Revenues	15,225.46	100.00	47,897.23	100.00
Expenses				
Administrative Expense	37.00	0.24	86.20	0.18
Accounting/CPA Expense	210.00	1.38	360.00	0.75
Administration Fees	0.00	0.00	56.00	0.12
Board Admin Expense	0.00	0.00	182.17	0.38
Master Design Committee (MDC)	0.00	0.00	16.97	0.04
Documents/Maps	0.00	0.00	30.00	0.06
Legal Services-Admin	8,553.02	56.18	8,553.02	17.86
Gate - Electric	100.04	0.66	195.09	0.41
Gate - Telephone	115.99	0.76	232.05	0.48
Gate - Warranty	640.00	4.20	1,280.00	2.67
Gate-Cards and Remotes	0.00	0.00	686.09	1.43
Mowing and Weed Control	6,379.09	41.90	6,379.09	13.32
Road Maintenance	6,138.00	40.31	8,368.03	17.47
Fence Expenses	0.00	0.00	335.00	0.70
Total Expenses	22,173.14	145.63	26,759.71	55.87
Net Income	\$ (6,947.68)	(45.63)	\$ 21,137.52	44.13