

**Las Vegas Ranch Estates  
Property Owners Association  
Open Board Meeting Minutes  
September 2, 2015**

The meeting was called to order at 4:03 pm with quorum established with two Board members present in person: Kurt Wilkinson, (President) and Mark Spiegel (Director) and two Board members present telephonically, Joe Dalmas (Treasurer) and Mark Watson (Director); Dan Searer (Secretary) absent with prior notice. Cindy Leath, HOAMCO representative, also present. James Atkinson, attorney present as guest. Approximately 15 homeowners present.

**James Atkinson, attorney/Carpenter Hazlewood**

Jim Atkinson provided an overview of the firm of Carpenter Hazlewood Delgado and Bolen, LLC ("CH") who has engaged with the Association for its legal representation in general and collection matters. Jim originally hails from Minnesota and moved to the Prescott area fifteen years ago. Jim has extensive law experience and had his own firm before becoming an attorney with CH. CH represents several thousand homeowners associations throughout Arizona and in other states and provides representation in business, legal matters, and collections. Jim maintains a local office in Prescott and serves as the Board President at the homeowners association in which he lives. Jim provided information on the various types of governing documents for the Association, including the Covenants, Conditions and Restrictions ("CCRs"), the Bylaws, the Articles of Incorporation and the Rules & Regulations.

Following this introduction, Jim provided information to the Board regarding the splitting and combination of parcels. The CCRs are clear in their provision that parcels may be split up to two (2) times and each parcel would have its own assessment obligation and vote. There is nothing in the governing documents that speaks directly to combining lots (meaning, they are 'silent' on this matter). The County allows combinations of lots for tax purposes and the Board could reasonably take the position that combination of lots would result in one assessment obligation and one vote. In order to affect this policy, the Board should adopt a rule for the short term, but Jim recommends amending the CCRs to make the ruling clear and enforceable without problem. Amending the CCRs takes a vote of 75% of the membership, so if that is considered in the future, the

Board should include other changes to the CCRs that make sense for the community or need clarification (i.e, there is a provision in the CCRs regarding setting assessment billing which is strangely written. Typically, the interpretation is that the law would enforce the intent of the Declarant, which in this case, would be difficult.) The Board thanked Jim for his visit and information and then moved onto the Agenda for the meeting.

### **Approval of Minutes**

Kurt made motion that the June 3, 2015 Board of Directors meeting be approved. Mark Spiegel, second. Passed unanimously.

### **Financial Report**

July financial report was provided by Joe Dalmas to include: Reserve balance of \$108,623.67, Operating balance of \$50,323.90. YTD expenses \$24,261.17 vs budget of \$37,320.00, providing for a positive variance of approximately \$13,000.

### **Management Report**

Provided in writing and included in the Board packet. Items included information on the damage to the Camp Wood gate equipment caused by a delivery by Western Truss Company, who took responsibility for the repair costs. The equipment was subsequently moved further on the road by Park Pro to avoid future damage possibility. There was a problem with the new stock of proximity cards we received in June. These cards did not function with the LVRE equipment and we were unaware of that until brought to our attention by owners. We received a new stock of the correct cards and have swapped out the non-functional cards to owners. If anyone has a proximity card that does not work, or has an old Liftmaster remote, they can bring it in for exchange at no cost. Actions without a meeting resolutions were: Board approval to move to quarterly meetings, passed on June 20, 2015 and Board approval for Park Pro estimate to relocate gate equipment at a cost of \$975.00 on July 29, 2015. Insurance was renewed with House Chilson and property coverage was added for gate equipment. The 2016 Budget will be provided to the Board for review in early October. Joe Dalmas, Treasurer will meet with Committee Chairman for their input on projects for the coming year. Owners will be provided a copy of the budget with their 2016 assessment billing.

## **Committee Reports**

### **A. Road Committee**

Ralph Istwan, Chairman provided that the roads have already been crack sealed and cold patched and are ready for slurry work. Approximately six different estimates were received for road slurry seal work and it is the recommendation to the Board that Eyemark be awarded the contract. Eyemark was recommended by both Tiny Kenson and HOAMCO, both having had satisfactory work performed by this company. Ralph met with Eyemark on property and was provided with samples of materials, a demonstration of the application by squeegee which is far superior to spraying, and the type of equipment that would be used. Eyemark provided the lowest bid at \$85,951.00 which will include Las Vegas Road end to end as well as the turn outs at all entries. Tentatively, work will begin on September 21<sup>st</sup> and emails will be sent to all residents to keep them informed throughout the process. Additionally, information will be posted on the LVRE website: <http://www.lvranchpoa.com>. Roadside weeds and grass will be mowed one more time before winter.

Kurt made motion to approve Eyemark bid of \$85,951.00, Mark Spiegel second. Discussion: What is the estimated lifespan of the work? Approximately 3 years. If repairs are needed we can patch and slurry ourselves, using the samples of materials provided by Eyemark. Passed unanimously. Kurt thanked Ralph for all his hard work and a round of applause followed.

### **B. Landscape Committee**

Bob Whitney provided the Landscape Committee report which included information on condition of trees at entrances, and lighting at front entrance (which is the responsibility of Steve Pierce) that is in need of repair. Possibly the lights may have been vandalized. Kurt will approach Steve Pierce regarding the lighting repairs. Eventually, the Board may consider asking Steve if the Association can take over full maintenance of the entryway.

### **C. ARC – Architectural Review Committee**

Dan Searer was absent. Kurt Wilkinson stated that the Architectural Guidelines per the governing documents will remain intact but the ARC has drafted a one page condensed version of which they want all owners to receive a copy. Jeff Kreutzer, ARC Manager for HOAMCO will review the document for correctness before it is disseminated.

A contract with HOAMCO for architectural services was reviewed. The terms include a \$500 inspection fee be paid to HOAMCO out of the \$2,500 review fee that homeowners will be required to pay for all new builds. The HOAMCO fee will cover the review and comments on plans by the in-house architect and the remainder will be paid to the Association for on-site inspections and compliance enforcement, which will be performed by Kurt Wilkinson and Dan Searer. Kurt motioned to approve the contract, Mark Spiegel second. No discussion. Passed unanimously.

### **D. Website Committee**

Tom Turner, Committee Chairman provided that approximately 400 unique visits have been logged since the inception of the website, <http://www.lvranchpoa.com>. The website is used as a general information service to owners, who are reminded to check it often.

## **Previous Business**

### **Whitney Parcel Combination Request**

This item has been tabled, pending further legal assistance in drafting a rule.

## **New Business**

### **Slate Road Maintenance Issue**

There are four lots on Slate Road, all sold from Ed Brogdon who installed the road. The road is paved and in good condition. A proposal to request that the Association take over maintenance of the road was made by Ed Brogdon who will create drainage and add a compacted shoulder if the Board agrees. This item will be reviewed with Jim Atkinson prior to any Board decision.

## **Open Forum**

Q. Where can I get a copy of the homeowner directory?

A. Cindy will provide a copy to any owner who requests one. Carole Kenson asked for one to be emailed to her.

Q. The Love Chapel is being used as a business for weddings and receptions by Tom Kelly. Friday, August 28, 2015 at approximately 5:30 p.m. a person was observed firing a shotgun up into the trees. Residents are concerned that the gates were left open, there are persons smoking and drinking, and that there may be liability issues for the Association.

A. The Association has no jurisdiction over what individual owners do on their land, unless they are a part of the Association. Out of bounds owners who utilize the LVRE roads pay an annual assessment for road use, but are not bound by our governing documents. To our knowledge, there is no business license on record for the wedding business and it would be up to the County to police that matter. Owners are encouraged to contact the County and/or Sheriff regarding any complaints. Kurt will attempt to meet with Mr. Kelly to discuss options for gate use, security matters, and possible indemnity for road use.

## **Announcements**

Next Board meeting is scheduled for Wednesday, December 2, 2015 at 4:00 p.m.

Having no further business, the meeting was adjourned at 6:05 p.m.

Respectfully submitted,

Cindy Leath, acting recording secretary