

Dobson Association Inc. Board of Directors Meeting Minutes for March 21, 2019 (APPROVED AT 4/18/19 Board Meeting)

Members Present (Absent):

President: Ron Ricci
Vice-President: Sandra Murray
Treasurer: Jeff Brosman
Secretary: Louis Thiele

Member: Mike Kassel
Member: Joan Long
Member: Gary Smith

Staff Present:

Community Manager: Lynelle Glysson Water Conservation Manager: Craig Wilson

Homeowners and Guests Headcount: 46

I. Call to Order

The Candidates' Forum ended at 7:30 pm with 98 people in attendance. The President then called the Board Meeting to order at 7:35 pm, after the Pledge of Allegiance. Roll call was performed and quorum was established. The Board Members reported no conflicts of interest.

II. Homeowner Comments

Homeowner Jean Brown, 2555 S El Dorado, commented, for informational purposes, on the economics associated with the parking of company trucks within Dobson Ranch.

Homeowner Betsy Hertzler, 2622 S Iglesia, suggested that the Board consider placing a permanent memorial plaque in the refurbished Rose Garden that contains the original inscriptions of any disposed memorials.

Homeowner Nate Caine, 1325 W Keats Avenue, requested that at next year's Candidates' Forum the homeowners be allowed to ask some of the questions of the candidates.

Homeowner Brian Lynam, 2614 Noche de Paz, requested using social media such as Facebook Live to stream future Board Meetings to provide for greater dissemination of information.

Homeowner Frank Piccioli, 2749 S El Paradiso, urged the Board to use a sense of balance between enforcement and community relations with respect to the proposed changes to the Residential, Architectural Guidelines.

Homeowner Mike Hanson, 2431 W Knowles, requested the Board to consider adding vegetation to the land strip at the north side of Lindner near El Dorado.

Homeowner John Varga, 1356 W Nopal, repeated the two previous month's complaint regarding review of his CC&R violation. He expressed displeasure with our position in enforcing CCRs.

Homeowner Michael Fee, 2711 W Nopal, asked about the level of changes made in the 2016 and 2017 revisions to the Residential, Architectural Guidelines, which was explained later in the meeting as "moderate in several sections".

III. President's Report

The President delivered an address that is attached to these minutes.

IV. Minutes Approval

Jeff Brosman made a motion to approve the 2/21/2019 Board of Directors Meeting Minutes as written. Louis Thiele seconded the motion and the motion **passed unanimously**.

V. Community Manager's (CM) Report

Our CM, Lynelle Glysson, gave a brief report on the following activities.

1. Our new La Casita Patio should be completed in time for the Annual Meeting on April 9th.

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2. Lake #1 Refurbishment (final stage) has now been completed.
3. A bloom of golden algae was discovered in Lakes 7 & 8 a few days ago and was immediately treated with the appropriate chemicals for removal.
4. A new Communications Manager has been hired.
5. A preventative maintenance program is being established and will begin implementation in April.

VI. Committee Reports

- a) Budget & Finance (B&F) Committee: Spencer Jarvis from the B&F Committee gave a recap of the March 18th meeting, including approval of the financials for the month, the review of accounts receivables, and a few brief comments regarding our 2018 audit. The Treasurer, Jeff Brosman, reported on a few key aspects of the February financials (attached to these minutes) and gave a few comments about the successful audit of our 2018 financials. The audit report shall be presented at the April 9th annual meeting.
- b) Master Planning Committee: Sandy Murray reported on the March 1st and 11th meetings regarding the Fob replacement and operations deferred maintenance items (see attached minutes).
- c) Architectural Committee: Louis Thiel presented information from the March 18th meeting (see attached Architectural Report).
- d) Marketing Committee: Louis Thiel presented information from the March 4th meeting (see attached Marketing Meeting Minutes).
- e) Water Conservation Management (WCM) Committee: Craig Wilson presented information from the March 4th meeting (see attached WCM Meeting Minutes).
- f) Lake Habitat Committee: Gary Smith's report is attached to these minutes. Motion by Jeff Brosman and seconded by Joan Long to approve Gary Smith as the Chairman of the Lake Habitat Committee. With no comments the motion **passed unanimously**.
- g) Ad Hoc Policy Committee: Jeff Brosman reported that work continued by the committee in revising the Residential, Architectural Guidelines. Jeff also addressed homeowner comments regarding the process for revising said guidelines as well as correcting some misinformation previously stated in the meeting. The current revision is in legal review to remove any unallowable changes prior to conducting the next workshop on the guidelines (meeting date to be announced).
- h) Recreation Committee: No meeting this month, but Joan Long reported on the high level of room rentals in February and announced upcoming recreational events.

VII. Unfinished Business

None.

VIII. New Business

- a) Communication Manager: Motion by Jeff Brosman and seconded by Joan Long to approve hiring of Communications Manager. With a few explanatory comments the motion **passed unanimously**.
- b) Contingency Budget Allocation: Motion by Jeff Brosman and seconded by Sandy Murray to apportion \$5,000 from the Contingency Account to Account 6017, Attorney Fees General, for unexpected expenses associated with case closeout. With a few explanatory comments the motion **passed unanimously**.
- c) Audit Representation Letter: Motion by Jeff Brosman and seconded by Joan Long to authorize approval of the Audit Representation Letter. With no comments the motion **passed unanimously**.

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- d) ADWR Report: Motion by Jeff Brosman and seconded by Mike Kassel to approve, as recommended by the WCM Committee, the 2017-2018 ADWR Report for Water Conservation Management. After minimal discussion, the motion **passed unanimously**.
- e) Turtle Study: Motion by Ron Ricci and seconded by Sandy Murray to terminate the contract at no additional cost with Marsh & Associates for current turtle study and await recommendation from the Lake Management Committee for next action. After some discussion amongst Board and Craig Wilson, the motion **passed unanimously**.

IX. Discussion

The following items were discussed with no formal action taken.

1. Future Board Meetings will generally utilize the agenda format of tonight's meeting with an attempt to keep meetings to 90 minutes, but no longer to 120 minutes in length. If a lack of time exists for all homeowner comments, those not given a chance to speak will be given a priority at the next meeting.
2. A solicitation for applicants to the Architectural Committee was announced.
3. Informal comments by homeowners at the end of the meeting included appreciation for the Board's work, election particulars, previous Residential, Architectural Guideline changes, and use of Roundup/website announcements.

X. Adjournment

With no further discussion being desired, the President asked for a motion to adjourn from the attending homeowners. Patty Smith made the motion to adjourn. Frank Piccioli seconded the motion. The motion **passed unanimously**. Meeting was adjourned at 9:05 pm.

KEY FEBRUARY 28, 2019 FINANCIALS

BALANCE SHEET ITEMS

TOTAL CASH ASSETS 2/28/19	\$5,253,414
TOTAL ASSETS	\$7,781,056
TOTAL RESERVES (88% FFB)	\$2,206,450
NET CASH ABOVE RESERVES	\$2,135,607
(AVAILABLE EXCESS CASH)	

INCOME SHEET

NET INCOME YTD PER BUDGET	\$105,319
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MARCH – 18 Architectural Report

February Improvement Applications

Total 41 valued at \$231,658

- The rainy season obviously brought attention to leaking roofs because over \$110,000 of improvements were in that category.
- There were only 33 Residential Home sales and 2 trustee Properties or Condos.
- The CC&R Staff cited 291 New Violations. More than a third of the new citations were for Landscaping violations greatly driven by weeds which were encouraged by the recent rain.

There were 60 previous notices closed but 40 previous citations were escalated after passing the 21 day time frame.

March - Marketing Meeting Minutes –Mar. 4th. 2019

1. The Community Manager gave an update on the hiring process for the New Communications Manager position which will oversee and perform updates on the Ranch Website Re-Design. The Marketing Committee agreed that we will establish a working group to meet as needed with the new Web-Master to assist in the design and functionality of the site. This should begin in April.
2. With construction of the new patio at La Casita well underway, we still do not have a name chosen for the site. A final request for new suggestions will be in the next issue of the Roundup and a choice will be made by the end of April which should be around the date for completion of the project.
3. Arrangements are being finalized for the donation of a new Playground Slide at Laguna Park. This will be in memory of Mr. David Hunsinger who was a frequent visitor to the Playground with his Daughter.
4. As the rebuilding and re-modeling of the Rose Garden moves forward the memorial plaques that were in place are being collected and the families involved will be offered Memorial Bricks in the new Patio at a significant discount. The bricks should have a much longer staying power than the previous signs.

March 15, 2019

Message from Gary Smith:

Ideas on moving forward with the Lake Habitat Committee

I talked to the Pres of H2Ology today. (His name is Iliya Paul. Known him for over 20 years.) Very pleasant fellow who is an expert in his lake management field. He is so great to talk to and answered every one of my questions completely. He praised Amalfi but also said Rick is more a chemical tester.

He thought my plan to start with Lake 8 then, 2, 3, 4, 5 and then Lake 1 would be an excellent plan. He'd like to get the turtles controlled, has a wildlife outfit who have all the legal permits to relocate the domesticated ducks, and get a fish balance that would result in a clean healthy lake.

Once the committee is seated, the committee can decide on a plan of action and then confer with Budget & Finance. I realize that the committee must be ready for the "fall fish purchase".

An idea I would like to propose is a fisheries on Lake 8, 2 and 1 and to encourage get the kids interested in fishing again. This would include clinics and outdoor events so when they reach those troublesome teen years, they will remember the qualities times the lakes gave them. In addition, this will possibly provide some fish sustainability to either reduce or compliment the fish stocking.

Yes! It's a very long-term investment.

PS Meeting with 2 future lake habitat committee members tomorrow morning

GS

MASTER PLANNING MINUTES

3-1-19 and 3-11-19

Attendees 3-1 Manelle Williamson, Nate Cain, Dennis Melgreen, Joan Long,
Dusty Ide, Sandy Murray, Annette, Lynelle Glysson

Attendees 3-11 Nate Cain, Mike Snedeker, Ron Ricci, Louis Thiele, Lynelle
Glysson, Manelle Williamson, Sandy Murray, Scudder Black

At both of these meetings FOBS were our sole topic. There is concern about long term costs of FOBS including monthly and long term costs. There is also concern about access to facilities bypassing the FOBS. Committee wants to be sure we evaluate all options.

After two meetings we have decided:

-) No longer pursue the use of push button (key pad) locks.
-) Pursue options available to restructure FOB system to be less expensive with in house control.
-) Pursue costs of return to brass key and lock system.

FOBS were a major investment for Dobson Ranch and we want to be sure we take time determining what the best solution is.

March 21, 2019

President's Comments

Open Session

Thank you all for being here tonight. It is exciting to see more participation from our Residents!

As President of the Association's Board of Directors, I'd like to share some opening comments and explanations to start this meeting. It is my desire to hopefully set a positive tone for this and future meetings with a general understanding of some of my and the Board's recent thoughts.

My fellow Board members and I are all volunteers. We use our time to help govern the Association, serve on committees, and participate in civic events that promote the Ranch, maybe that's why some of us are "old...we have the time to fulfill civic duties and give back to our community.

The Board of Directors hires a Community Manager. Although our Community Manager is contractually granted the day-to-day operations of The Dobson Association, we as a Board, are ultimately responsible. Accordingly, we have provided oversight and recommendations to our Community Manager, and with her guidance, has helped the Board in many positive ways to better serve our community.

My tenure on the Board began in 2014. With the exception of the past few months, for several years now, the number one complaint was the sparse enforcement of our governing documents. In addition, the time period from about June 2018 until January 2019, I was in the temporary position as Community Manager where I could listen to and console many residents about enforcement or the lack there of. This has given me the knowledge, especially meeting with residents as the Community Manager, to convey to my fellow Board members and receive their input so that the whole Board can do a better job.

Doing a better job means many things. The current Board is doing more than just attending the monthly meetings. We have taken an active role in the finances, architectural reviews, and, above all, we have access to 99% of the Associations records. This includes violations and our archives for residents that have not complied for many, many years.

During various Board meetings this year, it is noticed that there have been several vocal residents, during the meetings, requesting or hinting that the current Board and Administration curtail or reduce the enforcement of the Association's Governing Documents, including the CC&Rs, Rules, and Architectural Guidelines.

What percentage of homeowners are happy about enforcement of CC&R's? The vast majority are and that is why HOA's continue to exist. The quality of the neighborhoods are better, home values are higher, and amenities are available to all.

As President, I have heard from neighborhood groups and others. Here is a common statement: Ron, as President, it is your duty to lead the Board for the benefit of the majority within the Governing Documents. These residents will not attend an Open Session to state they want the Governing Documents enforced due to the tone of the meetings and possible arguments with fellow neighbors. The residents' state: They have elected the Board to follow the Documents and it is the Board's duty to advise the Administration to follow the Documents.

Please know that the Board fully intends to follow the Arizona Open Meeting Law, which allows members of the Association to speak at appropriate times during the Open Session meetings.

In addition, I have in my possession, the Residential Architectural Guidelines that were adopted on March 17, 2016 and August 17, 2017. During that time, the residents were neither involved nor actually aware of the changes. These two Guidelines were approved in an Open Session with Board knowledge. Only the Residents that were present at the Open Sessions were aware. However, Residents were not involved in the process and a "Workshop" for Resident input was not held. Your current Board has held open meetings to solicit input and make residents aware of the process and the sparse enforcement. It is unfair for any resident to imply that the current Board is not being forthright.

However, there is a need to point out that the some members attending meeting after meeting with the same comments or concerns regarding enforcement need to understand the following information:

The Association's Board members have three fiduciary duties to the Association: 1) the duty of loyalty; 2) the duty of care; and 3) the duty of confidentiality. The current Board is striving to follow its fiduciary duties to the Association and part of those duties include doing what is in the best interests of the Association and enforcing the Association's Governing Documents. In other words, this Board and all of its members, including any new Board members, have a duty to enforce each of the Association's Governing Documents as currently written and this means the restrictions cannot be ignored.

These restrictions, known as Covenants, Conditions, and Restrictions, CC&R's, are a contract that each homeowner in the Association becomes bound to on the day each of you took title to your property. Consequently, The Bylaws, and The Architectural Guidelines, which are Rules and Regulations, cannot be ignored by neither the Board nor the Administration. Therefore, the current Board will do its best to enforce the

Governing Documents and will not ignore known enforcement issues as some vocal residents have suggested. If the Board were to do what some residents have suggested and ignore the restrictions, there are negative implications, including the potential for a decrease in property values if the restrictions are not upheld and a breach of the Board's Fiduciary Duties.

Moreover, if you are aware of a violation or enforcement issue in the community that is not being enforced, please inform the Community Manager of the issue by calling or emailing our administration.

Finally, if you have any questions about the City of Mesa, the State of Arizona and the Federal laws that pertain to our Association, including the Board's duty to enforce the governing documents, feel free to check out Mulcahy Law Firm's website, which has free educational information.

www.mulcahylawfirm.com

Thank you for allowing the Board to preserve the aesthetics of the Ranch and to represent you.