

## **Samalayuca Improvement Association Board Meeting**

**January 12, 2016**

**Present:** Diane and Kyle Boyd, Dick Czech, Suzanne Griset, Mark Koskiniemi, Jana Knutson, and Richard McArthur

**Visitor:** Frances McArthur

Diane called the meeting to order at 7:03 pm. Suzanne reported that due to computer operator error, there are no minutes for the December meeting.

### **Treasurer's Report:**

Dick provided the treasurer's report: we have \$4,007.81 in checking as of December 31st, and the Vanguard account has a total of \$42,915.73. Unusual expenses in December included payment of \$3,964 for our general and workmen's comp insurance policies; \$381.07 to the Arizona Dept of Environmental Quality; and \$600 to the attorney for retainer; and \$17,620 to Crane for an emergency well repair (see President's Report below).

### **President's Report:**

Diane reported that we had two water-related issues in December. The major expense was the failure of Well #1, originally installed in the 1960s. The bushings were completely corroded and the pump was barely above the water level and in danger of running dry. However, the casing is good, and the well extends to 700 feet. We obtained estimates from Crane Diane polled the Board by telephone on December 28 for authorization to expend the \$36,000 required for the repair (Boyd, Czech, Griset, Koskiniemi, McArthur, and Swinford voted for the expenditure; Knutson was not available). Half of the cost was paid in December and drawn from the Vanguard account; the remainder is due upon completion of the project. Crane is still working on the repair and is installing a submersible pump (the cheaper option and cheaper to operate as it requires 5 horsepower less than the old pump). The pump will be placed at 500 feet (water is at 400 feet, approximately 40 feet lower than 9 years ago).

The other repair involved a leak near the Garelicks that was first thought to be Metropolitan or Tucson Water and Tucson Water came out on Christmas Eve and investigated. The Boyds also examined it and determined that it was our pipe (cracked by pressure from a eucalyptus root) and a broken valve. The valve was bypassed and the leak repaired temporarily; we'll need an estimated \$3000 to repair the valve.

Diane reminded the Board that two homeowners had to repair their water lines between the street and their home this year and Dick noted that our pipes are old. He recently received an offer to buy insurance from TEP at \$5/month that covers water pipes from the street to the home.

She reported that one expenditure that was budgeted for 2015 was delayed to 2016 – replacing the electric lights in the 3 sets of entry monuments (at Kovaya, Comobabi, and Leonardo da Vinci) with solar lights. We'll do the monuments that were moved during the Magee road construction since the electric line to them was cut by the construction; the other two will be delayed until repairs are needed.

### **New Business**

The draft 2016 budget was distributed and discussed. Diane and Dick will meet this week to revise it to better demonstrate how the money for the well repair is being drawn from the Vanguard reserve account (not quite half during 2015, and a little more than half in 2016), leaving the reserve at about \$23,000, barring any additional emergency expenditures.

Diane discussed the urgent need to rebuild the reserve, either through a \$500 assessment per household, which would add \$25,000 immediately, or a \$20/month dues increase that would add about \$1,000/month to the reserve account and would require 3 years to replace the \$36,000 spent on this repair.

Suzanne moved, Jana seconded, that we present both options at the annual meeting to determine which of these measures should be presented to the members for a mail-in vote in February. Motion passed.

There being no further business, the Board adjourned at 8:15 p.m.