

**MINUTES OF THE BOARD OF DIRECTORS
GREEN VALLEY VILLAS WEST CONDOMINIUM ASSOCIATION
October 8, 2019**

A regular board meeting of the Board of Directors of Green Valley Villas West Condominium Association was held at Friends in Deed Room D (301 W Camino Casa Verde, Green Valley, AZ 85614) at 9:45 a.m. on October 8, 2019 (meeting started later to accommodate larger than expected turnout).

Present: Jim Becker (President), Tim Schaid (Vice-President) by phone, Chris Fisher (Treasurer), Mary Meister (Secretary), Lila Szedlus (Director) by phone. Also in attendance was Cathy Russell, General Manager, Diane Lizarraga (Bookkeeper) and Nina Gallego (Administrative Assistant).

• **Call to Order, Pledge of Allegiance, President's Welcome**

The meeting was called to order by Jim Becker at 9:45 a.m. (accommodate larger than normal attendance), the pledge of allegiance was recited and Jim welcomed members and thanked them for their attendance (70+ people attended – 58 signed in as owners). and thanked so many members for turning out at the October meeting. Jim mentioned that some things have slowed down with landscaping as grounds crew has been helping with sewers – digging holes, etc. Should be back to grounds process soon. Jim also reminded everyone that the weeds go wild after the rains we have had. He reiterated that we are in “continuous improvement” mode with our focus on whatever is best for Villas West and will continue to be as we move forward. Jim reminded everyone of Board meeting etiquette:

- Board meetings are for the purpose of giving you the owners an update on the association standing and information on ongoing and upcoming projects and events. The Board also uses this time to make motions and pass actions.
- No letters and or reports regarding a single unit or owner shall be read by either the Board or member.
- All “owner input” should be for the good of the whole community and not for any single individual agenda or villa.
- All private matters should be discussed with the Board in private. You can contact your Board through our office either by letter delivered to their mailbox or by request that you be contacted.
- The Board will not tolerate any offensive language, insults, harassment, racist or obscene remarks.

• **Roll Call and Establish Quorum**

Jim Becker called the roll and established a quorum was present.

• **Adoption of Agenda**

A motion was made by Tim Schaid to adopt the agenda; seconded by Mary Meister.

Motion passed unanimously.

• **Approval of Minutes**

A motion was made by Tim Schaid to approve the minutes of the Regular Board Meeting of April 9, 2019 and seconded by Chris Fisher.

The motion passed unanimously.

- **Manager's Report**

- General Manager Cathy Russell welcomed everyone back and indicated it has once again been a busy summer season.
- Dorothy (previous office manager/bookkeeper) had resigned on September 6th for personal reasons and introduced the new bookkeeper Diane Lizarraga – has solid history of HOA finance and the new software program that the office has switched to – feels she will be a great addition to the team (Chris Fisher and Jim Becker also interviewed Diane for the position).
- Owner/Tenant Orientations have been successful so far and the plan is to continue to have these as long as there is enough interest. Benefits both Villas West and residents, especially new owners. Orientations are held the 3rd Friday of each month at 11:30 a.m. for the season and 10:30a.m. during the summer - information on website or call office – must sign up for.
- Cathy met with the Green Valley Fire Dept. over the summer and they granted permission for Villas West to close off the open streets on Tierra. We will be investing (about \$120,000) in a major street maintenance project soon. We get a lot of extra traffic coming from the neighborhood to the west which is not willing to contribute to the street maintenance. By closing off this access, we will be enhancing our community and property value. Landscape came up with a simple design for the street entrance at Penasco Park, a gate with lockbox at the south end near the Townhouses and concrete cylinders at entrance to Tierra near Esparanza.
- Reminder that there will be two open spots on the Board if anyone would like to fill out an application and be of service. Some applications were placed on the entrance table by the door. The deadline to turn applications in is Wednesday, November 27th at noon (corrected from Nov. 29).
- The office has made the change to the new software (Caliber) - this software comes with an owner portal for owners to set up and maintain their account online. Owners will be able to view their account, view work order progress, make on-line payment and set up ACH (automatic withdrawal) if you wish. You will be able to access the portal via the website or your mobile phone. The ACH's are delayed but should be cleared within the next week.
- Also reminded owners that staff works very hard. You may see crews taking a break under a tree and we are obligated by law to allow this. Staff takes pride in what they do and often get pulled off one thing to address another. All of staff, whether out on the property or in the office deserve to be treated with respect – so please, if you have an issue, come see Cathy first and don't take it out on the employee – no one deserves to be yelled at or disrespected if they are simply in our way at the time.
- Painting will resume soon. Had a painting person leave and the other one was let go. Marcos and Cathy have been doing interviews and have two candidates, just waiting for background check and drug test before getting started again. Cathy is aware of recent painting mishaps.

- If you had previously submitted and encroachment request (enlarging back patio/adding shed), please come and resubmit to the office – apologies for the inconvenience due to changeover in bookkeeping.
- We have contracted with Holbrook Asphalt to work with us on a 3 year street preservation plan starting in December (Tuesday the 10th and Wednesday the 11th). Introduced company representatives (Mr. Holbrook – Phoenix, and Mike Polletta – Tucson). Provided background on company (philosophy is to help people most cost effectively manage pavement). They will be sealing cracks this winter (1/2" or larger) and the sealer is applied in summer. Small cracks are not a problem and will be there in perpetuity (unless road is totally replaced and then that too will form cracks over time). In AZ, these cracks are not a problem because we don't have the high moisture (12" or more of rain a year), freeze/thaw cycles, snowmelt/snowpack - water that gets under the asphalt base from these occurrences. It is only cost effective to fill the big cracks. Another issue for some of our road beds, a fabric overlay that was popular in the 1990's was not successful and creates those areas where large chunks of asphalt come loose (tires cause). Can fill but will likely come back or others form and they just have to be filled on an ongoing basis as they occur. It costs twice as much to replace roadway where the fabric was used to get rid of that pavement in a total re-do. The surface coating to be applied in Spring is called HA5 – mineral bond (not a seal coat) – has long durability – cracks will not go away, but this coating will preserve the asphalt surface. Question asked whether this is a microseal? No. May need to do a chip seal or slurry down the road (maybe 10 years), but this sealer should help preserve the current asphalt for some time. The coating might be compared to a "spray bed liner they put in truck bed." Question asked on tracking and would it look like parking lot at Friends in Deed? Look similar to Friend in Deed lot but not track (seal coat tracks). You will still see tracks from tires over "typical sidewalk" cement areas but this is related to the dirt, dust, etc. that gets on tires and shoes from other surfaces. Two phase process, winter fill the cracks and spring put on two coats of the product – 1 day. Question about notifying home owners about moving cars? Will be notifying owners in advance (website, letters, email) for December crack sealing – can drive on right away. But, someone locally (Cathy Russell/office or neighbor here for summer) will need to have keys for any cars parked in the area to be coated – do not want to have to tow cars if we can avoid it. Roads being coated will be closed in Spring/Summer process but not the crack sealing in December. Company will also contact homeowners 2-4 days ahead – info on every door. Cathy will need to know if owner will have a car parked and unattended during the spring/summer application so she knows who to contact to have the car moved (or you can provide a key to your car to her and she will move around during the process). If you expect to have a car parked on the Villas West property area to be treated, best to contact the office to make arrangements for moving your car.

- **Approve Treasurer's Report**

- Chris Fisher presented the August 2019 Financial Report (year to date through August, 2019). The Operating Fund received \$1,102,030 year to date through August 2019 (\$2,160 over budget). This number reflects pre-paid assessments received from owners. Operating

expenses Year to date were \$938,000, for a net increase of \$163,430, which was more than budget projections by \$41,243. After a contribution of \$235,000 to the Reserve Fund, we had a net decrease of \$41,232.

- The Major Maintenance Fund showed a decrease of \$110,763 year to date after contribution and expenses through August 2019. The expenditures included \$279,614 for roof replacements, and \$99,600 in HVAC replacements.
- Account Balances as of August 31, 2019 were: Operating Fund = \$56,442, Reserve Fund (including assets) = \$2,509,459. (Fixed assets have net book value of \$535,847).
- For more details review the financial information on the Villas West website (and in the October 2019 Newsletter).

A motion was made by Chris Fisher to approve the Treasurer's Report through 8/31/2019. Jim Becker seconded.

The motion passed unanimously.

- **Committee Reports**

Architectural – Jim Becker: Jim reported that 39 architectural requests were made and approved since April. Many related to window replacement and a variety of other alterations: door replacement, building sheds, installing gates, solar shades and screens, dish network, sheds, relocating trash can, front patio pavers, bath fan, tiling back patio, pavers leading to villa, upgrade of electrical for laundry, hook-up for washer/dryer, removal of iron bars/living room window. Jim indicated that the architectural committee would be reviewing the specifications for future updates.

A motion was made by Jim Becker to approve the Architectural applications. Mary Meister Seconded.

The motion passed unanimously.

Budget and Finance Committee – Chris Fisher: Per Villas West Condominium Association By-Laws, this committee shall review the operating costs of the Association. It shall assist in preparing the annual budget for presentation to the Board. The Treasurer shall be the Chairperson of this committee. Members include: Jim Becker, President of the Board of Directors, Chuck Wallace and Richard Allison – Villas West owners, and Chris Fisher, Board Treasurer. The committee held 3 meetings, including one with Cathy Russell (General Manager) and Marcos Contreras (Maintenance Foreman). We have taken a look at projected major expenses using historical data, as well as items that require ongoing maintenance, updating and replacement. We are budgeting to replace 10 roofs in 2020 at \$30,000 each and 25 HVAC units at \$4,600 each. We estimate \$18,500 in maintenance and landscape equipment purchases (replace or update old, unsafe, and non-functioning inventory items). The 2020 share of the road maintenance project is \$50,000 (Total Project around \$120,000). Overall we project a budget increase averaging 5% over the 2019 budget. The current monthly contribution of \$27,500 from the General Fund to the Major Maintenance Fund will need to be increased to help offset these expenditures. We also began a deep-dive into payroll expenses and employee staffing levels. Further meetings will be held with

Cathy to finalize payroll projects and evaluation procedures. Final budget for 2020 will be presented to the Board at the November Board meeting.

- Question on ADA ramps/dog parks (dog bag/poop stations)? Jim indicated ADA ramps at street/sidewalk is part of operating budget and just requires a work order request – apportioned to masonry – out of operating budget not reserves. Changes in dog bag/poop stations would also come out of operating budget.
- Question on handrail added to front of villa – home owner was told it was homeowner responsibility to pay for. Jim clarified that he knew their villa and it should have been covered by villas as two step hand rails qualify for coverage. Cathy indicated we need to get that clarified for the office since their understanding was slightly different.

Documents and Communications – Mary Meister: Mary reported that the committee has not had a meeting since April but committee has been working over the summer. Current members include: Carleen Otto, Barbara Fisher, Karen Brooks and Inge Finney. We have been reviewing documents and forms and working on updating the website (primary means of communication with members). Mary thanked Cathy for getting the website up and running when she arrived and committee is working the same platform for updating. The committee will be meeting before the next Board Meeting. Cathy mentioned that the new accounting system will have an owner portal that members can use to keep updated on work order history and other information regarding their villa. In addition, Nina and Cathy started an Owner/Tenant Orientation session to cover many topics that should be useful to both groups, especially new owners and tenants. Reservations required for attending – the 3rd Friday of the month at 11:30 during the season and 10:30 during the summer. The committee has drafted updates to a variety of forms which need to be finalized and approved to coordinate with the website (access via computer, tablet, phone, etc.). During the summer the committee updated the Board Application form as we have two Board openings for 2020. We are also looking at holding two Q&A with prospective board members at a Board Meeting and a Fun in the Sun gathering before the election for February. Next priority will be material included in the Annual Voter Packet since this will be mailed out around the first of the year. This is the only material mailed directly to members. The response last year was something like 40% - we need all members to make sure their contact information, including email, is correct in the office. In the months ahead the committee will also be reviewing other key documents for updating: Employee Handbook, Job Descriptions, Architecture Specifications, Rules and Regulations and CC&R's. We will be enlisting assistance of other Board Members and committees, our lawyer, our office manager, staff and supervisors in recommending document updates and/or changes.

Grounds – Lila Szedlus: Since the last meeting in April, **There were 25 ground applications – 10 were approved, 3 were denied, 5 decisions were changed (from approved to not or visa versa). Seven (7) are being held until further discussion with owners about their applications. Will need to vote on these next meeting or by phone since not all were included in Board packet.**

There were several questions by owners that Lila wanted to clarify. Owners are not charged for their requests within reason. Grounds has a budget for purchasing items each year, sometimes there are a lot of requests and we will hold them until the next budget or next planting season. Planting is only twice a year around April and October/November. Reminders to owners and renters: common ground only needs a few plants – this helps landscapers do their job and work faster. Bushes need to be pruned near to the ground to prevent snakes and pack rats. The grounds do not take requests about weeds, landscaping takes care of that in their time scheduled work areas. During the summer one of the projects was fixing the sewer lines which required help from the landscapers and maintenance workers. This project is near completing which means the workers will get back to their jobs and get back on schedule. Lila also wanted to thank the owners/renters who have been helping the landscaping crew by picking up leaves, pulling weeds and raking around their villa. When everyone helps and works together this is what makes Villas West great. In the future, owners will be able to view requests and response on computer. (Some concern of not being notified of approval/denial of ground requests in past and should be notified). Will plan on telephone approval if form is completed with owner signature (some forms have been missing owner signature) and a phone number. Lila has contacted owners – question about oleanders – people didn't know where sewers were located – we will only be taking out the oleanders near the sewer line.

Maintenance – Tim Schaid: Roofing work this summer was put on hold during the monsoon season; however, since that time, 5 additional roofs have been replaced, 7 roofs repaired and 2 patio roofs replaced. Sewer inspections and repairs continue throughout the Villas West complex on a strategic, section by section basis. Where needed, lines have been replaced and additional cleanouts installed. Reminder to owners/residents that despite what the packaging says, Baby Wipes, Wet Wipes and/or disinfectant wipes ARE NOT FLUSABLE. Please dispose of these products in the garbage (not the toilet). Holbrook Asphalt has inspected all the streets in Villas West and developed a plans for the repair and resurfacing of our streets over a 3 year program. The board accepted their bid and the first phase is scheduled to begin on December 10 and 11. Phase I includes Pena north of Penasco, Quinta south of Penasco, Tierra north of Penasco and a small section of the Tierra round-about near the Tierra Townhouses. Please make arrangements to have vehicles moved from these areas on December 10 and 11. There were 1,094 work orders from April 1, 2019 through September 27, 2019 – 163 of which were HVAC related and 63 sewer related. 25 HVAC units were replaced this summer and the board has authorized Cathy Russell to develop a long-range plan to replace all swamp-cooler units that still exist with modern HVAC systems that provide air-conditioning. The chaining off system of trying to restrain traffic coming in from the back streets onto Tierra has not worked. Cathy Russell has received written permission from the Green Valley Fire Department authorizing our maintenance crew to design and install gates at these intersections. The Villas West Maintenance Committee, consisting of Mike Flynn, Bruce Macleod, Bob Opoka and Villas West board member Tim Schaid, met via telephone conference on Monday, September 30. The committee had several good questions about maintenance work in Villas West

that have been forwarded to Cathy Russell who is working on answering the committee's questions. The committee also had several maintenance suggestions for Cathy and Marcos to consider in an effort to continue making Villas West a safe, enjoyable and aesthetically pleasing place to live and I thank them immensely! Tim asked all in attendance to join him in thanking Marcos, Cathy Russell and the entire maintenance staff for the excellent work they have done over the summer. He also asked residents and owners to thank the maintenance workers personally when they have the opportunity to do so.

Social Activities – Lila Szedlus: Lila reported that the first Fun in the Sun Coffee hour will be on October 10, 2019 from 9-11 a.m. in Penasco Park. She thanked Lee Ann for putting on the coffee hour – she makes the wonderful scones. Lee Ann will be attending all the coffee hours this year. Thanks again. Next Board meeting is November 12. Starting next coffee hour in November, if anyone who likes to bake goodies and would like to bring them to the coffee hour, let Lila know (leave a note/phone number at office) and she will cut down the number of donuts purchased. This will be done every month, but Lila needs to know who is bringing something and what they are bringing. Next Coffee Hour at Penasco Park from 9 a.m. – 11 a.m. on November 14 and then December 12 (Christmas theme). The Octoberfest Event is October 19, 2019 from 1 p.m. – 3 p.m.; music, food and beer provided. The Patio Sale is on Saturday, November 23 from 8 a.m. – noon; you must sign up in the office (need count on number participating). The Annual Christmas Party is December 14, 2019. It will be held at the American Legion 66 at Duval Mine Road , starts at 4:30 p.m. with dinner at 6 p.m. – cash bar, music, each person to bring a new toy for TOY FOR TOTS or \$5.00 donation for each person. Cost to owners/renters is \$12 and guests is \$18. Limit is 150 people. Sign up in the office, cash or check.

- **Old Business**

None

- **New Business**

1. Approve the upgrade of management software to Caliber. The new system

A motion was made by Jim Becker to approve, Tim Schaid seconded.

The motion passed unanimously.

2. Approve the street preservation with Holbrook Asphalt.

A motion was made by Jim Becker to approve. Tim Schaid seconded.

The motion passed unanimously.

3. Approve Contract with Hamstra Heating and Cooling.

A motion was made by Jim Becker to approve. Tim Schaid seconded.

The motion passed unanimously.

4. Approve 2 permanent street closures and 1 gate off Tierra.

Townhouses off Tierra pay a small percent for streets (only a few townhomes there) and that is their only access. A suggestion was made to add speed limit sign there also. There will be a

locked gate by Townhomes and wall near Penasco Park and cylinders near the Esperanza entrances to Tierra.

A motion was made by Jim Becker to approve. Mary Meister seconded.

The motion passed unanimously.

5. Appoint Bob Opaka Chairman of the Nominating Committee.

A motion was made by Jim Becker to approve. Chris Fisher seconded.

The motion passed unanimously.

- **Unit Owner Input**

- Next meeting need more chairs and a microphone.
- Why spending money on blocking road – should spend money on other needs? Cathy indicated that the HOA to the west of the Villas has been approached n the past and refused to participate in maintenance of Tierra even though they use it a lot (someone else mentioned that their road is terrible which is why they use Tierra). This goes back 15+. They fly through Tierra, use the parks. Since we are spending a lot of money to fix our roads, we need to let them know that Villas West is not an extension of their development. A chain has been used in the past on one of the entrances and that chain gets cut.
- Special meeting to hear owners concerns. An owner mentioned that due to the time limitations for Owner Input at the end of the Board Meeting(s), she is requesting a special meeting to voice concerns – pick a place and let home owners speak (many in audience expressed agreement). Jim mentioned that Board Meetings are for conducting Association business which is the priority (since there was little time left for owner input at this board meeting). Another person mentioned having a “town hall” type meeting so owners could bring up concerns. Board agreed this was a good idea – need to listen to members, may not always agree, but need to listen. Another owner mentioned she is putting together an advisory group to present concerns/ideas to the Board in an organized/calm manner.
- Concerns about illegal parking on the south side of circle on Tierra (referenced CC&R's 13 and 14). Related was the commercial trailer(s) parked in overflow or other areas – then adding an orange cone which adds to the hazard of the hitch sticking out into the roadway – makes it a driving hazard for some. Jim mentioned that we have two major contractors (Roofs and HVAC) who have been given permission to keep a work trailer on the property with supplies so they do not have to drive long distances to pick up for each job (doing many jobs at the Villas right now). Jim indicated they would find another location for the trailers. Someone mentioned maybe they could park them in a nearby storage lot for a small fee.
- Concern that there are some illegal activities going on at the villas (may be people staying in villas that are not owners or 55+ tenants(using pool showers) also possible drug activity. Jim Becker and Cathy Russell mentioned that if you suspect illegal activity, residents NEED TO Call the Pima County Sheriff. You can let the office know what your concerns are (in case it is something the HOA can legally look into), but in most of these types of cases, the HOA cannot act without proof from law enforcement (e.g., a legal restraining order, etc.). Even then, what

we can do as an HOA may be limited by law. Jim mentioned authorities are aware of the possible drug activity and are involved but there isn't anything he can share publicly.

- Dog waste containers. There are many dogs now in the villas and some concern that there is a need for more frequent pick up of dog waste from the containers and the need for more containers at the parks where people are walking their dogs.
- Concern by some residents about treatment by employees and employees work habits. Residents were reminded that if they have concerns, they should contact Cathy Russell the General Manager. They can make an appointment with her to discuss their concerns privately.
- Concern that HVAC was not replaced in a timely manner during a heat wave – took 20 days to replace. (Cathy mentioned that it only took a couple of days once determined it could no longer be fixed – it was near end of week but they were able to fix before the weekend – most HVACs can be replaced in 2-3 days).
- Concern about whether repair requests are checked on later to see that they were done. South Pena pool – grout falling off, lights still not fixed at pool after they drained it to recoat – why didn't they do it then? When I called about oil slick in pool they did clean it and it looks great.
- Grounds trimming flowering bushes – Texas rangers get the buds trimmed off and then they get no flowers. Villas used to have beautiful landscaping. (Reminded – landscaping now mature)
- Dust coming from vents (just moved here) – is there insulation up there that is crumbling – can the vents be cleaned, the insulation replaced – who is responsible – HOA or me?
- HOA insurance for property – where find? Cathy mentioned available in office.
- Question on patio – common ground or villa? Jim mentioned that it is considered limited common ground. The inside patio walls is the owners (can put down pavers, garden area, etc.).
- Residents who are not 55+. Can a relative of an owner (owner 55+ but relative is not) live in villas if the owners is not actually living in the villa too? If so, do CC&R's need to be changed?
- Better information available – use A frame signs – set up to announce meetings and other key information as they do for other HOA's.
- Reminder – all dogs on leashes. Can we put a camera in the trash area – it is a mess.

- **Adjournment**

A motion was made by Lila Szedlus to adjourn the meeting at 11:20 a.m. Mary Meister Seconded.
Motion passed unanimously.

Dates to Remember

Fun in the Sun: October 10th

Octoberfest Pot Luck: October 19

Next Regular Board Meeting – Tuesday, November 12, 2019

Recorded by and respectfully submitted,

Mary Meister

Secretary