

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
MAY 3, 2018**

APPROVED MINUTES

Present: David Allen, President
Jim Bissonett, Vice President
Tom Schaefer, Treasurer
Carolyn Norris, Secretary
Luc Ducrocq, Director
Nancy Ford, Director
Craig Zirbel, Director

Staff: Larry Paprocki, Director

Also

Present: Ken & Mackey Selbig, Saddleback
James Eaneman, Regal
Maren Grow, Saddleback
Janet Desch, Saddleback
Dave & Ruth Jordan, Saddleback
Karen Turek, Belcourt

CALL TO ORDER

President Allen called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

Ruth Jordan, Saddleback, requested information on the changes to Arizona Law and procedures regarding non-compliance issues.

Mr. Paprocki provided information on the changes to State Law. He explained that there were changes regarding time frame of notice. He reported before any further action can be taken the Homeowner has 21 days to respond to the notice. The Community Association has 10 days to provide required information (must cite the violated CC&R provision, date observed, first and last name of who observed the violation and the process of how the homeowner can contest the notice). The homeowner must be informed that at any time they may petition for a hearing with the Arizona Department of

Real Estate as prescribed in §32-2199.01. SCA has elected to provide the above-required information in the first correspondence.

A Saddleback resident inquired about the types of non-compliance incidents that qualify for enforcement measures. President Allen explained that the types of incidents that require enforcement measures are outlined in the CC&Rs.

David Jordan inquired if the 10-Day Notice letters are sent by email because if the resident is out of town and the notice is sent US Mail the time frame could be missed. President Allen advised that the law requires the letters are sent by US mail but if the resident is out of town that is taken into consideration. He stated it would not be a problem to send the letter by US mail and email.

President Allen thanked the residents for attending tonight's meeting and invited them to stay for the rest of the Board meeting.

MINUTES

March 22, 2018, Board Meeting

Ms. Ford moved the Board approve the March 22, 2018, Board of Directors meeting minutes as presented. Seconded by Mr. Schaefer. The motion passed unanimously.

March 22, 2018, Annual Meeting

Mr. Zirbel moved the Board approve the March 22, 2018, Annual meeting minutes as presented. Seconded by Mr. Bissonett. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending March 31, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Ms. Ford moved the Board accept the Treasurer's report. Seconded by Mr. Bissonett. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported the City of Scottsdale approved the right-of-way abandonment that was established by the General Land Office Patent Easements (GLOPE) on the Flynn equestrian property adjacent to Stonegate's east boundary. He further reported the City's review and applicant's request to abandon the easement was included in the Board packet. He explained the equestrian trail that existed on private property is being relocated to the Stonegate eastern wash area, which was dedicated for equestrian

purposes. He further explained that he has reviewed the trail relocation with Kevin Flynn to ensure a smooth transition to the wash floor. The equestrian riders will not be able to see into Stonegate resident's backyards that border the wash. He added he has also discussed the planting of trees with Mr. Flynn and the City.

Mr. Paprocki stated he also met with several Stonegate residents and showed them the property pins, explaining the wash dedication for equestrian purposes and discussed the zoning of the property and that it had not changed. He further stated the equestrian operation presently existing on the Flynn property will be expanded. Low profile structures matching the existing structures will be constructed along with a single-family residence, which will be the Flynn's primary home.

Mr. Paprocki responded to questions and comments regarding this matter.

Mr. Paprocki reported two (2) 10-day notice letters have been sent out. A tenant of a leased Saddleback property was parking a trailer on the street. Also, a black SUV was frequently being parked blocking the sidewalk. The owner was sent a 10-day notice and letter and has contacted him. He further reported that he explained their tenant was notified in writing and a copy was sent to the owner. Per Stonegate's CC&Rs, if any violations occur, the lease agreement is voided. The owner's property manager contacted the tenant of the violations demanding the trailer be removed from Stonegate and the black SUV be parked on the driveway. The tenant complied. He requested a ruling from the Board on this matter.

Mr. Zirbel stated he would suggest the Board determine that this is a violation and send a letter and then the next step would be to issue a fine. Discussion ensued regarding this violation.

Mr. Schaefer moved the Board determine this incident is a violation and send a letter that any further violations will result in a fine. Seconded by Mr. Zirbel. The motion passed unanimously.

Mr. Paprocki reported the second 10-day notice letter was sent to a Retreat property. Several issues exist on the property. An unapproved structure in the rear side-yard exists, which is visible to public view. The structure is being used as a chicken coop housing several chickens. Also, a very large tree located in their backyard has caused damage to the party wall shared with SCA. The homeowner is responsible for repairs. The homeowner has not replied to SCA's enforcement correspondence. The homeowner did send an email prior to the enforcement correspondence but no agreement was reached.

Mr. Paprocki responded to questions and comments regarding the property.

Mr. Bissonett moved the Board approve issuing a fine in the amount of \$150.00 to this resident for having an unauthorized structure (chicken coop) on his property. Seconded by Ms. Ford. The motion passed unanimously.

Mr. Zirbel moved the Board approve issuing a fine for having unauthorized poultry (chicken) on this property in violation of the CC&Rs. Seconded by Mr. Bissonett. The motion passed unanimously.

Mr. Paprocki provided information on the common wall damage that has been caused by a tree that was planted in this backyard. He requested the Board issue a fine. He advised the wall needs to be repaired and the tree removed. Discussion ensued regarding this request.

Mr. Bissonett moved the Board direct the homeowner to repair the wall and remove the tree within 60 days. Seconded by Ms. Ford. The motion passed unanimously.

Mr. Paprocki reported the Miracle League of Arizona, a local non-profit organization, which Stonegate Community Association supports, is wishing to hold the Fifth Annual Fundraiser using the Community Center as they have in the past. This event is planned for Saturday, May 12, and it is a worthwhile charity event.

Ms. Ford moved the Board approve Miracle League of Arizona to hold the Fifth Annual Fundraiser using the Community Center on Saturday, May 12, 2018. Seconded by Mr. Schaefer. The motion passed unanimously.

Mr. Paprocki reported SCA Directors and Officers insurance renewal CNA and D&O policy renews on May 16, 2018. The premium amount is \$8,037.00, which is a \$197.00 increase over last year that computes to a 2.2 percent increase. He further reported the premium is paid in total and is shown on the balance sheet as a prepaid.

Mr. Bissonett moved the Board approve the renewal CNA and D&O policy and the premium amount is \$8,037.00. Seconded by Ms. Ford. The motion passed unanimously.

Mr. Paprocki stated included in the Board packet is the 2018 Appointment of Committee Members recommendations for Board approval.

Ms. Ford stated that she would like to see more people participate on the Nomination and Election Committee.

Ms. Ford moved the Board approve the 2018 Appointment of Committee Members list as presented. Seconded by Mr. Ducrocq. The motion passed unanimously.

Mr. Paprocki provided an update on the PMIS 2018 Roadway Evaluation and planned work. He advised the updated report from PMIS that included the Pavement Condition Index (PCI) was included in the Board packet. He further advised the report used the PCI to determine what work is needed to provide the optimum useful life before reconstruction is required. The 10-year plan indicates SCA will spend \$1,990,735.00 on roadway maintenance and reconstruction.

Mr. Paprocki responded to questions and comments regarding the PMIS report.

Mr. Zirbel moved the Board accept PMIS pavement evaluation and 10-year plan. Seconded by Mr. Schaefer. The motion passed unanimously

Mr. Paprocki's report also included the bids comparison sheet to seal coat the new pavement in the Retreat subdivision. This seal coating is required to be performed 12 to 18 months after construction. Afterwards, seal coating is required every four to five years. He further reported that he recommends accepting the Pinnacle Paving bid in the amount of \$29,262.00 the lowest of the three bids and less than the PMIS estimate. He added if accepted, the seal coating work is scheduled to begin Monday, July 9, and will be completed Friday, July 13.

Mr. Paprocki noted that also included in the 2018 roadway work is the construction of two speed tables within the Regal. The estimated cost is \$15,000. He further noted that bids have been requested. When the contractor is selected and approved by the Board, he would like to have the proposed speed tables installed in July.

Mr. Paprocki responded to questions and comments regarding this request.

Mr. Zirbel stated that he would like to review all bids received and the standard used in PMIS's review and selection process. Mr. Paprocki stated that he would provide that information to the Board. The Board agreed to table this request.

Mr. Paprocki reported the recommendations are being made regarding the Tennis Courts and Pickleball courts as follow:

1. Reduce prime time hours from 4.5 hours to 3.0 hours.
2. Remove OPEN PLAY time from the Pickleball schedule and make reservations only.
3. Permit Homeowners to extend court play if the court is available the day before play.

Also, a request has been made to extend pickleball hours to 8:00 p.m. during the summer.

Mr. Paprocki responded to questions and comments regarding the recommendations.

Mr. Zirbel moved the Board approve the recommendations regarding the Tennis Courts as recommended above. Seconded by Mr. Ducrocq. The motion passed unanimously

Ms. Ford moved the Board approve the recommendations regarding removing open play time for the Pickleball schedule and make reservations only. Seconded by Mr. Zirbel. The motion passed unanimously

Mr. Paprocki provided an update on the acoustic fence planned for the pickleball courts.

The Board members discussed the request to extend pickleball hours to 8:00 p.m. during the summer. It was suggested extending the hours to 10:00 p.m. Ms. Norris stated that

she felt that it was sometimes better to ease into something because it can be difficult to take something back.

Ms. Ford moved the Board approve extended pickleball hours to 10:00 p.m. during the summer. Seconded by Mr. Zirbel. The motion passed by a vote of five to one with Ms. Norris dissenting.

DISCUSSION / NEW BUSINESS

Mr. Ducrocq passed out pictures to the Board members of the surface cracks that are on some of the tennis courts. He stated that he would like to bring in the company that laid the concrete to inspect the cracks to determine if the surface cracks are reasonable. Discussion ensued. Mr. Paprocki stated he would think the cracks are due to shrinkage and expansion but the Board could consider hiring an independent company to examine the surface cracks to ensure they receive an unbiased opinion.

Mr. Zirbel discussed his concerns regarding the post tension cables on the some of the tennis courts.

COMMITTEE REPORTS

President Allen noted the Committee reports were included in the Board packet for Board members review and comment.

Mr. Paprocki requests the Board hold an executive session to discuss an insurance claim submitted to carrier and enforcement issues.

ADJOURNMENT

Mr. Schaefer moved the Board adjourn the meeting at approximately 8:00 p.m. Seconded by Mr. Bissonett. The motion passed unanimously.