

The Highlands, Inc.

OPEN BOARD MEETING MINUTES FOR 2024

Note: Letters read at open board meetings are not identified in these minutes. Any owner may request a copy of any letter read at open board meetings.

THE HIGHLANDS, INC.

OPEN BOARD MEETING

January 17th, 2024
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance Director, Chuck Ardingo, Compliance, Linc Keilman, Maintenance Director, Gary Wilkinson, Communications Director, Connie Rose, Absent; David Armstrong

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- None

Approve Minutes from Decembers Open Board Meeting as posted: *Motion by Rich Vertel and seconded by Gary Wilkinson.*

Correspondence, Secretary Yvonne Kuhlman: Two letters were summarized: one letter regarding a petition signed by community members to raise the hot top temperature. The issue has been taken care of and the temperature is now 104 degrees. The second letter was from a community member requesting new letters for the message board in the front of the office. The community member mentioned that another member would purchase it as a donation. President Sara Danville- Gelhaus stated that The Highlands would pay for them, and the donor could reimburse The Highlands if they wish.

President's Report- Sara Danville- Gelhaus: President, Gelhaus commended the maintenance department for getting the awning and pool pump house rebuilt. Thank you, H.O.R.A.C for the concert yesterday which appeared to be a big success.

Vice President Report- Rich Vertel: Two people have volunteered to be appointed to the board of directors. Matt Roth and Mike Cook stood and introduced themselves. Vice President, Vertel stated the importance of turning in ballots.

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Elizabeth Hinds: Treasurer, Hinds states that the books are balanced each month and that they will be audited (in house) quarterly. A portion of reserve funds were not moved in December; they will be transferred in January. Treasurer Hinds suggests changing banks to get a higher interest rate on THI accounts. There was an issue with the bank that was discovered when the transfer of the Reserve set aside took place. The bank quoted that THI had \$152,000 less than THI records. It took two business days and two personal visits to find out what the issue was. It appeared they did not merge the Reserve account correctly. The bank has assured us that the funds are there, and there is also proof of funds. Also looking into getting a new accounting firm, since they charged us late fees for taxes when we received the submitted tax forms late last year. The first month of covering the pool THI saved over \$1000.00. *Motion approved by Rich Vertel, seconded by Linc Keilman, to approve Decembers Treasurer Report.*

Maintenance – Gary Wilkinson: The pool pumphouse roof and awning are in the process of being replaced. Donato has done an amazing job cleaning out the wash, hauling away debris. Also, a backhoe will be brought in to clean up the trench at the end of Highlands Dr.

Compliance- Chuck Ardingo: There were two HIRs for the month of December and were approved. Compliance has received inquiries regarding tiny homes. There are calls into City of Oro Valley for clarification on square footage and classifications. A copy of the letter regarding the wash was handed out to the community members to view and petition our local and state representatives to seek funding assistance for the wash that runs through the community. Ardingo asked if someone could step up to obtain signatures.

Contracts- Sara Danville- Gelhaus: Several board members met with Aaron Workman, regarding the bathroom remodel project. We are going forward with the project. The contract from Workman Company has been received and will be reviewed. Once the contract is signed, the project will move forward.

Social Committee- Cindy Bennett: No report

Security- Linc Keilman: Unlocks on the weekends. Additional checks in the evenings include the pump room and spa gate.

H.O.R.A.C Committee- Ron Wehl: Recapped what their funds provide and encourages continued support. Thanked those who stepped up to help on the community. Pickle ball is at 9:00 on Monday mornings. The Highlands Olympics is Thursday, Feb 15th at 10:00 a.m., hoping for 8 teams. Concert March 26th, Tuesday, with Cochise County Allstars. Firepit is available; use pool key to access. Treasurer, Hinds asked about the value of the mural for tax purposes to depreciate annually.

Communications- Connie Rose: Nine people have submitted pictures and volunteered to stay after the meeting to take photos. Need pics by Feb. 2nd.

OLD BUSINESS:

Elections- Rich Vertel: No report.

Rental Caps- Chuck Ardingo: The meeting on January 10th was very well attended. There was a lot of excellent feedback. They will continue to work on the project.

Tree Report- Connie Rose: There have been 8-9 contributions to the tree project. Will soon be going to the nursery to purchase trees since there is enough money in the budget to do so. Would like to plant shade trees where concerts are held.

President, Sara Danville Gelhaus encouraged more communications in the form of letters so that they could be read at meetings to encourage future discussions.

Maintenance Director, Gary Wilkinson thanks Chuck Ardingo and Patrick Yurczyk for painting the pieces for the pump room roof.

Storm Water Management- Linc Keilman: The committee meets every other month and meets the day after The Highlands Board meetings. They are trying to get financial support from FEMA.

Meeting adjourned at 12:40 p.m.

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN ANNUAL BOARD MEETING

February 2, 2024

Call to Order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance Director, Chuck Ardingo, Compliance, Linc Keilman, Communications Director, Connie Rose, Maintenance Director, David Armstrong

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- Add Executive Meeting after open board meeting to agenda.

Approve Minutes from January Open Board Meeting as posted: *Motion by Linc Keilman, seconded by Rich Vertel to approve January minutes. Unanimously, the motion passed.*

Correspondence, Secretary Yvonne Kuhlman: A petition from community members to raise the pool temperature to 88 degrees and uncover at 65 degrees was read. 50 Signatures were collected. Discussion under maintenance report.

President's Report- Sara Danville- Gelhaus: President, Gelhaus stated that board maintenance director, Gary Wilkinson has resigned. Election results will be announced at the end of the meeting. Compliance, Linc Keilman will be leaving the board today. President Gelhaus thanked Linc for his service to the board.

Vice President Report- Rich Vertel: There are two board appointees, Matt Roth who introduced himself last week and Tony Bettens who introduced himself today. At the end of the meeting appointments will be announced as well as election results

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Elizabeth Hinds: No Report.

Maintenance – David Armstrong: The pool pump roof has some issues that are being discussed with the contractor. The office roof is deteriorated. There will be 3 or 4 companies quoting on the roof repair. If anyone knows of maintenance items that need to be done, contact David Armstrong. Maintenance is investigating solar energy for the pool. There is currently an incentive of \$21,000.00 and a cost analysis will be performed. Treasurer, Hinds mentions that the pool was set at 88 degrees and was not covered at night. This would be the 2nd time in two weeks that the pool was not covered and that the pool heaters would not be able to maintain 88 degrees. The east wash seems to be a simple solution, a survey will be done, and a wall will be built. The property is owned by Rivers Edge and Oro Valley Water, Rivers Edge gave the Highlands \$60,000.00 17 years ago to maintain the wash.

Compliance- Chuck Ardingo: Compliance is currently working with rental owners for better communications. A Letter was sent out last week regarding the expectations that relate to Statue 33-1806-01 for rental property. The Highlands CCR's does contain information for rentals, so this leads to reverting to Statue 33-1806-01. This legal description describes what an owner is required to do such as provide information and what the Highlands is required to do such as register renters and access a \$25.00 fee per lease. There was 4 HIR which were approved. THI needs to obtain waivers of liability for volunteers such as pool covering etc. Ardingo presented a petition to send to the Governor of Arizona,

John Kelly, Kyrsten Sinema, Juan Ciscomani and the Mayor of Oro Valley, the petition is for funding for the wash at the end of Matterhorn.

Communication- Connie Rose: Collecting photos for the directory. They can be submitted by email to Connie Rose. A community member has asked about publishing board minutes, they are published on THI's website under documents. The Fling is also available by email, contact Connie Rose.

Contracts- Sara Danville- Gelhaus: One Contract signed for the Workman Company for the bathroom remodel.

Social Committee- Jamie Horst: The Highlands Derby was very successful 72 tickets were sold. Men's breakfast is coming up. Community yard sale is Feb 17th and White Elephant Sale is Feb 24th. The club house will be locked on Friday the 23rd at 12:00. Please do not enter the clubhouse until the sale opens.

Security- Linc Keilman: Security is a group of 4 people including Linc Keilman that make sure the facilities are locked and unlocked on the weekends. Linc will be giving up his duties on the community and the Board of Directors will decide who will chair the committee. Neighborhood watch, Elizabeth Hinds mentions that Oro Valley Police have mentioned violent break-ins in Oro Valley. Please call Oro Valley Police if you notice people in the community that should not be there.

H.O.R.A.C Committee- Ron Wehl: Thank you to Cheryl Stafford for leading a hiking group next Friday at 8:30 am. The hike is at the Ram Canyon Trail, which is an easy to moderate, 4-mile hike.

Thursday, Feb 15 at 10:00 am is The Highlands Olympics. There are 6 teams, two more are needed, 4 people to a team. Medals will be awarded. On Tuesday Feb 20th there will be a free concert by Ruckus at pool side. The firepit is installed, unlock using the pool key. Pickle ball is on Monday and Thursdays at 9 am at River front park. Bocce ball court needs repair. Treasurer Hinds states that the bocce ball court is in the reserve account for repair.

Brian Tomac: The cactus identification project is coming along. There are 36 plaque stands that were created, working now on signage.

OLD BUSINESS:

Bathroom Remodel- David Armstrong: Workman Company has set up a communication portal. By next meeting there should be more to report.

Wash Committee- Linc Keilman: There was no city meeting last month. The Highlands have a 3-person committee and will attend the meeting once every other month. They are working with the city to get money from FEMA for to take care of the wash. In the next election, we will need to place on the ballot, a motion to grant the City of Oro Valley a utility easement.

Rental Cap- Chuck Ardingo: No report

OPEN FORUM

- Community member states that they are also having drainage issues on Appalachian St. and would like to be involved and kept informed on the wash wall project.
- Community members asked about Security cameras. Will they be replaced? Maintenance, David Armstrong stated that THI is looking into security cameras for the

community. Neighborhood watch, Elizabeth Hinds is working with Oro Valley Police on cameras that will notify the police if someone is in the park that the police are looking for by license plates read.

- Community members asked about solar installations in other parts of the community besides the pool.
- Community member would like the current pool and spa temperatures in the minutes. The pool is set at 84 degrees and the spa is set at 104 degrees. Rich Vertel asked who has access to the pool pump, Elizabeth Hinds states security is now checking to make sure that the pump house is locked so that no one can change the temperature of the pool. More volunteers are needed to cover and uncover the pool. President Gelhaus suggested that the pool gets set to 88 and that the people who signed the petition make sure it gets covered. Will revisit next month.
- Community member offered to donate funds to help with cost of heating pool.

Election Results- Rich Vertel: Elizabeth Hinds and Sara Danville Gelhaus were both elected. The Rental Cap amendment did not pass. There was a very good voter turnout. Sara Danville Gelhaus asks if there were votes that were not able to be counted. Rich Vertel states that there were no ballots that were not eligible. Members who owed dues were not eliminated from voting. Matt Roth will be appointed to a 3-year term and Tony Bettens will be appointed a 3 year term.

Meeting adjourned at 2:10

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOARD MEETING

March 20, 2024

Call to Order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, present via Zoom, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance Director, Chuck Ardingo, Compliance Matt Roth, Communications Director, Connie Rose, Maintenance Director, David Armstrong, Maintenance Tony Bettens.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- None.

Approve Minutes from February Open Board Meeting as posted: *Motion by Chuck Ardingo, seconded by Connie Rose to approve February minutes. Unanimously, the motion passed.*

Correspondence, Secretary Yvonne Kuhlman: Community member suggest that The Highlands hire a part-time maintenance person, mentioning duties that they felt were lacking during Donato's absence. Maintenance Director, David Armstrong explained that the duties were covered by volunteers.

President's Report- No Report.

Vice President Report- Rich Vertel: No Report.

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Elizabeth Hinds: Three more membership fees are needed to pay for the Men's bathroom remodel. A new roof was placed on the office, with funds coming from the reserve account. There are funds in the reserve for the bocce ball court and will add the shuffleboard court to the reserve account next year.

Maintenance – David Armstrong: No Report

Compliance- Chuck Ardingo: Chuck introduced the two new members of the Board of Directors. Matt Roth, compliance and Tony Bettens, maintenance. Chuck asked the community to update their contact information in the office. There has been an increase in the number of concerns from community members this year. If you have a concern, please leave your contact information so that compliance is able to contact you to discuss. Weed letters went out last week. There has been an increased number of police calls. If you see something, please speak up. Issues are being addressed as quickly as possible. Please be sure to sign the Wash Fund petition, which will be sent out to local and federal representatives.

Contracts- Sara Danville- Gelhaus: two Contracts were signed. One with the cleaning company for steam cleaning library floor and the other for the office roof.

Communications- Connie Rose: The new directory is out with photos and emails. The Fling can be emailed, notify Connie Rose. Name plates for trees and plants are in place.

Social Committee- Jamie Horst: Thank you to White Elephant volunteers. The white elephant sale brought in \$2100.00, and the bake sale brought in \$274.00. The food truck was a success, feeding about 100 people. The pancake breakfast and chicken & Karaoke were a success. Grill your own meat will be April 6th, 80 tickets will be sold.

H.O.R.A.C Committee- Ron Weihl: Hope to do The Highlands Olympics next year. Pickleball is on Monday and Thursdays at 8 a.m. Thank you, Cheryl Stafford, for leading the hikes. Sign-up sheet for the hikes is in the poker room. Next Tuesday there will be a concert poolside. Tickets are \$10.00 for sirloin burgers and music. Food will be served from 12:30-1:45. Next H.O.R.A.C meeting will be held April 4th and 3:00 p.m. in the resource room. Sheets for the scavenger hunt are in the shed.

Brian Tomac: Thank you to all who contributed to the plant identification project. The total project was \$409.00.

OLD BUSINESS:

Bathroom Remodel- David Armstrong: The project is in the engineering process now, then it will go to the architect, then obtain permits from Oro Valley.

Office Roof- Tony Bettens: Reports that the office roof is done, second coat today and will replace fascia.

Solar Energy for Pool- David Armstrong: Current cost to heat the pool is \$25,000 per year. SW Gas is offering an incentive rebate of 40% up to \$20,000.00 for a commercial pool. After researching companies suggested by SW Gas, Sea Group out of Nevada with a franchise in Phoenix was chosen. Sea Group filed for the rebate on our behalf with SW Gas and received a \$20,000 rebate to install solar at the pool. This would also include supplying solar to the hot water in the clubhouse. The clubhouse hot water would take 4 collectors on the roof, the pool would take 26 collectors which would provide about 80% savings. There would be a 70' long 15' structure that would sit behind the pump room. The total project system cost is \$50,000. 00, The Highlands total cost will be \$30,000.00 with a return on investment in 18 months. *Motion by David Armstrong to install solar for the pool and clubhouse in the amount of \$30,000.00, seconded by Yvonne Kuhlman. Motion passed unanimously.*

East Wash- Tony Bettens: Melcor gave The Highlands \$60,000.00 for flood mitigation. It has now grown to \$70,000. An excavation construction company has looked at the project. They felt the retention pond would not be necessary. A lot of problems come from debris. Their solution included opening the space 5 'to 6 'width of the wash. There is an 8ft easement that the Highlands does not own but have an agreement that The Highlands is able to do what need to be done to maintain the wash. Part of the solution is to build a wall behind the Appalachian home that is effected, which would cross over to The City of Oro Valley property. Chuck Ardingo states that there will be a meeting with Oro Valley water on March 20th at 11:00 in the resource room.

NEW BUSINESS:

Neighborhood Watch Signs- Elizabeth Hinds: Officer Snyder will be at Coffee Klatch next Saturday to discuss safety and issues that The Highlands has been having. They also gave The Highlands two new Neighborhood Watch signs to display. Linc Keilman asks the Board if he can install the signs at the front

entrance on the stop sign and in front of the flagpole at the clubhouse. *Motion by Chuck Ardingo to install signs as directed by Linc Keilman, seconded by Rich Vertel, motion unanimously passed.*

OPEN FORUM

- Community member states that a utility easement will need to be granted to Town of Oro Valley for the main wash. Asked the board of directors to check with The Highlands lawyer.
- Community member states thank you to the Board of Directors for accomplishing so much.
- Community members ask if the easements show up on the plat map.

Meeting adjourned at 11:10

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOARD MEETING

April 17th, 2024

Call to Order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance Director, Chuck Ardingo, Compliance Matt Roth, Communications Director, Connie Rose, Maintenance Director, David Armstrong, Maintenance Tony Bettens.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- None.

Approve Minutes from March Open Board Meeting as posted: *Motion by Chuck Ardingo, seconded by Rich Vertel to approve March minutes. The motion passed unanimously.*

Correspondence, Secretary Yvonne Kuhlman: None

President's Report- Welcome Matt and Tony to the Board of Directors. Apparently, there are people that are not happy with the board. Rather than express their disapproval to Lynne, the office manager. Call a board member with your concerns or issues.

Vice President Report- Rich Vertel: Has volunteered to be the complaint department, if you have an issue regarding the board, reach out to Rich Vertel.

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Elizabeth Hinds: Congratulations to David Armstrong for bringing down cost for the maintenance department. The Highlands will be moving the bank accounts to OneAZ Credit Union, which offers double the interest and interest on the checking account. The Highlands will be saving a lot of money on the gas bill with the new solar installations. *Motion to approve March Treasurer Report by Yvonne Kuhlman, seconded by Rich Vertel. The motion passed unanimously.*

Maintenance – David Armstrong: The hot tub has been out of order for the past two weeks. The heater and circuit board are broken. The heater will be replaced early next week. The pool umbrellas need to be replaced, will check the cost of those. The office roof is finished. Donato will paint the trim. Solar for the clubhouse is finished, next will be solar for the pool. A picture was presented on where the solar will go, between canopy and bocce court, approximately 22'x50'. Thank you to Brian Tomac and Ron Wehl for their assistance with the solar project. The pool solar project should be started in 3 weeks. The bathroom project is ongoing, the City of Oro Valley has been notified of the general contractor that will be working for The Highlands. The contractors will be providing designs for the men's and women's bathrooms.

Compliance- Chuck Ardingo: 3 approved HIRs for the month of March. Thank you to Matt Roth for all of his assistance. Weed letters have been sent out. In January compliance reached out to rental owners regarding registering home and tenants. A rental policy review will be presented at the Octobers board meeting under New Business.

Contracts- Sara Danville- Gelhaus: No Report

Communications- Connie Rose: There is a sign at the entrance regarding the Wash petition. This petition is not asking for funds from community members but requesting funds from FEMA. Connie Rose read the first paragraph of the petition.

Social Committee- Cindy Bennett: Farewell to our snowbirds. We had a great season with new activities, the food truck, and the Derby. Some of the other events include thanksgiving, Christmas, New Years party, potlucks, Celebration of Life, Pancake Breakfast, White Craft Fair, Karaoke and Grill Your Own Meat. Thank you, Cindy, for leading the social committee.

H.O.R.A.C Committee- Ron Wehl: To recap this year, there were 4 concerts, thank you for support of ticket purchases. Thank you, committee volunteers. Thank you to Morris and Brian for their support on the Cactus ID Project. Thank you, Ron Wehl for his team leadership.

OLD BUSINESS:

East Wash- No new updates.

Security Cameras- Elizabeth Hinds: Elizabeth Hinds and David Armstrong both have researched different security cameras options. Rich Vertel suggested motion lights at the front entrance as well as a security gate was mentioned. President Sara Danville Gelhaus suggests keeping Security cameras on the agenda as old business. Tony Bettins will provide information in Octobers meeting on cameras and gates.

NEW BUSINESS: None

OPEN FORUM

- Community member states that a utility easement will need to be granted to Town of Oro Valley for the main wash. Asked the board of directors to check with The Highlands lawyer.
- Community member states concern that a security gate will not close quick enough.
- Community member states that due to the heavy traffic, security gates will wear out. The member recommended forming a committee to determine gates vs security cameras.
- Community member suggests keeping gate open during the day and closing it at night.

Meeting adjourned at 10:57

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOARD MEETING

October 16, 2024

Call to Order (Please silence phones)

Roll Call: Present: Vice President, Rich Vertel, Secretary, Yvonne Kuhlman, Treasurer, Elizabeth Hinds, Communications Director, Connie Rose, Maintenance Director, Dave Armstrong, President, Sara Danville Gelhaus (Zoom), Compliance, Chuck Ardingo (Zoom) Compliance, Matt Roth (Zoom), Maintenance, Tony Bettens, absent.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- None.

Approve Minutes from April Open Board Meeting as posted: *Motion by Chuck Ardingo, seconded by Elizabeth to approve April minutes. Unanimously, the motion passed.*

Correspondence: None

President's Report- The Highlands has had a very productive summer. Reports are to follow.

Vice President Report- Rich Vertel: Board candidates are needed.

Secretary Report- Yvonne Kuhlman: Yvonne announces the departure of Lynne Jordan next month.

Maintenance – David Armstrong: There is new flooring in the poker room and in the library. The poker room carpet needed to be replaced due to an accident where a woman was cut with glass from the broken window. The window is scheduled to be replaced tomorrow. The remaining windows are not tempered glass and will need to be replaced at some point in time. The sliding doors are tempered glass. Nest thermostats have been installed in the clubhouse and they are programmed at 77 degrees. During large events in the summertime, it is suggested to leave the fans off. A pest control company has been hired for \$75.00 per month to set traps and rid the cockroaches. The east wash has been cleaned out and rift raft has been placed to widen the flow. The RV wash has also been cleared out. The next time we will need to move the RVs and widen. Donato is near retirement and as of this week is part time. The intention is to hire a ground maintenance company. We have contacted and received two quotes, one from Complete Landscape, the other from Northwest Landscape. The most favorable is Complete Landscape, they will do all the heavy trimming. It will be a large savings, around \$10,000.00 per year and still meet Donato's wage. They do a lot of work with HOAs. Northwest Landscape did the work on the east wash and did a good job. Also, The Highlands is looking into pool maintenance, to have service two to three times a week to meet the Pima County requirements. Quotes have been submitted and we have had the water tested. It appears that we have high levels of CYA and it was suggested that we drain the pool, wash the walls and clean the filter, which is being looked into. When Donato decides to retire, The Highlands would hire a maintenance company to work on scheduled tasks. The men's bathroom is complete, there are a few issues, the urinal does not flush quite right and the floor needs sealing. All drains have been replaced, the drains were plugged and were draining under the cement. The electrical has been replaced because both bathrooms, the microwave and garbage disposal were running on the same 15 AMP. They brought the electricity to code. The tile is done in the woman's bathroom, the countertop is set. The bathroom should be done within the next two weeks. In regard to the solar pool, we are waiting for a part that has been delayed in the supply chain and expect it, we should have the part and project finished in the month of November. The solar in the clubhouse is saving around \$200.00 per month. David encourages members to run for the board of directors.

Compliance- Chuck Ardingo: No report

Contracts- Sara Danville- Gelhaus: Contracts have been signed for all new projects. The three-year contract for Hughes Sanitation has been signed. The new rate is \$15.50, paid quarterly. If the price of fuel goes above \$4.00 a gallon, the rate will increase by \$1.00.

NEW BUSINESS

Mobile Assets/Cell Tower- Chuck Ardingo: The Highlands has been approached by a company, Mobile Assets in regard to the cell tower. They offered a one-time payment of \$210,000. After reviewing the proposal, it is for 50 years and in the process we are not able to negotiate and give up rights to the property. Chuck does not believe that it is in The Highlands best interests.

Weed Discount Negotiations- Chuck Ardingo: Negotiations with Weedco are underway for a discounted rate on weed service for community members.

Clubhouse Committee- Chuck Ardingo: Volunteers needed to form a Clubhouse Committee to oversee plans of what needs to be done going forward.

Parking in neighbors Drive- Chuck Ardingo: Please obtain permission to park in your neighbor's driveway. There have been multiple concerns of people parking in neighbor's driveway. Last year there was a concern regarding people getting angry at The Highlands staff. This year it has happened again, someone using profanity and threatening. This is not going to happen this year. Contact a board member.

Senator Kelly, FEMA and DEMA will be holding a phone conference in regard to the main wash reconstruction. Secretary, Elizabeth Hinds thanked Chuck for the work he has done on this project.

Rental Caps- Chuck Ardingo: Last year a lot of feedback was received. The previous proposal has been adjusted, less descriptive, and will be available in November.

Storage Containers- Chuck Ardingo: Some members would like to place storage units at the RV lot, currently our policy does not abide by that, and would like to propose two lots for storage containers. May be a benefit to the community.

Contracts- Sara Danville- Gelhaus: Contracts have been signed for all new projects. The three-year contract for Hughes Sanitation has been signed. The new rate is \$15.50 per month, paid quarterly. If the price of fuel goes above \$4.00 a gallon, the rate will increase by \$1.00.

Treasurer Report- Elizabeth Hinds: Under the section "Budget" you will see that the budget has been maintained, even though there were times when money shifted from underused categories to ones needing the unexpected funds. Under the Clubhouse, you will note that a lot of projects have been and still are being completed. The new roof on the office was paid for by the reserve, the new roof on the pump house was paid for by the insurance company. The rug was cleaned in the poker room and the blood would not come out. The insurance company paid for most of the cost to have the floor done and they still owe us around \$500.00 for replacement cost insurance. The window that broke will be replaced with tempered glass. The reason we decided to do the women's bathroom at the same time as the men's, was because when they were in there and found that the pipes were leaking under the floors, they put the plumbing in so that it would line up with the women's bathroom. The engineering

blueprints were for both bathrooms, so we decided to do both. The men's bathroom was completely paid for by Capital Improvement. The women's is going to be paid for from savings and will be paid back from Capital Improvement. The solar in the clubhouse is saving us \$200.00 a month. We are hoping that we are going to save that much on the pool solar, which is \$3000.00. We have transferred banks and now we are getting better interest. We are only maintaining only the money needed in the checking account since it does not earn interest and transferring it to savings since savings earns 2% interest. The other bank we were using was only offering .01% interest and started charging fees even with The Highlands high balances. The new bank is OneAZ Credit Union. The poker room floor has already been addressed which was paid by insurance, which still owes The Highlands \$500.00. The poker room and library were done at the same time to save money on the same materials. The carpet cleaning was \$100.00 each time it was cleaned. There was discussion on whether to put carpet runners down, but it seemed to be hazard for those with walkers. The wash behind Mont Blanc has been cleared and was paid for through the wash fund. The solar was going to be paid by borrowing half from the Wash Fund since we were done with the wash and still had enough money to do so. It is being paid back to the wash fund at \$834.00 per month Since May, over \$5000.00 has been paid back. Money needs to be in the wash fund to maintain the washes. Money was taken for the solar from the gas budgeted expense, since the solar did not get done as planned since there was a problem with a typhoon stopping the shipment of parts. It became apparent that we would not have enough funds in the gas expense so the money was then put back into the gas budget to balance it, then took the money back out of the wash to pay for that. It will get paid back to the wash. The dues are going toward maintaining and paying the bills and the budget has been kept balanced.

Communications Report- Connie Rose: The vaccine clinic was successful, the pharmacist from Safeway stated that next year, they will be able to accommodate more people next year. It is a service so that you do not need to run around to find out who has the vaccines. Thank you, Karen Molique, she started this last year, and it will be continued next year. The directory will be printed at the beginning of next year. Please look to see if your details are correct. If not, please email Connie Rose and she will coordinate with the office. Her email is in the directory. Someone approached Connie regarding the mouse situation at the clubhouse, she placed a non-toxic mixture of cornbread mix and baking soda around the clubhouse. The Highlands is in need of a proofreader for the Fling. Community member Carol Nadeau volunteered.

Social Committee Report- Cindy Bennett: This Friday will be the first social committee meeting at 9:00 am, all are welcome. Trip to the Gaslight Theatre is Oct. 24 and is sold out. The Octoberfest is Oct. 29th and is also sold out. We have a band called the Bouncing Czechs. Social hour is from 4-5 every Friday, some stay to play cards.

H.O.R.A.C- No report

Old Business

Security Cameras- David Armstrong: No report. Tony Bettens was following up on that and he was unable to attend today's meeting. More to report in November's meeting. There is now a 911 emergency phone at the pool area. Elizabeth Hinds states there is no service charge.

New Business

Hiring Landscape Company- David Armstrong: David Armstrong made a motion to hire Complete Landscape since Donato is part-time. Complete Landscape is a bit more money, but their quote was much more thorough and covered a lot more territory. The cost per year is \$15,264.00. They will do all the weed removal, fertilization, trimming and remove all the debris. They will clean out the washes, they will clear all the walk throughs. They do some irrigation maintenance, which we really don't need. They provide all chemicals for weed control. They have a crew chief that would be assigned to The Highlands. They are a very professional company. Looking at the numbers, with Donato being part time, we will not need debris hauling, tools, there will be no truck fuel or maintenance. The truck is due for maintenance, it needs brakes and tires. If the company truck was sold, it should sell for \$10-\$12,000, suggest buying a small vehicle with a small bed in the back so that the office person can drive it around to check on the property. The works shed would no longer be needed; maybe the social committee can use it for storage. *Motion by David Armstrong to hire Complete Landscape. Seconded by Chuck Ardingo. Unanimously, the motion passed.*

Open Forum:

- Community member asked if we could have a 911 phone in the clubhouse. Vice President, Rich Vertel and other board members thought it was a good idea,
- Community member asked why they cleared the Pyrenees wash up to a certain point only. Maintenance Director, David Armstrong explained that the wash was filled with a lot of filtration sand and that it will be looked into.
- Community member asked if a claim has been made for the community member that was injured by the broken window. Treasurer Elizabeth Hinds stated that a claim with the insurance company has been filed.
- Community member asked how the Highlands were able to do both bathrooms for under \$35,000, per our CCR's that we can spend in a one-year period. Treasurer Elizabeth Hinds stated that was what the bid was. There were a lot of bids.
- Community member asked if the three people leaving the board will be re-running and looking over the previous minutes, Tony Bettens was appointed only a one-year term. Vice President, Rich Vertel stated that he has not decided on whether he will re-run.
- Community member stated concerned over new construction behind Appalachian St. They are concerned over the dust in the air due to the construction and debris. Treasurer, Elizabeth Hinds mentioned that they are spraying the dirt with water and that concerns need to be voiced to City of Oro Valley,
- Community member mentioned that The Highlands Face Book stated that the retention wall needs to be 20 acres.

Meeting adjourned at 11:20

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOARD MEETING

NOVEMBER 20, 2024

Call to Order (Please silence phones)

Roll Call: Present: Vice President, Rich Vertel, Secretary, Yvonne Kuhlman, Treasurer, Elizabeth Hinds, Communications Director, Connie Rose, Maintenance Director, Dave Armstrong, President, Sara Danville Gelhaus, Compliance, Chuck Ardingo (Zoom) Matt Roth, Maintenance, Tony Bettens (Zoom)

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to Agenda - None

Approve from October Board Meeting as posted. Motion by Elizabeth Hinds, seconded by Chuck Ardingo to approve October Minutes. Passed unanimously.

Correspondence from a community member was read.

President's Report - The bathrooms are nearly complete and look beautiful. Thanks to. Dave Armstrong for his wonderful leadership on this project. Lynne, our office manager is leaving tomorrow. We have hired Diane Flores who formerly worked in a similar position at Saddlebrook for 25 years. Diane will be working 20 hours a week and Lynne will be working remotely half time.

Vice President Report - Rich Vertel: Please consider running for the board. Currently no one has submitted their name. Rich has been researching management companies having contacted four companies and has had response from two companies.

Treasurer's Report - Elizabeth Hinds: Quickbooks is no longer available on line so we have made some adjustments but this month is not itemized. Next month we will be back to normal. Financing for the men's bathroom was funded by capital improvements. The washes were cleaned out. The new building project bordering The Highlands' property has put in a large "lake" to address flooding issues we have experience in the past. The

Pyrenees wash was cleaned out. Money in the Wash Fund was borrowed for those projects. We will be repaying the fund. We borrowed the money for the Solar project. Doing the men's and women's bathrooms at the same time saved us a lot of money. The accident in the poker room left blood on the floor as a result of an July storm/accident so it was replaced as was part of the floor in the library. The solar is now operational and the solar for the clubhouse is now saving us \$200 monthly. Regarding the pool: when the pool is covered no one is allowed into the pool according to law. We must keep the gate locked. A \$20,000 portion of the pool solar was paid by the gas company. Our pool heating cost was \$3,000 monthly so we are anxious to find out how much we are saving. Motion by Rich Vertel to approve the Treasurer's report and seconded by Connie Rose was unanimously passed.

Maintenance - Dave Armstrong: Regarding the bathroom project: We began with the Workman Group whose plan, once they discovered the condition of the pipes more than doubled their original cost, projected that the the cost would be \$75-\$80,000 per bathroom. Bathrooms were done according to the drawings at a much cheaper price. We opted to do a remodel, which does not definitively require permit with a licensed contractor, who did the job for our budgeted price. We saved about \$35,000. Rich asked if we compromised any quality by not getting a permit. Dave said "absolutely not. We have hired a landscape company - Complete Landscape. We have hired a pool service and they will be servicing our pool a couple times a week. The solar is complete. We are working to get the maximum amount of heat out of the system. We have a few minor loose ends to address. Bathrooms: we are waiting for the partitions for the women's bathroom. Once that work is finished there will be a final sealcoat put on the floor. We still need to get some amenities for the women's bathroom. Our present pool cover is in rough shape and will need to be replaced.

Compliance - Chuck Ardingo: Chuck had two 2-hour phone conversations with Oro Valley and we are on FEMA's radar for our wash funding. He has also been in touch with Senator Kelly's office. New homes will be coming in to 202 Andes and 10700 Rainier. Preliminaries regarding infrastructure are in process. Two foreclosures unfortunately are in process. Our attorney now in charge of the foreclosures. One person has responded and one is in the courts.

Communications - Connie Rose: A 911 phone has been installed at the pool and in the old phone booth in the poker room. Let her know if they want The Fling e-mailed. Amendments to our CC & R's will be voted on in February. If people are in arrears they will not be able to vote. Applications to run for the board must be in by December 2.

Contracts - Sara Danville Gelhaus: Only one contract for the landscape company was signed.

Social Committee - Cindy Bennett; In October group went to see Shriek. 72 tickets were sold for the October Fest. This Saturday November 23 is the cutoff for the Thanksgiving Potluck. Sign up. Still needs help. Cleanup help needed.

HORAC - Ron Weill - Wind problems have caused some damage with mini-golf and repairs have been made by Brian Tomac. Pickleball is M,W, F at 7:00 am at the Riverfront Park.

OLD BUSINESS:

Chuck Ardingo: - Rental Caps proposal has been rewritten to accommodate the concerns of residents that last year's proposal was too restrictive to owners. 14.5% (40 homes) of total homes can be rented. This will be on the ballot in February. The 14.5% number is being offered is less restricted than the proposal last year. Chuck will offer meetings to discuss this in January. Chuck made a motion to add a new section 5.1 to our CC&Rs and seconded by Rich Vertel. A unanimous vote to add section 5.1 to our CC&Rs with the modified language written by Chuck, reinserting a sentence about current homeowners being grandfathered into current CC&Rs. All is subject to language being modified by our attorney to ensure no more than 14.5% of THI can be rented, giving current owners no restrictions, as our CC&Rs currently state.

Resident: why not have an owner cap? We already do - limit is 3 according to the CC & R's.

Rich: People who own property are grandfathered in. Date is effective once it is recorded.

Clubhouse Committee: Chuck Ardingo - no report.

Security Cameras: Tony Bettens. Presently looking at information and packages.

NEW BUSINESS:

Yvonne Kuhlman stressed the value of our pool and talked about the difficulties of finding people to cover and uncover the pool which takes two people approximately 30 minutes to do. She offered the idea of hiring two people from within the park to do this task which typically involves about five months of the year. She further suggested that another possibility might be to see if a retracting pool cover could be installed. We are presently yielding about 10-20% efficiency from our present worn-out cover whereas we could realize a 80-90% efficiency with a cover made especially to fit our pool. She will look into that further.

OPEN FORUM:

A community member commented that the lawn care people sprayed the gravel in the RV lot which never has any weeds. Weeds that grow under trailers etc. are the responsibility of the lot renter to remove.

Community member offered thanks to Dave Armstrong for all of his work he has done on the various projects this summer. He thought the pool cover is a good idea.

Community member thanked Dave Armstrong for uncovering the pool when her family was4 here.

Community member commented that Social Committee Chair, Cindy Bennett desperately needs help. She put up all of decorations presently in the clubhouse, cooked all of the food for the October Fest at home and only three other people helped with cleanup for the fest. Please consider volunteering.

,

Meeting adjourned a 11:31 a.m.

Submitted by Yvonne Kuhlman

Open Board Meeting Minutes pending until approved in next Open Meeting.

THE HIGHLANDS, INC.
OPEN BOARD MEETING
December 18, 2024

Call to Order (Please silence phones)

Roll Call: Present: Vice President, Rich Vertel, Secretary, Yvonne Kuhlman, Treasurer, Elizabeth Hinds, Communications Director, Connie Rose, Maintenance Director, Dave Armstrong, President, Sara Danville Gelhaus, Compliance, Chuck Ardingo, Compliance, Matt Roth, Maintenance, Tony Bettens, (Zoom).

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- Add 2025 Budget under New Business

Approve Minutes from November Open Board Meeting as posted: Motion by Chuck Ardingo, seconded by Matt Roth and unanimously approved.

Correspondence: None.

President's Report - Sara Danville Gelhaus: Introduced new Office Manager Diane Flores and mentioned that Lynne Jordan is still employed by the Highlands and works remotely, handling all the bookkeeping. Sara also thanked all the volunteers for their time and efforts in serving the community.

Vice President Report - Rich Vertel: 2025 Election Ballots were mailed out on Monday, 12/16. Four candidates are running for three positions. Language in the Rental Cap was revised. We took last year's comments into consideration.

Treasurer's Report – Elizabeth Hinds: We recently changed banks from Crossfirst to OneAZ and are receiving better interest. Wiring in the Clubhouse wasn't good, so we have redone this. Elizabeth discussed other areas of the financials noting some areas that have gone up such as printing, postage and Wi Fi. Motion by Rich Vertel to approve the Treasurer's Report, seconded by Chuck Ardingo and unanimously approved.

Secretary Report - Yvonne Kuhlman: None. Yvonne did announce the office will be closed on December 25 and 26th for the Christmas holiday.

Maintenance – David Armstrong: Signs for the bathrooms are done. A motor in the kitchen fan is shot and David is obtaining a quote. The new pool covers are in place.

Compliance - Chuck Ardingo: Working through home Improvement Requests. We are revisiting a few situations and sending out letters. We will make some modifications to our Improvement Request processes. Flood issue: The city recommended height requirements for new modular homes and raise to 15'4" to accommodate homes in the

flood plain. There will be an informational meeting on January 8 from 10am-Noon in the Clubhouse to discuss Rental Caps and policy changes.

Communications Report- Connie Rose: Connie inquired about Board candidate presentations. Sara mentioned this can be done at the January 4 Information meeting. Connie was made aware of a resident that had been using the men's shower for an excessive period of time. There is currently no rule on this. Connie also mentioned that the Quilting group is missing some batting. If anyone picked it up by mistake, please return it. Connie further reminded residents that paper towels, spray cleaners and garbage bags are for Clubhouse use only. If any resident would like an electronic copy of the Fling newsletter let Connie know. She also asked residents to check their listing in the Phone Directory for accuracy. Residents occasionally move from one home to another within the community. Please let the office know if anything is incorrect.

Contracts - Sara Danville- Gelhaus: None.

Social Committee Report- Cindy Bennett: Linc Keilman reported for Cindy. He noted that the shed in the RV lot is complete. He asked residents not to leave things intended for the White Elephant sale outside of the door. He mentioned that everyone should be listed in the Phone Directory as names and addresses are public information.

H.O.R.A.C- Ron Wiehl: Ron mentioned that he has tickets for sale for the New Year's Eve party on 12/31 from 5-9pm. He thanked Maintenance for the pool covers and thanked the volunteers that have been driving this. A musician event with Cory Spector is taking place on January 14 at 2:00pm, the ticket price is \$6.00. Pickleball takes place Monday, Wednesday, and Friday at 9:00am at the park across the street.

OLD BUSINESS

- Rental Cap – nothing new
- Security camera – Tony Bettens will work on it when he returns.
- Pool Covering - completed.

NEW BUSINESS

2025 Budget – Elizabeth Hinds: Elizabeth reviewed numbers for the 2025 budget. Projects include the Women's Bathroom, Pump House Project, Solar Project, and Wash Projects. The Men's bathroom project was completed in 2024. She mentioned the roads will be resurfaced in 2026, to be paid out of Reserves. Elizabeth motioned to approve the 2025 Budget, seconded by Dave Armstrong, some discussion:

- Dave mentioned a thermostat had been locked in the summertime and is now unlocked during the winter. He reminded residents to lower the temperature.
- Yvonne inquired about the materials used in the bathrooms. Dave mentioned the countertop is granite, not marble and ceramic tile was installed.

- A resident stated he did not see anything in the budget for the Wash. It was mentioned that it is listed under operational expense.
- Rich Vertel asked about the Wash account if there is interest going into Revenue? Yes.

Motion to approve the 2025 Budget as presented unanimously approved.

OPEN FORUM

A few community members inquired about flooding on Mont Blanc. A discussion followed with Board President Sara Danville Gelhaus stating that the Board was tasked in 2024 to get this taken care of within the budget and make this safe. Rich Vertel stated the contracts were reviewed with our attorney.

A community member inquired about community approval for any projects over \$35,000, specifically the men's and women's bathrooms in the Clubhouse. The vote by the Board approved the Men's bathroom in 2023 and approved the women's in 2024.

A community member asked how the solar project was done? It was done as a maintenance project and the money borrowed from the wash account and we are now paying it back with interest.

A community member addressed the need for speed bumps on Highlands Dr and noise from trucks. This can be addressed when we re-do the roads in 2026.

Meeting adjourned at 11:34 AM.

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Diane Flores

Open Board Meeting Minutes pending until approved in next Open Meeting.

The Highlands, Inc.

OPEN BOARD MEETING MINUTES FOR 2023

Note: Letters read at open board meetings are not identified in these minutes. Any owner may request a copy of any letter read at open board meetings.

THE HIGHLANDS, INC.

OPEN BOARD MEETING

January 18th, 2023
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Sara Danville- Gelhaus, Richard Vertel, Bob Beck,
Kent Hinds, Bernie Lee, Yvonne Kuhlman, Gary Wilkinson

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda: Open Forum added as well as an executive meeting after the open Board meeting.

Approve Minutes December Open Board Meeting as posted: *Motion by Bernie Lee, seconded by Gary Wilkinson, Unanimous, motion passed.*

Correspondence: 1 Letter was read by Secretary, Yvonne Kuhlman:

Community member concerned if the Vice President, Gary Wilkinson can conduct the elections in a non-bias and fair manner. Vice President, Gary Wilkinson responded by stating that his role on the Election Community does not include tallying and counting votes.

REPORTS-

President's Report- Sara Danville- Gelhaus: There will be one meeting in February, rather than two. The annual meeting will be on Feb. 3rd at 1:00 p.m. Since Compliance director, David Cruz has resigned, this leaves 5 Board member positions. President Danville- Gelhaus recommends accepting the 5 top vote receivers for these 5 Board positions.

Vice President Report- Gary Wilkinson: No Report.

Secretary Report- Yvonne Kuhlman: No Report

Treasurer Report- Richard Vertel: 2022 Budget is balanced.

Maintenance – Bernie Lee: Road repairs start Jan. 23rd.

Compliance- David Cruz: 2 Improvement requests, both approved.

Contracts- Sara Danville- Gelhaus: No report.

H.O.R.A.C Committee- Ron Wehl: The concert on January 10th was well received, 116 tickets were sold. All concerts will be on Tuesdays at 2:00 p.m. The concerts help raise funds for community activities such as pickleball, hiking and biking. The next concert will be Tuesday, February 7th at 2:00 p.m. with music by Red Feather, tickets are \$6.00 and go on sale tomorrow. Tuesday, March 1st at 2:00 p.m. concert with JT Classics, Tuesday, March 28th at 2:00 p.m. with Cochise County All Stars, music and meal for \$10.00. Thank you to the volunteers who have started the base paint for the mural. Pickleball will be tomorrow at Riverfront Park at 10:00 a.m. There was an organizational meeting this morning, first hike will be January 30th. Thank you, Cheryl Stafford, for heading it up. Thank you Mary Rausch and John Pangburn for joining the H.O.R.A.C committee, H.O.R.A.C is still seeking 1-2 more members. Also, seeking someone to coordinate a biking group.

Social Committee- Cindy Bennett: No report.

OLD BUSINESS-

Pet Ordinance Fines- Carol Nadeau: Tabled until next meeting.

Automatic Door Actuator- Gary Wilkinson: Answers the questions that were stated at last meeting. *Motion by Gary Wilkinson, seconded by Bernie Lee to spend \$5000.00 on two automatic doors for the clubhouse. Unanimously, motion passed.*

Bathroom Remodel – Gary Wilkinson: Reed Snell and Gary Wilkinson met with the City of Oro Valley and more research is regarding occupancy and how many toilets are needed which requires meeting with the architect.

Clubhouse Wi-Fi, Bob Beck: The microwave method is recommended for Wi-Fi. *Motion by Bob Beck, seconded by Yvonne Kuhlman to install Wi-Fi with JIU not to exceed \$1400.00. motion passed, unanimously.*

NEW BUSINESS

Ring cameras at front entrance- Sara Danville- Gelhaus: *Bernie Lee to get additional information and quotes for cameras at the front entrance and RV lot.*

Clubhouse Blinds- George Tanner: Two additional blinds are needed for the Clubhouse east window. A quote for \$250.00 was presented. *Motion by Bernie Lee, seconded by Gary Wilkinson, to approve \$250.00 for two blinds for the Clubhouse. Motion passed, unanimously.*

OPEN FORUM

- Community member witnessed a car parked near vacant homes and was told by Neighborhood Watch to call the police.
- Community member asked if cameras could catch speeders?
- Community member mentioned that Ring cameras would not be able to film long distances.
- Community member suggested slow down signs.
- Community member suggested having the word SLOW painted on pavement, also suggested that this could be done with volunteers.

Adjourned at 11:35 p.m.

Reviewed by Secretary, Yvonne Kuhlman
Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN ANNUAL BOARD MEETING

February 3rd, 2023
1:00 p.m. Clubhouse

Call to order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Treasurer, Richard Vertel, Reserve Planner, Bob Beck, Maintenance, Bernie Lee, Secretary, Yvonne Kuhlman, Vice President, Gary Wilkinson, Absent: Compliance, Kent Hinds

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda: Date on agenda is incorrect, corrected date February 3rd.

Approve Minutes January Open Board Meeting as posted: Yvonne Kuhlman states the following are typos in last month's minutes, corrected:

- Correspondence, last sentence should read "Vice President Gary Wilkinson responded by stating that his role on the Election *Committee* does not include tallying and counting votes.
- Compliance: *Kent Hinds*
- Bathroom remodel: Reed Snell and Gary Wilkinson met with the City of Oro Valley and more research is *needed* regarding occupancy and how many toilets are needed which requires a meeting with the architect.

Motion by Yvonne Kuhlman to approve January minutes as modified, seconded by Rich Vertel.

Unanimously, motion passed.

Correspondence: None

REPORTS-

President's Report- Sara Danville- Gelhaus: Thank you Kent Hinds, Bob Beck and Bernie Lee for their years of service on the Board of Directors. Thank you to the volunteers for the stunning mural.

Vice President Report- Gary Wilkinson: There were a few problems with the elections, 19 votes were incorrectly packaged, and 4 Ballots were not sealed, 23 votes were not counted. A total of 177 votes were cast. Thank you to Cheryl Stafford and the Election Team for all their hard work.

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Richard Vertel: No Report.

Maintenance – Bernie Lee: Road cracks have been sealed. After a few concerns of community members, a representative came out to look at the roads and explained the process. There is correspondence from the company on the community billboard. The pool fence has been repainted and motion detectors on the lights in the bathrooms. President, Sara Danville- Gelhaus asked about the stencils for the streets, Bernie Lee states that they are expensive and will continue to research.

Compliance- Sara Danville- Gelhaus: 2 Improvement requests, 3rd in process.

Contracts- Sara Danville- Gelhaus: No report.

H.O.R.A.C Committee- Ron Wehl: There will be a concert on Feb. 7th at 2:00. Entertainment by Red Feather tickets on sale for \$6.00. A free concert will be held March 7th at 2:00, entertainment by K.C Classics. On Tuesday, March 28th at 2:00, a concert featuring Cochise County All Stars, meal provided, tickets \$10.00 per person, tickets on sale March 7th. Pickle Ball is at Riverfront Park, approx. 20 participants, Tuesday, and Thursdays at 10:00 a.m., H.O.R.A.C will be expanding the days to Mon, Wed, Thurs, and Fridays at 9:00. Sign up for Hiking in the Clubhouse. Next hike is scheduled for Feb.10th. Thank you to the Art Committee, volunteers and to the Board of Directors for supporting the Mural project. The Mural Project is running over budget \$250-300. H.O.R.A.C is requesting \$250.00 additional funding from The Highlands to paint the 3rd and 4th wall to blend in with the mural. The next H.O.R.A.C

meeting will be held March 2nd at 3:00 p.m. in the resource room. Thank you, Chris Ardingo, newest member to the H.O.R.A.C committee. H.O.R.A.C would like to get biking started at The Highlands, if you have an interest, please contact the H.O.R.A.C. committee.

Social Committee- Cindy Bennett: The new counter tops are installed. There is a deck of Euchre cards missing from the Clubhouse, there is hope that they will be returned to the Clubhouse. There are 30 tickets left for the Mariachi event. They are on sale after the meeting for \$10.00 per person, please bring an appetizer. The pancake breakfast is March 4th.

OLD BUSINESS-

Pet Ordinance Fines- Carol Nadeau: Carol Nadeau read the Rules and Regulations that the Pet Committee has drafted. Vice President, Gary Wilkinson commented that Oro Valley City Pet Policy become part of the CCRs. *Motion by Gary Wilkinson to adopt Article 18, Oro Valley Rules and Policy on Pets into The Highlands Pet Policy. Seconded by Rich Vertel.* Gary Wilkinson read the Oro Valley City Pet Policy. Discussion was held on the number of community members that were in favor of pets in the park. President, Sara Danville-Gelhaus suggested that the Pet Committee take a survey of the Community on whether the community wants to change CCRs to accepting pets in the community. Gary Wilkinson tabled the motion.

Bathroom Remodel- Reed Snell: The Architect will not be able to talk with The Highlands for a few months. The main questions are how many toilets etc., and how The Board of Directors will fund the project. Also, suggested by Reed Snell is a survey to see if the community wants the project. The next bathroom remodel meeting will be Thursday, February 9th at 10:00.

Ring Cameras at Front Entrance- Bernie Lee: One estimate has been received, awaiting a second on two cameras, a plate camera, and a scanning camera and also for the RV area. The one estimate is for \$3500.00, with The Highlands installing the cameras.

NEW BUSINESS

Tree Replacement- Yvonne Kuhlman: The Desert Ironwood tree has been recommended to replace the trees that were taken down last year. They are slow growing and creates little blooms and requires minimal watering and grow to 15-30' high with up to a 30' umbrella. The cost for 15 gallon is between \$85.00-\$150.00. The 25 gallon range from \$250-\$269.00 per tree plus the fee to plant. The 25 gallon would require professional planting. *Motion by Yvonne Kuhlman to purchase 5 trees at \$85.00 per tree, motion seconded by Bernie Lee. Motion tabled until more research can be done.*

OPEN FORUM

Ron Weihl, Chair of H.O.R.A.C Committee requested additional funding for additional painting and primer of the two remaining walls. Vice President, Gary Wilkinson stated that would fall under maintenance and since it is not over \$250.00, it would be considered a maintenance expense. Ron Weihl also requested an additional \$250.00-\$300.00 to finish the Mural Project, which includes a top coat to preserve the mural. *Motion by Rich Vertel to reimburse H.O.R.A.C for \$300.00 for materials needed to preserve the mural. Motion seconded by Bernie Lee; motion passed unanimously.* President, Sara Danville- Gelhaus announces that the next Open Board Meeting will be Wednesday, March 15th at 10:00 a.m.

The following are the results of the 2023 election, three year terms:

- Chuck Ardingo 94 votes
- David Armstrong 93 votes
- Connie Rose 81 votes

1 Year Terms

- Linc Keilman 75 votes
- Elizabeth Hinds 73 votes

Ballot Measures:

- CCR, Section 20 101/40 Measure passed
- CCR, Section 10 116/19 Measure passed
- Amend Article 10 108/37 Measure passed
- Bylaws 131/15 Measure passed

Adjourned at 2:15 p.m.

Reviewed by Secretary, Yvonne Kuhlman
Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOARD MEETING

March 15, 2023

10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance, Chuck Ardingo, Compliance Linc Keilman, Maintenance, Gary Wilkinson, Maintenance, David Armstrong, Communications Director, Connie Rose.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda: Add Revision to Agenda to agenda, add Janitorial by Elizabeth Hinds under New Business, add Communication Director Report by Connie Rose. Elizabeth will be reporting on Quick Books. Add Rich Vertel to discuss One Time Membership Fees.

Approve Minutes from Februarys Open Board Meeting as posted: *Motion by Rich Vertel, seconded by Chuck Ardingo, motion passed unanimously.*

Correspondence: A letter from a Community Member with a petition attached for a pool handicap lift chair was read. The 44 homes were petitioned, and 50 signatures were obtained. Board approval to form a committee was requested and Board approval for a donation drive was requested. Anyone interested in chairing the committee, contact the office or the board. Sign up sheet will be placed in the clubhouse. Lift Chair Committee will be added to the next board meeting agenda under New Business.

REPORTS-

President's Report- Sara Danville- Gelhaus: Every year when a new board has been established, skill sets for each Board member are discussed. This year a new position has been added. It will be called Director of Communications. Our communications Director will be Connie Rose. Her duties will include updating documents, insuring the most current documents are on the website and helping Lynne with The Fling. A new section of The Fling will be available next month called The Back Page, to share information with the community. There will be an additional section added to the agenda called Community Director, for Connie to give her reports. Rich Vertel's report on One Time Membership Fees will be discussed under New Business at next months meeting.

Vice President Report- Rich Vertel: No Report

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Elizabeth Hinds: Each page of the Treasurers Report was explained, the report is available in The Highlands office for review. An additional line item will be entered under office supplies to reflect the cost of community printing, etc. This will be a sub account of office supplies. A few typos were; Date on Net Operating Income reports should be Feb. 2023 and on the balance sheet, totals did not match. Elizabeth Hinds verified the total as \$947,667.00. *Motion to accept Treasurer Report by Gary Wilkinson, seconded by Connie Rose, motion passed unanimously.*

Maintenance – Gary Wilkinson: The pool pump has been replaced, with the capability of providing an electronic read out daily. Thank you, David Armstrong. The spa pump also went out and will be repaired. The spa timer and light will be replaced. Kent Hinds will be able to purchase the light at cost. The broken dryer has been repaired for under \$100.00. Thank you, Bob Beck, for your efforts to get the internet in the clubhouse and pool area, which now has internet. The thermostats have been reset to turn off at night and come on in the morning to save energy. Kitchen and library doors are now functioning automatically. Thank you, community members, for assisting with the project. Oro Valley will be inspecting. The doors are set to remain open for 30 seconds. The shed that blew over will be discussed under New Business. Javier has moved on and the position will not be filled. Linc Keilman has

agreed to be the Security Officer for The Highlands. Quotes are being accepted for a janitorial service for the clubhouse, Connie Rose will be supervising the janitorial service.

Security Chief- Linc Keilman: A Crew of 4 people have volunteered to lock and open the clubhouse, the resource room and RV lot. The new RV lot hours will be from 7:00 a.m. to 9:00 p.m. There will be a new sign posted at the entrance way reading "Smile, you are on camera". This is in hopes to curb people from not stopping at the Stop sign and after hours traffic into the park.

Maintenance- David Armstrong: There will be another access point cabled into the Clubhouse. Cable will need to be purchased. There are still a few things to do to get a better signal.

Compliance- Chuck Ardingo: There were 5 Improvement Requests for February and one letter sent. All improvement requests were approved; RV lot has been inspected. A reminder about weeds. Secretary Yvonne Kuhlman spoke of the weeds in the drive entrance into The Highlands.

Contracts- Sara Danville- Gelhaus: None have been reviewed yet. Janitorial bids are being reviewed.

Communications- Connie Rose: As stated in the March Fling, there is a Refugee group called Iskashitaa that will collect excess fruit from community trees. Please contact Connie to learn more about the program. Contact Connie if you would like the Fling emailed to you. Connie's phone number and email is in the current directory. Secretary, Yvonne Kuhlman stated that the medical equipment, available in the office building should be mentioned in the Fling as an ongoing article.

Social Committee- Cindy Bennett: March 19th is Dinner and Karaoke, March 23rd the clubhouse will be closed to prepare for the Art Show on March 24th from 10:00-3:00. An Adult Care representative will be speaking at coffee on March 25th. Village MD will be providing donuts and speaking at coffee on March 28th. The Mariachi Concert has been rescheduled for March 29th at 4:30 p.m.

H.O.R.A.C Committee- Ron Weihl: The Red Feather concert had a attendance of 117, K.C Classics attendance was 102. Concert on March 28th at 2:00, \$10.00 includes picnic lunch. The mural will be finished by Friday with special topcoat next week. Thank you to all who participated. Pickleball 20 players, currently playing 4 days a week. Four hikes, last one was on Monday. Hiking will resume next fall/winter.

OLD BUSINESS-

Pet Ordinance Fines- Carol Nadeau: No report.

Bathroom Remodel- David Armstrong/Reed Snell: Reed Snell presented the Board members with a quote for \$2500.00 from Chuck Meyer, Architect, for design and co-compliance update, to get the project to the stage where it can be presented to City of Oro Valley. Reed Snell expressed that he would like for the Board of Directors to start considering how funds would be available for the project.

Motion by Yvonne Kuhlman to spend \$2500.00 to hire architect to draw up plans. Seconded by David Armstrong, motion passed unanimously.

Ring Cameras at Front Entrance- Linc Keilman: If the "Smile, you are on camera" sign does not work, then the issue of Ring Cameras will be revisited.

Replacement Trees: Yvonne Kuhlman: Three separate nurseries have quoted on the Desert Ironwood. 2 garden centers did not guarantee the trees and one guarantees for 30 days. Motion by Yvonne to purchase 5 Ironwood trees, 15-gallon trees from Mesquite Nursery for \$150.00 plus tax each for \$750.00, seconded by Linc Keilman. Linc Keilman suggested community donations for the trees, the donation would include a memorial plaque. Motion withdrawn; Connie Rose will present & coordinate the idea at the next board meeting under Old Business.

Five Year Reserve Plan- Elizabeth: Road crack repairs were done this year. Painting of the clubhouse interior, replace wooden benches and new office computer is on the reserve schedule for 2023. The office computer will not be replaced and the wooden benches no longer exist. The Reserve Plan Review needs to be done every 5 years, 2023 is the 5th year. *Motion to spend \$1700.00 on the Reserve Plan Review by Elizabeth Hinds, seconded by Linc Keilman. Motion passed unanimously.*

NEW BUSINESS

Shed Damage: David Armstrong- The outdoor shed that housed the game equipment was destroyed in the last storm, approximately \$2000.00 would be the replacement cost. It would cost approximately \$1400.00 to build the shed on site by our THI Community Members. *Motion by Elizabeth Hinds to spend up to \$1400.00 to build the shed on site, seconded by Linc Keilman, motion passed unanimously.*

Spa Light and Control Panel- David Armstrong: The spa light needs to be replaced; Leslie's Pools quoted \$823.49. Kent Hinds can purchase the light for around \$300.00. Motion by David Armstrong to approve \$300.00 for Kent Hinds to purchase and install light, seconded by Connie Rose, motion passed unanimously. A control panel is needed for the pool pump. *Motion by David Armstrong to spend \$350.00, seconded by Rich Vertel, motion passed unanimously.* Ethernet supplies are needed to extend coverage. *Motion by David Armstrong to spend up to \$200.00 on ethernet supplies, seconded by Connie Rose, motion passed unanimously.*

Proposal to add Pets Issue to 2024 Ballot- Linc Keilman: Proposed to place pet friendly community on the 2024 ballot, language to be determined at a later date. *Motion by Linc Keilman, seconded by Yvonne Kuhlman. Rich Vertel No, David Armstrong No, Yvonne Kuhlman Yes, Chuck Ardingo Yes, Gary Wilkinson Yes, Elizabeth Hinds Yes, Connie Rose Yes. Linc Keilman Yes. 6/2 Motion Carries.*

Proposal to add Absentee Election on 2024 Ballot- Linc Keilman: Proposal to add Absentee Ballot only on 2024 ballot. HOA attorney, Jason Smith stated that it is statute that you cannot have an all-absentee ballot.

Quick Books Upgrade- Elizabeth Hinds: As of April 1st, The Highlands current version of Quick Books will not be supported by Quick Books. *Motion by Elizabeth Hinds to upgrade Quick Books version for an additional total up to \$650.00 per year, seconded by David Armstrong, motion passed unanimously.*

Janitorial Services- Elizabeth Hinds: There were several interviews for cleaning companies. One cleaning company that charges \$500.00 for the initial and \$250.00 for once a week cleaning on Fridays only. Coverall Cleaning will charge an initial clean for \$345.00, then \$445.00 a month for twice a week cleaning. *Motion by Elizabeth Hinds, to hire Coverall, seconded by Linc Keilman, motion passed unanimously.*

HOA Attorney- Jason Smith: The Highlands HOA Attorney, Jason Smith introduced himself to the community and shared his background and experience.

OPEN FORUM: None

Adjourned at 12:50 p.m.

Reviewed by Secretary, Yvonne Kuhlman
Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOARD MEETING

April 19, 2023

10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance Director, Chuck Ardingo, Compliance Linc Keilman, Maintenance, Gary Wilkinson, Maintenance, David Armstrong, absent, Communications Director, Connie Rose.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- President, Sara Danville Gelhaus: Added “changes to the agenda “, to the agenda. Removed Shed Replacement from New Business to Maintenance Reports.

Approve Minutes from March Open Board Meeting as posted: Typo on March minutes under President Reports; Connie Rose was named as Community Director, should be Communications Director. *Motion to approve revised minutes by Linc Keilman, seconded by Gary Wilkinson, motion passed unanimously.*

Correspondence- Three letters were read; community member wrote of concerns over a variance issue of a Highlands property. Vice president, Rich Vertel states that the Highlands lawyer was contacted, and it was determined that the board acted appropriately. A letter of thanks to the Art committee and volunteers for the new mural was read. A letter was read from the Compliance Director regarding weeds in the common areas of the Highlands.

REPORTS-

President’s Report- Sara Danville- Gelhaus: Thank you to Linc Keilman for the “Smile you are on camera sign” at the Highlands entrance. The Reserve Plan audit has taken place and is near completion. The people that oversee the Reserve Plan seem to be very diligent, experienced and have a good sense of what the Highlands assets are worth, the cost of repairs and when they should be repaired. The hard work from former Board Member, Robert Beck was acknowledged.

Vice President Report- Rich Vertel: No Report

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Elizabeth Hinds: The Treasurer Report was read; the Treasurer’s Report is available in the office to view. *Motion to approve Treasurer Report by Chuck Ardingo, seconded by Rich Vertel, Unanimously, motion passed.*

Maintenance – Gary Wilkinson: Library door has been completed. The interior library door has been adjusted for wheelchair accessibility. The Kitchen door threshold has been removed and replaced with a brush threshold that will seal the door. Thank you to Bob Morgan, Kelly Gelhaus, Donato Valdivia, and Ron Weihl for working on the library door. Brain Tomac, Ron Weihl, Paul Delong, Chuck Ardingo and Donato Valdivia assembled the new shed, Volunteers are needed to paint the shed. Also, volunteers are needed to paint the laundry wall. The Highlands is looking for a maintenance person for the weekends.

Compliance- Chuck Ardingo: Thank you for all the conversations regarding the compliance director position. There were 8 home improvement requests for the month, all were approved. Weed letters have gone out. Chuck has reached out to Fed Ex, UPS, USPS and Amazon regarding speeding through the community. If you notice someone speeding, call the police with the license number and time of day. Please be aware of speed and stop signs. Wildflower vs weeds, beginning October the Compliance Directors ask that those who have the wildflowers to contain the flowers in beds.

Contracts- Sara Danville- Gelhaus: Two contracts were signed, one for Coverall Janitorial, and one for the Architect to start plans for the rest room remodel.

Communications- Connie Rose: Numerous comments and requests from the community. Community members have signed up for The Fling online, email Connie Rose for request to email The Fling, you may also email Connie with assistance on accessing The Highlands website or other computer technology questions.

Security Chief: Linc Keilman: The security group is not the same as Neighborhood watch, it is a four-person group consisting of Linc Keilman, Elizabeth Hinds, Chuck Ardingo and Terry Reagan.

Responsibilities include unlocking and locking up the facilities and RV lot. If you need to get into the RV lot after hours, please contact someone from the security group. The two doors that go out into the pool have been removed for safety reasons.

Social Committee- Cindy Bennett: No report.

H.O.R.A.C Committee- Ron Weihl: The Mural is 100% completed, thank you to all the volunteers that made this happen. The H.O.R.A.C concert was a success with 103 attendees. There are at least 25 pickle ball members, currently the schedule is Mondays, Thursdays, and Fridays at 8:30 a.m. The next H.O.R.A.C meeting will be held Dec. 14th at 3:00 pm. The H.O.R.A.C committee would like to ask for Board permission to purchase identifier signage for the cactus garden at the clubhouse; a shade sail for the gazebo and a fire pit for the clubhouse area. Community member Morris Coville offered his engraving services for the cactus signage. The total for the three projects would be between \$700.00 to \$1000.00, payable by the H.O.R.A.C committee.

- *Motion by Chuck Ardingo, seconded by Linc Keilman for the purchase of cactus identifier signage, funded by the H.O.R.A.C committee, unanimously, motion passed.*
- *Motion by Gary Wilkinson, seconded by Rich Vertel for the purchase of a shade sail for the gazebo, funded by the H.O.R.A.C committee. Unanimously, motion passed.*
- *Motion by Chuck Ardingo, seconded by Connie Rose for the purchase of a fire pit for the outside clubhouse area, funded by the H.O.R.A.C committee. Connie Rose, Yes. Elizabeth Hinds, Yes. Rich Vertel, Yes. Gary Wilkinson, No. Yvonne Kuhlman, Yes. Linc Keilman, Yes. Chuck Ardingo, Yes. 6/1 Motion passed.*

OLD BUSINESS-

Coverall Janitorial Services- Connie Rose: Currently the janitorial service is cleaning 2 times a week and seems to be doing a good job. If anyone has input, please email Connie Rose. Connie has received a few comments regarding dusting on the brick walls. This will be discussed when The Highlands receives the contract for window cleaning.

Bathroom Remodel- Reed Snell: The contract and deposit have been given to the architect. The architect is working on the code review as of last week. Taking into consideration the max occupancy of the clubhouse, which is 426, which includes the pool area. There was a zoom meeting on Tuesday and another on Thursday with the Town of Oro Valley, Dave Willett. The city suggests that there should be two toilets in the Mens room and four in the ladies' room, which makes it difficult for the handicap portion of it. The town of Oro Valley was asked if the Highlands could petition for 3 in the ladies' room and that required a letter from President Sara Danville Gelhaus stating that there is not more than 30 people at the pool at one given time. Once the architect is finished, the Bathroom committee will start the bid process.

Pet Policy Rules- Carol Nadeau: The Pet Committee requests a Board motion to accept the revised Pet Policy Rules as presented. *Motion by Linc Keilman, seconded by Rich Vertel, Connie Rose, no. Elizabeth*

Hinds, no. Gary Wilkinson, no, Rich Vertel no, Yvonne Kuhlman, no. Chuck Ardingo, no. Linc Keilman, yes. Motion denied 6/1

There was much discussion regarding Line #7 of the Policy which reads "For insurance purposes, visiting animals may not be walked within the community. "A motion was made by Elizabeth Hinds and seconded by Rich Vertel to accept the policy and to change line #7 to read "For insurance purposes, visiting animals shall be walked with owner supervision". Connie Rose, yes. Elizabeth Hinds, yes, Gary Wilkinson, yes. Rich Vertel, yes. Yvonne Kuhlman, yes. Linc Keilman, yes. Chuck Ardingo, no. 6/1 motion passed.

Tree Replacement- Connie Rose: In the process of working with tree enthusiasts within the community. Modifying the tree list, maybe too late in May to plant. There is a volunteer base that will assist in the choosing of the trees, planting, and purchasing memorial trees.

NEW BUSINESS

Lift Chair Committee: No Report

One Time Membership Fees- Rich Vertel: Motion from Rich Vertel and seconded by Gary Wilkinson to increase One Time Membership Fees to \$1500.00. Motioned tabled until further discussion with The Highlands lawyer.

Vending Machine in Clubhouse- Connie Rose: A community member inquired about a vending machine in the Clubhouse. After much research, the various expenses would not be feasible for The Highlands.

OPEN FORUM:

- A Community Member presented information regarding the Dark House Program through Oro Valley Police in which the police would check on your home while away. Information is on the Oro Valley Police website.
- Maintenance Director, Gary Wilkinson thanks Kent Hinds for taking care of the pool while Donato was on vacation.
- A Community Member pointed out that increasing the One Time Membership Fee would increase income for The Highlands by \$15,000.00 a year.
- A Community Member stated that an increase to \$1500.00 for the One Time Membership Fee is a fair increase.
- A Community Member stated their concern over an earlier out burst from a community member.

Meeting adjourned at 11:45 A.M

Reviewed by Secretary, Yvonne Kuhlman
Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOARD MEETING

October 18, 2023

10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance Director, Chuck Ardingo, absent, Compliance, Linc Keilman, Maintenance Director, Gary Wilkinson, Maintenance, David Armstrong, absent, Communications Director, Connie Rose.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- None

Approve Minutes from Aprils Open Board Meeting as posted: *Motion by Linc Keilman, seconded by Rich Vertel, motion passed, unanimously.*

Correspondence- A letter was read from a concerned community member over speeding in the community, member would like to see speed bumps installed. Linc Keilman responded that years ago THI tried speed bumps but had them removed due to community member complaints. Most recently Chuck Ardingo called Fed Ex, USP, UPS and Amazon regarding speeding through the community.

REPORTS-

President's Report- Sara Danville- Gelhaus: President Gelhaus welcomed back the community and stated that 50% of the community were here year around this summer and many of the Board Members were here year around. THI had a unique summer of heat and the storm in August. The community members rallied together and cleaned each other's yards and called neighbors who were out of town regarding the storm damage. Gary and Donato did an amazing job on maintenance. THI is working diligently with the insurance company to get the pool pump room roof and awning replaced. The community will be informed. Tables are set up differently today, it is easier to set up and take down. Please give feedback. THI will soon have all board meetings available by Zoom. Elections are coming up. There will be 3 vacancies this year. Please submit a statement of interest to Lynne in the office. THI needs to have a 9-member board to avoid going to a management company.

Vice President Report- Rich Vertel: Reports 3 new vacancies, all three will be 3-year terms.

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Elizabeth Hinds: Worked with maintenance and the administrative assistant to keep the costs down and to keep the books and the budget balanced. Some of the accounting categories have been changed with new line items. THI has been able to stay within the budget, although that meant moving the monies around within the budget. *Motion to approve Treasurer Report by Rich Vertel, seconded by Connie Rose, Unanimously, motion passed.* The Treasurer Report is available in the office for review. President Sara Danville Gelhaus asks Treasurer, Hinds to update on the Reserve. Treasurer Hinds responds that THI is waiting for the updated Reserve Plan from the Reserve Planners, which is needed to create the budget. THI did replace the AC in the office, which was on the reserve plan this year. President, Gelhaus gave a brief description of the Reserve as set aside monies needed by law to fix things if they break. The reserve planning company goes through THI's assets and determines the longevity of each asset and the cost needed to fix problems.

Maintenance – Gary Wilkinson: Met with the insurance adjuster again on the pool pump roof, adjuster stated that winds from the storm in August clocked 110 MPH, which completely took the roof off the pool house. Maintenance is getting bids on the damage. Donato has worked very hard with the storm clean up, please thank him when you see him. Thank you to David Armstrong who loaned THI his tractor and trailer during the cleanup.

Compliance- Linc Keilman- There were 22 Home Improvement Requests this summer. There were two HIR's that required negotiation and one issue of the wrong color on a house, the owner had the home repainted with the approved color. There were 8 home improvement requests for the month, all were approved. Weed letters have gone out.

Contracts- Sara Danville- Gelhaus: A contract was signed for Coverall for cleaning windows in the clubhouse and office. Several vendors were interviewed.

Communications- Connie Rose: Numerous comments and requests from the community. Community members have signed up for The Fling online. Email Connie Rose with a request to email The Fling or with any questions.

Social Committee- Cindy Bennett: Friday will be the first social committee meeting, all are welcome. Halloween potluck will be Oct 31st, at 5:00. Dress up if you would like.

Security Chief: Linc Keilman: Security is making sure the clubhouse, RV lot and resource room are locked and unlocked each day. They are unlocked at 7 a.m. and locked at 9 p.m. The RV lot is open at 6 a.m. during the week and 7 a.m. on the weekends. Neighborhood Watch coordinator, Elizabeth Hinds stated that there have been a few stray people out at 3 a.m. Also, be watchful for snakes this time of the year they are active and getting ready to hibernate. Volunteers are needed for Neighborhood Watch. Please contact Elizabeth Hinds.

H.O.R.A.C Committee- Ron Weihl: No Report.

OLD BUSINESS-

Bathroom Remodel- Reed Snell: Oro Valley has rejected the plans because the shower's current configuration do not meet the ADA requirements. The Bathroom Remodel committee suggests eliminating the bathroom showers unless there is a complete revision which would most likely double the cost. The Bathroom Remodel committee asked the board to approve eliminating the showers and convert the shower area into storage space. The base price is approximately \$25,000 for the remodel without showers based upon the fact that THI will do our own general contracting. The committee also suggests placing tile on the walls, which would be an additional \$8000.00 and would like to ask the board for up to \$35,000.00 for the entire project. Vice president, Rich Vertel mentioned that most of the money should come out of Capital Improvement which currently has a balance of \$19,000.00. The balance should come from a loan from THI savings at 3%. Treasurer Hinds states that there are people who use the showers, and the showers are for the RV guests as well. President, Gelhaus would like to have a census of community members before proceeding with Board approval. Secretary Yvonne Kuhlman thanked the committee for their efforts. Vice President, Vertel suggested making the outside shower a handicap accessible shower. An article will be in next month's Flings asking for Community comments. Issue will be tabled for next months Board meeting.

Pet Policy Voting Proposal- Linc Keilman: Will be putting the pet issue on the ballot so that all homeowners are able to vote on whether the community will be pet permitted or status quo permitting service and assistance animals only. Vice President, Rich Vertel commented on a recent Supreme Court

ruling that took place in March involving making significant amendments to CCR's. Vice President Vertel would like to invite the THI attorney to next month's Board meeting to discuss the Supreme Courts ruling. The proposal ballot measure will also be sent to the attorney for review.

Tree Replacement- Connie Rose: Thank you to the tree replacement contributors. THI lost the last two palo verdes trees during the August storm. Volunteers are needed for the committee. Email Connie Rose if interested.

One Time Membership Fee- Rich Vertel: In the last board meeting, the THI Board approved to increase the one-time membership from \$760 to \$1500.00, bringing in approx. \$15, 000.00 per year which goes into the Capital Improvement Fund. Rich will be speaking with the THI attorney on the appropriate steps to initiate the change.

NEW BUSINESS

Flood Plain Issue- Sara Danville-Gelhaus: Thank you to Linc Keilman for suggesting a meeting with Oro Valley Storm Water Management. John Spiker has met with THI. There is a wash that runs in the middle of the community and sits on a 100-year flood plain. The city of Oro valley has submitted a request for FEMA funding to help secure the wash in an event of a 100-year flood. Flood plain maps are available in the office. THI Board has decided to form a Flood Plain Committee. Linc Keilman will be on the committee and hopes that other community members will serve on the committee.

Resident Photos in THI Directory- Yvonne Kuhlman: Yvonne suggests community member photos in the directory. If interested, please contact the office.

Rental Cap- Rich Vertel: Compliance director, Chuck Ardingo suggests a rental cap, whereby limiting rentals within the community. This would apply to new members only. Current members would be grandfathered in. This would be a CCR change which will need to be voted on at the annual meeting. Rich Vertel will consult with the attorney for a draft of the language for the ballot.

OPEN FORUM:

- A Community Member suggested taking discussion and questions after each board topic and converting 2 rest room stalls and making them into handicap showers.
- A Community Member suggested a dressing area for the proposed remodeled restroom.
- A community Member stated that Safeway will come to your location and give vaccinations. Community member will contact Safeway for a date and time to come to THI. Date and time will be announced in the Fling.
- Maintenance Director, Gary Wilkinson stated the good job that the janitorial service is doing. Thank you, Connie Rose, for arranging. Thank you, Lynne Jordan, for handling the Insurance company on the storm damage.
- A community member suggested thanking Donato for all the extra time and energy beyond his regular responsibilities after the storm in August.
- A community member suggested thanking Donato on his birthday is the 22nd.

Meeting adjourned at 11:35 a.m.

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN ANNUAL BOARD MEETING

Nov. 15, 2023

10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance Director, Chuck Ardingo, present via Zoom, Compliance, Linc Keilman, Maintenance Director, Gary Wilkinson, Maintenance, David Armstrong, Communications Director, Connie Rose.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- None

Approve Minutes from Octobers Open Board Meeting as posted: Revision to October Board minutes as follows: Header date change to Oct. 18th, 2023, Topic of one-time membership fee under Old Business stated that THI approved at the last board meeting the increase from \$760.00 to \$1500.00. The motion was tabled for the next board meeting. *Motion made by Rich Vertel and seconded by Gary to approve minutes, Unanimous, motion approved.*

Correspondence- A letter was read from a community member expressing their support, questions and concerns over the handicap bathrooms and keeping the showers.

REPORTS-

President's Report- Sara Danville- Gelhaus: Thank you to Reed Snell and Jane Force for all their time and energy working on the handicap accessible bathroom. Elections are coming. There are three, 3-year terms available. Submit your resume by Dec 10th to the office. We haven't yet figured out how to provide Zoom access to residents yet, only board members.

Vice President Report- Rich Vertel: There is only one person who has submitted a resume for the 3 Board vacancies. Last year THI had 7. Help is needed on the Board of Directors.

Secretary Report- Yvonne Kuhlman: If you would like your picture in the phone directory, submit a photo to Lynne. Pictures will also be taken after the next board meeting.

Treasurer Report- Elizabeth Hinds: Treasure Report available for viewing in the office. Operating costs have been staying within the budget. The expense Trash Haul is over 100%, this was because of the storm debris that needed to be hauled away, once the insurance monies are entered, it will lower that percentage. The insurance company has covered nearly all the storm related damage. THI has 4 bank accounts, savings for unexpected shortfalls and checking for operating cost such as employee salaries; Capital Improvement is for special improvements; the Wash account to be specifically used to clean up the washes. The past few years THI has been operating in the red at approximately \$20, 000 per year. There are other factors that contribute to this such as the one-time membership dues going into Capital Improvement. THI will be taking half of what is needed for the reserve fund set aside from the savings account. In December \$22,000 will need to go into the Reserve account for the annual set aside. It appears that since THI went to quarterly payments, members who are past due are past due 3 months rather than one. In September the gas bill for heating the pool tripled. Industry heating standard for commercial pools is 82 degrees, THI pool is heated to 89 degrees. Volunteers are needed to cover the

pool. Sign-up sheet will be in the Clubhouse. Rich Vertel mentioned that the pool was set at 82 degrees last year. Gary Wilkinson said there were complaints, so the pool temperature was raised.

Motion to approve treasurer report by Connie Rose, seconded by Chuck Ardingo, unanimously, motion passed.

Maintenance – Gary Wilkinson: The storm damage has been covered by the insurance company and covered Donato hauling debris. The contractor for the pump house roof is non-responsive to calls.

Contracts- Sara Danville- Gelhaus: No Report.

Communications- Connie Rose: Thank you to those who helped with the vaccination clinic, especially Karen Molique who spear headed the event. There were about 40 vaccinations given. The event will be planned for September of next year.

Security Chief: Linc Keilman: No issues other than the lights are not being turned off in the clubhouse. He reminded people to turn off the lights upon leaving the clubhouse. In regard to compliance, there were 6 HIRs processed without issues. Compliance issued 39, 1st weed letters. The process is that the member is given two weeks to remedy the weeds, the property is re-inspected. If the weed issue has not been resolved, members will receive the 2nd weed letter and given 14 days to remedy, If in after 14 days and the weeds are still an issue, members will receive the 3rd weed letter with a fine. At last month's meeting, storm water management was brought up. They are working with THI to take responsibility for the maintenance of the big wash and working with FEMA to assist. A committee has been formed; Jimmy coffee is the chair for the committee, with Linc Kielman and David Freker as the committee members. The Storm Water Management has meetings every other month. The committee will be attending this month's meeting and will report at next month's Open Board Meeting.

Social Committee- Jamie Horst: Today is the last day to sign up for the Thanksgiving potluck. Please bring something to share and a place setting. The insurance money received from the storm did not include the social committee sheds, Treasurer, Elizabeth Hinds states that THI received \$600 to replace the sheds. The social committee is in desperate need of the sheds ahead of the White Elephant Sale. The community sale will be held on February 17th and the White Elephant Sale will be held February 24th.

H.O.R.A.C Committee- Ron Weihl: No Report.

HOA Attorney- Jason Smith: Attorney, Jason Smith discussed recent rulings by the Arizona Supreme Court. Changes to the CCRs cannot be changed which would require 100% approval. President, Gelhaus asks Jason Smith about the no pets' policy that was to be placed on the next ballot. Jason Smith responded that 100% vote would be needed. Rental caps would not require 100% since they pertains to new buyers who are made aware of what their limitations are. Also, in regard to raising the One Time Membership fee from \$760 to 1500, Gelhaus asks if the wording is such that the board of directors can change the dollar amount, or would it need an CCR amendment? Jason smith answers that the fee can be raised without changing the verbiage on the CCR's.

OLD BUSINESS:

Flood Plain Issue: This issue will be under Old Business going forward as The Big Wash issue presented by Linc Kielman.

Pet Policy- Rich Vertel: *Motion made by Rich Vertel to not amend CCR's based on the new AZ Supreme Court ruling which would make it invalid. Yvonne Kuhlman seconded the motion.*

Elizabeth Hinds, Yae. Connie Rose, Yae. Rich Vertel, Chuck Ardingo, Yae, Gary Wilkinson, Yae. Yvonne Kuhlman, Yae. David Armstrong, Yae. Linc Kielman, Nae. Motion passed 7/1

One Time Membership Fee- Rich Vertel: *Motion made by Rich Vertel to raise the One Time Membership fee from \$760 to \$1500.00, seconded by Gary Wilkinson. Elizabeth Hinds, Yae. Connie Rose, Yae. Rich Vertel, Yae. Yvonne Kuhlman, Yae. Gary Wilkinson, Yae, Chuck Ardingo, Yae. David Armstrong, Nae. Linc Kielman, Nae. Motion passed 6/2. Later in the meeting Rich Vertel amended the motion to raise the One Time Membership Fee from \$760.00 to \$1500.00 effective immediately. Connie Rose seconded the motion. Elizabeth Hinds, Yae. Connie Rose, Yae. Rich Vertel, Yae. Yvonne Kuhlman, Yae. Gary Wilkinson, Yae. Chuck Ardingo, Yae. David Armstrong, Nae. Linc Kielman, Nae. Motion passed 6/2*

Rental Cap- Rich Vertel: President Gelhaus reads the purposed language from the attorney regarding adding a rental cap to the CCR's. Motion by Rich Vertel, seconded by David Armstrong to add rental cap of 5% to the upcoming ballot. Motion made by Rich Vertel to modify motion from 5 % rental cap to 2.5% and to include language that the percentage can be changed at a later date. seconded by David Armstrong. Elizabeth Hinds, Yae. Connie Rose, Yae. Rich Vertel, Yae. Yvonne Kuhlman, Yae, Gary Wilkinson, Yae. David Armstrong, Yae. Chuck Ardingo, Yae. Linc Kielman, Nae. Motion passed 7/1.

Bathroom Remodel -Reed Snell: Last month the board was asked to remodel the bathrooms without the showers which generated a lot of feedback. Reed Snell stated that by keeping the showers, THI would not be able to afford to remodel both bathrooms. A Commercial General Contract will be needed. Reed Snell suggested remodeling one bathroom at a time, beginning with the Men's bathroom. Rich Vertel states that THI board can authorize \$34,999.99 for one bathroom. Reed Snell would like someone to take his place on the committee. Maintenance Gary Wilkinson states that the Maintenance department will take over the project. Bathroom remodel committee member, Jane Force says that she will no longer be on the committee. *Motion by Secretary, Yvonne Kuhlman that the board authorize the sum up to \$34,999.99 to remodel one bathroom to include a shower, Vice president, Rich Vertel seconds the motion. Elizabeth Hinds, Yae. Connie Rose, Yae, Rich Vertel, Yae. Yvonne Kuhlman, Yae. Gary Wilkinson, Yae. Linc Kielman, Nae. Motion passes, 7/1.*

NEW BUSINESS

Club House Rental Procedures: Connie Rose: David Armstrong will be performing a pre and post inspection of the clubhouse when rented. *Motion by Connie Rose to raise clubhouse use fee from \$50.00 to \$100.00, motion seconded by Yvonne Kuhlman. Connie Rose amends motion to clubhouse use fee 1-3 hours \$50.00, 3-6 hours \$100.00. Yvonne Kuhlman seconds the motion. Motion passed unanimously. Motion made by Connie Rose to raise Clubhouse use deposit from \$100.00 to \$150.00, seconded by Linc. Motion amended by Connie Rose to Clubhouse use deposit from \$100.00 to \$150.00, \$200.00 if using the kitchen appliances, motion seconded by Linc Kielman. Motion passed unanimously.*

Survey Forms Committee: Tabled for the next meeting under New Business.

OPEN FORUM: None

Meeting adjourned at 12:20 p.m.

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN ANNUAL BOARD MEETING

Dec 20th, 2023

10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call: Present: President, Sara Danville- Gelhaus, Vice President, Rich Vertel, Treasurer, Elizabeth Hinds, Secretary, Yvonne Kuhlman, Compliance Director, Chuck Ardingo, Compliance, Linc Keilman, Maintenance Director, Gary Wilkinson, Maintenance, David Armstrong, Absent; Communications Director, Connie Rose.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda- After the meeting is adjourned, an executive meeting will follow.

Approve Minutes from November Open Board Meeting as posted: Revision to November Board minutes as follows: Under the header of *HOA Attorney- Jason Smith* language changed to “Material changes to the CCRs would require 100% approval of the owners unless the changes apply only to new members. Changes that affect all members require 100% approval of all homeowners unless the change is foreseeable. *Motion by Gary Wilkinson to approve minutes, seconded by Rich Vertel, motion passes unanimously.*

Correspondence: None

President’s Report- Sara Danville- Gelhaus: A card was dropped off at the office addressed to Mateo from Tyler and Jessica Hanson, if you know who anyone of these people are, please let the office know.

Vice President Report- Rich Vertel: Did not receive any resumes except for two current board members. THI will be short 1 board member. If there is anyone who would like to volunteer, THI board can appoint a volunteer to a board position.

Secretary Report- Yvonne Kuhlman: No Report.

Treasurer Report- Elizabeth Hinds: Treasurer Report available for viewing in the office. There will be a detailed treasurer report next month that will reflect end of the year which will include the Reserve Set Aside and a deposit into the Capital Improvement account. Last year there were 26 homes sold, in which the one-time membership fee went into Capital Improvement. This year 19 homes were sold, decreasing the amount put into Capital Improvement. The bank accounts clarified are Money Market Capital Improvement fund, the checking account in which all bills are paid. Regular savings account which was turned into a Money Market account to earn higher interest. The Reserve account is also a Money Market account, and the Wash account is a CD account. *Motion to approve the November Treasurer Report by Linc Keilman, seconded by Chuck Ardingo, motion passed unanimously.*

Maintenance – Gary Wilkinson: Someone stole 8 of THI’s cacti’s last month, one worth around \$500.00. Cactus donations have been received from the community and have been planted. We will be getting the roof replaced on the pump house which will include a camera system that will cover the pool and grounds area, to deter this from happening again. Changes to the pool temperature have been made, the pool is now heated to 82 degrees and uncovered when the temperature reaches 70 degrees. The gas bill last month for the pool was over \$3300.00. President Sara Danville- Gelhaus mentioned that

Bathroom Remodel- David Armstrong: 3 general contractors have been contacted, using the current drawings from the architect. The 1st proposal was from Workman Company, which came in at \$29,000.00-\$34,000.00 including the showers for each bathroom. The 2nd was a verbal quote of \$37,000.00 per bathroom. The 3rd quote was substantially more money. The options were discussed on whether to go with a general contractor or remodel the bathrooms without remodeling the showers in house through the maintenance department which includes volunteers. If The Highlands hires a contractor, the bathrooms will be ADA compliant, which lessens the Highlands liability. There was discussion on project funding, President, Sara Danville- Gelhaus explains that all of the funds will come out of the Capital Improvement Fund. The Workman group requires a \$5500.00 up front. Discussion on how the remainder would need to be paid. *Motion by Yvone, seconded by Rich to proceed with the Workman Company proposal between \$29,000.00-\$34,000.00 with the as long as there is an agreed upon payment schedule. Motion passed unanimously.*

2024 Budget- Elizabeth Hinds: Treasurer, Elizabeth Hinds presents a power point presentation regarding the 2024 budget and accounting. This presentation is available in the office upon request. The presentation explains the Reserve Fund and different THI accounts, also discussed was the gas bill to heat the pool. Treasurer Hinds also explains the need for a HOA maintenance fee increase in 2024. Motion by Linc Keilman, seconded by David to \$73.00 a year of 2024 starting 01/01/2024; *motion modified by Linc Keilman, seconded by Rich Vertel, Raise the dues 10% annually per household starting 04/01/24, which would be \$871.00 for the year. Effective April 1st, 2024.*

OPEN FORUM:

- Community member inquired on who to contact to get the names of the cacti on the clubhouse grounds in order to have signs made for them.
- Community member concerned with temperature of the pool, therapeutic temperature range should be 87-94 and Higher-level intensity temperature 82-88, mentioned that solar power should be a priority.
- Community member was concerned about the retroactivity of the new Supreme Court ruling. The member wondered if the board discussed with our attorney which CCRs might need to be revisited. Rich Vertel will consult with the THI Lawyer.

Meeting adjourned at 12:40 p.m.

Reviewed by Secretary, Yvonne Kuhlman, Submitted by Lynne Jordan

The Highlands, Inc.

OPEN BOARD MEETING MINUTES FOR 2022

Note: Letters read at open board meetings are not identified in these minutes. Any owner may request a copy of any letter read at open board meetings.

THE HIGHLANDS, INC. OPEN BOAD MEETING

January 19th, 2022
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Craig Bennett, Kent Hinds, Bernie Lee, Sara Danville-Gelhaus, Mary Rausch, Bob Beck, Jamie Horst

Absent: Morris Coville

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda: Secretary Rausch would like to add RV lots to New Business.

Approve Minutes of December meeting as posted: *Motion by Danville-Gelhaus, seconded by Bob Beck, Unanimous. Motion passed.*

Correspondence: One letter Read.

- Member proposed closing pool from Dec-Mid March to cut down on heating cost and to keep covered until the outdoor temperature is 70 degrees. Would also like the Board to consider purchasing a larger hot tub. President Bennett commented that one recent incident where the pool was covered and a family with children pulled back a portion of the cover to play in the pool. Besides being a safety hazard, Javier had to tell them the pool was closed. When the pool is covered, it is closed.

Reports:

President's Report- Craig Bennett:

- Each year we lose 3 Board Members and gain 3 members. Would like to say Thank you to Secretary, Mary Rausch, Treasurer, Jamie Horst and Compliance Morris Coville. These members will be onboard to transition the new members until mid-February.

Vice President Report- Sara Danville- Gelhaus:

- Would also like to say Thank you to the exiting Board Members.
- Vice President is responsible for elections. Thanks to Linc it is well organized and it's a well-oiled machine. Cheryl Stafford is the Chairperson for the election committee. Election is February 4th; some may have already voted. Dues need to be paid up to have your vote counted. There will be an Elections Committee meeting Monday, Jan. 24th at 11:00 in the committee room in the front office.

Treasurer Report- Jamie Horst:

- Specific information and reports are available at the front office.
- There will be an update in February regarding the number of items that were not in the 2021 budget.
- There are several residents who have not taken the \$6.00 Light Credit that is reflected on their statement. Please deduct this credit when making your next payment.
 - Will be working to streamline capturing the financial activities for the H.O.R.A.C committee since there is not a line item in the budget.

Maintenance - Bernie Lee: We will be getting new Chaise Lounges next week.

Compliance- Bernie Lee: We received a few request that will be taken care of today.

Contracts- Sara Danville: Nothing to report.

Social Committee- Cindy Bennett:

- This Saturday is the Western Dinner and Dance, which is sold out.
- There is no new status on the round tables ordered. The four card tables may be in by March.
- Events in February include:
 - Feb. 6th, Celebration of Life

- Feb. 8th, Potluck
- Feb. 10th, Quilters Tea
- Feb. 19th, Yard Sale
- Feb. 26th, White Elephant Sale
- The Golf Group is short 2 people next Wednesday, please contact Al Rausch if interested in playing.

OLD BUSINESS:

Policy and Procedure Review- Secretary, Mary Rausch:

- Existing policies that have been around awhile and the Board agrees to keep in place:
 - **Melcor Drainage Agreement** – In 2001, when Melcor funded \$25,000, the Board decided that those funds were to be set aside for drainage improvements only.
 - **Community Area Use Rules**- Updated 2019, No Changes.
 - Two policies manuals available for review. One is in the resource room, one in office.
 - Connie Rose will be posting policies on the website.
- **Two Policies for Review:** Both were done in 2000, unfortunately, minutes from those meetings are unavailable. THI Attorney suggested that the Board should have the policies reviewed and voted on.
 - **Vendor and/ or Contractors Proof of Insurance and Drug Free Employees was read:**
The wording has not changed, original policy was two separate policies, Proof of Insurance and Drug Free Employees. Wording same as 2000. *Motion by Danville- Gelhaus to put policy in manual as read, Seconded by Horst, Unanimous. Motion passed.*
 - **Drug Free Employees was read.**
The wording has not changed. *Motion by Danville to keep in policy in the manual as read. Seconded By Horst, Unanimous. Motion Passed.*
 - **Jamie Horst reviewed procedure of Collection & Admin. Of Maintenance Fees was read:**
Proposed motion to remove item #3 of procedure. *Motion by Horst to eliminate item 3 of procedure, seconded by Sara Danville- Gelhaus. Unanimous. Motion passed.*

Accessible Bathroom Update: President Bennett-

- Finalized plans are now out to contractors for bids. Per Reed Snell, we will have quotes before February 1st

Outdoor Recreation Area Committee Update- Ron Wehl:

- Mini Golf Course is 100% complete.
- The two sheds have been decluttered. One is for golf; the other is for outdoor activities. The pool key will open the sheds.
- Thank you to volunteers and donors. Over \$600.00 worth of donations in supplies, materials, and such.

Outdoor Recreation Area Committee-Brian Tomac Financials:

- After donations, the net cost of the miniature golf course was \$523.00.

Outdoor Recreation Area Committee- Ron Wehl:

- February 21st, 2-5:00 pm, there will be a kick- off for the mini golf course. Still working on the details.
- We received a few more corn hole games.
- Proposed to the Board that the difference of what was spent on the miniature golf and the \$1000.00 original allotted by Board, to be available for future projects. *Motion by Danville- Gelhaus, that the \$477.00 remaining from the mini golf fund be designated to H.O.R.A.C for their next project. Seconded by Horst. Unanimous, motion passed.*
- Would also like to propose to the Board a Mural on the laundry wall with an allowance of \$500.00 for paint and materials. Many members in park would like something done. Part of the motion would be Board approval of Mural. President, Craig Bennett, concerned on

finding an artist that can project on the wall, also concerned with sun fading of the mural and maintenance. Would like to suggest desert Silhouettes that are removeable and easy to maintain. Secretary, Mary Rausch would like the board to see ideas and plans before approving.

Clubhouse Blinds- George Tanner:

- Explains where blinds will hang to get optimal use without hindering mountain views.
- Proposal of \$443.63 for 4 Windows.
- Secretary Rausch mentions that the shades would also cut down on cooling cost during the summer. Vice president Danville- Gelhaus verifies with Treasurer Horst, that the funds are available. *Motion by Secretary Rausch for \$550.00 for the purchase of 4 shades to be installed on Clubhouse windows. Seconded by Horst. Unanimous. Motioned passed.*

New Trees at Clubhouse- President, Craig Bennett:

- We have received a few more Landscaping names to contact. Still waiting to get someone out to look at and to be able to report back. Will be placed on next months agenda.

2022 Final Budget- Treasurer, Jamie Horst:

- **2022 Budget available in office for review.** *Motion by Horst to approve 2022 Budget. Seconded by Rausch. Unanimous. Motion passed.*

NEW BUSINESS

RV Lot – President, Craig Bennett:

- Express's opinion that the RV Lots are an asset to the Highland and feels that all community members should benefit from it. Would like to see a RV Lot committee formed. Linc Keilman has volunteered as committee chair.
- *Motion made by Rausch to form a committee to look at the RV lot including Fees, policies, layout and any other miscellaneous. Seconded by Danville-Gelhaus. Unanimous. Motion passed.*

Open Forum:

- Member expresses that Accessible Bathroom and shower is not in the best interest of the entire community.
- Member requested that the oven be fixed or replaced.
- Member asked the status of the repairs for the oven that was to be repaired. Maintenance Director, Bernie Lee said the part that was ordered, did not work and there are not replacement parts which leaves us to one oven.
- Member asked if there will be a community vote on the accessible bathroom? President Bennett- Once we receive the quotes back, we will make that decision.
- Member asked for clarification on which wall would be used for a mural. Ron Weihl: Wall facing the mini golf.
- Member said to let the art community do the mural, they are good at it.

Motion to adjourn made by Danville- Gelhaus, seconded by Horst. Unanimous. Motion Passed.
Adjourned at 11:35.
Submitted By: Mary Rausch, Board Secretary.

THE HIGHLANDS, INC
ANNUAL BOARD MEETING

February 4th, 2022

1:00 p.m. Clubhouse

Call to order (Please silence phones)

Roll Call: Present: Craig Bennett, Mary Rausch, Bernie Lee, Kent Hinds, Jamie Horst, Sara Danville-Gelhaus, Bob Beck. Absent: Morris Coville.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revision to Agenda: President Craig Bennett states that the election results will be given after Open Forum.

Approve Minutes of January meeting as recorded: *Motion by Sara Danville-Gelhaus to approve January minutes as posted, seconded by Jamie Horst, Unanimous, motion passed.*

Correspondence: None

Reports:

President's Report- Craig Bennett: No report.

Vice President's Report- Sara Danville Gelhaus: One of the responsibilities as Vice President is to oversee the elections. Thank you to Linc and the election committee.

Treasurer Report- Jamie Horst: 2021 recap available in office.

- A memorial fund has been established for dedications.
- An expense and income line has been established for H.O.R.A.C. and is set up as a separate entity, like the Social Community.
- Explained Melcor Drainage Policy requires set amount be retained for wash maintenance. Recommends putting interest gained into Reserve Plan and general savings. Would need to be done in May when CD is maturing.

Compliance- Bernie Lee: Please take note of weeds.

Maintenance- Bernie Lee: No report.

Contracts- Sara Danville- Gelhaus: No report.

Social Committee- Cindy Bennett:

- The February calendar is incorrect for Thursdays. Quilting Club should be placed on calendar for Thursdays from 3-4.
- Tickets on sale for the Valentines Dinner and entertainment. Tickets are \$15.00 per person.
- Celebration of Life on February 6th.
- Craft Fair on March 5th.
- Bus trip to Barleens on March 9th.
- High School Mariachi Band March 11th with catered dinner. Bernie will have tickets next week.

Accessible Bathroom Update- Craig Bennett: Received one quote, will need at a minimum of two quotes, hopefully three, will wait until next meeting, if more quotes are received.

Outdoor Recreational Area Committee Update- Ron Wehl:

- Last month the committee had proposed to the Board an approval of NTE \$1000.00 for initial architectural drawings of the proposed ramada. Brian Tomac has supplied a conceptional drawing of the ramada for Board and member viewing. The committee does not need the \$1000.00 for the architectural drawings. The Committees thoughts are that we could use some of the laundry area for a ramada. The survey from last spring indicated a use for a ramada is desired. The ramada would allow outdoor activities such as workshops, arts and Crafts and workout areas.
- Would like to propose to the Board, the repair of the existing Bocce Ball courts at a cost of \$2025.00, if done by community volunteers.
- Outdoor events are now being scheduled. A golf group has been formed and plays once a week. Sign up is in the clubhouse.
- Mini golf project is done. Thank you to the donors and volunteers for their work on the mini golf project.
- Horseshoes have been renovated.
- Currently working on signage for the two outdoor sheds where game equipment is kept. Will be easier to locate equipment.
- On Monday, February 21st from 2-5, we will be kicking of the finished renovation of the mini golf, hoping to sell 100 tickets. Live music between 2-5 with K.T Klassics. Tickets are \$7.00 which includes a hamburger or hot dog and fixings.
- Sharon Dennis has done a beautiful desert scene design for the mural that we spoke about last month. We would like to propose to the Board a \$500.00 allowance for the mural which will face the mini golf.
- Brian Tomac has supplied a conceptional drawing to the Board of the ramada, to give the Board.
- Would like to ask the Board for H.O.R.A.C. to stay on the agenda as old business.
- Vice- President Sara Danville- Gelhaus asked about the selling of tee shirts, will revenue be recorded as H.O.R.A.C revenue, Also, has there been consideration on the direction of the clothes hanging area to benefit the full effects of the sun? Ron Wehl states that the tee shirts will be available soon. Tee shirt will be revenue part of the H.O.R.A.C budget. The poles can be placed in the best area for clothes drying, this is just a conceptional drawing for people to get the idea out there so we can determine the community's interest.
- Secretary Mary Rausch suggested that since this is an ongoing, permanent committee, that their reporting to be placed under reports rather than Old Business.

New Trees at Clubhouse- Craig Bennett: Received input from a resident who is a master gardener with some ideas on what plants and shrubs to plant. When we are at the point to buy or to replace any of the trees out there, we will do a formal presentation to present to the residents for input.

RV Lot Committee Report- Linc Keilman: Committee has not met yet. The intention is to have two Board Members, two renters of RV spaces, two non-renters of RV Spaces and myself. The committee will give the Board their suggestions on policies and rate increases since the Board will be able to make the decisions. Bernie Lee and Morris Coville are working on a more comprehensive plan that will take more time to implement, in the meantime, the committee will look at policies and such that could benefit immediate needs of the RV lots and renters.

OPEN FORUM:

- Resident asked about the speculation of the ramada, how will it be made? Ron Weihl: it would be a 4-post structure, much like the ones in parks and schools with a tubular structure to support the top of the fabric cover. Resident asked maintenance cost, replacement cost. Ron Weihl: We do not know the answer to that, we are in the very beginning stages of discussion. We are in the process of getting quotes. Resident voiced concerns about taking up laundry area.
- Resident disagrees with the ramada, taking way from laundry area. Suggests that if a ramada is needed, to place it elsewhere.

ELECTION RESULTS – President Craig Bennet: Thank you to the candidates. We have three positions that are on a rotation bases and a 4th position that is available by a member of the Board quitting early in the spring. The top three candidates with the most votes will get the 3-year terms, a 2-year remaining term for the fourth. Results are as follows:

Gary Wilkinson – 151 Votes

Yvonne Kuhlman- 134 Votes

Richard Vertel- 119 Votes

David Cruz- 98 Votes

Ballot Measures:

Do you want the \$760 THI Corporate Membership Fee to be deposited into a capital improvement fund? **Yes 114, No 58**

Anyone who becomes a THI member on or after March 1, 2022, will be required to make their payments quarterly, semi-annually, or annually.

Yes 134, No 36

Do you want to increase the amount the single expenditure limit to \$35,000 and adjusted annually according to the Consumer Price Index?

Yes 104, No 72.

Organizational Meeting will be held after this meeting to determine Board Directors positions.

Meeting adjourned 1:50 PM

Submitted By: Mary Rausch, Board Secretary.

THE HIGHLANDS, INC

OPEN BOAD MEETING

February 16th, 2022
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Craig Bennett, Yvonne Kuhlman, Richard Vertel, Kent Hinds, Gary Wilkinson, Bernie Lee, David Cruz, Bob Beck

Absent: Sara Danville- Gelhaus

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda:

Approve Minutes of February 4th meeting as posted: *Motion by Lee, seconded by Hinds. Unanimous, motion passed.*

Correspondence: None

Reports

President's Report- Craig Bennett: No Report

Vice President Report- Sara Danville- Gelhaus: No Report

Treasurer Report- Richard Vertel:

- January Treasurer Report available in office.
- H.O.R.A.C income and expense components have been added to the 2022 budget. There will be a \$3000.00 deficit this year due to the Membership Fees being removed from revenue and placed in the Capital Improvement Fund.
- Late payment delinquencies were high in January, making strides to correct.

Maintenance- Bernie Lee: No Report

Compliance- David Cruz: No report

Contracts- Sara Danville- Gelhaus: No report

H.O.R.A.C Committee- Ron Weihl:

- There are a few tickets left for Feb. 21st. Tickets on sale until tomorrow. Tickets are \$7.00 which includes entertainment by KT Klassics, hamburgers and hot dogs, water, or lemonade. If you would like something else to drink, bring your own cooler. This is an outdoor event, please bring your own chair.
- Thank you, Bernie Lee, for the horseshoe area improvements.
- In the future we hope to make improvements to the Bocce Ball court.
- Pool key opens both sheds that hold the games.

Social Committee- Cindy Bennett:

- Saturday is the community yard sale. There will be no maps this year. Encouraging everyone to get a balloon, or to put out a sign.
- Bingo is back, asking for volunteers to keep it going.
- March 5th Craft Fair outside, weather permitting.
- In March, potluck, trip to Barleens, Dinner and mariachi band, dinner and karaoke, March 25th is the 8th annual Art Exhibit.

Old Business:

Accessible Restroom Update- Craig Bennett: Received one quote on the project, we need at least two, preferably three. Still looking for contractors to bid on project.

Outdoor Recreation Committee- Nothing to report.

New Trees at Clubhouse-President, Craig Bennett: We will be tabling this for the future. Once there is something to present, the members will be involved in the selection process. Ideally, we will plant indigenous trees/shrubs in the area.

RV Lot Committee- Richard Vertel: Committee will be meeting this week.

NEW BUSINESS

Art Committee Mural Project: Sharon Dennis

- Presented two conceptual drawings of murals for the eastern laundry wall, next to miniature golf.
- Did investigate finish for the mural to protect the painting.
- 4 background colors with contrast.
- 4 volunteers from the art committee would be involved.
- Ron Wehl: H.O.R.A.C would be able to supply volunteers as well to the Art Committee.
- Plan to start painting in the middle of the wall.
- President Bennett: To move forward, we will need a cost and timeline.
- The project would need to be completely at the end of March due to monsoon weather and members leaving at the end of March.
- Ron Wehl believes the mural cost would not exceed \$600.00. although it has not been discussed with the H.O.R.A.C committee, that if cost runs over \$600.00 the H.O.R.A.C committee will pay for the difference to ensure the project is 100% complete.
- Prep for the wall will be a maintenance item since the wall needs to be pressure washed, cracks filled, and painted.

Open Forum:

- Member asked Ron Wehl if there will be competitive games on Monday, February 21st, Ron Wehl responded by there will be people playing games, will have the opportunity to purchase tee shirts. Will be taking a list of those interested in Bocce Ball and possibly an upcoming mini golf.
- Member suggested posted conceptual mural drawings on the wall the day of the event so that the members can choose which mural they like best.
- Member asked Cindy Bennett the date and time of the yard sale and where to purchase balloons. Cindy replied this Saturday around 7:00, she will have balloons for purchase.
- Secretary Kuhlman suggested listing email addresses on next year's directory.
- Treasurer Richard Vertel stated that his phone will not ring if the caller is not in his contacts. Best reached by text.

Meeting adjourned 10:40 a.m.

Submitted By: Yvonne Kuhlman

THE HIGHLANDS, INC. OPEN BOAD MEETING

March 16th, 2022
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Craig Bennett, Yvonne Kuhlman, Gary Wilkinson, David Cruz, Sara Danville-Gelhaus, Richard Vertel, Bob Beck

Absent: Kent Hinds, Bernie Lee

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda:

Approve Minutes for Feb. 16th, 2022, meeting as posted: *Motion by Kuhlman, seconded by Wilkinson. Cruz, yes. Danville-Gelhaus, abstained (was not present at 02/16/22 meeting). Vertel, yes. Beck, yes. Motion passed.*

Correspondence: 3 Letters were read by Secretary Kuhlman.

1. Letter signed by two community members who would like to form a committee on behalf of non-pet owners, regarding non-pet owner rights and dogs in the community that may not have been properly registered through the office and to ensure that only emotional support animals are residing in the community as stated in the CCR's.
2. Email was read from The City of Oro Valley regarding animal waste along Lambert Way. The City of Oro Valley has asked that all communities to pick up after their animals.
3. Letter from a community member who fell in the poker room at the clubhouse. Member tripped over a dolly that was placed in the room. *President Bennett asked members to put equipment, chairs, etc. away after use.*

Reports:

President's Report- Craig Bennett: Regarding the letter pertaining to the Pet Policy, a statement has been added to the HOA Demand letter that is sent to the title companies when there is a new owner. The new clause in the HOA Demand letter states the No Pets Policy of the subdivision. This form does get signed by the new buyer. The issue of forming a committee will be added to next month's agenda under new business. Regarding the letter from the member who fell in the clubhouse, please put all equipment, chairs, etc. away after use. This will lower the risk of someone falling or tripping over items that were left out.

Vice President Report- Sara Danville- Gelhaus: No Report.

Treasurer Report- Richard Vertel: A new expense account for Capital Improvements has been created. Expenses to date for the clubhouse drawings will be assigned to the account. A budget will need to be established for this account. There are several HOA Maintenance Fee accounts that are delinquent. Phone calls will be made within the next few weeks in hopes to clear the past due balances.

Maintenance – Gary Wilkinson: No Report.

Compliance- David Cruz: As of yesterday, all Improvement Requests have been responded to. There seems to be an issue with street/pole lights. It appears that some are obstructed.

Contracts- Sara Danville- Gelhaus: Hughes Sanitation has announced that garbage service rates will increase to \$1.00 per month in April due to the increase in fuel prices. There is a clause in the contract that states if fuel prices increase to over \$4.00 per gallon, the fees will be increased by \$1.00. If fuel prices go below \$4.00, then a credit will be issued.

H.O.R.A.C Committee- Ron Weihl:

- Thank you for all the support.
- Tickets on sale for KT Klassics for Monday, 03/28/22. Tickets are \$5.00.
- Tee shirts will be here soon, there is not exact date at this time.
- Mike Heilbron has been looking into solar panels for the Clubhouse and pool, research has been put on the back burner for now.
- Mini golf every Monday at 5:30, ping pong is inside of the clubhouse at 7:00 on Mondays.
- Bocce Ball Tournament is scheduled for Monday and Tuesday, March 21st and 22nd, tournament format posted in the card room.
- There are a lot of bad joints on the mural wall. Experienced mason, Tom Parks is overseeing the prep work for the wall. Vice President Danville- Gelhaus asked if there were Tee shirts to purchase for those who did not order. H.O.R.A.C committee member Jane Force said they will have more to sell in the fall.

Social Committee- Cindy Bennett:

- Sunday, 4/20/22 Bingo at 2:00 p.m.
- Sunday, 4/20/22 Chicken and Karaoke at 5:00 p.m. Tickets are sold out, although you are still welcome to join for Karaoke around 6:30.
- Clubhouse will be closed Thursday, March 25th. The Art Committee will be setting up for the 8th Annual Art Exhibit on Friday, 10-4:00 p.m.
- March 26th, 9:00 Coffee with a Cop, there will be a liaison police person there to give ideas on how to secure your home while away for summer.
- March 27th bus trip to the Renaissance Festival and The Windmill Winery in Florence. 20 more people are needed or else the trip will be cancelled due to lack of participation.
- April 2nd, Pancake breakfast. \$5.00 all you can eat.
- April 3rd, Ice Cream Social. Sign up sheet in the clubhouse.
- Mariachi Night was a great success.

OLD BUSINESS:

Accessible Rest Room update- Reed Snell: One bid in, two other bids have been requested. Should have the other two within the next few weeks

Art Community Mural- Ron Weihl: Would like expense/project approval from the board of \$600.00. After discussion from members and the board, it was established that H.O.R.A.C will fund the project. *Motion to approve H.O.R.A.C funded mural by Cruz, seconded by Beck. Unanimous, motion passed.*

RV Lot Committee- Linc Keilman: The committee has been studying issues such as policies and rate changes.

- Would like to present to the board the following rate schedules, 15-24' long \$15.00 per month, 21-50' long \$20.00 per month, 51' \$25.00 per month effective 01/01/2023, much discussion on when the new rates should be put in place. *Motion to accept new fee schedule, effective 07/01/22 by Danville-Gelhaus, Seconded by Vertel, Beck, no. Vertel, yes. Cruz, yes. Wilkinson, no. Yvonne No. Tied Vote. Bennett, No. Motion not passed. Motion by Danville-Gelhaus, seconded by vertel to accept the new fee schedule as of 01/01/23. Cruz, no. Kuhlman, yes. Danville-Gelhaus, yes. Vertel, yes. Beck, yes. Motion Passed.*
- RV Lot Policy # 7, modify as suggested by the RV Lot Committee, available at the office for review. *Motion by Danville-Gelhaus, seconded by Wilkinson. Unanimous, motion passed.*
- RV Lot Policy #8, as modify as suggested by the RV Lot Committee, available at the office for review. *Motion by Danville- Gelhaus, seconded by Vertel. Unanimous, motion passed.*

NEW BUSINESS:

Road Crack Repair - Gary Wilkinson: Waiting for additional contractor quotes.

Compliance- President, Craig Bennett: Procedure in process. David Cruz will head up Compliance. He will set up protocols for inspections. David Cruz and Kent Hinds will be the two compliance members providing inspections and Improvement Request. David will be preparing a procedure for inspections, etc.

Pets- President, Craig Bennett- Non-pet owners' comments.

Community member (non-pet owner) had the following concerns:

- Community members leaving pets for a long period of time with members who don't have an approval for the animal, not too sure if that is legal or not.
- Problem with barking dogs, we believe that this is a compliance issue.
- In February 2018, the original rules were changed without a board vote. Original rules were made by a person from a management company that the board hired. Both set of rules are on the website. This is confusing to the new home buyer.
- There is a letter for Arizona residents that should be submitted, not just any note from a doctor. We are willing to hire own HOA attorney to find out what our rights are as non-pet owners vs pet owners.
President Bennett told member to report any concerns at the next board meeting, it will be put on the agenda.

OPEN FORUM:

- Member asked about why there is no Wi-Fi in the clubhouse.
President Bennett, the issue will be addressed as new business at the next board meeting.
- Member has noticed a lot full of weeds on walk path between Andes and Appalachian, wanted to know who's responsible for the weeds.
President Bennett said it was the HOA's responsibility and that it would be taken care of.

Adjourned at 11:40 p.m.

Submitted by,

Lynne Jordan

THE HIGHLANDS, INC. OPEN BOAD MEETING

April 20th, 2022
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Craig Bennett, Yvonne Kuhlman, Gary Wilkinson, David Cruz, Sara Danville-Gelhaus, Richard Vertel, Bob Beck
Kent Hinds, Bernie Lee

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda

Approve Minutes for March 2022, meeting as posted: *Motion by Danville-Gelhaus, seconded by Vertel. Unanimous, motion passed.*

Correspondence: 3 Letters were read by Secretary Kuhlman

1. Letter from community member regarding their observation of animals this year. Member has concerns over animal waste not being picked up and animals being allowed at outdoor community events and on common community grounds.
2. Letter from community member regarding the status of the replacement of water fountain by the pool.
3. Letter from community member concerning By-Laws Article 11 and CCR's section 2a Membership and Approval and what they believe is a conflict between The Highlands CCR's and bylaws.

Reports:

President's Report- Craig Bennett: An executive meeting was held last week regarding the hours of the office position. The Board decided that the hours will be 40 hours a week all year long. The Board feels that this will better benefit the community. Additional responsibilities and tasks have been assigned to Lynne. There is no change in the rate of pay. The status of the home fire in the community is still pending with the insurance company, who is working on their own investigation of the fire. When their investigation is finished, we will have a clear understanding of who is responsible for the clean-up. When that happens, information will be distributed to the community immediately. Stove from the kitchen is gone and will be replaced. The funding will come from the reserve plan in which the expense for a new stove was allocated.

Vice President Report- Sara Danville- Gelhaus: Reassured that the police and fire departments are finished with fire investigation. Also spoke with community services at the fire department to organize a fire safety event for those community members that may be interested. There is a victim services community outreach person at the fire department who will give us information on needs that anyone may have and resources available.

Secretary Report- Yvonne Kuhlman: We would like to be able to include email addresses in the 2023 Phone Directory for those interested. There will be an article in the upcoming Fling.

Treasurer Report- Richard Vertel: Specific information and reports available in the office. Natural gas prices have skyrocketed, currently at 60% of the budget. This time last year we were at 30% of the budget. Budget will most likely need to be adjusted for this increase. There are two new line items in the Net Operating Income Table, Planned Capital Improvement Set-aside, and Planned Capital Improvement Funding, in the process of setting up a savings account for the Capital Improvement Fund.

Maintenance – Bernie Lee: Water cooler has been installed.

Compliance- David Cruz: All Improvement Requests have been addressed; any reported issues have been addressed. Consulted with the City of Oro Valley regarding the light poles, The City of Oro Valley has no problems with obstructions or disconnecting the poles. However, if you wanted to install a new one you would need to contact The City of Oro Valley. Also, property owners who obstruct or disconnect the lights should no longer be entitled to the yearly credit. President, Bennett asks Compliance if weeds have been checked? Cruz answered that a weed inspection was done last week and there are two letters pending.

Contracts- Sara Danville- Gelhaus: Follow up from last months meeting regarding what recycling Hughes Sanitation accepts. There is a list on Hughes web site www.tucsontrash.com. They will take cardboard, clear plastic bottles, non-glossy paper, and aluminum cans. These items must be bagged for pickup. There is a list on the clubhouse bulletin board of accepted recycling items.

The internet contract for the office will be expiring on May 29th, 2022. Although Century Link no longer provides contracts, they will be extending the current monthly rate of \$49.99 for the next two years. Century Link no longer does contracts. Century Link can provide the clubhouse with internet with a modem that can be rented for \$ 15.00 per month or purchased for \$200.00. The internet would be \$89.99 with a monthly credit of \$40.00. These prices are guaranteed for 2 years.

H.O.R.A.C Committee- Ron Weihl: The March concert was a great success, over 100 attended. The April concert at the pool was also a success. H.O.R.A.C plans on six concerts next year, starting in November.

Drawings of the Mural Wall Project are displayed on the counter for members to review. The project will start this fall or winter. The Art Committee will be spearheading the project and H.O.R.A.C will be providing the volunteers to make this happen.

Still working on bids for the laundry dry area for a fabric shade structure. These estimates will be partial since there is work to be done to the old shuffle ball court area where this will be placed. There will be more information provided as bids are received. Next fall and winter H.O.R.A.C would like to get pickle ball involvement from the community. River Front Park has courts and nets for use. H.O.R.A.C would also like to implement hiking and biking for next year. Would like to purpose for New Business on next agenda to create a stage area for outdoor concert, which would mean grading out the area. In hopes to create an area NTE 160 sq.ft. with a portable canopy. H.O.R.A.C to fund stage project, NTE \$1,000.00 with Board approval. The area has been staked with string if members would like to view the area.

Social Committee- Cindy Bennett:

- Pancake breakfast went well. Next year, tickets will be sold for the event, they planned on 200 people, just over 100 attended leaving a lot of leftovers.
- 04/25/22 Saturday coffee.
- 05/05/22 Cinco de Mayo potluck at 4:00, sign-up sheet in the clubhouse.
- There will be a regular potluck in June.
- 07/04/22 Fourth of July potluck at 12:30.

OLD BUSINESS:

Accessible Rest Room update- Reed Snell & Rich Vertel:

Reed: Possible Funding Sources hand out was distributed. Two bids have now been received; the project and financial options will be on this year's ballot for community members to vote on. There is the possibility of an increase on these bids by next March when the project would be started. Would like to request to the Board to have a special open board meeting in October to discuss this issue only.

Rich Vertel: Reads Possible Funding Sources handout. The handout is available in the office.

Alternate Accessible Rest Room Plan- Dan Wojdyla: Presents handout for an alternative option which would be the Poly John Comfort XLT, an outdoor facility.

Community member asked how often would the Accessible Rest Room be used?

Community member suggests having the existing restrooms remodeled to accessible rest rooms. It was suggested that another community member has extended the offer to provide the labor at no cost. President Bennett mentioned that

this option will also be discussed in the Special Open Board Meeting in October, if there was a plan and quote in place.

Dog Policy- Carol Nadeau: Issue will be tabled, until fall. There are some legal questions that need to be answered. Vice- President, Danville- Gelhaus reports that there are 51 pet approval letters on file. Community member suggest putting the dog letter previously read in the Fling.

Road Crack Repair- Bernie Lee: Issue was proposed last November, and the Board agreed fund this project quoted price of \$14,631.24. The funds are in the reserve plan, Robert Beck responds that the cost of the repair in reserve plan is \$12,000.00, which means that next year more would need to be added to the Reserve Plan Savings. Community member asked what sort of warranty is there? Lee: We plan to do crack repair and after three years seal the roads, there is a 5-year warranty on the roads.

Vice President Danville- Gelhaus asks if there were additional bids? Lee: This is the only company that offers the desired product.

Motion by Lee to approve quote on crack repair of \$14,631.24 by early May. Seconded by Wilkinson. Unanimous, motion passed.

NEW BUSINESS:

Highlands Main Entrance- Bernie Lee: Dead palm tree at entrance, quote received of \$550.00 to remove the tree. Another issue is that vehicles have parked to the west of the entrance on the gravel, which has destroyed the electrical that is there. Purposed solution is to place 20 large boulders on the west side of the entrance. Quoted price between \$1300-\$1600.00 plus \$85.00 delivery and sales tax. A crane would be needed to place the boulders at an approximate price of \$400.00. Community members asked if the electrical can be moved behind the Palm Tree? Treasurer, Vertel would like to review funding before voting on.

Motion by Danville- Gelhaus, seconded by Cruz for the removal of the dead palm tree removal as quoted for \$550.00, if the funds are available in the maintenance budget, if not funds to come from general or savings account. Unanimous, motion passed.

Pool Replaster- Bernie Lee: There has been an issue with the pool plaster peeling for the past two years. Two quotes have been received for the pool plastering, 30 days for the job completion. Bid #1 \$24,091.80 for pool and spa in plaster, \$26,508.00 for pool and spa in mini pebbles, racing lane stripe would be additional. Bid # \$29,383.25 for plaster, additional for racing line stripe. Pebbles would be the best way to go. President Bennett concerned about leaving the pool empty for 30 days. Kent Hinds recommends not draining the pool and believes the pool can go another two years without replastering. Secretary, Kuhlman asks of the dangers of the chips going into the pump? Lee: The chips currently are being vacuumed up. Vice President, Danville-Gelhaus asks how many bids are there? Lee: Two bids. Vice president, Danville- Gelhaus asks Compliance, Hinds what are the repercussions of waiting two more years? Hinds: It would continue to peel, would need to continue with the leaf canister and vacuum.

Treasurer, Vertel states that this would put the budget over of approximately \$7000.00, which could be taken out of Capital Improvement fund. Community member asks when was the last time this has been done to the pool and is there funds in the Reserve Plan for the replastering? Treasurer, Vertel responds that there is \$22,000.00 in the reserve plan for this. Maintenance, Lee states that it was last done about 6 years ago. *Motion by Lee to replaster the pool with the mini pebbles for \$26,508.00, no seconded motion.*

Kitchen- Cindy Bennett: At the last Social Committee meeting, replacing the oven was discussed. The board was given three quotes. The Social Committee has decided on a stove. It is \$825.00 off for a total price of \$2987.00 with tax, sale ends today. There are funds in the Reserve Plan to purchase a commercial oven, although The Social Committee decided that a commercial oven was not needed. Delivery will be 2 to 3 weeks out. Donato to paint and clean up area before oven arrives. *Motion by Wilkinson to purchase new oven for clubhouse as quoted at \$2987.00. Seconded by Danville- Gelhaus. Unanimous, motion passed.*

The Heart Highlanders- Dianne Jacobs: Proposed committee to benefit Highlands Community Members by offering compassion and Welcoming services to new members and existing. Mission Statement: To establish communication and contact in a caring but unobtrusive manner, to the community of residents and their individual needs. Would like to purpose to the Board. Social Committee Chair- Cindy Bennett suggest that working together with the Welcoming Committee would be a huge benefit to finding out the community needs and funding needs.

Clubhouse Wi-Fi-Danville-Gelhaus: Motion for WiFi in the clubhouse. Compliance, Cruz asked the usage of the Wi-Fi previously mentioned, would it be enough for video conferencing etc.? Vice President, Danville- Gelhaus, the usage would be the same as the office. Cruz suggested inquiring to make sure that the usage would provide enough for video conferencing. Community member suggest contacting Comcast, since there may be a contract already in place. Danville-Gelhaus mentioned that they are unable to locate a Comcast contract. Community member asks why have Wi-Fi in the clubhouse. Vice President, Danville- Gelhaus states that this would give the Community Members and Board the opportunity to hold virtual board meetings so that everyone would be able to attend. Robert Beck explains that a person can use their own computer to stream music during their events in the Clubhouse. Robert Beck suggests that more research needs to be done, suggested a May Board meeting which is allowable in the CCR's. The Board decided that a Board meeting will take place on May 18th.

October Meeting: The Board agreed on a special open meeting for the Accessible Restroom Project for Thursday, October 20th, 2022.

OPEN FORUM: No Comments

Adjourned at 12:15 P.M

Submitted by,

Lynne Jordan

THE HIGHLANDS, INC. OPEN BOAD MEETING

May 18th, 2022
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Sara Danville- Gelhaus, Yvonne Kuhlman, Gary Wilkinson, David Cruz, Richard Vertel, Bob Beck
Kent Hinds, Bernie Lee, **Absent:** President, Craig Bennett.

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda: The following additions to the agenda were made:

- Pool resurfacing added to Old Business.
- Open Forum was added after new business.
- Owner of 10700 Rainier will be here after the meeting for questions regarding fire cleanup.
- Executive Session Meeting will be held after the open board meeting to discuss lot cleanup for 10700 Rainer.

Approve Minutes for April 2022, meeting as posted: *Motion by Bob Beck, seconded by Rich Vertel, Unanimous, motion passed.*

Correspondence: 3 Letters were read by Secretary, Yvonne Kuhlman:

- Letter from a community member concerned with the debris cleanup of 10700 Rainier.
Board Maintenance Director, Gary Wilkinson responds by stating that the fire investigation is not completed, investigation needs to be closed before the cleanup can take place. The fire department states that the investigation could take 30 plus more days. The Highlands Board has been in contact with the THI lawyer regarding what sort of liabilities that The Highlands could develop in the situation. Wilkinson is helping the owner of the home with demolishing estimates. Vice President Sara Danville- Gelhaus adds that the Golder Ranch Fire Department will be here Friday, 05/20/22, 2:00 at the clubhouse to discuss fire safety.
- Letter from community member concerned for The Highlands, Inc. non-profit status and unrelated income. *Board Treasurer, Rich Vertel responds that The Highlands is running on a deficit at this time and challenged by the raising cost and does not feel we need to worry about profit status and will re-exam if the problem arises.*
- Letter from community member concerning owners' registration of renters. Asking the board to research and document renters. *Vice President, Gelhaus states that this issue will be addressed at the next Open Board Meeting in October.*

Reports:

President's Report- Craig Bennett: No Report

Vice President Report- Sara Danville- Gelhaus: No Report

Secretary Report- Yvonne Kuhlman: Still working on office person job description.

Treasurer Report- Richard Vertel: Gas budget for 2022 is highly inadequate with an increase of between 40-60%, current projections will increase \$10,000. These increases will affect the budget deficit. The challenge will be to find ways to offset our deficit. One way to offset is to change our Reserve Savings funding requirements from 100% to 75%. Bob Beck will discuss this later in the meeting.

Maintenance – Bernie Lee: Maintenance is working on getting the stove and microwave installed in the clubhouse kitchen.

Compliance- David Cruz: Weed letters will be going out soon. Out of nine compliance issues that have arose, 6 have been resolved and 5 thank you letters have been sent to say thank you for correcting the problem. Compliance is now sending pictures along with the compliance letters. Several Improvement Requests have been received, some have been completed and some are in progress. Compliance will be checking on completed requests to ensure that the improvement is in line with the approved request. Compliance is looking into having surveys done when a home is sold, this way the boundaries, offsets and line of separations are clear.

Contracts- Sara Danville- Gelhaus: No report

H.O.R.A.C Committee- Ron Weihl: H.O.R.A.C. now has two bids for the ramada and will be presenting later.

Social Committee- Cindy Bennett: No Report.

OLD BUSINESS-Clubhouse Wi-Fi - Vice President, Danville-Gelhaus: There are now quotes from Century Link and Comcast for Clubhouse Wi-Fi. Century Link 60 Mbps for \$49.99 per month and \$200.00 Installation. Century Link no longer provides contracts although the price is good for two years. Comcast 35 Mbps for \$69.99 which includes one phone line. \$59.99 with auto pay and \$49.99 Installation or \$110.00 for 100 Mbps, \$100.00 with autopay and \$100.00 Installation with a 3-year contract. Bob Beck states that Comcast has a stronger backbone network than Century Link and recommends Comcast over Century Link. Motion. Bob Beck also suggested that the phone line be placed in the Clubhouse for the emergency phone, since the current phone line is not dependable. *Motion by Bob Beck, 2nd by Bernie Lee to approve the three-year contract with Comcast at 35 Mbps for \$69.99, unanimous, motion passed.*

Pool Resurfacing, Maintenance, Lee: Issue tabled from last month's meeting. Pool Resurfacing in the amount of \$26,503.00. Lee presented two quotes, one for \$29,300.00 with a plaster product and one for \$26,503.00 with a mini pebbles' product. Reserve Planner, Bob Beck confirmed that the money is there in reserves to handle the increase in cost, in the sense that we have a lot of money in savings. The cost is more than anticipated in the Reserve Plan and could potentially affect how much The Highlands would need to save in future years because we will be using some of those moneys for the overage of this project. Therefore, Beck recommends this route. There was much discussion within the Board and community members regarding if the repairs are urgent or can wait for another few years, what time of year the repair should be made and how much the cost would be if the project took place in another few years. Robert Beck also commented that there may need to be another vote this fall if the prices were to increase. *A motion was made by Bernie Lee, seconded by Rich Vertel to replaster pool at \$26,503.00. Vertel, yes. Kuhlman, yes. Wilkinson, yes. Beck, yes. Lee, yes. Cruz, no. Hinds, no.*

Motion carries 5/2. Motion passed. Motion to have the resurfacing done in the wintertime made by Kent Hinds, seconded by Gary Wilkinson. Vertel, yes, Lee, No. Hinds, yes. Beck, yes. Kuhlman, yes. Motion passed 6/1

NEW BUSINESS- Reserve Plan Savings Revision- Bob Beck: When the Highlands Reserve Plan Savings was created, the professional planners that were hired suggested the 100% full funding approach, if affordable. The Highlands accepted their recommendation and membership accepted this approach and made it a CCR requirement. The savings at that time met the requirement and current savings still is within the requirement. After researching the 100% approach seems aggressive and unnecessary, by reducing the approach to 75% it would reduce the pressure of balancing the budget process. Handout information is available in the office.

Motion by Beck, that The Highlands schedules a dedicated meeting to discuss reducing to 75% approach, in the fall after the October Open Board Meeting and one week before November's Open Board Meeting. Vertel, seconded, unanimous. Motion passed.

OPEN FORUM:

- Community member questions why the increase in the gas expense for the pool. Member was concerned some of expense is due to the way the pool is covered. Treasurer, Vertel explains that the temperature of the pool has been reduced from 89 degrees to 82 degrees, this should make a difference. Reserve Planner, Beck also Commits that research with therms has been done. The research indicates that the price Increase is due to the rate increasing, not the usage.
- Community member voiced their concerns over proper documentation of the renovation of 17 Matterhorn St. Owners of the property invited discussion with community and compliance to ensure that all documentation and protocols have been followed.

Adjourned at 11:40 A.M.

Submitted by,

Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOAD MEETING

October 19, 2022
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Sara Danville- Gelhaus, Gary Wilkinson, David Cruz, Richard Vertel, Bob Beck
Kent Hinds, Bernie Lee, **Absent:** Secretary, Yvonne Kuhlman

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda: The following additions to the agenda were made:

- Renter Registration.
- Social Committee report.
- No executive meeting after open board meeting.

Approve Minutes for April 2022, meeting as posted: *Motion by Gary, seconded by Bernie Lee, David Cruz, abstained, Kent Hinds, yes, Rich Vertel, yes, Bob Beck Yes, Gary Wilkinson, yes, Bernie Lee, yes. Motion passed.*

Correspondence: 7 Letters were read by President, Sara Danville- Gelhaus:

- Letter from community member regarding Clubhouse stove that was removed without Board permission.
- Letter from community member in response to a letter that they received requesting this member to make some changes. The member was upset about the changes that they were asked to make. The member pointed out other homes in the Community with what the member perceived to be violations similar to their violation, which involves signage on the property. The member feels that there are more pressing issues such as the Palo Verde trees that were taken down and the home built in the community that this member felt was not appropriately vetted.
- Letter from community member regarding changing the CCR's concerning political signs. Arizona revised statues allows canvasing door to door and political signs to be put into people's yards, 71 days before the primary and no later than 15 days after the election and a sign for candidate in primary election that does not advance, the sign needs to be taken down 15 days after the primary.
President, Sara Danville- Gelhaus states that since Arizona law provides the authority for the members to put the signs in their yards, there is no need to change the CCR's, since the Arizona law supercedes the CCR's.
- Letter from Animal Committee presenting new application form for pets. The Committee feels the form is better than the forms in place. The Committee is suggesting that The Highlands use their form. *President, Sara Danville- Gelhaus remarks that form was not attached for review and requested copy of form. The issue will be put on Novembers Agenda as Pet Committee Form request.*
- Letter from community member regarding public health and the swimming pool. They feel that the shower is not suitable for the intended use of showering before entering pool. *Maintenance, Bernie Lee the shower head has been replaced with smaller one and the temperature has been adjusted.*
- Next two letters are regarding the same issue of objecting that the Board did not fill the Board member vacancy. *President Sara Danville- Gelhaus explains the process that the Board followed regarding the vacancy, an executive board meeting was held for a different issue, during the Board meeting, President Danville- Gelhaus made the decision*

to have a discussion with the Board members regarding the vacancy. There are members in the community that feel strongly that the discussion should not have been decided in an Executive Session. The complaint is that a discussion was not discussed in Open Forum. Discussion will be discussed in Open Forum.

REPORTS-

President's Report- Sara Danville- Gelhaus: No Report.

Vice President Report- Gary Wilkinson: No Report.

Secretary Report- Yvonne Kuhlman: No Report.

Reserve Plan- Bob Beck: The savings set aside this year is \$28,000.00 and the planned expenses are \$44,000.00. There is \$42,000.00 set aside for pool resurfacing and road crack repair. Reserve planning for next year will begin next week.

Treasurer Report- Richard Vertel: The Capital Improvement savings with Canyon Bank has been created, we will fund the account with \$15,000.00 initially, then transfer \$4100.00 to The Highlands checking account, which was the architectural fees for the handicap access bathroom. Will be working on 2023 budget and make the appropriate corrections to the current budget, possible corrections to include budgeted maintenance funds that were not spent this calendar year, anything did not spend this year will be added to next years budget. The Highlands attorney is retiring, he referred us to two other HOA attorneys, after vetting them both, Jason Smith will be The Highlands new attorney for issues that need to be addressed. Agreements made with the attorney are non-binding, if we wanted to make a change, we would notify him 30 days in advance. The idea is being put forth on creating a 5-year plan for Capital Improvement savings fund, also raising the fee from \$760.00 to \$1500.00, which would give The Highlands more financial resources.

Maintenance – Bernie Lee: Kitchen cabinets have been painted over summer.

Compliance- David Cruz: We have issued 68 compliance letters, those letters were for weeds, unauthorized storage of vehicles and an underage community member. Three community members have come to David Cruz's home regarding Improvement Requests, he asks, please do not come to home unannounced. 35 Thank you notes have been sent out. 19 Improvement Requests have been submitted, 16 were approved, 2 denied and 1 is pending. Current threat to The Highlands is Buffalo Grass, is the arc enemy of the Sonoran Desert. It is not an ornamental plant and can be pulled right out of the ground.

Contracts- Sara Danville- Gelhaus: The only contract pending is the Wi-Fi issue for the clubhouse, about which Bob Beck will speak about shortly.

H.O.R.A.C Committee- Ron Weihl: No report.

Social Committee- Cindy Bennett: Today is The Highlands 62nd Anniversary, there was an anniversary party last week with entertainment and dinner and was a great success. Pictures of the event are on The Highlands Face Book page. The Highlands Face Book page is for community members only. On Saturday 11/12 after coffee, we will have a decorate your golf cart, bike, or surrey contest. The theme will be Hawaiian Luau. Winners will be announced at The Hawaiian Luau on November 14th. Entertainment will be by Chuck Moses. Tickets will be sold at Fridays Social Hour from 4:00-5:00.

OLD BUSINESS-

Clubhouse Wi-Fi – Bob Beck: In the May Board meeting, the Board agreed to a 3-year contract with Comcast at \$70.00/35 MBPS per month, in June Comcast informed us that this would involve a construction project of running wire across Highlands Drive to the Clubhouse. Comcast said they would spend \$2500.00 on the project and that our monthly rate would be increased to \$100.00 per month. Since we did not have approval for \$100.00, we stopped seeking Comcast services. We contacted Century Link, and they would need to trench and dig up the roads, which is not allowed. At that point, we stopped inquiring with Century Link. Cell Wi-fi was tried but found unreliable. T Mobile had many unhappy customers complaining on lack of reliability. Because Comcast would run wires under the street, Comcast has been contacted and waiting reply.

Handicap Bathrooms - Reed Snell: An Informational meeting was planned for tomorrow, although would like to postpone until Tuesday, 11/15/22 at 10:00 a.m. at the Clubhouse, when more Community members will be here to join the meeting.

Pool Resurfacing - Maintenance, Bernie Lee: At the last Board meeting, we discussed replastering the pool with mini pebbles this winter when it is used less frequently. The cost has increased from \$26,500.00 to \$29,298.00. Approximately a month to complete. Community member had a concern on how long exactly the project would take. *Motion by Rich Vertel to approve the cost of replastering the pool and spa for \$29,298.00 within this calendar year, seconded by Gary Wilkinson. Unanimous motion passed.*

Road Crack Repair- Maintenance, Bernie Lee: Originally started last year by getting bids for the road crack repair project. This project was approved at \$14,000.00 plus and the bid was approved. However, they could not do the work until July. The best time to be repairing cracks is when it is colder. They will do the repairs in November or December with no price change on the original bid.

Reserve Funding Plan – Bob Beck: In reviewing the Reserve Funding Plan, it appears to be more aggressive than it needs to be. Changing the plan would require a CCR change to be voted on in February, an Informational meeting is requested for Wednesday, November 9th at 11:00 a.m. This will be a one-hour meeting in the clubhouse. Sign up sheet will be in the clubhouse for the meeting.

NEW BUSINESS –

Filling Board Vacancy Position- Treasurer, Rich Vertel: Issue has been placed on Agenda to give the community a chance to discuss the process and decision. The issue is do we add the next person in line to the position or wait until elections to fill the vacancy. *Motion by Rich Vertel that we do not fill the vacancy until Feb. election, seconded by Kent Hinds.* Community Member asked how long of term for the vacancy? Rich Vertel states it is a 3-year term, with 1 year left. Community Member stated their concern that the HOA would go under a management company if there were not enough member to fill the Board vacancies. President, Sara Danville- Gelhaus explains that the CCRs state that there is no requirement to fill the vacancy. Community Member gives information on the AZ Homeowners Coalition, a coalition that provides information new laws to homeowners and HOA Board Members. There is a meeting on Thursday, at 1:00 p.m. at the Western National Parks Association, 12880 N Vistoso Village Dr., Oro Valley. Community Member states that it is in the Bylaws on how to fill a vacancy. If motion passes, it will mean that the Board would be short that member until Feb. election. Bylaws suggest that you go back to the people on last year's ballot by highest votes and elect them in. Nothing in the Bylaws suggest waiting until next election. Community Members suggestion is to appoint the three people with the highest votes from 2022. Community Member states that there are only 3 months left, the Board is doing a great job. *Motion by Rich Vertel that we do not fill the vacancy until Feb. elections, seconded by Kent Hinds, Kent Hinds, yes, Bernie Lee, yes, David Cruz, yes, Gary Wilkinson, yes, Rich Vertel, yes, Bob Beck, no. Five to one, motion passed.*

Solar Panels- Vice President, Gary Wilkinson: Received a proposal from a solar company for solar in the Clubhouse. Gary would like to ask Bob Beck, Rich Vertel, Bernie Lee, and for assistance. After discussion, we will present the proposal to the community members. Community Member.

Heart Highlanders- Dianne Jacobs: Dianne is not present, will put on the November agenda as New Business.

Renters Registration- President, Sara Danville-Gelhaus: Arizona law allows registration of renters, Arizona law also allows a \$25.00 charge for each lease. Compliance Director, David Cruz states anyone who lives in a planned community shall inform the office of the term of the lease, tenant contact information, age, and vehicle information. The Highlands currently does not have a policy in place for registering tenants with the \$25.00 registration fee. Would like a policy to put in place for the registration with the \$25.00 fee per lease fee/new tenant. President, Sara Danville- Gelhaus suggests since it was not placed on agenda, to place under Old Business for next meeting agenda.

OPEN FORUM

- Community member suggest that owners register tenants regardless of length of the lease.
- Community member suggest that this was addressed in the past. Arizona will not allow obtaining tenants information, also that the Board can not extend an extended Executive Meeting for purposes not allowed.
- Community member would like the Board to consider putting on the ballot increasing the \$760.00 Membership Fee to \$1500.00 to fund Capital Improvement projects.
- Community member believes, per Arizona Statutes that a fine could be imposed for those who do not register their tenant.
- Community member states their concerns over the permit process/requirements of City of Oro Valley. Handout was left with information. Community Member also suggested getting a transmitter for internet in the clubhouse.
- Community members states that the H.O.R.A.C Committee is also looking into solar power for the clubhouse, suggest that the Board gets 3 proposals.
- Community member states her mother lives in Phoenix and their HOA saved lots of money on electricity when they installed solar.
- Community member has concerns on the financial return of solar panels at the Clubhouse.
- Community member voiced concerns that solar panels would not be suitable for pool area.
- Board Member, David Cruz had three items to discuss. 1.) Arizona Statute regarding political signs. Specific statutes state that the HOA can restrict political signs. 2.) There is an outstanding issue of an underage tenant and would like to know how the Board is handling this. (Treasurer, Rich Vertel responded that we have contacted our HOA attorney and the issue is being delt with and that The Highlands does have recourse.) 3.) Adding a community member to a committee.
- Community member regarding status of the burned house. *President, Sara Danville-Gelhaus informs that it has been removed.*
- Community Member asks about the underage community member, *President, Sara Danville- Gelhaus confirms that it is an owner, not a tenant.*

Motion to adjourn by Bernie Lee, Seconded by Rich Vertel, unanimous, motion passed

Adjourned at: 11:50 a.m.

Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOAD MEETING

November 16th, 2022

10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Sara Danville- Gelhaus, Gary Wilkinson, David Cruz, Richard Vertel, Bob Beck, Kent Hinds, Bernie Lee, Secretary, Yvonne Kuhlman

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda: None.

Approve Minutes Oct. Open Board Meeting as posted: *Motion by Gary, seconded by Bernie Lee, Unanimous, motion passed.*

Correspondence: 2 Letters were read by Secretary, Yvonne Kuhlman:

- Letter from community member regarding Clubhouse stove that was removed without Board permission last spring. Community member concerned that the stove was sold without board approval.
- Letter from community member that request the streets to be cleaned four times a year.

President, Sara Danville- Gelhaus states that since the last board meeting, the person who removed the stove has come forward and what will happen next is still being discussed.

Maintenance, Bernie Lee will research obtaining a contract for street sweeping, 2 times a year was suggested.

REPORTS-

President's Report- Sara Danville- Gelhaus: No Report.

Vice President Report- Gary Wilkinson: No Report.

Secretary Report- Yvonne Kuhlman: No Report

Treasurer Report- Richard Vertel: There were 18 delinquent accounts in October, this number has dropped since the report was ran. The 2023 Budget will be submitted in next month's open board meeting.

Reserve Plan- Bob Beck: The updated component list for 2023 has been sent to the Reserve Plan contractor; the Reserve Plan should be completed within the next few weeks. Community member Penny Wolff has volunteered to learn the Reserve Plan management process and in time, will resume the roll of Reserve Plan Manager.

Maintenance – Bernie Lee: The pool replastering will begin tomorrow.

Compliance- David Cruz: Overall the park looks nice. Thank you, letters have went out to those who have complied with compliance issues. A Reminder that Buffalo Grass is not an ornamental plant, it is a weed. 6 Improvement requests have been received this month, 3 are pending. The Compliance Committee can take up to 30 days to approve or deny a request. There are two sheds on properties that have not submitted Improvement requests.

Contracts- Sara Danville- Gelhaus: One contract submitted in October. This was for Nava Pools, for the replastering project for the pool. The contract has been approved.

H.O.R.A.C Committee- Ron Weihl: No report.

Social Committee- Cindy Bennett: The Luau was a great success. Thank you to those who came and to the volunteers. The winner of the golf cart decorating contest is Linc and Helen Keilman, runners up are Cindy and Craig Bennett. Today is the last day to sign up for the Thanksgiving Potluck. There is no charge for the potluck, please bring a dish that serves 8-10 to share and your place setting. Dec. 4th is the Christmas cart parade, afterwards there will be a tree decorating, please bring a plastic ornament. Linc and Helen will be presenting Christmas carols. Please bring appetizer and drink. Tickets are on sale for the New Year's Eve Celebration, tickets are \$20.00 per person.

OLD BUSINESS-

Clubhouse Wi-Fi – Bob Beck: Century Link is unable to provide service without digging up the street to install new lines. Comcast quoted \$150.00 for installation, \$100.00 per month for service and \$20.00 a month for router rental, please note that purchasing a router would be most reasonable, the cost to purchase a router would be around \$200.00. The cost of Comcast would be \$2750 over the next two years, considering the purchase of the router. A community member had suggested installation of a microwave point to point system, which would piggyback the office internet. The cost would be \$2500.00 for installation, no monthly charge, \$300-500 yearly for preventive maintenance cost. The cost over two years would be approx. \$3100-3500 for the first two years, \$300-500, thereafter. A bid for the Microwave Point to Point has been requested. Also, will be calling existing customers for references. Findings will be announced in next month's meeting.

Handicap Bathrooms - Reed Snell: An information meeting was held yesterday with about 14 attending. A unanimous decision was made to drop the current plan and do a complete remodel of the restrooms to include the handicap stalls. Going forward, a Rest Room Remodel Committee will be formed taking the place of the Handicap Restroom Committee. If there is a volunteer to draw up the plans, please be advised of the follow through with The City of Oro Valley. Please sign up for this committee in the Clubhouse. Vice President, Gary Wilkinson expressed his concerns regarding the egress at the clubhouse and would like to see automatic actuator doors at the front and library entrance. President, Sara Danville- Gelhaus stated that the automatic actuator doors were part of the original plans for the handicap restroom. Automatic door actuators will be put on next month's agenda. Gary Wilkinson also suggests that the rest room doors widened for wheelchair access, automatic doors and widening of the restroom entrances to be done soon. The widening of the rest room doors and the Restroom Remodel will be two different projects.

Pool Resurfacing - Maintenance, Bernie Lee: No Comment.

Road Crack Repair- Maintenance, Bernie Lee: Will reach out to contractor, would like to see the repairs done in December when the weather is colder.

Reserve Funding Plan – Bob Beck: After the Informational Meeting last week, Bob Beck presents a motion to place on the ballot, a change to the CCR's, Section 20, paragraph B. The Reserve Plan shall be updated and approved by the Board annually. When the Reserve Fund is below 75% of Full Funding, the annual Reserve Plan set-aside shall be adjusted to regain 80% of Full Funding within five years.

Treasurer, Rich Vertel comments that it would be a good thing to do. President, Sara Danville- Gelhaus states that it would be helpful if Bob held a few more informational meetings before the election.

Motion by Bob Beck, seconded by David Cruz, unanimous, motion passed.

Clubhouse Solar Panels- Vice President, Gary Wilkinson: After speaking with Solar Tops, the clubhouse is oriented for maximal sun exposure. Electricity for the clubhouse is approx. \$ 11,000 per year, which does not include heating the pool. Solar Tops predicts that electricity rates will increase 4% a year. Solar Tops Solar offers a 6-year lease, with option to purchase at after the 6th year for \$7500.00. The upfront cost would be \$75,000.00, which leaves the total cost to \$82,500.00, with the 4% increase each year, this would bring the cost of electricity to \$91,500 over the span of the lease, saving The Highlands approximately \$9100.00 and a minimum amount going forward. These numbers are estimates and final numbers would be presented after the contract is signed. During the 6 years, Solar Tops would be responsible for maintenance of the system. Solar Tops would also collect the tax credit for the system for 6 years. Gary Wilkinson will be chair of The Solar Panel Committee, the signup sheet for members is in the clubhouse.

Renters Registration and Fee- Compliance Lead, David Cruz: AZ Statutes states that all owners must register their tenants with the office. The Highlands does not have a way to enforce this law and depends on the honor system. There will be no policy since this is state law requires the owner to register their tenants and the issue off the agenda for next month.

NEW BUSINESS

Handicap Actuated Door Opener for Clubhouse- Bernie Lee: Issue spoken earlier by Vice President, Gary Wilkinson.

Pet Committee Form Request- Carol Nadeau: The Pet Committee presented a new Residential Application for Assistance, Emotional Support Animal. The committee does not believe that the existing form is specific enough. The committee questions the legitimacy of the Drs. Letter. President, Sara Danville- Gelhaus states that it is the law that we are unable to ask why the community member would need a service animal if it were not visually obvious. *Motion by David Cruz to accept The Pet Committees new form. Motion rescinded by David Cruz.* The form will be revised and presented next month as Old Business.

CCR Age Restriction Verbiage- Rich Vertel: In regard to the underage Committee Member, The Highlands consulting with The Highlands attorney, it was suggested by the attorney, that due to the ambiguous language of the CCR's, that the issue would not be worth initiating until Jan. 2023. The attorney suggested that we alter the language of the CCR's be revised, deleting the sentences "The primary occupant of any residence during any calendar year is the occupant who resides or will reside at the residence for a greater portion of that year, and if no other occupants of that residence has a longer occupancy period during that year, the primary occupant is the oldest of these two or more occupants.". *Motion by Rich Vertel to place on election ballot to retain the first sentence and last two sentences of Section 10 "Age Requirements" of the CCR's. Second by Gary Wilkinson. Rich Vertel amends the motion and adds the following verbiage "A surviving spouse and child will be permitted a responsible grace period if under fifty-five. "No second to modification of motion. Motion on original request stands. Motion seconded by Bernie, yes, Bob, yes, Rich, yes, David, no, Yvonne, yes, Gary, no. Motion passed 6/2.*

Social Committee Counter & Cabinets- Cindy Bennett: The Social Committee proposes to add 4 cabinets with counter tops for the clubhouse and would like to ask The Highlands for funding of \$4340.70. *Motion by Gary Wilkinson to accept proposal of counter tops and approve \$4500.00 for the*

cabinets. Second by Bernie Lee. David Cruz suggests that Social Committee split the cost. Gary Wilkinson modified motion to split the cost with the Social Committee with The Highlands funds coming out of Capital Improvement funds. Bernie Lee seconded the motion, motion unanimously passed.

Social Committee Impact Report- Jamie Horst: Social Committee Impact Report was handed out by Jamie Horst.

OPEN FORUM:

- Community Member announced that the H.O.R.A.C Committee providing an entertainment event in December and January. The H.O.R.A.C Committee will be meeting regarding the mural and ramada projects and ongoing events.
- Community Member thanked Jane Force and Colleen Nolan for leading the Veterans Flag project.
- Community Member asked if the clubhouse roof would support solar panels. Vice President, Gary Wilkinson responded that the roof would support the system.
- Community Member suggested a 5-year plan for the Capital Improvement Fund with a possible increase to the one-time membership fee of \$760. Treasurer, Rich Vertel stated that this something he plans on doing soon.
- Community Member/Vice President, Gary Wilkinson would like to read a letter that he wrote regarding the missing stove from the clubhouse and ask for community input.
- Community Member asks about speed bumps.
- Community Member that is part of community watch states that there is a lot of activity from 12:00 a.m. to 4:00 a.m.
- Community Member voices concern that if we restore the bathrooms to handicap, if The City of Oro Valley will ask that the entire clubhouse be converted to handicap access.
- Community Member asks when dryer will be repaired or replaced. Bernie Lee explains that parts are no longer available for the dryer. Bob Beck states that there are funds in the Reserve Plan to replace the dryer of \$3200.00. *Motion by Kent Hinds to repair or replace the dryer, seconded by Yvonne Kuhlman. Bernie, no. Bob, yes. Rich, yes. Yvonne, yes. David, yes. Gary, no. Bob, yes. Motion passed. 5/2*
- Community Member requests that the Social Committee handles their own checking account and asks the status of the underage member is. Treasurer, Rich Vertel explains that he has met with Cindy Bennett and Jamie Horst, and because of the volume of the Social Committee activities, it would be easiest to keep the bookkeeping of The Social Committee as is. The underage member is still here and mentioned that a meeting should be held with her and a Board Member.
- Community Member would like to thank Reid Snell on his efforts with the Bathroom Restoration Project. Door was discussed at the last Bathroom Restoration Project meeting.
- Community Member states that The Highlands needs a Renters Registration form with proof of age.

Motion to adjourn by Sara Danville- Gelhaus 12:30 a.m.

Executive meeting to follow.

Submitted by Lynne Jordan

THE HIGHLANDS, INC.

OPEN BOAD MEETING

December 21, 2022

10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Sara Danville- Gelhaus, David Cruz, Richard Vertel, Bob Beck, Kent Hinds, Bernie Lee, Secretary, Yvonne Kuhlman, Gary Wilkinson- Absent

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda: Old Business, Trees. Old Business, Handicap Bathrooms has been changed to bathroom remodel. Road Crack Repair, Bernie Lee. New Business, Actuator Door quote will be discussed under Old Business. Executive Board Meeting after Open Meeting to discuss personnel matters. Change of verbiage from last months meeting minutes, motion on 55 and over verbiage was voted 5/2, not 6/2 that was recorded on the minutes.

Approve Minutes November Open Board Meeting as posted: *Motion by Rich, seconded by Bernie Lee, Unanimous, motion passed.*

Correspondence: 7 Letters were read by Secretary, Yvonne Kuhlman:

- Letter from community member regarding making The Highlands a pet friendly community.
- Letter from community member that request an action plan to replace trees that were removed.
- Letter from community member regarding compliance variance for home in the community.
- Letter from community member requesting status of underage community member.
- Letter from community member regarding making The Highlands a pet friendly community and reducing Board of Directors size from 9 to 5 members.
- Letter from community member requesting THI to establish pet ordinance and fine policy.

President, Sara Danville- Gelhaus states that most issues mentioned are on the agenda to discuss, variance for home mentioned in correspondence was not given a variance and is not an issue. The discussion regarding reducing the size of the Board of Directors will be discussed as New Business in January's open meeting.

REPORTS-

President's Report- Sara Danville- Gelhaus: Election Ballots have gone out, thank you to the 8 community members running for the Board of Directors, would like to suggest candidates to stay after meeting for a meet and greet with community members.

Vice President Report- Gary Wilkinson: No Report.

Secretary Report- Yvonne Kuhlman: No Report

Treasurer Report- Richard Vertel: Suspects that their will be a \$8000 deficit for 2022, will not know until all the data is entered for the year.

Maintenance – Bernie Lee: The pool will reopen on 12/31/2022.

Compliance- David Cruz: 6 compliance letters have gone out regarding weeds; one letter went out by mistake and compliance apologizes. There were 5 Improvement Request with 5 approvals.

Contracts- Sara Danville- Gelhaus: No report.

H.O.R.A.C Committee- Ron Weihl: The Art Committee will meet on Jan. 2nd regarding the mural. 16 people have signed up for golf at El Conquistador, the sign-up sheet is in the clubhouse. There is a concert scheduled for Jan. 10th at 2:00 pm at the clubhouse grounds, cost is \$6.00. Feb. 7th there will be another concert at 2:00 pm at the clubhouse grounds, cost is \$6.00. Jan. 5th 10:00 a.m. there will be Pickle Ball at Riverfront Park, sign up sheet in the clubhouse. Pickle Ball equipment is the shed if needed, pool key will unlock the shed. Ping pong will begin on Mondays at the clubhouse from 7:00-8:00 pm. H.O.R.A.C is seeking volunteers to join the committee.

Social Committee- Cindy Bennett: A few past events include the Thanksgiving potluck in which there were over 50 people. A golf cart parade, snacks, caroling and tree lighting, the event was a success. This Sunday is the Christmas Potluck. The New Years Eve event is sold out. The Social Committee invites all Board candidates to join members at the next two coffees 1/14 and 1/28/22 to meet and greet members of the community.

OLD BUSINESS-

Trees- President, Sara Danville- Gelhaus: The Board would like to see a committee formed to address the issue of replacing the trees that were cut down on the clubhouse property. A sign-up sheet will be placed in the Clubhouse.

Clubhouse Wi-Fi, Bob Beck: 3 quotes have been received one quote for Comcast and two for office to clubhouse microwave. Actively researching the microwave concept and will have a recommendation at the next Open Board Meeting.

Reserve Plan Funding Informational Meeting Status- Bob Beck: In addition to past informational meetings, there will also be informational meetings on the first three Tuesdays of January at 10:30. Sign up sheets will be in the Clubhouse. A Funding Approach Status Report has been presented to the Board and is available to view in the office.

Automatic Door Actuator- Bernie Lee: Proposal of two door actuators to be installed, one at main entrance and one at the library entrance, which would be a new door at the library entrance. Original quote was for \$4200.00 which included \$500.00 in labor. There was much discussion on who would install. Original motion by Bernie Lee for \$3800.00 using THI employees for the labor and saving \$500.00. There was also discussion on whether both doors needed actuators. Bernie Lee withdrew the motion and tabled for next months meeting. Bernie Lee also asks for volunteers to assist in covering and uncovering the pool.

Bathroom Remodel - Reed Snell: At the last Board Meeting it was decided not to pursue the handicap bathroom project and instead, remodel the bathrooms. Suggests that nothing further be done, with the remodel. In the men's room there was an uncovered light switch which is a safety issue. Would like to

have the work halted until a solid plan is in place. There is a sign-up sheet for Bathroom Remodel in the Clubhouse, the first meeting will be held in January.

Road Crack Repair- Bernie Lee: The road crack repair will be from Jan. 23rd to Jan. 26th. There will be no road closures.

Pet Committee Form- Carol Nadeau: After much discussion a motion was made to implement the new form and add a signature line for the medical provider to sign. *Motion by Rich Vertel, seconded by Bob Bec, unanimously, motion past.*

NEW BUSINESS

Cement Benches- Bernie Lee: Presented a quote for cement benches to replace the wooden benches in the common area of the Clubhouse. 8, 6' benches for \$2874.64. *Motion by Bernie Lee to spend up to \$3000.00 to purchase new benches. No Seconded motion.*

Upcoming Ballot- Sara Danville- Gelhaus: The prior years Board members voted on a measure to be placed on the ballot; the measure did not make it on the ballot, although it is on this year's ballot. The measure is that one family can purchase up to 3 homes in The Highlands, therefore each home site is one vote. The bylaws do not specifically state that 3 votes are the maximum. If you want the language to clearly state that 3 votes maximum, vote yes. If not, vote no.

The 8 people running for the Board are Chuck Ardingo, David Armstrong, Michael Cook, Elizabeth Hinds, Linc Keilman, Carol Nadeau, Connie Rose, and Mark Tanner.

Compliance Committee Policy- David Cruz: In the last few years, The Highlands has had a compliance committee composed of two members of the board and supported by the remaining board members as needed. The position is a big job for two people. Proposed motion to change compliance committee participants from board directors to community members. President, Sara- Danville Gelhaus reads the current policy and suggests the issue be tabled for next months Open Board Meeting.

Review and Approve 2023 Budget- Rich Vertel: The 2023 budget is completed, most likely will see deficit of \$22,000.00. A few factors that are creating the deficit are inflation, increase in utility cost. The \$760.00 membership fee now goes into the Capital Improvement Savings, rather than the checking, no longer an item of income and a payroll increase of 3%. The current amount required to put into the Reserve Fund is \$35,000.00. If the reserves are underfunded by \$13,000 and use \$9000 from the checking account, that would be the short-term fix, also THI can transfer \$20,000 from savings into checking and use \$20,000 from the current checking account. THI could increase the HOA Maintenance Fees by 3% (\$2.00) for a long-term solution. Rich Vertel suggests raising the fees by 3 % (Rounded off \$2.00), this would give an additional \$6,700 in income. In addition to the fee increase, Vertel recommends taking the balance from savings. If the 80% Reserve Funding option passes, there will be an additional \$13,000 in usable income. This would solve the problem for the next 2-3 years. Community member suggests that the \$760.00 One-Time Membership Fee be increased. President, Sara- Danville Gelhaus suggest tabling the discussion for next months open board meeting. *Motion by Rich Vertel to approve 2023 Budget, seconded by Bob Beck, Unanimous, motion passed.*
Motion by Rich Vertel to increase HOA Maintenance Dues 3% (\$2.00, \$66.00 per month) beginning April 1, 2023, and to take any additional deficit out of reg. savings. Seconded by Bob Beck, Bernie Lee, no. Kent Hinds, no. David Cruz, No. Yvonne Kuhlman, yes. Rich Vertel, yes. Bob Beck, yes. Sara Danville- Gelhaus, yes. Motion passed 4/3.

Clubhouse Thermostats- Kent Hinds: Kent Hinds suggest turning thermostat off when clubhouse is closed to save monies. Bernie Lee advised that this has already been taken care of.

Pet Ordinance/Fines- Tere Nunez: Suggest Pet Ordinance and Fines to be included in the CCR's.
Sara Danville- Gelhaus advised that the Pet Committee draft the Ordinance and Fines.

OPEN FORUM:

- Community member states that there is a City of Oro Valley Pet Ordinance.
- Community member states that there is still nighttime activity in the community and suggests Ring cameras at the front entrance. Issue will be placed on the January Agenda under new business.
- Community member concerned with compliance letters sent and surveys of properties.
- Community member asks who is monitoring existing cameras? Bernie Lee states that in the event of an issue, the footage can be viewed.
- Community member regarding Compliance Committees, stating that many HOA's do have Compliance Committees that do not include the Board of Directors.
- Community member will be adding a Blue Tooth device to Clubhouse sound system.
- The following Board Candidates introduced themselves:
David Armstrong, Michael Cook, Elizabeth Hinds, Linc Keilman, Carol Nadeau, Connie Rose and Mark Tanner.

Adjourned at 12:55 p.m.

Reviewed by Secretary, Yvonne Kuhlman
Submitted by Lynne Jordan

The Highlands, Inc.

OPEN BOARD MEETING MINUTES FOR 2021

Note: Letters read at open board meetings are not identified in these minutes. Any owner may request a copy of any letter read at open board meetings.

The Highlands, Inc.

OPEN BOARD MEETING

January 20, 2021

10:00 a.m. Clubhouse

Call to Order (Please silence all phones)

Roll Call

Present: Craig Bennett, Linc Keilman, Bernie Lee, Bill Bohrer, Mary Rausch, Jamie Horst, Morris Coville

Absent: Bob Beck, Kent Hinds

The President, Craig Bennett, announced that this is an Open Board Meeting.

Please practice social distancing. Attendees are not required to be here. Your attendance is at your own health risk.

Pledge of Allegiance/ Moment of Silence

Revisions to Agenda

Approval of December minutes as posted:

- *Motion to approve made by Rausch, seconded by Horst. Unanimous. Motion passed.*

Correspondence: No correspondence

President's Report: Craig Bennett: The pool is open. It did take a long-time weather and COVID were problems. Applause for maintenance and Donato and recent hire Javier. Javier is being trained how to handle the pool. Pump house is new and fixed. Deck has been resealed. The Member Annual meeting will be Feb. 5. Traditionally that would be our regular monthly meeting. Are doing it differently, because there is only two weeks between. Feb 5 at 1:00 will announce who voted in and nothing else unless severe business that needs to be taken care of. Will have another normal meeting 3rd Wednesday like normal so we have more time to put things together. Since AZ has passed recreational marijuana there are some revised statutes. Marijuana or vaping will not be allowed in common areas in The Highlands, Inc. Will be new signs stating this.

Vice President Report: Linc Keilman

Gave an update on the election. Ballots are coming in. Right now, we have 117 returns so that figure confirms it is a legitimate election. Encourage everyone to send in as soon as possible. By our CC&R's THI needs to have an in-house election. It will be Feb 5th from 8-10 a.m. Counting will start at 10. By 1:00 results will be in.

Treasurer – Assist. Jamie Horst

2020 was an excellent year financially since there was not much going on past Feb. Looking at a reserve plan specialist to advise us on full-funding or another alternative. Will discuss throughout year and later in this meeting.

Profit and Loss is looking very good for 2021. Surplus was moved over to regular and legal expense fund. Some bills did not come in in 2020 so they will need to be paid in 2021. Do not seeing any issues with this. Aging accounts – there are 2 accounts that make up almost 70%. One of those will be done by January end and the larger one is in probate.

Maintenance: - Bernie Lee

Craig has filled you in on what is being accomplished. The gate at the RV lot is now operational. It is closed from 9 p.m. to 6 a.m. If leaving early in the am would be better to take your vehicle out the night before and park at your home. One thing discovered when locking up the Clubhouse at night find the screen door in the library is sometimes open heating the outside. Requested everyone please close the sliding door to the library.

Compliance – Bill Bohrer

Everyone is doing great job on yards. There is a lot of remodeling and new homes. Park looks better all the time. Appreciate when members turn in request even if not sure if it is needed. Compliance will let you know if it is needed, THI then has a record of it.

Social Committee: - Jamie Horst

Still planning to have an Outdoor Craft Fair the first Sat in March. Hoping this takes place depending on weather. It will not open to the public outside of The Highlands. If interested in being a part of the Craft Fair please speak to Mary Rausch or Cindy Bennett. It will be in announced in the February Fling there will not be a community sale or the white elephant. Will have the large dumpster in RV lot the week of Feb 22. In the Fling will also say what cannot go in the dumpster. If pass the test by Hughes Sanitation would like to do the dumpster again. If find material in there that should not be THI will have to pay a penalty and the dumpster won't happen again.

Old Business:

- **2021 Budget** – Have the budget in hand for two months. Haven't heard any issues with Budget. There are a couple of items to discuss with Maintenance Directors. Discussion held on need to have some funding in Swimming Pool Equipment budget for 2021. Horst amended motion to include funding for that line item. *Motion made by Horst to approve 2021 Budget with \$800 added to Swimming Pool Equipment. Seconded by Keilman. Unanimous. Motion passed.*
- **Accessible bathrooms** - Nothing new to report. We feel it is a substantial project, but getting someone to come in and look it has been very difficult because it is seen as a small project.
- **Policy and Procedure Review** –
 - **RV Storage policy** – clarify an item from last month. Read Item #8. Do feel THI wants to be able to accommodate when a renter has a guest who brings an RV when visiting. Discussion was held on renters having the ability to use the spot however they want once they are renting and THI's ability as the owner of the property to have rules and restrictions for renting. *Motion made by Keilman: Add to Item #8 (This does not apply of a visitor to The Highlands, Inc. during the time they are visiting. Seconded by Horst. Votes: Ayes: Coville, Horst, Lee, Rausch, Keilman. Naes: Bohrer*
 - **Rules for Reasonable Accommodation of Service or Assistance Animals** – Review committee noticed that there is a difference between the CC&R's wording that refers to medical doctor and the policy that refers to physician. *Motion made by Rausch to: Change the wording of the last sentence in first paragraph to: The Highland's Inc. form must be accompanied by a statement verifying the necessity for the animal, signed by a medical doctor, as well as a picture of the animal. Seconded by Horst. Vote: Unanimous. Motion passed. Motion made by Rausch to change the word physician in General Rule #5 and #9 from physician to medical doctor. Seconded by Horst. Vote: Unanimous. Motion passed.*

- **Maintenance Director Spending Limit:** Discussion was held regarding fact that this has always been an unwritten rule and has only been increased by \$50 since 1996. Board member Rausch discussed feeling that this was more appropriately handled as part of the Budget. That, once the Budget is passed the Board has okayed the spending in each of the line items on the Budget and that Board members should work on planning for what they will need during the calendar year. Further discussion was held on this policy has been a way to keep members informed about spending and keep the Board from having no checks on spending, especially on larger ticket items. *Motion made by Rausch to discontinue the Maintenance Director spending limit, unwritten rule, and remove from the Policy Manual. Seconded by Horst. Votes: Ayes: Rausch, Keilman, Coville, Horst, Lee. Naes: Bohrer. Motion passed*
- **Clubhouse WIFI** - Had a request for a resident for WIFI at the Clubhouse. Board member Keilman contacted Century Link to see what they could do same thing as in office. Discussion was held on which is the best way and what options are there to have WIFI in the clubhouse. Discussion held on the concern about losing landline service at the pool in the case of emergencies, even though most everyone has a cellphone. Member discussed appointing committee to look into options and report back to Board so a well-informed decision could be made. *Motion made by Keilman to removed phone service at the pool. Seconded by Horst. Motion withdrawn; no vote taken. Motion made by Rausch to create committee to research WIFI in the clubhouse. Seconded by Horst. Votes: Unanimous. Motion passed*
- **Speedbumps** – President Bennett discussed that a lot of people are complaining about speeders. Appears stop signs are suggestions. We don't have any sidewalks or pedestrians should be walking against traffic. What we are doing is requesting more police presence asking them to be extra diligent. Continuing to ask vendors to slow down. If member sees vendors driving through write down company, with time they saw them and let us know so we can call their office to complain. If a number of people do it, it becomes more believable to the police. If have problem with speeder do not confront them. Call the police and inform them who they are.
- **Survey RV storage area:** Talking to guy who was going to do. Morris got an email back that we will be here on the 25th to do it and then Morris will put the CAD drawing together.

New Business

- **Treasurer Resignation:** President Bennett informed members that he had received a resignation letter from Bob Beck's decision to resign as THI treasurer. *Motion made by Rausch to accept resignation of Bob Beck as Treasurer and Jamie Horst to be Treasurer for duration of term. Seconded by Linc. Votes: Unanimous. Motion passed.*
- **FDRS contract:** Treasurer Horst discussed that when he was asked to be assistant there are 76-line items in the reserve plan, which seemed like a lot. This consultant would look at what fully funded vs. 70% funded. Should all the line items be in the reserve plan or should some be cost of doing business. There are big ticket items that should be in a reserve plan that we have to plan for. What do we have to plan for each year? Trying to keep \$58 a month as long as possible. *Motion made by Horst to approve contract for \$300 to hire FDRS to help with the reserve plan for 2021 calendar year. Seconded by Keilman. Votes: Unanimous. Motion passed.*

Chaise Lounges for pool area: Have prices that vary from \$200 - \$300. People have said they like higher seats (18-20") with straps. Looking to purchase 15 chairs. Also looking to buy additional glides for the bottom of the chairs (4 to a package at \$2/package) have 2 dozen glides on hand. There is a limited 3-year guaranty. Discussion was held on the reason for the number of chairs. Concerns that we don't need to have that many chairs and they become a hazard for the people who are covering the pool because they have to move them. Also, if too many are purchased and people don't like them, we are stuck. Discussion was held on the reserve plan fund currently has money set aside for pool furniture and should stay within that dollar amount.

Motion made by Lee to purchase 15 chairs at \$5,935 and 6 packages for replacement guides at \$2/package. No vote because of the lack of a Seconded. Motion made by Keilman to purchase 5 strap chaises, 20" high at \$319 each and 6 packets of glides. Seconded by Horst. Votes: Unanimous. Motion passed.

- **Wireless Microphones and amplifier for clubhouse:** Board member Keilman discussed that this is to increase our ability to have more microphones for meetings. It would match what we currently have and only need the amplifier to get them all to work. *Motion is to Approve \$350 to purchase another 4 wireless microphone and the accompanying pre-amp. Seconded by Horst. Votes: Unanimous. Motion passed.*

Open Forum

- Member asked that next time chairs were purchased to look at ones that have wheels.
- Member asked where the purchase of the microphones is in the budget? Answer: Clubhouse Telephone/WIFI and Clubhouse equipment
- Member commented on speed bumps and the need for them in some places. Also, that all homeowners at one point voted to have them removed. Only put in one or two and see how they work.
- Member requested having a plastic wind break by the shower since there is not a third wall in that space.

Motion to adjourn made by Horst. Seconded by Keilman Vote: All Ayes Motion passed.

Adjourned 12:05

The Highlands, Inc.

ANNUAL OPEN BOARD MEETING

February 5, 2021

1:00 p.m. Clubhouse

Call to Order (Please silence all phones)

Roll Call

Present: Craig Bennett, Linc Keilman, Bernie Lee, Bill Bohrer, Mary Rausch, Jamie Horst, Morris Coville

Absent: Bob Beck, Kent Hinds

The President, Craig Bennett, announced that this is an Open Board Meeting.

Please practice social distancing. Attendees are not required to be here. Your attendance is at your own health risk.

Pledge of Allegiance/ Moment of Silence

Revisions to Agenda

Approval of January minutes as posted:

- *Motion to approve made by Keilman, seconded by Horst . Unanimous. Motion passed.*

Reports

President – Craig Bennett :

- 2020 was a very difficult year. COVID has put a twist on everything we've done. Along with COVID we had high temps and no rain. In November started work on pump house, a major undertaking. Replaced two heaters, replumbed everything and a new roof. Thank you to Bernie, Morris, Donato for all their hard work and hours they put in. At least weather was bad during time pool was down. Two new employees were hired this year, Georgia in the office and Javier as back up maintenance person. Welcome to both
- Had a few, if any social events. Have been doing our wellness parade on Thursday.
- There was a meeting with Oro Valley on the wash. Oro Valley is going to submit a request to FEMA for grant money to improve the wash. Oro Valley will require THI to deed over the wash unless THI wants to pay for all the improvements. More information to follow. When we get more information, we will pass on.
- Board is doing everything to prevent speed bumps. Please do your part to stop at stop signs and slow down. Oro Valley police is increasing patrols.
- Next meeting will be on February 17th at 10:00 at Clubhouse.

Maintenance: Morris Coville

- Survey is complete. There is a lot of land up there that we didn't realize we had access to. We have done a CAD drawing to see what we could actually use. Now we will take a tape measure and map things out. After that we will be checking on cost of having equipment brought in to clear some of the space.

Treasurer: Jamie Horst

- Just gave year-end financials in January. Since then, did capture a couple of items. That information will be available in the office and at the February 17 meeting. Gave net numbers on both reserve savings and regular savings.
- Will have some adjustments because pump house monies that were projected in December will now be spent in January.
- QuickBooks will allow us to have some specific graphs and charts to show spending. Maintenance spending overall is not that large and is hard to keep below \$250. The larger spending is from Reserve spending. As new Board comes on will probably go back and readdress the spending limit, but will probably be more focused on Maintenance Reserve spending.

Old Business:

Policy and Procedure Review – Mary Rausch

- No Cash Policy: This policy was enacted in 2017. No records were found of a vote taken on this policy. Recommendation from our attorney in these cases were to ratify a policy such as this so that future Board's have a baseline. Discussion was held on past Petty Cash and that office staff currently has no change for copies and faxes. *Motion made by Keilman to Ratify the current No Cash Policy, adding to it \$5 will be available to make change. Seconded by Horst. Unanimous. Motion passed.*

Clubhouse WIFI – Mike Cook

- The committee has completed its work. Gave their findings to the Board and asked that the Board read it over for discussion at Board meeting on February 17.

Open Forum:

- Linc wanted to thank everyone who helped with elections: Cheryl Stafford as Chairperson, Helen Keilman, Steve Horst, Sandy King, Judy Weber, Reggie and Myrna Wenaas, Dan and Terry Wojdyla. Thank you for help
- Jamie Horst – Have been coming out here for many years, never had to worry about locking homes, sheds, etc. Now if you leave your home make sure you lock things up when you are leaving. Have had a couple more thefts in parks. Very disturbing. Is an ongoing thing.
- Craig Bennett - Have two board members whose terms are done. Bill Bohrer thanks for 6 years on compliance. Always met with residents with an open mind. Appreciate all your hard work.

Linc Keilman stepped in to fill open Board position. Linc took on election committee and done an exceptional job. Has documented process so next person has step by step procedures to follow. Thank you Linc.

Election Results – Craig Bennett

- This was a valid election. We had 253 eligible voters; 183 ballots were cast with 0 voided ballots.
- Changes to By-Laws Article III, Section 2: 160 yes, 13 nos
- Changes to Articles of Incorporation, Article VII, Section 2: 160 yes, 13 nos
- Board Member results:
 - Craig Bennett 142
 - Jimmy Clark 142
 - Sara Danville-Gelhaus 167
 - Rich Staska 62
 - Lash Loughridge 1
 - Linc Keilman 2

Motion to adjourn Keilman, Horst second. All ayes

Adjournment 1:30

Submitted by:

Mary Rausch, Board Secretary

The Highlands, Inc.

OPEN BOARD MEETING

March 17, 2021

10:00 a.m. Clubhouse

Call to Order (Please silence all phones)

Roll Call

President Bennett informed Members that THI office person Georgia Pfleiderer died of a heart attack on Monday night and the office would be closed until we are able to find a temp person to fill in until a permanent employee can be found.

Present: Craig Bennett, Bernie Lee, Jimmy Clark, Mary Rausch, Jamie Horst, Morris Coville, Kent Hinds, Sara Danville-Gelhaus

Absent: Bob Beck

Pledge of Allegiance/ Moment of Silence

Reading of Protocols

Revisions to Agenda

Approval of February Open Board Meeting minutes as posted: *Motion made by Lee, seconded by Horst. Ayes: Lee, Hinds, Clark, Coville, Horst, Rausch. Abstain: Danville-Gelhaus. Motion passed.*

Correspondence: Two letters were read

- Member requested info. from Neighborhood Watch be in Fling each month. Secretary Rausch informed Members that Neighborhood Watch is separate from THI Board. Secretary Rausch did inform Members that Elizabeth Hinds, Neighborhood Watch member, said she would be willing to have put a small item in the Fling when there is information Members should be made aware of.
- Member asked if reimbursement was given to Marilyn Staley for cards and postage. Treasurer Horst said THI currently reimburses Marilyn for both postage and cards. .

President's Report - Craig Bennett: No report

Vice President Report – Sara Danville-Gelhaus: No report

Treasurer – Jamie Horst

- Treasurer Report was provided to all members present and can also be requested in the office. Treasurer Horst informed Members that finances are in a good state.
- He, Board Members Beck, Coville and Lee will continue to go through items on reserve plan Will cover in more depth later in meeting.
- No comments on profit and loss.
- Stated that THI Board will continue to look at expenses over \$250. Will continue to look at through Fall so by end of year Board will make recommendations on what will continue to track moving forward. This is used right now for where items are being sent to line items.
- Budget right now is over on several line items This is because of items that weren't charged out in 2020, came due in 2021. Will be moving money from other line items to cover these.
- Thanked Bernie and Morris to take care of safety issue, but need to continue to make sure Board is aware of monies that are being spent. They are following everything they need to do to make THI safe.
- Aging accounts had 19 greater than \$100 down from 23. Had seven letters sent out those that were over \$175. All accounts over \$175 have been made whole as of Monday.

Maintenance: Bernie Lee

- We are still working on RV lot. We have more property than we realized from survey. Will have a full report next month. Found out THI needs to get a permit to move dirt because of Oro Valley hill ordinance.

Compliance: Jimmy Clark

- Had an active month 4 concrete driveways and one concrete walkway, one wheelchair ramp and one request to move awning supports within property line.
- Asked if people have a copy of the CC&R's, read them and have signed a copy of the CC&R's and it is in their file (Members raised hands). A couple comments from residents is reason he brought this up.
 - Speeding down Matterhorn. Not vendors or visitors It is residents Please Slow down.
 - THI has a no pet policy. There are rules for people requesting reasonable accommodations for service or assistance animals. They are required to provide documentation – please do so. No cars, trucks, vehicles may be parked on any street overnight. Any vehicle in RV lot must have current plates and valid registration

Contracts: Sara Danville- Gelhaus – no report

Social Committee – Cindy Bennett

- Reported on the craft fair. Vendors and shoppers liked being outside. Probably will try to stay outside.
- Have social committee meeting this Friday at 9a m

Old Business

Policy and Procedure Review – Mary Rausch

- Procedure to remove money from laundry facility – Bernie Lee: Board member Lee read the procedure currently in the Policy manual and the Procedure being proposed to replace it. (new procedure attached) *Motion made by Lee to remove the current procedure and replace with the proposed Procedure – Removing Money from the Laundry Facility. Seconded by Horst. Unanimous. Motion passed.*
- Policy regarding size of homes in THI. – Mary Rausch: Board member Rausch read the current policy and also read the current CC&R dealing with size of homes. *Motion made by Horst to remove the policy from the Policy Manual and revert to our CC&R's. Seconded by Lee. Unanimous. Motion passed.*
- Board member Rausch did inform Members that there was restriction of mobile or manufactured homes only in the Policy, but it was unenforceable because there is no such restriction in THI CC&R's. THI is zoned SDH6 which only allows for moved on site residences.

Clubhouse WIFI Committee – Sara Danville-Gelhaus

- Thanked committee members Kris, Mike Cook, and Bob Beck. Informed Members this is a complicated and multi-faceted issue. She would like to have the WIFI committee, herself and Board member Beck meet to go over all questions and come back to Board with recommendations.
- Portion of the committee recommendation dealing with the phone in clubhouse and by pool could be considered and voted on right away. Members were informed THI is paying a monthly fee for a clubhouse telephone. Proposed solution involves one time purchase of CoolPad Snap phone and a Panasonic phone with two extension that will connect to cell phone, then a substantially less monthly fee. Approx. \$70 savings per month. Lengthy discussion was held on with various questions from

Members and THI Board on how this system would work; including can the current phone number be used, how would THI prevent someone taking phone, is there limit to service, why is there a phone at the pool, do the phones have batteries, is there law on type of phone at pool, can you get just a 911 phone, will 911 know where call is coming from? *Motion made to authorize the purchase of Cool Snap phone and Panasonic Phones for \$116.95. Once THI makes sure if works, discontinue Clubhouse service through Century Link. Seconded by Horst. Motion withdrawn for further study of issue.*

- **Northeast run off – Kent Hinds**
 - Will have a full report next month
- **Handicap accessible bathrooms – Reed Snell**
 - The committee had previously had 3-4 builders look at project all with different input. Committee is now to a unisex bathroom in men's room along with remodeling the men's restroom. Morris has completed a CAD drawing that committee can now go to contractors with specific job requirements to get detailed figures.
 - Discussion was held on limitation of \$25,000 spending limit per project. President Bennett had previously submitted question to attorney..." Is wording in governing docs such that THI can do more than one project up to \$25,000 in one year?" Our attorney said yes. This Board will stay committed to limit of one project per year. Hope to put on ballot to update wording.

New Business

- **Hughes Sanitation – Jamie Horst**
 - Follow up to questions from last meeting
 - Asked about truck that was in here. The pick up was in shop that is why small truck was used. It had a very small area for recycling. Please continue to mark bag recyclable.
 - Dumpster was a great success. No issues on items that went in there. No fine, however it was discouraging to see people tossing things beside the dumpster even though it was full. It was not the correct dumpster
 - Found out yesterday we are currently not under contract. We will be in the process of getting a three-year contract. Now on a month-to-month basis. Will bring in April for approval.
 - Hughes is very accommodating. They never charge THI clubhouse or maintenance for trash. If we ever loose Hughes because of non-payments. Couldn't get \$39/quarter. Checked with other companies (assuming they have the right truck). They charge one time tote fee \$37, if a Member goes home for Summer, they charge you \$35 each time leave and come back. Waste Management is the same.
- **Outdoor Recreational Activity Committee – Craig Bennett**
 - Maintenance was looking at work needed on outdoor rec areas and starting to do one at a time. We would like to form a committee to look at the pieces and come up with a potential overall plan. *Motion made by Rausch to form a committee to look at all the Outdoor Recreational Activity Areas and to report ideas to the Board of Directors. Seconded by Danville-Gelhaus. Unanimous. Motion passed.*

- **Updated Appraisal of THI common areas – Jamie Horst**

- This topic came up because of an inquiry...has THI had common areas properly appraised?
- Brittany at THI insurance provider recommended not getting an appraisal as that sets a number the insurance company will use to pay out if there is a claim. They currently look at values each year and increase for inflation.
- Discussion was held on importance of making sure things are appraised high enough. If do get appraisal THI owns that and doesn't have to provide. Are insurance companies fair with appraisals?
- *Motion made by Danville-Gelhaus. Seconded by Lee. Motion withdrawn to look at topic more in-depth. Vice President Danville-Gelhaus will look into and bring information back.*

- **Reserve Plan Review – Jamie Horst**

- Board members Coville, Lee, Beck and Treasurer Horst have sat down for several hours and went through all components of Reserve Plan. Looking for items that should be in maintenance schedule. Found 17 line items that need to be pulled out of reserve plan and put into budget. These items totaled 4% of total Reserve Plan.
- *Motion made by Rausch to update 2021 Budget and 2021 Reserve Plan with numbers provided by Treasurer Horst. Seconded by Danville-Gelhaus. Unanimous. Motion passed.*
- *Motion made by Rausch to approve sending updated Reserve Plan information to FDRS to complete the study. Seconded by Danville-Gelhaus. Unanimous. Motion passed.*

- **Reserve Plan Projects 2021 – Bernie Lee**

- Board member Lee explained there are three Reserve Plan projects that are scheduled for 2021 that the maintenance directors would like to get approved and get to work on. Detailed information on quotes provided are available in the office.
 - The three items are:
1. Replace billiard windows with UV windows, as was done 4 years ago with pool room. This would also include new sheeting and insulation. Reserve plan set aside is \$1,350 for windows Installation would be in-house.
 - a. Obtained 2 prices: Home Depot and Lowes
 - b. Use Lowes quote \$300 cheaper
 2. Replace felt and bumpers. Reserve Plan set aside is \$1100
 - a. Billiard only one company would quote
 3. Replace Flooring office with click and lock vinyl plank flooring, which is waterproof and durable. Installation would be done in-house. Reserve Plan set aside is \$3,900
 - a. Obtained 2 prices: Home Depot and Lowes
 - b. Was scheduled for 2020 and was pushed back until this year.
 - c. Approx. 1,200 sq. ft.
 - Discussion was held on all topics. Did the windows include replacing the lower portion of the windows? Billiard table – is it needed. Yes, felt is tearing. Flooring – does it need other material to complete. No, it is click and lock with pad already attached. Is this for both rooms in office, Yes?
 - *Motion made by Danville-Gelhaus to approve Lowe's quote of \$1,058.17 to replace windows in billiard room with total cost no more than \$1,400 for total project. Seconded by Coville. Unanimous. Motion passed.*
 - *Motion made by Lee to complete refurbishing of pool table felt and bumpers with total cost of no more than \$1,100 for total project. Seconded by Horst. Unanimous. Motion passed.*

- *Motion made by Lee to approve Home Depot cost of flooring for with a total cost of no more than \$3,900. Seconded by Horst. Unanimous. Motion passed.*

- **Swamp Coolers – Bernie Lee**

- The swamp coolers have not been used in the past year. One of the major problems with them is they use a lot of water and are designed to put humidity in the air. They also cost a lot to maintain.
- Suggestion was to sell the swamp coolers and only use the air conditioning.
- Discussion was held including: how much electricity is swamp coolers vs. air conditioning. When they are removed who will redo the roof. There are caps to put over area until the whole roof needs repair. Resident felt cooler would not have done any good this year. Now that they haven't been used it would take a lot to get them going again.
- *Motion made by Lee to have swamp coolers removed and sold with understanding buyer would do removal and repair roof to THI approval. Seconded by Horst. Unanimous. Motion passed.*

Open Forum

- Member had concerns about accessible bathroom being the only bathroom being done and people would only use it. Another member noted several years ago majority voted against because don't need and expense of it. Could we check a handicap accessible port-a-pot to be put outside?
- Member felt an audit should be done every 4-5 years. Treasurer Horst stated that the annual review hadn't been done for a number of years. That has now been corrected and a through independent review is being done each year by Clearview.
- Member wondered if THI still had medical equipment available for use by Members. Yes, it is on a first come first serve basis. Suggestion to put reminder in the Fling.
- Member had done quick research on 911 on phones relating to WIFI committee info. Problem is that no number is associated with them so emergency personnel have no way to know where the call is coming from

Motion made by Horst to adjourn, Seconded by Rausch. Unanimous. Meeting adjourned at 11:50 a.m.

Submitted by

Mary Rausch, THI Board Secretary

The Highlands, Inc.

OPEN BOARD MEETING

April 21, 2021

10:00 a.m. Clubhouse

Call to Order (Please silence all phones)

Roll Call

Present: Craig Bennett, Bernie Lee, Jimmy Clark, Mary Rausch, Jamie Horst, Morris Coville, Sara Danville-Gelhaus, Bob Beck

Absent: Kent Hinds

Pledge of Allegiance/ Moment of Silence

Reading of Protocols

Revisions to Agenda – addition of RV Lot

Approval of March Open Board Meeting minutes as posted: *Motion made by Danville-Gelhaus, Seconded by Horst. Unanimous. Motion carried*

Correspondence: None

President's Report - Craig Bennett: Informed Members that there was a lot of things to go over at this meeting. Please try to keep things moving and make any presentations brief.

Vice President Report – Sara Danville-Gelhaus: None

Treasurer – Jamie Horst:

- Stated that THI is still financially in good shape. (Monthly Treasurer's Report available in office.)
- Informed Members that the Reserve plan that had been submitted to FDRS was returned. Board members Horst, Beck, Lee and Coville will now go over on what FDRS has sent us back. Will have more comments on that in the future.
- Reminded Members that if they have a light pole they are to get a credit, checks will not be sent out. Statements will reflect the credit so Members with light poles are asked to please deduct that credit from their payment.
- Clarified the four ways to address any end of year overages on budget line items. He emphasized the Board would be assessing and making those decisions in the final quarter of the calendar year. (chart available in office)
- Aging accounts were reduced from 19 to 7 with most on one account that has a lien on the property.

Maintenance: Bernie Lee:

- Flooring in the office is complete.
- Morris Coville: Had a problem with the outtake so some overflow went into the area around pool. Also had a break in supply line in hot tub. Still looking into the float, should have it fixed tomorrow. Will not keep the pool from being used. Hope to have hot tub repaired today. Weren't sure how pipe in hot tub broke. Were able to review camera and see what happened.

Compliance: Jimmy Clark

- Thanked everyone for responding so quickly to taking care of all the weeds. He asked Members to please fill out a home improvement requests. If request deals with boundaries, please find your boundaries. Without it makes it difficult to approve. Please review the CC&R's.

Contracts: Sara Danville- Gelhaus – no report

Social Committee – Mary Rausch, Craig Bennett

- Starting May 1st Thursday parade will go from 4:00 pm to 6:00 pm.
- Told Members that the plan is to have a Fall Craft/Art show the Saturday after Thanksgiving. Suggested people interested please make things over the summer.

Old Business:

Policy and Procedure Review: Mary Rausch

- Compliance Policy: Board member Rausch explained that there was different compliance policy information in THI records so the Compliance Directors took all the information and consolidated it into one comprehensive Compliance Policy. Past Compliance Director Keilman did go over Attachment A, explaining closing in of existing carports/sheds. (Policy available in office.) Comment: Think about letting Members make improvements on existing structures as long as not changing footprint. *Motion made by Clark to accept new Consolidated Compliance policy dated 4/21/21. Seconded by Lee. Unanimous. Motion carried.*
- Sign Policy: Mary Rausch, Board member Rausch read the current Sign Policy. Read current CC&R's and response from THI attorney, in which he said current policy cannot be enforced because it has a restriction that is not in the CC&R's. *Motion made by Danville-Gelhaus to remove Sign policy from Policy Manual. Seconded by Horst. Ayes: Lee, Beck, Horst, Rausch, Coville, Danville-Gelhaus. Nae: Clark. Motion carried 6-1.*

Clubhouse WIFI Committee: Sara Danville-Gelhaus

- Board member Danville-Gelhaus went over why the WIFI committee is looking into the phone at the Clubhouse. She explained the phone is there for emergency use, particularly for the pool. Current cost of service is \$75.93/month. Committee recommended replacing that with a phone in the Clubhouse that will have cell service through Tello and have a 2nd handset at the pool able to call 911. Up front costs would be necessary to purchase the phones and \$16/month for cell service. This would also have the potential to have internet service via a Hotspot at the Clubhouse. Both the main phone base and cell phone would be locked up.
- This change would also enable internet service at Clubhouse via a Hotspot. Having this could help move to virtual Board meetings.
- Questions/comments from Members included, how can Members use the internet service? A sharable password would be posted. What range would the Hotspot have? Would have normal WIFI range. Is there a charge for cancellation of current service? No. How many people can use at one time? Possibly ten people should be able to use. Convert password to a simple and easy to use and remember, do same in office. Could post in Fling. *Motion made by Danville-Gelhaus to purchase a Panasonic phone for \$49.99, purchase a cellphone for \$99. Agree to a \$16/month cell phone fee, once confirmed system is working,(approx. 2 wks.) discontinue current service. Seconded by Horst. Unanimous. Motion carried.*
- Selection of virtual meeting platform: Board member Beck will be investigating which platform will be the best and most cost effective for THI, may have to pay for test meetings. *Motion made by Danville-Gelhaus to Fund up to \$100 to do experiment on telecommunication systems for future virtual Board meetings. Seconded by Beck. Unanimous. Motion carried.*

Northeast Runoff Committee: Kent Hinds, Not present

Accessible Bathroom: President, Craig Bennett

- Explained that while getting bids for bathroom, it was found that architectural drawings stamped by an Architect registered in Arizona are required for most work to be done on Clubhouse, now and in the future. Committee members have researched and looked for drawings without success, including searching with Pima County, Oro Valley, and City of Tucson. Copies of these drawings would be given to City of Oro Valley and Pima County which is necessary for permits. In 2018 an estimate for this type of drawings was \$6,900. THI will need to pay to have these drawings done. It will likely be more

Open Board meeting

April 21, 2021

Page 3

- expensive now than in 2018 and more expensive in future if don't do them now. Not having can also delay any necessary work, now and in the future.
- Reed Snell, Committee chairperson: Has spoken to 7 architects and engineers to try to get someone out to look at building, very hard to do. Must have drawings to do anything. Need to get drawings done so can move forward. Has meeting on May 6th with company that looked at building in 2018 and gave estimate of drawing costs.
- In Sunday's paper there was an article regarding a home in Tucson built by Lusk that just received a Historical designation. Lusk was also the developer who built THI Clubhouse. President Bennett will be working to contact the people who worked on this designation to see if they possibly uncovered any documents of THI Clubhouse and if Clubhouse could receive a Historical designation. There are pros and cons of such a designation. Con: can't change looks of the side of building facing pool. Would need to go through more approval if need to update. Insurance on building may go up slightly. Pros: Could open up possible Grant monies for any necessary updates. Could make harder for Oro Valley or anyone to try to make major changes to THI community.
- Board member Beck requested information from Treasurer Horst on impact from budget standpoint if spend money on drawings. Treasurer Horst remarked that based on our financial situation today it is very possible to do.
- Extensive discussion and questions including: Survey was done 3 years ago, bathrooms and drawings were voted down. Board member Rausch went over details of survey including minutes from 2/2018 where Board indicated survey was not a vote, just thoughts from Members. Also, minutes from 3/2018, that only 79 Members out of 279 (28%) responded to question regarding drawings, only 152 out of 279 responded regarding bathrooms. Comments from Members: 1. this isn't a house, it is a commercial building and the drawings need to be done. 2. This is a 55+ community and handicap bathroom is needed. Need to get the plans. 3. Try to exhaust research into Lusk before spending money.
- *Motion made by Clark to budget up to \$10,000 to have architectural drawings of Clubhouse. Seconded by Lee. Unanimous. Motion carried.*

Outdoor Recreations Committee: Sheryl Haggard:

- The office name of the committee is Highlands Outdoor Recreational Activities Committee The members of the committee are: Ron Weihl, Cheryl Haggard, Brian Tomac, Jane Force, Mark Heilbron. Craig Bennett, Board Liaison
- After first meeting the committee felt the best way to find out what THI members/residents wanted was to do a survey. They put a survey together and requested the Board approve the survey and up to \$200 to spend on sending the survey out. They will also be distributing the survey to any household still in the part, utilizing emails of any Members who are available via email. Could bring back recommendations in Fall.
- *Motion made by Danville-Gelhaus to allot up to \$200 to Highlands Outdoor Recreational Activities Committee to do survey so they can provide the Board with recommendations. Seconded by Horst. Unanimous. Motion carried.*

Hiring of Lynne Jordan: Mary Rausch

- Explained that at passing of Georgia Accountemps was called to find a temporary person. That person in THI office has a variety of duties and a well-qualified person is necessary. On 4/20/21 Board met in Executive Session to vote on hourly wage and hours. Now need to approve hiring of Lynne and paying

of finder's fee of \$6,864 to Accountemps for their efforts in finding a qualified person. A finder's fee has been paid in the past by THI.

Open Board Meeting

April 21, 2021

Page 4

- Discussion was held on where money would come from? It would come out of reserve, set aside, or savings. That decision will be made in Fall. Board member Beck stated paying a finder's fee is good business practice as you are allowing an organization with expertise and resources to help find the correct person. *Motion made by Rausch to hire Lynne Jordan as permanent employee and pay \$6,864 finder's fee to Accountemps. Seconded by Danville-Gelhaus. Unanimous. Motion carried.*

Washing Machines: Member Dan Wjoydla

- Stated he came in early November. They usually use the laundry machines once every three weeks, normally all four washers. First time one next to wall was overflowing. Let Donato know, Dan noticed in early April that washer was still broken. By April notified Board member Beck Bob. Learned it was under reserve Plan, but there is no contingency that falls under the repair.
- Board member Horst reviewed income numbers from 2014 until present which shows the usage trend for the laundry facility is declining. So far in 2021 it is \$67.50. Would need to have \$531 annually just to pay for the washers. That doesn't include water, utilities, or maintenance.
- Donato tried to repair the broken machine and determined it could not be fixed. If have a repair person out would not be worth it as machines are old.
- Comments: It is a valued service to Members. No one is trying to eliminate, but if have 3 working keep going with 3 and wait to see what happens.
- Broken washer will be removed and disposed of.

Hot Tub Electrical Panel: Bernie Lee

- Reported two weeks ago where the motor on the spa that creates the bubbles wasn't working. Donato took motor to be repaired and found there was nothing wrong with motor. Board member Lee talked to Jim Coffee (retired electrical engineer), who checked it out. He felt panel needed to be replaced. It is blowing and melting the circuit breakers. Two estimates to replace panel. *Motion made by Lee to replace electrical pool panel for up to \$1,500. Seconded by Danville-Gelhaus. Unanimous. Motion carried.*

New Office Furniture: Mary Rausch

- Stated that new office furniture was in Reserve Plan in both 2019 and 2020 and was not completed. The current furniture is in disrepair and inadequate for the functions necessary in THI office.
- Three examples were presented with similar characteristics, warranties, materials. Favored option was to purchase from Anderson Furniture based in Tucson, product produced in Phoenix. Able to order exact specifications and have installed.
- Board member Beck clarified Reserve Plan amount was \$1,600.
- Comments: What is the useful life in Reserve Plan. Board member Rausch responded 5 years, but would recommend changing to min. of 10 years as that is warranty. *Motion made by Rausch to purchase U-shaped Case product from Anderson Furniture for \$2,138.77. Seconded by Danville-Gelhaus. Unanimous. Motion carried.*

Hughes Sanitation Contract: Sara Danville-Gelhaus

- Stated THI learned didn't have a contract with Hughes. Reached out to Hughes to continue service with new contract. Presented 3-year contract effective 5/1/2021-5/1/2024. There are a few changes to the contract want to make everyone aware of. Monthly fee will go from \$13 to \$13.50/month. There is a clause that if gas prices go up to \$4 there is a monthly surcharge of \$1/month. Last change in contract has to do with sharing services. New contract states that THI (Association) shall notify that the sharing

of services by 2 or more residents is prohibited. If caught sharing Hughes can get back payments and a \$100 fine. Suggested changes be put in Fling *Motion made by Danville-Gelhaus to sign the contract*
Open Board Meeting
April 21, 2021
Page 5
with Hughes Sanitation with the contract changes dated 5/1/21 – 5/1/24. Seconded by Horst.
Unanimous. Motion carried.

RV Lot: Bernie Lee

- Board members Lee and Coville found THI had to contact Oro Valley to do any work on the RV Lot. Met with Oro Valley representatives a week ago. THI will need to submit a drawing and also require a permit to move any dirt. The permit is \$600.
- Comments: What will this accomplish? Should allow for min. of 10 more spaces. What is the payback time frame? Potentially approx. 3 years. How will it be accomplished? Move dirt back from hillside opening up more spaces in the middle. How many on waiting list? 7. Will spots be smaller. No *Motion by Lee to approve sending a check for \$600 to Oro Valley for permit on moving dirt in RV Lot. Seconded by Clark. Unanimous. Motion carried.*

OPEN FORUM

- Member has concerns regarding March vote on removal of evaporators. Recalled previous Board minutes from 11/2018, 2/2019 and 11/2019 in which Board at that time had plans to retain and maintain evaporators. President Bennett replied that we have new information since those meetings. The A/C has proven to be more efficient on a continuous basis and easier to maintain than the evaporators.
- Member had question on if AC unit is now able to handle the heat as it was not for the 4th of July last year. Board member Lee replied that the situation was fixed and they are now able to handle it.
- Member recalled 4 new mics being purchased and suggested 4 new tabletop mic stands also be purchased.
- Board member Clark: Dumpster was such a success would like to see more of them. Feels it would help the compliance of keeping homes cleaned up. President Bennett suggested he get more details and bring up for discussion at future meeting.
- Board member Clark has concerns about people in community with pets not being considerate of people's property. Member suggested there are HOA's in Tucson that do not allow pets to be walked in the community. It was suggested to get more information from those HOA's and bring to Board.

Meeting adjourned 12:20

Submitted by:

Mary Rausch, THI Board Secretary

THE HIGHLANDS, INC.
OPEN BOARD MEETING
OCTOBER 20, 2021
10:00 A.M. Clubhouse

Call to order (Please silence Phones)

Roll Call

Present: Craig Bennett, Kent Hinds, Morris Coville, Bernie Lee, Sara Danville-Gelhaus, Jamie Horst, Bob Beck.

Absent: Mary Rausch

The President, Craig Bennett announced that this is an Open Board Meeting.

Pledge of Allegiance/Moment of Silence

Reading of Protocols

Revisions to the Agenda: Bernie Lee would like to add topic of Pool Covers to New Business.

Approval of April 21st, 2021, Open Board Meeting minutes as posted: Motion *made by Horst, seconded by Danville- Gelhaus. Unanimous. Motion passed.* Approval of Emergency Executive Meeting. Motion by Horst, Seconded by Danville- Gelhaus. Unanimous. Motion passed.

Correspondence: Two letters were read

- Jimmy Clarks resignation from Board of Directors, stating personal reasons. Dated June 26th, 2021.
- Member requesting consideration from the Board of Directors for automated doors at both the east and west entrance of the clubhouse.

REPORTS

President's Report- Craig Bennett:

- Update on architectural drawings of clubhouse. Updates on drawings by Reed Snell. Drawings were contracted by Paul Reimer. Met with Paul Reimer regarding plans for the accessible rest room and accessible corridor and two handicap parking spaces. Paul can get drawings within a month at a cost of \$6400. (*Note: Reed Snell later confirms the drawing cost \$4600.00, not \$6400.00*).
- There were that were broken and some that were removed.
Board Member Bernie Lee: There were problems with the trees breaking and creating havoc on the pool. Four times a year they would bloom and blow into the pool and create a lot of problems, filling up the skimmers and what not. A Decision was made to get rid of them. Will discuss new trees at next meeting.
- The hot tub re-wiring, Board Member Bernie Lee: Electrician found that the panel needed to be replaced.

Vice President Report- Sara Danville Gelhaus: No report

Treasurer- Jamie Horst:

- Specific Information and reports available at front office.
- As a reminder Treasurer Reports are available in the spring and every month in the summer.
- The overruns in the budget we had cost from the pool pump house that didn't get completed in 2020, we rolled into 2021, that money was put back into general savings, that will be taken out to pay for that.
- The unplanned expense was the broken water pipe in the office. After talking with Bob, we plan on taking that out of reserve plan.
- Utilities for the year likely will be underbudget by a couple thousand. We have payroll expenses that will be over. Approximately 25% of the overage was the amount that the Board choose for the buyout of Lynne Jordan. The balance would be for maintenance labor that was unplanned for 2021.
- Have no comments on Balance Sheet or Expense over \$250.00.
- There are 4 balances greater than \$100.00, most comes from one property. Will report when sale is completed.
- Asst. Treasurer, Bob Beck will be having informational meetings sometime in November regarding the accessible restroom and Reserve Account planning. The date and time of the meeting will be posted.

Maintenance- Bernie Lee: No Report

Compliance- Kent Hinds: No Report

Contracts- Sara Danville- Gelhaus: In reviewing the contracts for The Highlands, there was a contract labeled Voice Stream back in the early 2000's. Voice Stream was taken over by T-Mobile and is the contract we have now. The contract for Voice Stream is null and void since it's been subsumed by the T-Mobile contract.

Social Committee- Cindy Bennett:

- We have had a few things happening, Kaffee Klatsch, potlucks, social hours.
- Check your calendars for November, we have two different Tia Chi classes, two different yoga classes.
- Chess on Tuesdays.
- Five Crown on Fridays.
- Halloween at 2:00 we have bingo. Bring your dollar bills and a dabber as we have paper bingo cards. Bring dollar bills. A sheet has three bingos card on it, and we will play 10 games.
- Thanksgiving potluck coming up, on Thanksgiving Day. You will need to sign up, plus we do need about 4 volunteers to cook the turkeys. we will bring them to you, thawed out in a roasting pan and a bag. Potlucks on Thanksgiving and Christmas at 2:30.
- At the last social meeting, the social club decided that they want to purchase new round tables and would like to let the Board know that we will be ordering these.

Old Business:**Policy and Procedure Review**

- **Light Pole Policy-** Jamie Hors: The Annual Light Pole Credit Policy, Horst reads old Light Pole Policy dated: August 22, 2014. Would like to purpose a new Annual Light Pole Credit Policy. Horst reads the new proposed Annual Light Pole Credit Policy, both policies available to review at front office.

Motioned made by Horst to replace existing Annual Light Pole Policy with new proposed policy, Beck seconded the motion. Unanimous. Motion passed.

- **Employees who are residence of The Highlands:** President Craig Bennet:
 - Residents of The Highlands can not be employees of THI., this is an unwritten policy. Policy states that it is in the employee handbook, have not been able to find stipulation in the Employee Handbook. Also, unable to find record of motion. Minutes in April 1997 and mentioned again in November 2013, but no action was taken.
 - Corresponded with the THI attorney, and he said it would be legal and non- discriminatory for us to have this restriction.
 - Vice President Danville- Gelhaus suggest changing verbiage to “No one who is a resident of the Highlands can be office administrator of The Highlands Inc., Nor May someone who is a resident of The Highlands be a contractor or vendor of the Highlands Inc.”

Motion by Beck to revise Employees Who are Residents of the Highlands Policy, seconded by Horst, Votes: Hinds, nae. Lee, Aye. Corville, Aye. Danville- Gelhaus Aye. Motion Passed.

- **Update on Virtual Board Meeting Capabilities:** Bob Beck
Capability to have virtual board meetings, which means that members and Board members can be offsite and can participate in board meetings.
 - Committee is made up by Sara Danville- Gelhaus, Chairperson, Terry Reagan, Chris Baumbach and Bob Beck.
 - During the summer the committee ran several experiments that resulted in unacceptable sound quality due feedback.
 - Used an USB connective Sound Mixer costing \$60.00 to solve the issue.
 - Had a problem with the free teleconferencing ap JITSI and used Zoom for our testing. Still have issues with JITSI that need to be dealt with.
 - To avoid running out of data, Committee would like to propose to the board to increase Wi-Fi services to \$40.00 a month.

Motion made by Beck to increase Wi-Fi service to \$40.00 per month, Horst seconded. Unanimous. Motion passed.

Northeast Run-Off: Kent Hinds, unable to reach Pepper-Viner, nothing to report.

Accessible Restroom: President Craig Bennett: Speaks about handicap accessibility into the clubhouse through the library entrance with automatic door. Restroom to be unisex. Commercial size stackable wash and dryer to replace ones taken out for rest room. Proposal for drawing of the Clubhouse Accessible Entry and Rest Room. Reed Snell announces that cost would be \$4600.00, not \$6400.00 as stated earlier. Cost will not need motions since it is within the \$10,000.00 budgeted for project drawings.

Outdoor Recreational Areas Committee Update:

- Outdoor Recreation Committee has been formed Mark Heilbron, Jane Force, Cheryl Haggard, Ron Weihl, Brian Tomac.
- Committee to research outdoor recreation area, how it is being used, how much its being used and the functionality.
- HORAC survey was distributed, deadline of June 1st, 106 surveys were received out of 255. Results are available at office for viewing.
- Committee will be meeting again after November to present recommendations to the board.

RV Lot Update: Bernie Lee: Next step would be excavation and solid blocks that would be insert in ground with stainless steel number to mark lot numbers. Visible lights, pole, cameras, and canvass marking tape. Looking up to 90 spots which is quite an increase to what is already there. We have had Office Administration contact lot renters to get the size of existing vehicles. This would be phase one, which would cost \$5700.

Horst informed that this was not a 2021 budgeted item. *Motion rescinded by Lee.*

New Business:

2022 Elections, Craig Bennett: Vote Coming up for Board Directors next year. Received one resume. Four positions open. Jimmy Clark's position and three that will be off the board, Jamie Horst- Treasurer, Mary Rausch -Secretary and Morris Corville- Compliance. We must have the Treasurer, Secretary and President or we are not a Board, at which point, if we don't have those positions, if we don't have at least five, we must go to our attorney and tell him that we don't have it. He will then go to the courts to consider us to no longer have a board, then the courts would assign someone to handle our management, an outside management company.

Clubhouse WIFI and Pool phone reliability: Bernie Lee: Need to work on pool phone, Donato checked and was not working like it should be.

President Craig Bennett: Add phone check to Pool Maintenance Log. Needs to be checked daily. Needs follow up.

Chaise Lounges for Pool: Bernie Lee: Purchase of Chaise Lounges would be taken out of reserve fund. Asst. Treasurer Bob Beck: Chaise lounges were to be purchased in 2024, moving those adjustments to this year will require adjustments to the reserve plan.

Bernie: Proposing 10 chairs at \$3812.82. It will take 16 weeks before we see them. *Motion by Lee to purchase Chaise Lounges up to \$4000.00, seconded by Horst, unanimous. Motion passed.*

Pool Covers: Bernie Lee: One company that had one available. The cost is \$780.49. Covers are needed for the center of pool. *Motion by Lee for \$850.00 pool cover purchase, Seconded by Horst. Unanimous. Motion passed.*

Open Forum:

Member: Social Committee

- Five Crown will be moving to Fridays at 1.00.
- Please sign up on the birthday list for the Fling.
- Veterans sign up.

Member: Would like to propose blinds for the upper club house window.
Cost to be around \$1000.00. Craig Bennett suggested a request in writing.

Motion to adjourn by Danville-Gelhaus, Seconded by Horst. Unanimous. Motion passed.
Meeting adjourned at 12:24

Submitted by Mary Rausch

The Highlands, Inc.

OPEN BOARD MEETING

November 17, 2021

10:00 a.m. Clubhouse

Call to Order (Please silence all phones)

Roll Call

Present: Craig Bennett, Bernie Lee, Mary Rausch, Jamie Horst, Morris Coville, Sara Danville-Gelhaus

Absent: Kent Hinds

Pledge of Allegiance/ Moment of Silence

Reading of Protocols

Revisions to Agenda

Approval of October Open Board Meeting minutes as posted: *Motion made by Horst , seconded by Danville-Gelhaus Ayes: Lee, Beck, Coville, Horst, Danville-Gelhaus. Abstain: Rausch. Motion passed.*

Correspondence: No correspondence

Reports:

President's Report - Craig Bennett:

- we have a vote coming up . We lose three Board members every year. This year we will be down four Board members. We will only be at a quorum if we don't have new members. If anyone leaves the Board next year, we will have to have a management company come in to take care of things. It would be very expensive. TH1 is required by law to have at least 5 Board members. Not that difficult to do if we work together as a team. Consider it, talk to members. Changing the Board every year has been a difficult thing. Working to create a transition help for new Board members. Have two resumes. Need at least four.

Vice President Report – Sara Danville-Gelhaus:

- Emphasized what Craig regarding the need for people to run for the Board and asked for everyone's help

Treasurer – Jamie Horst:

- If haven't gotten copy of agenda or Treasurer's report it is up front.
- Highlighted a couple of things.
- At end the meeting, members will be able to take copy of first draft of 2022 agenda. (copy available at office)
- Still no completed sale on Matterhorn. When ready to complete they will receive an invoice on lien at their signing.
- Good news, have completed independent study and have received an "A" from Clearview on 2021 financial records.
- Still operating a loss for 2021. Will continue to address so that we are okay at end of year. Will pull things from general savings to make sure we are okay. We have tried to increase 3-5% to cover some of the inflation. Not sure those will cover all areas.
- Aging accounts. End of Oct. was 15 accounts, now down to 8, which differs from report

Maintenance – Bernie Lees,

- Received pool covers and should have them taken care of in the next week or so

Compliance – Morris Coville:

- So far, it's been good. Quite a few people have applied for things to be done and they have all been approved.

Contracts – Sara Danville-Gelhaus - nothing

Social Committee – Cindy Bennett, Chairperson:

- Check Fling having a Potluck on Thanksgiving. Sign up in Clubhouse

- Craft Fair at Clubhouse from 9-1, Saturday, November 27
- Friday Dec. 3 decorating Clubhouse inside and outside. Please come and help. Men and Women are needed
- December 5 having Christmas parade. Social after parade. Parade starts at 4. Linc will bring Karaoke to sing Christmas songs at social after the parade.
- Teaching class for \$20 to make a Christmas block, December 8, Clubhouse 1-4 Carol Coville will be teaching. Pictures are available to see what the project will look like.
- New Year's party from 8-Midnight at Clubhouse. DJ will be providing music. See Bernie Lee or Cindy Bennett. \$20/person

Old Business:

Policy and Procedure Review – Nothing this month

Update on Virtual Board Meetings Capabilities – Bob Beck

- Have a week's more work and then will be ready to have remote participants in Board meetings via smart phones or computers.

Northeast Run-off – President Craig Bennett

- Questions have yet to be answered. There is money from Melcor set aside. Has some been used? Run-off is behind Mt. Blanc all the way to the wash. How much money is remaining, what can be done with it.
- Going to be asking Sara to look over all the information.
- Going to table until future meetings until have answers to give

Accessible Bathroom Update – Reed Snell, Committee Chairperson

- Last Board meeting commissioned Architect to do plans. The plans are done in two phases. Phase 1 will be converting laundry to bathroom. Plans will be in office if want to look at. Phase 2 will be entrance at library by raising a little and putting accessible door. There are couple things that can do that we will have flexibility on. Plans need to be approved and the architect paid for plans.
- Board decided to take time before moving forward on approval as they had just received the plans that morning. Go over again in December.
- Reed – Reviewed that have the plans that Board said to move forward with are the plans that are done. He would like to have them approved so he could start on bids.

Outdoor rec committee

- Three members of committee are not back. Nothing to report

RV Lot – Craig

- Will be tabled until have a plan to have something to vote on
- Jamie did talk to Bernie and Morris. They believe they can tweak things and move some things around so they get some of the vehicles off properties.
- Morris confirmed that there will be no cost to expand to get people in right now that are on the waiting list.

Clubhouse WI/Pool Phone reliability

- Craig – having Donato have a record of each time he checks the phone. Checklist to be done every day so that THI can show that the phones were working each day.
- Bernie has confirmed that checklist is done and phones are working.
- Craig would like to have a red sign put up that state Emergency Use Only and simple instructions on how to work phone.
- When it rained water got on phone and rusted the contacts. Bernie confirmed that problem had been solved

New Business

New Trees at Clubhouse

- Some trees were damaged and then removed. Trimmed to ground level. There were concerns voiced. The idea was that when we did trees, we wanted them now. They create a maintenance mess. They don't put up with strong gusts.
- Going to get estimates from professionals on what type of indigenous trees and shrubs and what can we do when existing ones come down there will be a plan. The plan will meet the criteria: (a) see them and enjoy the trees, (b) don't grow so much they block the view, (c) want to make info available to residents so we can all make the decision.

- Won't happen overnight. This topic won't go away until is resolved
- People have asked about donating. Will be possible to make donations once trees are selected.

Proposed changes to the CC&R's

- Will be having informational meetings to explain what the changes are
- Board is working to try to clarify our CC&R's to make sure they mesh with all other docs.
- **\$760 membership Fee goes in Capital Improvement Fund.** Explained when put in CC&R's intent was to have go into separate account. *Motion made by Horst to put on ballot \$760 membership fee will go into a capital improvement fund, seconded by Danville-Gelhaus Unanimous. Motion carried.*
- **Spending limit increase** – Current amount was put into place in 1999 with no inflationary factor. Currently allows for more than one project to be done.
 - Changes suggested are: (1) Increase spending limit to \$35,000 (2) Have inflation factor based on Federal inflation index (3) Only one project can be done each year

Board member Beck had concern about limiting the ability of future Boards to only one project that may only be a small amount, which would then keep another small item from being done later in the year. Discussion was held on this point.

Motion made by Danville-Gelhaus to put on ballot: a. increase spending limit to \$35,000, b. have inflation factor added based on Federal inflation index, c. allow only one major project in a calendar year. Seconded by Horst. Unanimous. Motion carried

- **Maintenance fee payments can only be quarterly, semi-annually, or annually** – Beginning 2/28/22 any new homeowners won't have the option to make quarterly maintenance fees on a monthly basis is no longer available, payments will be quarterly, semi-annul or annual. *Motion made by Danville-Gelhaus to put on ballot as of 2/28/2022 all maintenance fees will be paid quarterly, semi-annually or annually. Seconded by Horst. Unanimous. Motion passed.*

Proposed changes to By-laws.

- By-Laws don't state clearly that a homeowner who has multiple properties they only get three votes. Currently works that way, but has some ambiguity. Keep any one person from having too much power in voting. *Motion made if anyone owns more than three homesites in The Highlands they are only entitled to three votes. Seconded by Horst. Unanimous. Motion passed.*

Expansion of Office Administrator Position – Mary Rausch

- Gave overview of the current deficiency in the hours to complete the tasks necessary for THI administrative side. Including the difficulty during the transition period for new THI Board of Directors. Proposed expanding the duties of the office staff to assist in communication with community members and THI Board members, increase office hours open to community members from Oct. 1-April 30. Motion made by Rausch to Expand office position to Office Administrator/Member and Board Liaison. Increasing hours during Oct 1 – April 31 to 40 hours/week. Seconded by Horst. Unanimous. Motion passed.

Speed bump committee: Jamie Horst.

- Board member Horst received a packet from a member with a variety of speed bump options. He would like for someone on Matterhorn or Highland Drive to take packet and get a few people together, look at cost and options, possibly put in a few samples. Motion to form speed bump committee. *Motion made by Horst to form a committee to look at speed bumps. Seconded by Danville-Gelhaus. Unanimous. Motion passed.*
 - Member agreed there is speeding. They felt every time speed bumps are done people fall on bicycles and motorcycles. Main things he sees in the delivery trucks that don't slow down.
 - Sign up will be in Clubhouse for this committee.
 - Packet was given to George Tanner

Budget first draft: Jamie Horst

- When get sheet on front will be expenses. On the back will be the income. (Copies available in the office) No changes to the income, expect the one just voted on the membership fee. That now will be something that has to be covered some other way.

Open Forum:

Member would like to suggest regarding new trees for Clubhouse that we form a volunteer standing committee (landscape committee) that would recommend suggestions to Board for changes. They would work with the professionals. Like to see broader scope than just trees. On southeast corner have variety of cacti that don't require much water and maybe expand cacti, instead of trees. President Bennett: in bringing in professionals wasn't just to talk trees, would something else be more appropriate.

Member who lives on Matterhorn: when they came back this Fall her view is blocked. Was told there is an agreement somewhere with Desert Springs they would not block our views. She would like the Board to explore that. The pool covers. She is volunteer, and wondered if the covers would be the same type. Board member Lee responded: The one that is coming will be the same type. There will be a sign up. President Bennett responded: Board will look into if there was any agreement with Desert Springs

Member Curious about parking spots for RV. Adding all those spaces seemed to be a money maker and now it seems to be off the table. If have 90 spaces total that would be income on ground that would be otherwise useless. What is going to be done to those that are on the list. Vice President Danville-Gelhaus responded: if create a lot of spaces have no assurance that all will be filled, so not assured of extra income. President Bennett responded: reason tabled it is because we are going to stay as is without a plan. As soon as we have a plan that is specific will discuss. Board members Morris and Lee responded they will make sure minimum cost that people on list will have a place to park. Focusing on now opening up space that we can take care of people that need it.

Member: brought up issue landscape and trees behind Matterhorn that is Desert Springs. Someone last year trimmed trees too much. Desert Springs became unhappy. President Bennett responded: Desert Springs is not a THI Board issue. If you come to an agreement with them, get it in writing.

Linc Keilman, Election Committee: Election coming up: First Friday in February. CC&R's say ballots have to go out around the middle of December. The election committee needs time to print things so everything has to be done by the first of February. Doesn't have to have a whole lot on it. Please get resume together.

Motion to adjourn made by : Danville-Gelhaus, Seconded by Horst. Unanimous. Motion passed

Adjourned at 11:45

Submitted by,

Mary Rausch, THI Board Secretary

THE HIGHLANDS, INC.

OPEN BOAD MEETING

December 15th, 2021
10:00 a.m. Clubhouse

Call to order (Please silence phones)

Roll Call

Present: Craig Bennett, Kent Hinds, Morris Coville, Bernie Lee, Sara Danville-Gelhaus, Mary Rausch

Absent: Jamie Horst (Hinds left at 11:30)

Pledge of Allegiance/Moment of Silence

Reading of protocols

Revisions to the Agenda:

President Craig Bennett- Final budget will be discussed in January's meeting when Treasurer, Jamie Horst will be at meeting to present.

Approve Minutes of November meeting as posted:

Motion by Danville- Gelhaus to approve minutes of Novembers open Board meeting as posted, seconded by Lee.

Unanimous, motion passed.

Correspondence: None

Reports

President's Report- Craig Bennett:

- Election Ballots will be sent out this week. There are three topics on the ballot. Most changes are to clarify language to the existing CCR's. There will be informational meetings on 12/17/21 at 1:00 and on 1/5/22 at 1:00 at the clubhouse.
- President, Bennett announces that there will be 7 candidates on the ballot: David Cruz, Dianne Jacobson, Yvonne Kuhlman, Lashley Loughridge, Richard Staska, Gary Wilkinson and Richard Vertel. The process will be that the 3 candidates with the most votes will be appointed 3-year terms. The 4th candidate will take over the 2-year term that was vacated after a board member resigned.
- We have not found a written agreement with Desert Springs in regards to shrubbery trimming. If there is a problem regarding the shrubbery from Desert Springs, please contact them directly. This is not an issue the Board of Directors can get involved in.

Vice President Report- Sara Danville- Gelhaus:

- Thank you to the 7 candidates running for the Board of Directors.

Treasurer Report- Asst. Treasurer Bob Beck for Jamie Horst:

- Bob Beck read Treasurer Report comments from Jamie Horst. The Highlands property whose fees have been delinquent for the past 5 years is scheduled to close escrow tomorrow. We should receive over \$5000.00 from the escrow account for unpaid dues and delinquent fees.
- The funds that were to be transferred from general savings to checking for office pipe repair and the pump house renovations in 2020, will be transferred and will be reflected on January's Treasurer Report. This will remove the existing negative balance. Full Treasurers Report is available in the office.

Maintenance- Bernie Lee:

- Pool covers are in place. Please call Louise Bohrer to sign up for pool covering.

Compliance- Bernie Lee: No report

Contracts- Sara Danville- Gelhaus: No report

Social Committee- Cindy Bennett:

- New Year's Eve tickets still available.
- In January, there will be a soup and salad potluck and dinner & Karaoke.
- Dinner and live country music by Clear Country will be on 01/22/22. Tickets are \$15.00 per person.
- Social hour every Friday at 4:00 at the clubhouse.

Old Business:

Policy and Procedure Review- Secretary, Mary Rausch

- **Employee Reviews:** There was very little adjustment. It has always been the procedure that THI employees are reviewed after Decembers Board meeting in a closed Executive session, where pay increases and such are discussed and effective January 1. *Motion made by Rausch to approve adjustments to Employee Review procedure, Seconded by Danville- Gelhaus. Unanimous, motion passed.*
- **Vacant Lot Survey Policy:**
Policy is redundant, policy written in CCR's. *Motion made by Danville-Gelhaus to remove policy on Vacant Lot Survey because it is redundant and is in the CCR's. Seconded by Lee. Unanimous, motion passed.*

Update on Virtual Board Meeting Capabilities- Bob Beck

- Project is at a standstill until WI-FI issues are solved. Board Member, Danville- Gelhaus to research Comcast contract to negotiate WI-FI in clubhouse.

Accessible Restroom Update- Reed Snell:

- Architectural plans are finished, waiting on engineering plans. The only change on the plans is going from separate washer and dryer to one stackable washer and dryer. If stayed with separated washer and dryer, it would mean changing the plan to include a new tankless water heater and additional cost. Also, added to the plan to include a pedestal and automatic door closure at main entrance to club house. Architect did mention the concerns of handicap accessibility with the stackable washer and dryers. Engineering plans will be finished within 2 weeks. Board member Kent Hinds voiced concern over the accessibility of the stackable washer & dryer. *Motion by Lee to proceed with original plans with stackable washer dryer, seconded by Beck. AYES: : Lee, Coville, Rausch, Danville-Gelhaus, Beck. NAES: Hinds. 5 to1 Vote, motion passed.*

Outdoor Recreational Areas Committee Update: Brian Tomac, Ron Weihl:

Results from Outdoor Recreation Survey are as follows:

- Refurbish clothes drying area into a covered ramada. Partition room, maintain south side as clothes drying area. Rest of area would be outdoor shaded multipurpose room for crafts, exercise, games, etc. Paul Reimer, architect proposed drawing conceptional plans, cost not to exceed \$1000.00.
- Redo mini golf area. Most Obstacles are unusable, cannot be refurbished expect Chapel and lighthouse. Painting, building new obstacles with volunteers help estimate is around \$1500.00.
- Add portable Cornhole games to have available. Can be stored in shed. Jane Force to donate Cornhole set. Additional set would be nice for tournament. Member said he would volunteer to build for approx. \$50-\$75.00.
- Bocce Ball Court is in disrepair. Either hire out or volunteer work committee to redo. If volunteers, do it estimated cost \$2000-\$2500.00. Contractor additional expense. Bocce Ball was the #1 requested activity. Cost to complete an additional, all new court with contractor could approach over \$20,000. If did with volunteers the cost would be around \$10,000-\$12,000.00.
- Scheduling outdoor events. Would like to see signup sheets for outdoor activities.

Motion by Danville-Gelhaus for \$500.00 to refurbish mini golf area and corn-hole if monies are left, motion amended to \$1,000. Seconded by Beck. Unanimous, motion passed.

Clubhouse WIFI and pool phone reliability- President, Craig Bennett:

- Bernie Lee states that Emergency Phone Instructions and Emergency Use Only signage will be done this week.

New Trees at Clubhouse- President, Craig Bennett:

- We are still looking for a professional to consult regarding suitable trees. Once we have a comprehensive plan in place, we will announce at the Board meeting form a committee, if necessary.

Speed Bump Committee- George Tanner:

- After much research, committee agrees that speed bumps are not the best solution. Concerns remain over speeding. Speed radar signs were discussed.

Final 2022 Budget: President Craig Bennett- Moved to next month's agenda.**RV Lot Proposal: Bernie Lee/Morris Coville**

- Board members were given plans of proposed lots. Lots: (15) 12' spaces, (66) 20' spaces, (5) 30' spaces and (6) 40' spaces, one vehicle per lot, 25' clearance. Lots would need to be re-arranged, dirt to be cleared by large equipment, markings. Rental fees to be discussed at later time. Cost as follows: excavating \$2000.00, markings \$1800.00, 2 additional lights and pole \$400.00, cameras \$1500.00, eliminating cameras would bring the cost down to \$4200.00. President, Craig Bennet would like to see complete plan to include timeline and processes. Vice-President Danville-Gelhaus, can we work with what we have so we can accommodate people on the waiting list? Morris Coville suggest that can be done.

NEW BUSINESS**Office administrator/Board Liaison position: Secretary, Mary Rausch**

- Last month THI Board approved this position. Discussion/interview was held with Lynne Jordan regarding the position. ***Motion by Rausch to hire Lynne Jordan as Office Administration- Board/Member Liaison Position, seconded by Beck. Unanimous, motion passed.***

Club House Blinds-George Tanner:

- Morning social events are hindered by the morning sun on the east side of clubhouse. Proposed to Board the purchase of clubhouse blinds. Provided a Home Depot quote of \$612.00 plus tax for (4) blinds on roller chains, members have volunteered to install. Concerns were voiced over impeding the mountain view. A new quote will be given at next month's meeting that includes different dimensions to prevent impeding view.

Reserve Plan Status Report- Assistant Treasurer, Bob Beck:

- This report has been completed in November. A copy is available in the office, you can also have this sent via PDF. The revisions changed some cost estimates and removed 19 components from a list of 79 components that we had until this year. Reasons for removal included decisions to budget less expensive items in the annual maintenance budget and planned retirement of the swamp coolers. The results included the reduction of the 2022 reserve set aside amount from \$38,000 to \$28,000.

Maintenance Fee- President, Craig Bennett:

- Maintenance fees have not been raised for 12 years, other than when the roads were done. When the road debt was paid off, the increase was removed and the maintenance went back to what it is now, \$58.00. The inflation rate over those 12 years is substantially more to do business. . ***Motion by Rausch to increase maintenance fees 10% effective, January 1, 2022, seconded by Lee. Unanimous. Motion passed.***

Open Forum:

- **Member-** They had a tour of the RV lot and noticed survey corners are only marked with wood lath, they're surveying experience tells him that we need to put tee fence post as each corner additional flagging and or orange paint. There will come a time that we be trying to locate and will need the area re-surveyed, for less \$100.00 and with another volunteer we could mark the corners so that they are permanent and easy to find. Board Member, Mary Rausch suggests that since its under \$250.00, the work can be done.

- **Member-** Would like to invite Board to Tuesday morning breakfast. Asked what was the cost per RV site? What is the payback. Board member Bob Beck said it was noted on the Treasurer Report.
- **Member-** Ran RV Park for years. Suggested working with the lots that we have.
- **Member-** Can the Comcast contract be negotiated for members? Board Member Sara Danville- Gelhaus said she will be dealing with that contract.
- **Member-** Do not put in tankless water heater, it will not provide enough hot water, also member would make Corn Hole set for community at their cost. First Karaoke in 2 years, January 16th. Please sign up in clubhouse.
- **Member-** When streets were done a few years ago, they never filled cracks, when will this be done? Board Member. Bernie Lee said the cracks are scheduled to be repaired in 2022.

Motion to adjourn by Danville-Gelhaus, seconded by Rausch. Unanimous. Motion passed. Meeting adjourned 12:30 p.m.

Submitted By:

Mary Rausch
Board Secretary

The Highlands, Inc.

OPEN BOARD MEETING MINUTES FOR 2020

Note: Letters read at open board meetings are not identified in these minutes. Any owner may request a copy of any letter read at open board meetings.

The Highlands, Inc.

OPEN BOARD MEETING

January 15, 2020

10:00 a.m. Clubhouse

Call to Order

Roll Call

Present: Craig Bennett, Mary Rausch, Kent Hinds, Bernie Lee, Linc Keilman, Bill Bohrer, Bob Beck, Jamie Horst

Absent: Morris Coville,

Pledge of Allegiance / Moment of Silence

Read Meeting Protocols

Revisions to Agenda

Approval of December minutes as posted: *Motion to approve made by Keilman, seconded by Beck.*

Unanimous. Motion passed.

Correspondence: 1 letter

President's report: Craig Bennett

- Underage residents: Sent out two letters to two members. One there has been no response. The other we did receive a response, went to counsel for legal advice. Result: There was a person living there over 18, THI changed age to 25 in January of 2019, THI can't make that change retroactive to include someone who was okay under the old CC&R. Issue is put to rest.

Vice President report: Linc Keilman

- Update on RV lot survey: Resident has volunteered to survey utilizing county records and the equipment he has at no cost to THI. Morris Coville will then be able to use CAD to create a plan. This will all happen next year when the resident returns with his equipment.
- Update on Election progress: Have 108 ballots returned. Did have 17 returned by post office, they have now been resent to the owner's alternative address.

Treasurer's report: Bob Beck

- Reports are in office for review by all members.
- Changing QuickBooks desktop to QuickBooks online. This is to be compatible with new accounting service. (summarize his written reports)
- Reviewed financials including, Profit & Loss, Summary Balance Sheet, Aging Report
- Board Member Horst noticed that an amount from the New Year's Eve event was put in the wrong category

Maintenance Report: Bernie Lee

- Door on T-mobile was broken. T-mobile will be coming to take care of door and lighting on their building. New light for shed has been purchased and will be put up in next few days.
- Questions from Board Member Bohrer 1. People covering pool have noticed two outside covers are tearing. Board member Lee responded he will look at them, 2. It has been noticed that drains in showers needs attention, who takes care of that? Board member Lee said he will have it taken care of. 3. Can the cracks in road be filled? Board member Lee responded there is material left over to fill the cracks and the it will not do any harm to the new surface.
- Question from Board Member Horst: No Name and Everest looks like part of road is breaking up.
- President Bennett reported that the pool deck company came and made the necessary repairs.

Compliance Report: Bill Bohrer, Jamie Horst, Linc Keilman

- Bohrer: 14 friendly reminder letters on yards are being sent by end of week. Will check again in two weeks. Completed 5 home improvement requests in January.
- President Bennett: Worker's trailer being left on properties. Can have it there during day, but need to remove to RV lot overnight.
- Keilman: Political sign and RV parked in driveway. Have resolved issue. May appear later because of State Law of a specific size, for a certain time. Has existing space, working on deal with another resident to switch so his RV will be in lot, not at home. Underage adults and children – owner doesn't

live there, daughter living there. Was told he needs to have some 55+ living there, member agreed and said he would take care of. Compliance will continue to monitor

Contracts: Nothing at this time

Social Committee: Cindy Bennett

- Events: Sat 1/18 pancake breakfast, Sat 1/25, coffee and donuts, Sat 1/25, Country Western night – sold out, Sat 2/8 coffee klatch, Sun 2/9 celebration of life, Tues. 2/11 baked potato potluck, Sat 2/15 Valentine's day, must buy tickets, Thurs 2/20, quilters tea, need to sign up, Sat 2/22, White elephant, 8-12, Sat 2/29, craft fair can still sign up to sell things 9 a.m. to 2 p.m.
- Board member Horst: Wed. 2/12, bus trip to music instrument museum only have a 26-person bus, Bisbee in March will be a 48-passenger bus

Old Business:

Enhancement of sign by THI office: Had things on board. Board received one reply by a group of residents – President Bennett read. Discussion was held by Board members on comments received from members including: Take map down, most okay with landscaping, adamant leave 55+ and pet policy, were for leaving lights on. if take map sign down, have a sheet with map on it, should remove sign regarding pets, freshen up white paint.

Comments by member: that sign has to stay, lower put don't on ground, says no pets, changed to service and assistance animals only, would be willing to repaint map, if could get roadmap repainted and mounted there or somewhere else. It is easy to use to find places, good compromise to put under carport

Motion made by Rausch to remove map, lower events sign 6-8 inches, put 55+ community and Assistance and Service Animals Only signs over or under the events sign, remove bush by events sign, purchase 2 desert type items of low maintaining to complete landscaping, purchase and put up Resource Room sign. Seconded by Keilman Ayes: Beck, Horst, Lee, Rausch, Keilman Naes: Bohrer, Hinds. Motion passed.

Accessible bathrooms: committee of 6 have met, Reed S will be the chairperson, Al R will be assisting him, Reed S has friend that is an architect, has already looked at what can we do, going to go out for pricing. It is in motion.

Northeast Wash: Board Member Hinds, would like to form a committee and is willing to chair. Going to start a plan to build more homes up there. *Motion made by Hinds to form a committee to research Northeast Wash situation, seconded by Beck. Unanimous. Motion passed.*

Policy and Procedure review committee – President Bennett commented that some policies are not quite in sync with CC&R's. Committee was approved and established last spring, just needs to get going, he would like Board member Horst to be on it, along with 3 other people. Board member Beck requested the committee looks at policies that don't have, but need. Al R., Carol N. and Lori H. volunteered to join.

New Business:

New chairs for clubhouse – Cindy Bennett. Had couple negative responses, most people liked the height, did research it, by going to other facilities. Shipping is free. Treasurer Beck reported that there are funds of the Social Committee in the budget that would cover the cost. Discussion was held on number of current chairs, how current will be retained, scotch-guarding, and warranty. *Motion made by Lee to allow social committee to purchase 100 chairs at \$24.99 each, and sell the old chairs. Seconded by Horst. Unanimous. Motion passed.*

Accounting services budget: Treasurer Bob Beck. Sees need to increase the budget for outside accounting services to improve our bookkeeping and accounting. There may be some of this increase that is a one-time expense as THI continues to update. Discussion was held on past underspending, future costs, future annual review costs. *Motion made by Beck that the Accounting Services budget be raised from \$3,000 to \$7,000. Seconded by Rausch. Unanimous, Motion passed.*

Policy for filing liens for accounts in arrears: In course of working on accounts in arrears Treasurer Beck has found the possibility that some of those funds may never be paid. Many homeowners' associations do exercise their rights to have liens on properties. That helps to increase the possibility that the money would not be lost. THI, Inc. has had accounts in past where money has never been paid. Feels THI Board needs to have a policy to state when a lien should be implemented and a formal lien declaration completed. There are statute limitations as to amount and timeframe. He is recommending a dollar amount or timeframe. As he received information on cost of filing, he will ask for a policy to be implemented.

Open Forum: None

Motion to adjourn made by Horst, seconded by Lee.

Meeting adjourned at 11:20 a.m.

The Highlands, Inc.

OPEN BOARD MEETING

February 7, 2020

1:00 p.m. Clubhouse

Call to Order

Roll Call

Present: Craig Bennett, Bernie Lee, Linc Keilman, Bill Bohrer, Bob Beck, Jamie Horst

Absent: Morris Coville, Kent Hinds, Mary Rausch

Pledge of Allegiance / Moment of Silence

Read Meeting Protocols

Revisions to Agenda

Reading of results of election: Elected Bob Beck, Kent Hinds, Bernie Lee. Vote tallies are available in the office.

Approval of January minutes as posted: *Motion to approve made by Keilman, seconded by Bohrer. Unanimous. Motion passed.*

Correspondence: 3 letters

Letter: Age requirements for CC&R's. Concerns regarding underage person. Response: Board followed legal advice.

Letter: Concerns regarding political signage. Response: Do have to allow signage as it closer to the election.

Letter: Sign project being completed. Response: Things are in process.

President's Report – Craig Bennett: Nothing to report.

Vice President's Report – Linc Keilman: Election went well. 15 people voted the day of the election. Will look at changing the election to mail in voting only. Will check with attorney if possible to make the change and still be following the CC&R's. Updating of RV park. Very close to having all the records updated. At this point only one open spot available. Will be checking to see if can make 6 smaller spots in middle of lot. Board member question: Is there a spot for contractors. Will be making two spots available.

Treasurer's Report - Bob Beck: Treasurer's reports are in office for members to review. Change over to online Quick Books is on hold for now as the access what we really need. Will look at changes to the contract we had agreed to. Covered the regular reports provided. Went over the accounts in arrears. He is still considering what to suggest as a policy for starting the lien process on delinquent accounts.

Maintenance Report – Bernie Lee: New pool covers have been installed. The drains in the lady's showers have been corrected. The road cracks will be done in the next couple weeks. The lighting in the RV lot is now updated and brighter. T-Mobile has repaired their garage door; the maintenance man had not been told to install a new light. Bernie will continue to work on.

Compliance Report – Bill Bohrer: Did inspection on 14th. 12 letters were sent out. They will re-inspect the next week. Everyone seems to be doing a nice job. Have had requests for improvements. It's good to turn in a request even if compliance doesn't need to sign off so there is a record on file.

Contracts: Craig Bennett filled in. Reported that the liability insurance has now been updated.

Social Committee – Jamie Horst: Valentine's Dance and Dinner is sold out. Next week is community garage sale. February 22 is White Elephant sale. Once it is donated to sale you cannot get it back. Committee is selling all the old chairs.

Old Business:

- Committee for accessible bathrooms – Bernie L: Did get contractors into give quotes. Do not have any numbers back yet.
- Northeast Run-off committee – Nothing to report
- Policy and Procedures review committee: Jamie Horst – Had first meeting. They are going through all policies and procedures and comparing them to AZ statutes, CC&R's, and By-Laws. Will be presented in March and then decision will be made as to how will proceed.
- Policy for filing liens for account in arrears – Bob Beck: Per AZ statute there are 4 items that effect The Highlands. Then went through those items. Reported on the cost that would be involved, all of which are recoverable. He felt concerned The Highlands has no policy as to when a Lien Declaration should be filed. Put forward suggestions for a policy (available in the office). Discussion was held on various

issues pertaining to past due accounts and The Highlands recourse to such accounts. *Motion made by Beck to approve a policy stating:*

- 1. *THI shall file a lien declaration when an overdue assessment has existed for one year, or when an overdue assessment exceeds \$1,200, whichever occurs first.*
- 2. *The THI Board shall vote whether or not to initiate lien enforcement proceedings when an overdue assessment has existed for two and a half years.*

Seconded by Horst. Votes Ayes Beck, Horst, Lee, Keilman. Naes: Bohrer. Motion passed.

- Pump House – Tabled until next month.

Open Forum

- Member comment: Bought property last spring asked what the Membership Fee is for and suggesting that in future there is a statement as to what that is for. Response: Get monies for capital improvement in future. Also, a way for new owners to have a part in all the improvements that have been made. The figure came for what was already in The Highlands, Inc. documents.
- Member comment: Had questions on the cracks in the roads: who will do, when will be done, what cost will be? Response: We will do ourselves with materials we already own. Cost will be minimal. Company that resurfaced did come back do some repair work that was under warranty on the no-name street.
- Member comment: Read the Fling regarding the American Flags at people's homes that are not being taken care of in the proper way. When a flag is lit, is the light suppose to be at the home or the flag. Response: Light is to be on flag. Do not have to take down. President Bennett volunteered to take care of any tattered flags so they can be disposed of in the proper manner.
- Member comment: Several years ago, had cable TV in clubhouse. Is there any way to consider getting cable TV back in clubhouse? Response: Have a contract coming up with cable provider, want to get teleconferencing in clubhouse and we are going to see if possible to add cable TV.
- Member comment: At pool, many chairs are missing. Can new chairs be purchased? Response: A recent storm broke chairs. Bernie will be checking in on pricing on new chairs.

Meeting Adjourned 2:06

The Highlands, Inc.

ORGANIZATIONAL MEETING

February 7, 2020

2:27 p.m. Resource Room

Present: Craig Bennett, Bob Beck, Jamie Horst, Bernie Lee, Kent Hinds, Bill Bohrer, Linc Keilman

Absent: Mary Rausch, Morris Coville

Officers were elected for 2020-2021 Board by unanimous votes, as follows:

President: Craig Bennett

Vice President: Linc Keilman

Treasurer: Bob Beck

Secretary: Mary Rausch

Other appointments and responsibilities were decided as follows:

Assistant Treasurer: Jamie Horst

Compliance: Bill Bohrer (Lead)

Jamie Horst

Linc Keilman

Kent Hinds

Assisting with compliance when needed: Bernie Lee, Craig Bennett

Maintenance: Bernie Lee
Morris Coville

Contracts: Kent Hinds

Adjourned at 3:00 p.m.

The Highlands, Inc.

Emergency Meeting

April 22, 2020

Held via Email

Present: Craig Bennett, Bernie Lee, Linc Keilman, Bill Bohrer, Bob Beck, Jamie Horst, Morris Coville, Kent Hinds, Mary Rausch

Absent:

New Business:

Reopening of THI, Inc. pool and Clubhouse

Discussion was held throughout the day regarding the options to open the THI pool and facilities. Concerns were stated by Board members as to the liability that THI may have if facilities are opened and a member becomes ill, the need for supervision of THI facilities to make sure people were adhering to posted Guidelines, the cost that would need to be incurred if THI had to hire someone to monitor facilities, the fact that THI consists of an older, higher risk population. Board members will be monitoring other HOA's and facilities to see how and/or if they are opening.

The Board also read a compendium of local, state and national guidelines for pool management was provided before the meeting to each director. These documents are available to any member of THI by request to the office. A transcript of all email comments by board members will also be available by request to the office.

Motion by Rausch to continue to keep all THI, Inc. facilities closed for use. During the continued closing THI President, Craig Bennett, and two other available THI Board members will meet with THI attorney David McEvoy on the liability risk to THI and its members. Also during the continued closures THI will form an Executive Committee made up of President Craig Bennett, two other THI Board members and two THI members who will then work on protocols for opening THI facilities. These protocols to be reviewed by Mr. McEvoy before finalization by THI Board. Seconded by Beck Ayes: Rausch, Beck, Horst, Bohrer, Lee, Coville, Keilman Abstaining: Hinds

The Highlands, Inc.

OPEN BOARD MEETING

October 21, 2020

10:00 a.m. Clubhouse

Call to Order

Roll Call

Present: Craig Bennett, Linc Keilman, Bernie Lee, Morris Coville, Jamie Horst, Kent Hinds

Absent: Mary Rausch, Bob Beck, Bill Bohrer

Residents: 38

Pledge of Allegiance

Revisions to Agenda

Approval of February minutes as posted: *Motion to approve made by Horst, seconded by Lee. Unanimous. Motion passed.*

President's report: Craig Bennet

- Welcome back. It has been an extremely hot summer.

Vice President report: Linc Keilman

- Election coming up the first Friday in February. There are three openings on the Board. Please submit a short resume and 'why' you wish to be a Board member. Drop off at the office.
- November Board meeting discuss RV Lot Policy. If no spaces are available, then residents who have more than one space will be asked to relinquish one space. Perhaps a lottery (draw name from a hat).

Treasurer's report: Jamie Horst read report from Bob Beck

- Completed conversion of 2020 financials to new Quickbooks file in mid-September.
- September 2020 PL Report is very good. Most income accounts exceeding 75% of budget and total expenses at 64%.
- Reserve Plan expenses budget is \$16K with \$1K spent.
- Balance Sheet shows \$379K in checking and savings. The accountant, Clearview Business Solutions has advised that updated valuations for THI property acquired.
- Aging Accounts show a major event was completion of filing a lien disclosure on over \$3K of debt. There was also a decline in arrears dues monies owed to Highlands.

Maintenance Report: Morris Coville

- Pool, Hot Tub are open. Sanitation protocols, including sanitizing pool chairs, tables, poolside equipment showers and bathrooms have been implemented. Pool area is disinfected at 6 a.m. and 2 p.m.
- RV Garage – Put in french drain to eliminate standing water around building. Sprayed to eliminate termites.

- Maintenance on pool including purchase of glass bead blaster to remove calcium build-up, replaced depth letters around pool.
- Hot Tub – repaired pump
- Note – Black marks from shoes are hard to remove from pool deck. Please remove shoes if they are making black marks.

Compliance: Linc Keilman, Jamie Horst

- Nothing currently

Contracts: Kent Hinds

- Nothing at this time

Social Committee: Cindy Bennett

- Events: December 6 is the Christmas parade. There will be no gathering afterwards. Thanksgiving will have no THI sanctioned events. However, some churches provide Thanksgiving dinner, some even deliver. Look in Fling for further information.
- Note – There were 14 carts and 1 bicycle in last Thursday, October 15th, 5 p.m. parade.

Old Business:

Accessible bathrooms: Securing quotes from three contractors for men's and women's bathrooms including design and Oro Valley permits. Reed Snell has a friend that is an architect and is ready to go out for pricing.

Northeast Run-off Committee: Kent Hinds is chair and only member of this committee. Still in investigative mode. Hinds will have more information for December meeting.

Policy and Procedure review committee: Craig Bennett

- Regarding Rules for Reasonable Accommodations of Service or Assistance Animals. CC&Rs say form should be accompanied by signed medical statement. Linc Keilman suggested that need to clarify definition of medical doctor.
- Guest RV Sites should be change to \$20, policy still states \$10.
- Only One Owner per Household or Family on Board simultaneously. The policy states that only one member per household or family can serve at same time. What is the definition of family? THI has family members who reside in different homes.
- Residents not being employed by THI. The policy refers to an unwritten policy and a reference in the Employee Handbook. Should policies be based on "unwritten policies? Linc Keilman noted that THI is having a hard time finding a part time employee for the weekends. Maybe an ad should be put in the Fling for a resident who would work the pool duties.

Policy for filing liens for accounts in arrears: Jamie Horst

For CC&R Section (12) add 'and/or maintenance fees' and 'anytime from the point a lien declaration has been filed up to 2-1/2 years, at which point a vote must be taken'. *Motion made by Horst to add clarification verbiage to Lien Policy, seconded by Keilman. Unanimous. Motion passed.*

Pump House and Outdoor Shower: Bernie Lee

Modernize pump house and outdoor shower, replacing cement floor, relocating heaters and filters, re-plumb, and roof. For outdoor shower install on demand water heater, auto shut off valve, remove curb step over hazard and retile. Estimate cost at \$11,843.07.

Integra Pools & Spas	Remove all pool equipment for new room floor; relocate plumbing underground; reset and replumb existing pool equipment after new floor poured. Includes new 2-1/2" 3-ports valves & 2" ball valves, PVC pipe & fittings and electric pump whips.	\$4,063.07
G4 Construction	Demo existing concrete area at pool equipment room (9'x13'-6"), haul and dispose. Pour new concrete to same elevation of remaining concrete with 2'x2' o.c. #3 rebar.	\$1,180.00
O&A Construction LLC	Pool Room Roof – Install only aluminum roof to pool room.	\$2,800.00
O&A Construction LLC	Remove old tile and wall to open shower to L shape, make it to handicap access, install new valves whit timer and grab bars (2) in shower. Price includes materials and labor.	\$3,800.00

Motion made by Lee to do this immediately cost not to exceed \$11,843.07, seconded by Horst. 4 Ayes 1 No. Motion passed.

Survey of RV Storage Area: With a professional survey can enter data on CAD program and efficiently rearrange RV area. Cost of survey estimated at \$600. Check in February meeting minutes if bid approved and then present to Board for approval.

New Business:

Neighborhood Watch – Information from Oro Valley Policy Dept: Elizabeth Hinds

- Solicitor or scammer on the phone or online are on the rise. Do not give out any personal information or send money to anyone you do not know by phone or online no matter who they say they are. If there is some uncertainty contact family, friends, or the police department community resource division (229-5080 or our main office number 229-4900) and ask questions. The IRS will never telephone you.
- Neighborhood Watch reports all quiet. Encourages those out after dark to take flashlight to prevent running into a rattlesnake, javelina, or coyote.

Report on Independent Review of Financials: Reserved for November Board meeting

Report and analysis of differences between due payments and dues owed: Reserved for November Board meeting

Open Forum:

Women's Luncheon:

- October 28 at Parish Restaurant 12:00 noon (Luncheon 4th Wed of month)

RV Park Gate: Morris Coville

- Park THI pick-up across RV entrance to block entrance. Make it more difficult for thief.

Meeting Adjourned 11:54 a.m.

The Highlands, Inc.

OPEN BOARD MEETING

November 18, 2020

10:00 a.m. Clubhouse

Call to Order

Roll Call

Present: Craig Bennett, Mary Rausch, Kent Hinds, Bernie Lee, Linc Keilman, Jamie Horst

Absent: Bill Bohrer, Bob Beck, Morris Coville

Pledge of Allegiance / Moment of Silence

Read Meeting Protocols

Revisions to Agenda

- RV Lot Gate – move to Dec
- Replacing heater for pool - Yes
- Increase amount for concrete of pool - yes

Approval of October minutes as posted: *Motion to approve minutes as posted by Rausch, 2nd Horst.*
Unanimous Motion passed

Correspondence: 1 letter

Letter: Concerned about compliance going to member homes regarding violations. Feel there should be a formal process with letters to improve communication and record keeping. Response: 90% of the time there is a compliance issue Compliance does use form letters. There are times if we feel the situation is time sensitive or critical that Compliance does knock on a member's door. Compliance will continue to use form letters, but will also knock on doors when it is necessary.

President's report: Craig Bennett

- Ask for old Board members have any records particularly old minutes from past meetings. Please take to office as we are trying to compile a complete set of records.
- Pool is down. When got into the repairs there are somethings that have been found that will increase the approved cost. Will happen later in the meeting.

Vice President report: Linc Keilman

- Election is first Friday of Feb. Looking for people to run for the Board. Only have one verbal commitment, would be nice to have more than 3. Need resumes by Dec. 1, because by mid-Dec have to send out ballots. CC&R's say must send out ballots no less than 45 before election.

Treasurer's report: Jamie Horst

- Copies at table. Income this year is healthy. Likely to meet plan. Expenses below budget. Depreciation has no impact on income flow. Expect year-end income will be significant. 13 accounts late, late fees have been added to those accounts. (All information is on file in the office for Members to view)

Maintenance Report: Bernie Lee

- Working on pool area. When came up contractor thought would mix by hand, when cement guy game the price will be increased by \$275
- Heater been using has a leak and is going to be replaced. Price will be \$3,440.16, 5-10 days to get
- Everything else seems to be running smoothly.

Compliance Report: Linc Keilman

- Nothing to speak to this month. Correspondence was only topic. Did send out 4 letters two weeks ago. Those sites will be visited again in 3-4 days. Jamie and Linc will do the follow-up

Contracts: Kent Hinds

- One contract expiring in December for cleaning the clubhouse and office. Very little need for cleaning during COVID so may discontinue until need for services increases again. Speaking with maintenance to see if that is the way to go.

Social Committee Report: Cindy Bennett

- Cancelled the Nov and Dec social meetings. Wait to January to see if anything opens up. Still have wellness parades. Time was changed to 4 p.m. On December 6 will have Christmas parade, also at 4 pm, with no gathering afterwards.
- Please tell contractors and visitors to keep their speed down. The speed limit sign doesn't seem to help.

Old Business:

- **Handicap Accessible Restroom** – President Craig Bennett: Been working as fast as can to get contractors out here. Having a hard time to get people out here to give us costs. It is an ongoing project and we have yet to get a third quote. Need one more to talk about it seriously.
- **Policy and Procedure Review** – Mary Rausch. Reviewed the work of the Policy and Procedure review committee. Also reviewed the differences between CC&R's, Policies, and Procedures. Two policies were reviewed.
 - o Policies for RV/Storage Area – Linc Keilman went over the Policy and made 6 motions to revise the Policy **CURRENT POLICY IS AVAILABLE IN OFFICE**
 - Item #1 CURRENT: All boats, boat trailers.....or similar units must be stored in the RV/Storage area. *Motion made by Keilman: add at end of sentence.. “or off-site”. Add sentence: “All on-site vehicles must have current license plates and tags.” Seconded by Rausch. Votes: Ayes: Horst, Lee, Rausch, Keilman. Naes: Hinds.. Motion passed.* Comments: Would Board consider limiting spaces to owners only, not all residents.
 - Item #7 CURRENT: RV storage spaces are available to The Highlands owners or residents only..... *Motion made by Keilman: Add the following sentence...” Payments cannot extend beyond a single calendar year.” Seconded by Horst, Votes: unanimous. Motion passed.*
 - Item #8 CURRENT: Only one (1) reserved space per home-site.....*Motion made by Keilman: Add to beginning of first sentence...” Effective January 1, 2020. Remove the last 3 sentences of Item #8.” Seconded by Horst. Votes: unanimous. Motion passed.*
 - Item #8 CURRENT: Only one (1) reserved space per homesite.....*Motion made by Keilman: Add the following...” All sites must be owner/resident occupied, and therefore, cannot be transferred or sublet by that renter to any other individual.” Seconded by Horst. Votes: unanimous. Motion passed.*
 - Item #9 CURRENT: Dual policies for Guest RV rentals. *Motion, Keilman: “Remove the separate Guest RV Site policy from the Policy Manual. Add to Item #9 the following: Guests must complete the necessary Registration forms and make payment at the office”. 2nd: Horst, Votes: unanimous. Motion passed.*
 - Item #9 CURRENT: We have spaces for guests with RVs..... *Motion, Keilman: “Revise the verbiage regarding cost to: There is a per night charge and only electric hook-up is available. The current nightly charge is available in the office. 2nd: Horst, Votes: unanimous. Motion passed.*
 - o Policy – Only One Owner per Household or Family on Board of Directors simultaneously - Mary Rausch: went over the current policy and the fact that, according to THL attorney, this restriction should be done through the Articles of Incorporation and By-Laws. *Motion, Discontinue current policy and remove from Policy Manual. Put a measure on the year's ballot to.... Amend Article VII, Section 2 of Articles of Incorporation and Article III, Section 2 of By-Laws adding the following sentence... Only one person who owns or resides at a homesite may be a Director at any time. Seconded by Horst. Votes: unanimous. Motion passed.*
- **Survey of RV Storage Area** – Bernie Lee: discussed that this had been an item for a while and felt it needed to be decided on. Had previous quote for \$600. Discussion held on advantages of work being done, ability to then maximize space utilizing CAD. Question asked if was a registered surveyor. *Motion made by Lee to proceed with survey at \$800, Seconded by Horst. Votes: Ayes Horst, Lee. Naes: Hinds, Rausch, Keilman. Motion failed. Motion made by Keilman to proceed with survey of RV lot at \$600, Seconded by Rausch. Votes: Ayes: Horst, Lee, Rausch, Keilman Naes: Hinds. Motion passed.*

New Business

- **Roll on/Roll off dumpster for White Elephant** - Jamie Horst, Discussion held on number of items that come in every year for White Elephant that are not sellable. Also, the uncertainty of having the community sales or White Elephant due to COVID. Proposed trying a large dumpster to give Members chance to still discard old items. If residents fill with restricted items it would be for one year only.
Motion: The Highlands will provide a 20-yard dumpster at a cost of \$280 week of Feb. 22 to Feb 27 2020 from Hughes Sanitation. Seconded by Keilman. Votes: unanimous. Motion passed.
- **Summary of State of 2021 Budgeting** – Jamie Horst. The 2021 budget will be available for all members through the office or via email. Right now, we are preparing 1st draft, after Nov. meeting the 2nd draft will be available to all members. Plan is to approve at Dec. Board meeting. May have to complete approval in January.
- **Summary of Status of Reserve Plan Review Results** – Jamie Horst. Treasurers have been working on with Bernie and Morris. Added road crack repair component and a pool surface crack repair. Waiting for details from maintenance. Rescheduled 15 components. Revised spending from 16k to 11k. Recommend changing reserve savings approach from full funding to threshold funding. This will be discussed in future. This report will be available in office or by email
- **Report on Independent Review of Financials** – Jamie Horst. This policy wasn't done in 2016 – 2018. The written report on this review is available in office. Look at numerous areas of bookkeeping to find any problems. THI accounting firm, Clearview, recommended THI create a new QuickBooks file, have more consistent assistance with bookkeeping, verify account balances, and consistent use of QuickBooks. All recommendations have been completed. Also begin adhering to the By-Law requirement that independent financial be performed annually.
- **Report and analysis of differences between dues payment and dues owed** - Jamie Horst. Member questioned why there was an Income shortfall from 2015-2019. Analyzed with dues was \$40k less than if everyone had paid. Complete report was delivered to Board in June. Available to all members in office. Conclusion was most of the problems were bookkeeping errors. Correcting by having consistent QuickBooks use and more involvement of accounting advisors.
- **Liquid Chlorine** – Kent Hinds. Discussion was held on the fact that the filter in the spa is cracked and leaking and therefore not safe. Suggestion to replace system with sand filter. Further discussion on alternatives and guestimates on cost of replacement. *Motion made by Lee: Replace present system with salt filter at a cost of \$1,000-\$1,500. Seconded by Hinds. Votes: Ayes: Hinds, Lee. Naes: Horst, Rausch, Keilman. Motion failed.*
- **Increase spending on cement for project:** Bernie Lee When cement was pulled out the thought was to replace by wheelbarrow. That would not work, so there is a need to approve \$275 to pay for excess. Discussion was held on if there was any contingency fund for this project to draw from. Further discussion was held on creating a contingency fund that this increase would be pulled from and any other items during the project that may come up. *Motion made by Lee: Create a contingency of \$1,000, which will include the \$270 increase of cement cost for the Pump House/Shower project. Seconded by Keilman. Votes: Unanimous. Motion passed.*
- **New Heater:** Bernie Lee. Informed the Board that when the last working heater was removed during the construction it was found to be leaking and needs to be replaced. Quote on a new heater is \$3,440.16, which includes installation and delivery. Discussion was held on the life span of heaters. Reply was 4 years is good expectation for the THI. *Motion made by Lee to Replace heater at a cost of \$3,440.16. Seconded by Horst. Votes: Unanimous. Motion passed.*

Open Forum

Member had a question on if there had been any progress on WIFI in the clubhouse. No reply

Member had question on why the pool was currently off limits to anyone other than members or residents. President Bennett explained that out of an abundance of caution and the health and safety of members it was decided to try to keep people coming in from other states away from our residents at the pool. Member asked if our attorney had been consulted and President Bennett confirmed he had. Member asked if there was any idea when this may be lifted. The answer was when Gov. Ducey says it's okay.

Meeting Adjourned. Motion made by Horst. Seconded by Lee. Unanimous

The Highlands, Inc.

OPEN BOARD MEETING

December 16, 2020

10:00 a.m. Clubhouse

Call to Order (Please silence all phones)

Roll Call

Present: Craig Bennett, Linc Keilman, Bernie Lee, Morris Coville, Kent Hinds, Bill Bohrer

Absent: Mary Rausch, Bob Beck, Jamie Horst

Residents: 16

Read Protocols: The President, Craig Bennett, announced that this is an Open Board Meeting.

Please practice social distancing. Attendees are not required to be here. Your attendance is at your own health risk.

Pledge of Allegiance/ Moment of Silence

Revisions to Agenda

- Club House WIFI
- Speed bumps on Matterhorn

Approval of November minutes as posted:

- *Motion to approve made by Keilman, seconded by Lee. Unanimous. Motion passed.*

Correspondence: No correspondence - Mary Rausch and Al, her husband, traveling to Iowa.

Al's Mom is at end of life.

President's report: Craig Bennet

- No report

Vice President report: Linc Keilman

- Election coming up the first Friday in February. Committee will meet to stuff envelopes and complete ballots for mailing by December 22, 2020

Treasurer's report: Bob Beck, Asst. Jamie Horst - Linc Keilman read report for Jamie Horst

- General Information: Treasurer's report will be shown (for the most part) in whole numbers.
- Profit and Loss: Our income for the year continues to be in a 'healthy' state and will likely approach what we planned for 2020. Expenses continue to be below planned budget levels (primarily due to the pandemic). We did have an unexpected expense with the 2nd pool heater.
- Expenses Over \$250: No comment except for the unplanned expenditure for the 2nd pool heater.
- Aging Accounts: There were (18) accounts in October that were owing of \$100 to THI and November is now (11). There is a decline in arrears dues monies owed to Highlands.

Maintenance Report: Bernie Lee, Morris Coville

- Pool, Hot Tub have been down for the past few weeks. Pump House equipment has been removed, floor redone and all electric redone. Pool people will be here Friday, December 18, to put all equipment back in place.
- Pump House: Electrical panels moved from front to side wall. Installed new lighting and painted interior and floor.
- Refurbished shower is now wheelchair accessible with on-demand heater. Plumbing should be complete within the next few days.
- President Bennett thanked Bernie Lee and Morris Coville for the last three weeks of focused Pump House repair

Compliance: Bill Bohrer, Jamie Horst, Linc Keilman

- Good shape on Compliance. Thank you for turning in Improvement Requests. It was so dry this year there were no big weed problems.

Contracts: Kent Hinds

- Cancelled Jan-Pro Cleaning Systems effective 12-31-2020. Highlands will handle cleaning in-house. Bernie Lee will supervise Highland's employee Javier Valdivia. Housekeeping will be included with his other tasks.

Social Committee: Cindy Bennett, Chairperson

- Events: Wellness parade complete with Christmas lights will be Thursday at 5:30P. From then on Wellness parade will be at 4:00P to take advantage of daylight.

Old Business:

Committee for Accessible bathrooms: Reed Snell noted that turning the laundry area into Unisex bathroom is expensive. A possibility would be remodeling part of the women's bathroom into Unisex. The next step would be to secure a building plan of the clubhouse to design a Unisex bathroom. Bill Bohrer suggested that a general population vote should be taken regarding the need for Unisex bathroom area.

Northeast Run-off Committee: Kent Hinds still in investigative mode. Hinds will have more information in March. Will meet with Rich Staska.

Policy and Procedure review committee: Link Keilman

- Regarding Rules for **Enforcement Policies** covering nuisance violations; garbage cans not being stored away timely, noise, flood light spillage, wild animal feeing, trespassing, and parked cars on street.
- *Motion made by Keilman to rescind the Board Enforcement Procedures Adopted December 21, 2005, seconded by Bohrer. 5 Ayes. Motion passed unanimously.*
- **Fine Guidelines** address extreme situations.
- *Motion made by Keilman to modify the Fine Guidelines Adopted December 21, 2005, by adding Daily additional fine if uncorrected \$25 and the fine will stop when THI office receives written notice that the violation has been corrected, seconded by Bohrer. 5 Ayes. Motion passed unanimously.*

- **Ratify** – THI attorney David McEvoy that **Enforcement Policies** and **Fine Guidelines** must be ratified.
- *Motion made by Keilman to ratify the Enforcement Policies and Fine Guidelines, seconded by Lee. 5 Ayes. Motion passed unanimously.*

Survey of RV Storage Area: With a professional survey, data may be entered on CAD program and efficiently rearrange RV area. Formerly, cost of survey estimated at \$600. Re-contacted surveyor and now waiting for an updated quote.

Liquid Chlorine: Morris Coville and Kent Hinds reported that use of tablets should work. Estimated cost of \$5,000 to do pool or hot tub. This project on hold. However, right now, Hot Tub is the big issue. During this time of reconstruction, with the pool area and hot tub closed, the hot tub chlorine is not constant.

New Business:

2021 Budget: The 2021 Budget has been through two Board Member review cycles. Highlights of the plan include Membership annual dues will remain at \$696 per year (equaling \$58 monthly), money will be set aside for Reserve Plan savings, and money will be spent on Reserve Plan maintenance. The net operating cash flow estimate is positive.

RV Lot Gate: Gate to be closed/locked 9 p.m. to 6 a.m. Canyon Fence Co. recommended an 'A Frame' gate for \$1,305.42. Regarding emergency entrance to RV lot, it was suggested that an Emergency key box be installed, and Fire and Police know how to access.

- *Motion made by Lee that gate (\$1305.42) be put in for security and an emergency key box (not to exceed \$50) be installed, seconded by Bohrer. 5 Ayes. Motion passed unanimously.*

Bernie Lee will schedule with Canyon Fence Co.

Renewal of Cleaning Service: Kent Hinds reported Jan-Pro Cleaning Services has been terminated as at 12-31-20. Cleaning will be handled in-house and supervised by Bernie Lee.

Open Forum:

Clubhouse WIFI: Linc Keilman

CenturyLink can place WIFI in clubhouse. Telephone could be VOIP. This would remove the landline from the clubhouse. If use VOIP technology, there would not be an extension phone at pool side. Estimated costs would be \$50/month internet, \$32/month phone, one-time \$10 fee to port over phone number and the cost of modem. Purchasing modem would be \$200, renting modem from CenturyLink would be about \$350/annum.

Do you think Club House needs a landline? Suggested that table WIFI and phone until next month.

Speed Bumps: Need to slow traffic down; FedEx, USPS, UPS, Amazon Prime, contractors. There may be some old plastic speedbumps in Workshop that may be able to be used before purchasing others. Send letters to the various agencies and request that they slow down. Contact Police and request that they patrol during day. Bill Bohrer with a couple of homeowners will visit police and ask for day patrol and inquire about speed enforcement machines. Craig Bennet and Bill Lindy and George Tanner will get together and figure out how many speed bumps and where they should be placed on Matterhorn and Highlands. Make a specific plan to submit at January meeting. (More speed signs, paint on roadway) Slow traffic down to keep Highlands safe.

Hot Tub New Filter Housing: Morris Coville

The current filter is so old that the plastic will not accept repair. The filter is dangerous and could explode.

- *Motion made by Lee that filter be replaced by Hayward Swimclear Cartridge Filter for \$1179.00, seconded by Keilman. 5 Ayes. Motion passed unanimously.*

Meeting Adjourned 11:55 a.m.

The Highlands, Inc.

OPEN BOARD MEETING MINUTES FOR 2019

Note: Letters read at open board meetings are not identified in these minutes. Any owner may request a copy of any letter read at open board meetings.

The Highlands, Inc.

OPEN BOARD MEETING

Jan. 16, 2019

10:00 a.m. Clubhouse

Call to Order

In Attendance: 44

Roll Call: Craig Bennett, David Cruz, Carol Hastings, Bernie Lee, Kent Hinds, Carole Alberda, Rich Staska, Dan Wojdyla, Bill Bohrer.

Pledge of Allegiance / Moment of Silence / Read BOD Meeting Protocols.

Additions to Agenda: None

Additions / Corrections to 12/19/2018: None

Correspondence: Dan W. read 2 letters, 1. Dated 12/21/18, concerning 7 Post lights around the NW side of the Clubhouse not being lite in the evening hours. Dan checked with THI's maintenance person about outage, and the next evening, and thereafter, all lights around Clubhouse have stayed on thru the night. 2. Dated 1/9/19, concerns potential changes to THI CC&R's, in regards to "no variances shall be given". Speaks further about AZ law of, latches and selective enforcement, prevails over this change. Concludes that the Board could find itself going to court over this amendment or for not giving a variance that has been given in the past. Asked about "grandfathering" in AZ, does not apply, or did that change?. Member also CC'd THI attorney on this issue.

Reports:

- President – Craig Bennett: Brought up issues with voting and returned ballots not being signed on back of envelope. According to Craig, thirty percent received in weren't signed on the back, as per required by AZ Revised Statutes Sec. 33-1812. which make them invalid if not signed by COB, 1pm, 1/29/19. Craig stated the Highlands need 33.3% to have a quorum (95 ballots) to make the overall voting legitimate. If the Highlands doesn't meet that quota, we have to start all over again. Craig further added that there may be a solution to this, we'll be investigating this after this meeting. If you sent your ballot in and don't feel you signed the back of it, stop at the office and ask Joanie, she'll retrieve the ballot which is locked, and the person can then sign it. All envelopes need a signature on the back, before they can be opened up and then separate the inside ballots on Feb. 1, 2019.
- Treasurer – Carol Hastings: Bank balances are as follows: Checking, \$75,338, Savings,\$122,493, Money Mkt, \$136,157, and CD,\$66,655.

- Compliance – Bill Bohrer: Doing some title transfer inspections, some remodeling inspections, people are doing a good job with their yards, but the weeds are coming due to the winter, fall rains.
- Contracts – Kent Hinds: Waiting on the vote for the street signs.
- Maintenance – Bernie: Nothing to report.
- Social Com. – Jamie Horst: Ending balance for Social Committee was \$8359, total income was: \$22,691, Event expense: \$19,451, Non-event expense: \$2,104. Total for 2018: \$1,135. Balance for end of '18: \$9,494, which has been accrued over the years. Jamie added that SoCom supported some purchases, \$340 pool table fund, \$171 new ping pong table, and Fireworks \$400. Jamie discussed the upcoming Derby event, at the Clubhouse, Jan. 26, with a catered meal at 5pm. Other events: Karaoke & Pizza, Jan. 20 at 5pm, Community Sale in Feb, White Elephant sale in Feb. See sign-up sheets for all events in Clubhouse.

Unfinished Business

Non-Profit Credit Card, Craig explained that were looking to get a credit card for the Highlands that can be used for staff needs without using their own monies and getting reimbursed. Dan mentioned he called Canyon Bank about non-profit cc's, and was told by the bank that we have to give them a tax number instead of a ssn. Craig added that we would have safeguards and limits to the card, when we do apply for it.

Street Signs, Bernie discussed bids after the Board decided last month to only have the signs needing a decal to be re-placed. Metal cast signs will be painted by volunteers. The new bids for the signs are: Sign-o-Rama, \$1156.57, for the decal type sign, which was voted on unanimously for approval.

Pool Seal & Crack repair, Craig said that getting vendors to re-submit bids is taking longer and to address this thoroughly, propose at the next Open Board meeting for more discussion and action.

THI Policy's on Website, Craig explained that THI has policy's in place printed in a folder at the office, but for convenience, we need to publish the policy's on the THI website for everyone to access. David suggested we have a Policy committee to ensure that all the policy's posted are up to date before putting them on the website. David C, Dan W., Bernie L. and Carol Nadeau volunteered to form committee. Biil B asked who would post the policy's, and Bob Beck who oversees the site said he would post them.

Appearance of Men's Bathroom, Kent addressed the appearance of the Men's room and suggesting getting floor mats for the urinals, new PVC pipes, painting, a better fragrance, replace shower drains/mats to give a cleaner appearance. Kent said he would look into costs for items addressed. Further discussion entailed by audience members, and Board, concerning re-doing bathrooms, handicap bathroom, public access. Bill B mentioned that we've had bids in the past on the bathrooms, 27-30k, but after the Survey Questionnaire was sent out to owners population, it was dropped at that point due to the money. Carol Nadeau brought up the point that our THI attorney, David McEnvoy, in

writing, that we are a private facility, and we're not regulated by the ADA, we are regulated by HUD, and we do not have to do anything that would present a financial hardship to the community. Craig added more comments concerning the bathrooms, showers being refurbished. Linc Keilman spoke up that Kent's proposal sounds like more of a maintenance issue, and if these updates fall within the \$250 already allowed without needing further approval. If this is the case then go ahead and complete what's needed. Laurie Hartman brought up the ADA bathrooms, needing new stalls, seats are too low, and felt for the individual in the audience needing that type of assistance.

Driving 15 MPH within The Highlands, Craig reiterated the need for driving the 15 mph within the community, if one sees a vehicle exceeding the limit, try to get the license plate #, description of vehicle, and notify Oro Valley PD, 520-229-4900.

New Business

Delinquent membership dues, Before voting occurs, every address will be checked that's delinquent in dues, fees, outstanding fines. If one is on that list, that member will not be able to vote. All dues, fees, have to be up to date for the voting. A member who finds they are delinquent, may bring themselves up to date so they can vote. Carol H. added that at this point, five members are currently delinquent in payments.

Ballot Counting, Craig brought up that we need to have volunteers to open envelopes, count ballots, work in pairs, check off what's being recorded, etc..

2109 Proposed Budget, Carol H. already had passed out 2019 Budget handouts to the Board and members in audience. Carol discussed that at this point we have enough revenue to pay our bills, therefore we don't need an increase dues. At the end of the day, the projected net income is 50k, so that paying all our bills, and having money left over to put into the reserve account. Bob Beck didn't feel this budget accurately reflects the Reserve Plan in the dollars and cents. Bob went on to say that in the expense category, there should be a set aside amount of \$30k, that is money that is going to be put in to the Reserve Plan next year and there after, we'll be putting money aside for the Reserve Plan, and were going to be recognizing expenses as Reserve Plan expenses. Bob's suggestion is to put an expense item in, or reserves set aside, and to reflect all of the projects the Reserve Plan is planning for next year, and not just the road repair project (awaiting member approval). Monte Hartman brought up an electric utility question, having different meters running different parts of the Park. Bill B. said that this budget is based on historically what its cost in the past years. Bernie L. added that the Highlands have 3 electric meters, one for the office, one for the RV lot, and one for the Clubhouse and grounds, including the pool. Monte further questioned how are these monies paid, or "what bucket it goes into". The Board was reexamining the budget costs, further examining of utilities and extracting the correct information will come at a later time, Craig stated.

One more comment from member Lynn Fuller, asking why there is a school bus that comes into the Highlands at about 7:15am?. Craig replied that there is a family caretaker on Appalachian Street, she is taking care of an elderly resident. The caretaker has a son special needs, therefore the bus is coming in to pick that child and take him to school. She brings her son with her when she's working, Craig thinks she's a single parent, so in

the morning she brings her son with her to work while she's taking care of this individual, special needs bus comes in picks the student up, brings him home after school. They won't drop him off on Lambert and walk back in. Next comment was by Carol Nadeau, who said, when she was a single parent, she had to get child care for her children. Carol added she does not believe, I think we are taking a huge risk having a child in here in many ways. Brenda Henderson spoke up about this, agreeing with Carol N., Brenda has seen this child biking, skateboarding with other friends within the Highlands. Craig then said, in that case, Craig would recommend here, is someone on Compliance would address that situation with that resident. Bill B. said we'll have to talk with them and see what's going on. Craig added that because it was brought up here and it seems to get a lot of concern, we will bring it up at the next meeting to let you know how it was resolved. Rich S. and Bill B. spoke that it was against our CC&R's to have a child (under 18) reside at a residence. Dan W. brought up the point to contact our attorney on this issue?. Craig said that if Compliance goes and talks with the resident. Carol N. spoke and said, that if the school bus is coming in here and picking that child up, they have given the school this address (Highlands), as their address, otherwise the school bus would be picking that child up some where else, where ever their address is, so they may not be sleeping here, but their telling the school that this is where they live. Craig said that could be the same having a latchkey, if they drop the child off at a latchkey thing, and went to work somewhere else where they couldn't take the child, they would tell the school, my son or daughter is going to be at this latchkey. Carol N. added if that kid falls on his skateboard or gets hit by a car with his bike, we are going to be responsible. Craig summed up that we addressed the fact, that Compliance will find out, and we'll resolve it. Craig asked for any other comments. David C. added that he thinks Compliance should call our attorney to make sure we're on the up and up before we talk to these people, so we know what we're talking about. Another member brought up that last summer, this child was asking someone to let him in to the pool by himself. Craig added, that at this discussion with the resident, we've got to let them know the restrictions that if this child is going to stay here during the day, especially in the summer when there is no school, how do we cover that. Craig motioned to adjourn meeting, was seconded, Meeting adjourned at 11:15 AM. Next Agenda meeting: 1/23/19, 1pm, Annual Open Board: 2/01/19, 1pm, voting 8-10am

Respectfully Submitted, Dan Wojdyla, THI Secretary

THE HIGHLANDS, INC. DIRECTIONAL BOARD MEETING

February 1, 2019

2:20 p.m. THI Office

Present: Craig Bennett, Carole Alberda, Bill Bohrer, Carol Hastings, Bernie Lee, Dan Wojdyla, Kent Hinds, Mary Rausch, Jamie Horst.

Absent: David Cruz, Rich Staska, Morris Coville

Observer: Laurie Hartman

Directional Board meeting called to order.

Craig announced positions open within the Highlands Board of Directors (BOD)

and asked who wants to volunteer for what position. Carol Hastings elected

to stay on as Treasurer, Craig B. stayed on as President, Bill Bohrer will stay with Compliance,

Bernie Lee with Maintenance, Kent Hinds will stay with Contracts. Dan Wojdyla requested a change to

Vice President, and or Compliance.

Some items were discussed within Directors positions, duties. Craig passed out ballots for BOD

positions, the resulting votes tally as: President - Craig Bennett, Vice Pres. – Dan Wojdyla,

Secretary - Mary Rausch, Compliance - Bill Bohrer, Jamie Horst, Dan Wojdyla, Mainenance – Bernie

Lee, Morris Coville, Treasurer - Carol Hastings, Contracts - Kent Hinds.

Motions were passed for approving voted Directors positions. Meeting Adjourned at 3:10.

Submitted,

Dan Wojdyla, Secretary

The Highlands, Inc.

ANNUAL OPEN BOARD MEETING

Feb. 1, 2019

1:00 p.m. Clubhouse

AGENDA

Call to Order (Please silence all phones)

Roll Call

Pledge of Allegiance / Moment of Silence / Read Protocols

Additions to Agenda

Additions or corrections to the minutes as posted for Jan. 16, 2019

Correspondence: Dan Wojdyla

REPORTS:

President – Craig Bennett

Vice Pres. – David Cruz

Treasurer – Carol Hastings

Maintenance – Bernie Lee

Compliance – Bill Bohrer, Carole Alberda, Rich Staska

Contracts – Kent Hinds

Social Committee - Jamie Horst

Unfinished Business

- Final Pool Bids / Refinishing
- Quotation for Clubhouse AC w/Baffles for Evaporators
- Consulting with THI Attorney concerning minor residing within Highlands

New Business

- Clubhouse / Resource Room usage & fees
- New Phones in Clubhouse & Pool Cabana
- Surveillance Cameras, Clubhouse & Pools
- Election & Voting results

Comment Period / Adjournment / Next Meetings: Agenda 3/13/19, 1pm

Open Board Meeting: 3/20/19, 10am

The Highlands, Inc.

ANNUAL OPEN BOARD MEETING

Feb. 1, 2019

1:00 p.m. Clubhouse

Call to Order

In Attendance: 85+

Roll Call: Craig Bennett, David Cruz, Carol Hastings, Bernie Lee, Kent Hinds, Carole Alberda, Rich Staska, Dan Wojdyla, Bill Bohrer.

Pledge of Allegiance / Moment of Silence / Read BOD Meeting Protocols.

Additions to Agenda: None

Additions / Corrections to 1/16/2019: None

Correspondence: None

Reports:

- President – Craig Bennett: None
- Vice President – David Cruz: None
- Treasurer – Carol Hastings: THl checking:\$81,467,savings:\$122,493,Money Mkt:\$136,158, CD:\$66,693.
- Maintenance – Bernie Lee: Replaced Land Line phones, 1. Pool Cabana, 2. Phone booth in Clubhouse, both in working order.
- Compliance – Bill Bohrer: Mentioned to put in requests for your property if you plan to do a project. Linc K. asked what is the status of the unfinished home on Appalachia?. Bill stated, that it's a issue between OV, the builder, and the people that own it. We've talked to them, its up in the air. Bill went on to say that truthfully, nobody knows exactly what's going to happen. We do not have a time limit on re-modeling in our CC&R's. We hope that it's resolved soon, but it's a issue their working on with the city of OV. Its nothing that the Highlands is stopping, it's the city that's involved with it.
- Contracts – Kent Hinds: Nothing new, waiting for voting decisions for the roads, and the Pool deck.
- Social Committee – Jamie Horst:The Derby went well, 84 people paid, 82 showed up for event.

Unfinished Business

Final Pool Bids / Refinishing, Bernie presented 4 new refinishing bids for the pool decking, one for \$17k, 2nd for \$18,300k, 3rd, \$17,470k, and 4th, \$33k. Bernie

motioned for the Highlands not to exceed \$18.5k for renovation of pool, motion was seconded by Carole A.. Rich S. gave us a background in previous pool deck resurfacing projects here at the Highlands, and to still maintain in the same manner. There was varied discussion by other Board members and audience members, speaking for and against resurfacing by professionals or volunteers within the Highlands. At this time the Board decided to vote on Pool Refinishing, the vote: David C., no, Carol H., yes, Bernie L., yes, Bill B., no, Carole A., yes, Rich S., no, Kent H., yes, Dan W., yes. The voting was 5-3, in favor of the pool refinishing by, contractor, Backyard Boulders, for \$18.5k. Bernie added that it would take a week from start to finish to complete project thru Backyard Boulders.

Quotation for Clubhouse AC w/Baffles for Evaporators, Craig explained when the Board voted on getting AC in the Clubhouse in November, it was considered to keep the evaporators in place, and use the AC as needed. In order to do this, baffles have to be put in place in conjunction to the AC. From the contractors, after renegotiating, the price for installing the baffles would be about \$800. A motion was made and carried to vote for the \$800 additional. The vote was unanimous, all in favor of the additional \$800 for installing the baffles between the AC and the evaporators.

Consulting with THI Attorney for minor residing in THI, Craig consulted with THI attorney concerning a minor residing within the Highlands. Bill B. and Rich S. went over to the residence in question and spoke with the caregiver who has the minor. Bill went on to say that they met with the caregiver, a nice young lady, very cooperative. Bill explained to her that the school bus coming into the Highlands for picking up and dropping off the child, was disturbing some residents within the Highlands. The caregiver said that would be the last day the bus would come into the Highlands, there after the child will be picked up at Lambert & Highlands Dr.. Bill also explained to her that the child cannot stay overnite within the Highlands, she said she understands that, and they both do not sleep over at the residence, they both go to their own residence. Bill brought up the regulations about a minor at the pool, clubhouse, common grounds, unless there is an adult resident with him, and she understood those regulations, and accepts it. Bill went on to say that she isn't breaking any of THI rules, regulations at this point. Bill & Rich feel that it was resolved at this point by addressing the caregiver. Craig mentioned that some residents worried if the child got hurt from bike riding, skateboarding would the Highlands be liable if hit by a car, our attorney said that it isn't a HOA problem, it lies within the childs parents, the car driver, and the police, so we won't be held liable.

New Business

Clubhouse / Resource Room usage & fees, Bernie discussed the amount we (THI), charge for the Clubhouse, no charge for the Resource Room. Currently the charge for the Clubhouse is \$25, with a \$100 deposit, and no fee for the Resource Room. Bernie proposed we increase these fees to accommodate utility usage,

cleaning, etc.. A discussion over fees/usage entailed by audience and Board members. Carol H. proposed the fees be raised for the clubhouse to \$75, Bernie 2nd, Bernie asked for any comments, Dan W. spoke, he observed at times when the clubhouse is rented out, he's observed children running, screaming unsupervised around the patio area in front of the clubhouse, and do we have insurance coverage for any mishaps?. Craig confirmed we do have liability coverage. Further comments, Linc K. thought that the proposed \$75 is a bit much, Linc thinks by doubling the fee to \$50, and see how it goes from there, because basically this is for our people and their guests. Craig said that we still have a motion on the floor for \$75, Carol H. said she wants to amend the amount to \$50 instead of \$75, and for the Resource Room, \$25. Dan W. second the motion, the vote was unanimous for raising the usage fee for the Clubhouse to \$50 and the Resource Room to \$25.

Surveillance Cameras, Clubhouse & Pools, Carole A. brought up the topic of having cameras set up within the Clubhouse & Pools for to help identify if needed, unwanted guests of theft, or vandalism. A discussion among audience and Board members ensued concerning costs, how will they be monitored, placement, etc.. Craig stated that we can carry this discussion at the next meeting for further resolution.

Election & Voting results, Craig announced the results of all voting, there were 274 eligible, 92 (33.3%) met our required quorum, 165 eligible voted, 21 invalid. All CC&R's (13), revisions passed. Road sealing, 120 in favor, 31 not in favor. Candidate results: Morris Coville, 127 votes, Brenda Henderson, 45 votes, Jamie Horst, 122 votes, Mary Rausch 119 votes, Rich Staska, 64 votes, write-in: Duane Olsen, 2 votes. Craig in summary said the Directors elected were, Morris Coville, Jamie Horst, and Mary Rausch. Craig thanked the departing Directors, Carole A. David Cruz, Rich Staska for their service with the Board. Craig asked if they could follow us to the back office and talk to who ever is going to take their place, and pass on any notes to help them along, so we have some kind of transition, that would be helpful. A comment from member in the audience that on behalf of the homeowners, and her & husband, want to thank the Board for all they do, thank you. Dan W. announced a thank you to the Election committee for all their hard work to get this completed. Craig adjourned meeting at 1:57pm.

Next meetings: Agenda, 3/13/2019, 1pm, Open Board, 3/20/2019, 10am Clubhouse

Respectfully Submitted,

Dan Wojdyla, THI Secretary

The Highlands, Inc.

OPEN BOARD MEETING

March 20, 2019

10:00 a.m. Clubhouse

Call to Order

Present: Craig Bennett, Dan Wojdyla, Mary Rausch, Carol Hastings, Bill Bohrer, Jamie Horst, Kent Hinds, Bernie Lee, Morris Coville

Absent: None

Pledge of Allegiance / Moment of Silence / Read BOD Meeting Protocols.

Additions to Agenda: None

Additions / Corrections to Minutes 2/1/2019: No additions. Move to approve February minutes – Jamie Horst, Second – Bill Bohrer. Passed unanimously

Correspondence: Secretary, Mary Rausch

-President reported that Board is implementing a process where correspondence is noted, a reply of receipt is sent to owner, read at next meeting and then response is sent after the meeting. Six letters were read

- **Member** had concerns about the item in the CC & R's regarding variances and the State of Az statues in regard to them. Also wondered about Grandfathering. President indicated Board is working with attorney and will report at April meeting.

-**Members:** Sent a procedural reminder that each December employees are to have a written review with compensation discussed and passed by Board. Bernie Lee reported that reviews are done. May have to approve increase at April meeting.

-**Members:** Sent a procedural reminder of unwritten rule for disbursement of funds over \$250 for maintenance. President reported that new board is working to review all procedures and protocols so they can be better implemented in the future. Maintenance indicated one expenditure in February should've been voted on, will make sure procedure is followed in future.

-**Member:** Had encounter with loose dog and wanted to alert Board to situation and ask Board to be aware so could feel confident in ability to walk in park. Compliance reported that all parties had been contacted and matter was resolved.

-**Members:** Would like to see the entrance sign updated. President requested item be brought up at April Open Agenda Meeting for consideration.

-**Member:** Had questions on the 3 items from the December meeting that had not seen follow-up on. 1. Tucson Electric's meters, 2. Updating men's bathroom 3. Street signs. 1. 3 meters, 2. Still looking at pricing on mats and color of paint 3. Complete except by Clubhouse.

Reports:

President – Craig Bennett:

- After a question from a member – Reported that there had been a Special meeting conducted on 2/25/19. Waiver of Notice for said meeting is on file. This meeting was to address a specific compliance issue with one owner. The Board decided that a letter to the owner was necessary. That was done and sent on 2/26/19. Matter is closed.
- Reported that because of Board member Carol Hastings resignation, Robert (Bob) Beck was appointed interim board member to serve the rest of Carol Hastings term during the Open Agenda Meeting. There were three candidates considered, Robert Staska, Brenda and Robert Beck. Because of certain financial situations coming up it was unanimously voted that Robert Beck was the best qualified candidate.

Vice President – no report

Treasurer – Bob Beck:

- Reported that a new treasurer's report was produced and distributed to all in attendance. He then explained how to read the report and what his top priorities are. All columns in the report reflect the 2019 proposed budget. Currently the 2019 budget has not been approved by the Board. He will have that on the agenda in April. There were 6 top priorities: File quarterly forms, replace retiring accountant, replace office personnel, incorporate reserve plan into Highlands Financials, resolve question of accrual or cash accounting, acquire social committee budget.
- Reported that new office manager will need to be hired. He would be willing to chair a committee to create a current job description and move forward with hiring.
- Reported he would like to form a committee to investigate whether accrual or cash accounting is the best for The Highlands.
- Requested a budget from the social committee

Maintenance – Bernie Lee and Morris Coville

- Morris read a report on why and how the pool deck was completed. Existing deck was in poor condition and needed considerable repair. The process that was used fixed and updated many existing problems. (Complete report on file) This had been approved at the February meeting
- Morris read a report on repair of pool autofill system. System had been broken so pool was being filled by garden hose. Morris designed and installed a new system at a cost of \$237.41 (Complete report on file)
- Morris read a report on pool filter media replacement. Current sand system was in need of changing. Glass was found to be more effective and can generate savings of \$28/month. President explained that the decision to move forward was done so that all pool upgrades/ changes could be completed while the pool was shut down for the deck update. (Complete report on file)

Compliance: Bill Bohrer, Jamie Horst, Dan Wojdyla

- Bill reported that the spring weed checks were done. There were 10 yards that were flagged and contact was made. They did a follow-up 12 days later and there were only 4 yards, letters went out on 3/12. Currently there are only 2 yards that still need to be worked on. They are waiting 15 days to recheck those two.
- They have made several visits on people wanting to update. He asked that people continue to turn in requests.
- Question from member: Still a concern with the young man who is a daily visitor in the park. She almost hit him while he was riding his scooter. President Bennett suggested she call the Oro Valley police if he is playing dangerously.

Social Committee: Cindy Bennett – no report

Contracts: Kent Hinds – no report

Old Business:

- **Teleconferencing:** Jamie Horst indicated that this item had been on the Dec. meeting and wanted to look at again. This would enable The Board to hold meetings throughout year, conduct business even if there is no quorum, has recording capabilities. A committee had been formed and the cost would be \$500.
 - o Question: Any other costs? No there would be no other costs
 - o Is it two-way? Yes
 - o Is this just audio? Yes
 - o How many callers could be on? 10
 - o What kind of phones are necessary? No special phones

Board member Bill Bohrer had concern with the amount of funds that have recently been spent, wanted to have a moratorium of 12 months on spending. Treasurer indicated there was sufficient funds in both checking and savings that are not earmarked for any item. Member felt that reserves were fine and need to spend money on necessary items.

Jamie Horst made motion, seconded by Bernie Lee to spend up to \$500 for equipment necessary to enable teleconferencing. **Ayes:** Bob Beck, Morris Coville, Jamie Horst, Bernie Lee, Mary Rausch.

Nays: Bill Bohrer, Kent Hinds **Abstention:** Dan Wojdyla

Measure passed by a 5-2 vote.

- **Street Resurfacing:** Bernie reported that the resurfacing of the streets will begin in April. Each resident will be notified the day before. The contractor will also contact trash people, delivery companies, etc. Two sections will be completed each day. The streets will not be able to be driven on from 7am until 7am the next day. Parking will be arranged on side streets. There were several questions:

- o Emergency vehicles: They will be able to come through. The contractor will go back and fix any damage the next day.
- o Will map be shown?: It will be displayed with the dates. Could be included in The Fling.
- o Restrictions on pedestrians? We're not sure. Will be very messy. Will check with contractor.
- o Have they looked at 2014 map? Will double check that this is the most efficient map?
This is different process than 2014.

President, Craig Bennett will be in park all that week to help in any way. Board Member Morris Coville asked if sandwich boards could be made and put in area before area is done.

- **Publishing THI Policy Update:** David Cruz will postpone update until next month

New Business

1. **Legality of THI voting ballots:** President, Craig Bennett informed the Board and members that after the ballots of the February election were counted and published a Board member with three other individuals looked at the ballots that had been deemed invalid and felt that 10 of those should've been counted. They communicated with THI attorney, their interpretation of his review was that the ballots should be looked at again. This impacted one CC&R change that had passed, but with the relook at the 10 ballots now would not. President Bennett questioned that decision. After numerous back and forth communication with the attorney it was determined those 10 votes should not have been counted so the original votes stood.

Questions:

-Do we not, for legal sake and credibility have to retain the correct documentation. Did the people who relooked at these ballots change any of those documents? They must have opened those ballots? Member felt The Highlands may no longer have legal documentation for the passing of the CC&R's. President Bennett responded that we are not sure if any documentation was changed. He has not looked at the ballot box. He requested volunteers to view those ballots. Volunteers to do so are: Dan Wojdyla, Craig Bennett, Jamie Horst, Bernie Lee. This committee will determine if our records are complete.

-Should the original election committee people who were on the committee be involved in looking at the ballots? Was there a recount? Board member Dan Wojdyla responded that only the 10 ballots in question were counted. Three of the four who relooked at the ballot were on the original committee.

Member of election committee commented that there seemed to be confusion during the process of validating ballots. A couple of people would look at and decide between them if they were valid or not. Wasn't sure there was any consistency in the determination.

President Bennett discussed that we will examine the documentation, verify that the original balloting has been retained and make sure how they were supposed to be counted. He then read the response from THI attorney. Next year's process will begin in Oct. The process will be laid out in advance and everyone will be kept updated.

2. **Computer for BOD Secretary:** Mary Rausch

- a. Deferred to next month

3. **Office Manager hire:**

- a. Deferred to next month was discussed during Treasurer report

4. **Pilot Light Issue – Morris Coville**

- a. The valve to start the flame is broken. After considerable effort he found a replacement part on a vintage parts website. It cost \$180. Verbal okay to purchase valve and fix.

5. **Add 4 RV spaces within middle of RV lot – Craig Bennett**

- a. 4 space will be added in the middle of the lot. There are several people in line for these spaces. There should be little to no cost involved. No motion, okayed to continue.

6. **Assigning new check signers within the BOD – Craig Bennett**

- a. David Cruz and Carol Hastings were removed. Morris Coville and Kent Hinds will be added as check signers. Both of these Board members are year-round residents. Bob Beck is also a signer.

Meeting adjourned at 11:34

The Highlands, Inc.

OPEN BOARD MEETING

April 17, 2019

10:00 a.m. Clubhouse

Call to Order

Present: Craig Bennett, Dan Wojdyla, Mary Rausch, Bill Bohrer, Jamie Horst, Kent Hinds, Bernie Lee, Morris Coville

Absent: Bob Beck

Pledge of Allegiance / Moment of Silence / Read BOD Meeting Protocols.

Additions to Agenda: None

Approve minutes of appointment meeting for interim board member. Motion: Rausch, 2nd Wojdyla. All ayes

Approve minutes of March Open Board meeting. Motion: Wojdyla, 2nd Rausch. All Ayes

Approve minutes of April Agenda meeting. Motion: Wojdyla; 2nd Bohrer. All Ayes

Correspondence: Secretary Rausch gave an overview of information on handling of correspondence. 7 letters were read.

Letter: Member was concerned about people maybe living in park under age 25. Wanted to make sure we stay a 55+ community. Lead compliance Bill Bohrer reported had investigated situation children were at pool with adults and felt was acceptable. There was nothing wrong being done.

Letter: Member was concerned about people who do not reside in THI having access to pool without a member present. Lead compliance Bill Bohrer reported that we do have anyone assigned to check everyone that comes to the pool, but it is acceptable for any member in a polite manner to inquire of someone where they live or who they are with. He emphasized that this be done in a respectful manner. Requested that members lock the gate.

Letter: Member questioned the placement of a street sign. Felt the placement did nothing to alleviate confusion on their street. Maintenance Director Bernie Lee reported that he had looked at and would take care of it in the next week.

Letter: Member had suggestions for the Board on administration and operations. Secretary Rausch reported that all items suggested are currently being put in place

Letter: Member had items of concerns from Board actions in the recent past. Also had suggestions as to policies to remedy these concerns. Secretary Rausch reported that this letter would be given to the Policy and Procedure committee (Phase II) for review and follow-up.

Letter: Member had suggestions of two committees they felt the Board should form. Procedures Committee and Technology Committee. Secretary Rausch reported that both these items were on the April agenda for discussion.

Letter: Member was concerned about the string lights around the trees because of cost and possible damage to the trees. Secretary Rausch reported that this item was on the April agenda for discussion.

Reports

President: Craig Bennett

- Reported that had meeting with THI attorney to get clarification on election questions from March meeting. Board officers and one other member attended. Also reported that had a vote of Board for approval of expenditure on attorney fees (see attached). Conclusion of meeting:
 - o Took all documents of election for review
 - o The election of 2/1/19 was certified as valid and therefore is complete
 - o Determined all documentation were kept in good order. Therefore, have all necessary documents if there is ever a need to review
- Reported that asked THI attorney for further clarification of CC&R #2 (d) No Variances will be given.
 - o This provision is fine
 - o Job of Board is to enforce the CC&R as written and passed by THI community.

Vice President: Dan Wojdyla

- Reported that he agreed with the report of President Bennett
- Thanked Policy and Procedure committee for their work, but feels there is more work to be done
 - o Would like to be Board advocate for this committee
- Reported that he would begin work on next year's election this summer. He will be using various resources for a smoother election

Treasurer: Morris Coville

- Reported that figures shown on Treasurer's report are as of end of March as April has not been reconciled. Explained that he looks at each line item and indicates if he has a concern about the amount that has been spent at this point in the budget year.
- Most significant item that is out of budget is the swimming pool maintenance because the refinishing of the pool deck was mistakenly put in pool maintenance rather than a reserve plan expense. This will be corrected. Informed Board will need to watch the reserve plan to make sure it meets reserve plan requirement.
- Informed members that have any questions may contact Bob. Beginning in May office staff will maintain a hardcopy file of all financial reports for review by members, with the exception of employee salary information.

Maintenance: Bernie Lee

- Reported that he, Morris and Donato are focusing on safety at this point. Currently using tools of worker. There is a need to inventory the tools and purchase tools owned by THI.
- Has asked members to not interrupt Donato as this may cause an unsafe environment. If have questions about what he is doing contact Bernie or Morris.
- Noted that security is non-existent in maintenance area and it is always open. Good security camera in area would go a long way to improving security.
- They will be organizing and working on the efficiency of the workshop. The workshop will be kept closed and locked. Tools will not be loaned out.
- President Bennett asked about the cleaning of the Clubhouse. Bernie reported he contacted firm and they will be sending new people and THI will not be paying for the last cleaning that was unsatisfactory. He will meet with new people on Friday.
- Morris reported he had ordered new valve for stove. When came was threads were stripped, had to return. May be another week before it is installed.
- Morris reported that we are under AZ law and OSHA rules we don't comply with any of them. He felt that with work on the workshop, changes to current tool inventory and approval to spend \$1,000 (currently allocated in the budget) would take THI a long way to OSHA compliance.
- *Motion made by Lee to spend up to \$1,000 on tools or equipment need in shop, 2nd Horst. Unanimous Motion passed*
- Bernie reported that THI truck was in repair shop and engine was a total loss. Could replace engine at cost of \$5,000 to \$7,000. Could also purchase a used truck. Donato is currently using his truck.
- *Motion made by Bohrer to purchase a used truck up to \$15,000, 2ND Wojdyla. Unanimous Motion passed*

Compliance: Bill Bohrer – Lead Compliance

- Reported compliance Directors again toured the homes that had been called in March and also did the rest of the park. There 10 letters were sent from previous tour, 3 received phone calls. All three have now responded and are taken care of. Recently sent out 12 letters, these will be re-checked at end of month.
- Reported a lot of Title measurements this month.
- Reported there have been numerous requests for up dates to homes. Felt that members have been very receptive to staying to suggestions so plans stay within rules and setbacks.
- Compliance Director Horst asked about status of home by entrance. Bill reported they have their first letter. By end of month if nothing done will then work to try to track down who is responsible for property. Can be a long process, but will get done.

Contracts: Kent Hinds

- Reported he is trying to get 5 bids on street sweeping now that the streets are done. Currently has 2 will continue to work on.

Social Committee: Cindy Bennett

- Reported that it was a good season with a lot of events. There will be new events next years
- One new event will be a Craft Show on February 29. There will be no charge for tables, will put sign out front so outside people can attend. Items will be for sale.

Unfinished Business

Maintenance of Men's Restroom: Board members Bernie and Kent Hinds

- are going to get everything purchased and will have completed by end of summer.
- Member asked what was being done. Kent reported it would be paint, new pipes under urinal, new floor trim and mats for urinal. Overall cleanup.

Policy and Procedure Update

- Phase I – David Cruz
 - o Gave overview of the scope of the Phase I committee. Find and compile current policies and procedures give to board. They found 25 which is on a list for the Board so that Policies and Procedures can be put on website.
- Phase II – Dan Wojdyla (**Proposal available in office with minutes**)
 - o Presented Proposal to Board to form a new committee to take a more in-depth look at all current Policies and Procedures. This committee would not write new or re-write current policies or procedures. Asked for volunteers to step forward.
 - o This process can't start until Fall because AZ statue requires Board appointed committees to meet in AZ.
 - o Board member Bohrer had concerns that nothing new needed to be added. Secretary Rausch felt this process could help to simplify what we have.
 - o *Motion made by Rausch to approve proposal and formation of new committee, 2nd Horst.*
 - o *Votes: Nae -Bohrer Ayes: Coville, Hinds, Horst, Lee, Rausch, Wojdyla Motions passed*
- Phase III – Craig Bennett
 - o Reported that when Phase II is complete Board will look at recommendations
 - o Board will review all information in conjunction with legal counsel
 - o Will share findings with all members and any actions the Board needs to take

Computer for Board Secretary – Mary Rausch

- Reported that based on three main reasons felt the Board should have their own computer
 - o Ownership of documents produced
 - o Transition between Secretaries and Boards
 - o Archiving and continuity of information
 - o Member had question if there were two computers, would a tablet work? Member informed computer in office is social committee.
 - o Vice President Wojdyla voiced concerned that there be documentation that computer and information is owned by THI and Secretary would have to sign. President Bennett said a document of ownership would be created and signed by Secretary.
 - o *Motion made by Rausch to purchase new THI Board computer, Office Suite, and Flash-drive for back-up purposes. Spending no more than \$600 total, 2nd Wojdyla*
Votes: Unanimous, Motion passed

Approval of 2019 Budget – Morris Coville

- Reported there are differences in this year's budget due to inflow of Reserve Plan savings for income and Reserve plain maintenance for expense. Treasurer is available to members to go over budget
- **Budget is available in office for viewing**
- Reported that Treasurer, Bob Beck, would be available to members for questions or concerns
 - o *Motion made by Horst to approve 2019 Budget, 2nd Lee*
 - o *Votes: Unanimous, Motion passed*

New Business

Approval of Scrivener's Error Correction – Craig Bennett

- Explained that a special note was inadvertently omitted from recorded CC&R's (Section 1 (d)) so a Scrivener's Error was necessary
- This will be an official part of CC&R's, so therefore needs Board approval and will then need to be recorded again
 - o *Motion made by Rausch to approve Scrivener's Error Correction, 2nd Wojdyla*
 - o *Votes: Unanimous Motion passed*

Approval of Policy for Implementing CC&R #2 (a) – Membership Fee – Craig Bennett

- Explained that THI attorney advised adding a policy to above CC&R to better explain fee: it is obligation, who pays fee, when fee is paid, and what fee entails
- Member asked how many are affected, Vice President reported 7 new homeowners. Member asked: What happens if they don't pay. Secretary Rausch reported that it stops their right to vote or hold office, it is also considered a special assessment and a lien could be implemented. Board member Bohrer indicated that necessary to pass as it is a CC&R and Treasurer needs to implement.
- With assistance from THI attorney policy was written and then needs approval of Board
 - o *Motion made by Bohrer to approve Policy for CC&R Section 2(a), 2nd Horst*
 - o *Votes: Unanimous Motion passed*

Bonding of Treasurer – Craig Bennett

- Treasurer had asked for confirmation that he was bonded as required by CC&R Article IV, Section 5
- Secretary Rausch confirmed paperwork showing bonding is current and paid through 3/6/20. This is annually renewed and both Treasurer and office personnel are covered.

Revision of THI checking and savings account – Jamie Horst

- Request was made by Treasurer, Bob Beck, that 4 savings accounts be added to the current accounts so we have both short- and long-term accounts and it is easier to track for members. These amounts can be changed if needed.
- 4 accounts: Wash reserve short term, Reserve plan long-term, reserve plan short-term, legal expense
 - o *Motion made by Horst to approve addition of 4 savings accounts, 2nd Wojdyla*
 - o *Votes: Unanimous Motion passed*

String Lights around trees – Bernie Lee

- Reported that the Palo Verde trees around pool are very fast-growing trees, which shed three times a year so a lot of leaves go into the pool which is a problem. Many people like the string lights around the trees and he did not feel Donato spends too much time on them. Felt that at some point should look to replace those trees with something that doesn't increase the pool cleaning as trees die out. President Bennett asked him to look at other trees.
- Member felt a decision should be made as have been discussing for 6 months. Member felt no reason to do anything now as trees don't seem to be dying. Member likes lights on trees coming in as they provide a very visible means to see where to turn in.
- Decision to table for now

Defibrillator for clubhouse – Linc Keilman

- Reported that there is a non-profit organization that THI can apply to for a free defibrillator but Board must agree to pay for replacement of pads if they are used and the battery when it needs it.
- Discussion was held on benefits of unit, possible problems with people using incorrectly, and what quality of machine would be provided, could residents who are retired medical people advise
- Board member Coville said he had researched machines and the quality is very important
- President Bennett said buying our own may be the best route
- Decision was made that having Linc continue his enquiries and application doesn't bind THI to anything, but may be a good option
 - o *Motion was made by Rausch to agree to pay for replacement pads and batteries if THI qualifies and if THI Board feels the Defibrillator provided is the best fit for THI, 2nd Wojdyla*
 - o *Votes: Unanimous Motion passed*

Office Staff Hiring – Dan Wojdyla, Questions: Elizabeth Hinds

- Discussion was held on what the hiring committee has been doing in preparation for the hiring of new office staff. Treasurer Beck is requesting this be handled at this meeting since the hiring committee is ready to start the hiring process and there will not be a May Board meeting. Board member Bohrer felt that going with Account Temps may help ease the process and had many advantages. Elizabeth reported the committee does have one potential applicant they would like to interview that would not go through Account Temps. Current employee is preparing an estimation of the time it takes her to complete both jobs. Committee feels may have to have two part-time people. Board member Bohrer had concerns about splitting job into two and shouldn't base what someone else can do on what current employee can do. Elizabeth said on consideration to split would be how many hours the office would be open.
- Proposal for a Hiring committee to be formed to complete hiring process. Proposal was broken down into 7 motions
 - o *Motion made by Rausch to have Board Hiring Committee (BMHC) to include 2 board members, one being Treasurer, 2nd Bohrer, Votes: Unanimous Motion passed*
 - o *Motion made by Rausch to have Resident Member Hiring Committee (RMHC) include 1 current hiring committee member, 2nd Wojdyla, Votes: Unanimous Motion passed*
 - o *Motion made by Rausch to approve hiring advertising expense of no more than \$700, 2nd, Horst, Votes: Naes: Bohrer Ayes: Coville, Hinds, Horst, Lee, Rausch, Wojdyla Motion passed*
 - o *Motion made by Rausch to have position based on 2 job descriptions with preferences being to hire 1 person unless committee feels they are unable to find a qualified candidate, then can hire 2, 2nd Wojdyla, Votes: Naes; Bohrer Ayes: Coville, Hinds, Horst, Lee, Rausch, Wojdyla Motion passed*
 - o *Motion made by Rausch for both committees to perform group interview with possible callbacks, 2nd Wojdyla, Votes: Unanimous Motion passed*
 - o *Motion made by Rausch for both committees to confer and rank candidates, BMHC selects candidate(s), Treasurer call candidates, President signs offer, 2nd, Horst Votes: Unanimous Motion passed*
 - o *Motion to have process move forward as quickly as possible to complete hiring and complete training, Rausch, 2nd Lee Votes: Unanimous Motion passed*

Meeting then moved to Executive Session

The Highlands, Inc
Board of Directors
Special Email Meeting
Tuesday, April 30, 2019

At the request of Board Treasurer, Robert Beck, an email “meeting” was initiated to revise the 2019 Budget. As part of the hiring of a new staff person for The Highlands, Inc. it was determined that budgeted items pertaining to wage and workman’s comp needed to be revised. There were also a few other items for revision (the specific changes are available for members in the office).

Email request made by Beck to approve revised Budget

Votes: Ayes; Rausch, Horst, Coville, Wojdyla, Lee, Bohrer, Beck Unavailable; Hinds

The Highlands, Inc
Board of Directors
Emergency Email Meeting
Wednesday, June 12, 2019

After a series of break-ins at THI the Board of Directors, per By-Laws Article II, Sections 3 &5, declared the situation an emergency.

Approval of Emergency situation: Ayes; Beck, Horst, Lee, Rausch, Coville, Wojdyla, Hinds Abstaining: Bohrer,

Motion passed.

Board Members still in residence met with Oro Valley police and members who are in residence during the summer.

A Neighborhood Watch group was formed. Elizabeth Hinds, Neighborhood Watch chair, gave a follow-up report to the THI Board via email with the group's accomplishments so far. They have established a walkie talkie system of communication, florescent vests that Watch volunteers will wear, communication with Oro Valley police. They have already noticed a broken water pipe at a home and were able to assist in fixing the problem. As a portion of the report she requested that THI reimburse Neighborhood Watch members for purchases made to get the necessary equipment to get the Watch up and running. These included:

Walkie Talkies:	\$100
Volunteer vests and car tags:	\$126.56

The group also feels there will be future expenses to cover all the volunteer needs which will include:

10 Walkie Talkies:	\$100
8 car magnets:	\$94.26 plus shipping

After email communication a motion was made by Patrick Hinds to approve the reimbursements and cost of the future purchases, seconded by Dan Wojdyla

Votes: Ayes; Rausch, Coville, Wojdyla, Lee, Beck, Hinds, Horst Abstaining: Bohrer,

Motion passed.

The Highlands, Inc.

OPEN BOARD MEETING

Oct. 16, 2019

10:00 a.m. Clubhouse

Call to Order

In Attendance: 33

Roll Call: Craig Bennett, Bob Beck, Bernie Lee, Kent Hinds, Dan Wojdyla, Absent: Bill Bohrer, Mary Rausch, Jamie Horst, Morris Coville.

Pledge of Allegiance / Moment of Silence / Read BOD Meeting Protocols.

Additions to Agenda: None

Additions / Corrections to 04/17/2019: None

Approval of minutes: Special E-mail meeting, 4/30/2019,(budget revision),Emergency Email meeting 6/12/19 (Neighborhood Watch), Board Meeting 4/17/19 as posted, All passed unanimously.

Correspondence: 2 letters, one from resident stating neighbor's unit is filled with vermin, and weeds within the yard. The other letter by the Neighborhood Watch Committee, with suggestions and point out several areas the Board should act on with a response by 10/31/19. Bob Beck commented on last letter, saying there are many important items in the letter that we should act in response to, But does not feel that this is a slam dunk to do exactly what each thing says, but the Board should take every single one of those items and be prepared to address it in the future. Craig commented that the particular group is a watch dog, and doesn't feel anybody within that should confront anybody, residents or nonresidents. Report observations to police, compliance.

Reports:

- President – Craig Bennett – Met with THI attorney David McEvoy, to discuss a few topics. 1. Under age children living in residence here. Craig said it comes down to verifying in fact that it's happening that a underage person is living here, by sending a registered letter notifying them this cannot be done. In the end it could result in a court issue. 2. Residents not

paying their dues, or the \$760 membership fee. They will be billed, and if they still refuse, THI will put a lien, and take them to court and foreclose on the property for that amount plus costs. Craig also said that THI has notified title companies that THI has changed the CC&R's. They are responsible when doing the paperwork, to check the local CC&R's and apply current regs when buying into The Highlands. 3. Underage residents (younger than 25). We need to inform every owner about the age policy and why we can't permit under age people living here. It could affect our 55+ status and if we lose that status we would probably never get it back. THI should require an updated list of all residents in each home with a copy of their DL, state ID or a legal photo ID every two years. 4. Nuisance properties, 1st remedy – send a demand letter to clean-up. Sue in court for injunction to clean up. 2nd remedy – Self help, clean up for them, charge them plus 10% interest and legal fees.

- Vice- President – Dan Wojdyla – No report but commented that the meeting with THI attorney, David McEvoy was never pre-announced to board members for them to come up with questions concerning ongoing THI issues.
- Treasurer – Bob Beck – provided a handout of the THI Treasurer's report on a table for residents to review. Bob felt that THI maybe shy 5k to 10k at the end of the year, it doesn't raise a red flag because our budgets were originally set up to have a surplus at the end of the year. Dan asked Bob what costs occurred that may result in the 5-10k deficit, Bob said that its projected income from homes being sold. Since March 2019, 10 homes have been sold, 8 homes have paid the \$760, 2 homes have not.
- Maintenance – Bernie Lee – No Report
- Compliance - Dan Wojdyla – No Report – Nothing in compliance box to address. Craig mentioned that during the summer, He, Bernie and Kent had gone out to check on weeds, properties for residents.
- Contracts – Kent Hinds – Checked on several street sweeping companies, two never responded, C&S responded that they charge \$88.50 hr., minimum 3.5 hrs. C&S has good reviews and equipment. Kent motioned to have C&S as our street sweeping contractor, Bob 2nd motion. The vote was unanimously to award C&S.

Soc Com – Cindy Bennett - meeting to be held 10/18/19, 0900. On 10/26/19, UHC Healthcare rep for Medicare will be at Sat. coffee. Sunday, the 27th, 5:30pm,

Octoberfest dinner & music. No potlucks for Nov., & Dec., will have Thanksgiving & Xmas dinners instead.

Unfinished Business

- Completion of Men's Bathroom – Mens room painted, cleaned, plumbing adjusted. Kent suggested that some prints could also be hung.
- Teleconferencing – Nothing new to date.
- Someone (unidentified), asked about ADA bathroom, some discussion occurred, Craig said he will have it on the Nov. agenda for discussion.
- Craig introduced THI office Bookkeeper/Office, Judy McConahay

New Business

Street Sweeper bids – Already voted on and approved of new contractor.

Finance Activities since last Board Meeting – Since transitioning new Bookkeeper, large amount of work & solutions in three major problems; 1. Accrual accounting process had an off quick books spreadsheet that was undocumented, caused problems, switch back from accrual to cash accounting. 2. Reconcillations were not being done sending up flags. Reviewed last three yrs, seeked help for solving. Also looking at bookkeeping & advisory issues, looking for solutions. 3. Conversion from monthly to quarterly payments. Financial plans must be filed with IRS change back to cash. New 2020 statute, every acct. needs to file . Need a 99% reliable way to contact members.

Employee Reviews reminder – In Dec. Donato, Ray reviews will be done. Judy next year.

Implementing Monthly Hardship payment procedures – Bob motioned, to follow a set of procedures for members utilizing monthly hardship payments, Kent 2nd motion. The vote: Bob, Kent, Dan, Craig voted yes, Bernie voted no. Motion passed. Bob Williams asked why it was changed to quarterly vs monthly.

Standardize Monthly Reports & P&L statements – Bob added that monthly reports and P&L statements will be standardized for review in office or email, by request.

Spa Pump – Bernie announced that the spa is in need of a new pump, 3 bids received, from \$1060 to \$1387. Bernie motioned that replacement not exceed \$1200. Kent 2nd motion, the vote was unanimous for spa pump replacement. Note: Pump is in Reserve Plan for replacement.

Painting exterior of THI office & Gazebo – Bernie received 3 bids, \$4550,\$4544,\$3100. Bernie motioned that we spend \$3100 for gazebo and office. Dan 2nd motion, the vote was unanimous for getting the office & gazebo painted. Note: Painting of office and gazebo are in Reserve Plan for painting.

Termite treatment for RV Shop, & Pool Pump room – Bernie received 4 bid proposals, with variable rates and treatment methods. Bernie motioned that we use Veterans, that has a 2 yr agreement for \$550, with on-going service for \$150 yrly starting in 2021. Dan 2nd motion, the vote was unanimous for termite treatment thru Veterans.

Neighborhood Watch – Elizabeth Hinds, watch coordinator, stated that due to the amount of break-ins over the summer, a Neighborhood Watch was developed for the Highlands. It is part of a national group not part of the Highlands board, and is in touch with Oro Valley PD. Terry Regan is the watch patrol coordinator. Each patrol keeps a log, sends it to the watch secretary, and the info is compiled and sent to the Board. No other patrol sees anyone's log sheets. Elizabeth gave out awards to Watch Patrols, Terry gave a Power Point presentation about the Neighborhood Watch and quarterly report, indicating four areas of concern within the Highlands, 1. Underage people, 2. Suspicious persons, 3. Vehicles parked on the street. 4. Resident maintenance.

Dan Wojdyla gave his letter of resignation to the Board due to his conflicts (fiduciary responsibilities) with changes to the CC&R's, and events occurring with some tenants over the summer. Craig thanked Dan for his service. Craig adjourned the meeting at 1139.

Respectfully Submitted, Dan Wojdyla, acting THI Secretary

The Highlands, Inc.

OPEN BOARD MEETING

November 20, 2019

10:00 a.m. Clubhouse

Call to Order

Roll Call

Present: Craig Bennett, Mary Rausch, Kent Hinds, Bernie Lee

Absent: Morris Coville, Jamie Horst, Bill Bohrer

Pledge of Allegiance / Moment of Silence

Read Meeting Protocols

Additions to Agenda: Ask for appointment of Linc Keilman as interim Board member. *Motion by Rausch to add agenda item pertaining to appointment of Linc Keilman as Board member. 2nd Lee. Unanimous. Motion passed*

Approval of October minutes as posted: *Motion by Beck to approve minutes as posted, 2nd Lee. Unanimous. Motion passed*

Correspondence: 3 letters

Letter: Asking if vote to discontinue agenda meetings were held? How do residents get items on agenda? To be covered in New Business.

Letter: NW watch was watching address.

Regarding \$25 fee. It is not in our CC&R's. It is allowed, but not required by state law, if want to do that we would have to change our CC&R's. Can HOA prohibit short-term rental? Referred to AZ statute. CC&R's have to clearly and specifically state they are prohibited. THI's CC&R's would have to be changed. Various comments from people Request for CC&R's to be changed.

Member – clarified that ARBNB are allowed and can't be regulated unless specific to CC&R's. Discuss possible placement on FEB ballot to make the change. Get guidance from attorney for wording so we can keep this from happening. Consideration should be taken into account how do we enforce it?

Letter: Pine needles from other person's tree creating problem in their yard. THI compliance can only go by property line. Try to be good neighbors and help each other out.

Personal letter to Craig: President Bennett read a letter from member to him and responded.

President's report:

- **Election progress:** covered by Linc Keilman. Need a staff of 9 volunteers for the count, already have 6 people. Will also have help on prep of ballots to be mailed out. Made a few changes on procedure to make sure signatures are done correctly. Asked for people who are running to have application in by Dec. 5.
- **Pool Covering:** This is a volunteer job. We are in need of volunteers. Requires two people because of strength and safety. If don't have enough will need to leave uncovered or turn down. Will increase cost if have to be left uncovered. Another option is an automatic pool cover. Work well on rectangular pools, not easy to do and would be expensive. Chemicals that have been used need to be added every week all year long. Not sure of effect on people's skin. Member suggested leaving pool covered longer or don't uncover on bad days.
- **Status of forms sent out, ID verification:** Have been advised 80% of homes must have at least one resident 55 or older or could lose 55+ status. Advised every two years we get picture ID for everyone that lives at a residence. If ever audited, we can go to file and prove. Requested every resident who hasn't done so, please go to office to get a copy made. Also need new address form filled out so we have current and accurate information for contacting the appropriate person. During voting many envelopes came back because of address inaccuracy.

Vice President – N/A

Treasurer – Bob Beck:

- Monthly reports are available at beginning of meeting. Also, generate 5 reports every month that are for you to look and they are at office for you or we can email them on a regular basis if you let Judy know.
- Profit and Loss: A few items of question marks but overall looks okay. Should end year with small surplus.
- Aging Accounts Members are behind. Most are probably people getting used to the new system. The largest item is over 3 years in arrears will soon be released from probate and will include the amount due. If question comes up about putting a lien on a property, don't have a policy to do that. Understand most of these matters get taken care of point of sale.
- Discussed totals in accounts and how they have fluctuated over the last month. Report of expenses over \$250 is always available.
- Reserve plan status has been completed. Report in office. Spent more than planned and will probably spend more in 2020 although it is expected to be dramatically less than 2019. The extra savings this year appear to be attainable and next year easily attainable.
- Created a first draft 2020 budget. This is being reviewed by board members. Will be meeting with each board member to see if they have anything that needs adjustment.
- Office staff supervision is now split between Bob Beck and Mary Rausch
- Lastly, intend to form a committee to help select a financial advisory company. Asked for volunteers to help.

Maintenance: Bernie Lee

- Status of three items have all been taken care of. Termites are done, swamp pump replaced and office exterior and gazebo painted.
- Report from Morris regarding maintenance shop updates (copy of report in office). Member question: Would OSHA compliance be the same as ADA compliance for a private entity? Question for attorney. Morris feels we do need to be OSHA compliant.

Compliance –

- Few requests for home improvements that have been taken care of.

Contracts:

- Street sweepers. Called in February. Have a quote for only 2 hours at \$95. They will come whenever they get the call, not sure it is contracted. They just dry brush and sweep everything up and take debris with them at a cost. Question; what type of brush, answer nylon. Only concern is dust, while being done. He can check on if they do water, may be more expensive? *Motion by Kent Hinds to have streets swept when needed and spend the \$95/hour. 2nd by Bob Beck Unanimous. Motion passed*

Social committee: Bus trip leaving Dec 4 which is sold out. Bus leaves at 9:30. Thanksgiving potluck. Have 60 some people. Cut off is 90 people.

Old Business:

Enhancement of sign by office: This is the sign in front of office with the map. Asking for volunteers to look at options for sprucing up the sign and getting cost by January meeting. Will put sign-up sheet in back and in the Fling. Discuss next month and get indication of interest.

Registered letter to possible underage resident. Ask Board for permission to have attorney draft letter that would be sent to these two addresses. *Motion by Rausch to have a letter drafted by Mr. McEvoy to be sent to these two residents upon Mr. McEvoy's recommendation that it is the correct thing to do at this time. 2nd Lee. Unanimous. Motion passed.*

New Business:

Appointment of Linc Keilman as interim Board Member: Linc Keilman put himself forward to be considered to fulfill the term of Dan Wojydla who resigned in October. *Motion by Rausch to appoint Linc Keilman as interim Board member to fulfill the term of Dan Wojydla. 2nd Lee. Unanimous. Motion passed.*

Pool Deck (Terry Wojydla): Hadn't heard any discussion and wanted to make sure everyone was aware. She read the following points: New cracks, flaking of surface, contact contractor, maintenance and cleaning. Bernie Lee responded that maintenance is aware of cracks. He contacted Backyard Pool in the summer and they are coming next week to take care of it all. Was explained at the time the deck was done can't completely get rid of cracks can only slow them down. They will have to be taken care of as things go along. Recommend when warranty runs out find out what is needed to take care of things in the future by our maintenance.

RV Lot surveyed: RV lot is an asset. Ask for motion to have lot surveyed. Morris will then take survey and layout the lot more efficiently. Member comments: no real need for survey because the mountains limit what you can do with it. Member question; is every trailer in the lot a resident's? Answer: No outsiders, residents, owners or renters. They must register and then they get verified. Is there anyway to get RV lot better lighting, or gate it? Board member Keilman – three lights one on a pole we pay for, another is on garage could be updated, third light by T-mobile facility, they pay for. Should be replaced by larger light. Advise that we buy and purchase and upgrade, they pay for the operation. Automatic lighting? Do patrol at night is concerning. Just upgrade to better lights. *Motion by Bennett to have lot surveyed. Motion failed for lack of 2nd Motion by Keilman made to get 3 estimates to conduct a survey and continue with from there. 2nd Lee. Unanimous. Motion passed.*

Sign at Pool: Information received at an HOA industry seminar indicated that most liability lawsuits are from accidents at the pool. Advice was to put up signs saying No Glass, No Food, No Alcohol so it shows we are not complicit in alcohol usage. Doesn't mean that compliance or anyone is going to smell and check on what is in a container. Also recommended that we increase our liability at the pool. Currently have \$1,000,000 umbrella with a total of 2,000,000 per occurrence. Beyond that The Highlands pays. Can increase to 5,000,000 with a total of 6,000,000 in coverage at increase cost. Member comments: put up sign saying we are not negligent. When sign agreement at point of purchase is there anything that says we are not liable and covers some of this. Basically, two issues, the signage and liability if someone gets injured. Signs will be put up when they arrive. *Increase in liability tabled for now until more information.*

Facility accessibility for members: Has been brought up few times to have handicap accessible bathrooms at the clubhouse. Member provided some clarification of law provided in past from THI attorney: the ADA does not apply because an HOA community is private. Fair housing laws do apply. They do require HOA to make reasonable accommodations as long as they don't pose an undue financial burden on the HOA and the request is something that would benefit the individual making the request. Ask attorney McEvoy for clarification. President Bennett asked if there is interest in forming a committee to look into handicap accessible bathroom at clubhouse.

Member recalled having this topic addressed before and was decided wasn't going that way. Why coming up again? Member feels the reason we're going thru this is because it is up to everyone to try to accommodate all our members. Board member Rausch felt should form a committee to look into this. Board member Beck asked; How do we decide what is an undue burden? Can all be thinking about that questions. Ask for motion to form a committee to look into making changes for accessibility. *Motion by Lee to form a committee to look into handicap accessible bathroom. 2nd Beck. Unanimous. Motion passed.*

Agenda Meeting: Board member Mary Rausch explained how and why the change to eliminate agenda meetings was made. Board is working to be inline with standard business practices as it pertains to creating an agenda. Slight change for members. They now need to put requests for agenda items in writing and give to Board President, (Bennett), Board Secretary (Rausch) or at office by 2nd Wednesday of month, or ask a Board member to put topic on agenda, or request topic be put on future agenda during Open Forum.

All in One Project – President Craig Bennett and Board member Bernie Lee explained the Project. (copy can be found in office)

- This was precipitated by one of the heaters going down. Pump house is a problem. It is hard and dangerous to lift the heater over the existing plumbing. While taking out will have to pull one of the filters out. Floor is cracked and has holes. Piping needs to be redone. Tackle all at one.
- Shower at pool needs total refurbishing, Water has been left on. Water doesn't get hot. Have retiled, widen door to 42" for ease of use. Put new plumbing with auto-shut off and electric on-demand heater for energy savings.
- Replace tiles on top of peninsulas in pool. Pool was redone in 2014, but they were missed.
- Repair the patio off the clubhouse and between the pool where there are many cracks.
- While the heater is replaced the other things can be done so the pool would only be down for 5 days. . Have funds put away for heater in reserve plan.
- Board Treasurer Bob Beck stated: Assuming that costs are defined to be reserve plan maintenance activity, it was not listed this year and we would've spent a large sum this year. The fact that these monies are not planned, we would have to draw down reserve plan savings by a significant amount if bill is due this year. Will stress the reserve plan to the point where it may demand we have to increase our set aside. May demand increasing set aside in future years. Maybe some could be delayed until next year with more down time. Break down into smaller segments. Spend some of this next year.
- Board member Kent Hinds expressed concern that current heater that is put in is undersized. Could do this all for less money. Could cut the pipe and slide the new heater in or hire temporary workers to lift the heater. Pool runs fine the way it is. Can buy bags of concrete to fix the floor. Do have maintenance. Try to do some of this in-house. Agrees with shower, wheelchair accessible.
- *Motion made to take care of All-In-One-Project. Motion failed for lack of 2nd.*
- Further discussion was held on options to take pressure off the heaters.
- Board member Linc Keilman— is for most of these items. Don't understand the All in One Project. I Would be for breaking down into individual projects as we know where money will come from. Do so in order of approval, breaking down, study more closely
- President Bennett asked for explanation re: what is in there and what is needed right now to take care of bad heater.

Motion by Hinds to buy needed heater to have ready when current one goes out. 2nd by Beck. Unanimous Motion carried.

Open Forum

- Member concerned regarding the AC still being on and the swamp cooler not being used now that it is cooler. Board member Lee stated that Donato will be working on that so it can be used. Suggested that this be put on a maintenance schedule so will be done in early Fall so it is ready
- Member suggestion: Leaving the pool covered on bad days. Don't cover unless under 54 degrees, leave on longer. We may have to leave covered if don't get volunteers, Concern over covering during Holidays when there are so many families here. Have sign up for volunteers. Put something in Fling, may have to leave covered if don't get volunteers. Question from Board member Rausch regarding volunteer form to cover liability, does our insurance coverage cover this? Is there training available?
- Member had concern over security at night. Felt there should be a gate around the RV park. Member suggested getting a committee together to look into a gate and camera at entrance to The Highlands. Put something in Fling that we are considering it. Will be on next month's agenda.

Meeting Adjourned 1:00 p.m.

Motion by Craig Bennett to adjourn meeting. 2nd by Linc Keilman. Unanimous. Motion carried.

The Highlands, Inc.

OPEN BOARD MEETING

December 18, 2019

10:00 a.m. Clubhouse

Call to Order

Roll Call

Present: Craig Bennett, Mary Rausch, Kent Hinds, Bernie Lee, Linc Keilman, Bill Bohrer, Bob Beck

Absent: Morris Coville, Jamie Horst,

Pledge of Allegiance / Moment of Silence

Read Meeting Protocols

Revisions to Agenda

Approval of November minutes as posted: *Motion to approve made by Bohrer, seconded by Rausch.*

Unanimous. Motion passed.

(was noted by member that Bob Beck's name was left off of Present list)

Correspondence: 1 letter

Letter: Asking that CC&R's be changed to put specifics on support animal as to size and quantity. Also, question re: height of fence over 3'. **Response:** Owner with fence too high is been asked to lower. Compliance is following up this week. Can bring up CC&R suggestion in future, too late this year. Will have to be put up to a full vote of all members

Reports:

President - Craig Bennett

Pool cover volunteer form: Very necessary to cover during this time of year because of expenses. Legal counsel recommended waiver specific to covering and uncovering pool. All volunteers will have to sign before they can do the task.

OSHA: confirmed with counsel that we do have to be compliant with OSHA as far as safety is concerned for our employees

Underage residents: Attorney felt needed to be a letter direct from Board, if no reply he will become involved. Letter was sent yesterday and request was made for them to let the Board know what is going on.

Short term rentals: Confirmed with attorney that our CC&R's do have to be changed. Have to figure out best way to approach it taking into account all members and enforcement.

Surprise inspection by health department on the pool: no violations and no observations and it was the best inspection she has ever performed. It is being taken care of perfectly. Congratulations to maintenance crew.

Treasurer's – Bob Beck:

Notebook with reports and Treasurer's comments are in the office. First two pages are the profit and loss statement. Positive numbers are expected at end of year. Aging report: member accounts in arrears. Was higher last month. Invoicing to members last month worked. Most of arrears are from one account that is still in probate but expected to be completed soon. Another letter will go out this month to other arrear accounts. Report on committee for accounting service provider: Meetings available to all members. Committee has defined the services needed. Reviewing proposals from 3 companies. Committee will make recommendation by January.

Created subcommittee that worked on updating information of all members

Maintenance – Bernie Lee:

Swamp coolers are updated. Signs are up. Pool deck work has been rescheduled.

Compliance Bill Bohrer:

Doing weed inspection next week. Requested residents please spray. Things are looking good. Appreciate everyone's help in picking up and cleaning up. Call him anytime and they will try to help as much as can. Weed letters that went out this Fall the Board needs to talk about the procedure that was set up in 2018. We will try to follow that and will get straightened out.

Only need two more volunteers to complete what is needed for pool covering. Changed the times to uncover 11:30, cover at 5:00 while it is so cold. Not opening if high is below 65 degrees.

Contracts Kent Hinds: When street sweepers came through Kent made them come back through. They came back through at no charge. The more you do it the finish doesn't last as long. He will let Board know if he is suggesting a change.

Social committee – Cindy Bennett: Up and coming Christmas potluck next Wednesday, still can sign up. January 18, Pancake breakfast, January 25th there will be dinner and dance. Look at Fling next month. Social committee is looking to purchase new chairs. Next week will get a chair. Will be on stage. Requested members look at, sit on and give feedback.

Unfinished business:**Election Update: Linc Keilman**

Thanked crew that worked with him. Ballots went out in mail yesterday. 261 ballots processed. Carol Nadeau and Linc are working on documents on voting and election and creating a digital file so that next year it can be faster and streamlined. Working so that Board VP will be able to take those docs and hopefully be able to run election without a lot of outside help, other than stuffing envelopes.

Committee proposal for sign enhancement: Mike Cook

Established a committee of 9 people. Went to other 55+ communities to see how they presented themselves. One thing they found was that the signage at office building was for visitors and buyers. They came up with ideas from those observations: Very professional, warm, positive community image. Our existing sign seems to be outdated the map and red lettering overlay doesn't give a good image. Provided picture of present situation and possible changes, along with cost estimates. A great deal of improvement for very little money. President Bennett's preference is to let members see the proposal. It will be displayed in clubhouse for members to see. Tabled for this month.

Increase in liability coverage for pool: Treasurer Bob Beck

Found have 2,000,000 liability at pool. Can increase to 5,000,000 for an extra premium. Very little per household.

Member: the umbrella covers anything you can't even think about. Cost risk analysis. Question was what will our complete cost be.

Motion made by Rausch to increase coverage with Auto Owners Ins. to a max of 5,000,000 at annual premium as quoted, seconded by Beck. Unanimous. Motion passed.

Committee on accessible bathrooms – President Craig Bennett

There are 6 people signed up for committee. Have had first preliminary meeting with an individual who is handicapped. Have to have pricing and define the scope and depth of project. Member has friend that is an architect who is familiar to get drawings together, at no cost. Hoping to have this done by next month. Board member Bohrer has prior information can share with current committee.

RV lot survey quotes – Linc Keilman:

Have contacted several firms. Idea is to get RV lot surveyed so we know what we have before make changes. Has one quote, is waiting on another firm. One last firm he will be contacting. Hope by next month will have 2-3 quotes. Board member Lee has information he sent to Board member Coville to see if he can get CAD drawings done from it.

New Business:

2020 Budget – Treasurer Bob Beck:

Board has been working on over the last 3 weeks. Detailed budget is available to membership in the office. *Motion made by Keilman to accept 2020 Budget seconded by Hinds. Unanimous. Motion passed.*

THI Liquid Asset allocation – Treasurer Bob Beck:

THI has 4 accounts of liquid assets. One is the wash reserve. Don't know if there are legal restraints on the Wash reserve. Should find out what our limitations are. There are long-term and short-term components. 2019 first year The Highlands has ever had a legal expense fund. Checkbook is balanced throughout year. Treasurer wants to start year with lesser and then appropriately transfer will happen at year-end
Member: Grant/agreement that provided the Wash savings account is in the office and can be reviewed.
President Bennett stated: need to bring up as agenda item for people to get together to figure out how to resolve mud and water problem from Wash and what the Wash agreement is for.

Lighting updates in RV park – President Craig Bennett: Does the Board want to pursue updating the lighting in the RV park. Board member Lee stated he had contacted T mobile and they have a workorder to take care of their light. Board member Keilman stated the light on maintenance garage will be taken care of. Signage in lot states that THI is not responsible for property in lot. Member question: Does RV lease say same as sign – yes. *Tabling until we know what T mobile is doing and get garage light updated.*

Policy requesting rental information – President Craig Bennett:

According to THI attorney THI can create a policy but have to think about the consequences and enforcement. Require renters to go through the steps and go through the registration fees. Board member Keilman stated responsibility for information is the owners. The renters don't have to come to us. Enforcing will be the problem. If there are violations have to pursue. Discussion continued on THI options both in getting info, assessing fees, and enforcing. President Bennett requested that if want to address further for a member to please submit as new business item. *Tabled at this time.*

Open Forum:

Member: Wondering if have a privacy statement for information provide to office. Schwann's said he got info from office. THI provides no personal information to anyone.

Member: Police have been in park for non-solicitation. It is illegal in Oro Valley so police are very happy to help

Member: If homeowner if going to sell and get prospective buyer, do we have forms to submit to get approval to sell to that person? Does anyone have to let us know who and what age they are? Not something THI can do.

Member: Nighttime security. Have several trailers in people's yard, should be in lot. Give address to compliance.

Member: Concern over service animals not being prescribed Doctor. President Bennett confirmed that we do have the requirement and follow it.

Member: Did President Bennett find ADA file? He will look into, does not have it.

Meeting moved to Executive Session for employee reviews

Motion made by Keilman to adjourn, seconded by Lee. Unanimous. Motion passed.

Meeting adjourned 12:11 p.m.

The Highlands, Inc.

OPEN BOARD MEETING MINUTES FOR 2018

Note: Letters read at open board meetings are not identified in these minutes. Any owner may request a copy of any letter read at open board meetings.

THE HIGHLANDS, INC.

OPEN BOARD MEETING

JANUARY 17, 2018 @ 10:00 am CLUBHOUSE

Call to Order (please silence cell phones)

Roll Call: Pat Yurczyk ,Bernie Lee, Carol Hastings, Carole Alberda, Rich Staska, and Brenda Henderson

Absent: Bill Bohrer

Pledge of Allegiance

Moment of Silence

Additions to Agenda – No

Additions/Corrections to minutes of Open Board Meeting December10, 2018 – No

Correspondence – Brenda – 7 letters & 1 American Legion flyer

REPORTS:

President – Pat

1. Connie Rose to be recognized as assistance for the web site.
2. Announced Joanne Mauger as new employee for THI's Office Support position.
3. THI's no cash policy
4. THI's new directory will be done after February's election

Treasurer – Carol

1. Checking Acct. =\$23,028.69
2. Savings Acct. =\$122,248.63
3. CD wash Acct. =\$66,210.68
4. Money Markey =\$135,868.07 (Reserve Acct.)
5. Total of Year End Assests is \$306,304.92

Maintenance – Bernie

1. Gravel for areas of flag pole, pump house, & easement walkways \$3,401.15 of which

a resident would donate \$500.00

2. Tiles cleaned for spa & pool would be \$900.

3. Cost for new hot water heater \$800.00

Compliance – Bill (Pat read Bill's report)

1. Ten Improvement requests – 9 approved & 1 denied
2. Six compliance letters – all six complied
3. Three title lot measurements done

Social Committee – Jamie

1. Financial Report – Starting reserve acct Jan 2017=\$5532.39, 2017's event income =

\$21,348.57. Event expenses =\$18,521.78. Total profit 2017 = \$2,826.79

Starting reserve account 2018 = \$8,359.18. Event income \$625.00 with total expenses being

\$686.68. with a negative of \$61.68. Current Reserve Account is \$8,297.50

Jamie announced future events & also ask for volunteers to assist.

Unfinished Business :

1. Bernie – Pool Heater -\$2200 for new one verses \$949.53 to repair
Motion for discussion
Motion to vote on repair -Vote carried & will be repaired.
2. Clubhouse renovation – Jamie has contacted three vendors & awaiting their bids.
3. Remodel of clubhouse bathroom – Bill posted the plans in the clubhouse. He is
awaiting the bids at this time.
4. THI's Wash drainage- Bernie announced he is still waiting on engineer's report.
5. Title transfer fee – Brenda gave her report per info from 2 agencies. Made a motion for discussion. Motion denied and issue dropped.
6. Security camera system for clubhouse – Brenda read her reports covering cost and detailed info for the system. Topic was dropped and not pursued for the future.

7. THI's Monthly HOA's fee – Brenda justified the purpose of increasing monthly fee 10%,
which per By-Laws allows the Board to do without a vote. In consideration of our residents,
we open this topic for their comments. President stated the Board would not vote at this time;
however, vote will be taken when all Board members are present.
8. Review of THI's Financial report – Carol -Treasurer reported ending balance in December
for checking & savings =\$319,689.05 reserve, acct. receivable \$306,304.92, fixed assets
\$557,324.35, bottom line of cash and fixed assets \$870,340.75

New Business:

Bernie – Road repairs – placed on February's agenda meeting

Carole – Pet Policy update will be completed after January 20th

Jamie – Net replacement for ping pong table stated the Social committee will incur cost.

Pat – Introduction of candidates for annual election in February. Announced Tom Stevens will

chair election committee. Pat stated that we prefer that absentee ballots be returned to office by the deadline.

Comment Period: Several residents complained about pets. One resident's complaint of minors (absent resident) hanging out in clubhouse. A resident suggesting a neighborhood watch program for THI, and one resident praised the Board for numerous jobs performed.

Meeting Adjourned @ 11:22 am

Respectfully,

Brenda Henderson, Secretary

THE HIGHLANDS, INC.
ANNUAL OPEN BOARD MEETING
February 2, 2018
10:00 a.m. Clubhouse

Call to Order at 10:10 a.m.

Present: Pat Yurczyk, Bill Bohrer, Carol Hastings, Carole Alberda, Bernie Lee, Rich Staska

Absent: Brenda Henderson (there are presently only seven Directors)

In Attendance: Unavailable

Pledge of Allegiance
Moment of Silence

Pat announced four corrections to the minutes of the Open Board Meeting held on January 17, 2018:

- 1) The Board approved the repair of the old pool heater at \$949. It has been repaired and is in place.
- 2) The Board approved the request to purchase gravel for around the clubhouse and in the easements at a cost of \$2900.
- 3) The comments regarding our need for a Reserve Study was omitted.
- 4) The owner of the dog on Adirondack Street has been contacted and asked to keep his dog under control. There was a shock collar on the dog and the owner is building a fence to contain the dog.

Correspondence: Bill Bohrer

One letter was read regarding the buy-out of Joanie Mauger's contract with Account Temps. This issue should have been addressed at an Open Board Meeting; it does not qualify as an issue to be discussed at a closed meeting.

President's Report: Pat Yurczyk

- Last month there was an issue regarding young adult guests being in the pool room. The signs outside the clubhouse indicate the facilities are for "Residents and House Guests". The Board will make the rules clear with new signs at the entrances and in the pool room.
- The Board was contacted regarding the flag near the clubhouse not being properly lit. A brighter spotlight was installed, but the flag was still not very well lit. It was decided to remove the rope lights from the two trees near the flag allowing the spotlight to show up better.

Treasurer's Report: Carol Hastings

Carol presented written Profit and Loss Statements for 2017 and a proposed Budget for 2018. The total in our deposit accounts at this time is \$356,209. We do not have a Reserve Study at the present time. She indicated that some expenses have increased in the 2018 Budget but we should be able to stay within the numbers.

Compliance: Bill Bohrer

- Residents have been busy repainting, remodeling, etc. Everyone is doing a good job maintaining their property.
- Several new homes will be coming into the community soon. There have been no major issues.

Rich Staska

- Rich indicated that Compliance pre-measures for new homes and stakes are placed where the house should be located. The Board does not sign off until after the home is bolted down.
- Rich also announced that several residents have volunteered to clean the pool tiles saving the community \$900.

Maintenance and Contracts: Bernie Lee

- Waiting for two additional bids on filling the cracks and resealing the roads.
- Nothing to report on contracts.

Unfinished Business:

- 1) Clubhouse Renovation – The Board feel the scope of this project is too large for them to make a decision. They will be sending out a mailing for input from the residents. This will not be an official vote; just getting the thoughts from all residents. Pat thanked Jamie Horst and the committees who worked so hard on this project.
- 2) Handicapped Bathroom – Bill has gotten three bids ranging from \$27,000 to \$67,000. The middle bid of \$45,000 is the most sensible. He wants to add this project to the letter regarding the clubhouse renovation to see what the residents think. Our lawyer has stated we are not required to build a handicapped bathroom.
- 3) Raising HOA Monthly Fees – Originally the Board was going to table this issue. Pat received 26 e-mails regarding the issue; 20 against, 6 only if there is a special project we want to complete, zero for raising the dues. Bill motioned that the Board vote to maintain the fees at \$58 per month. The motion carried three to two.

Animal Policy: Carole Alberda

- There were 14 people at the meeting. The policy states reasonable accommodation shall be given to service or assistance animal per the Federal and State Laws. Requests must be submitted on letterhead of the doctor or a prescription form.
- Service Animals only will be allowed to accompany anyone staying in the RV area. The ADA Registration Card must be presented at registration.

New Business:

- 1) Election Results – There were 268 eligible voters; 90 votes required for a quota; 160 ballots were received making this a valid election. Craig Bennett 124 votes, Bill Bohrer 92 votes, Dan Wojdyla 100 votes, David Cruz 85 votes, Kent Hinds 74 votes. Craig, Bill and Dan are the new Directors. Pat thanked Tom Stevens and the election committee for their service.

Comment Period:

- Linc Keilman disagreed with the buy-out of Joanie's contract. This was not a proprietary issue; it was regarding a contract with Account Temps.

- Harold Haas requested that the Board consider reinstalling cable and wi-fi in the clubhouse.
- Carol Richards suggested we have a Parliamentarian to help the Board with Arizona Statutes, etc. She would also like to see continuity between outgoing and new Boards. Carol believes the office person should have property management experience.
- Carol Coville is new to the community and loves being here. She thanked the Board and other volunteers for a great job.
- Pat Yurczyk thanked the present and past Board members for their feedback and advice.

Adjourned at 11:00 a.m.

Respectfully submitted,

Dan Wojdyla, Secretary

Next Open Board Meeting will be March 21, 2018 at 10:00 a.m.

The Highlands Inc.

Board of Directors Executive Meeting

February 12, 2018 10:00am

Present: Craig Bennett, Carol Hastings, Rich Staska, David Cruz, Carole Alberda, BernieLee, Dan Wojdyla, Bill Bohrer, Kent Hinds

Meeting was called to order.

Craig introduced all Board members and the positions they hold including appointee Kent Hinds, Craig told Kent, he is assigned Contracts.

Craig said the reasons the meeting was called for, Clubhouse Renovation Survey, asked members if all had a chance to review it.

Dan W., Secretary, spoke about Brenda Henderson resigning from THI BOD as of February 2, 2018 after the Directional BOD meeting was adjourned. The minutes from BOD meeting held 2/5/18 didn't include the resignation of Brenda from the Board. Dan wanted to clarify at this meeting, if a correction was needed. Carol H. then mentioned that Brenda's resignation wasn't covered at 2/5/18 Board meeting, but covered and mentioned at today's Board meeting. All other Board members agreed to include the resignation within the minutes of today's meeting. Carol H. brought up resignation letters and where they may be kept on file. Carol H. asked Carole A. if she may know about a resignation file. Carole said we could call Pat Yurczyk, past President, about letters of resignation. Craig mentioned that Linc Keilman developed an Excel program with a chronological listing of Board members back to 2008. Indicating start and end dates of each member serving.

Dan spoke about the AZ Statutes of posting all BOD meetings, all future meetings, as well as this one, will be posted in advance of the meeting. Carole A. said to remember that our governing documents trump the state documents. She went

on to say that if our governing documents that tell us what to do and the State's are different, we have to abide by our documents. Dan explained that within our By-Laws that he didn't see anything that one can't post meeting notices. Craig said that these meetings were having are informational, not making decisions to spend money, to make changes to anything, were getting business done. Craig doesn't believe residents need to be here, because if we feel they should be here then we have to open the meeting. Dan added that if a meeting falls within 5 elements within the statutes, it can be a closed meeting, What Craig said, it doesn't fall under those statutes. Further discussion went on concerning issue.

Craig brought up the Clubhouse Renovation Survey, Bernie mentioned to leave out the Pool stuff for consideration. Craig was noting items to remove or add from Survey, "Note" at bottom of Survey, changes to pool area. Much discussion on what the total cost of renovation could be, so sentence at top of Survey; changed to add "up to" \$16,100 on 1st page, top paragraph and larger font. Discussion concerning how after Board makes changes to the Survey will be distributed including mailing out and, put in circular tubes to home owners. Craig went on to say that the Renovation Committee did reach out to have three bids, one bid being the \$16k, second bid was for \$40k range, and third bid request never responded back to the Renovation Committee. A decision to mail out the Survey to homeowners permanent mailing address with paid return envelope was made, and the BOD will conduct the tabulation of returned Surveys. Returned Surveys will be due back to the Highlands NLT 3/15/18.

Craig brought up the wash on the West side of the Highlands concerning its problems. Input from Rich S. gave the Board some background history of the wash, the developers putting in subdivisions on the west side, utility contractors, and past agreements to manage the wash. Rich also explained in detail past occurrences with cleaning the West wash and the bridge built by the Highlands. Discussion led to weather or not if Highlands, or the developers of the west side, have any further responsibility to correct the West side wash. Rich indicated the Highlands was grandfathered in regarding wash problems occurring with subdivisions and the Highlands. Rich advised we contact the developer about the safeguards the developer put in years ago for reducing runoff, that the safeguards

The Highlands Inc.

Board of Directors Emergency Meeting

February 28, 2018

Present: Craig Bennett, David Cruz, Carol Hastings, Dan Wojdyla, Bill Bohrer, Bernie Lee, Carole Alberda, Rich Staska, Kent Hinds.

Guests: Venise Gomez; GM Homes Direct, Max Gomez; Realtor, Sergio Pacheco & Felicia Farris; US Mobile Transports, Bentito; Excavating US Mobile Drainage.

In Attendance: 83

Meeting was called to order at 10:30am

Craig introduced guests attending meeting, BOD members introduced themselves. Craig went on to say that this meeting is an informational gathering situation, the board can ask questions of people presenting, the residents will not have that opportunity at this time. That time will be coming up in future meetings pertaining to this subject. Craig said the Flood Plain and Wash issues are ongoing, and we need to get this straightened out. He said we are gathering information to find resolutions to our Wash & Flood Plain issues.

Venise Gomez started the discussion with explaining the current situation facing THI. It concerned a lot on Kitittany where permits were needed thru Oro Valley, some how it ended up in the Flood Plain Dept., where in the past it always did go thru Flood Plain, but this time the approval got stuck in Flood Plain. After a city engineer decided that this site was in a 100 yr. flood plain. So, Oro Valley came back and wanted Homes Direct to then follow the usual flood plain requirements, which would cause the total height of the structure to exceed THI's CC&R's height limitations, not including, putting in a ramp if needed. Venise showed a map of THI and areas affected by the Flood Plain

study. The study would affect 147 spaces in The Highlands under this “Highlands Wash Basis Flood Plain study”. There were studies found from 2012, 2016, there is a letter from the town of Oro Valley flood plain to Pima county flood plain, requested Pima County to finish the wash basis study and commit the funds to finish the study. Pima County did not to commit to any findings found by Oro Valley Flood Plain engineers. Pima County did say that the local municipality rules over decisions concerning flood plains. Venise said the flood plain study requires THI residents to carry flood insurance, and the Highlands CC&R’s would have to be changed and voted on to reflect the change in overall height requirements. Venise asked Oro Valley flood plain reps if any of the newer building occurring around The Highlands affects the wash study, their reply was no, it has no affect. Venise said she made contact with the President of Manufactured Home Industry of Arizona (MHIA), had a meeting with MHIA along with another dealer that sells into The Highlands, and explains as to what is going on, so politically the President is ready to take action on our behalf to get whoever he needs to get as far as a politician involved to help mitigate this. Venise also spoke with the constituent representative for Oro Valley, Jessica Hind, who seemed more amicable about finding solutions concerning different housing heights, carports, value of homes.

Craig thanked Venise for her input and asked the Board if they had any questions to ask for our guests. Carole Alberda asked with the developments that have risen around The Highlands, could that have affected our current status?. Venise said that question was asked of the Storm Water Engineer, he’s claiming no, also asked Pima Co. and they said no. Venise plans to ask that same question among other items to the Flood Plain staff and the town of Oro Valley Direct Development. Bill Bohrer asked is this strictly thru Oro Valley or part of FEMA?. After listening to her explanation of the forum to fill out, it looks like Oro Valley imposed the flood plain study, not FEMA. Dan Wojdyla asked how long the flood plain study has been in effect, and is that thru Oro Valley?. Venise said it was from a 2012 Oro Valley study. Even though it’s a study, Oro Valley wants to impose the flood insurance, the higher footing placement of homes brought into the Highlands due to the reason of “life

safety". Rich Staska spoke of history of the washes within the Highlands, and what's occurred in the past, and current actions so the guests can have more insight to the Highlands and surrounding area. Rich also said that when they developed along the eastside wash, they had to install grass rolls to stop the runoff. They failed to maintain them, and have been in negligence ever since causing many problems in the Highlands. Carol Hastings asked if a mortgage company insists on flood insurance, can they get it thru FEMA at the reduced cost?. Her answer was they have not gone back to the lender and notified them of the property in question, is now in a flood plain study, because she wants to fight the permits first. Kent Hinds inquired that 27 luxury homes were going to be built near the Highlands and he's already getting dirt, debris into his backyard from the current homes that overlook his home in the Highlands. Venise went on to say that we need to settle this issue sooner than later so it's fresh in every one's mind. She said we have many supporters behind on this flood plain issue with Oro Valley.

Craig ended the meeting by saying the BOD will have meetings with government officials mentioned, and they will not be opened to the residents, the residents will be kept up to date with minutes taken at each meeting. If anything needs to be voted on, we will bring the vote to Highland residents. A subcommittee may be formed to take care of this business within our group, so when we have meetings we don't have to have all nine people. Meeting adjourned at 11:15am.

The Highlands Inc.

Board of Directors Emergency Meeting

March 1, 2018

Present: Craig Bennett, David Cruz, Carol Hastings, Dan Wojdyla, Bill Bohrer, Bernie Lee, Carole Alberda, Rich Staska (Kent Hinds,absent).

Guests: Venise Gomez; GM Homes Direct, Max Gomez; Realtor, Sergio Pacheco & Felicia Farris; US Mobile Transports, Bentito; Excavating US Mobile Drainage.

Representing Oro Valley: Paul Keesler Director of Community Development and Public Works, Jessica Hynd Constituent Services Coordinator, Justin Turner Storm Water Engineer

In Attendance: 62

Meeting was called to order at 10:36am

Guests were introduced, back and forth discussion was initiated by Venise Gomez stating current problem with obtaining a permit for new home on Kittatinny site and the desire to mitigate this situation for her current client (new Highlands resident) as well as any future new homes installed. She further stated the THWBS(The highlands Wash basin Study) has not been completed or adopted and permits should not be held to FB(Flood Plane) requirements. Doing this would cause undue difficulty to the new home owner raising the height from ground to three feet and would be out of compliance with THI(The Highlands Inc.) CC&R's. By raising that height would also increase pitch and a handicap ramp could not be installed in

accordance with OV(Oro Valley) requirements. This would also not allow for proper space for parking and require FEMA Flood Insurance. Keesler stated that OV only signs off on electrical and ingress/ egress issues the State regulates new permits. He further stated THI has had high wash issues since the 1990's. There is a 1% possibility of flooding in a Hundred Year Flood. Our wash does not have carrying capacity. Turner stated there are 147 homes that that could reach 1 to 3 feet of water. A map was provided showing that area. Rich Staska discussed responsibility of new developments to divert water flow since THI was established prior to town of OV and Grandfathered in and no flooding has occurred in THI. Rich also mentioned construction of the new Matterhorn bridge and also additional concrete and rock that THI has installed at North entrance to the wash to divert water flow along with brush removal, asking what else we could do. Keesler stated major construction of the undersized channel may be needed and THI needs to work with OV engineers on this matter. OV is acting on safety concerns in regards to THWBS treating THI as having a FP. Max Gomez asked OV if they could all find a way to move this issue forward for benefit of the community since the study has not been completed. Further discussion ensued about height measurement and State requirements. Keesler agreed to review the plan and permit application as he has not yet seen it to review the measurements for the new home. Rich also stated that while the wash has not flooded, homes on Mount Blanc receive sand that slides down mountain from new development each year for 5 years after notifying OV of problem. Keesler stating he has not heard of this problem in his six years as director and requested a letter on this separate matter to OV and they would review it. Craig proposed the OV Representatives take a golf cart ride to view the wash and also Mont

Blanc area so they can have a visual of area effected. Craig requested OV keep us informed on the progress so THI residents may also be notified. Dan requested FP map for THI records. Meeting adjourned at 11:33 am.

The Highlands, Inc.

OPEN BOARD MEETING

March 21, 2018

10:00 a.m. Clubhouse

AGENDA

Call to Order (Please Silence All Cell Phones)

Roll Call

Pledge of Allegiance

Moment of Silence

Additions to Agenda

Additions or corrections to the minutes as posted for 2/28, 3/1, 2018

Correspondence: Dan Wojdyla

Reports:

1. President – Craig Bennett
2. Vice President – David Cruz
3. Treasurer – Carol Hastings
4. Maintenance – Bernie Lee
5. Compliance – Bill Bohrer
6. Contracts – Kent Hinds
7. Social Committee – Jamie Horst/Cindy Bennett

Unfinished Business – None

New Business

1. Flood Plain Issues:

Bring in Attorney ASAP to give us directions

Find a licensed hydraulic engineer

2. Issues with OV over wash:

Establish a 3 person committee to deal with OV regarding flood plain and wash issues.

3. Verbal compliance issues must be followed by a written letter recapping the required correction to any problems and a copy put into the homeowners file to provide documentation

4. Results of Survey

5. Concrete repair issues around wash on E. Matterhorn St., remove dead debris in washes.

6. Rental Storage lot, charge more for RV's using electricity.

7. Establish a preventative maintenance plan (PMS) for THI.

8. Replace street signs, order more gravel to finish areas needing it.

9. Review Cleaning Contracts

Comment Period / Adjournment

The next Open Board Meeting, April 18, 2018, at 10:00am

The Highlands, Inc.

OPEN BOARD MEETING

March 21, 2018

10:00 a.m. Clubhouse

Call to Order

Present: Craig Bennett, David Cruz, Carol Hastings, Dan Wojdyla, Bernie Lee, Bill Bohrer, Carole Alberda, Rich Staska

Absent: Kent Hinds

In Attendance: 43

Dan read the minutes from the February 12th minutes, as posted. Brenda Henderson resigned from the Board effective 2/5/18. Kent Hinds was appointed and assigned Contracts. The primary topics at the two meetings were the Clubhouse Renovation Survey and Oro Valley's claim that The Highlands is in a flood plain. David noted one correction to the minutes – the Board voted to mail the surveys and some were hand delivered. David indicated for the record that once a Board votes on a decision, it cannot be over written by another Board member.

Pledge of Allegiance

Moment of Silence

One letter was read – regarding the Clubhouse Renovation not being necessary.

Reports:

Social Committee – Cindy Bennett

- We have had a great season with many successful events such as the Derby, Sock Hop, Potlucks, etc.
- Thursday, March 22 is the annual Art Exhibit, Sunday March 25 is an Ice Cream Social and Grill Your Own Meat will be held in April.

Linc Keilman requested that one item be added to the Agenda – A new ping pong table has been purchased for the Clubhouse at a cost of \$341. Would the Board be willing to split this cost with the Social Committee? The Board unanimously voted to reimburse the Social Committee \$170 toward the cost of the ping pong table.

New Business:

- 1) Flood Plain Issues – The Board has set up a committee to address the Flood Plain issues with the Town of Oro Valley. Carol Hastings, Carole Alberda and David Cruz are the committee members. Carol Hastings is the lead member and the only person allowed to speak on the subject. Carol has e-mailed several questions to the Town and is waiting for a response. Is the study complete? Isn't FEMA the only entity that can declare an area a flood plain?

Reports (continued):

Carol Hastings – Treasurer

Our total deposits in checking, savings, money market and CD accounts - \$351,192.39

Carol Richards questioned the \$80,000 wash fund, where is it in the total deposits. Laurie Hartman stated that the \$66,000 CD is the remainder of the wash fund. It is believed that Melcore originally provided \$25,000 to maintain the wash. Carol H. will research this.

New Business (continued):

- 2) Verbal Compliance Issues – When there is a verbal compliance issue, there is no paper trail; therefore, when compliance discusses an issue (such as weeds) with a resident a follow up letter will be sent and a copy placed in the file.
- 3) Results of the Clubhouse Renovation Survey – 279 surveys were sent out; 168 were returned. Of the 168, six were late; five were invalid and five were blank. The invalid ones were copies of the originals and the Board was not sure if people voted more than once. Of the 152 valid surveys, only 79 voted whether or not to spend \$16,000 for an architect to proceed with the renovation; 44 against and 35 for.
Bill Bohrer motioned that we drop the renovation project at this time. It appears that most residents are happy with the community as it is. Dan Wojdyla seconded. The motion was carried 4 to 3.
There were several comments from the residents for and against the survey. In general people believe it was a good idea to get input from residents regarding where they would like to see improvements.
- 4) Concrete Repair Issues in Washes – It was decided that we will wait for Carol Hastings to meet with the Town before anything is done in the washes. The Town indicated we must have a permit before making any repairs or changes to our washes. Laurie Hartman stated that other sub-divisions, which are not 55+ or manufactured homes, get assistance from the Town with their privately owned washes. Why not The Highlands?
Bernie stated that Donato will remove the debris from the washes.

At this point Bernie continued with the **Maintenance Report:**

- He is presently working on a preventive maintenance plan.
- The Shuffle Board Court must be recoated every year.
- He spoke with the cleaning people regarding some items.
- The truck has been taken in to have the driver's seat reupholstered.
- He is getting a price to have the carpets in the Clubhouse cleaned.
- Bernie has three bids for coating the streets and is waiting for one more.
- Bernie motioned that we spend an additional \$1652 for gravel. The motion carried unanimously.
- Bernie motioned we spend \$1713 to replace the street name signs. That amount is for the signs only. They will be installed by Donato and Bernie. The motion carried unanimously.

New Business (continued):

- 5) Increase the Charge for Overnight Visitors in the RV Lot – Carole Alberda noted that our income from overnight guests was \$1255 and our expenses were \$1000. This does not include those visitors using the showers in the Clubhouse, etc. Carole motioned that we increase the visitor rental fee from \$10 to \$20 per night. At one point, the discussion

strayed to residents who are using the RV lot for storage. Once we got back on track, the Board voted to increase the overnight guest fee to \$20 per night effective May 1, 2018.

- 6) Review Cleaning Contract – Kent Hinds is in charge of contracts. This was tabled until the next meeting.

Comment Period:

Laurie Hartman asked if the Reserve Study has been completed. We are working on it. Four people will be meeting next week.

Laurie also asked if an audit has been done yet. The CPA who was hired did a review of the books and will do our taxes. Some believed it has been years since an audit was done. We do not require an audit; only a review of the books. Upon checking old minutes, it was discovered that a review was completed in March 2016 by Damon Scondon (possibly hired from Account Temps) and the final report was very positive.

Brenda Henderson indicated that when she was on the Board we had an opportunity to sell the wash to Oro Valley. We do not believe they will take over the care of the wash.

Adjourned at 11:25 a.m.

Respectfully submitted,

Dan Wojdyla, Secretary

Next Open Board Meeting: April 18, 2018 at 10:00 a.m. in the Clubhouse.

The Highlands, Inc.

OPEN BOARD MEETING

April 18, 2018

10:00 a.m. Clubhouse

Call to Order

Present: Craig Bennett, David Cruz, Carol Hastings, Dan Wojdyla, Bill Bohrer, Rich Staska, Carole Alberda, Bernie Lee

Absent: Kent Hinds

In Attendance: 54

Pledge of Allegiance

Moment of Silence

No Additions to the Agenda

No corrections or additions to the Open Board Meeting Minutes as posted for March 21, 2018

One letter was read – Regarding lack of volunteers to help cover and uncover the pool during the winter months.

Reports:

Treasurer – Carol Hastings

Total bank balance in all accounts \$352,926

Maintenance – Bernie Lee

- The gravel has been delivered; it will be awhile before it will be installed.
- Received a price of \$250 to have the gravel moved with a machine.
- The light posts have been repainted.
- The street sign posts are in the process of being repainted.

Compliance – Bill Bohrer

- A weed inspection was completed on 3/27 and 17 reminders were sent out the following week.
- A second inspection for weeds will be completed next week.
- Three title company inspections were done and forms returned to the title company.
- Three compliance issues were handled.

Craig stated that the house on Kittatinny is within the height limit.

Social Committee – Jamie Horst

- There have been many successful events; two more are scheduled for April. There will be one last Jam Session in April. The reserve fund is currently at \$10,075. The Social

Committee supported the pool table fund and paid for half of the ping pong table.

Unfinished Business:

Rich has a map from Oro Valley showing all of the houses in the flood plain. We have not heard from them regarding fixing the concrete in the RV wash.

New Business:

- Carol H. moved to allow Bob Beck to chair a committee to develop a reserve study and hire someone to complete the study for up to \$2700. Three bids have been received. The motion was approved 5 to 2.
- It was suggested we change the name on our website from The Highlands MHP (mobile home park) to The Highlands Inc. at a cost of \$12 per year. Carried 6 to 1.
- Carole A. suggested no smoking should be allowed in the pool or hot tub area. We attempted to create a designated smoking area, but it is not working. State Law prohibits smoking within 20 feet of any entrance. The smoking area will be in the gazebo. Approved 6 to 1.
- The Highlands' Policies state that four letters should be sent regarding weed issues. This requires Compliance to do four inspections. The Board proposed sending one friendly letter including a list of vendors to clean up the weeds. After 15 days, a phone call will be made to inquire if the work has been scheduled. If not, a second letter will be sent giving the resident an additional 15 days. At that point, The Highlands will select a vendor to do the work, bill the home owner for the work and an administration fee of \$25 or \$50, (undetermined at this point). A lengthy discussion ensued. The new procedure was unanimously approved.
- David read a list of Protocols for Running a Board Meeting (see attached). Although most members agree that we have been using many of the protocols, the Board unanimously adopted the protocols and agreed that they will be posted on the walls prior to each Open Board Meeting.
- Bernie and Jerry Dennis presented a proposal regarding renovation and maintenance of the pool. It was to be completed in three phases, each costing between \$19,000 and \$23,000. Again, a lengthy discussion ensued. The Board ultimately decided (with a 4 to 3 vote) that a committee should do a complete study and Kent Hinds, who has been working on pools for many years, should be part of the committee.
- There was much discussion regarding a proposal to hold Board Meetings year round. In order to accomplish this, Article II, Section 3 of the By-Laws must be changed. Such change requires a vote of the membership. The Board voted 5 to 2 to table this issue until fall.
- At the March Open Board Meeting, the Board approved \$1700 to replace the street name signs. It was later suggested that volunteers repaint those signs which are cast metal and just replace those which are lesser quality. Bernie agreed to pursue the issue and get estimates for various scenarios. The Board unanimously agreed to negate the \$1700 approval until the issue has been restudied.

Bill Bohrer thanked Bob Beck for providing each Board Member with a binder containing all governing documents.

Comment Period:

- Jamie Horst suggested we put an article in The Fling reminding home owners that they must take the initiative to make sure their yards are cared for if they are away for any length of time..
- Bill Bohrer reminded all residents that Oro Valley has a “Dark House Policy” and it is free. The police will check your home weekly including walking around to make sure there are no water leaks, doors ajar, broken windows, etc.
- Carol Nadeau suggested that whenever the Board adopts a policy it should be written, dated and included in the Policy Manual. New Boards should read the policies which should improve continuity between Boards.
- Harold Haas thanked the Board and Social Committee for the new ping pong table.
- Linc Keilman advised that the “missing” organ was donated to the Social Committee but it took up too much room. It was sold on Craig’s list.
- Bob Beck invited all interested members to attend the Reserve Study meetings.

Dan Wojdyla moved that a second Maintenance Director be appointed to assist Bernie and ease his workload. He nominated David Cruz for this position. David agreed and the Board unanimously approved.

Bill Bohrer suggested that according to Highlands’ established procedures, all expenses over \$250 require three bids regardless of the reason for the expenditure. The Board unanimously approved.

Adjourned at 12:03 p.m.

Respectfully submitted,

Dan Wojdyla
Secretary

The Highlands, Inc.

OPEN BOARD MEETING

October 17, 2018

10:00 a.m. Clubhouse

Call to Order

Present: Craig Bennett, David Cruz, Carol Hastings, Dan Wojdyla, Bernie Lee, Kent Hinds, Rich Staska

Absent: Bill Bohrer, Carole Alberda

In Attendance: 27

Pledge of Allegiance

Moment of Silence

No Additions to the Agenda

No corrections or additions to the Open Board Meeting Minutes as posted for 4/18/2018

Four letters were read, 2 regarding weed compliance and utility trailer issue, 1 with questions concerning upgrades to the pool, and 1 addressing problems & actions on the RV bridge. Craig B. read Protocols of Board meetings.

Reports:

Treasurer – Carol Hastings

Bank Account totals: \$367,108.37. Carol updated the W. Wash & floodplain issues, contacted our Attorney and after his review, he states that unless the wash is designated as being in a “floodplain” we cannot be forced to remove the wash crossing by Oro Valley. No action needed. No response from Oro Valley as of yet. Carol Richards asked was an audit done?, Carol H. said a review was completed while conducting the tax return for 2017.

Reserve Planning Chairperson – Bob Beck

Eight volunteers met 5 times and various committee members had other working sessions. They did the following things: 1. Issued invite via Fling to any associate member wishing to attend Reserve Planning meetings. 2. Discussed and agreed upon what tasks will be. 3. Evaluated three proposals for reserve planning contractors, and selected a winning proposal. 4. Drafted a list of components. 5. Hosted a site inspection for the contractor. 6. Reviewed and commented on a draft report from contractor, with cost savings by volunteers and Donato labor. 7. Initial payment to contractor for draft report. 8. With final report from contractor, began final report for the Board. 9. Discussed how contractors report and committees to be made available to all members. 10. The plan involves full funding, regular increases due to inflation, scheduled rate increases every three years, 12% every 10 years. 11. Brief final report in Nov. 2018 at Open board. The Reserve Planning will be prepared to offer detailed report after next Open meeting.

President – Craig Bennett

A/C discussions for Nov. board meet, Develop CC&R's with cash penalties to adopt and adhere to. Concern about vehicles parked on properties without up to date tabs/LP's.

Vice President – David Cruz

Brought up five different options to raise revenue for The Highlands:

1. Revise Membership Fee, so each sale would generate money back to the Highlands.

2. RV Rental, resurvey RV lot to accommodate more rental spaces, and increase fee rental., 3. Clubhouse Rental, too low now to cover utility usage. 4. Renters Fees,

following state statutes would increase Highlands revenue in which we don't adopt to now. 5. Violation Fines, gave examples of fines multiplied over X amount of years.

Over these five items we as an association collected this money over the last 5 years we would have almost a quarter million dollars without interest. David said these figures are speculative, but even half would generate \$125,000. These monies would occur before any fees, or assessments. Also spoke of gifting to the Highlands. David went on to say that if we were capable of adopting these revenue options, we could be the best HOA in AZ.

David said these figures are speculative, but even half would generate \$125,000. These monies would occur before any fees, or assessments. Also spoke of gifting to the Highlands. David went on to say that if we were capable of adopting these revenue options, we could be the best HOA in AZ.

David said these figures are speculative, but even half would generate \$125,000. These monies would occur before any fees, or assessments. Also spoke of gifting to the Highlands. David went on to say that if we were capable of adopting these revenue options, we could be the best HOA in AZ.

Maintenance – Bernie Lee

Proposes changes to the CC&R's with a committee. Have the RV Lot surveyed so we know what the exact boundaries are so an increase in additional lot space rental could be provided. Road surfacing due, spoke of different applications with pricing ranging from \$38k to \$69k, saw an example of roads surfaced with "A5", 5yr guarantee, (\$69k), it looks much better than what we currently have. Craig asked if there is a better time of the year to do road project, Bernie said in the cooler months of the year. Other questions, statements from members concerning the RV Lot size to turn around larger RV's was mentioned. Linc Keilman mentioned that the center of the RV lot could now add parallel parking to offset the waiting list. Craig brought up reassigning RV lot spaces to help increase lot space for more units. Rich S. made a motion to add parallel parking in the center of the RV lot to accommodate waiting list, then go forward later with a survey of lot. Motion passed, six in favor of creating 6-7 spaces in the RV Lot.

The filing cabinet in office needs replacement, locking mechanism no longer working. 3 bids from \$271 to 282 from different merchants was received. Carol H. motioned that we purchase a file cabinet not to exceed \$282, motioned seconded, vote passed 6 in favor to purchase new locking file cabinet. Bernie received 3 cleaning contracts, explained what each company do each month/weekly, pricing from \$295 to 340, bonded and insured. David C. added that Board members should receive ahead of time, bid proposals. Bernie brought up pool deck renovation. Received 3 bids for this from (2) \$18k, (1) \$17k. Rich S. commented that with volunteers and Donato, the cost of refurbishing pool would be a lot less. Craig added that this renovation of the pool should be done by professionals and will be looked at for voting in Nov. board meeting. Dan W. asked how long the pool would be shut down, Bernie said no more than a week. Kent H. also added that a professional would be our best bet. Terry Wojdyla asked how long the warranty would last, Bernie said 2 years. Bernie went on to explain in detail how the Highland pool design isn't as compatible as newer construction design as per one

contractor bidding on pool resurfacing. Bob Beck brought up affordability issues, Bob asked the Treasurer about this adding that if the Highlands moves forward with the Reserve Plan, starting Jan '19, there will be \$193k in the reserve plan available for pool, road projects etc. Linc K. also was inquiring about reserve plan money. Carol H. reported that there is 35 to 40k in the checking acct. that isn't designated as part of the Reserve Plan. Carol H. went on to say that we have some available money to spend before the end of the year to take care of some of the issues presented, and we'll still start the Reserve fund with \$250k the first of the year. Craig motioned that we proceed with pool renovations as stated, not to exceed 18k, motion seconded, vote 5 in favor, 2 against. Bernie motioned to form committee for reviewing changes to CC&R's as needed. Motion seconded, David C. added that if any Board members are on any committee, that a spouse not be on the same committee. Vote 6 in favor, 1 against to form committee to evaluate CC&R's.

Compliance – Rich Staska

Stated we have a weed problem, Compliance will be going door to door about airborne weed taking over within the Park. Another report in Nov. concerning this weed problem due to more returning associate members and informing them as well.

Contracts – Kent Hinds

Cleaning contract due in December reviewing bid proposals. Others renewed for three years. Bernie mentioned all other contracts for the Highlands, are in the office for reviewing.

Social Committee – Jamie Horst

Jamie reported that the committee has ending balance of to start, \$8359.18 , income for 2018, \$19549.31, expense, \$17148.17, non-event expense, \$1722.38, which leaves us \$678.76 + new balance of \$9037.94 ending total. Made decisions on major purchases, decided that we would support the pool table, \$340 that came off of the Pancake breakfast. Split with the Highlands Ping Pong table, \$171.48. In Apr., committed to support the 4th of July fireworks, \$400. Rich S. put out a thank you to the SocCom for doing an excellent job of all events and they make this Park more livable. Rich also recommended that we contribute to every social committee event.

Unfinished Business – Street Signs

At the Mar. '18 Board meeting, the Board approved \$1700 to replace the street signs. It was later suggested that volunteers repaint those signs which are cast metal, and just replace those which are lesser quality. Bernie at that time agreed to pursue the issue and get estimates for various scenarios. The Board unanimously agreed to negate the \$1700 approval until the issue has been restudied. Board decided now to hold off any decision at this time pending further review.

President motioned to adjourn meeting, was seconded, adjourned at 11:47 am.
Respectfully submitted,
Dan Wojdyla, Secretary

The Highlands, Inc.

OPEN BOARD MEETING

Nov. 21, 2018

10:00 a.m. Clubhouse

Call to Order

In Attendance: 61

Roll Call: Craig Bennett, David Cruz, Carol Hastings, Bernie Lee, Bill Bohrer, Kent Hinds, Rich Staska, Dan Wojdyla. ABSENT: Carole Alberda

Pledge of Allegiance / Moment of Silence / Read BOD Meeting Protocols.

Additions to Agenda: Clubhouse A/C added per Craig 11/21/18, Dan W. commented, at the 3/21/18 Open board, a measure was motioned and carried 4-3, to drop the Survey renovation project at this time. Craig stated that he doesn't believe that is correct, members voted down that survey. Bill B. said that the A/C is something we can re-visit, Craig took count of Board members willing to talk about Clubhouse A/C, 5-2 in favor of discussing A/C in New Business.

Additions / Corrections to the minutes as posted for 10/17/18: An error was noticed in the voting of agenda items, for now, all voting will be tallied by a roll call, and in case of a tie, the Pres. will then be asked for vote input.

Correspondence: Dan W. - Thank you card, Giles Jackson family, 1 Letter concerning running of agenda and open board meetings, and pointing out that the current Board isn't complying with AZ Statutes governing Home Owners Associations. Also, the Board is required to report any and all expenditures, and amounts. Recently, THI office was painted, the spa pump was replaced, and monies were spent to hire a draftsman for the west wash. These examples were never noted for costs at the last two Open Boards

Reports:

1. President – Craig Bennett: No report
2. Treasurer – Carol Hastings: Bank Balances, checking: \$42,854.08, Savings: \$122,452.43, Money Mkt: \$136,094.56, CD \$66,513.80.
3. Maintenance – Bernie Lee: A new file cabinet was put in the office, appliance cord for kitchen fridge, janitorial supplies \$99, pool supplies \$265, Home Depot \$266.13, for truck, trailer and leaf blower.
4. Contracts – Kent Hinds: No contracts now, new ones in December.
5. Compliance – Bill Bohrer: Thank everyone coming back for the great jobs in their yards. 2 complaints received and a dealt with. Received 3 requests from land title companies to do our measurements. 5 requests for outside home improvements. Reminder to submit paperwork for request to changes to exteriors. Rich Staska: Realtors request that we measure when a home has a carport less than 5ft, then compliance writes down on a slip that it does not meet our rules, but it's grandfathered in, and whoever buys this unit is aware that they cannot add on, that they're already short. 2 notices like this occurred. Also, any vegetation growing beyond property lines needs to be removed.
6. Social Committee – Cindy Bennett: Everything has been going well, had a great Octoberfest, with a band, everyone enjoyed it, no complaints, heard a lot of positive things, booked the band for next year. The Thanksgiving potluck Wednesday, we'll have 5 people to cook the turkeys. SoCom needs volunteers, come and help out, you'll have fun and want to do more!

Unfinished Business – Reserve Plan- Bob Beck: Reserve Plan committee worked thru the summer. Nov. 28, 10 am, a meeting in the clubhouse for any questions, comments or concerns will be addressed in detail and the contractor for our reserve plan will meet with us to determine our future replacement needs. Bob provided handouts w/charts that summarized the reserve plan. Bob went on to say that full funding is more than 70%. Current \$316k, 193k needed for reserve funding. Reserve Fund assumes \$30k set aside for 2019,20. Reserve Fund assumes putting money in, & pulling \$ out as required. Having a plan puts us in better shape, and help to avoid special assessments. Plan takes into account any future raises per household, i.e. 2022 \$22 per household.

Street Signs - Bernie L.: 3 bids for all street signs, \$1713, \$3360,\$2779. Last March, the Board approved \$1700 for signs, and it was suggested that volunteers repaint those signs which are cast metal and replace those of lesser quality. Carol Richards suggested that Oro Valley makes their own street signs, check with them. Bernie motioned to table this decision to determine costs minus the cast metal signs, all voted unanimously to table, pending costs.

Contract cleaning – Bernie: Contract for cleaning ends 12/31/18. The bids received were; \$300, \$347, \$295, cleaning 1x a week, per month. Currently we're paying \$390 a month. Bernie suggested Jan-Pro for \$300 a month, they're a janitorial cleaning company, have insurance, 30 day cancellation, no penalty and Highlands provides cleaning supplies. Bill B. motioned that we vote on Jan-Pro, all voted unanimously to have Jan-Pro as our cleaning contractor for clubhouse, office.

Re-visit Pool Bid – Dan W.: Requested to rescind vote from last Open Board, 10/17/18, because Board members did not have the 3 bids in hand to fully review bid

proposals. After receiving bids, the bid voted on included grinding and joint expansion of pool decking, which wasn't a consideration with some Board members. Rich S., thought the vote was confusing without bid in hand, Bill B. (absent 10/17/18), said he wasn't contacted via phone to vote as he asked. Rich S. made objection about voting when a member wasn't contacted by phone to vote on items. Lengthy discussion followed with Bob Williams, Barb Mort, Bill Behrendsen, Colleen Nolan, Carol R., and Lash Walthridge, giving input to pool resurfacing project. Kent H. said it should be done by NLT February. Bill B. asked if Kent will help with bid. Dan W. motioned to rescind Pool Bid for 18k, Rich seconded, the vote: David C. yes, Carol H. yes, Bernie L. no, Bill B. yes, Rich S. yes, Kent H. yes, Dan W. yes. Total: 6 in favor, 1 against. At this point the pool bid has been rescinded. With that, Bill B. motioned to have Bernie, Kent, and Lash W. to work in agreement on new pool bid proposal before next Agenda meeting, motioned seconded, the vote was unanimously approved for a new pool proposal by next Agenda.

Street Sealing – David C / Bernie L: David said it was going to be tabled, but due to costs, the road sealing needs to be voted on, so it could be on the ballot for Feb. '19. Bernie addressed the bid proposals, 38k, 49k, and 69.9k. The 69k (Holbrook) bid is guaranteed for 5yrs, may get 7yrs, recommended by reserve planner. There was input, questions by members, Motion by Carol H. to go with Holbrook, motion seconded, the vote: unanimously approved for the Holbrook bid proposal, which will be on the member voting ballot.

RV Parking Lot Survey – Compliance: Bill B. said there are no further spaces in the RV lot because of wash & hill constraints. Making more spaces would make it difficult with larger units to turn around, backup. Bill added the RV lot wasn't designed to accommodate all members, it's a first come, first serve, with a waiting list for members. Rich S. added that he was against any survey, because the RV lot is surrounded by a tall bank, and the Highlands own to the top of the bank, and you can't park anything on the slopes. The only other space is where the cement culverts are, there's 3 spaces in front of those culverts. Even if they were removed, one couldn't rent back there with the spaces in front blocking entry/exit. Comment from Linc K., stated that the Board at the 10/17/18 Open Board, approved six in favor, to create 6-7 emergency spaces to offset the waiting list, and was wondering what happened to the approval. Rich S. acknowledged that approval occurred, and mentioned one could put in a couple of "slant" slots in the middle of the RV lot. Craig stated that a member, Morris Coville, has a computer program, but needs survey marks to complete design. Craig went on to say that members that have a unit back there, know how to back up their trailers/RV's. Carol R. spoke that Oro Valley has an aerial survey of the Highlands that is available for use. Craig asked Bill if there is any motion for or not, a survey?. Bill said he doesn't think we need a motion on this. Morris C. spoke again indicating if he had a survey to use, its possible to create more spaces in RV lot. Bill B. mentioned that some members interchange the vehicles they have within their RV space, from short to long, etc.. It would be difficult to come up with another configuration if that's the case. Rich S asked Morris if he could ask OV for the aerial and see if that would work?, Morris said he would. Bernie thought we should pursue re-designating lot spaces if its possible. Kent endorsed that we raise rental spaces before we waste any more time on it.

New Business – A/C in Clubhouse – Craig B.: Craig stated, there are 48% residents that live in Highlands year around. Dan W. asked a question, does that mean rentals or members?. Craig stated that renters use the clubhouse as do residents, and they pay to use it as well. A conversation about the Survey was also discussed again on this A/C matter. Craig then went to say that over the summer, attempts to have several potlucks within the clubhouse, but, due to heat conditions, it curtailed any get-togethers. The Resource Room wasn't much better when up to 20 people, and between the A/C and conversations going on, it wasn't very enjoyable. Craig compiled 3 bids for the clubhouse, 1. \$13,800, 2. \$19,200, 3. \$21,844. Craig asked George Tanner to investigate this, who has 30+years in HVAC, working with hospitals & universities. Craig asked him to look into reputable companies around Tucson. George's personal recommendation was the \$13.8K, which included: 5 ton, 14 seer gas unit, 2, 5 ton condensers, 2 coils, and other equipment. Would use existing electric & gas lines. The removal of the evaporator units & replace furnace was brought up and contested by some members to keep the evaporators, just maintain replacing the filters about 3-5 yrs. at about \$700 for both coolers. David C. motioned for \$13.8K A/C bid and keep evaporators. Carol H. seconded, the vote: David C., Carol H., Bernie L., Bill B., Kent H., voted yes, Dan W., Rich S., voted no. Motion to have A/C in clubhouse for \$13.8K passed 5-2.

Updating/Rearranging Library – Jane Force: presented proposal for 2 new chairs, new adj. shelving, new table with bids for shelving, bid reupholstery of old chairs, bids for new chairs, new table, mag rack. Total bid proposal would be for \$1600. David C motioned for \$1600 donation, Carol H., seconded. The vote: David C., Carol H., Bernie L., Dan W., voted yes, Bill B., Rich S., Kent H., voted no. Motion to donate \$1600 to Highlands Library for updating passed 4-3.

West Wash Crossing Update – Carol H: The latest development, received a letter from OV legal at the end of Oct. '18, told our attorney that in the future that, he would be communicating with the legal dept. of OV. Carol said that it's not over yet, but based on the attorneys advice, that we don't need to remove the West Wash Crossing. Craig thanked Carol and committee for sticking to it, great job!, applause from Board and members. Last item was pool cover, Bernie stated that they're in the shop. Bernie's concern was who was going to cover/uncover pool. Rich S. asked that a notice be put in the Fling for a new coordinator, volunteers, for completing this task. Dan W. asked Bernie for clarification on pool covers being thrown or not, because according to the Agenda meeting 10/10/18, the pool covers were thrown away. Bernie said they're all there.

Craig, in closing meeting added that trash pickup starting in December will be on Fridays until further notice. Dan W. asked for a motion to table remaining agenda items till Dec. meeting: Reading of Letters, Petty Cash issues, and Highlands Property removal. Motion carried and passed until Dec. Open Board meeting. Motion to adjourn meeting, seconded, Adjourned at 12:23pm, Respectfully Submitted, Dan Wojdyla, THI Secretary.

The Highlands, Inc.

OPEN BOARD MEETING

Dec. 19, 2018

10:00 a.m. Clubhouse

Call to Order

In Attendance: 37

Roll Call: Craig Bennett, David Cruz, Carol Hastings, Bernie Lee, Kent Hinds, Carole Alberda, Rich Staska, Dan Wojdyla, Bill Bohrer (via telephone).

Pledge of Allegiance / Moment of Silence / Read BOD Meeting Protocols.

Additions to Agenda: None

Additions / Corrections to the 11/21/2018 minutes: None

Correspondence: Dan W. read 4 letters, 1. Dated 11/15/18, concerning mini-light problems with trees around the Clubhouse and returning the spotlights to highlight the trees. Post lights along the N. side of the Clubhouse being intentionally turned off being a safety issue. 2. Letter (11/29/18), sent to No Worries Cleaning Services, termination of their services as of Dec. 31, 2018, by THI BOD. 3. A letter from Bill Bohrer, stating as a resident for 10 yrs., and a Board member for 4 yrs., feels that the majority of homeowners he's spoken with, and himself, feel there needn't be any major changes to the park and facilities within. Also against any raises in fees, dues, or fines, and our finances have proven to be in good shape. 4. Letter from THI office person, explaining the need for petty cash or a company credit card for office & maintenance use, instead of using their own funds and then getting reimbursed by THI.

Reports:

- President – Craig Bennett: No report
- Treasurer – Carol Hastings: Bank Balances, Checking: \$32,040, Savings: \$122,472, Money Market: \$136,123, CD: \$66,655.
- Maintenance – Bernie Lee: No report
- Compliance – Rich Staska: No major yard clean ups to report.
- Contracts – Kent Hinds: JaniPro will be our new cleaning contractor as of 1/1/2019.
- SoCom – Cindy Bennett: Mentioned the Xmas Parade w/golf carts was well attended by parade goers, and viewers with a gathering back at the Clubhouse. Spoke of upcoming events, Xmas Potluck and in need of volunteers for functions.

Unfinished Business – Reading of Letters – Dan W. brought up an issue of reading or not, of letters at Open Board meetings. David C. thought we should continue reading

letters, and answering back in a timely manner, questions that were asked within the letter submitted. Linc K. responded that letters should be read in full so people out there know about the concerns of other residents, and not to summarize letters. Cindy B. asked, should the name of the person writing the letter be announced publicly?. Dan W. responded that letters read, the name of the member is withheld out of privacy and respect to the member, unless the member in writing, requests their name to be read out loud. David C. asked that we vote on this, Craig spoke that we didn't need to vote on this, it's just an understanding.

Petty Cash issues – Dan W. read a letter from the Highlands office concerning spending issues amongst Highlands employees when doing their work. Petty Cash was discontinued back in 2015 within THI, and the gasoline credit card was no longer valid by the company issuing it. THI employees do get reimbursed for expenses, but feel it would be better to conduct business in a more fundamental way. Dan W. looked into our bank, Canyon Community Bank, THI has multiple accounts with Canyon, and being a Non-Profit organization, Dan inquired about obtaining a Non-Profit credit card thru Canyon Bank, which Canyon does handle, but its thru a third party source. Carol H. said she would look into this matter, but she feels so far, it's working fine.

Highlands Property Removal – Craig said that it would not be discussed today for a lack of information at this time.

Electronic Meeting Transmission – David was requesting a committee be formed to develop a way Board members could have meetings via telecommunication. A motion was passed, and a vote taken to establish a committee for this. All voted unanimously in favor to establish a committee.

Street Signs – Bernie wanted to table this till next meeting.

Review / Changes to CC&R's – Due to time restraints of meeting, Craig asked Bernie if he could review changes within ten minutes, Bernie said he'd give it a try. Craig added that these changes were pushed thru and recommendations, still have to be ok'd by THI attorney. Bernie then read of the changes, (in red), of CC&R's. There were varied discussions by the Board, and audience members concerning the proposed changes. Members will have the opportunity to vote for or against on all CC&R changes when they receive their ballots for voting.

RV Rental rate increase – David discussed he's thought of varied ways to bring in revenue to the Highlands. David went on to say that any Board members who have a rental space in the RV lot cannot participate in this discussion due to state statutes, they can only vote on it. David stated the amount of revenue the RV lot could bring in for THI. He indicated the amount outside RV p/lots charge are \$50 a mo., and you may need another person with you for transportation back. David was asking the Board to raise the fee so we have more money coming in to, so in the future we don't have a fee assessment on members. Many questions were raised by Board, and other members concerning this raise in fee and the types of RV/rental storage existing in the outside communities. Craig spoke that the proposal was made, we raise the rental rate at the RV park. Craig asked if anyone wants to second, Bernie seconded. A member asked "how much?", Craig said that's for next topic, are we going to increase it and by how much. More discussion was made on how much to charge, no conclusion was made on monetary increase. Craig suggested we raise it \$20 a month, David countered with \$35.

David then made the motion we increase the RV lot rate to \$35 a month. Craig asked for a second, no second of motion. No further action taken on RV rental increase.

Pool Sealing/Crack repair discussion – Craig said due to time restraints, this issue will be tabled till next month.

Reserve Planning Formalizing – Carol H. reviewed to all, the Reserve Planning project. Stated it's fully funded, recommendations, and request we adopt the Reserve Plan as outlined. Craig asked for a second, Bernie seconded motion, The Board vote was unanimously for adopting the Reserve Plan.

Craig said that was all of the Unfinished Business, any comments, Carol Nadeau spoke she was on the CC&R committee, and she was waiting for the Board to approve of CC&R changes before it went to our attorney. Dan W. brought up the CC&R issue, thinking that the Board was going to decide what to keep and not keep concerning the CC&R revisions. Craig said no, we're going to send it to the members, providing we can forward it to our attorney in a time before we send out the ballots.

New Business

New Pool Cover – On 12/03/18, after much back and forth discussion on pool covers, with Craig B., Dan W. was checking pricing, sizing we needed for a thermal pool cover to limit gas heating and overuse of our pool heaters. Dan W. found several companies thru Amazon, and Leslie's Pool. The best size and thickness, pricing, was thru Amazon, with a distributor called Sun2Solar, 30'x60', 12 Mil, for \$359.96. Dan purchased this item, and was delivered on Sat. the 8th of Dec.. On Dec. 10th, Donato and Bill B., Dan W. unrolled the cover and placed in the pool with the two side covers that we already had. At the Agenda meeting, board members were handed several pricings with sizes, thickness of thermal pool covers, and invoice with warranty of cover purchased. Dan W. motioned to have Board reimburse the monies back, Rich S. seconded, a vote was taken, Carol H., Bill B., Carole A., Rich S., Kent H., Dan W., voted in favor of reimbursement, David C., Bernie L., voted against reimbursement. Total: 6-2, in favor of reimbursement.

Publish THI Policy's – Tabled due to time restraints, as per Craig.

Appearance to Men's Bathroom – Tabled also.

Voting & Ballot procedures – Craig explained in detail, to all members attending, what to expect and instructions to follow when receiving ballot, completing and returning ballot.

Meet & Greet of Candidates – Craig announced that at the Kaffeeklatsch's, and any other social event the Highlands has, members attending will be able to meet with the candidates running. Craig encouraged all candidates to attend these social gatherings to meet with members for discussion.

Annual Open Board meeting - Craig explained that with all the info contained within the ballots, CC&R's, candidate selections, and then counting all voting selections, the Election committee would not be able to attend the meeting. With that said, the Annual Board meeting will be pushed back to 1:00 pm, instead of 10:00 am. Craig said this will be announced in the Fling, and posted on bulletin boards.

Speeding in the Highlands – Craig mentioned many complaints have been received concerning people speeding within the Highlands. Oro Valley PD, will be asked to increase patrols, maybe have a Speed display sign placed in a higher traffic area. Craig added safety is number one, seeing we don't have sidewalks. Also, if walking at night, wear light colored clothes, carry flashlight/blinking lights, anything that makes yourself visible. David C. added, walk against traffic. Walk on left side of roads.

Comment Period / Adjournment / Next Meetings: Agenda 1/9/19, Open 1/16/19
Respectfully Submitted.

Dan Wojdyla, THI Secretary

The Highlands, Inc.
OPEN BOARD MEETING
Dec. 19, 2018
10:00 a.m. Clubhouse
AGENDA

Call to Order (Please silence all phones)

Roll Call

Pledge of Allegiance / Moment of Silence / Read Protocols

Additions to Agenda

Additions or corrections to the minutes as posted for Nov. 21, 2018

Correspondence: Dan Wojdyla

REPORTS:

President – Craig Bennett

Vice Pres. – David Cruz

Treasurer – Carol Hastings

Maintenance – Bernie Lee

Compliance – Bill Bohrer, Carole Alberda, Rich Staska

Contracts – Kent Hinds

Social Committee – Cindy Bennett, Jamie Horst

Unfinished Business

- Reading of letters – Dan W.
- Petty cash issues – Dan W.
- Highlands property removal – Rich S.
- Electronic meeting transmission – David C.
- Street Signs – Bernie L.
- Review / Changes to CC&R's – Bernie L.
- RV Rental rate increase – David C.
- Pool Sealing/Crack repair discussion – Bill B./Bernie L.
- Reserve Plan Formalizing – Bob Beck

New Business

- New Pool Cover – Dan W.
- Publish THI Policy's on website – Dan W.
- Appearance to Men's Bathroom – Kent H.
- Explain voting & ballot procedures – Craig B.
- Announce a meet & greet of candidates – Craig B.
- Time change of Annual Open Board Meeting
- Speeding within the Highlands

Comment Period / Adjournment / Next Meetings: Agenda 1/9/19, OPEN:1/16/19

during the holidays visitors like to use the pool, can there be an exception during the holiday season to uncover at 65 degrees? Gary Wilkinson agreed that the pool will be uncovered at 65 during the holiday season. Next week they will be starting on re-shingling the maintenance roof. Then the following week the Pump pool house roof will be replaced. THI had a company, that the insurance company recommended, they quoted then wanted \$4000.00 more. THI obtained new quotes and came in under the original quote. They will put on a wooden roof rather than a corrugated roof. The wood roof will work best if THI decides to go solar to heat the pool. Also, THI will be placing security cameras to oversee the pool area and grounds. David Armstrong is working on getting cameras quote for the main entrance. Last board meeting task of getting the bathrooms remodeled. Went to City of Oro Valley, 18 items approved with no permit needed and is confident that THI can do the remodel for around \$19,000.00, without the showers being remodeled or removed.

Contracts- Sara Danville- Gelhaus: No Report.

Communications- Connie Rose: No Report.

Compliance- Chuck Ardingo: There will be an open house forum on the Rental Cap measure that is on the ballot. The forum will be Jan. 4th from 10-12:00. The rental cap is an easy way to manage rentals within the community and only impacts people buying in the community after the measure passes. It limits the rentals allowed. 144 votes are needed to pass the measure. Rich Vertel mentions that there are currently 16 rentals in the community. There were 5 approved HIRs for the month of November.

Security Chief: Linc Keilman: No issues other than the lights are not being turned off in the clubhouse. He reminded people to turn off the lights upon leaving the clubhouse.

Social Committee- Cindy Bennett: Golf meeting this Friday at 10:00 am. The golf cart parade has been canceled due to the weather. Potluck hosts are needed. There will be no January potluck unless we have a host. There is a signup sheet in the clubhouse for hosting potlucks. Karaoke sign up in the clubhouse. Jan. 27th, the Highlands Derby is back. There will be an article in the Fling, There will be country western night on March 12th. There will be a band and a food truck.

H.O.R.A.C Committee- Ron Weihl: Volunteers are needed. There will be an article in the Fling with upcoming events. On Tuesday, Jan 16th at 2:00 there will be a concert with Corey Spector. Tuesday, March 26th at 2:00, concert with Cochise County Allstars, food will be served at the event. Highlands Olympics are in the works for February. The committee has purchased a fire pit, it will be available within the next week or two at the clubhouse grounds. The Fire pit was purchased with H.O.R.A.C. funds and was approved by the Board in April. There will be sign-up sheet for Disc Golf. The next committee meeting will be Jan. 11th at 3:00 in the resource room, all are invited.

OLD BUSINESS:

Storm Water Management- Linc Keilman: The Town of Oro Valley will not be meeting in December. They have applied to FEMA for grant money and to take responsibility for the Big Wash. Chuck Ardingo will be presenting a letter to politicians requesting FEMA funding. The Highlands will need to grant the City of Oro Valley a utility easement, this can be placed on next year's ballot.