

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.