

HLR Board of Directors Meeting:
Sunday, 20 April 2008
Elfrida Community Center, Elfrida, AZ

Approved 14 June 2008
(Change from draft in red.)

Agenda and Meeting Minutes:

- Call to Order. (2:35PM) Board members attending included Pat Greene, Sue Browning, Jo Green, Eileen Ahearn and Jeff Shelton. HLR Property Owners in attendance included George and Sam Barton (43), Randy Pass (34), Dave Kelley (124), Russ Christopher (101/102/103), Joe Alberti (35/37/38), Alisa Cook (13/20A), Phyllis Cavanaugh (13/20A), Wanda and Harry Huffman (7), Wolf and Star Holt (20B), Gary Thomas (84/85) and Charlet LePard (98).

- Approval of 2/16/08 Board meeting minutes: approved.

- Treasurer's Report: The Board reviewed the status of HOA funds as of Mar 08, delinquent funds (\$1800 in over 60 days delinquent includes \$625 dues over 90 days delinquent (4 POs)), a bill for the cost of printing/mailings ISO the 2008 annual meeting, elections and minutes, and a bill for recent road maintenance (\$2K). Jo G agreed to contact delinquent POs.

Jeff S moved to approve the treasurer's report, Eileen A seconded the motion and the motion carried unanimously. Eileen A moved to repay Jo for the cost of printing/ mailing, Sue B seconded the motion, and the motion carried unanimously.

- President's Report: New item. Pat G, HLR President, shared his view that the key to success for our POA is consensus building and stated that the board will work to get member input. As an example, the creation of the Dispute Resolution Committee to assist us in working through issues will increase community understanding. He also stated that he would not be reading any of the informal forums which discuss HLR issues and encourages anyone desiring to communicate with the board to do so through the official webpage at <http://www.hlrpoa.com/index.html> or by email to Board@hlrpoa.com.

- Committee appointments. The board reviewed the names of the POs who have volunteered to serve on committees in 2008. The board will contact association volunteers for final committee assignments.

- Committee Reports/Recommendations:

- Architectural Review Committee (ARC):

----Lot 101/102/103 (Christopher): Fence and Carport. Joe A, speaking on behalf of the ARC committee, recommended and moved for approval of the request (and noted for the record that Russ Christopher did not vote on his own request). The ARC is IAW the CCR and no exception is required. Sue B seconded the motion the motion, and the motion carried unanimously.

----Lot 130 (Browning): Entranceway. Joe A, speaking on behalf of the ARC committee, recommended and moved for approval of the request. The ARC is IAW the CCR and no exception is required. Jo G seconded the motion the motion, and the motion carried unanimously by four board members (Note: Sue B abstained from voting on this motion.).

----other ARC items: Fast Track Procedures. The ARC committee recommended the POA adopt Fast Track procedures for non residential structures. After much discussion the board approved the Fast Track procedures. Since the meeting the ARC has withdrawn its

recommendation and asked the board to stop action of the new procedures until the next board meeting.

- Windmill: Dave K reported that the large water tank was full, the small tank no longer leaks, and the windmill is functioning properly. Many thanks to Bill Brown for his work to stop the small tank's leak.

- Conditions, Covenants, and Restrictions Committee (CCR): Russ C reported that the CCR committee will continue work on the CCR survey once new CCR committee members are set.

- Dispute Resolution Committee (DRC): Harry H was asked to chair the committee and has agreed. The board is working with other POs to set the team.

- Nominations: No report. New members to be set based on member volunteers.

-Old Business Action Items

- Allocation of Board Liaison Positions: Board liaisons to the committees were set as: ARC- Eileen A; CCR- Pat G; Windmill- Jeff S, DRC- Sue B, and Nominating- Jo G.

- Road maintenance contract. The board reviewed the proposed contract by Double F Contracting, Inc for regular ranch road maintenance. Sue B moved to accept the contract, Jeff S seconded the motion, and the motion carried unanimously.

- Roads Maintenance Assessment/Prioritization: Discussion deferred to a working session to be held on Sunday, 4 May at 3PM at 6463 Reata Pass (lot 126). POs are welcome to attend/participate. Eileen A moved to defer further discussion on the prioritization of road maintenance work for the road work session, Jo G seconded the motion, and the motion carried unanimously.

- Project: Ranch map- Postponed to next board meeting.

- Review POA Neighbors Corner procedures and caveats. Based on discussion/decision from the Feb 08 board meeting, the board reaffirmed its decision to post for sale/free/swap items and neighborly notices on the HLR website. Procedures for the new Neighbor's corner page will be published in the upcoming News Report and posted on the HLR web site (<http://www.hlrpoa.com/NeighborsCorner.html>). Jo G moved, Sue B seconded the motion, and the motion carried unanimously.

New Business Action Items

- Concerns by Alisa Cook (Lot 13) concerning the 2/16/08 Annual Meeting and whether we needed a quorum to approve the Annual budget. Per the HLR POA Bylaws (Articles VII and VIII), the board/treasurer establishes the annual budget and presents it to the POs at the annual meeting. No quorum by PO concerning the budget was/is required. The quorum at the annual meeting was only required for the election of the board of directors.

- Request for Arbitration by Alisa Cook (Lot 13). Alisa C requested the board agree to binding arbitration for \$10,000 in compensation for the association/board's disapproval of her plan to put a power pole within her property in violation with the HLR Electrical Plan. See below for the board's action.

- Review of Annual Minutes- Jo G pointed out that the wrong Beards were IDed as attending the meeting. Scott and Diane Beard should be reflected as attending POs instead of Dale and Susan Beard. Further discussion/review of the minutes was postponed until the next board meeting.

- Complaint received by Randy Pass/Lot 34: Ref lot 134. Randy Pass asked whether the structure on Lot 134 was in compliance with the CCR. See below for the board's action.
- Concerns by Cling/Peachey/Lot 26: ATV and Woodcutting. Randall Kling and Claire Peachey emailed the board requesting discussion/awareness to ensure property owners, guest and visitors respect the property of other HLR POs, and requested everyone's cooperation in respecting their desires to prohibit powered vehicles and wood cutting on their lot.
- Notification by Bell/Lot 62: Ref fallen road sign (Foothills). Barbara Bell informed the board of a fallen HLR road sign. Pat Green volunteered to fix the sign as required.
- Review/capture sustains/improves of Annual Meeting: Postponed to next board meeting.
- Other Announcement: none
- Next meeting: 14 June, 1100, Schiefflein Hall, Tombstone, AZ

Executive Session: At 5:15PM Jo G moved for the board to move into executive/closed session, Jeff S seconded the motion and the motion carried unanimously. At 5:40PM Jeff S moved to come out of closed session and resume the open board meeting, Jo G seconded the motion, and the motion carried unanimously.

Reopen Meeting: The meeting reopened at 5:45PM.

- Concerning Alisa Cook's request for binding arbitration for \$10,000. Eileen A moved the board seek non binding mediation, Jo G seconded the motion, and the motion carried unanimously.
- Concerning Randy Pass's complaint of lot 134. Jo G moved that the board should have Cadden send a letter to the new owner informing him that the property is not in standard compliance with the CCR due to its steel exterior, Jeff S seconded the motion, and the motion carried unanimously by four board members (Note: Sue B abstained from voting on this motion.).
- Concerning the Gray's (Lot 99) petition for approximately \$11,000 in upgrades to Rambling Road (letter sent to the association/board by the Gray's representative Mr Lake). Eileen A moved that the board defer the request to the newly formed Dispute Resolution Committee, Sue B seconded the motion, and the motion carried unanimously.

Call to Public:

- Alisa Cook (13/20A) raised issue on disposition of surplus funds. Board to address during next board meeting.
- Alisa Cook (13/20A) asked for more resolution on the treasure report.
- Charlet LePard (98) **asked** whether the HLR POA's CCR supported or interfered with green building techniques (**was not a challenge**).

Review of Action items.

- Jo G to contact delinquent POs.
- Jo G to add more resolution to the bi-monthly treasurer's report.
- Alisa Cook to email the board with the AZ Statue on the disposition of surplus funds.
- The Board to finalize committee members and contact appropriate POs.

- Eileen A to ask Cadden to send approval letters to the ARC request of Lot 101/102/103 (Christopher) for their fence and carport, and Lot 130 (Browning) for their entranceway.
- Eileen A to update the ARC matrix for posting and sharing with the ARC committee.
- Pat G to ask Cadden for any information on new State building regulations/statutes which may impact our HLR POA CCR.
- Eileen A to update board liaison duties and share with other board members prior to posting.
- Eileen A to mail road contract to Double F Contracting, Inc.
- Eileen to update/correct the posted Annual meeting minutes.
- Jo G to work with Double F Contracting for a third level of road grading/maintenance.
- Pat G to research mediation options, procedures and cost.
- Jo G to direct Cadden send a letter to the new owner informing him that the property is not in standard compliance with the CCR.
- The board/Pat G to defer the Gray's petition to the DRC.
- Pat G to inform the Gray's/their representative Mr Lake concerning the board's decision to defer their petition to the DRC.
- Eileen to draft/coordinate the minutes, news report and update the HLR PO website.

Adjourn: The meeting adjourned at 5:55PM.