

HIGH LONESOME RANCH ESTATES PROPERTY OWNERS ASSOCIATION
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Executive Session of HLR BOD
Final Minutes
September 17th at 6:00 pm at the American Legion in Tombstone, AZ

- Review and discussion of the board lawyer's answers to questions regarding grazing of cattle on HLR by a property owner who has an adjacent state grazing lease.

The board members in attendance were: Greg Briner - President, Bob Hritz - Vice President, Adele Crouch – Treasurer, Phyllis Cavanaugh – Secretary, and David Vlastic – Member-At-Large.

The meeting was called to order by Briner at 6:04. There was a review and discussion of the questions that had been compiled and sent to the lawyer regarding the grazing of cattle on HLR property by a property owner who also has an LLC that owns an adjacent state grazing lease.

The following is a statement from the board regarding this issue.

The Board of Directors of HLR has contacted the attorney and reviewed his answers regarding the grazing of cattle on HLR property by a property owner who owns an adjacent state lease. At this time, we are reserving the right to take action in the future if necessary.

There was also a question to the lawyer regarding the Declarant. The questions and answers about the Declarant are as follows:

Question: Since all lots have been sold (with one lot having been repossessed by the Declarant), is the Declarant still the Declarant?

Answer: The Declarant is the Declarant in name only. The Declarant has no developer powers any longer.

Question: Can we get rid of the Declarant? If so, how?

Answer: The Declarant is gone as a matter of law already. Section 6.2.2 extinguished the Declarant as a matter of law at the time that 75% of the lots were sold.

The meeting was concluded at 7:05 pm with no motions or actions taken.

Sincerely,

Phyllis Cavanaugh
Secretary, HLR BOD

**Final Minutes for September 17, 2013
Meeting of HLR Board of Directors
American Legion in Tombstone, AZ**

- **Call to Order:** President Briner at 7:09 pm

Board members present were: Greg Briner - President, Bob Hritz - Vice President, Adele Crouch – Treasurer, Phyllis Cavanaugh – Secretary, and David Vlastic – Member-At-Large.

Property Owners present were: Doug Crouch, Dave Kelley, Dennis LePard, George Barton, Barbara Brown, Bill Brown, Joel Levin, Roz Morrison, Wolf Holt, Moonstar Holt, Alisa Cook, Claire Peachey, Randy Kling, Joe Alberti, Jessamyn Snyder.

- **Pledge of Allegiance**
- **Review and approval of previous minutes** (All will be available for review on the website)
 - **August 13, 2013 BOD Meeting**
 - **Executive Session August 24-25, 2013** - e-mail meeting

motion to accept both sets of minutes as written was made by Cavanaugh with Vlastic seconding. All approved.

- **Annual Meeting Minutes March 9, 2013** submitted by prior Secretary, Eileen Ahearn. There was discussion of the March 9, 2013 Annual Meeting Minutes with changes recommended by Cavanaugh based on e-mails received from property owners by the board, and by Crouch based on her recollection of the events of the meeting. Some clarifying discussion by property owners was allowed by Briner.

Crouch motioned to accept changes to March 9, 2013 Annual Meeting Minutes as recommended. Vlastic made a second and all approved.

- **Reports of Officers and Committees**
 - **President's Report**

Briner stated that a summary of the executive session (held prior to this meeting) would be provided by the next meeting and that there was news regarding the Declarant that would be discussed during this meeting.

- **Secretary Report (Correspondence)**

Jessamyn Lane, Joe Alberti, Wolf Holt and Barb Brown regarding Annual Meeting Minutes of March, 2013. Grey Wolf regarding grading equipment for sale by Junior, and about keeping water in the trough, Gander about water in trough and the gate at Pecos Lane being closed again, Cindy Pass with correction of minutes of August 13, 2013 (website password was listed incorrectly, Joe Alberti about Ranch road conditions and about a Case Tractor for sale. Malone about being unable to get out of her property due to poor road conditions.

E-mail inquiry/survey:

Cavanaugh explained that an e-mail questionnaire was sent out to all property owners requesting an update on their contact information, if they wished to receive electronic or paper dues, and if they were willing to release contact information to other property owners. Those that did not respond were sent a paper questionnaire. At the time of the meeting approximately 36 e-mail responses were sent in and 5 paper responses.

- **Treasurer's Report – full report available on the website**

Delinquent Dues totaled \$8,389.69 and were down by \$413.40 from last month.

As a result of the mailing, Crouch found 4 property owner's with incorrect addresses and corrected those. She contacted property owners that were unaware they were delinquent from not receiving their dues notice. Crouch also sent letters to nine property owners who have delinquent dues asking for payment and suggesting a payment plan could be arranged if needed. Cavanaugh asked if any of the delinquencies could be considered noncollectable and a write off, Crouch thought not.

- **ARC Report – Joe Alberti**

Briner states that the existing members of the ARC committee have agreed to have Joe Alberti as the co-chair. Alberti reports that a member of the board must be a co-chair.

He also mentioned that state law had recently clarified when inspections were necessary by the board. The statute is ARS 33-1817. He stated that since our board does not require a deposit it frees us of the need for a full inspection. He suggests the final inspection could be a drive-by to make sure there is a general agreement. Crouch suggests we put this item on the agenda to review the procedures of the ARC and Cavanaugh asked if Alberti would write up a procedure for the board to review. He agreed.

- **CCR/Bylaw Report – Alisa Cook**

Cook put out a draft survey regarding the by-laws for the committee to review and hopes to send the survey out to all property owners by the first week of October with the goal of having recommendations on changes to the Bylaws to the board by the beginning of November.

The open discussion of the committee members is available for review by property owners on an open google forum. To join the forum, e-mail Cook at alisagcl@yahoo.com and she can add a property owner to review the discussion. Cook concluded by stating that the committee wants the bylaws to reflect the community that we want to create.

At this time, Briner asked if the committee could strike all reference to the Declarant in their recommendations. Cook requested the bylaws and CCRs in a Word document for editing purposes. Briner requested the ARR in Word as well. Crouch agreed to provide those as she has a program that converts PDF to Word.

- **Road Report - Briner**

We have received a revised road contract that ends at the end of the year to be consistent with our budget year. A thirty day out for both parties has been added. The road contractor (Frank Flanders) is also working on 2014 contract and he hopes to have it to us by the end of November/beginning of December.

We have a recommendation from the road committee to do a full grading as soon as possible. Briner said that Flanders would be starting, hopefully in a week.

Hritz asked if we can prioritize the road to Malone and Briner said that road will be first. Briner said her road was passable, but barely, and that he had been in contact with Malone and had visited her.

Crouch motion to accept the recommendation from the road committee to have full grading done as soon as possible. Vlasic seconded. All approved.

Discussion occurred about the roads. Cavanaugh expressed that the heavy monsoon season had demonstrated that our existing process had some problems, especially that we could not respond quickly if a road washed out. Some wanted an expert opinion (possibly provided by an engineer with no vested interest in the roads), others felt we had studied the roads long enough but had not spent enough money on them. No motions were made.

We did get an estimate from another contractor from Benson, Jim Browning, from the road committee, met him. Briner stated that the bid from this contractor was significantly higher than what we are paying with Flanders, almost double.

- **Windmill Report** (See full report on website.) Barbara Brown explained that the trough is shut off but full due to rain fall.

Old Business

- **Code of Conduct (Briner)**

Briner would like to edit the existing Code of Conduct and have it be front and center at every meeting. Cavanaugh suggested that the conduct of board members also be included in it, Briner agreed. In the discussion, it was stated that the language in the Code of Conduct is very negative and could be more respectful to property owners. An example was given to use “shall respect” instead of “must obey.”

- Review of road contract (Briner)

- **Cadden Phase Out**

- **Open an account** Briner has been in touch with the bank and was told all signers need to be there at the same time to open the account. It was decided that the signers (Briner, Crouch, Cavanaugh, Hritz) all meet this Friday at 5:30 to open the account. Cavanaugh will call Cadden about cutting a check for \$10,000 and Vlasic will pick it up in Sierra Vista.
- Crouch is working with a free on-line program for financials and it works well for statements. She has been using updated contact information from the survey to get the program set up.

- **Road Committee** – Crouch found that the “Duties” are listed as “draft” and need to be voted on. The road committee will review duties and report back at the board the next meeting for a vote.

- **Arizona Corporation Commission** – information needs updating (Cavanaugh). Cavanaugh has been in touch with Cadden and they have agreed to get the information updated. It has not been completed yet.

New Business

- **Trough** – Fill it for the wildlife (Wolf Holt)

Holt sent a letter to the board requesting the trough remain full for the beauty of it and for the wildlife. This letter is available on the website. He stated that the windmill and trough are a community property and should be running and full. It gets clogged with dried mud when it is shut off and is not attractive. Vlasic stated that the previous board action to close the trough was to prevent cattle from gathering there and interfering with travel through that area. All board members wanted to see the trough open and full but there was concern that cattle may become a problem. At this time, there has been little to no cattle activity at the trough even though it has been full.

During the discussion of the trough, Cavanaugh stated that the board order to close the trough last year was not done at an open meeting, but by an e-mail discussion without all board members involved. Crouch made a motion to turn on the trough and leave it alone. Cavanaugh seconded the motion. All in favor.

- **Return the Annual Meeting to January** (Adele Crouch)

There was discussion by board members and property owners but no motion was made.

Review of Action Items from Previous Meeting

- Addition of signature block to ARR for all property owners’ to sign. Crouch will get the ARR in a Word Doc for Briner to update.

- **Cadden Management Updates** (Hritz and Cavanaugh re: board training)
Cavanaugh was been in touch with Cadden about a possible date. Nothing definite yet.
- **Signs for Pecos Lane and Old Adobe** (Road Committee) Greg would like to table this until the next meeting. All agreed.
- **Sign Road Contract** – change dates from August to December to reflect fiscal year (Briner)
Done.
- **Call a Community Meeting** to discuss the option of purchasing equipment for road grading (Briner) Barton is going to get survey questions to board to send to all property owners about the option of purchasing equipment. Hritz is in discussion with our insurance company and believes we will need to bond anyone using equipment so they are covered. Barton will have date within one week for community meeting.
- **Updating of contact information** (Cavanaugh) See above.

Member Announcements

This is a time for informal announcements related to local events, happenings, messages of thanks, community and/or resident needs, etc. In general, ranch business will not be discussed during member announcements, but during the Call to Membership following the announcements.

- Alisa Cook is selling ticket October 12th Vintage Bisbee \$40. This event funds the Rotary Club of Bisbee and includes fine wines from around the world and samples of food from Bisbee's finest restaurants. The event will be in City Plaza from 4-7. Live music.
- Boys and Girls Club of Bisbee is looking for volunteers for Halloween Night. Over 700 people participated last year. Contact Alisa Cook at alisagc1@yahoo.com for more information.

Call to Membership

This is a time for association members/property owners to bring up concerns or requests related to ranch business. The items may be added to future agendas, work committees may be formed, or other action taken for future consideration. Discussions and motions/votes will only be considered at future meetings and not at the current meeting.

No Discussion.

The next meeting was set for October 15th Tuesday 7:00 pm at Adele Crouch's house.

Directions will be posted on the website and sent out to all property owners.

Crouch motion to adjourn Cavanaugh seconded. All agreed. Adjourned at 9:07