

LAKE MOOVALYA KEYS
Board of Director
Approved Meeting Minutes
September 11, 2017

CALL TO ORDER:

Vice President Mark Nicholls called the Regular Meeting of the Lake Moovalya Keys Board of Directors to order at 6:00 pm.

PRESENT:

| | | |
|---------------------|-------------------|---------------------|
| Vice President | Mark Nicholls | Lot 169 |
| Secretary/Treasurer | Kit Furnell | Lot 16 |
| | Kathy Northcutt | Lot 73 and Lot 102 |
| | Chuck Smith | Lot 103 and Lot 104 |
| | Jack Sweeney | Lot 197 |
| | Bill Manderscheid | Lot 228 |

OTHERS PRESENT:

| | | |
|--|-------------------|---------------------|
| General Manager/ Recording Secretary: | Heather Wilson | Lot 166 |
| Legal Counsel: | John C. Churchill | Lot 153 and Lot 154 |

ABSENT:

| | | |
|------------|----------------|-------------|
| President: | Tony Gaipa | Lot 118 |
| | Chuck Baker | Lot 116/117 |
| | Chris Chambers | Lot 164 |

GUESTS:

| | |
|----------------|-----------------------|
| Trish Wikoff | Lot 95 |
| Howard Wikoff | Lot 95 |
| Gary Hall | Lot 181 |
| Tamara Hall | Lot 181 |
| Steve Catlin | Lot 177 |
| Kim Harsch | Robert Gory Realty |
| Carla Faulkner | David Plunkett Realty |

CALL TO THE PUBLIC:

Community Bulletin Board

Mr. Catlin Lot 177 – 8939 Yaqui Loop asked the Board for approval to install a community bulletin board over by the mailboxes so that homeowners can post information.

Mr. Nicholls asked Mr. Catlin where would the bulletin board be installed and who is going to maintain it. Mr. Catlin suggested that it be installed on the wall over by the bicycle racks and that the General Manger maintains it.

CALL TO THE PUBLIC CONTINUED:

Community Bulletin Board Continued

Mr. Sweeney reported that we are not allowed at this time to install anything on the block wall that Mr. Catlin is referring to. Mr. Sweeney also stated that the Board is not allowed to discuss or disclose any information regarding that block wall.

Mr. Sweeney made a motion to not install the bulletin board, Mr. Manderscheid seconded the motion and the motion passed unanimously.

Brooke Water Reports

Mr. and Ms. Wikoff, homeowners of Lot 95 – 8830 Apache Loop asked the Board if the Moovalya Keys as a HOA is doing anything about the quality of water that Brooke Utilities is providing us.

Ms. Wikoff reported that they have been receiving notices in the mail from Brooke Utilities about the quality of their water and they are very concerned.

Mr. Manderscheid reported that there is nothing that we can do as an association that homeowners need to call the Arizona Corporate Commissioners Office **(602-542-4251)** and file their complaint on an individual basis.

Ms. Wilson suggested that all homeowners read all mail that they receive from Brooke Utilities to keep informed on the quality of Brooke Utilities’ water and the hazards of consuming the water.

MINUTES:

Mr. Sweeney made a motion to approve the July 2017 **Meeting Minutes**. Ms. Northcutt seconded the motion and the motion carried unanimously.

BOOKKEEPERS REPORT, PREPAID BILLS AND BILLS FOR APPROVAL:

Mr. Manderscheid made a motion to approve the July 2017 and August 2017 Bookkeepers Report, Prepaid Bills and Bills for approval. Ms. Furnell seconded the motion and the motion passed unanimously.

JULY & AUGUST PREPAID BILLS & BILLS FOR APPROVAL

| Date | Num | Name | Memo | Amount |
|-------------|------------|--|-----------------------------|---------------|
| 07/05/2017 | 7362 | Buckskin Fire Dept. Law Office of John C. | Usage fee for Board Meeting | 25.00 |
| 07/05/2017 | 7363 | Churchill | June HOA | 220.00 |
| | | " | June Bolton | 302.50 |
| 07/05/2017 | 7364 | Frontier | 667-2840 | 71.05 |
| | | " | 667-4484 | 68.61 |
| 07/05/2017 | 7365 | HD Supply | Warning tags | 96.83 |
| 07/07/2017 | DEBIT | MyFax Services | Virtual Fax Fee | 10.00 |
| 07/07/2017 | 7367 | Parker Tree Service | Trim 7 palms & 4 trees | 750.00 |
| 07/14/2017 | 7366 | Heather Wilson | GM Advance | 1,200.00 |
| | | " | Fuel | 100.00 |
| | | " | Recording Secy. Advance | 125.00 |
| 07/15/2017 | DEBIT | Republic Services | 3-0527-0040037 | 4,455.51 |

| | | | | |
|------------|-------|-------------------------------|-------------------------------------|------------------|
| 07/18/2017 | 7368 | Desert Dominion Security | July 4th | 1,016.00 |
| 07/19/2017 | 7369 | A & E Services | 2016 Bi-Annual Review | 2,075.00 |
| 07/22/2017 | DEBIT | Brooke Utilities, Inc. | 53017-11860 | 268.40 |
| 07/25/2017 | DEBIT | APS | 6276651000 | 144.26 |
| 07/25/2017 | DEBIT | APS | 6125100000 | 1,577.69 |
| 07/28/2017 | 7370 | Larry's Professional Painting | Paint Flag Pole | 250.00 |
| 07/31/2017 | 7371 | Heather Wilson | GM Balance | 1,200.00 |
| | | " | Fuel | 100.00 |
| | | " | Recording Secy. Balance | 125.00 |
| 07/31/2017 | 7372 | Otis Hall | July Groundskeeping | 750.00 |
| 07/31/2017 | 7373 | Sue Thomson | July Bookkeeping | 1,250.00 |
| | | " | Postage | 7.84 |
| 08/01/2017 | 7374 | DoorKing Inc. | Annual server subscription | 96.66 |
| 08/01/2017 | 7375 | Frontier | 667-2840 | 71.13 |
| | | " | 667-4484 | 68.69 |
| 08/01/2017 | 7376 | Davis Building Supply | Soaker hoses | 74.46 |
| 08/07/2017 | DEBIT | MyFax Services | Virtual Fax Fee | 10.00 |
| 08/09/2017 | 7377 | Patrick Porterfield | Anti-siphon irrigation valves | 92.10 |
| | | " | Labor to replace anti-siphon valves | 50.00 |
| 08/09/2017 | 7378 | CopperPoint Mutual | Worker's Comp installment 1 of 3 | 348.37 |
| | | " | Audit premium | 335.00 |
| 08/10/2017 | 7379 | Cintas | Backflow inspection, #OF35516498 | 130.00 |
| 08/14/2017 | DEBIT | Republic Services | 3-0527-0040037 | 3,663.10 |
| 08/15/2017 | 7380 | Heather Wilson | GM Advance | 1,200.00 |
| | | " | Fuel | 100.00 |
| | | " | Recording Secy. Advance | 125.00 |
| 08/15/2017 | 7381 | HD Supply | Citation stickers | 98.63 |
| 8/22/2017 | DEBIT | Brooke Utilities, Inc. | 53017-11860 | 263.70 |
| 08/23/2017 | DEBIT | APS | 6125100000 | 1,577.69 |
| 08/23/2017 | DEBIT | APS | 6276651000 | 123.61 |
| 08/29/2017 | 7382 | HD Supply | Parking passes | 129.10 |
| 08/31/2017 | 7383 | Heather Wilson | GM Balance | 1,200.00 |
| | | " | Fuel | 100.00 |
| | | " | Recording Secy. Balance | 125.00 |
| 08/31/2017 | 7384 | Otis Hall | August Groundskeeping | 750.00 |
| 08/31/2017 | 7385 | Sue Thomson | August Bookkeeping | 1,250.00 |
| | | " | Postage | 8.82 |
| | | | | 28,179.75 |

BILLS FOR APPROVAL

| | |
|---|----------|
| Law Office of John C. Churchill (July/HOA) | \$247.50 |
| Law Office of John C. Churchill (July/Hall) | \$247.50 |

FINANCIAL REPORTS:

Balance Sheet

Mr. Sweeney made a motion to approve the July 2017 **Balance Sheets**. Ms. Furnell seconded the motion and the motion carried unanimously.

Balance Sheet

Ms. Northcutt made a motion to approve the August 2017 **Balance Sheets**. Mr. Manderscheid seconded the motion and the motion carried unanimously.

Mr. Sweeney asked Ms. Wilson why does the balance sheet under rental deposits show fifty seven (57) rentals and on your rental report shows sixty-one (61) rentals.

Ms. Wilson reported that one (1) rental belongs to Vista Del Monumento Association and they are not required to have a rental deposit, Lot 52 on Apache Loop is not reflected on the balance sheet yet and we have two (2) long term rentals that are not required to pay a rental deposit.

Profit and Loss Report

Mr. Sweeney made a motion to approve the July 2017 **Profit and Loss Statement**. Ms. Furnell seconded the motion and the motion carried unanimously.

Ms. Furnell made a motion to approve the August 2017 **Profit and Loss Statement**. Mr. Manderscheid seconded the motion and the motion carried unanimously.

2016 Michael Bersch CPA Review Report

Bookkeeper Sue Thomson submitted to the Board the independent accountant's "Review Report" from Michael Bersch, CPA, and PLLC for Board approval.

Mr. Sweeney stated that the Board is required to hire an outside independent accounting firm to conduct a review of our financial and operational procedures so they can provide us with a "Review Report".

Mr. Sweeney reported that the "Review Report" from Michael Bersch, states that they had **no material modifications that needed to be made** to the 2016 financial statements in order for us to be in conformity with the accounting principles generally accepted under the American Institute of Certified Public Accountants. Mr. Sweeney stated that the "Review Report" is posted on the Moovalya Keys website.

Mr. Sweeney made a motion to approve Michael Bersch's "Review Report" dated July 15, 2017. Mr. Manderscheid seconded the motion and the motion passed unanimously.

GENERAL MANAGER'S REPORT

Ms. Northcutt made a motion to approve the July 2017 **General Manager's Report**. Mr. Smith seconded the motion and the motion carried unanimously.

Mr. Sweeney made a motion to approve the August 2017 **General Manager's Report**. Ms. Furnell seconded the motion and the motion carried unanimously.

OLD BUSINESS

Construction Progress Report

Ms. Wilson reported that we currently have eleven (11) lots in the Moovalya Keys that are under construction, varying from; new construction, garage additions, interior and exterior remodels. The Lots that are under construction are as follows: Lot 14, Lot 41, Lot 56, Lot 67, Lot 101, Lot 199, Lot 207, Lot 224, Lot 227, Lot 232 and Lot 234.

Lot 234 - 8998 Riverside Drive

Jack Sweeney reported that he received a sketch for Lot 234 - 8998 Riverside Drive and that the work has already started. Ms. Wilson reported that this property is across the canal from her and when she noticed what was taking place, she asked them for a construction deposit and a sketch that can be sent to the Board for their approval.

Mr. Sweeney reported that all homeowners receive a copy of our CCR's which clearly states that homeowners are **required** to obtain "Board" approval **prior** to starting construction of any building, fence, block wall or seawall, and they need to submit three (3) sets of plans to the Board accompanied with a \$750.00 deposit check.

Mr. Churchill reported that the CCR's states the any improvements, construction modifications, alterations, walls or sea walls, the property owner is to seek board approval prior to starting the work.

Mr. Sweeney reported that by looking at the sketch there is nothing that he can see that we would not approve and asked Ms. Wilson to get three (3) copies of the sketch and that he will go and look at the property and report back at the next meeting.

Lot 181 - 8801 Yaqui Loop

Mr. and Ms. Hall attended the Board meeting. Ms. Hall presented her statement in regards to their property that is out of compliance with the CCR's. Ms. Hall claimed that she was instructed by the General Manager to remove all decking, handrails, paint trim, remove old carpet, clean up weeds, remove all debris surround the property and paint the concrete surfaces on the canal side of their property. Ms. Hall stated that she has done all of the above except the painting of the concrete surfaces.

Ms. Hall then stated, that since the General Manager instructed them to remove the decking, landings and handrail, should a fire break out or if she needed to be medically transported out of her home she can no longer do that. Ms. Hall stated that she feels that the association is more concerned about the beautification of her home than her safety.

Ms. Hall also stated that if a fire should take place she would not be able to safely get out of our house because she only has one (1) exit at the back door that has a landing.

Mr. Sweeney reported that he walked the property with the homeowner and there has been some progress, but the Halls were instructed to **"repair or replace"** the decking and the handrails, **not "tear it down"**.

OLD BUSINESS CONTINUED

Lot 181 - 8801 Yaqui Loop Continued:

Ms. Furnell asked Mr. Sweeney, why is the La Paz County Building Department not involved. Mr. Sweeny stated that due to the County cut backs the Building Department is shorthanded and we have not been able to get the Building Department to respond to our request.

Mr. Sweeney stated that the property certainly does not meet the safety standards of the La Paz County Building Code and that the stairs and landing for the exit doors have been removed and they need to be replaced. Mr. Sweeney also stated that since the Halls chose to remove the decking and hand railing, they now have left the posts and they need be removed and that skirting needs to be installed around the entire mobile home.

Mr. Sweeny reported that at this point they do not have a safe exit from the house and that the Board never instructed them to remove anything, they were asked to repair or replace and that the Halls need to install new landings and stairs to all exits.

Mr. Nicholls, asked the Halls what are their plans to get the property up to code. Ms. Hall reported that she is working on getting bids.

Mrs. Hall then addressed the Board in regards to all of the hardships that they have personally endured over the past couple of years and that she was only made aware a few months ago about this issue and that she had not received the citations for failure to comply in the mail. Ms. Wilson reported that letters have been sent to the Hall as far back as November 18, 2015 and the latest letter was sent August 2, 2017 certified mail.

Mr. Manderscheid reported that the Halls have been given more than enough time to complete the work and that they need to comply.

Ms. Wilson reported that she has exhausted her efforts to get the Halls to comply and suggested to the Board that the Halls come to the Board meetings and report to the Board the progress of the work that is to be completed.

Mr. Churchill stated that the Board has the right to go on to the property and fix the property and file a lien on the property.

Mr. Nicholls told the Halls that we have had received numerous complaints from homeowners regarding the condition of their property.

Mr. Sweeney made a motion that the Halls comply with the CCR's and that they are to report back at the October 9, 2017 Board meeting with a progress report and that work is underway with a time table as to the actual completion of the repairs. Ms. Furnell seconded the motion, Mr. Manderscheid abstained the motion, and the motion passed.

OLD BUSINESS CONTINUED

Lot 181 - 8801 Yaqui Loop Continued:

Ms. Furnell asked if the Halls were going to still be responsible for the fines. Ms. Wilson reported that the Halls are still responsible for the Five Hundred Dollars (\$500.00) in fines and that she will hand deliver the Halls a copy of the citations that were already sent. Mr. Sweeney reported that at this time no additional citations will be issued to the Halls.

Brooke Utilities

Ms. Wilson reported that she has not been successful with Brooke Utilities in getting our clean-up bills paid from February and March. Ms. Wilson reported that she called numerous times and have sent them numerous emails and the last conversation that she had with them, they said that they will be resolving our request this week.

Mr. Wilson reported that we currently have three (3) water leaks one (1) on Yaqui Loop, One (1) on Moovalya Drive and one (1) Apache and that they have been leaking for months and still have not been repaired.

Mr. Sweeny requested that Ms. Wilson contact the Arizona Corporate Commissioner's office and report back at the next meeting.

Prospective Buyer's Package

Ms. Wilson reported that she has sent out eight (8) "Prospective Buyer's" packages, which upon the close of escrow the buyer pays a One Hundred Fifty (\$150.00) Prospective Buyer's fee to the Moovalya Keys. Ms. Wilson asked the Board if they would consider paying her Fifty Dollars (\$50.00) for each property that escrow.

Mr. Sweeney made a motion to pay Ms. Wilson Fifty (\$50.00) for each "Prospective Buyer's Package" that closes escrow. Kathy Northcutt seconded the motion was passed unanimously.

2018 Street Improvements

Ms. Wilson reported that T and C were still in Flagstaff on a project and were unable to attend the meeting.

Ms. Wilson reported that she is in the process in collecting bids for street striping and that she will report back at the next meeting.

NEW BUSINESS:

Hart Residence Email

Mr. Nicholls reported that the Board received an email from the homeowner of Lot 156 - 8898 Yaqui Loop regarding the night activity that takes place in our canals.

The homeowner stated that their dock has been hit multiple times and that their ski boat was also hit which caused damage to the ski boat.

The homeowner also stated they are concerned with the increase of the flow of water traffic and boaters motoring safely through our canals and was asking the Board if

there is anything that the Board can do about the boating activity that takes place in the canals,.

NEW BUSINESS CONTINUED:

Hart Residence Email Continued

Ms. Sweeney reported that the canals are a federal water way and we have no authority over a federal water way. Mr. Sweeney reported that his dock has been hit multiple times

Mr. Nicholls requested that Ms. Wilson follow-up with the homeowner regarding their email to let them know that the canals are a federal water way and that there is nothing that the association can do, and that we as a Board have the same concerns. Mr. Nicholls also stated that when it is possible the sheriff can be called if anyone witnesses property damage that is caused by a boater.

Lot 89 – 8731 Apache Loop Survey

Mr. Sweeney reported that the poles are clearly on our property according the survey that the homeowner provided. Mr. Sweeney reported that he requested that the homeowner get the property surveyed before the poles were installed not after and that the poles are two feet into the associations right away.

Mr. Sweeney stated that if that area is to be designated as no parking, then it means no parking for all.

Ms. Furnell stated that she would like to see that area a “No Parking” area.

Mr. Sweeney made a motion to have Mr. Churchill send a letter to the owner of Lot 89 stating that any poles that are on the association’s property are to be removed and that any poles that are installed on his property are to be approved by the Board prior to the poles being installed. Mr. Manderscheid seconded the motion and the motion passed.

EXECUTIVE SESSION:

6:55 Executive Session is now session

7:00 regular Meeting back in session

The next board meeting date is October 9, 2017

Meeting adjourned at 7:10 pm

Submitted by Recording Secretary, Heather Wilson