

LAKE MOOVALYA KEYS
Board of Directors
Approved Meeting Minutes
August 6, 2020

CALL TO ORDER:

Mr. Sweeney called the Board of Directors Meeting of the Lake Moovalya Keys to order at 6:00 pm.

PRESENT:

President	Jack Sweeney	Lot 197
Vice President	Kevin Auman	Lot 137
Secretary/Treasurer	Karen Gallio	Lot 1
	Kit Furnell	Lot 16
	Mark Volkoff	Lot 33
	Blane Coon	Lot 54
	Kathy Northcutt	Lot 73 and Lot 102
	Chuck Smith	Lot 103 and Lot 104
	Chris Chambers	Lot 164
	Chuck Baker	Lot 117
	Jack Sweeney	Lot 197

ZOOM: Bill Manderscheid Lot 228

ZOOM:

Rosemary Carlisle	Lot 110
Terry Brossmer	Lot 130
Jack Brossmer	Lot 130
Todd Martin	Lot 145
Randy Schram	Lot 147
Mark Nicholls	Lot 169
Scott Stokes	Lot 200
Sherry Homan	Lot 211
Scott Homan	Lot 212

ABSENT:

Legal Counsel: John C. Churchill Lot 153 and Lot 154

OTHERS PRESENT:

General Manager/
Recording Secretary: Heather Wilson Lot 166

GUESTS:

William Gallio	Lot 1
JoAnn VanAnrooy	Lot 30
Wayne Gordon	Lot 37 and Lot 38
Mike Krepistman	Lot 47
Lorri Krepistman	Lot 47
Vincent Graves	Lot 79
Kathi Graves	Lot 79
Hamish Bell	Lot 121
Lori Auman	Lot 137
Steve Catlin	Lot 177
Sandra Kjellberg	Lot 189
Bent Kjellberg	Lot 189

GUESTS CONTINUED: Sally Arnold Lot 191
Richard Arnold Lot 191
Derek Sabor Lot 211
David Plunkett Lot 219
Steve Habermann Lot 229
Kim Gory RGR

CALL TO THE PUBLIC:

David Plunkett requested that he be put on the October agenda to discuss the overflow parking lot.

BOARD OF DIRECTORS MEETING MINUTES:

Mr. Auman made a motion to approve the **July 2020 Board of Directors Meeting Minutes**. Mr. Coon seconded the motion and the motion carried unanimously.

FINANCIALS

Bookkeeper's Report, Prepaid Bills and Bills for Approval

Mr. Coon made a motion to approve the **July 2020 Bookkeepers Report, Prepaid Bills and Bills for Approval**. Mr. Baker seconded the motion and the motion carried unanimously.

PREPAID BILLS

07/07/2020	DEBIT	MyFax Services	Virtual Fax Fee	10.00
07/07/2020	DEBIT	Desert Dominion Security	July 4th holiday	660.40
07/07/2020	DEBIT	AZ Corporation Commission	Annual Report	10.00
07/08/2020	7773	NSC CPA's	2019 income tax returns	475.00
07/08/2020	7774	Arizona Department of Revenue	2019 tax	50.00
07/08/2020	7775	Law Office of John C. Churchill	5/28 - June	1,292.50
07/08/2020	7776	NetServeOnSite	Annual Web Maint.	480.00
07/08/2020	7777	Global Gate Controls, Inc.	15 remotes	228.70
07/09/2020	7778	SIGNCRAFT	6 signs/posts & installation	884.83
07/15/2020	DEBIT	Republic Services	3-0527-0040037	9,889.57
07/15/2020	7779	Heather Wilson	GM Advance	1,433.33
		"	Vehicle Allowance	100.00
		"	Recording Secy. Advance	125.00
07/15/2020	DEBIT	Desert Dominion Security	July 10-11	431.80
07/16/2020	DEBIT	Frontier	667-4484	105.76
07/16/2020	DEBIT	Frontier	667-2840	108.20
07/21/2020	DEBIT	Desert Dominion Security	July 17-18	431.80
07/22/2020	DEBIT	APS	6276651000	89.53
07/22/2020	DEBIT	APS	6125100000	1,636.22
07/28/2020	DEBIT	Desert Dominion Security	July 24 -25	431.80
07/31/2020	DEBIT	Brooke Utilities, Inc.	53017-11860	373.22
07/31/2020	7780	Heather Wilson	GM Balance	1,433.33
		"	Vehicle Allowance	100.00
		"	Recording Secy. Balance	125.00
07/31/2020	7781	Otis Hall	July Groundskeeping	800.00
07/31/2020	7782	Sue Thomson	July Bookkeeping	1,250.00
		"	Postage	9.90
		"	Checks & Deposit Slips	51.90

23,017.79

BILLS FOR APPROVAL

Otis Hall – Clean up for 5 extra dump days	\$ 250.00
Door King – Annual gate server maintenance fee	\$ 142.45
Cintas – Backflow inspection	\$ 155.00
Cintas – Backflow repairs	\$ 691.74
McIntosh Controls – Gate repairs	\$1,790.77

Balance Sheet

Mr. Smith made a motion to approve the **July 2020 Balance Sheet**.
Ms. Furnell seconded the motion and the motion carried unanimously.

Profit and Loss Statement

Mr. Smith made a motion to approve the **July 2020 Profit and Loss Report**. Mr. Auman seconded the motion and the motion carried unanimously.

OLD BUSINESS

Construction Progress Report

Ms. Wilson reported we currently have ten (10) projects under construction. Lot 14, Lot 25, Lot 56, Lot 67, Lot 101, Lot 117, Lot 123, Lot 208, Lot 227, Lot 231.

NEW BUSINESS:

2020-2021 Voting Results

Mr. Sweeney reported that the 2020-2021 voting results are posted on the website and they were also sent out in a community email.

Mr. Volkoff asked if the Board could announce and make it a matter of record the results of the Additional Insured/Interest voting ballot that was send out to the membership for voting.

Mr. Sweeny reported that the vote was; 60 Yes and 76 No, therefore it did not pass.

Lap Top Computer with Speaker

Mr. Sweeney reported that the Board is in the need of purchasing a laptop computer with speakers for the sole use of the Moovalya Keys Board of Directors Zoom meetings and made a motion to approve up to **Seven Hundred Fifty Dollars (\$750.00)** for the purchase of a lap top computer and speakers. Mr. Chambers seconded the motion and the motion passed unanimously.

Mr. Baker requested that we have an additional micro phone available for the members that are in attendance of the meeting and are wanting to speak, that it is very hard to hear when people are sitting in the back of the room. Ms. Wilson reported that the VFW does have a PA system that can be made available at the next Board meeting.

Mr. Auman reported that he will be making the purchase of the laptop computer and speakers and will report back at the next meeting.

Request for Review of Ballots

Mr. Sweeney reported that the Board has received a request from Jamie Holzhauer that the Board make copies of all of the ballots and mail them to her for her review.

NEW BUSINESS CONTINUED:

Request for Review of Ballots Continued

Ms. Wilson reported that our attorney John Churchill has responded back to Ms. Holzhauer.

Mr. Sweeney reported that Mr. Churchill's response was that we are not obligated to make copies of ballots and send them to Ms. Holzhauer for her own use, however we are obligated to allow Ms. Holzhauer review them.

Mr. Sweeney also reported that arrangements have been made for Ms. Holzhauer to review the ballots at Mr. Churchill's office with one of the Board members being present but we have not heard back from Ms. Holzhauer.

Letter to the Board regarding neighbors Lights

Mr. Sweeney reported that the Board has received a letter from Sally Arnold homeowner of Lot 191 on Yaqui Loop, claiming that the exterior lights on her neighbor's house that is across the canal from her is bothersome and is asking the Board to make a determination as to what can be done.

Mr. Sweeney reported that **Section 12.8 Lights** of our CCR's states; No spotlights, flood lights or other high intensity lighting shall be placed or utilized upon any lot which, in any manner will allow light to be directed or reflected on the Common Areas or any part thereof, or any other lot....

Mr. Sweeney reported that we all live in close quarters and that all of our properties have neighbors across from the canal from them and that they all have lights and that the lights at the property in question, is three houses down river on the opposite side of the canal from Ms. Arnold.

Ms. Arnold stated that she understands that people need to have their lights on, however in this particular situation the property owner's lights go on at 7:00 PM and do not go off until midnight and that she is unable to go out on her patio and enjoy herself until after midnight when the lights go off and that all she is asking if the homeowner could have the lights go off earlier.

Mr. Sweeney reported that the lights are basically 25-Watt bulbs on the dock side of the house, they are not spot lights nor are they high intensity lights, that they are simply lights with 25-Watt bulbs and he does not think the Board is in the position to regulate it.

Ms. Arnold reported that maybe the Board does not have the right to regulate it under **Section 12.8 Lights**, however can the Board do something about it under **"Section 12.6 Nuisances; No Owner or member shall permit or suffer anything to be done or kept about or within his Lot or on or about the Property, which will obstruct or interfere with the rights of other Owners, Members, Occupants or other authorized Persons to the use and enjoyment of their property and the Common Area..."**

Mr. Smith reported that in his opinion this is not a Board making decision that this is a neighbor vs neighbor issue that needs to be resolved between the property owners.

Mr. Sweeney presented photos to the Board that he took from his property that clearly shows the lighting at the property in question.

NEW BUSINESS CONTINUED:

Letter to the Board regarding neighbors Lights

Mr. Baker reported that the lights that are in the photo are cosmetic, they are not shining directly at Ms. Arnold's house, so they are not considered a nuisance and made a motion to **not** move forward with Ms. Arnold's request. Mr. Smith seconded the motion and the motion carried unanimously.

Towing Signage Compliance

Mr. Sweeney reported that the Board received a letter from Jamie Holzhauer homeowner of Lot 76 on Apache Loop notifying the Board that we are not in compliance with the A.R.S. 90-499.05(B) statute, which is the towing signage that is posted on the property. and that the Moovalya Keys needs to refund everyone's towing fees.

Mr. Sweeney stated that Board forwarded Ms. Holzhauer's letter to our attorney for a legal opinion and the legal opinion was that the statue that Ms. Holzhauer is referring to only applies to private properties that are located within cities and towns and that the Lake Moovalya Keys is not located within a city or a town and is instead located in unincorporated county land, therefore does not apply to the Moovalya Keys.

Mr. Sweeney made a motion to deny Ms. Holzhauer's protest and to **not** refund towing fees as she requested in her protest. Mr. Baker seconded the motion and the motion carried unanimously.

Ms. Arnold asked the Board what the contract time frame is with A Toe Truck. Ms. Wilson reported that there is no contract with A Toe Truck. Ms. Arnold wanted know why does A Toe Truck have the exclusive rights to tow in the Moovalya Keys. Ms. Wilson reported that we have two (2) tow companies in this area, A Toe Truck and Mark's Towing and Mark's Towing refuses to tow anything out of the Keys because in the past when his company towed someone out of the Keys they went on Facebook and posted unfavorable comments about his company and that it is not worth the reputation of his company.

Retroactive TIS Processing Fees – Protests

Mr. Sweeney reported that we have four (4) homeowners protesting their TIS Fees, Steve Habermann, Jamie Holzhauer, Dorae Pagano and Brant Looney

Jamie Holzhauer reported that she should not have to pay a \$25.00 TIS processing fee for her renter that checked in on Monday May 18, 2020 and checked out on Friday May 22, 2020, when Memorial Day is May 25, 2020.

Mr. Habermann reported that he does not have a problem paying the fees for his rentals starting June 1, 2020 but nothing prior to that date.

Mr. Volkoff suggested that for the small amount of money that these individuals are asking for would it not be in the Association's best interest to not charge a TIS fee for rentals prior to June 1, 2020.

Mr. Sweeney reported that back in April the Board agreed to enforce the Arizona statute that allows Associations to charge a \$25.00 processing fee and that a letter was sent out to the community stating that the TIS processing fee will be in effect starting Friday May 25, 2020.

Mr. Sweeney made a motion to **deny** the request to dismiss TIS fees for rentals arriving on May 25, 2020. Mr. Baker seconded the motion, Mark Volkoff opposed, the motion carried.

NEW BUSINESS CONTINUED:

Retroactive TIS Processing Fees – Protests Continued

Mr. Sweeney made a motion to **waive** the TIS fee for Ms. Holzhauer's renter that arrived on May 18, 2020 and departed on May 22, 2020. Mr. Chambers seconded the motion and the motion carried unanimously.

Mr. Sweeney made a motion to **waive** the TIS fee for Ms. Pagano's renter that arrived on May 18, 2020 and departed on May 22, 2020. Mr. Auman seconded the motion the motion carried unanimously.

Mr. Sweeney made a motion to **deny** Mr. Looney's request to waive a TIS processing due to the fact that his renter was a no show and that Mr. Looney did not notify Ms. Wilson until a month later. Mr. Coon seconded the motion and the motion carried unanimously.

Adoption of Secret Balloting Bylaw

Mr. Sweeney reported that a secret ballot is when there is no homeowner information on the ballot i.e. name and lot number and that this information is only on the return envelope not on the actual ballot in order to protect the privacy of who a homeowner votes for and for no other reason.

Ms. Gallio made a motion to change our By-Laws that allows the Association to adopt secret balloting. Mr. Auman seconded the motion and the motion carried unanimously.

Re-Formation of a Rental Committee

Mr. Sweeney reported that it has been recommended that the re-formation of a rental committee be considered and that a timeline for the proposed rental committee has been submitted by Mr. Volkoff to the Board.

Mr. Sweeney also reported that the issues at hand, that we as homeowners are dealing with are over booking, overcrowding, over parking, over use of the facility and lack of management and that the rental group needs to figure out what they are going to do to resolve these issues that homeowners are struggling with and these problems need to be resolved.

Mr. Sweeney stated that he has no problem with reforming the rental committee as long as there is progress because last year there was no progress.

Mr. Volkoff presented to the Board a rough draft of a timeline that outlines reaching out to the entire committee for input.

Mr. Volkoff also reported that when Mr. Sweeney announced that he welcomes input from the community, that Mr. Sweeney only received six (6) responses and that the rental committee will be reaching out to the entire community to get their feedback and once the feedback is received , then we can reach out to our legal attorney and ask if what were are proposing can actually be done and what type of rules can be put into place to hold the people accountable that break the rules.

Hamish Bell homeowner of Lot 121 on Papago Loop asked Mr. Volkoff who is on this rental committee. Mr. Volkoff stated that there currently is no rental group that has been formed and that he has suggested that two (2) Board members, one (1) Board member from the pro rental group and one (1) Board member from the non-rental group and that four (4) homeowners; two (2) from the pro rental group and two (2) from the non-rental group form the rental committee so that we can get input from both sides.

NEW BUSINESS CONTINUED:

Re-Formation of a Rental Committee

Christi Mae Ward reported that she sits on the fence when it comes to renting and that now that we have identified what some of the issues are, she feels that we should move forward with the re-formation of the rental committee.

Ms. Furnell reported that she has read Mr. Volkoff's proposal and she thanked him for putting the proposal together and that she likes the idea of the re-formation of the rental committee as Mr. Volkoff has outline in his proposal.

Ms. Furnell suggested they have closed meetings with the six (6) people on the rental committee only, so that they can actually discuss all of the suggestions and put together a presentation for the Board to review.

Ms. Furnell also suggested that any input from homeowners should be put in writing so that there is no discrepancy when it comes to a verbal suggestions or discussions.

Ms. Wilson asked the Board if they want her to post Mr. Volkoff's timeline on the website under the members only section of the website. Mr. Volkoff stated that once he updates and makes some changes to the proposed rental committee time lines, he will give Ms. Wilson something to post on the website under the members only section.

Mr. Sweeney reported that the Board is willing to move forward with the re-formation of the rental committee and that the rental committee needs to present their recommendations to the Board as to how we are going to deal with short term rentals, i.e.; over booking, overcrowding, over parking, over use of the facility and lack of management so that we have some control on it and that we are not going to go all year this year without coming up with something that we are going to vote on.

Mr. Volkoff reported that the intent of the rental committee is to reach out to as many people as they can to get their input and suggestions.

Review of the Association's Rules and Fines, Overflow Parking Lot Vehicle and Trailer Allowance/Limitations and the review and discussion of the CC&R's

Mr. Sweeney reported that these last agenda items basically fall under the same thing and that at this point we know that we need to make changes.

Mr. Auman made a motion that the Board seek the legal representation from Krupnik and Speas, who are HOA attorneys to review our CC&R's so that we can get some gray areas cleared up so that we can move forward with making changes. Mr. Volkoff seconded the motion and the motion carried unanimously.

EXECUTIVE SESSION

7:18 Executive session in now in session

7:25 Executive Session is out of session.

Mr. Sweeney adjourned the meeting at 7:30 PM

Next Board of Directors Meeting will be September 14, 2020 at the VFW on Riverside Drive.

Submitted by Recording Secretary, Heather Wilson