

LAKE MOOVALYA KEYS
Board of Directors
Approved Meeting Minutes
May 3, 2021

CALL TO ORDER:

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

PRESENT: VIA ZOOM

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
	Kathy Northcutt	Lot 73 and Lot 102
	Chuck Smith	Lot 103 and Lot 104
	Bill Manderscheid	Lot 228
	Chris Chambers	Lot 164
	Blane Coon	Lot 54

OTHERS PRESENT:

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

ABSENT:

None	Chuck Baker	Lot 117
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ZOOM GUESTS:

	Steve Green	Lot 12
	Laura Parkhouse	Lot 40
	Rosemary Carlisle	Lot 25 and Lot 110
	Tony Gaipa	Lot 118
	Hamish Bell	Lot 121
	Doug Kashuba	Lot 122
	Mark Panetta	Lot 130
	Linda Mitts	Lot 136
	Victoria Mitt	Lot 136
	Robert Colby	Lot 140
	Linda Deters	Lot 140
	Bill Woodward	Lot 148
	Bill Chiles	Lot 199
	Derek Sabor	Lot 211
	Scott Homan	Lot 212
	Dennis Smith	Lot 214
	Jerry Barbanell	Lot 216
	Mary Hamilton	

CALL TO THE PUBLIC:

Hamish Bell Homeowner of Lot 121 reported; The Rules Committee has worked very hard on putting together the proposed rule changes for quite some time now and he was under the impression that the proposed rules were going to be sent out to the membership for voting, but apparently this is not where we are at and questioned as to when the membership is going to have the opportunity to see the proposed rule changes and to have the opportunity to vote on them.

Mr. Sweeney reported; It was his understanding that Mr. Churchill had received the proposed rules from the Rental Review Committee and was going to come up with something that would be more palatable that we would be able to put forth as a vote to the membership, however he has not seen anything in writing.

Mr. Sweeney also reported; It was his intention for the Board to pass a motion at tonight’s meeting to move forward with the Rental’s Committee’s proposed rules.

APPROVAL OF BOARD OF DIRECTORS MEETING MINUTES:

Mr. Coon made a motion to approve the Board of Directors Meeting Minutes of **April 2021**. Mr. Volkoff seconded the motion and the motion carried unanimously.

FINANCIALS

Bookkeeper’s Report, Prepaid Bills and Bills for Approval

Mr. Manderscheid made a motion to approve the **April 2021 Bookkeepers Report, Prepaid Bills and Bills for Approval**. Mr. Chambers seconded the motion and the motion carried unanimously.

PREPAID BILLS

Date	Num	Name	Memo	Amount
04/06/2021	ACH	Desert Dominion Security	Easter weekend	355.60
04/07/2021	ACH	MyFax Services	Virtual Fax Fee	10.00
04/12/2021	ACH	Frontier	667-2840	113.35
04/12/2021	ACH	Frontier	667-4484	110.91
04/12/2021	7876	CopperPoint Mutual	5000017535	365.77
04/14/2021	ACH	Republic Services	3-0527-0040037	4,337.76
04/15/2021	7877	Heather Wilson	GM Advance	1,433.33
		“	Vehicle Allowance	100.00
		“	Recording Secy. Advance	125.00
04/15/2021	7878	Arizona Dept. of Revenue	120 V (2020)	50.00
04/15/2021	7879	NSC CPA’s	2020 Income Tax Returns	600.00
04/18/2021	7880	Patrick Porterfield	Lawn sprinkler & installation	40.29
04/19/2021	7881	Jack Sweeney	Camera Monitor /Amazon	219.50
04/21/2021	ACH	APS	6276651000	56.51

04/21/2021ACH	APS	6125100000	1,640.53
04/21/20217882	Postmaster	Stamps for Annual Meeting Pkts.	450.00
04/21/20217883	Patrick Porterfield	Emergency water pipe damage repair	200.00
04/27/2021ACH	EPCOR	0811061	255.55
04/27/20217884	McIntosh Controls, Inc.	Replace destroyed gate controller	4,360.39
04/27/20217884	McIntosh Controls, Inc.	Travel & labor to replace gate controller	575.00
04/30/20217885	Heather Wilson	GM Balance	1,433.33
	"	Vehicle Allowance	100.00
	"	Recording Secy. Balance	125.00
04/30/20217886	Otis Hall	April Groundskeeping	800.00
04/30/20217887	Sue Thomson	April Bookkeeping	1,250.00
	"	Postage	7.15
			\$19,114.97

BALANCE SHEET

Ms. Gallio made a motion to approve the **April 2021 Balance Sheet**. Mr. Manderscheid seconded the motion and the motion carried unanimously.

PROFIT AND LOSS STATEMENT

Mr. Chambers made a motion to approve the **April 2021 Profit and Loss Statement**. Mr. Smith seconded the motion and the motion carried unanimously.

OLD BUSINESS

Construction Progress Report

Mr. Sweeney reported; The May Construction Report has been sent out via email and we have seventeen (17) projects on the May Construction Report and they are Lot 13, Lot 14, Lot 25, Lot 42, Lot 67, Lot 75, Lot 76, Lot 83, Lot 101, Lot 123, Lot 176, Lot 181, Lot 200, Lot 208, Lot 226, Lot 227 and Lot 231.

Homeowners Annual Meeting Voting Packages in Mail

Mr. Sweeney reported; The "Voting Packages" were mailed out on April 30, 2021 and that several homeowners have already received their voting package.

Mr. Sweeney announced; Parker Accounting has been commissioned to receive and count all mailed in ballots as they come in and that Parker Accounting will also be attending the Annual Meeting to count the ballots that are hand delivered at the Annual Meeting.

Scott Homan homeowner of Lot 212 questioned the fact that Mr. Manderscheid's home is for sale and that he will probably be moving sometime in June, therefore should he still be allowed to be on the ballot.

Mr. Sweeney reported; He is aware that Mr. Manderscheid's property is for sale, however he is still a property owner up until the property closes escrow and he is no longer a homeowner, and until then Mr. Manderscheid has the right as a homeowner to run for the Board and if Mr. Manderscheid wants to reprove himself from the ballot that is Mr. Manderscheid's option.

NEW BUSINESS

Replacement of Exit Gate and Gate Motor

Ms. Wilson reported; The new gate motor has been ordered and will be installed this week and the new gate is being built and that her goal is to get the gate back into operation prior to the Memorial Day Weekend.

Ms. Wilson also stated; She has a claim filed with the drivers insurance carrier "Geico" and they have notified her that the driver does have the proper coverage and they understand it is a gated community and the importance in getting the gate back into operation and to move forward with the repairs and submit the repair invoices to Geico for reimbursement.

Replace section of Damaged Block Wall at Down River Boat Ramp

Mr. Sweeney reported; Someone has knocked over the block wall at the south launch ramp.

Mr. Wilson reported; A Tenant staying at 8913 Moovalya Drive hit the retaining block wall at the south boat ramp which has caused a considerable amount of damage to the retaining block wall.

Ms. Wilson also reported; She has spoken with the responsible person's insurance company; State Farm and she has opened a claim with them and that she is in the process of getting bids to repair the damage.

Ms. Wilson asked the Board if they would consider removing the damaged portion of the block wall so that the launch ramp can be used until we can get on the work schedule of the block wall company.

Ms. Gallio stated; She feels that we should keep the ramp closed until all repairs are complete for safety liability reasons and Mr. Sweeney was in agreement to keep the ramp closed until it is completely repaired.

Ms. Furnell suggested that we post a sign at the entrance gate letting people know that the south launch ramp is closed due to repairs, so that people are aware the south ramp is closed before they get all the way down to the ramp and have to turn around, because we all know that it is very difficult to turn around down at the south launch ramp and that she is willing to make the sign and post it.

Mr. Sweeney agreed that we need to post a sign at the gate making people aware that the south ramp is closed.

There was discussion amongst the Board in regards to possibly only allowing personal watercraft to use the ramps.

Mr. Sweeney stated; He feels that asking the members of the Association to limit their rights to use the launch ramp for personal watercraft only is a question that we would need to ask legal counsel, that the Board cannot just arbitrarily limit the use of the HOA launch ramp.

Mr. Sweeney asked Mr. Churchill for his input in regards to restricting our members access to community facilities.

NEW BUSINESS CONTINUED

Replace section of Damaged Block Wall at Down River Boat Ramp Continued

Mr. Churchill reported; He feels that would be very unwise and that we would probably cause an insurrection with the members and that he personally uses the launch ramp with his 30' pontoon and that he has to back it all the way down the street, which is an inconvenience, so are we now not going to allow people to back their boats down the street so that they can launch their boat.

Ms. Furnell suggested that we post a sign some where on Moovalya Drive notifying people that there is no turn around at the south end of Moovalya Drive.

Mr. Churchill reported; This is a much better suggestion rather than precluding people from using the ramp.

Dennis Smith homeowner of Lot 214 reported; He feels that with the combination of homeowners protecting their property and the HOA posting a posting a "No Turn Around" sign is a step in the right direction.

Mr. Sweeney reported; If we do post a "No Turn Around" sign that it needs to be posted on the down river side of Moovalya Drive.

Discussion and Possible Recommendation of Amendments to Associations Rules

Regarding:

Mr. Sweeney reported; The Board feels that we are ready to move forward with the Rules Committee proposed rules and that he was under the impression that we were going to have something to make a motion on at this meeting so that we can proceed with a special meeting to get the information out to the membership.

Mr. Churchill reported; He suggests that the Board use this meeting session to individually go over to the rules that are proposed to see if he Board wants to make any changes, additions or deletions and if the Board is happy with what they come up with at tonight's meeting, then the Board can recommend that the proposed rules be taken for a vote by the membership and adoption by the Board.

Mr. Churchill also stated; As we all know that the rules must be presented to the members prior to the meeting so that when the members attend the meeting, they are already aware of what is being proposed.

Mr. Churchill reported; Mr. Volkoff has done a wonderful job putting this together and after the April meeting Mr. Volkoff implemented a number of suggestions that I had made at the April meeting and resubmitted it back to me with his suggestions as to how to put this forward to the membership a little more coherently and it is my hope that we can go over everything at this meeting tonight so that the Board can decide if any changes need to be made.

Mr. Churchill stated; This is why the Agenda is so comprehensive so that no one can say that we did not put the entire membership on notice as to what the Board is planning on doing at the Board meeting.

Mr. Sweeney reported; The Board has been going over these rules for months and he was under the impression that the Board would be approving something in written form at this meeting so that it can be passed on to the membership for a special vote.

NEW BUSINESS CONTINUED

Discussion and Possible Recommendation of Amendments to Associations Rules Cont'd

Mr. Sweeney asked Mr. Volkoff if he had anything additional that he wanted to change on the proposed rules dated March 10, 2021.

Mr. Volkoff responded; No, he does not have anything additional and that he definitely wants to move things along quickly and his suggestion at this point is for Mr. Churchill take the adjusted rules that he sent to Mr. Churchill on April 7, 2021 after the April Board meeting and word them so that they can be voted on by the membership.

Mr. Volkoff also reported; Once we have the final written format from Mr. Churchill and with the approval from the Board, we post it on our website so as to give the membership the opportunity to review them and offer them their feedback and once that opportunity is given, we can move forward with putting them out to the entire membership for voting.

Mr. Churchill reported; Per our CC&R's as a Board you are required to give the membership of the Association the opportunity to review rules prior to sending them out to vote and once the membership of the Association has voted, the Board then votes to adopt the rules voted on by membership.

Mr. Churchill stated he would like to take this opportunity to go over each item with the Board and Ms. Wilson

Dennis Smith homeowner of Lot 214 thanked Mr. Sweeney for establishing the Rules Committee and that Mr. Volkoff has done a great job and that he has been part of this committee since December and he was under the impression that we were going to be looking at something in written form from Mr. Churchill at this meeting and he is disappointed that we are not able to see at least a draft of the rules that have been worked on by a committee of six or seven people since last July.

Dennis Smith also stated; He feels that this has dragged on and people have worked very hard on both sides and he does not understand why we do not have this information in front of us right now to look at.

Mr. Sweeney reported; We need to review everything right now so that we can finalize everything at tonight's meeting so that we can move forward with the proposed rules and not drag this on any longer.

Mr. Churchill reported; What actually happened is he initiated a drafting of the rules and then Mr. Volkoff thankfully took it upon himself to draft his own version of what he thought would work and he took a look of what Mr. Volkoff gave him and advised Mr. Volkoff that he has not had the opportunity to take the combination of both of their suggestions to the Board so that the Board can give their blessing on a final draft to present to the membership of the Association

Voting on each rule independently

Mr. Churchill reported; He suggests that we allow the membership to vote on each rule separately because he feels if we lump them all together it would not be favorable and that he would not want one thing that someone might object to stop the adoption of all of the rules and that Mr. Volkoff was in agreement with him because he too did not want to inadvertently not allow all of rules to not be adopted by the virtual of one rule not being desirable to a majority of the voters.

NEW BUSINESS CONTINUED

Discussion and Possible Recommendation of Amendments to Associations Rules Cont'd Voting on each rule independently Continued

Mr. Sweeney reported; The Board has no objection to voting on the rules independently.

Rule #1 Lot Owner Required Parking Spots

Mr. Churchill reported; This rule will require that each lot owner provide a minimum of three (3) parking spots and sufficient parking for guests and tenants to enable compliance with Association rules, including rules limiting the use of the overflow parking lot.

Mr. Churchill stated; His recommendation is to delete the requirement for the minimum of three (3) parking spots because his concern is there are many homeowners that are not able to provide three (3) parking spots, they may only be able to provide two parking spots, so his recommendation is that you use his language which is that each lot Owner shall provide sufficient parking for their guests and tenants so as to be in compliance with the Association rules and that would include the rules to limiting the parking in the overflow parking lot.

Mr. Sweeney reported; His thought on the three-parking spot rule would include the use of the garage for parking, as we all know a lot of the rental property do not allow their tenants access to their garage for parking. **The Board is in agreement with leaving the three-parking spot rule as written.**

Rule #2 Overflow Parking, Owner sticker, Guest Place cards A maximum 1 vehicle or 1 trailer or 1 vehicle connected to a trailer, per lot are allowed to park in the common areas or the overflow parking lot. **Board was in agreement to leave as written.**

Rule #3 7 Day Parking Rule in the overflow parking lot

Mr. Churchill reported that the way the rule is currently written is confusing and needs clarification. Ms. Wilson reported the way the rule is currently written, is that you can park in the overflow parking lot for seven days, pull it out and put it back in the lot overflow parking lot in another spot for another 7 days, why not just let them have 14 days so that I am not chasing and tracking vehicles around the property.

Mr. Sweeney reported that 14 consecutive days is extreme for temporary parking.

Mr. Auman reported; Seven days is a guest fourteen days is storage.

The Board agreed to allow 7 days consecutive days, then out for three days.

Rule #4 Local Management or contact to address issues

Mr. Churchill reported that he has no problem with the rule as written, that he would do a little polishing on the verbiage but he has no problem with the concept at all.

Mr. Sweeney stated; So that everyone understands, the rule proposes that each and every short-term rental that is not being occupied by an owner must have in place a local manager available to respond to complaints and issues.

Mr. Churchill reported; All property owners need to make themselves available or make a dually authorized local agent available to immediately respond to any concerns or problems that the Association is having with their property and that pertains to all owners, their guests or tenants.

NEW BUSINESS CONTINUED

Discussion and Possible Recommendation of Amendments to Associations Rules Cont'd

Rule #4 Local Management or contact to address issues Continued

Mr. Sweeney reported; It is not the General Managers job to manage rentals it is the job of the local management company hired to manage the property or the owner of the property and they need to be available to respond immediately to any issues that may arise concerning their property.

Ms. Gallio asked if we can put a response time limit as to when the owner or the owner's agent respond to a complaint or an issue taking place at their property.

Mr. Churchill responded; Every homeowner needs to make arrangements with someone that can be contacted immediately if there is a problem with their property, whether it be their house is on fire, a water leak, gunshots or what ever it maybe, the owner needs to be able to be contacted directly or give someone else to authority to do something about whatever the issue is immediately.

Mr. Sweeney reported that the Arizona State Statute requires a 45-minute response time, which is a reasonable amount of time.

Mr. Churchill said the rule as it is written, reads immediately and that should be sufficient.

Rule #5 – Noise and Nuisance

Mr. Churchill reported; He has no problem with how this rule is written and that he was going to do some polishing on the verbiage to make it clear as it is written in our CC&R's, that the human voice is a noise emitting device for purposes of the Nuisance statue and that he will be adding that language into the nuisance provision along with some other things. **Board agreed with Mr. Churchill's recommendation.**

Rule #6 Good Neighbor Policy

Mr. Churchill reported; He thinks it is an excellent idea to make this a rule along with the associated fines and that he will polish up on the wording to make it broader.

Mr. Churchill also reported; We should require that all homeowners put their tenants and guests on notice that nuisances are not going to be tolerated, nor is trespassing and that is why the "Trespassing Policy" is going to be a part of the "Good Neighbor Policy", which is going to hopefully become an Association rule with a fine, if voted in by the membership.

Mr. Churchill stated; The Moovalya Keys is a gated community and that alone should tell anybody when entering into a gated community that it is not the same as if you were out on the public street, that it is a gated community that is highly restricted with rules and it is our job to be sure that everyone is aware of our rules.

Mr. Volkoff reported; Currently as written, the fines associated with the "Good Neighbor Policy" are, when a homeowner fails to sign and return the "Good Neighbor Policy" or if the "Good Neighbor Policy" is not posted inside the property and those are only fines that we have in place as far as the "Good Neighbor Policy".

Mr. Sweeney reported; His concern is there is only a fine associated with the "Good Neighbor Policy" if you fail to post it in your house or if you fail to sign and return it, but what is the fine when someone fails to comply with the "Good Neighbor Policies" themselves, noncompliance of the "Good Neighbor Policies" should warrant a fine.

NEW BUSINESS CONTINUED

Discussion and Possible Recommendation of Amendments to Associations Rules Cont'd Rule #6 Good Neighbor Policy Continued

Mr. Volkoff reported; As the policy is currently written there are no fines for noncompliance of the "Good Neighbor Policies" and that we would need to do some research as to whether or not we can fine someone for trespassing.

Mr. Churchill reported; The way in which the "Good Neighbor Policy" is going to be worded is that the "Good Neighbor Policy" will have numerous things that are required by owners and their guests or their tenants. However, the only person that we can hold responsible for noncompliance of the "Good Neighbor Policy" is the property owner, so it will be incumbent on the property owner to make sure that their guests or tenants that are on their premise on their behalf, comply with the "Good Neighbor Policies" or the property owner will be fined.

Mr. Sweeney reported; He is concerned that there are no fines associated with failure to comply with the "Good Neighbor Policies" and he feels that there needs to be a fine when failing to comply with the "Good Neighbor Policies".

Mr. Churchill stated; He can certainly add the language that failure to comply with the "Good Neighbor Policies" shall constitute a violation of the rule which constitutes a fine and that he will make sure that the verbiage is clearly stated.

The entire Board agreed to proceed with a fine for non-compliance of the "Good Neighbor Policies".

Good Neighbor Policy Fines/Citations

Mr. Churchill questioned the fine structure; For example, when a homeowner is a repeat offender of the "Good Neighbor Policies" by breaking the same rule more than three times the maximum is \$250.00, what happens after they reach the maximum fine.

Mr. Volkoff reported; This fine structure is based on a calendar year, so basically after one year you will be granted a clean slate annually or a "re-set".

Mr. Sweeney asked the Board how they felt about giving homeowners that are repeat offenders of the "Good Neighbor Policies" a clean slate annually, when the whole point of the fines are to stop the homeowners that are repeat offenders not to give them a clean slate every year.

Mr. Sweeney suggested that once a repeat offender of the "Good Neighbor Policies" has reached the maximum fine limit of \$250.00, if the repeat offender goes a year without any offenses in regards to the "Good Neighbor Policies" then they will be granted a clean slate aka re-set.

The Board was in agreement to reset the homeowner that is a repeat offender, once they have gone an entire year without any offences in regards to the "Good Neighbor Policies" only.

Existing Rules

Mr. Sweeney reported; The Board has instructed Mr. Churchill to amend our existing rules so that they are in compliance with the current Arizona State Laws.

NEW BUSINESS CONTINUED

Continued Non-Compliance with the existing CCR'S

Mr. Sweeney reported; When we have homeowners purposely not complying with our CC&R's, he feels we should have a fine structure in place for noncompliance with the CC&Rs and currently the only recourse that we have is to file a complaint and he would like to see fines in place for those who violate the CC&R's.

Mr. Churchill asked Mr. Sweeney if there any particular CC&R's that he is referring to that he wants to address.

Mr. Sweeney reported; He feels at any point in time when a homeowner continues to violate the CC&R's and fails to comply after several notifications have been sent to the offending homeowner, that the homeowner should be fined at some point rather than having to take them to court over it.

Mr. Churchill reported that he does not believe that he can make something that broad, that we need to be more specific when it comes to the CC&R's.

Mr. Manderscheid asked how do we go about increasing the amount of our existing fines.

Mr. Churchill responded; Unfortunately, that would require that we adopt a rule that will allow us to change the amount of the fine.

Mr. Sweeney reported; The fine structure that Mr. Volkoff is proposing is for the "Good Neighbor Policies" only that they do not pertain to our existing fine structure and at this point in time he feels we need to leave our existing fine structure as it is.

Laura Parkhouse homeowner of Lot 40 reported; When it comes to fines, owners need to be notified immediately so that we can pass it on to renters.

Mr. Sweeney reported; Fines are to be addressed immediately and the homeowner is to be notified at the time when the violation has occurred or at the latest the very next morning by the General Manager.

Tenant Information Sheets

Mr. Chambers asked if Mr. Sweeney if we are going to revisit the Tenant information Sheets (TIS) and who is going to re-write them that they are pretty out dated.

Mr. Sweeney reported that he honestly feels that a TIS should be turned in anytime that someone is staying at your house when you are not on the property and that it is also very beneficial to homeowners as well to notify the General Manager when you are not going to be at your property, but you do have some else staying at your house with your permission.

Mr. Auman reported; By suppling a Tenant Information Sheet to the General Manager whether or not you pay a \$25.00 TIS processing fee is for the safety of the community so that we know who is on the property.

Mr. Churchill reported; He made that exact suggestion to Mr. Volkoff and that one of his recommended changes to Mr. Volkoff was about non owner occupants and the fact that Association should be noticed when they have a non-owner occupant and that Mr. Volkoff's response was, that would be invading someone's privacy, which may or may not be the case, but it would also be helpful information to put the Association on notice that a non-owner is occupying their home.

NEW BUSINESS CONTINUED

Tenant Information Sheets Continued

Mr. Churchill also reported; He has no problem with homeowners just notifying the General Manager via an email or a telephone call advising her of the non-owner occupants that are occupying their home when they are not on the premises and **not** necessarily requiring a homeowner to turn in a Tenant Information Sheet, due to the fact that they are guests (non-owner occupants) and not tenants and that the Association has the right to that knowledge, remember it is a gated community.

Mr. Sweeney stated; There is no better way to notify the General Manager of who is on your property by submitting a Tenant Information Sheet.

Mr. Churchill also reported; The Association can adopt a rule that any homeowner that misrepresents the people that are staying in their home to be family members and not renters should be fined.

In closing Mr. Sweeney announced that all of the rules and fines that have been discussed pertain to homeowners, their guests and their tenants.

Mr. Sweeney asked that Mr. Churchill submit the recommended changes to the Board as soon as possible so that they have time to review it and discuss it via email prior to the next Board Meeting.

Mr. Churchill requested that Ms. Wilson submit the meeting minutes to him as soon as possible so that he can use them as a guideline to put together the amendments and get them submitted to the Board for review prior to the June Board meeting so that they can be presented at the June Board meeting.

ANNOUNCEMENTS:

- Homeowners Annual Meeting – **June 5, 2021 – 8:00 am Registration**
- Location – **La Paz County Park – Don T Pavilion Building**

Executive Session not required.

Next Board of Directors Meeting will be in person on **June 7, 2021 at 6:00 pm** at the **La Paz County Sheriff Boating and Safety Center on Riverside Drive.**