

DREAMING SUMMIT HOMEOWNERS ASSOCIATION

P.O. BOX 25466

TEMPE, ARIZONA 85285

480-820-3451

Tuesday, August 22, 2017

Open HOA Board Meeting Minutes

Dreaming Summit Elementary School – Media Center

Homeowners: 14

I. Call to Order at 7:32 PM. The meeting was properly noticed and a quorum present.

**Present: Directors: Walter Flynn, Robert Nicholson, Mary Hunter, Caren Bailey
Kinney Management Services, Deborah Hryb
Deputy Hale – Countywide Security
Deputy Russ – Countywide Security
Chris Rix – Board Consultant**

II. Review and Approve Opening Meeting Minutes

July 25, 2017 Open HOA Board Meeting Minutes

Motion was made and seconded to approve the July 25, 2017, Open HOA Board Meeting Minutes as true and accurate and approved with a unanimous vote.

III. Board Vacancy Appointment

Motion was made and seconded to appoint Todd Jakubowski to the Board to fulfill the vacancy until the Annual Meeting in February 2018 and approved with a unanimous vote.

IV. HOA Business –

A. Old Business

i. Administrative

Ratify Emergency Action by Board President

Motion was made and seconded to ratify and approve the emergency repair/replacement of approximately 50 sq. ft. of common wall at Bethany Home Road and 132nd Drive by BKB Painting in the sum of \$1,975 to be paid from Reserves and approved with a unanimous vote.

Adopt "Leases and Out-of-State Owners" Rule

The board tabled adoption to the September meeting to allow the Association's Attorney to draft two distinct rules: residential use and registration to include precise County Ordinance, State Statute and CC&R provisions as instructed by board consultant, Chris Rix.

B. Common Areas

i. Park Replacement Signage

The Board tabled this matter to the September meeting to allow KMS to assess the useful life of the 13 brown signs and obtain two (2) additional bids for review and consideration.

V. New Business

A. Administrative

i. Meeting Postcard Format

The Board discussed state statute requirements concerning notice of meeting in closed session and advance notice requirements in connection with the August/September meeting postcard formerly discussed in June. Format and pricing for a larger postcard was tabled to the September meeting.

ii. Regular/Working Session Meeting Dates

The Board discussed switching regular and working session meeting dates to ensure current financials available for the working budget sessions. It was determined it would require meeting twice in the same week and rejected.

B. Common Areas

i. Barrington Sign

Motion was made and seconded to approve the proposal from BKB Painting to remove the sign, bad bolts, fill holes and reinstall with new holes and bolts in the sum of \$326.50 to be paid from Operating. The motion was discussed and approved with a unanimous vote.

iii. Estates Gate Pedestal Repair

Motion was made and seconded to approve the proposal from BKB Painting to cut pole where bent, weld back to pedestal, dig and pour new concrete in the sum of \$547.50 to be paid from U2B-3 Village Operating. The motion was discussed and approved with a unanimous vote.

iv. Promenade Sidewalk, Curb & Gutter Repair

Motion was made and seconded to approve the proposal from BKB Painting to remove and replace 60 sq. ft. of concrete sidewalk and 9 lineal feet of gutter and curbing in the sum of \$1,850.00 to be paid from U3B-1 Village Reserves. The motion was discussed and approved with a unanimous vote.

C. Landscaping

i. Annual Backflow Testing

Motion was made and seconded to approve the proposal from Service 1st to test the associations 24 backflows as required by the County in the sum of \$1,020.00 to be paid from Operating. The motion was discussed and approved with a unanimous vote.

ii. Tree Removal Request

The Board reviewed a request from a homeowner to remove a tall tree in the common area behind their home after 20+ trees in the area blew down in the microburst on July 29, 2017. Board consultant, Chris Rix recommended the Board consider topping versus removal which was done to over 100 trees in the past. The Board asked that Somerset evaluate the tree and bid to top for Board review and consideration at the September meeting.

A. Open Floor

a. Residents

Topics from residents in attendance included:

- 2018 Association Budget
- Soften HOA Violation Communications to Members

b. Board

- Board Consultant

Mary Hunter: I am speaking to the record.

At the Dreaming Summit HOA meeting held on 25 Jul 2017, a discussion was held in closed session that should have been discussed in Open Session regarding the retention of former Board member Chris Rix as a paid consultant to the Board. Mr. Rix had nothing in writing. After the closed session and during the open meeting, Mr. Rix's consultation arrangement was introduced with a motion and seconded. The residents in attendance were not afforded full knowledge of Mr. Rix's arrangement and had no opportunity to give input to the Board. Therefore, after long and serious reflection, I must now rescind my vote in favor of Mr. Rix's consultation arrangement.

I also request that the Board reconsider its action until Mr. Rix submits a formal written proposal with a detailed Scope of Work and a Certificate Insurance. This would be required of any other vendor to the Association. Mr. Rix should not be an exception.

Upon receipt of written proposal by Mr. Rix, it shall be forwarded to HOA legal counsel for review. Until Mr. Rix's written proposal for services is received by the Board, I move to table the consideration for a paid consultant position until that time.

Motion was made by Mary and seconded by Todd to rescind approval of Mr. Rix's consultation agreement and table consideration for a paid consultant position until Mr. Rix submits a formal written proposal with a detailed Scope of Work and a Certificate of Insurance for Association Attorney for review.

Open discussion included:

- A board member disputed the insurance requirement, consultant a person not a business
- A member in attendance inquired if the board consultant would be covered under the Association's insurance policy comparable to a committee member
- A member in attendance expressed concern in paying a consultant hindering the board
- The board consultant disputed the Board's interpretation they did not operate within state law citing 33-1804A(4) asserting he had no role in the July 25, 2017 Closed Session discussion except to answer any questions the Board had
- A member in attendance expressed a concern with the duration of the agreement and considered the minimum fee of \$1,500 per month excessive. As an unpaid appointed association website chairman he recommended a sliding scale through the budget process
- A member in attendance questioned the management company's role in the budget process and informed contractually KMS would draft a budget similar to the Village budgets prepared annually
- A member of the Board asserted the Board took responsibility of preparing the budget years ago
- A member of the Board advised Mr. Rix the Board will need a written proposal to include scope of services, compensation and termination terms

The motion was discussed and approved 4 Yes and 1 No – Caren Bailey.

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Motion was made by Caren and seconded by Bob to hire Chris Rix as a board consultant pending a written agreement within one (1) week all terms outlined in the Closed Meeting of July 25, 2017 for Association Attorney review. The motion was discussed and approved 4- Yes and 1 No – Mary Hunter.

B. HOA Business – Reports (If Time Permits)

a. Old Business

Financial Reports – July 2017

b. New Business

C. Adjournment

A motion was made and seconded to adjourn the meeting at 9:52 PM. The motion was approved by unanimous vote.

Respectfully Submitted By:

Deborah Hryb

Kinney Management Services