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Las Palomitas Homeowners Association
Board Meeting Minutes
Tuesday, October 13, 2020 at 4 PM
Zoom Virtual Meeting

Board: Present		Staff:	
X	Terry Davis , President	X	Donna Wood , Managing Agent
X	Jim Davis , Vice-President	X	Joan Groom , Meeting Minutes
X	Sarah Frieden , Member at Large		
	Owners Present		
	Joyce Barkley		John & Mary Risberg
	Hans Klaudt		Scott McLaughlin, Insurance Broker
	Linda Head		Stephanie Kirz

I. Call to Order

The meeting was called to order at 4:03 p.m. after establishing a quorum with all members present.

Scott McLaughlin, Insurance Broker, gave a quick personal overview. Terry requested he go over the proposal particularly regarding homeowner coverage. Property coverage will cover all improvements, betterments and if the unit has to be reconstruction, will be built with the current improvements. Only the content is excluded. Owners need to cover their content and Association deductible which is \$5000. There is full limit on the sewer line. Wind damage \$50,000 coverage with \$5000 deductible. Board of Directors Liability coverage as well as committee members, volunteers (anyone acting on behalf of Directors), to also include the management company. He went over common reasons for HOAs being sued. All issues would be covered. Commercial Umbrella liability - \$10 million. All carriers are A or A plus rated.

Terry is impressed with changes, particularly in property area of all coverage. Scott will send out a welcome package once policy is accepted. He stressed that owners should have policy, not just declaration.

Once the coverage is approved and we have the new certificate of Insurance, we will inform all members.

II. Homeowner Input

- John Risberg – inquired about extending the pool/hot tub hours to normal hours now that it's fall of course keeping in mind the physical distancing and current CDC guidelines. Donna would support extending the hours from 6 AM-10 PM while limiting numbers according to COVID guidelines. Terry, Sarah & Jim agreed.
- Hans mentioned the installation of dog poop stations and asked if one could be moved about 50 feet. Donna said it's a Master Association project and will give contact info. He also mentioned there are a lot of places on the sidewalks where they drop off 3-4 inches. Terry said Master Association maintains sidewalks. John also asked about landscaping for certain area and Donna replied there are no plans now. The focus of gravel installation pertains to the common areas where everyone visits (near the pool and the postal boxes). She mentioned taking care of trees in areas we haven't previously to maintain the health and longevity of our trees.
- Sarah mentioned some areas that might need attention and Donna will take a look.

- Stephanie mentioned dog waste station at Chiquiri hasn't had bags for several weeks. Donna mentioned folks from other communities were taking our bags and we asked people to contribute plastic grocery bags. Maybe since Master Association has put in dog waste stations, they might not disappear so quickly. Stephanie will put up a note on the station to donate bags.

III. Minutes Approval

A motion was made and seconded (J Davis/Frieden) to approve the September 8, 2020 Board Meeting Minutes as amended. Motion passed.

IV. Financial Report (*Donna Wood*)

September 2020 Financials

Current Assets	\$ 56,829.24
Reserve Assets	\$ 250,605.74
TOTAL ASSETS	\$307,294.03

- **Income: September income is over budget by \$1,144** (payment plan).
- **Administrative Expenses: Over budget by \$199.85.** Legal fees are slightly higher than normal at \$108 (Twomey issue). Meeting expense is slightly higher due to shared expense of Zoom subscription.
- **Maintenance: Over budget by \$1,415.** Landscape irrigation repairs were \$920. We removed some dying trees at an expense of \$550. Maintenance and repair general was over budget by \$625 (John Twomey check at \$750). Maintenance and repairs – janitorial was over by \$30 (Getting bathrooms and pool furniture cleaned and ready).
- **Utilities: Under budget by \$338.53 finally.** Electricity under budget by \$73.21. Gas under budget by \$79.29. Water is finally under budget by \$138.31. We have addressed some irrigation leaks and it shows this month.
- **Total Expenses:** We are over budget for September by \$1,276.32.
- **Reserve Expenses:** No Reserve expenses for September.
- **Transfer:** Monthly transfer to Reserves of \$6,600.

A motion was made and seconded (Frieden/J. Davis) to approve the September 2020 Financial Report as presented. Motion passed.

V. Reports

A. Landscape Report (*L. Head/ A. Constant*)

Activities in Progress:

1. Working with Andrew Ziegler of Southwest Grounds and Donna Wood to identify issues with regard to the standards and practices of the landscapers, and identifying misunderstandings that have resulted in community complaints. It is the plan to put those details together in written form to provide to both the landscaping company and residents. From conversations between Southwest Grounds, Donna and our committee, it was very clear that we have not all been on the same page with regard to Las Palomitas home

owners expectations, what the Association is paying Southwest Grounds to do, and what the landscapers are doing.

- 2. Working to find a solution for the unusual number of irrigation problems Las Palomitas has been experiencing in the past couple of years. Donna, Andrew and our committee have had many discussions with regard to the situation. Southwest Grounds (Andrew) has expressed frustration and amazement at the number of irrigation problems occurring here. Southwest Grounds personnel have stated that this should not be happening to a system as new as ours. The stated further, that the old irrigation lines above ground should have been removed by the company that installed the new system. They also believe we need to install PVC lines instead of what we have. We all feel that something needs to be done. We believe that a cost analysis of what it is costing for identification of the problems, repairs, water costs, etc., would make this need clear.
- 3. Working with Donna and Gregg Brubaker to move some of the existing plants in the community to fill the common area across from the mailboxes to enhance the look of that area. Gregg has added boulders to the area to create a more interesting and diverse area. He has already moved and replanted several new native plants to the area. We will continue that and perhaps move on to other common areas. Gregg is great to work with and very enthusiastic about the potential. We would like to see a couple of ocotillos in that area. There are live irrigation lines we can plant near to ensure they will thrive.

Recommendations:

- 1. It is the recommendation of the landscape committee that we identify all of the irrigation above ground lines that are from the old irrigation and no longer work so that we can get rid of them. Homeowners are confused about what is being watered and what is not. It is hard for us to plan landscaping improvements when we don't know what lines are actually working and what is not.
- 2. It is the recommendation of the landscape committee that we pursue remedies with the company that installed this system. We realize that this was taken up with the Board several years ago as these issues were beginning to surface. But, based on all of the recent problems, the opinions of Southwest Grounds and the reasonable expectations for an irrigation system, we recommend that this be revisited. Perhaps going to the Registrar of Contractors to submit a complaint and request arbitration is one route that could be explored.
- 3. It is the recommendation of the landscape committee that we begin planning and working on a new, reliable irrigation system. It could be done in stages, etc. We support the idea of immediately working on the areas with the most issues. The committee would be happy to gather information from potential contractors to gather ideas of what might be most efficient and best for our community.
- Linda wondered if doing landscaping bid by bit would it compromise things and response from Andrew was it wouldn't. She mentioned delineating what HOA is responsible for and homeowner is responsible for. When homeowners plant things and then ask landscapers to water it, it costs the HOA about \$80. There are homeowners who take pride in their areas and others who don't seem to mind dead vegetation. Greg Brubaker is happy to locate vegetation that can be replanted. Terry said the Board will address irrigation, perhaps at the annual meeting. We did not get what we expected.
- Stephanie Kirz inquired about the irrigation job, saying the old system never got taken out. Terry added new system is fading much faster than anticipated. She suggested going

to Registrar of Contractors and asking for arbitration. Linda mentioned a plan to eliminate all the dead emitters.

B. Management Report *(D. Wood)*

No New Homeowners

Pool Area: Based on consensus at the September Board meeting, we opened up the bathrooms and set out the remainder of the stored pool furniture for people to use. This was welcomed by the members; a return to some sense of normalcy.

Issues: Saguaro cactus that fell over and partially landed on the back deck of 4061 E Via Del Vireo damaging the support beam for the deck is still an issue. I am in the process of finding a framer who can replace the support beam. (Since the cactus was located in common area, the HOA is responsible for the repair.)

Pack Rats: Starting September 30th, Mr. Pack Rat was out at Los Palomitas and continued working until traps were filled and all nests were removed.

Waste Management: After pressure from former and present Board members, I convinced Waste Management rep (Julie Fanning) to continue to service Las Palomitas on its regular service day (both trash and recycle) on Thursdays. (As of this writing, I have not received confirmation from Julie Fanning.) So Donna suggested putting recycling out tomorrow and regular trash on Thursday.

2021 DRAFT Budget: We have put together a DRAFT budget for the Board's consideration. We have included the Reserve items from the latest reserve study and it is attached for your review. We can start discussions at this meeting, but approval will need to be made by the November meeting. This is based on not raising dues. Donna gave credit to Ray Soule whose foresight helped solidify the financials.

2021 Tree Trimming:

In the last four years, we have had two major tree trimmings done. After competitive bidding, we settled on AZ Tree. The first job they did in 2017 was absolutely beautiful. The second tree trimming project was done in spring 2019. I had to phone AZ 2-3 times the trimming was too extreme. I believe for the amount of money paid, it was not professionally executed.

This summer we faced a drought along with some record temps. Our mature landscaping (to include trees) are stressed. I believe it is imperative to take a pro-active stance on caring for our trees.

The trees are an immense asset to Las Palomitas and it is imperative we care for them. I have found Desert West Tree Service (locally owned and 28 years in the business and very competitive). With their tree service, they also make sure they remove and treat the branches that have been infected with mistletoe. They also fertilizer the trees. On September 18th, I drove thru Las Palomitas with owner Mike Reddick. To show him what was done to several of the trees in 2019 and how we want to move forward. He

has submitted a proposal for trimming/treating 145 trees in our community. (This is only about 25% of the total trees in Las Palomitas). However, in this proposal we have included trees in the common areas that are surrounded on most sides by homes. The trees they have tagged to be trimmed/treated have a green ribbon on it and I have attached a map on where these trees are located. This would be a 2021 budget item...

Insurance Proposal: I have included insurance proposals since the current policy renews on 11.19.2020. I have asked Scott McLaughlin, insurance representative to be on the Zoom meeting. Scott wrote the CAU insurance policy when Las Palomitas was with Associa and Scott was working for CAU. Fast forward, CAU closed offices for their representatives and now have LaBarre/Oksnee representing them. Scott McLaughlin works for LeBaron Carroll and is able to select from the best insurance companies that would suit the needs of Las Palomitas. All companies have an A rating or higher. I have attached the comparison spreadsheet along with the proposal. I believe Scott is one of the most knowledgeable agents in this unique industry. Hopefully you will be able to review this material and have questions for Scott. I don't believe we need all of the options listed....which will certainly add to our bottom line.

VI. Old Business

None

VII. New Business

A. Insurance Proposal

- Option 1 - \$24,756.00
- Option 2 - \$25,408.62
- Option 3 - \$25,673.00

A motion was made and seconded (Frieden/J Davis) to accept Option 1 of the insurance proposals. Motion passed.

B. Waste Management

- See management report above

C. 2021 Budget

- Tree Trimming Proposal – Desert West Tree: \$38,050
 - Sarah asked if using landscapers to do some of the work would save money and Donna said no.
 - Donna likes that Desert West identifies every tree and makes a plan to treat each individually
 - Sarah asked if there was a management company increase next year and Donna said no.

Terry mentioned homeowner wants to extend pavers to their driveway, which has been done in two other homeowners. Board agreed.

VIII. Next Meeting

November 10, 2020 – Budget Meeting

Virtual Meetings in the foreseeable future.

IX. Adjournment

There being no further business, the meeting adjourned at 5:10 PM.

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