

TUCSON ESTATES PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING

Minutes

Tuesday, December 8, 2009

President Larry Axthelm called the meeting to order at 6:00 pm.

Board Members present: President Larry Axthelm; Vice President Dee Steinbrenner; Secretary Bob Bethel; Treasurer Jon Shroyer; Ray Baker; Dennis Bergquist; Wayne Evans; Sandy Howard; Sue Johnstone, *by proxy to Bob Pillsbury*; Bob Pillsbury; and Dee Sullivan. A quorum was present.

There was an audience of approximately 87± in attendance.

Bob Bethel moved and Dee Steinbrenner seconded to approve the minutes of the last regular Board of Director's meeting of November 10, 2009. The motion carried unanimously.

Bob Bethel moved and Bob Pillsbury seconded to approve the minutes of the last Board of Director's Special Meeting of December 2, 2009. The motion carried unanimously.

Treasurer's Report – Jon Shroyer gave his report, the highlights of which were: utility costs were over budget; reserve cash is up; operating cash is down.

President's Report – President Axthelm will give his report at the Annual Property Owners' Meeting on Tuesday, December 15, 2009.

General Manager's Report - Manager Krause gave his report, also commenting on the rise in water costs, and as a result, Superintendent Barrow will be cutting water usage 10% on the front nine and 5% on the back nine. Manager Krause also commented on the number of meetings and events that take place at Tucson Estates; for the period July, 2009 through June, 2010, the number is 2,158.

OLD BUSINESS

O-01 – Sub-committee to review and make recommendations regarding the Recreation, Public Relations and Member Services Standing Committees - release the committee: President Axthelm gave the history and purpose of this sub-committee's formation and explained that the roles of the committees mentioned will be re-evaluated at a later date.

Dee Steinbrenner moved and Dee Sullivan seconded that this sub-committee be released, to be reorganized at a later date. The motion carried unanimously.

NEW BUSINESS

N-01 – Anticipated Expenditures: (a) Approval of legal action cost to Reserve fund: Jon Shroyer moved and Bob Bethel seconded that the Board of Directors authorize the transfer of \$43.50 from the Uncommitted Reserve fund to the Legal Reserve fund and the expenditure of \$43.50 for payment to Carolyn Goldschmidt for November legal expenses related to lawsuits. The motion carried unanimously.

(b) Four new wireless microphones and pre-amp for MPB: GM Krause solicited an estimate from Roh's, the company TEPOA uses for audio systems and repairs. After brief discussion, the item failed for lack of a motion.

N-02 – Expand banking relationship with CA Banc to include checking, ACH, Internet Cash Management, Lockbox and other online services: Jon Shroyer gave a presentation highlighting lower fees and additional services offered by CA Banc versus Bank of the West for TEPOA’s daily operations.

Jon Shroyer moved and Dennis Bergquist seconded that the Board of Directors of Tucson Estates Property Owners Association, Inc. (TEPOA) authorize TEPOA’s officers to execute the documents necessary to expand the banking relationship with the Mutual of Omaha Bank/Community Association Banc to include checking, ACH, Internet Cash Management, Lockbox and other online services, and to take all other actions necessary for implementation of these services.

Discussion ensued, including a question about the “pilot” program. Jon Shroyer addressed the concerns and after further discussion, a roll-call vote was taken. *The motion carried 9-2 (Yeas: Ray Baker; Jon Shroyer; Dee Sullivan; Dennis Bergquist; Dee Steinbrenner; Bob Bethel; Sandy Howard; Wayne Evans; President Axthelm. Nays: Bob Pillsbury; Sue Johnstone.)*

N-03 – Signage Committee report: Sandy Howard reviewed the work of the sub-committee on posting event and yard sale signs on TE property.

Sandy Howard moved and Dee Sullivan seconded that there be no signs of any kind placed in front of or around the Flag Pole Area at the main entrance to Tucson Estates.

Dee Steinbrenner moved to add an amendment to the motion that would read, “...except for signs related to TE-sanctioned events and meetings.” Bob Bethel seconded the motion.

Discussion ensued, including concerns about any signs being displayed in the flagpole area at the front entrance to the community. After additional discussion and comments, *the amendment was voted on and failed unanimously.*

Wayne Evans made a motion to replace the words, “...in front of and around the flagpole,” with the wording, “...in front of or around the landscaped area around the flagpole and front environs...” Bob Bethel seconded the motion. *The motion to amend carried unanimously.*

A voice vote on the original motion with amended wording carried unanimously.

General Manager Krause requested that a **temporary** sign be permitted indicating “**NO SIGNS ALLOWED**” in the aforementioned entrance area. He indicated that Maintenance staff would remove the signs and store them in the maintenance shed for retrieval.

N-04 – Discuss Rules for the Common Area Section 11 and 12 (Rules for Clubs and Contract Organizations): Sandy Howard reviewed the work done by the committee to study clubs and contract organizations at Tucson Estates.

Sandy Howard moved and Dennis Bergquist seconded that these changes to the "Rules for the Common Area", Section 11, 12, Tables A and the removal of Table B be referred to the Governance Committee for the next revision of the "Rules for the Common Area". The motion carried unanimously.

N-05 – Short term proposal to re-open driving range: Jerry Wenzel read the proposal from the Golf Driving Range Special Committee for the re-opening of the Driving Range. Bob Bethel gave additional information about the Committee’s work toward a long-range solution, including research on “adverse possession” and “illegal taking” (loss of use).

Ray Baker moved and Bob Bethel seconded that the short term Plan recommended by the Golf Driving Range Special Committee be approved and that procurement and

installation begin immediately with the goal of re-opening the Practice Range by mid-January, 2010. Funds not to exceed \$9,800 to be transferred from the Uncommitted Reserve fund to the Repair and Replacement Reserve fund for payment. Reimbursement to the Uncommitted Reserve fund, and to the golf clubs to be as described in the Plan.

After discussion, Dennis Bergquist moved to table the motion due to insufficient information regarding costs and reimbursement of costs. The motion to table was seconded by Bob Pillsbury. After a roll-call vote, the motion to table carried 8-3 (Yeas: Dennis Bergquist; Wayne Evans; Sue Johnstone; Bob Pillsbury; Jon Shroyer; Dee Steinbrenner; Dee Sullivan; President Axthelm. Nays: Ray Baker; Bob Bethel; Sandy Howard.)

N-06 – Governance Committee recommendations – addendums to governing documents: Sue Johnstone requested that this item be removed from the agenda until such time that she can properly complete her work on this issue.

N-07 – Employee holiday gift cards: President Axthelm asked for a motion to approve the distribution of gift cards to employees for the holidays.

Wayne Evans moved and Bob Pillsbury seconded that the BOD approve the distribution of gift cards to TE employees in the amount of \$45 each. The motion passed 10-0. Secretary Bob Bethel abstained from voting due to a conflict of interest.

N-08 – Applications to form two new Clubs: Ray Baker moved and Sandy Howard seconded that the BOD approve the Zumba Exercise Class as a TEPOA sanctioned club which will meet in the Recreation Hall on Fridays from 11:00 to noon. The motion carried unanimously.

Ray Baker moved and Sandy Howard seconded that the BOD approve the Spanish Club as a TEPOA sanctioned club which will meet in Suite 1 from 9:00 to 10:30 am. The motion carried unanimously.

N-09 – Legal Status committee report: Secretary Bob Bethel gave the background on the committee's charges and reported on their findings. The committee found, in light of our current legal counsel Carolyn Goldschmidt forming a new business partnership with another association-focused law firm, that the expanded services now available as a result will more than adequately meet the legal needs of TEPOA. Because of Ms. Goldschmidt's historical relationship with TEPOA, no new contracts are necessary. The Legal Status Committee was discharged with thanks from President Axthelm for their research.

OTHER BUSINESS

Additional brief discussion on item N-05 regarding the Driving Range and related costs.

CALL TO MEMBERS

President Axthelm made the call to members to speak on any issue they chose.

A motion to adjourn was made by Dee Sullivan and seconded by Bob Pillsbury. The motion carried unanimously and the meeting adjourned at 7:45 pm.

Respectfully submitted, Deborah Levitan, TEPOA Administrative Assistant for
Bob Bethel, Secretary, 2009 Board of Directors

*Bob Bethel moved and Jon Shroyer seconded to approve the minutes of the last regular Board of Director's meeting of December 8, 2009.
The motion carried unanimously.*