



**The Ranch at Prescott
Homeowners Association
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July 27, 2006
HOA Council Meeting Minutes**

Council Members in attendance were: Phil Alvarado – Unit I, Billie Powell – Unit II, Russ Parker – Unit III, Mike Enders – Unit IV, Kent Robinson – Unit V, Ron Knudsen - Unit VI, Dion Mannen - Unit VII-A, Bob Tinney – Unit VII-B; and Scott Lee - Unit IX. Approximately 16 non-council and alternate homeowners were in attendance.

Kent Robinson called the meeting to order at 3:00 p.m. A quorum was established.

Kent Robinson called for a motion to approve the minutes of the Meeting of June 18, 2006. After discussion the following changes were made: page 5: “Motion was carried by a 6-2 vote.” was changed to read: “Motion was carried by a 7-2 vote.” On page 6: “...expected to begin in the August/September 2007 timeframe.” was changed to read ...expected to begin in the August/September 2006 timeframe.” Mike Enders moved to approve the minutes as changed. Dion Mannen seconded the motion and it was unanimously carried.

PUBLIC COMMUNICATIONS

Charlie Babb, Unit 3, pointed out to the Council that there were six oak trees on Liese and Bullwhacker Road that were predominately mistletoe. Since mistletoe is an airborne nuisance it should be addressed and removed. Mr. Robinson advised that Mr. Balzano intended to address this issued later in the meeting.

Barbara Gosser asked if the rules and regulations addressed the issue of parking on the streets. Dan Gleissner asked to address this issue stating that he had talked with the Prescott Police and they stated that if a vehicle is moved within 24-hours, there is nothing they can do to enforce the no parking rules.

OLD BUSINESS

HOA Directory Progress Report – Ray Loome

Ray Loome presented copies of the completed directories to the Council. Mr. Loome requested direction from the Council on how it wanted these directories distributed. Council members volunteered to distribute the directories to their respective units.

A discussion was held on how to keep track of changes and update the directories as needed. Bob Balzano suggested using the web site as a resource. Dion Mannen suggested using email as a way of keeping information updated and actually updating the information in the directory on a quarterly basis.

HOA Web-site Update - Phil Alvarado

Phil Alvarado presented an update on The Ranch web-site. The Summer HOA Newsletter was posted on the website. A new section entitled "HOA Reports" has been added and will include the financial report. Phil reported he is now using little black diamonds to indicate recent changes/additions to the website.

Ray Waguespack and Phil Alvarado attended a training session on how to update the website. It was decided that it would be easier for the consultant to continue updating the website for the HOA.

The fall edition of the Newsletter will be dedicated to reporting the progress that the HOA has made in its first year. Mr. Alvarado requested that all suggestion be forwarded to him by email.

Status of Common Areas Clean-up - Robert Balzano

Mr. Balzano reported that on 11 July 2006, he and 3 members of the Council toured the entire Ranch property, including the nature trail and the cleanup was in line with the specifications as agreed with Common Ground. Mr. Balzano suggested that there was a need to regularly maintain the common areas and that he planned to work with the budget committee so that money is budgeted for this maintenance. Further Mr. Balzano pointed out that the nature trail was intended to be a natural trail and not intended to be smooth and weed free.

Dale Schwartz stated that the Tennis Court area was obnoxious and that it didn't look like the cleanup job had been completed in that area. Dan

Gleissner read from the February, 2007 Council Meeting Minutes as follows:

A proposal for the maintenance of the trail system and common areas in The Ranch was presented by Common Ground for review. The following work would be performed:

- Clean the native areas of dead plant material
- Take down dead trees, haul off the branches and leave the trunks for native look
- Haul and dump debris off site.

Mr. Gleissner stated that there were at least three trees that need to be removed at the end of the Tennis Courts and several other dead trees in the area that he believed should have been removed as a part of the contract with Common Ground.

Scott Lee stated he would look into having the trees removed at the end of the tennis courts, and further stated he didn't believe this was a part of the Common Ground contract.

Mr. Balzano will be touring the property again on August 1st. Phil Alvarado and Dion Mannen will join him. The issue of any additional clean-up will be addressed priority basis after the inspection, prior to the next meeting.

Charles Babb reported that the weed whacking did not seem to be effective as the roadside weeds were already coming back and suggested that the Council look into spraying the weeds. Mr. Balzano reported spraying was already being done; however, the monsoon season causes delays due to the fact that the product needs to be applied for several hours before any rain in order to work.

Proposed ByLaw/CC&R Changes – Kent Robinson

Mr. Robinson reiterated that the Bylaws and CC&R's of the Association do not provide a mechanism to replace a Council Member or Alternate except by election of the Association members. That could mean a delay of year or more in filling a vacancy. An ad-hoc committee consisting of Kent Robinson, Dion Mannen and Ray Waguespack has been reviewing these issues. As a result, the committee has provided proposed additions to the By-laws to correct the vacancy problem. These proposed By-laws were presented to Council members in the agenda package and were read to the audience at the meeting by Mr. Robinson.

A discussion was held by the Council and suggestions from the audience were taken. The Committee and Council believe there is still need of further legal review as to the appropriate language and form. Mr. Robinson also stated that he would check with the lawyer whether Council membership can be restricted to residents rather than all lot owners.

During discussion of the By-Law additions issue, Joe Pendergast requested that clarification be provided of the meaning of the terms “lot owner” – “record owner” – “recorded deed” as used in the Ranch CC&Rs and By-Laws be provided. He stated that one Council Member was ineligible to serve since the deed to his property was not recorded. Mr. Robinson declared that Mr. Pendergast’s request was out-of-order under the current agenda item and that Mr. Pendergast should e-mail his request to his Unit representative to get the ownership subject included on the agenda for the next meeting. He also requested that Mr. Pendergast provide more detail regarding the basis of his request since the issue of the Unit IX representative’s eligibility had already been satisfactorily addressed by Council earlier in the year.

Follow-up Discussion on the Additional Use Restrictions and Rules – Bob Balzano

Mr. Balzano presented the third draft of the Additional Use Restrictions and Rules. This draft was prepared including changes as suggested by the members and Council at the last Council meeting. Mr. Balzano reviewed the changes made noting that mistletoe had been added to the nuisances rule, the flag/flagpoles rule had been changed to conform to the new laws passed by the Legislature and the ornament rule now allows for grandfathered items.

Joan Preston, Unit 4, advised that she had looked into the lighting intensity issues as they pertain to a measure in watts versus lumens. Her research indicated that lumens are the important measure of intensity when restricting lighting so as to protect the dark skies policy. Discussion ensued over the lighting issue. Mr. Balzano will work with Ms. Preston on this issue. The question was asked if the lighting section of the ARC rules included security lighting. Scott Lee advised that security lighting has been left to the individual and that the ARC has not placed a limitation on security lighting.

Russ Parker expressed his concerns over the passing of Additional Rules and Regulations until we understand the effect of new legislation recently passed in Arizona.

Mike Enders moved to adopt the Additional Rules and Regulations, subject to legal review and excluding item “i Lighting”. Billie Powell seconded the motion and it passed. Russ Parker abstained from the vote.

NEW BUSINESS

HOA Managers Report

Bob Balzano presented the management report.

- During the past month owner inquiries have averaged 12 calls and 9 e-mails per day primarily for questions related to association rules, brush and tree removal, nuisance matters, common area landscaping and information for the Council and the Managing Agent.
- Architectural inquiries average 5 per day for questions related to small projects, satellite dishes, frequency of ARC review meetings and the submittal process.
- Note: City of Prescott has lifted the ban on gas powered chain saws..
- There were 54 compliance issues addressed – 27 compliance issues have been corrected.
- The annual meeting is scheduled for September 28, 2006 at 3:00 p.m. at the Yavapai College Performance Center.

Financials – 6/30/06

Desert Hills Bank Operating	\$68,502.98
Desert Hills bank Operating MM	102,766.19
Desert Hills Bank Reserve	11,608.54
Accounts Receivable Assessments	2,125.00

In response to a question from an attending member, Mr. Balzano reported that out of 923 lot units in the Ranch there is a total of only 20 with past due assessments, and only 4 of these lots have substantial amounts owing.

Garage Sale – Bonnie Katt

Bonnie Katt requested that the proposed Ranch garage sale be moved to a spring date of May 12th or 19th. A short discussion was held on whether to provide the public with maps to the homes of participating owners and where to post

signs. Billie Powell advised that the Oaks could not participate as their CC&R' prohibited garage sales and they are a gated community.

Phil Alvarado moved to support the sale, within the guidelines of the CC&R's. and subject to Council approval of final, detailed plan. Russ Parker seconded the motion. The motion was carried. Billie Powell abstained from the vote. Bonnie Katt will meet with Bob Balzano regarding the details of the sale.

Annual Meeting – Kent Robinson

The Annual Meeting is to be held 3 PM on September 28, 2007 at the Yavapai College Performance Center. Phil Alvarado reported for Council consideration that for \$75.00 the monthly council meetings could be held at the Gateway Mall Community room. The room will hold 65 persons and there is unlimited parking. It was later determined that there is no sound system in then Mall Community room.

Ranch Tennis Court Report – Phil Alvarado

Mr. Alvarado reported that the annual Tennis Club meeting was held on July 10, 2006. There are 15 households in the Tennis Club.

It was voted to contract the resurfacing of the tennis court during 2007. Bids will be sought in the spring. It is expected to cost between \$3,000 and \$4,000 for the work. The money will come from the money deposited with HOAMCO plus interest.

The club members voted to increase their annual household dues from \$40.00 per year to \$50.00 per year. This will allow the buildup of funds for future tennis court maintenance and repair. A new lock is being purchased for use on the tennis courts.

Elections were held for Club Officers:

President	Jan Gallo
Vice President	Gary Swigart
Treasurer	Patty Enders

ARC Appeals Process Discussion – Kent Robinson

Mr. Robinson reported that there have been approximately 30 requests from members for some better understanding of the ARC appeal process. As is common in most Master Planned Communities, the Developer reserves the ARC decisions to itself until such time as the developer no longer owns property in The Ranch.

In light of the new legislation, Mr. Robinson conferred with the Developer and asked that they review the appeal process from a legal point of view. Kent

Robinson has requested the Council obtain legal opinion to include how the new legislation will impact this issue.

Russ Parker moved to retain legal counsel to review the ARC process and provide the Council with a legal opinion; Mike Enders seconded the motion and it carried unanimously.

Adjournment

There being no further business to discuss, Billie Powell moved that the meeting be adjourned; Phil Alvarado seconded the motion and it was unanimously carried.

The meeting was adjourned at 5:00 p.m.

Respectfully submitted,

Phil Alvarado
Secretary