

**STONEGATE COMMUNITY ASSOCIATION
2018 ANNUAL HOMEOWNERS MEETING
STONEGATE COMMUNITY CENTER
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
MARCH 22, 2018**

APPROVED MINUTES

Present: Cary Weissman, President
David Allen, Vice President
Tom Schaefer, Treasurer
Gene Evans, Secretary
Jim Bissonett, Director
James Grossman, Director

Staff: Larry Paprocki, Director
Dolly Singh, Office Manager
Catherine Bryson, Communication Coordinator
Lora Stacy, Accountant

Also Present: Stonegate Homeowners

WELCOME & INTRODUCTION

President Weissman called the 2018 Annual Homeowners Meeting to order and thanked the homeowners for their attendance at the meeting. He introduced the Board Members.

President Weissman introduced the Community Association Staff.

QUORUM REQUIREMENT

The first item of business was verification of the quorum requirement. President Weissman advised that the Quorum Requirement has been fulfilled, as 1/10th of the membership is present, or has already voted, which are at least 92 members. As such, this is a proper and duly called meeting.

APPROVAL OF THE 2017 MINUTES

Barry Spector moved to waive the reading of the 2017 minutes, (furnished to all in attendance) and called for approval as presented. Seconded by Cheryl Weissman. The motion passed unanimously.

PRESIDENT'S REPORT

President Weissman reported he would be leaving the Board after completing his second term on the Board, this past year as President. Upon completion of a second term the director must step down from the Board. He further reported that he would continue to serve Stonegate as a member of the finance committee.

President Weissman reported in the recent past, the number of candidates filled the number of positions that were open so there was an appointment not an election. He further reported that he was happy to see our community members had choices in this election.

President Weissman acknowledged the dedicated service and efforts of the entire Board. He also recognized our committee members, who's planning and recommendations assist the Board in their deliberations.

TREASURER'S REPORT

Mr. Schaefer stated that everyone has been sent a copy of the audit balance sheet in the Annual Report. He further stated that the community is in very good shape this year. He provided a brief review of the expenditures and income. He advised that there is an operating surplus, based on Revenue Ruling 70-604. He further advised that the Association relied on surplus to fund operating expenses in future years and by doing so avoid taxation.

Eli Gruber moved the Board approve rolling forward of surplus funds into the next calendar year, 2018, based on Revenue Ruling 70-604 to satisfy the IRS. Seconded by Wayne Reinauer. The motion passed unanimously.

SPECIAL RECOGNITION PRESENTATION

Mr. Allen acknowledged the efforts of the retiring Board President Cary Weissman, and Jim Grossman. Mr. Allen presented the retiring Board President and Director with a recognition award for their service.

NOMINATION & CASTING OF BALLOTS

President Weissman introduced the 2018 Board Candidates:

One-Year Term

Nancy Ford

Carolyn Norris

Two-Year Term

Jim Bissonett

Peter DiBrito

Luc Ducrocq
Eugene Evans
Mark Rudolph
Craig Zirbel

President Weissman recognized the Nomination and Election Committee as follows:

Steven Lipps, Chairman
Derek Fromm
Andrew Ventura

ELECTION RESULTS & CERTIFICATION

President Weissman announced the election results of the Board of Directors election and provided certification form for 2018/2019.

One-Year Term
Nancy Ford
Carolyn Norris

Two-Year Term
Jim Bissonett
Luc Ducrocq
Craig Zirbel

OPEN DISCUSSION

President Weissman opened the floor to the Homeowners in attendance to ask any questions that they may have. No questions were raised. President Weissman thanked everyone for their attendance at the 2018 Annual Homeowners Meeting.

ADJOURNMENT

President Weissman requested a motion to adjourn. Cheryl Weissman moved to adjourn the Stonegate Community Association Annual Meeting at 6:30 p.m. Seconded by Karen Derkach. The meeting was adjourned.

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
JANUARY 25, 2018**

APPROVED MINUTES

Present: Cary Weissman, President
David Allen, Vice President
Tom Schaefer, Treasurer
Gene Evans, Secretary
Jim Bissonett, Director
James Grossman, Director

Staff: Larry Paprocki, Executive Director

CALL TO ORDER

President Weissman called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS FORUM

Jim, Regal Resident, stated that he would like to share his observations and offer thoughts for the Board's consideration. He further stated that the straightaways in the Regal have become speedways. There are people who do not even pause where the streets cross and are using excessive speed when making right and left turns and therein are in the wrong lane when heading toward the gate. They are also not even pausing at stop or yield signs. There have been many near misses. He further stated the main area of concern is on Arabian and Turquoise. He commented that he feels it is important to recognize that an ongoing problem exists. He requested the Board consider installing some type of speed mitigation such as speed bumps or stop signs. He advised if the Board needs any legwork done in researching this issue he and other residents would be willing to assist.

Mr. Paprocki advised that one issue the Board will need to consider is that nobody wants a speed bump in front of their house.

The Board suggested forming an ad-hoc committee to study the speeding issues in the Regal with the direction that the committee should look at the straightaways in the Retreat and look at where the speed bumps should be placed.

MINUTES

October 25, 2017 Board Meeting

Mr. Evans moved the Board approve the October 25, 2017, Board of Directors meeting minutes as presented. Seconded by Mr. Grossman. The motion passed unanimously.

November 8, 2017 Executive Session

Mr. Schaefer moved the Board approve the November 8, 2017, Executive Session meeting minutes as presented. Seconded by Mr. Grossman. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending December 31, 2017. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Mr. Schaefer reported that a joint meeting with the Finance Committee and Board will be held on February 12, 2018, to discuss the audit.

In response to a question from President Weissman, Mr. Paprocki advised that all community walls will be done this coming year.

Mr. Evans moved the Board accept the Treasurer's report. Seconded by Mr. Bissonett. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported that no 10-Day Notice letters were sent.

Changes in AZ Law

Mr. Paprocki provided information on the changes to A.R.S. §33-1803, which changes the time frame of notice. He reported before any further action can be taken the Homeowner has 21 days to respond to the notice by certified mail. The Community Association has 10 days to provide required information (must cite the violated CC&R provision, date observed, first and last name of who observed the violation and the process of how the homeowner can contest the notice). The homeowner must be informed that at any time they may petition for a hearing with the Arizona Department of Real Estate as prescribed in §32-2199.01. Unless you provide the above-required information in the first correspondence, you are not permitted to take any enforcement action during the first 21 days.

Mr. Paprocki stated he is recommending the Stonegate Community Association revise its letter of non-compliance to include the required information. He further stated this allows a second letter (10-day notice) to be sent to the Homeowner to submit in writing their reasons for not bringing their property into compliance. After these steps, the Board may take enforcement action.

Mr. Paprocki responded to questions and comments regarding the changes to A.R.S. §33-1803, regarding the time frame of notice.

Project Updates

Mr. Paprocki reported the tennis courts are complete except for missing windscreen panels, which are expected this week.

Mr. Paprocki reported the pickleball courts are waiting for the re-ordered sound abatement screens to be delivered. He further reported the court lights timer is being relocated near the entry gates to the courts for easy access.

Mr. Paprocki responded to questions and comments from the Board members regarding sound abatement relating to pickleball courts. He stated that he has a sound decimal reader and will take readings.

Mr. Paprocki reported the basketball courts are complete. The final invoice for payment has been received.

Mr. Paprocki reported that Mr. Evans has provided him with the approved pickleball racquet list from Sun City Grand. This information will be provided to the Social-Recreational Committee to create Stonegate's approved list and a list of the appropriate equipment will be placed on the community website.

Access Control Cameras

Mr. Paprocki provided an update on the access control cameras. He reported QuickPass has completed the replacement of all existing cameras and have added the requested resident entry license camera at the Main Gate and the exit license cameras at the East gate, Regal gate, and Retreat gate. He further reported that milestone has been updated so if a camera goes down, a signal will be sent.

Access Control Gate Closing

Mr. Paprocki provided an update on the access control gate closings. He reported at the previous Board meetings, it had been proposed to close the East gate and the Retreat gate at 10:30 PM. The gates will reopen at 6:00 AM. The purpose of this action would be to further enhance access control. He further reported that he is aware of several communities that lock down gates within their community.

Discussion is held regarding closing the East gate and Retreat gate.

Mr. Allen stated that he did not see much value in locking the gates when there are cameras. He further stated that he would suggest getting feedback from the residents to get their thoughts on closing these gates. Mr. Grossman stated that he felt the value is the perception and probably would not stop crime. Mr. Evans stated that he did not think there is an advantage to closing the exits.

Mr. Evans moved the Board approve closing the East gate and the Retreat gate at 11:00 PM. and the gates will reopen at 6:00 AM. Seconded by Mr. Schaefer. The motion passed by a vote of 4 to 1 with Mr. Allen dissenting.

Mr. Paprocki advised that he will check to see if emergency vehicles are able to exit through the locked gates.

Audit

Mr. Paprocki reported the audit fieldwork has been completed. A draft report is expected to be delivered on approximately February 5, 2018. The joint meeting of the Board and Finance Committee with the auditors is being scheduled for Monday, February 12, 2018 at 6:00 PM. He further reported the purpose of this meeting is for the auditor to present the audit, to allow a question and answer session and for the Board to accept the audit so the results can be included in the Annual Report.

Community Center Enhancement

Mr. Paprocki provided an update on Stonegate's Community Center Enhancement including the Workout Facility. He reported two architects were retained to create a conceptual site plan and floor plan; a projected budget to include building cost, professional services and permits. The architects will present their work in early February to the committee. Afterwards, the committee will make an architect selection, which will be presented to the Board at its February meeting.

Mr. Paprocki reported that the empty lot may not be zoned to allow a workout facility.

PMIS 2018 Roadway and Plan Update Proposal

Mr. Paprocki provided an update on the PMIS 2018 Roadway and Plan Update Proposal. He reported PMIS has submitted a revised proposal that has provided a selection of work to be performed. The scheduled 2018 Roadway work was seal coating the Retreat as well Stonegate Circle. He further reported Pinnacle Paving has suggested the warranty seal coat performed on Stonegate Circle two years ago is adequate to extend the resealing one to two more years. PMIS will inspect Stonegate Circle to render its opinion. The 2018 proposal provides details for the individual roadway work, the project management work that would be performed and updating report cost.

Mr. Paprocki responded to questions and comments from the Board members regarding the PMIS 2018 Roadway and Plan Update Proposal.

Mr. Paprocki stated that PMIS has proposed updating the original Paver Report that determines remaining useful life, distresses, pavement conditions and a narrative detailing each subdivision or, an annual update of cost and inspection of roadway. He further stated he would recommend the Board approve updating the report.

Mr. Paprocki advised that he is recommending to sealcoat the Retreat only and perform the Paver update to determine the pavement (PCI), which will be used for the Roadway Reserve data. He added the Paver update included the annual update.

Mr. Evans moved the Board approve recommendation to sealcoat the Retreat only as well as perform the Paver update to determine the pavement (PCI), which will be used for the Roadway Reserve data. Seconded by Bissonett. The motion passed unanimously.

2017 Crime Report

Mr. Paprocki reported that he pulled the 2017 Crime Report for the community. He provided a brief summary of the report.

BOARD ACTIONS

Mr. Paprocki requested the Board approve putting all courts on the on-line system. He recommended the reservation start time be 7:00 AM with reservations being accepted three days in advance of the scheduled play.

The Board discussed limiting people during prime time using the courts for one and a half hour per group per household.

Mr. Evans moved the Board approve putting all courts on the on-line system. He recommended the reservation start time be 7:00 AM with reservations being accepted three days in advance of the scheduled play. Seconded by Mr. Schaefer.

COMMITTEE REPORTS

President Weissman noted the Architectural Committee, Social Recreation Committee, and Nomination & Election Committee reports were included in the Board packet for Board members review and comment.

DISCUSSION / NEW BUSINESS

In response to a question from Mr. Allen, Mr. Paprocki advises that Christmas lights can stay up for 30 days.

Mr. Evans requested at the next Board meeting the Board discuss the decisions that need to be made regarding the pickleball courts.

Mr. Schaefer requested that at the next meeting the Board discuss the hours to allow for workers entering the community.

The next Board meeting is Thursday, February 22, 2018 at 6:00 p.m.

ADJOURNMENT

Mr. Evans moved the Board adjourn the meeting at approximately 7:55 p.m. Seconded by Mr. Bissonett. The motion passed unanimously.

**STONEGATE COMMUNITY ASSOCIATION
11551 EAST MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
FEBRUARY 22, 2018**

APPROVED BOARD MINUTES

Present: Cary Weissman, President
David Allen, Vice President
Gene Evans, Secretary
Jim Bissonett, Director
James Grossman, Director

Absent: Tom Schaefer, Treasurer

Staff: Larry Paprocki, Executive Director

CALL TO ORDER

President Weissman called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

No comments from residents.

MINUTES

Mr. Evans moved the Board approve the January 25, 2018 meeting minutes as presented. Seconded by Mr. Bissonett. The motion passed unanimously.

TREASURER'S REPORT

December Audited Financials

Mr. Paprocki reviewed the Association financial statements, as prepared by Association staff, for the period ending December 31, 2017. He advised that the audit by Butler Hansen, P.C., matches, and staff has updated the December pre-audit financial statement. +He responded to questions and comments from the Board members regarding the financials.

January Financials

Mr. Paprocki reviewed the Association financial statements, as prepared by Association staff, for the period ending January 31, 2018. He responded to questions and comments from the Board members regarding the financials.

Mr. Evans moved the Board accept the Treasurer's report. Seconded by Mr. Bissonett. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Draft Letter to Comply with A.R.S. §33-1803

Mr. Paprocki discussed compliance with the new law A.R.S. §33-1803, which deals with rule enforcement and fee assessments. He stated the law says "enforcement action," interpreted to mean an enforcement action, not a communication letter. A draft letter of non-compliance was provided to Board members. It would provide the name of the person who observed the CC&R provision violation, date observed, the CC&R provision. A second draft letter is a 10-day notice requesting the homeowner explain why they are unable to bring their property into compliance. The homeowner's explanation will be presented to the Board to schedule a meeting with the homeowner to discuss the matter for a resolution. If the homeowner does not respond, the Board will render a decision on the matter, which may include fines set forth in the approved fine schedule. Mr. Paprocki responded to questions and comments from the Board.

Update East Gate – Retreat Gate Hours of Operation

Mr. Paprocki advised he has contacted Safeguard and Tomar, and Tomar lights can be operational for the entry and exit gate. The time frame that was discussed in closing down gate access was 11:00 p.m. This would be accomplished by having the card reader not read access cards after 11:00 p.m. Emergency vehicles, EMTs, fire department would still be able to access the gate. City of Scottsdale Police Department will continue to use an access code to gain entry at any time. He discussed a concern that the police department would not be able to exit through the East gate/Retreat gate. Gates will be open at 6:00 a.m. It was noted that exit gates need to be locked to restrict access from people driving into the community using the exit gates.

Mr. Allen asked what type of signage would be used to give notice of the gate access hours. Mr. Paprocki suggested he's looking at two or possibly three signs outside of locked gates. Mr. Allen suggested incorporating better signage in terms of who can use the gate. The Board discussed meeting with City staff to make sure new signage is in compliance with ordinances.

Painting Update

Mr. Paprocki reported that painting is ongoing at the wash area between Belcourt, Vintage and Tradewinds. The main entryway is completed. The Association is still working on the Belcourt side and the Retreat side. He notes that repairs on the Retreat entryway (Palomino East) will be completed soon and it should be painted within a week to two weeks.

Access Cameras

Mr. Paprocki provided an update that all access cameras are operational. In response to questions by Board members, Mr. Paprocki noted that all exit cameras could provide good photo identification of license plates.

Annual Report

Mr. Paprocki noted the annual report information is being assembled, and it should be available on the website in March.

Election Master Mailing March 1st

Mr. Paprocki reported the staff has put together a paper ballot. The ballot will have three slots open for a two-year position, and two positions open for a one-year position.

Mr. Paprocki noted the City of Scottsdale Planning Commission met on February 14th to consider a request (Flynn abandonment) regarding the General Land Office Patent Easements (GLOPE). Another meeting by the Planning Commission is set for March 20th, and it is expected to pass. Mr. Paprocki responded to questions and comments by the Board.

Mr. Bissonett moved the Board accept the Executive Director's report. Seconded by Mr. Grossman. The motion passed unanimously.

BOARD APPLICATIONS

Approve Pickleball Hours and Online Reservation System

Mr. Evans reviewed prime time hours would be 7:30 a.m. until noon and courts are for open play. One-hour reservations will be made from 12:00 p.m. until 5:00 p.m. online. Mr. Allen asked for an update on the noise barrier. Mr. Paprocki reported that there are issues with getting noise barriers in the correct size. The Board members discussed getting the appropriate size and soundproofing for the pickleball noise barrier. Mr. Paprocki stated the courts would close at 6:00 p.m. He also reported the approved equipment list is posted on the Association's website.

Motion made by Mr. Evans that the Board accept the pickleball hours and online reservation system. Seconded by Mr. Bissonett. The motion passed unanimously.

Approve \$2,000 Budget for Unplanned Events That Would Benefit the Community Such as Oscar Night

Mr. Paprocki discussed the request of the Social and Recreation Committee for \$2,000 to be used for social functions, four different functions at \$500 apiece. Mr. Weissman asked what the financial help would supply. Mr. Paprocki advised it is being requested to help pay for

paper supplies, balloons, paper products, centerpieces, linen, room décor, photo props, table rentals and paparazzi camera kits. Also, balloons, prizes for games, printing of fliers and miscellaneous refreshments. Mr. Allen said there should be an event-by-event basis for the financial assistance that the Board could consider. Mr. Grossman and Mr. Weissman said they did not like the idea of giving a fund. Mr. Paprocki stated the funds could be requested in advance of a community event for the Board to consider.

Retreat resident Howard Kornblue stated if he is going to a social event, he does not mind putting in some money for the event, but that his neighbor who is not attending should not have to pay for it.

Mr. Bissonett moved to disapprove the motion. Mr. Grossman seconded. The motion passed three to one, with Mr. Evans voting against the motion to disapprove.

Approve \$3,000 Fee for PHX Architecture to Redesign the Floor Plan of the Community Center for Fitness and Social Activities

Mr. Paprocki reported two architects have designed concepts and provided costs of construction. At the end of the Ad Hoc Committee meeting, there was a question of redesigning the current community center building for a workout and social facility, and building a new freestanding facility for offices. Mr. Weissman stated he is against using the original Stonegate building for a workout facility. He noted there is room for another facility, and a fitness center and social areas could be built there. The Board members discussed cost differences of both options. Mr. Bissonett moved to disapprove the \$3,000 fee. Mr. Evans seconded. Mr. Allen and Mr. Grossman voted against the motion. Mr. Weissman voted in favor of the motion to disapprove the \$3,000 fee, breaking the tie vote. The motion to disapprove passed.

COMMITTEE REPORTS

Architectural Committee, Social Recreation Committee and Ad Hoc Committee reports were included in the Board packet for Board member review and comment.

DISCUSSION OF NEW BUSINESS

Gene Evans – Architectural Landscaping Requirements

Mr. Evans suggested setting a guideline for percentage of ground cover for landscaping. Second, he has suggested the Board look to see if they can do anything with an already approved landscaping that does not have sufficient ground cover. Mr. Grossman asked if the appropriate plants were used, and whether the Board needs to require certain size plants. The Board requested the Architectural Committee review the desert landscape requirements and to present the Architectural Committee's recommendations in a draft for Board review.

ADJOURNMENT

Mr. Evans moved the Board adjourn the meeting at approximately 7:52 p.m. Seconded by Mr. Bissonett. The motion passed unanimously.

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
MARCH 22, 2018**

APPROVED MINUTES

Present: Cary Weissman, President
David Allen, Vice President
Tom Schaefer, Treasurer
Gene Evans, Secretary
Jim Bissonett, Director
James Grossman, Director

Staff: Larry Paprocki, Director

CALL TO ORDER

President Weissman called the meeting of the Stonegate Community Association Board of Directors to order at 5:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

No residents are present.

MINUTES

February 22, 2018, Board Meeting

Mr. Bissonett moved the Board approve the February 22, 2018, Board of Directors meeting minutes as presented. Seconded by Mr. Evans. The motion passed unanimously.

PRESIDENT'S REVIEW OF THE ANNUAL MEETING OUTLINE

President Weissman provided a brief review of the Annual Meeting outline.

President Weissman reported that this year there are more nominees than Board positions noting that it is nice to see more residents getting involved than in prior years.

Mr. Paprocki advised residents with a voting form could cast their vote tonight.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for

the period ending February 28, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Mr. Evans moved the Board accept the Treasurer's report. Seconded by Mr. Grossman. The motion passed unanimously.

BOARD ACTIONS

Architectural Disclosure Form

Mr. Paprocki requested the Board approve the Architectural Disclosure Form. He reviewed the proposed changes to the form. He responded to questions and comments from the Board members regarding the proposed changes.

Mr. Evans moved the Board approve the revised Architectural Disclosure Form. Seconded by Mr. Bissonett. The motion passed unanimously.

Revised Desert Landscape Requirements

Mr. Paprocki requested the Board approve the Architectural Committee's revised desert landscape requirements as follows:

Desert Landscaping not only consists of 25 percent groundcover, but must also include plants of interest with design elements including the use of mounding and depression along with boulders to create interest. The use of rumble rock, chunky rock, and river rock is also considered a design element.

Twenty-five-percent ground cover is required and the minimum size of plant material to be installed is five gallon.

The architectural committee will inspect the desert landscape installation approximately 90 to 120 days after it is installed to determine if additional planting will be required.

All remaining desert landscape rules must be followed.

Mr. Paprocki responded to questions and comments from the Board members regarding the request. He stated the proposed revisions give residents more clarity.

Mr. Evans moved the Board approve the Architectural Committee's revised desert landscape requirements as proposed. Seconded by Mr. Schaefer. The motion passed unanimously.

Online Reservation Changes

Mr. Paprocki reported at this time all tennis courts are online for reservations. He further reported there have been issues with the homeowners not adhering to the tennis reservation rules.

The Social Recreational Committee is recommending the Board authorize staff to reassign courts if necessary to maintain group play and to remove any reservations that are incomplete or exceed the 90-minute time period.

Mr. Bissonett stated some residents are trying to bend the rules, and the proposed changes will not allow residents to bend the rules. He reviewed the current rules and the proposed changes.

Discussion is held regarding the online tennis reservation system and the proposed changes.

Mr. Schaefer stated the Board has been arguing for years about non-residents using the tennis courts. He further stated that the Board should consider charging the non-residents a fee to use the tennis courts paying through PayPal, and if the guest does not pay the homeowner will have to pay. The consensus of the Board was to continue this discussion at a future meeting.

Mr. Evans stated moving forward there needs to be a definite plan in place for the use of the pickleball courts. He further stated that residents must have priority over guests.

Mr. Allen suggested the Board might want to consider issuing ID numbers to the residents who play tennis and use the courts.

Mr. Paprocki advised the online system is being abused and he would suggest requiring the residents must identify as a resident or guest by using the Initial R and Initial G.

Discussion is held regarding the best ways to address residents abusing the online reservation system.

Mr. Evans moved the Board approve the proposed changes to the online reservation system. Seconded by Mr. Schaefer. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki requested the Board approve the written Executive Director's report as submitted.

Mr. Evans moved to accept the Executive Director's Report as submitted. Seconded by Mr. Grossman. The motion passed unanimously.

COMMITTEE REPORTS

President Weissman noted the Committee reports were included in the Board packet for Board members review and comment.

ADJOURNMENT

Mr. Evans moved the Board adjourn the meeting at 5:55 p.m. Seconded by Mr. Grossman. The motion passed unanimously.

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
MAY 3, 2018**

APPROVED MINUTES

Present: David Allen, President
Jim Bissonett, Vice President
Tom Schaefer, Treasurer
Carolyn Norris, Secretary
Luc Ducrocq, Director
Nancy Ford, Director
Craig Zirbel, Director

Staff: Larry Paprocki, Director

Also

Present: Ken & Mackey Selbig, Saddleback
James Eaneman, Regal
Maren Grow, Saddleback
Janet Desch, Saddleback
Dave & Ruth Jordan, Saddleback
Karen Turek, Belcourt

CALL TO ORDER

President Allen called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

Ruth Jordan, Saddleback, requested information on the changes to Arizona Law and procedures regarding non-compliance issues.

Mr. Paprocki provided information on the changes to State Law. He explained that there were changes regarding time frame of notice. He reported before any further action can be taken the Homeowner has 21 days to respond to the notice. The Community Association has 10 days to provide required information (must cite the violated CC&R provision, date observed, first and last name of who observed the violation and the process of how the homeowner can contest the notice). The homeowner must be informed that at any time they may petition for a hearing with the Arizona Department of

Real Estate as prescribed in §32-2199.01. SCA has elected to provide the above-required information in the first correspondence.

A Saddleback resident inquired about the types of non-compliance incidents that qualify for enforcement measures. President Allen explained that the types of incidents that require enforcement measures are outlined in the CC&Rs.

David Jordan inquired if the 10-Day Notice letters are sent by email because if the resident is out of town and the notice is sent US Mail the time frame could be missed. President Allen advised that the law requires the letters are sent by US mail but if the resident is out of town that is taken into consideration. He stated it would not be a problem to send the letter by US mail and email.

President Allen thanked the residents for attending tonight's meeting and invited them to stay for the rest of the Board meeting.

MINUTES

March 22, 2018, Board Meeting

Ms. Ford moved the Board approve the March 22, 2018, Board of Directors meeting minutes as presented. Seconded by Mr. Schaefer. The motion passed unanimously.

March 22, 2018, Annual Meeting

Mr. Zirbel moved the Board approve the March 22, 2018, Annual meeting minutes as presented. Seconded by Mr. Bissonett. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending March 31, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Ms. Ford moved the Board accept the Treasurer's report. Seconded by Mr. Bissonett. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported the City of Scottsdale approved the right-of-way abandonment that was established by the General Land Office Patent Easements (GLOPE) on the Flynn equestrian property adjacent to Stonegate's east boundary. He further reported the City's review and applicant's request to abandon the easement was included in the Board packet. He explained the equestrian trail that existed on private property is being relocated to the Stonegate eastern wash area, which was dedicated for equestrian

purposes. He further explained that he has reviewed the trail relocation with Kevin Flynn to ensure a smooth transition to the wash floor. The equestrian riders will not be able to see into Stonegate resident's backyards that border the wash. He added he has also discussed the planting of trees with Mr. Flynn and the City.

Mr. Paprocki stated he also met with several Stonegate residents and showed them the property pins, explaining the wash dedication for equestrian purposes and discussed the zoning of the property and that it had not changed. He further stated the equestrian operation presently existing on the Flynn property will be expanded. Low profile structures matching the existing structures will be constructed along with a single-family residence, which will be the Flynn's primary home.

Mr. Paprocki responded to questions and comments regarding this matter.

Mr. Paprocki reported two (2) 10-day notice letters have been sent out. A tenant of a leased Saddleback property was parking a trailer on the street. Also, a black SUV was frequently being parked blocking the sidewalk. The owner was sent a 10-day notice and letter and has contacted him. He further reported that he explained their tenant was notified in writing and a copy was sent to the owner. Per Stonegate's CC&Rs, if any violations occur, the lease agreement is voided. The owner's property manager contacted the tenant of the violations demanding the trailer be removed from Stonegate and the black SUV be parked on the driveway. The tenant complied. He requested a ruling from the Board on this matter.

Mr. Zirbel stated he would suggest the Board determine that this is a violation and send a letter and then the next step would be to issue a fine. Discussion ensued regarding this violation.

Mr. Schaefer moved the Board determine this incident is a violation and send a letter that any further violations will result in a fine. Seconded by Mr. Zirbel. The motion passed unanimously.

Mr. Paprocki reported the second 10-day notice letter was sent to a Retreat property. Several issues exist on the property. An unapproved structure in the rear side-yard exists, which is visible to public view. The structure is being used as a chicken coop housing several chickens. Also, a very large tree located in their backyard has caused damage to the party wall shared with SCA. The homeowner is responsible for repairs. The homeowner has not replied to SCA's enforcement correspondence. The homeowner did send an email prior to the enforcement correspondence but no agreement was reached.

Mr. Paprocki responded to questions and comments regarding the property.

Mr. Bissonett moved the Board approve issuing a fine in the amount of \$150.00 to this resident for having an unauthorized structure (chicken coop) on his property. Seconded by Ms. Ford. The motion passed unanimously.

Mr. Zirbel moved the Board approve issuing a fine for having unauthorized poultry (chicken) on this property in violation of the CC&Rs. Seconded by Mr. Bissonett. The motion passed unanimously.

Mr. Paprocki provided information on the common wall damage that has been caused by a tree that was planted in this backyard. He requested the Board issue a fine. He advised the wall needs to be repaired and the tree removed. Discussion ensued regarding this request.

Mr. Bissonett moved the Board direct the homeowner to repair the wall and remove the tree within 60 days. Seconded by Ms. Ford. The motion passed unanimously.

Mr. Paprocki reported the Miracle League of Arizona, a local non-profit organization, which Stonegate Community Association supports, is wishing to hold the Fifth Annual Fundraiser using the Community Center as they have in the past. This event is planned for Saturday, May 12, and it is a worthwhile charity event.

Ms. Ford moved the Board approve Miracle League of Arizona to hold the Fifth Annual Fundraiser using the Community Center on Saturday, May 12, 2018. Seconded by Mr. Schaefer. The motion passed unanimously.

Mr. Paprocki reported SCA Directors and Officers insurance renewal CNA and D&O policy renews on May 16, 2018. The premium amount is \$8,037.00, which is a \$197.00 increase over last year that computes to a 2.2 percent increase. He further reported the premium is paid in total and is shown on the balance sheet as a prepaid.

Mr. Bissonett moved the Board approve the renewal CNA and D&O policy and the premium amount is \$8,037.00. Seconded by Ms. Ford. The motion passed unanimously.

Mr. Paprocki stated included in the Board packet is the 2018 Appointment of Committee Members recommendations for Board approval.

Ms. Ford stated that she would like to see more people participate on the Nomination and Election Committee.

Ms. Ford moved the Board approve the 2018 Appointment of Committee Members list as presented. Seconded by Mr. Ducrocq. The motion passed unanimously.

Mr. Paprocki provided an update on the PMIS 2018 Roadway Evaluation and planned work. He advised the updated report from PMIS that included the Pavement Condition Index (PCI) was included in the Board packet. He further advised the report used the PCI to determine what work is needed to provide the optimum useful life before reconstruction is required. The 10-year plan indicates SCA will spend \$1,990,735.00 on roadway maintenance and reconstruction.

Mr. Paprocki responded to questions and comments regarding the PMIS report.

Mr. Zirbel moved the Board accept PMIS pavement evaluation and 10-year plan. Seconded by Mr. Schaefer. The motion passed unanimously

Mr. Paprocki's report also included the bids comparison sheet to seal coat the new pavement in the Retreat subdivision. This seal coating is required to be performed 12 to 18 months after construction. Afterwards, seal coating is required every four to five years. He further reported that he recommends accepting the Pinnacle Paving bid in the amount of \$29,262.00 the lowest of the three bids and less than the PMIS estimate. He added if accepted, the seal coating work is scheduled to begin Monday, July 9, and will be completed Friday, July 13.

Mr. Paprocki noted that also included in the 2018 roadway work is the construction of two speed tables within the Regal. The estimated cost is \$15,000. He further noted that bids have been requested. When the contractor is selected and approved by the Board, he would like to have the proposed speed tables installed in July.

Mr. Paprocki responded to questions and comments regarding this request.

Mr. Zirbel stated that he would like to review all bids received and the standard used in PMIS's review and selection process. Mr. Paprocki stated that he would provide that information to the Board. The Board agreed to table this request.

Mr. Paprocki reported the recommendations are being made regarding the Tennis Courts and Pickleball courts as follow:

1. Reduce prime time hours from 4.5 hours to 3.0 hours.
2. Remove OPEN PLAY time from the Pickleball schedule and make reservations only.
3. Permit Homeowners to extend court play if the court is available the day before play.

Also, a request has been made to extend pickleball hours to 8:00 p.m. during the summer.

Mr. Paprocki responded to questions and comments regarding the recommendations.

Mr. Zirbel moved the Board approve the recommendations regarding the Tennis Courts as recommended above. Seconded by Mr. Ducrocq. The motion passed unanimously

Ms. Ford moved the Board approve the recommendations regarding removing open play time for the Pickleball schedule and make reservations only. Seconded by Mr. Zirbel. The motion passed unanimously

Mr. Paprocki provided an update on the acoustic fence planned for the pickleball courts.

The Board members discussed the request to extend pickleball hours to 8:00 p.m. during the summer. It was suggested extending the hours to 10:00 p.m. Ms. Norris stated that

she felt that it was sometimes better to ease into something because it can be difficult to take something back.

Ms. Ford moved the Board approve extended pickleball hours to 10:00 p.m. during the summer. Seconded by Mr. Zirbel. The motion passed by a vote of five to one with Ms. Norris dissenting.

DISCUSSION / NEW BUSINESS

Mr. Ducrocq passed out pictures to the Board members of the surface cracks that are on some of the tennis courts. He stated that he would like to bring in the company that laid the concrete to inspect the cracks to determine if the surface cracks are reasonable. Discussion ensued. Mr. Paprocki stated he would think the cracks are due to shrinkage and expansion but the Board could consider hiring an independent company to examine the surface cracks to ensure they receive an unbiased opinion.

Mr. Zirbel discussed his concerns regarding the post tension cables on the some of the tennis courts.

COMMITTEE REPORTS

President Allen noted the Committee reports were included in the Board packet for Board members review and comment.

Mr. Paprocki requests the Board hold an executive session to discuss an insurance claim submitted to carrier and enforcement issues.

ADJOURNMENT

Mr. Schaefer moved the Board adjourn the meeting at approximately 8:00 p.m. Seconded by Mr. Bissonett. The motion passed unanimously.

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
MAY 31, 2018**

APPROVED MINUTES

Present: David Allen, President
Jim Bissonett, Vice President
Tom Schaefer, Treasurer
Carolyn Norris, Secretary
Luc Ducrocq, Director
Nancy Ford, Director
Craig Zirbel, Director

Staff: Larry Paprocki, Director

Also

Present: James Eaneman
Alisa Taylor

CALL TO ORDER

President Allen called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

James Eaneman, Regal, stated that he is here on behalf of his neighbors and he would like to bring up an issue of public safety and speed control. He further stated that the consensus is that excessive speed is a significant problem and safety issue in the Regal. He advised that they are in favor of the proposed speed tables being approved and installed. He noted that he appreciates all the time and efforts by Mr. Paprocki to look for a solution.

MINUTES

May 3, 2018, Board Meeting

Ms. Ford moved the Board approve the May 03, 2018, Board of Directors meeting minutes as presented. Seconded by Mr. Bissonett. The motion passed unanimously.

May 3, 2018, Executive Session

Mr. Bissonett moved the Board approve the May 3, 2018, Executive Session minutes as presented. Seconded by Mr. Ducrocq. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending April 30, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Ms. Ford moved the Board accept the Treasurer's report. Seconded by Mr. Bissonett. The motion passed unanimously.

RETREAT LOT 90 LANDSCAPE ISSUE AND LOT 91 COMPLAINTS

Alisa Taylor stated that she has submitted their landscape plan to Mr. Paprocki. She provided a brief overview of their plans adding it has been a long process with a lot of time and hard work. She further stated she has a problem with the neighbor's really large pine tree and part of the tree is growing on her yard. She reported that they cannot do the landscaping the way they want to because of this pine tree. There is a huge pile of roots that have come through and grass won't grow. She further reported that she has sent nice letters to the neighbors and asked if they could trim the tree on their side of the property. The letters were not responded to. She advised that she went ahead and trimmed the tree. She showed pictures of what the tree looks like after it was trimmed. She responded to questions and comments from the Board members regarding this pine tree.

President Allen advised Ms. Taylor that the Board understands the issue but did not believe this is a HOA issue. He further advised that State Law does allow for her to trim the tree on her side of the yard.

Ms. Taylor stated given the fact that the tree is an eyesore she would think this is an HOA issue because of the requirements to keep the community looking good.

Mr. Paprocki stated that because Ms. Taylor created her own hardship by trimming the tree, and cause the tree to be been scarred for a period of time, but the tree is still alive and should green up. He further stated that it might make sense to have the tree balanced for safety issues but we do not have the authority at this time.

President Allen suggested they wait a while to see what happens with the tree to see if it will look better and have Mr. Paprocki keep an eye on it. Ms. Taylor stated that she does not think it will ever look any better.

Mr. Zirbel stated that he would suggest Ms. Taylor proceed by filing a complaint regarding this tree with the Architectural Committee.

President Allen advised that the neighbor has written a complaint letter about Ms. Taylor.

President Allen reiterated the Board understands the problem. He stated that he would agree with the suggestion that Ms. Taylor move forward with a complaint to the Architectural Committee, and ultimately the Board can act on their recommendation.

President Allen thanked Ms. Taylor for attending.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported the Miracle League of Arizona acknowledged Stonegate Community Association's continued support for their Annual Ryan Martin Fundraiser. He further reported this year's event was held on Saturday, May 12 and was the Fifth Annual Event held at Stonegate. He advised their athletes with special needs say thank you to Stonegate's incredible generosity.

Mr. Paprocki reported Elite Builders has submitted a 2018 application to Arizona Sports Builders Association (ASBA) under the category "Private Facility". He further reported ASBA is a national organization dedicated to the high standards required to construction of sports facilities in the USA.

Mr. Paprocki reported that he has reviewed the Arizona Community Association Legislative Changes as compiled by Law Firm of Carpenter Hazlewood. He further reported it appears we are in good shape.

Mr. Paprocki reported that the property owner in Retreat Lot 98 had agreed to remove the chickens and the unapproved coop structure. Mr. Paprocki reported that today at 4:00 p.m. he received a letter requesting a variance from the CC&Rs. He provided a brief overview of the reasons stated for the variance by the homeowner.

President Allen stated that he finds the timing offensive because this issue has been going on for a long time, the Board has taken action, and the property owner agreed to resolve the problem as well as they have been given a time extension.

Discussion was held regarding this request.

President Allen stated that the time to come before the Board has passed. He further stated that he felt they have created their own hardship. He further stated the residents knew about this Board meeting and did not appear.

The consensus of the Board was to direct Mr. Paprocki move forward with the enforcement in place.

Mr. Paprocki provided an overview of the Memorial Day weekend incident. He reported on Sunday, May 27, 2018 between 5:00 p.m. and 5:30 p.m., two minors threw eggs at two different times at Residents walking along Stonegate Circle. The Main Gate officer was advised of the incident and contacted Scottsdale Police Department. The first police officer arrived at 5:15 p.m. and a second police officer arrived approximately 10 minutes later. He further reported that general descriptions of the two minors were provided along with the general locations to the responding officers. A short time later the two minors were arrested. One minor is a Stonegate resident and the other is a guest. He advised that no names are provided at this time, as minors are involved. He further advised that he does have a case number and will request a copy of the police report when it is made available.

Mr. Paprocki reported that included in the Board packet is a copy of the Spring Fling Reconciliation Report. He further reported that the Social/Recreational Committee will be provided a copy of the report at its next hearing.

Mr. Paprocki reported that the City of Tempe recently passed a new ordinance pertaining to pigeons, nuisance issues from over-feeding and resulting health issues. He further reported that he has contacted the city's zoning department requesting a copy of the ordinance. He responded to questions and comments regarding

BOARD ACTIONS

Accept PMIS Pavement Evaluation Report and 10-Year Plan

Mr. Paprocki requested the Board accept the PMIS pavement evaluation report & 10-year plan.

Mr. Paprocki reported at the last meeting, there was a request to review all bids received and the standard used in PMIS's review and selection process.

Mr. Paprocki provided an update on the PMIS 2018 Roadway Evaluation and planned work. He advised the updated report from PMIS that included the Pavement Condition Index (PCI) was included in the Board packet. He further advised the report used the PCI to determine what work is needed to provide the optimum useful life before reconstruction is required. The 10-year plan indicates SCA will spend \$1,990,735.00 on roadway maintenance and reconstruction.

Ms. Norris stated that she has not had a chance to read the entire document but advised there is an error regarding the numbers for the Regal. Mr. Ducrocq stated the he would like an explanation as to why PMIS missed a big error. Ms. Norris noted that it might not be a mistake and it could be a typo.

President Allen provided background information regarding the Board's decision to hire PMIS.

Mr. Paprocki responded to questions and comments regarding the PMIS report.

Ms. Ford moved the Board accept the PMIS pavement evaluation report & 10-year plan subject to clarification regarding the numbers error. Seconded by Mr. Schaefer. The motion passed unanimously.

Approve 2018 Roadway Reserve Expense

Mr. Paprocki requested the Board approve the 2018 Roadway Reserve Expense. He reviewed the 2018 Roadway Reserve Expense Report as included in the Board Packet. He responded to questions and comments from the Board members regarding this request.

Mr. Schaefer moved the Board approve the 2018 Roadway Reserve Expense. Seconded by Mr. Bissonett. The motion passed unanimously.

Approve 2018 General Reserve Expense

Mr. Paprocki requested the Board approve the 2018 General Reserve Expense. He provided information on the reserve expense tables included in the Board packet. He reported that he had Paul Basha former transportation manager and current town manager look at this document and he provided his comments.

James Eaneman stated that though his professional career he knows of Paul Basha and he is considered in the top 5 in his field.

Mr. Paprocki responded to questions and comments from the Board members regarding this request.

Mr. Schaefer moved the Board approve the 2018 General Reserve Expense. Seconded by Ms. Ford. The motion passed by a vote of 5 to 1 with Mr. Zirbel dissenting.

Approve Pinnacle Paving Retreat Seal Coating Bid

Mr. Paprocki requested Board approval of Pinnacle Paving bid in the amount of \$29,262.00 for Retreat seal coating.

Mr. Zirbel advised that he contacted Cactus paving to ask questions about the bid.

President Allen stated the problem was that this was put back out to rebid without the committee's or Board approval. He further stated we run the risk of having contractors not wanting to work with us.

Mr. Zirbel stated that the Board does not have the information in enough time to review prior to the meeting to allow them to vote.

Mr. Schaefer stated because the bids go through the Physical Property committee and they make their recommendation to the Board the contractors thought they have already dealt with this before. He further stated if Board members would like to get involved at that level they should join the Physical Property Committee.

Mr. Bissonett moved Board the approve Pinnacle Paving bid in the amount of \$29,262.00 for Retreat seal coating. Seconded by Ms. Ford. The motion passed by a vote of 4 to 2 with Mr. Zirbel and Mr. Ducrocq dissenting.

President Allen provided an overview of how the Board operates. He encouraged Board members to join committees.

Mr. Ducrocq stated that he has served on other Boards where they were able to question businesses directly.

Discussion is held regarding how the Board operates.

Mr. Paprocki reviewed the short-term plan for the community association if he is unable to work. He reviewed the Stonegate Community Association organizational chart.

In response to a question from, Mr. Zirbel, Mr. Schaefer provided information on how the Finance Committee determines what a reasonable budget is.

Ms. Ford recommended that new Board members with questions about the budget sit down with Mr. Schaefer to obtain a better understanding of the budget.

COMMITTEE REPORTS

President Allen noted the Committee reports were included in the Board packet for Board members review and comment.

DISCUSSION / NEW BUSINESS

Mr. Paprocki provided information regarding the issue with the Safeguard late night guard. He further stated there have been concerns with this guard and he requested that he be retrained and reevaluated. He reported this guard was caught sleeping with the lights out. This guard will be replaced.

Discussion is held regarding the next Board meeting date. The next Board meeting will be held on Tuesday, June 6, 2018 at 6:00 p.m.

Ms. Norris stated that the community's website needs a facelift.

Ms. Norris inquired about the palm tree that was cut down. Mr. Paprocki advised that he has been doing some comparison shopping and he will add this to the agenda for the next meeting.

Mr. Paprocki reported that many of our contractors have done multiple year bids. He further reported they have a multiple year contract with Butler Roofing, and he would like to move forward with additional roofing if they will guarantee their bid price.

Mr. Ducrocq moved the Board give Mr. Paprocki the authority to proceed with additional work on the roofs if Butler Roofing will extend the bid they gave us last year. Seconded by Mr. Zirbel. The motion passed unanimously.

Mr. Ducrocq stated that it would appear the association is paying too much for the phone system. Mr. Paprocki stated he will be pulling the contract for review.

ADJOURNMENT

Mr. Zirbel moved the Board adjourn the meeting at approximately 8:30 p.m. Seconded by Mr. Schaefer. The motion passed unanimously.

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
JULY 26, 2018**

APPROVED MINUTES

Present: David Allen, President
Jim Bissonett, Vice President
Tom Schaefer, Treasurer
Carolyn Norris, Secretary
Nancy Ford, Director
Craig Zirbel, Director

Absent: Luc Ducrocq, Director

Staff: Larry Paprocki, Director
Catherine Bryson, Communications

Also Present: Tradewinds Residents

CALL TO ORDER

President Allen called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

Jeff Gruber, Tradewinds, expressed his concern regarding the height of a homeowner's unattractive hedges on Sorrel Lane. He advised that the homeowner next door feels they got termites because this house is like a jungle. He reported this same homeowner in Tradewinds is feeding the pigeons and providing water to the wildlife. He further reported that this is a major issue because of the number of animals coming into the neighborhood because food and water is being provided. He added feeding and providing water to the pigeons and wildlife is uncalled for, not healthy, unsanitary, and this issue needs to be taken care of as soon as possible.

Mr. Gruber inquired about the protocol for lights on the front of houses and if the Association checks the houses to ensure all lights are on. Mr. Paprocki advised a member of the maintenance crew does a drive of the neighborhoods once a month. Mr.

Gruber stated the lights on this particular house have been out for a minimum of two months.

Mr. Gruber stated he would recommend putting flowers in front of the structures in each section where the names are. He further stated that the appearance of the common areas is terrible because there is so much dead grass. He suggested removing grass and putting in artificial grass.

Mr. Gruber stated he would also recommend putting GPS in Stonegate vehicles.

Mr. Gruber stated he felt the community needs better management. He further stated there are residents who are willing to help manage. He further stated he would like to see Stonegate managed like it was 20 years ago.

Mr. Gruber expressed his concerns regarding the cleanliness of the pool.

Jeri Siegel, Tradewinds, stated the landscaping is horrible and it is embarrassing. She further stated that instead of continually replacing the plants we need to make sure the plants are getting water. She added that she does not mean to be disrespectful but do your job.

President Allen thanked Mr. Gruber and Ms. Siegel for their comments and advised the Board will discuss the issues and come to a resolution to improve the situation.

MINUTES

May 31, 2018, Board Meeting

Ms. Ford moved the Board approve the May 31, 2018, Board of Directors meeting minutes as presented. Seconded by Mr. Bissonett. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending June 30, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Mr. Bissonett moved the Board accept the Treasurer's report. Seconded by Ms. Ford. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki provided an update on A.R.S. 1803. He reported the Arizona Supreme Court voted against the Turtle Rock decision made by the Appellate Court. Pursuant to Rule 111 of the Arizona Supreme Court Rules, a non-published opinion is not precedent.

It is always inappropriate to cite an unpublished opinion or any portion of that opinion. He further reported that Stonegate's legal counsel Carpenter, Hazelwood, Delgado & Bolen is advising their clients the Turtle Rock III is not in effect.

Mr. Paprocki provided a 10-Day Notice Letter Update. He reported the Board decision and correspondence, email exchange, and three photographs provided by the homeowner were included in the Board packet regarding homeowner, Retreat Lot 98. The homeowner is in partial compliance and feels the fines should be waived. He further reported the homeowner failed to exercise their rights, which were provided to them.

The consensus of the Board is the homeowner needs to be in total compliance. The assessed fines will continue.

Mr. Paprocki reported regarding homeowner, Retreat Lot 90. In the correspondence dated July 2, 2018, five fineable issues had occurred that were stated and a completion date of July 17, 2018 was given. He further reported work is continuing and he would estimate at approximately ninety percent completion.

Mr. Paprocki responded to questions and comments regarding this property. The consensus of the Board is to direct Mr. Paprocki to proceed and impose the fines.

Mr. Paprocki reported regarding homeowner, Saddleback Lot 60. This property has been abandoned by the owner. The assessments are four months delinquent. He further reported that he has spoken to the owner on two occasions to discuss assessments and maintenance. It was expressed they abandoned the property due to health care financial hardship and their lender was informed of the situation. He stated the lender has been contacted, who indicated they were unaware of the status of the property.

Mr. Paprocki advised the water was turned off at the meter. When Stonegate Community Association turned the water on, at least four leaks existed in the front yard and more in the back. He asked maintenance to make the necessary repairs. He further advised that since the water was turned off and Stonegate Community Association does not have access to the house, SCA would isolate the water supply from the house and direct the water to landscape only. If SCA gains access to the house and can verify if it is safe to turn the water on, SCA will do so and will perform routine checks.

President Allen stated he felt the Association should start foreclosure based on the homeowner's delinquent assessments in order to protect the Association.

Mr. Paprocki responded to questions and comments from the Board members regarding this property.

On the direction of the Board, Mr. Paprocki advised he would contact the Association's lawyers and start the foreclosure process.

Mr. Paprocki reported that sixty palm tree compliance 10-day notice letters were sent and approximately two-thirds have responded, and should be resolved shortly. He further reported that the 20 plus remaining properties did not respond. He is recommending a \$150.00 fine to each homeowner per the Stonegate Community Association Fine and Collection Policy, which requires the fine to be paid, and the property brought into compliance or their access control devices will be turned off. The homeowner would gain access into the community via the main gate and guest lane.

Mr. Paprocki reported PMIS inspected the Retreat Street sealing work and submitted a punch list to our contractor Pinnacle. All punch list items have been addressed and the project is complete.

Mr. Paprocki reported that someone ran into a resident's car and did not leave a note and nobody knows who it was so the resident came to the Association for help and was advised it not the Association's responsibility.

Mr. Paprocki reported Butler Roofing has re-roofed the following: Recreational Area, two small Ramadas, one large Ramada, pool equipment/bath house building, Main Gate, and East Gate building, and the small Ramada at the Retreat tennis courts. He further reported the roofing project is complete.

Mr. Paprocki reported the East Palomino Landscape Enhancement at the subdivision entryways for Tamarack and Windemere water systems have been replaced. Lateral water lines will be replaced in September and October. New plants will be added in October. He further reported afterwards, granite would be refreshed. The project will be complete no later than November. He added that this is an on-going project.

Mr. Paprocki reported that three bids were obtained for the Stonegate Circle and Regal Intersection speed tables. The three bids were reviewed and discussed by the Physical Property Committee and the Finance Committee.

Mr. Paprocki responded to questions and comments from the Board regarding the intersection speed tables.

James Eaneman, Regal, stated that he is here on behalf of his neighbors and he would like to bring up an issue of public safety and speed control. He further stated that the consensus is that excessive speed is a significant problem and safety issue in the Regal. He advised that they are in favor of the proposed speed tables being approved and installed. He further advised he would appreciate the Board making the decision tonight. He noted that he appreciates all the responsiveness and efforts by Mr. Paprocki to look for a solution.

Ms. Ford moved the Board approve the full bid submitted by Pinnacle Paving for the Regal Roadwork and striping of Stonegate Circle in the amount of \$14,945.00. Seconded by Ms. Norris. The motion passed unanimously.

Mr. Paprocki reported there is an unplanned Reserve expense for the Community artwork bronze statues. He further reported that Joe Lindsay of Sculpture Smart provides restoration service throughout the valley, to city of Scottsdale and SCA, for the last 20 plus years. He has time in late September or early October. He advised the annual cost has varied from \$900.00 - \$1,200 depending on condition. The work to be done is a full restoration, which includes sand blasting, metal fatigue repairs if required, and full patina restoration. The cost is \$9,000. He further advised this restoration work was done approximately 15 years ago. This restoration work will help preserve our bronze statues with annual touchups for another 15 years.

Mr. Paprocki responded to questions and comments from the Board members regarding this request.

The consensus of the Board was to direct Mr. Paprocki to do research and seek out a competitive bid.

Mr. Paprocki reported the chipper needs to be replaced. He further reported the Stonegate Community Association purchased a 2009 Model BC 600 chipper in the amount of \$18,178. This equipment needs to be replaced due to growing maintenance cost. In the past two years, the repair costs have been \$4,278.63. This equipment is down for repairs. The estimated repair cost is \$5,448.53. A 2018 BC 700 base cost is \$16,272.00, plus a three year extended maintenance plan \$3,131.00 less trade in value and customer loyalty \$1,425.44 plus tax for a total cost of \$19,803.68. He advised that this equipment is used at least three times per week. It reduces the number of trash pulls when you can fill the containers more completely. Each dumpster pull is \$350.00.

Mr. Paprocki responded to questions and comments from the Board regarding this request.

The consensus of the Board was to direct Mr. Paprocki to do some additional checking but authorize the purchase up to a specific dollar amount.

Ms. Ford moved the Board approve the purchase of a chipper up to \$20,000.00. Seconded by Mr. Schaefer. The motion passed unanimously.

Mr. Paprocki reported Stonegate Community Association uses Cox for the following services: telephone, Internet, and TV. The monthly charge is \$1,589.44, which includes \$251.13 in fees. He further reported that he has met with a Cox representative and they have offered a reduction of approximately \$380.00. He stated that he believes we can reduce the charges another \$100.00 - \$150.00. The Cox representative was unable to meet with him again until next week. He further stated that he is confident we can get the additional reduction, which will lower SCA monthly cost by one-third. He added this matter was brought to the attention of the finance committee at its last meeting.

Mr. Paprocki advised that a Belcourt resident is concerned with air traffic noise and feels increased seasonal traffic noise will occur. Ms. Norris stated that the information regarding the flight path is included in the home disclosure.

EXECUTIVE DIRECTOR'S REQUESTS

Mr. Paprocki reported that after careful review of the City of Tempe's city ordinance regarding excessive feeding of wildlife, especially birds, and careful review of Stonegate's CC&R's, he believes we can draft a rule supported by our existing documents. He requested the Architectural Committee be instructed to draft a rule for Board approval.

After a brief discussion, the consensus of the Board was to forward the Tempe Ordinance to the Architectural Committee for review and the next step would be to create a rule that can be enforced.

Mr. Paprocki requested the Board direct CC&R 7.2 titled Lots to the Architectural Committee to draft specific landscape maintenance standards for Board review. The criteria should include groundcover, shrubs, and trees encroaching neighboring property. He reported the standard for trees should not be enforced by SCA but to remind homeowners of their maintenance obligations. He further reported that State law provided for neighbors dispute.

Mr. Paprocki reported the Architectural Committee has requested a legal review regarding APS solar panel lease program. He further reported the request received appears to be a commercial venture and he supports the review.

Mr. Paprocki responded to questions and comments from the Board regarding this request.

President Allen stated the Board could take the opinion that this is a commercial activity, but would suggest obtaining a legal opinion to determine whether it would be within their right to deny this request.

Mr. Zirbel moved the Board authorize up to \$500.00 to obtain a legal opinion whether the Board is within their right to deny the solar panel request. Seconded by Ms. Norris. The motion passed unanimously.

Mr. Paprocki reported there have been personnel changes with two landscape employees being terminated for cause. He further reported that he requested that two irrigation techs be used. He advised the extreme heat, lack of rainfall and eight mainline breaks in the last 90 days have cause havoc on our landscape including our turf area.

Mr. Paprocki reported the weekend part-time employee accepted a full-time position and was no longer available to work on Saturday. He further reported that he is recommending the office be closed for the four hours on Saturday. He stated that he has

checked with other Community Associations and found they do not provide weekend coverage.

Mr. Paprocki responded to questions and comments regarding this request.

The consensus was to delay hiring a part-time employee until 9/15/2018.

Mr. Paprocki provided information on the tennis court expert who works with the City Of Glendale. He stated he would suggest hiring this person as a consultant to assist with the tennis courts.

Mr. Paprocki responded to questions and comments from the Board members regarding the expert.

The Board authorized Mr. Paprocki to spend \$400.00 to hire the consultant to review the tennis courts and provide his opinion.

Mr. Paprocki reported that a homeowner has quick claimed a property multiple times to multiple buyers.

President Allen stated there are at least two transfer fees that need to be paid.

COMMITTEE REPORTS

President Allen noted the Committee reports were included in the Board packet for Board members review and comment.

DISCUSSION / NEW BUSINESS

Ms. Ford commented at the last meeting it was stated that the community website needs a facelift and she wants to ensure this happens. Ms. Norris stated that she has agreed to assist with this matter.

A Tradewinds resident expressed his concerns that 117th Street is a speedway. He stated that his other concern is our grass, and he would suggest the Board take another look at putting in artificial grass. He noted that the cost of water will be going through the roof. He further stated that there are a lot of dead birds in his area and he feels the Board should do something about this.

ADJOURNMENT

Mr. Bissonett moved the Board adjourn the meeting at approximately 7:50 p.m. Seconded by Mr. Schaefer. The motion passed unanimously.

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
AUGUST 23, 2018**

APPROVED MINUTES

Present: David Allen, President
Tom Schaefer, Treasurer
Carolyn Norris, Secretary
Luc Ducrocq, Director
Nancy Ford, Director
Craig Zirbel, Director

Absent: Jim Bissonett, Vice President

Staff: Larry Paprocki, Director

CALL TO ORDER

President Allen called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

MINUTES

July 26, 2018, Board Meeting

Ms. Ford moved the Board approve the July 26, 2018, Board of Directors meeting minutes as presented. Seconded by Ms. Norris. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending July 31, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Mr. Schaefer reported the Finance Committee is suggesting that the property transfer fees are temporarily placed in the Operating Fund until the end of the year. He responded to questions and comments from the Board members regarding this request. Mr. Schaefer moved the Board approve the property transfer fees be placed in the Operating Fund. Seconded by Mr. Ducrocq. The motion passed unanimously.

Ms. Ford moved the Board accept the Treasurer's report. Seconded by Ms. Norris. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported the Retreat seal coating has been completed. The roof vents on community buildings were painted. He further reported the installation of the Regal intersection speed tables begins tomorrow, Friday August 24, 2018. The installation will take one day. Stonegate Circle paint restriping will be completed on Saturday, August 25, 2018.

Mr. Paprocki advised the legal opinions the Board requested at the last meeting regarding the abandoned property and solar panels were included in the Board packet. Discussion ensued regarding the legal opinions. The consensus of the Board members was to have the attorney for the Association send a collections demand letter to the owners of the abandoned property.

Mr. Paprocki provided an overview of the Guardian Dental insurance renewal.

Mr. Paprocki provided information on the storm damages and recovery plan. He reported in August, Stonegate experienced 8 monsoon storms within 11 days making this a 50-year event. The damages range from downed trees, flooding of two roadway crossings and damage to the wash areas that eroded the existing washes. Stonegate landscape staff is still working on damage clean up. They are currently working to remove the stumps of the fallen trees where the roots and stumps are exposed. He stated that he believes cleanup up will continue for the next two to three weeks.

Mr. Paprocki responded to questions and comments regarding the storm damages and recovery plan.

Mr. Paprocki reviewed the list of trees that will be replanted as part of the recovery plan.

Mr. Paprocki provided an update on the 2019 draft budget. He reported the Finance Committee is requesting direction on two items that impact the 2019 budget. The first is the Safeguard contract renewal with change of hours. The second is the three-year proposal by Cox regarding telephone and internet services. He further reported both items provide significant savings that would affect the 2019 budget.

Mr. Paprocki reported the prior Board approved closing the Retreat Gate and East Gate for better access control. He further reported that he is recommending modifying the closure hours to 1:00 a.m. to 5:00 a.m.

President Allen stated with regard to the prior Board's approval of closing the Retreat and East gates, he does not like that the egress is blocked not allowing people out if something happens. He further stated he would support modifications and allowing the exits to remain open.

Mr. Paprocki responded to questions and comments regarding this request.

The consensus of the Board was that signs that indicate the closure times are needed in the Retreat and East gates and the signs should be up before the changes are made. Mr. Paprocki and Mr. Schaefer responded to questions and comments regarding the 2019 draft budget.

Mr. Paprocki provided information on the Safeguard personnel change. He reported effective August 30, 2018 Sergeant Melody Joseph will retire. Melody has worked 20 years for Stonegate in the role that she holds today.

Mr. Paprocki reported he sent out one 10-Day Notice letter.

Mr. Paprocki advised that a letter was sent out to the residents with the chicken coop advising them that the Board instructed him to impose the next level of fines as they have not brought their property into compliance.

Mr. Paprocki provided an update on the 2019 Reserve Study. He reported the Finance Committee will be presented with the updated Reserve Study in the month of September. He further reported the joint meeting with the Board and Finance Committee will be scheduled in early October.

BOARD ACTIONS

Guardian Dental Benefit Renewal

Mr. Paprocki requested Board approval for the Guardian Dental Benefit renewal at a 1.9 percent increase over last year.

Mr. Paprocki responded to questions and comments from the Board members regarding the renewal.

President Allen inquired all in favor of Board approval of the Guardian Dental benefit renewal. Seconded by Mr. Ducrocq. The motion passed unanimously.

Storm Damage Recovery

Mr. Paprocki requested Board approval of the Storm damage recovery plan to replant 100 trees in the common area in 60 days and hire an irrigation tech.

	Estimate	Range
Trees	15,000	20,000
Planting & Irrigation Repairs	10,000	12,500
Tractor Rental (\$2,500/wk)	7,500	7,500
Materials	4,000	4,000
Irrigation Tech & Labor	<u>8,100</u>	<u>8,100</u>
	\$44,600	\$52,100

President Allen inquired all in favor of Board approval of the Storm Damage Recovery Plan. Seconded by Ms. Ford. The motion passed unanimously.

Cox Telephone and Recovery Plan

Mr. Paprocki requested Board approval for the Cox telephone and internet plan with a savings of \$818 per month. He advised the current cost is \$1,934 per month. The new proposed cost is based on contract negotiations is \$1,116 per month. This is a three year contract.

President Allen inquired all in favor of Board approval of the Cox Telephone and Internet plan. Seconded by Mr. Schaefer. The motion passed unanimously.

Safeguard

Mr. Paprocki requested Board approval for Safeguard's change of hours to proceed with the 2019 budget process. He reported the revised hours would close the main gate from 1:00 a.m. to 5:00 a.m. All traffic during this unmanned time period would enter and exit the main gate. He further reported that last year's upgrade in cameras allows us to consider this reduction for access control.

President Allen inquired all in favor of Board approval for Safeguard's change of hours to proceed with the 2019 budget process with the provision to leave the exit gates open. Seconded by Mr. Schaefer. The motion passed unanimously.

Proposed Wildlife Rule of Exclusion of Witnesses

Mr. Paprocki requested Board approval of the Proposed Wildlife Rule.

President Allen inquired all in favor of Board approval of the Proposed Wildlife Rule. Seconded by Mr. Ducrocq. The motion passed unanimously.

COMMITTEE REPORTS

President Allen noted the Committee reports were included in the Board packet for Board members review and comment.

The next Board meeting is scheduled Thursday, September 27, 2018 at 6:00 p.m.

ADJOURNMENT

Mr. Schaefer moved the Board adjourn the meeting at approximately 7:20 p.m. Seconded by Ms. Norris. The motion passed unanimously.

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
NOVEMBER 01, 2018**

APPROVED MINUTES

Present: David Allen, President
Tom Schaefer, Treasurer
Carolyn Norris, Secretary
Nancy Ford, Director
Craig Zirbel, Director

Absent: Jim Bissonett, Vice President
Luc Ducrocq, Director

Staff: Larry Paprocki, Director
Lora Stacy, Accountant

CALL TO ORDER

President Allen called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS FORUM

A Saddleback resident expressed her concern that the lights in the common areas and at the entryways to each neighborhood, that are now on a manual kind of system, have been going out during storms, and there have been times of darkness in these areas. She stated that she would like to see light sensors put in to turn on the lights.

A Saddleback resident also expressed her concern that when she and her husband walk on the path past the tennis courts to the pool area, on Saturday and Sunday mornings, often the gates are left ajar especially the one by the bathrooms and main ramada. She inquired if the cameras capture this area.

Mr. Paprocki reported that Stonegate Community Center uses mechanical clocks and during adverse weather, if the breakers trip, the breakers are reset and the clock timers are readjusted. He indicated SCA had both timers and photo eye sensors. The complaint on the sensors was inconsistent “on times” when used. The timers were more effective.

Mr. Paprocki advised that the cameras do not have the ability to capture who doesn’t shut the gates. He stated that quite often he finds the gates not closed. He further stated that it is an issue of homeowners thinking of their own convenience, and not the safety of others.

President Allen suggested putting a friendly reminder in the next newsletter that residents not leave the gates to the pool ajar for the safety of our children.

In a response to a question from President Allen, Mr. Paprocki advised that Maricopa County came out last week and the SCA passed all of the gate criteria when properly closed.

MINUTES

August 23, 2018, Board Meeting

Ms. Ford moved the Board approve the August 23, 2018, Board of Directors meeting minutes as presented. Seconded by Ms. Norris. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending September 30, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Ms. Ford moved the Board accept the Treasurer's report. Seconded by Ms. Norris. The motion passed unanimously.

Approve 2019 Operating Budget

Mr. Schaefer reported that the 2019 Operating Budget has been reviewed by the Board and Finance Committee in a joint meeting.

Mr. Schaefer moved the Board approve the 2019 Operating Budget and set the fee total at \$193.00 with operating \$158.00 and reserve \$35.00. Seconded by Ms. Ford. The motion passed unanimously.

Approve 2019 Reserve Study

Mr. Schaefer stated the 2019 Reserve Study has been reviewed by the Finance Committee.

Mr. Schaefer moves the Board approve the 2019 Reserve Study. Seconded by Ms. Norris. The motion passed unanimously.

Approve 2019 Roadway Work

Mr. Paprocki stated the Physical Property Committee and Finance Committee have reviewed the 2019 Roadway Expense and request Board approval.

Mr. Schaefer moves the Board approve the 2019 Roadway Expense. Seconded by Ms. Norris. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki stated the Board allocated \$10,000 to the Physical Property Committee to get input and renderings from professionals on a workout facility. He further stated that two different architectural firms were used and they submitted very similar designs with freestanding buildings. These renderings were sent to contractors for estimates and the cost was over one and a half million dollars. The Committee felt the workout facility did not make sense because the cost was too high and there were nearby workout facilities with low monthly fees. The construction would require a special assessment of the membership. He responded to questions and comments from the Board members regarding the workout facility.

The consensus of the Board was that the homeowners deserve to know the workout facility was given a fair shot regardless of the expense and what their decision was based on. The Board directed Mr. Paprocki to include information regarding this issue in the Annual Report, and that no further action will be taken at this time.

Mr. Paprocki reported he sent out one 10-Day Notice letter in September to a Reserve Resident; palm tree matter resolved. He further reported six 10-Day Notices were sent in October. He added all concerned landscape issues have been reviewed with the appropriate action taken.

Mr. Paprocki reported that two Bronze Statues located in the pond required structural reinforcement. The remaining statues were in good condition. He further reported the work would be completed tomorrow. The pond will be refilled on Friday, November 2, 2018.

Mr. Paprocki provided an update on the storm damage tree replacement. He reported 38 trees have been planted as of October 31, 2018. Locations are being marked for the remaining authorized replacement trees. Four types of trees have been selected, which are the Palo Verde (museum), Jacaranda, Pistachio, and Evergreen.

Mr. Paprocki reported the winter turf conversion began the week of October 10th with scalping. The first and second seeding have been done. The second mowing is this week. He further reported that overall the turf looks good.

Mr. Paprocki reported the two replacement palm trees are scheduled to arrive tomorrow, November 2, 2018, at 7:00 a.m. Planting should be completed by 3:00 p.m.

Mr. Paprocki reported the winter hours for the Tennis Courts and Pickleball courts are in effect from 7:30 a.m. to 10:00 p.m. He further reported that presently, there are three USTA leagues playing at Stonegate with most of the players being guests. It has been suggested any USTA play be charged a per guest charge of \$4 or \$5 and no charge to a

Stonegate resident. He explained the fees could be collected by the resident playing and delivered to the Community Center. It has been reported that we have some of the best courts in the Valley. He noted that Scottsdale Ranch charges \$4 per player. He responded to questions and comments from the Board members regarding this issue.

President Allen stated that the community is not in the business to be a Tennis Center and the courts are for the residents use.

Mr. Paprocki reported that he has received a request from the Tennis Academy to use the courts. He further reported this request should not be permitted because it is a business operation that would permit non-Stonegate players use. The Board concurred that this type of request is not permitted.

The consensus of the Board is that the one resident per court rule needs to be enforced and they will allow the USTA leagues playing at Stonegate to finish the season. Afterwards, USTA league play will not be permitted.

Mr. Paprocki provided an update regarding Safeguard gate hours and signage. He reported that he has scheduled a meeting with Shawn and Chris, his contacts at Safeguard, to visit the phone center to review their operation, response and data to ensure proper telephone entry service. He will also be reviewing the gate signage. He stated at the next Board meeting he would present the recommended signage.

President Allen stated the Retreat Gate needs a sign that says for residents only.

Mr. Paprocki reminded the Board there would be an Executive Session following this meeting.

COMMITTEE REPORTS

President Allen noted the Committee reports were included in the Board packet for Board members review and comment.

ADJOURNMENT

Mr. Schaefer moved the Board adjourn the meeting at approximately 7:10 p.m., into Executive Session. Seconded by Ms. Norris. The motion passed unanimously.

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
NOVEMBER 29, 2018**

APPROVED MINUTES

- Present:** David Allen, President
Tom Schaefer, Treasurer
Carolyn Norris, Secretary
Luc Ducrocq, Director
Nancy Ford, Director
Craig Zirbel, Director
- Absent:** Jim Bissonett, Vice President
- Staff:** Larry Paprocki, Director
Catherine Bryson, Communications

CALL TO ORDER

President Allen called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

MINUTES

November 1, 2018, Board Meeting

Ms. Ford moved the Board approve the November 1, 2018, Board of Directors meeting minutes as presented. Seconded by Mr. Schaefer. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending October 31, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Ms. Norris moved the Board accept the Treasurer's report. Seconded by Mr. Ducrocq. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported he sent out a 10-Day Notice to Vintage 65056 regarding on street parking, which was an issue in 2017. The 2017 Board's decision was that a violation existed and levied a fine, however the fine would be reinstated if the violation occurred again. The resident complied and the fine was waived. The Board's decision was to reinstate the prior fine and levy a fine in the amount of \$150 for the current violation. Paprocki informed the Board that he met with the homeowner at least 5 days ago. Since the matter was not resolved, the homeowner was encouraged to respond to the notice. If a response was not received, the homeowner would waive his rights. No response was received. Also addressed were the landscape issues that have been resolved and the side yard gate in disrepair is pending. A 10-Day Notice was sent to Reserve 2A034 regarding trash container and this issue has been resolved. A 10-Day Notice was sent to Tamarack 10A21 regarding trash container and this issue has been resolved. A 10-Day Notice was sent to Regent 2B043 regarding winter turf installation and this issue has been resolved.

Mr. Paprocki responded to questions regarding the 10-Day Notice letters.

Mr. Paprocki reported he received a homeowner request that SCA review the condition of all the subdivision mailboxes. He responded to questions and comments from the Board members regarding this issue. It was noted that residents want bigger mailboxes. The consensus of the Board was to send this to the Physical Property Committee to review the condition of the mailboxes to determine repairs or replacement.

Mr. Paprocki requests a capital expenditure to convert the two turf areas located at the Community Center front entry and the center island at the Main Gate to artificial turf. He reported the purpose of this request is twofold: The first is to eliminate the daily water from hitting the bronze statues that over time darkens the statues and increases repair costs. The second is to introduce artificial turf to SCA common areas where appropriate, which would reduce future water cost and labor cost in maintenance. The estimated cost to install artificial turf at the above locations is \$8,000, tax included. He further reported other areas that could be considered would be the two remaining areas at the Main Gate, the turf areas at the other entry gates and the turf area at Mountain View Road and 112th St.

The Board discussed whether this expenditure was cost effective, and how long it would take to recapture the cost. It was noted this is an eco-friendly request and would allow residents to see premium style artificial turf, and what it can look like. The consensus of the Board is to send this to the Physical Property Committee for review.

Mr. Paprocki reported the fieldwork for the 2018 Annual Audit begins Monday, January 14th.

Mr. Paprocki stated an Executive Session will be held directly after this meeting adjourns. The Executive Session will address resident's enforcement actions taken, Worker's Compensation, HUD, and Personnel matters.

COMMITTEE REPORTS

President Allen noted the Committee reports were included in the Board packet for Board members review and comment.

NEW BUSINESS

Mr. Ducrocq requests information on the context of the vote to not allow the USTA leagues playing at Stonegate. Ms. Ford provided an overview of the Board's discussion and reasoning for not allowing the USTA leagues playing at Stonegate. Mr. Ducrocq stated that he felt the Board's decision was not based on fact and was purely a subjective decision.

ADJOURNMENT

Mr. Schaefer moved the Board adjourn the meeting at approximately 6:45 p.m. into Executive Session. Seconded by Ms. Ford. The motion passed unanimously.