

**MINUTES OF THE MEETING
OF THE GAINNEY RANCH COMMUNITY ASSOCIATION
BOARD OF DIRECTORS
April 26, 2007**

A Board of Directors meeting of the Gainey Ranch Community Association was held Thursday, April 26, 2007, at 9:00 a.m. at the Gainey Ranch Community Association Administration Building, Scottsdale, Arizona.

Members Present

Preston Miller
Fran Goldberg
Eugene Kaulius
Shannon Vaughan
Patrick Collins

Fred Thielen, Donna Corcoran and Monika Goodwin were present by invitation.

Hugh Pring, homeowner, was present for a portion of the meeting.

Chairman Preston Miller called the meeting to order at 9:00 am.

Monika Goodwin was asked for the Affidavit to verify that proper notice of the meeting had been duly given to all association members. Chairman Miller directed that it be attached to and made part of the minutes.

Chairman Miller asked for any changes or corrections to the minutes of the March 12 and March 22, 2007, meetings. Collins said the March 12 minutes did not include his proposal that the Architectural Committee consists of five Gainey Ranch homeowners with the Executive Director and architects serving as advisors. The March 12 minutes also did not reflect the portion of Kaulius' motion, regarding the GRCA Architectural Committee, that one of the three homeowner members be a GRCA Board member who will serve as chair of the GRCA Architectural Committee. On motion from Kaulius, the minutes were accepted with the two additions/corrections to the March 12 minutes. The motion was seconded and approved unanimously.

Kaulius stated that he considered it not appropriate to vote on the next agenda item since he was part of the GRCA Architectural Committee decision that is being appealed by The Greens Board. Thielen said he had consulted Burt Cohen, the GRCA's attorney, to clarify the legal requirements. He read Cohen's opinion: 1. The problem is not a conflict of interest because there is no personal gain from this decision. 2. The problem is one of objectivity. Both Kaulius and Collins already voted – Kaulius as a GRCA Architectural Committee member and Collins as a Greens Board member as well as a member of The Greens Architectural Committee. Participating in a vote on this matter would involve passing judgment on oneself. Even though it isn't appropriate to vote, it is legal and the details would have to be disclosed in the minutes.

A discussion ensued regarding objectivity, bias and voting with Miller stating that Kaulius and Collins should use their own judgment about voting or not voting.

Miller asked if the Board was ready to vote on The Greens appeal matter. Collins moved that the bull-nosed cap be approved for use throughout The Greens. The motion was seconded. After a short question and answer session, the motion passed unanimously with Kaulius abstaining.

Goldberg moved that the exterior loop road wall color and color of the cap remain Gainey Warm White. There was a second and the motion passed three to one (Collins against) with Kaulius abstaining.

Miller moved that the color Sterling Place (LRV 17) be approved for houses in the Greens. A discussion ensued. Kaulius abstained, two votes were cast for (Miller and Collins in favor) and two votes against the motion, therefore it did not pass. Kaulius and Thielen noted that the GRCA Architectural Committee is in the process of reviewing the light reflective value (LRV) range and the results would be given to the Greens as soon as the revised standard is approved by the Board.

Hugh Pring, Greens President, thanked the Board and left.

Chairman Miller invited Donna Corcoran to report on the status of the wireless network process. Corcoran passed out a graph showing that, of the 88 homeowners that have returned the surveys to date, 55 would sign up for wireless service, if offered, and 33 either would not or weren't sure.

Corcoran reported on various vendors for communications alternatives: Qwest can run T-1 lines over existing buried lines but, since these lines are not in conduit, the T-1 lines would deteriorate and yield the same problematic communications as the current lines. Cox would trench to lay fiber optic lines. The cost of trenching is not yet established. GRCA is also investigating running fiber optic lines independent of Cox, which would also involve trenching. Additionally, survey work is being done by Creative Communications to assess the viability of a point-to-point microwave wireless system. Wildfire Broadband is refiguring the cost to establish a wire network connecting only Administration, Maintenance, the Security plazas and the Estate Club with the possibility of adding homeowners as subscribers. Corcoran answered several questions from the Board.

The Board next considered the reinvestment of a \$50K CD, which matured on April 20. The rate for one year and two year CDs is the same. There was some discussion after which Miller moved to invest the \$50K for two years with FDIC protection. The motion was seconded and passed. It was suggested to have the latest financial statement for review at each Board meeting. Corcoran responded to several questions and comments before the Board thanked and excused her.

Goodwin reported briefly on the status of the new GRCA website and summarized some of the new features. Although most sections are completed and available, a few are still "under construction." Goodwin will write an article promoting and describing the website for the May issue of the *Gainey Gazette*.

The Board next considered the three applications for the third homeowner member of the GRCA Architectural Committee, namely Dee Bloom, Ted Sarhangian and Harold Morgan. After discussing the three applications, Goldberg moved to appoint Harold Morgan, a Golf Villas resident. Motion seconded and approved after some discussion.

Motion by Kaulius to adopt the Architectural Committee Rules amendment relating to the structure of the homeowner committee members (Section 2, Article 1, Exhibit A – Architectural Committee Homeowner Members). The motion was seconded and approved subject to the addition that one of the homeowner members shall be a GRCA Board member and that individual shall function as the Architectural Committee chairman.

Kaulius moved to adopt the Architectural Committee Rules amendment relating to the application process (Section 2, Article II – Application Approval Process). Applications will now be submitted to the Satellite Architectural Committee as soon as the application is received, providing it is appropriately completed and ready for review. Motion was seconded and approved.

The Board turned to the next agenda item – committee appointments.

Kaulius moved that the Maintenance Committee shall consist of Fran Goldberg (chair), Joan Bald, Miles Davenport and Don Wilson. The motion was seconded and approved.

Kaulius moved that the Communications Committee shall consist of Patrick Collins (chair), Preston Miller, Daniel Pollack, Miles Davenport, Donna Corcoran and Monika Goodwin. The motion was seconded and approved.

Collins moved that the Security Committee shall consist of Preston Miller (chair), Isabel Bucher, Howard Garr, Fred Thielen, Ed Gallo and Dennis Peloquin (non-voting member). The motion was seconded and approved.

Kaulius moved that the GRCA/GRGC Interface Committee shall consist of Fred Thielen (chair), Patrick Collins, Bill McNamara, Don Miller, Preston Miller and Buddy Stein. The motion was seconded and approved.

On a motion by Miller, the Estate Club Committee (formerly the Estate Club Facility Study Ad Hoc Committee) shall consist of Eugene Kaulius (chair), Fran Goldberg, Barry Talley, Ed Zito and Fred Thielen. Anne Blazek will serve as advisor. The Tennis Committee, the Social Committee and the newly appointed Wellness and Fitness Committee with Dawn Williams (chair) will function as sub-committees of the Estate Club Committee. The motion was seconded and approved.

The Board appointed Alan Lezak as the chairman of the newly formed Government Affairs Committee, which tracks the Arizona legislature's bills relating to associations and keeps boards, staff and members informed on an as-needed basis.

Miller invited Kaulius to speak about the Estate Club Committee's findings. The Committee reviewed management's feedback concerning members' Estate Club usage as well as the areas required for the services, recreation and amenities to fulfill the members' needs. The Committee is proceeding with the preliminary architectural services and cost estimates prior to presentation to the Board and the membership to determine further action. Potential architects have been identified and interviewed and the proposals are expected soon. Thielen said, according to the architects, in order to adequately prepare the plans, an ALTA survey of the Estate Club Parcel is needed. The survey would provide a detailed site plan locating all existing improvements to scale. The preliminary anticipated cost for an engineering firm to conduct the survey and produce a plan is approximately \$4,000. Kaulius moved that \$4,000 be allocated for an ALTA survey of the Estate Club Parcel (Parcel 10B – 4.95 acres). The motion was seconded and approved.

Thielen spoke next regarding the Perimeter Landscaping Project. The current estimated cost for phase one of the project is \$354,228 – which includes the added costs relating to additional City of Scottsdale and ADOT requirements. If upgrading the corner of Mountain View and Scottsdale Road could be deferred to phase two of the Perimeter Landscaping Project, funds could instead be used for a much-needed landscape improvements along the north side of the north loop of Gainey Ranch Road. The rationale is that improvements on the interior are a higher priority when comparing the need and benefit to the residents. Kaulius moved to reallocate funds and revise phase one by transferring funds allocated the Mountain View corner update to phase two. After some discussion the motion was seconded and approved.

Kaulius moved to approve \$17K for the upgraded Baseline Irrigation retrofit for the Scottsdale Road/Doubletree Ranch Road corner, which will be added to the estimated Phase One cost. The motion was seconded and approved.

Chairman Miller called for an Executive Session and excused Monika Goodwin.

The meeting was adjourned at 11:35 am.

Respectfully submitted,

Monika S. Goodwin
Administrator