

**MINUTES OF THE MEETING
OF THE GAINNEY RANCH COMMUNITY ASSOCIATION
BOARD OF DIRECTORS
August 3, 2006**

A Board of Directors meeting of the Gainey Ranch Community Association was held Thursday, August 3, 2006, at 8:30 a.m. at the Gainey Ranch Community Association Administration Building, Scottsdale, Arizona.

Members Present

Preston Miller
Eugene Kaulius (via telephone)
Shannon Vaughan
Daniel Pollack

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

Chairman Preston Miller called the meeting to order at 8:31 a.m.

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 2, 2006, meeting. Kaulius said he had not volunteered to serve on the Communications Committee and asked to have that correction made. No other corrections were required and the minutes were approved and accepted as corrected.

Motion: The Board ratified the May 10, 2006, \$50,000 reinvestment of the matured Bank of America corporate bond in a LaSalle Bank CD at 4.85%, maturing November 10, 2006. Motion was seconded and approved.

Miller reported, as chairman of the Communications Committee, that according to the member survey conducted last year homeowners were interested in knowing what boards do and what staff does. One of the avenues to improve communication with members, suggested previously by the committee, is mass e-mailing. Before her resignation, Carol Collins had worked with DSA (Data Systems of Arizona) to integrate e-mailing with the member database. Donna Corcoran, the new Director of Finance, reported that the e-mail feature was still in a test environment. She handed out a detailed draft of the proposed Member E-Mail Policy covering parameters, authorization, rules and procedures for mass e-mailing and asked for feedback and suggestions. Corcoran expressed a concern about the possibility of a lot of undeliverable e-mails and intended to do some testing prior to offering the members the service. She also planned to send out a homeowner survey regarding e-mail communications and requesting e-mail addresses.

Thielen spoke about wireless connectivity issues. Corcoran handed out a detailed summary of her preliminary study regarding issues, costs and concerns. Corcoran reported that she and Thielen met with Wi-Fi providers as well as with IT personnel under contract with GRCA to study

the issues, options and costs involved. The Board discussed various aspects and Pollack suggested possibly offering wireless access to Gainey Ranch owners cost free as an amenity. Corcoran stressed that the concept needs further study and pointed out the cautions and concerns.

Monika Goodwin briefly reported about the GRCA website. The site is being upgraded for a more modern look and Goodwin is coordinating with the website host (AtHomeNet) to make the content more user-friendly.

The Board next agreed that the Communications Committee consist of Preston Miller, Daniel Pollack, John Nash (Gainey Ranch resident with extensive communications experience), Donna Corcoran and Monika Goodwin.

Chairman Miller suggested that the Security Committee consist of, in addition to himself, Bob Henderson (Gainey Ranch homeowner), Fred Thielen and Captain Ed Gallo. Thielen suggested adding Dennis Peloquin, President of Amer-X Security, Inc. as a professional member since Peloquin is already involved with Gainey Ranch Security and because he has a lot of experience with security issues. The Board agreed with Miller's recommendation and that Peloquin would be a good addition to the Security Committee and asked Thielen to request Peloquin join the committee. Miller stated that, according to the member survey, "security" was the number one or number two reason most had purchased homes here. He wants the committee to address any real as well as any perceived security problems and intends to hold more regular Security Committee meetings.

Thielen gave the Estate Club Committee report in chairman Fran Goldberg's absence. The Board had previously received the minutes of the Estate Club Executive Committee meeting held June 20, 2006. The Estate Club Social Committee made three recommendations: (1) Increase the social budget, (2) replace the assistant manager position with a full time assistant manager/social director position, and (3) increase the hourly pay for the new position. The Board agreed that all three recommendations should be conceptually implemented on a one-year trial basis subject to approval of the 2007 Estate Club budget later this year.

Chairman Miller invited Thielen to report on the status of the Excellence Program. Thielen stated that the original submission of the perimeter landscape upgrade plan had been made to the City of Scottsdale in June 2005. Due to a few personnel changes in the city's Design Review staff, the proposal packet had been rejected, amended and resubmitted several times. The latest and hopefully last submittal was made July 21, 2006. Thielen will attend the secondary meeting with the City of Scottsdale to hopefully gain approval after discussing more of the details.

The perimeter landscape upgrade is planned in three phases:

Phase One involves the corner of Doubletree Ranch Road and Scottsdale Road, north along Scottsdale Road including the corner of Scottsdale Road and Mountainview Road and finally the northeast corner at 78th Street and Mountainview outside the North Meadow community perimeter wall. The theme monument will be incorporated with signage to help visitors and invitees locate the North Meadow entry. North Meadow will pay for the signage and lighting. GRCA has \$273,000 in reserve to fund most of phase one, which is expected to cost around \$294,000. The project will be started immediately after City of Scottsdale approval is obtained.

Phase Two will be the corner of Eastwood Lane and Doubletree Ranch Road and west along Eastwood Lane. The current cost proposal is \$93,000.

Phase Three is the Mountainview Road landscaping at an estimated cost of \$87,000.

Motion: The Board approved the expenditure for the Phase One plan and deferred the approval and schedule for the subsequent phases for future consideration. Motion seconded and approved.

Chairman Miller invited Thielen to talk about the status of the Satellite Associations' modernization or beautification programs. Thielen reported that The Greens Board has been working on a huge modernization and beautification program for several months. The Greens successfully obtained homeowner approval to amend the governing documents in order to allow The Greens Association to improve front yards with Association funds along with the common area improvements. The Greens Board and its beautification committee have been working very hard. Their plans have been submitted to the City of Scottsdale.

7400 Gainey Club Drive: Thielen invited Daniel Pollack, President of the 7400 association, to speak about the progress. Pollack noted that the Modernization Committee had done its work and it was now up to the 7400 Board to consider the options and make decisions.

The Pavilions: Thielen said the proposed changes to The Pavilions entry area had been approved by the GRCA Architectural Committee and that Eugene Kaulius was going to consider the funding and scheduling with The Pavilions Board.

The Enclave: Thielen reported that the road within The Enclave has been upgraded this past Spring with a rubberized asphalt overlay and that architect Gary Ross had been engaged to design an upgrade of The Enclave entry area.

Arroyo Vista: Thielen said the renovation of the Arroyo Vista entry sign had just been completed at a cost of \$9,500.00.

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

The Board reconvened after the Executive Session. Board members have been approached by members of the Gainey Ranch Golf Club to express their concern about the poor condition of the golf course turf this summer. There are big bare spots existing throughout the golf course. The owner and manager of the Gainey Ranch Corporate Center offices, Nationwide Realty Investors, has also received comments and concerns about the appearance of the golf course as viewed from their offices. The GRCA expects to soon receive a letter from Nationwide expressing their golf course maintenance concerns. The Board asked Fred Thielen to send the Golf Club a letter, with a copy to Club Corporation, requesting they comply with the maintenance standards existing in the governing documents.

The meeting was adjourned at 11:03 a.m.

Respectfully submitted,

Monika S. Goodwin
Administrator