

PORTILLO HILLS II HOMEOWNERS ASSOCIATION INC
BOARD OF DIRECTORS
April 11, 2019
Minutes

President Fitzgerald called the meeting to order at 1:05 pm. He noted all board members were in attendance along with the administrative assistant. There were 26 HOA members attending.

Officer's Reports:

- A. President's Report - John Fitzgerald noted he has nothing at this time.
- B. Vice President's Report – Chip Lundin stated he has nothing to report.
- C. Secretary's Report – Tom DeVille reported that minutes from the February meeting were approved by vote of the board. Alan Merriam moved they be accepted. Chip Lundin seconded. Motion passed.
- D. Treasurer's Report - Alan Merriam said he did not have a lot of extra copies of the financial report. He noted if anyone wants a copy let him know and he will email a copy. Everything runs smoothly. We have money and included in the report is a list of everyone paid. Alan writes updates for the crier on the spending. Alan needs to do the taxes for HOA and will be looking at new banks, he said the Board is not happy with what interest we are getting. He has a list of the other HOA treasurers and will call them. John stated that at president's meeting it was announced that GVC is going to BMO Harris. Others are going there also. They say it is friendly and the rates are up. Alan said we get brought in by a teaser rate and then rates go down. It's hard to change with all the documents. John said people recommended Chase. Alan will research the banks and will report back.

Committee Reports:

- A. GVC Representative – Mike Jensen - Mike not in attendance, no report.
- B. Social Committee – Jean Anne Gatz, Chair. Jean Anne provided the board with a written report. She noted that the BBQ had 77 paid people, with 73 attending. She used BK Outlaw BBQ. There were a few timing kinks, with talking first, the food got cold. Have 2 gift baskets left from last year to be delivered, she will be delivering these along with the new owners. Thanks to the committee for their help. Thanks, Cindy, for reminders and all the emails. Sent email about a knife left at social, still has it. Jean Anne. Christmas dec. 6 at LC.
- C. A&G Committee – Norm Garneau, Chair – Norm noted that Thye is a member of the committee and they had 4 applications so far. All were approved. Essential

Pest is spraying today in the common areas. Alan asked what the applications were for. Nor responded 2 painting and 2 landscaping.

- D. Communications Committee – Cindy Catterton, Chair – no report
- E. Road Committee Update – Chuck Dorr – Chuck said he went to RTA meeting this week. He noted that the paper is reporting 2 proposals – one Huckleberry with a half a cent sales tax for maintenance. Chuck doesn't think this goes to voters until 2020. Other one is a half a cent sales tax but with the money going to the RTA and is added to the half a percent they currently get. Chuck RTA has a 20-year plan and it does not include maintenance. The RTA does a good job administering the projects, if it includes maintenance it should make the other one go away.

Due to the CC&R election, he has not begun the process for the road vote, it will be similar to what we just did. The county will handle the process of voting. Chuck noted that once the improvement district gets started each homeowner has to sign a document with a simple majority of 46 to be approved. If this doesn't work, Chuck plans to make the area smaller and circulate it on the south half of the HOA. Chuck said he will keep the board apprised of the progress of the sales tax through the legislature and is planning to begin the Improvement District process.

- F. Committee Coordinator – Casey Thompson nothing to report.

Unfinished Business:

- A. Standardized Fines – John noted this had been tabled at the February meeting. Tom and Alan were going to work on it. Alan said this policy is providing a legal foundation for enforcement of the cc&r. We need this to enforce some of the cc&r is there are violations that cannot be solved easily. Someone has to report the violation first, then the notification is sent to the violator, if no response, we then send an official notice. If no response at this point there is a fork in the road, we can have it done and bill them if it is a small job. If not easy to handle, we issue a second notice – have a meeting and they can present their case, then a fine is set. Alan said legally all stuff goes to the board but if it is an A&G issue the notices are sent from the committee first. The Board gets involved once the notices are ignored. The fine accumulates each month and it can be attached to the deed. Norm Garneau asked who is responsible. Alan said cc&r have other things beside A&G committee, A&G handles their things but the Board has to handle the other things – like the trash issue. Tom says what is in here it is pretty much what is in the law. Chip moved to approve the policy as presented. Tom seconded. Motion passed.

New Business:

- A. Electronic Elections – John said the stamps for an election were quite costly. Election Buddy is fairly cheap. It is done on the computer. We wouldn't have to send 88 letters. Once set up it runs smooth. John would like to have a couple

people volunteer to look into this and report back. Any volunteers? Let John know if anyone interested. No one interested.

- B. Election Results – John reported that there were 82 responses. 73 yes votes and 8 no votes. 1 invalid ballot.
- C. Trash Company – John stated there were round table discussions and then a survey by Tom. The board has been gathering data for weeks from the trash companies. They provided a handout.

He said they started out with a spreadsheet on each company, Tom took the little one and created a more detailed spreadsheet that he kept adding data to.

Republic: \$12 month; \$36 a quarter. No vacation hold fee or a paper invoice fee. Trash and recycle on same day. This would mean that 86 of 88 homeowners need to switch. Increase in price is capped at 7% years 2 and 3. 96- or 65-gallon containers required. No allowance for an extra yard refuse, done with 1-man trucks with arms. Tom reviewed all the contracts. Their contract is complex. Heavier dual rear axle truck with a third set of tires. Norm Stalnaker said they have a Tag Axle. This is a 3rd round of tires that are picked up and dropped by air. Republic owns the recycling plant and said they lost \$1 million last year. The 7% per year increase allows them to do balance the accounts.

Titan: Smaller trucks, \$17 month, \$51 quarterly. No fee for reconnect after vacation; cap is 3% increase per 2, 3, 4 years. Very flexible on the trash containers. Can use any container you want – they don't supply containers. They would order containers if we want them from Oro valley. Costs for the containers are: large containers \$35; small \$25. Would need a lot of people to order them. They provide a small bin for the recycle. No loose paper in these. This would mean that 64 of 88 homeowners need to change. John noted that trash and recycle might be on different days. Titan doesn't use arms. They have a hook on the back of the truck to lift heavy cans. They are local.

Waste Management: One (1) pick up a week. Recycle/Trash \$13 a month; \$39 a quarter. Price cap – Chip negotiated it was 7% now at 4.5% cap per year. 64 HOA households out of 88 already use this company. They will do trash/recycle on same day. Agreed to use the 2-man truck not the larger one with the arms. Currently they will continue picking up anything. Chip noted that the years 2-5 cap has some exceptions; gas, recycle costs. There is a \$30 fee for vacation hold reconnection, \$6.50 for homeowners who write a check to pay the invoice (customers need to sign up for automatic payment no paper invoice). Pick up trash bags now, they prefer not to do this. Were originally going to use a side grabber, but they will keep the 2-man trucks so trash goes in the back. Bundle of weeds or sticks they will currently pick up. Chip has the email on this but not the contract as yet. Chip noted he has everything in writing on email and would be sure they are put in the contract.

Questions and Comments from Members:

Chuck: WM is the only of the 3 who will furnish cans? John said Republic furnishes cans also, just big ones.

Bob: Concern is with all 3 do we have any insurance of regularity of time of day? Put it out early the animals get it; wait for breakfast and truck has already driven by. Would like same time each week. Chuck said this might be hard for them to do.

Charlotte: They have WM. She noted that they are constant - it is 9 am for trash and recycle around 12. They have been helpful.

Sandy: Why can't they supply the 35-gallon cans. Madera has the smaller recycle and trash cans. These fit in the garage better. Chip is working on trying to get okay to use the smaller cans. Size of the container is important to her. Smaller fits in the side loading truck and the larger arms are on the trash trucks. Chip noted that they give you the 64 and 96 containers free. He can go back to them and ask if we can use the smaller containers for trash. People in the meeting agreed this was an important issue.

Alma: Pleased with Titan – today put out 3 large bags; a pump; and the container. They took it all.

Vern: A single person or single household can hardly fill up the large cans. Smaller cans need to be available.

Rick Blackmore: Seems like the container is the biggest issue. He prefers not to have a large container.

Norm: We all have our personal choices. WM told him if it fits in the container, they will pick it up.

Tom: Most people have the 32 gallons for recycle. A lot of people have 64 for trash. A few may have the 96.

John closed the discussion. Chip feels the container is an important issue. Very legitimate. If the Board decides to use one that doesn't use the smaller container, we need to negotiate the small containers. He feels we need to ask.

Tom: He stated that he prefers not to have everyone required to have the same size cans.

Chip said Republic price is good but compared to others for service, we can drop them from the list. Casey and Alan agree with Chip. Large can requirement is a red flag. Tom said price differential is not that much when you make comparisons. John stated that Republic is removed.

Titan and WM are left to choose from. John asked if the board can decide which company to use of the two. He noted that Chip doesn't have the final contract yet. WM has a contradiction on the size of the containers. John said we have a choice and we can select one of these two companies now or delay. Casey said the can size is important to the residents, we cannot make a decision until we find out if WM is willing to allow smaller cans. Tom noted there are questions on some of the items, price cap what does it cover? Each Board member voiced their concerns and John noted that 90 to 180 days before the end of the contract the board can renegotiate the contract.

John closed the discussion and said we need to decide if we can choose one of the two now or will have to hold another meeting. Casey would rather wait until we find out about the size of the cans with WM since it is a major factor. She feels we need to know if WM would accept the smaller cans. Alan suggested we make a decision contingent on this issue. Chip felt a decision could be made with a contingency and this would then give him leverage when negotiating with WM.

Alan moved we select Waste Management contingent on they allowing a 35-gallon container in addition to the 64- and 96-gallon containers for both trash and recycle. If not, then we use Titan. Time frame to be one (1) week. Motion seconded by Chip. John asked if there was any discussion. Tom would like to see that the email things get put into the contract first. John then said he felt we were not ready to make a decision at this time and felt we should postpone the decision. Alan asked him if he wanted to make an alternative motion and John said he would move we do not make a decision until we have all the data, all the information, and the contract. He then asked for a second. Discussion was held on how we would have to hold another public meeting to make the decision. John asked again for a second. Tom seconded John's motion.

After board discussion, Chip noted that there is a motion by Alan on the floor and this has to be dealt with prior to looking at a second motion by John. You can only have one motion on the floor at any time. John said we will vote on Alan's motion.

John asked to repeat the motion and planned to have a roll call vote. The motion being voted on is: Alan moved we select Waste Management contingent on them allowing a 35-gallon container in addition to the 64- and 96-gallon containers for both trash and recycle, subject to the items already discussed with WM but have not been included in the current contract as well as the smaller trash cans. Otherwise we select Titan. Time frame to be one (1) week. Motion seconded by Chip. No further discussion. Roll-call vote: Alan, yes; John, no; Tom, abstain; Chip, yes; Casey, yes. The motion passed 3 yes, 1 no, 1 abstain.

Announcements

- A. Next Board Meeting is September 12, 2019 at 1:00 pm at Las Campanas.

Visitor Comments - None

Adjournment – Chip moved to adjourn; Alan seconded. 2:45 pm.

Respectfully submitted,

Tom DeVille
Board Secretary

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