



The Ocotillo Community Association

C/o Premier Community Management, Inc.
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OPEN SESSION MINUTES

May 24, 2011

The Meeting was convened in the Conference Room at the First Federal Credit Union and called to order at 4:35PM by President – Mike Palermo. Other Board attendees included: Vice President – Wally Brown, Secretary–Donna DeVoe, Director – Susana Lewis and Treasurer – Julie Dameron via phone conference.

Quorum was duly noted and recorded. Also in attendance from Premier Community Management, Inc. (PCM) was General Manager - Pat Wontor and Compliance Manager – Joycelyn Lopez.

I. Pledge of Allegiance:

II. Approval of Minutes:

Donna motioned to approve the April 26, 2011 Open Session minutes with one change to Section XI to modify the last sentence to read “Donna requested the names of the award sponsors and the award winners be kept and provided to her for recognition in the newsletter”. Motion seconded and carried unanimously.

III. Election of Officers

Julie motioned to re-elect the current slate of officers for the coming year: President – Mike Palermo, Vice President – Wally Brown, Treasurer – Julie Dameron, Secretary – Donna DeVoe and Director – Susana Lewis. Motion seconded and carried unanimously.

IV. Reclaimed Water Use and Type 2/Type 3 Permit

Board discussed the pending change of The OCA’s Arizona Department of Environmental Quality (ADEQ) reclaimed water use permit from a Type 2 to Type 3. To be compliant with regulations, those properties, such as, non-residential, commercial, apartment, and sub-associations using reclaimed water for irrigation will need to obtain their own Type 2 permit from ADEQ. Research will be completed on the requirements and the process for notification. This will be discussed at the June meeting.

V. Reclaimed Repairs in Easement

Board discussed an incident where palm tree roots damaged a reclaimed water pipeline fitting. Tree and root ball will need to be removed to facilitate the repairs. Board approved the tree removal and reclaimed repairs to be completed. Board directed Pat to notify the homeowner and coordinate the removal and repair.

VI. Shoreline Repair Discussion

Board was briefed on the need for a shoreline repair in Phase I. After a lengthy discussion it was determined that a portion failed due to age/weathering and the balance due to storm runoff. As the OCA and owner share responsibility for repair, a proposal was presented where by the parcel owner would pay a majority of the repair costs with The OCA managing the repair. Board agreed this was a fair and reasonable proposal. Details will be discussed at the next meeting.

VII. Treasurer's Report:

Julie presented the financial summary report for April 2011.

At the end of April, 2011 the total operating account balance was \$629,639.31, total reserves were \$1,053,206.87 and other assets of \$50,386.06, for total liabilities & equity of \$1,733,232.24. Variances from budget were noted.

Month to date (MTD) income is 0.2% under budget, and year to date (YTD) income is 2.8% over budget (\$21,695.43). Month to date (MTD) expenses are 23.5% under budget, and (YTD) expenses are 13.2% under budget (\$121,861.44).

Reserves are currently 109% funded for the Master Association per the 2008 Reserve Study.

VIII. Design Guidelines- Retaining Walls

For further clarification on the section governing Retaining Walls in the Design Guidelines, the following language is proposed:

Retaining walls are generally permitted, provided they have an exposed height of twenty-four inches (24") or less Visible from Neighboring Property or otherwise exposed to public view. Retaining walls longer than fifteen feet (15') must not be a continuous straight line and not exceed more than fifty percent (50%) of the lot width adjacent to the lake edge. Retaining walls must be setback a minimum of eight feet (8') from the concrete lake edge.

Donna motioned to adopt the proposed language as written regarding Retaining Walls into the Design Guidelines effective 5/26/11. Motion seconded and carried unanimously.

IX. Reserve Study Proposals

Proposals from Association Reserves, Reserve Data Analysis, and Castle Reserves were presented and reviewed by the Board. After review and discussion, Mike motioned to award the contract for the completion of Reserve Studies for The OCA, The Estates, The Peninsula and The Vistas to Castle Reserves per their proposal in an amount not to exceed \$6,950. Motion seconded and carried unanimously.

X. Christmas Light Contest Discussion

The Board discussed changes to the Christmas Light Contest judging and approved the following: Four category winners will be selected for (1) Best Lighting; (2) Best Animation; (3) Best Overall; and (4) Best Sub-Association Entrance. Winners of the first three categories will receive a \$100 gift certificate from a local business.

XI. New Legislation Implementation

Pat reviewed a summary of new legislation impacting HOA's that will go into effect July 20, 2011.

XII. Manager's Report:

Pat reviewed the March management report.

AAA is working through the turf transition of the Bermuda grass with additional watering this week and next. Morataya's Landscaping is currently trimming all the palm trees through out the community.

Lettering on two entry monument signs has been stolen. The OCA is obtaining quotes for their replacement. Walls along Balboa Way and Alma School Road had graffiti on Monday morning and were repainted by FMD staff.

The Spring Fling and Movie in the Park were a huge success this year. It appeared that the later date in May brought out more homeowners than in previous years.

Self Help Approval Request

Management requested approval from the Board to complete Self Help in the backyards of three (3) view lots that have deteriorated significantly. Susanna motioned to approve management to proceed with self-help at all 3 locations. Motion seconded, and carried unanimously.

XIII. Restroom Remodel Contract Change

Last month the Bathroom Remodel Contract was awarded to Qualitas Builders. After re-evaluating the plumbing, the contractor requested to increase his price \$2,000. Board reviewed the other proposals that had been submitted and selected another contractor to complete the project. Wally motioned to rescind the contract award to Qualitas Builders and award the contract to Carlson General Contracting in an amount not to exceed \$11,730. Motion seconded, and carried unanimously.

XIV. The Villas Development Plan

The Board was brought up to date on the The Villas at Ocotillo. The builder, Woodside Homes, is anticipating a late summer or fall construction start.

XV. Violation Report:

Joycelyn reviewed the violation report for the month of April. The majority of letters are being sent for trimming dead vegetation and paint peeling on side property walls.

XVI. Adjournment

Wally motioned to adjourn the meeting at 7:10 PM. Motion seconded and carried unanimously.

Respectfully Submitted,
Joycelyn Lopez