



The Ocotillo Community Association

C/o Premier Community Management, Inc.
PO Box 12510, Chandler, Arizona 85248
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OPEN SESSION MINUTES **August 26, 2008**

The Meeting was convened in the Conference Room at First Federal Credit Union building and called to order at 6:13PM by President - Mike Palermo. Other Board attendees included: Vice President - Wally Brown, Secretary - Julie Dameron, Treasurer - Roger Stage and Director - Donna DeVoe. Quorum was duly noted and recorded. Also in attendance from Premier Community Management, Inc. (PCM) were General Manager - Pat Wontor, Assistant Manager - Dana Stevens and Compliance Manager - Annie Colegrove.

I. Pledge of Allegiance

II. Presentation of Dust Control Regulations:

Steve Heick, City of Chandler spoke to the Board regarding the proposed Dust Control Regulations required by Maricopa County. Steve reviewed the information he received from David Moller at Maricopa County.

Jordan Stoklas, AAA Landscape identified that the cost to obtain the permits for Ocotillo would be approximately \$6,000 if they are required. Jordan also noted that during the over-seeding process, the grass will need to be watered down to reduce the dust requiring double the time to complete. Jordan will e-mail David Moller to confirm that permits will not be required and will forward his findings to Pat.

III. Approval of Minutes

Donna motioned to approve the June 24, 2008 Open Session and July 1, 2008 Special Meeting minutes as written. Julie seconded the motion. Motion carried unanimously for the June 24, 2008 Open Session minutes. Motion carried by a majority vote for the July 1, 2008 Special Meeting minutes with an abstention by Mike Palermo and Roger Stage.

IV. The Vistas / Island Special Amendment Vote Update – Josh Bolen:

Josh Bolen from Carpenter Hazelwood PLLC presented the Board with a draft copy of the letter regarding the outcome of the Special Assessment Vote for the Front Entrance Renovation. Once approved, the letter will be sent to all of the members of The Vistas and The Island. Roger requested the document provisions be included in the letter and suggested keeping the January 15th assessment payment date. Josh will re-draft the letter with the Board's recommended changes and send it to the Board for final approval.

V. The Vistas / Island Maintenance Agreement:

Josh Bolen from Carpenter Hazelwood PLLC presented the Board with a draft copy of the Cost Sharing and Maintenance Agreement for The Vistas/Island communities. The Board made some recommendations for Josh to include in the Agreement. Josh will make the changes and send the new copy to Pat for the Board's review.

VI. Boat Quality Standard:

Josh Bolen spoke to the Board regarding the regulations for Boat Quality standards. Josh recommended the Board approve a new rule to enforce aesthetics for boat standards. Josh will send the Board some example provisions for review. Mike requested that Josh review the Indemnity Agreement to make sure the language is appropriate.

VII. Treasurer's Report

Roger presented the financial summary. As of July 31st, the operating account balance was \$169,436.03, total reserves were \$792,481.83 bringing total liabilities & equity to \$999,903.19. Variances from budget were noted.

Month to date (MTD) income is running 4.9 % over budget, and year to date (YTD) is 0.3% under budget. Expenses are running MTD 8.1% under budget, and YTD 5.5% under budget.

Investment Policy Proposal:

Roger presented the Board with a proposed Investment Policy. Donna motioned to accept the Investment Policy as written with the removal of the word "Proposal" from the title, and one word change of related to relates (2nd paragraph -Strategy, third sentence, fourth word) Julie seconded the motion. The motion carried unanimously.

Cash Management and Investment Plan:

Roger presented the Board with a draft copy of the Cash Management and Investment Plan. Roger proposed the option of utilizing Chase Bank or Northern Trust for the investments. All of the current CD's would be transferred at the time each CD matures, which would be completed by March 2009. The Board recommended some changes and agreed that the Investment Plan will need to be revisited every three years to maintain it. Roger will e-mail Pat a new copy of the Plan with the Board's recommended changes included. The Cash management and Investment Plan will be on the agenda again in September.

Reinvestment of Chase CD Maturing 8/29/08: The Board agreed to invest the CD currently located at Chase with the group of investments through the Cash Management and Investment Plan.

VIII. Main Monument Renovation – Project Approval:

Mike motioned to authorize Vollmer and Associates to move forward with the construction documents for a cost not to exceed \$7,000. Julie seconded the motion. Mike revised the motion to authorize Vollmer and Associates to move forward with the construction documents dated August 13, 2007 for a cost not to exceed \$8,000. Julie seconded the motion. The motion carried unanimously.

IX. Review Bids for Turf Removal in Select Areas:

The Board reviewed proposals from AAA and Morataya's Landscape to remove turf in various locations throughout the community. The removal of the turf would be completed during the over-seeding process. Roger and Mike identified the need for more detail on Morataya's Landscape proposal, such as unit pricing and type of plants and granite.

Roger motioned to accept Morataya's Landscape to complete the proposed work for the following locations (SW corner of Lake Dr and Alma School Rd - water feature, NE entrance of Monterey Bay at Columbine and along Ocotillo, Sandpiper Shores, two locations at Vistas along Jacaranda, The Legends, Corona Del Mar, Greenbriar) 1-8 for a total cost of \$38,111.09 pending that

Morataya's Landscape provides a detailed breakdown for their proposal dated August 21, 2008. Donna seconded the motion. The motion carried unanimously.

X. Manager's Report

Pat reviewed the management report for the month of August. The Board agreed to move the Budget meeting to November 13, 2008.

XI. Violation Report (Dana Stevens)

Dana reported that re-sales have gone down in the last month. Trash container and back yard landscaping violations have increased.

XII. Adjournment

Roger motioned to adjourn the meeting at 8:36PM. Donna seconded the motion. Motion carried unanimously.

Respectfully Submitted,
Ursula Looper