



DC Ranch Association - Board of Directors

Meeting Minutes: Monday, September 11, 2017

Date/time: Monday, September 11, 2017 Started: 6:05 PM Ended: 7:01 PM
Location: Homestead Community Center
Purpose/notes: Regularly scheduled meeting

Chaired by: Susan Grace
Minutes rec. by: Terri Raimondi
Status: Approved

Present: Mike Esparza, Philip Geiger, Susan Grace, Fred Green, Tom Headley, Elizabeth Kepuraitis, Don Matheson

Invited Guests: Executive Director Darren Shaw and Communications Manager Terri Raimondi

1. Call to Order

1.1. Open Forum

Mr. Blake Tablack from Terrace Homes West inquired about noise abatement from Scottsdale Airport. Mr. Green addressed his question by responding that airport noise would be a topic later in the meeting, focused mainly on a recent court ruling regarding departures from Sky Harbor. Mr. Green reported that the Board has spoken to airport officials and the mayor of Scottsdale in the past, but the new Sky Harbor restricted flight patterns have caused spill-over impacting flight activity at Scottsdale Airport. Mr. Green said it was his opinion that a resolution with Sky Harbor flight traffic will likely be the first step to noise abatement mitigation. Mr. Geiger suggested contacting the Scottsdale Airport Advisory Board. Ms. Grace said this matter will likely be discussed at an upcoming DC Ranch Governance Committee.

Status: Completed

1.2. Roll Call

Mr. Shaw conducted the roll call. A quorum was present. All seven board members were in attendance.

Status: Completed

1.3. Approval of the August 7, 2017 Meeting Minutes

Mr. Headley made a motion to approve the August 07, 2017 Meeting Minutes. Mr. Esparza seconded the motion. The motion passed unanimously.

Status: Completed

2. Reports

2.1. President's Report

Ms. Grace reported on the most recent Governance Committee meeting whereat the proposed Great Hearts Academies/Scottsdale City park was discussed, as was the Sky Harbor court ruling and communications on the DC Ranch Standards for Homes, Conduct and Landscape. There wasn't any new information on the park proposal to report as discussions have slowed over the summer months. Ms. Grace briefly mentioned the Sky Harbor news and deferred details to Mr. Green's update scheduled later in the meeting. Ms. Grace also confirmed that Ms. Baratta will replace Ms. Gulick on the Covenant Commission Board. She encouraged all Ranch Association board members to attend an all-day Board retreat planned for October 11.

Status: Completed

2.2. Executive Director's Report

Mr. Shaw provided the dates of upcoming budget planning sessions. The Budget and Finance Committee will convene on September 25 to review the first draft operating budget and reserve plan. The committee will meet again October 16 to formally consider the budget/reserve plan and to formulate a recommendation to the Board of Directors. A presentation to the Board is scheduled October 25. Residents and Neighborhood Voting Members are encouraged to attend.

A review of the Ranch Association's contracted Professional Employment Organization is being evaluated. Insperty is the current provider. Competitive proposals are now under review. A re-write of the employment handbook is complete and will be forwarded to Ms. Grace for final review.

A seal-coating project for Windgate Pass Road is scheduled for mid-October and will take about one week to complete. All residents impacted by the project will receive notification prior to the beginning of the work.

The equipment for the speed camera has been ordered. A soft rollout will occur this fall in the neighborhoods along Windgate, Horseshoe Canyon, and in Country Club and Arcadia neighborhoods. An official start is planned to begin early 2018.

Upgrades to each of the gates in the community will be complete within the 60 days. Cox Communications is preparing for technology updates in The Estates, Park and Manor, Terraces Homes East and West and Desert Haciendas.

Grading has begun at ICON at Silverleaf, the new 72-unit condominium complex located near The DC Ranch Village Health Club & Spa. The site developers hope to have the community's entry gate in operation by April. The tentative development schedule reflects initial occupancy by next fall.

A staff review of the Standards for Conduct has been completed and recommended changes will be presented to the Board for approval in October. Work continues on a Memorandum of Understanding between DC Ranch Association and The Country Club at DC Ranch for shared expenses and services.

A move to attain 501(c)4 tax exempt status is being explored, which could add up to considerable tax savings on the community's non-assessment income. Mr. Shaw is obtaining an expert opinion on the matter, which is being provided at no charge by a nationally renowned tax expert based in California.

As part of the continuing brand study work, Mr. Cowles is updating all the community maps to reflect the current design of the community and to shift towards using neighborhood names in place of parcel numbers.

Upcoming events for October include a meet and greet for Neighborhood Voting Members and a meeting with sub-association managers and their respective board members.



Finally, the Community Council is considering implementing a two-year renewal plan for key fobs to improve control and owner information. Ranch Association staff is considering a similar program requiring a two-year renewal for automobile gate transponders.

Status: Completed

3. Unfinished Business

4. New Business

4.1. Policy on Development and Management of Policies

Mr. Headley recapped the proposed Policy on Development and Management of Policies (Policy 102). The 30-day comment period has expired. Only one resident comment was received. It regarded section 102.4d of the document titled Board Vote. The comment suggested the section be rewritten as follows: "The policy will be approved if a majority vote of the board members constituting a quorum vote in favor of the policy." The current language states "The Board of Directors will approve the policy by a majority vote of the Board members present at the meeting in person, by telephonic communication or by proxy." Mr. Headley made a motion to approve the policy with the suggested change to section 102.4d. Mr. Geiger seconded the motion. It carried unanimously.

Status: Completed

4.2. Policy Committee Report on proposed Board Ethics Policy

Mr. Headley presented a new policy on board member ethics addressing topics such as conflicts of interest, confidentiality expectations, harassment, drugs and alcohol, illegal or unauthorized behavior and compliance to DC Ranch governing documents and policies. Part of the proposal requires that board members sign an acknowledgement form agreeing to comply with the policy. Ms. Grace suggested that legal counsel review the proposed policy prior to the Board's formal vote. Mr. Geiger questioned if a legal review was justified given the expense. The Board, by consensus, decided to seek legal opinion. If there are no substantial revisions from legal counsel, the proposed policy will be posted on the DC Ranch website for the required 30-day resident comment period per Policy 102. It will then be brought back to the Board for formal consideration.

Status: Deferred: 11/6/2017

4.3. DCR 2020 Update

Mr. Shaw detailed Standing Principles on which Ranch Association staff will focus, moving into 2018, which were: "Maintaining Landscape and Appearance," "Preserving a Safe Environment" and "Optimizing the Governance Structure." Further, Strategic Initiatives include the following: "Identifying and Positioning DCR for Target Buyers," "Investing in Infrastructure and Future Technology," "Positioning DC Ranch as Environmentally



Sustainable for the Future" and "Maintaining the Highest Quality Leadership and Staff." Teams of three to five persons will work on each program beginning sometime in early 2018. The Ranch Association will have resident representation on each Principle and Initiative work team.

Status: Completed

4.4. Airport Noise and Flight Paths Update

Mr. Green provided an update on recent news regarding flight departures out of Sky Harbor Airport. A decision rendered by the U.S. Court of Appeals ruled in favor of the city of Phoenix which had filed suit against the Federal Aviation Administration (FAA). The court ruled that the flight pattern change made in September 2014 adversely impacted the environment and should have been put out for public comment before implementation. As a result, the ruling requires the FAA return to its pre-existing flight departure patterns and routes. Mr. Green surmised that the FAA will most likely appeal the decision to the U.S. Supreme Court. The city of Scottsdale, he added, chose not to participate in the lawsuit.

Status: Completed

4.5. Additional Discussion Items

Mr. Matheson reported that the Modification Committee has been very busy with numerous requests. He complimented Mr. Cowles for his excellent work and further commented that it is encouraging to see owners reinvesting in the community through property improvements.

Status: Completed

5. Adjournment

5.1. The next meeting is scheduled Monday, October 2, 2017 at 6 p.m. at The Homestead Community Center.

Status: Completed

These minutes were attested by:


Tom Headley, DC Ranch Association Board Secretary

Date: 11/9/2017