

**Q Mountain Vista HOA/Water Company
Annual General Membership Meeting Minutes
Jan. 22, 2020 2:00 PM
Senior Center, 40 Moon Mountain Road, Quartzsite, AZ**

Call to Order and Verification of Quorum present:

**Mike Glover – President
Cletus Winkler - Vice President
Sid Albano – Secretary
Val Stoker – Treasurer
Dave Collier – Director**

Members were informed that ballots are available for anyone that did not vote via absentee ballot

Approval of the November 18, 2019 minutes via the ballot.

Treasurer Report

Account Balances as of Jan. 21, 2020:

HOA -

Operating Funds =	\$24,445.45
Money Market Account =	\$30,000.00
HCB Road =	\$215,000.00
Total =	\$269,445.45

Water Company -

Operating Funds =	\$15,932.27
Savings =	\$15,000.00
Q MTN Vista Debt Servicing =	\$10,745.96
Total =	\$41,678.23

Combined HOA/Water Funds = \$311,123.68

WIFA LOAN:

**Balance - \$264,832.63
Payment - \$1,974.31
Debt Reserve Balance - \$4,679.50**

DISBURSEMENTS:

Invoice #695-1 (NCS Eng)	= \$36,443.00
Invoice #695-2 (NCS Eng)	= \$11,171.26
Invoice #695-3 (NCS Eng)	= \$27,320.50
Invoice #695-4 (NCS Eng)	= \$25,065.24
App # 1 (KMK Contracting)	= \$ 97,656.77
App # 2 (KMK Contracting)	= \$110,041.23
App # 3 (KMK Contracting)	= \$89,214.94
App # 4 (KMK Contracting)	= \$62,109.73
App # 5 (KMK Contracting)	= \$63,726.88
App # 6 (KMK Contracting)	= \$43,327.57

Current board was thanked for their service to the HOA as the Board is dissolved until election results at the end of our meeting.

- 82 ballots were mailed in, therefore we meet the necessary 62 votes to validate the election.
- **Thank Current BOD for 2019 Contributions and Achievements**
 - **Improve Aesthetic Quality of Subdivision**
 - **Installation of Flagpoles.** We now have three new flag poles with lighting installed at the Q Mountain office. The USA flag, State of Arizona flag and our very own Q Mountain flag will be displayed. Since the meeting those flags have gone up.
 - **Increased value of property**
 - **Installation of new Pipeline Infrastructure added value to this HOA.** President Glover stated this adds value to this development when we have a dependable water system. This drives up value for the water company with our assets increasing. We have approximately \$600,000 worth of infrastructure for half price with the states contribution repairing our water system.
 - **Addition of Fire Hydrants is in the works.** Three more are to be installed prior to the road work. Phase 2 will add more to the system. Then we can go to the fire department and get it bought off and lower the property tax we pay.
 - **Expanded project and increased new infrastructures such as new roads will also help the neighborhood look better and help sell homes with the proper streets.** The board wants everyone to be proud of our neighborhood and our achievements as a community. The board is working with T&C sealcoating and awaiting a final bid.
 - **Purchase of a pipe locating device to identify infrastructure locations was completed last year.**

Water project volunteers and members of our board Val Stoker and Cletus Winkler were thanked by the body and board for donating their time, equipment and anything necessary to help move this forward. Past and present board members and the body were thanked for the hard work we all put in on this water project effort. Attending the Phoenix WIFA meetings by the body did a lot for the current and past board by showing the support we all had in getting Phase I done. We should all be proud of where we are in solving the huge water losses we had in the past.

- **Accomplishments come with cost**
 - **Legal Fees**
 - **Fees incurred to clear Estate of member Robinson and obtain 645 Desert property.** President Glover explained we had fees for appraisal and the dispute we had on this estate that went to court. This drove up last years legal fees. This is resolved and this should no longer cost us any more money.
 - **Fees incurred to enforce CC&R Violation of absent owner(s).** We had to write numerous letters to homeowners who were in violation. This added legal fees. We have a few issues out there, but we are hopeful with new ownership one of them goes away and thus our legal fees on that goes away.
 - **Fees incurred related to Pipeline Upgrade / Replacement Project.** We had to have the attorneys get involved in the contractor and engineering firm dispute to protect our interest. This hopefully is resolved and we can move on to Phase II once this gets settled.
 - **2020 HOA Budget**
 - **Begin road improvements was added to next year budget as earlier explained.**
 - **Reduce maintenance needs.** Fewer piping repairs help reduce our costs. Since we replaced the outside perimeter piping, we are saving money on repair costs to the system. This is helping reduce the overhead for the water company.

- **2020 Water Budget**
 - **Loan repayment- President Glover again explained that we had half of the original loan from WIFA as a grant or forgiveness of the debt. We now owe the amount as of January 2020 the amount was reduced to \$264,832.63 to be repaid over a 20 year loan period. Monthly the amount owed goes down due to our payment. For example, this month we paid an additional sum toward the required WIFA debt reserve. This month we paid in \$1,974.31 toward the principle and interest and debt reserve payment. We are paying in an additional amount to WIFA for a required debt reserve as a term of the loan. The balance above of \$4,679.31 is the accrued debt reserve. We are paying a debt reserve amount on our water bill that accrues. After five years into the loan this amount will come off our water bills due to our meeting WIFA required reserve. President Glover explained this could go toward the remaining balance of our loan at the end.**
 - **30% saving from water purchased has been realized. President Glover went on to explain we are due for a rate case study in four years from the city when our current contract runs out. We will then have to do a review with the state to pass this cost along to the water company customers. We are currently paying \$6.00 per thousand gallons to the City of Quartzsite, our supplier. We are only passing on \$5.00 per thousand at the present time. The current meter fee of \$2,000 a month paid to the city, the cost of the city water we use is \$51,680, and future rate increases we lack control of. In another four years this contract ends and we are facing an increase from the city. Mike believes all this added up would make the well option something we all should look at in the near future. Cletus Winkler gave President Glover an article on the dropping of the water tables in Arizona. This is also something we all need to be concerned about if we go with our own well. The city is at 1200 feet according to records.**
- **2020 Targets**
 - **Phase II Water Pipeline Replacement - We are going forward already on preliminary engineering report on the Phase II with the grant we received from ADEQ. The engineers are accessing the scope and cost of phase 2. At the meeting the water quality and the clogged and corroded interior piping was brought up. Two streets had a closed loop from the old system that made water piping get clogged with debris. Cletus Winkler ran some pressure and flow tests and there is definitely a big difference between the new system and the old one. Bill Foote brought up how he witnessed how shallow the original contractor installed the old piping system. Driveway aprons could not go in due to the shallow piping. Mike and Cletus brought up how Emerald and Byrd piping is just below the surface in places. Val Stoker made the statement remaining old system is a ticking time bomb which is overdue for big leaks. Currently we are still at zero leakage and were very happy about our Phase I achievement. We still need to move into this Phase II to keep the board from doing constant repairs of the water system. We have 11 hydrants from Phase 1. We had some additional stub-ins installed and are in the process of adding three hydrants using water company funds. This is being done ahead of resurfacing the roads. The hydrants will be in and the roads don't need to be disturbed in the future. This will bring us up to a total of 14 hydrants in our project. Prior to Phase 1 we had one at our entrance. If we go ahead with Phase 2 we will add additional ones on the interior streets.**
- **Open Forum**
 - **White house on Hacienda and Cienga was discussed. Numerous members of the audience including Glen Meir across the street brought up the clutter and added mobile home on the property. President Glover stated that records show there**

was originally an easement down along Cienga beside the White property and others behind them. The board wrote a letter to the City of Quartzsite a year ago asking them to exercise their right away for future sewer and water piping projects. No answer from the city was ever received by Q Mountain Vista Homeowners Association. Board member Albano stated he contacted the City of Quartzsite two weeks ago asking code enforcement to red tag the abandoned single wide mobile home brought onto the property at approximately October of 2019. Code enforcement was notified of the eyesore and code violation with an existing home on the property. Code enforcement said they would have the police accompany him to the property and talk to the homeowner. Glen Meir across the street has talked to the county and they put any issues concerning the White property back on the City of Quartzsite to deal with. Stephanie Meir had a question on what the 365 meant in the HOA budget. It was explained that the 365 is now 480 for 2020 and is based on 242 paying dues members. This makes up the amount budgeted of \$116,160 taken in for HOA dues. Glen Meir asked about the amount on the WIFA loan. Mike explained we originally borrowed \$576,776 and that the balance is currently \$264,832,63 after the forgiveness on the loan. We pay .0289% interest on our loan and a 3% administrative fee to WIFA. 233 meters are now hooked up to water. We now have enough hookups to meet our debt service fee per household based off billing to meet the needed amount without dipping into water fees to pay it for the shortage we used to have. The \$10,745.98 on our books for debt servicing is our own reserve in case we don't meet the debt servicing in our hookups. A built-in safety net so we don't have to come up with extra money when our meters hooked up run short. Unknown landowner asked about the stop sign/street sign off the main road into the street Q Mountain Parkway. That sign and stop sign appears to be missing and is in need of replacement. Mike explained we all can write a work request with the City of Quartzsite at it's I Works web base. The city came and got the stop sign at our entrance when it fell or bumped over. It has since been replaced and this is no longer an issue. Board member Albano wrote one for the potholes at our entrance two months ago. Glover wrote work request to get the drainage to flow from the entrance off Cienga and Q Mountain Parkway. The city is taking 3 to 4 thousand gallons of water to flush. We are not being charged for it but we appear to have a meter issue coming in since it never shows up and we are at zero water loss, the water metered is in our favor? Needless to say, Mike said he will discuss this with the city to get our credit going. Landowner Cathy Siler brought up how we never had any money in the water company in the past and we are now doing well. Appreciated the past and present membership and boards efforts to get this problem solved. We now have \$41,678.23 on our water company books. We were running in the red a few years ago.

- Office manager retirement

- Our office manager Beverly is retiring. Mike made the statement that the HOA is going to miss her. She has done a great job. We have done interviews to replace her. Mike is hoping a name is announced after our executive board meeting so she gets training in before Beverly retires. This is a part time job.

- **Election Results**
 - **Filling the three board member openings for two years. The votes were tabulated by Sally Russell and Shirley Rabo. The results were as follows: Dave Collier 77 votes, Mike Glover 84 votes, Cletus Winkler 36 votes, and Lorne Van Cleave 19, Charlotte Meadows 1, Melvin Staberg 1, and Jorge Cifuentes 1. This made the top three with the most votes the winners. Mike Glover and David Collier were the two highest vote getters and filled two seats of the board. Cletus Winkler who had the third highest vote count was asked if he would again accept his seat on the board. He accepted and this makes the board the same as it was last year. To clarify how the board election works. Next year election fills two spots on a rotation of the board by not electing all of the members in a one year period.**
- **Selection of Officers – Article IV Section 1.**
 - **The board voted to keep the officers the same for next year. Mike Glover President, Cletus Winkler as Vice President, Val Stoker as Treasure, Sidney Albano as Secretary and Dave Collier as Director of the board.**

Mike Glover may be away for awhile due to personal issues and in his absence the Vice President Cletus Winkler will be taking some of his duties as outlined in the By Laws.

Meeting adjourned at 3:36 P.M.