

**Q MOUNTAIN MOBILE HOME PARK HOA
SPECIAL MEETING OF THE MEMBERS
40 MOON MOUNTAIN ROAD, QUARTZSITE AZ
MARCH 28, 2017 6:00 P.M.**

THIS MEETING WAS NOT RECORDED

Call to Order and introduction of Chairperson :
Sidney Albano - Chairperson

Chairman Albano stated the purpose of the meeting:

In accordance with Arizona Revised Statute (ARS) § 33-1813 Q Mountain Vista HOA members representing more than twenty-five percent (25 %) of the votes in the association signed a petition to call for a Special Meeting of the Members. The purpose of the meeting is to vote on the proposed removal of 2017 Board of Director's (BOD) President, Ricky Scott and 2017 BOD Secretary/Treasurer, Nancy Winscom.

The reasons for the proposal and the Statement of Facts included in Notice to Members are included as attachment to these minutes.

Chairman Albano confirmed that ballots absentee ballots were received and informed the members that anyone not having the opportunity to vote via absentee ballot may obtain a ballot and vote at the meeting.

Explanation was provided that ballots will be counted and validated by four association members, 2 each representing those in favor of removal and those opposed to removal. Members selected to count and validate ballots:

Richard Bartel
Betty Smithson
Val Stoker
Pat Manning

Vote count and validation concluded at 7:10 p.m. Results revealed the majority of votes in favor of removal of Ricky Scott and Nancy Winscom from the 2017 Board of Directors.

Chairman Albano explained that in accordance with Association By-Laws the remaining Board Directors will meet as soon as possible to fill the empty seats and that Jorge Cifuentes is the Interim President unless the Board votes to change the appointment of officers.

Meeting adjourned at 7:15 p.m.

ATTACHMENT

Reason for Proposal and Statement of Facts

The purpose of the meeting is to vote on the proposed removal of 2017 Board of Director's (BOD) President, Ricky Scott and 2017 BOD Secretary/Treasurer, Nancy Winscom.

Since being elected to the BOD, Ricky Scott and Nancy Winscom have colluded with Board Director Jorge Cifuentes to intentionally exclude Board Directors Michael Glover and Cathy Siler to hold private, closed meetings, make decisions, prepare and submit documents to the Arizona Corporation Commission (ACC) and to Horizon Bank in attempt to stop the current Water Infrastructure Repair / Replacement Project and to gain control of the Association bank accounts. While focusing their efforts towards these activities, Association business such as recording the changes to the by-laws recently voted on, notification of changes to Association Officers, preparation of income tax returns and annual water reports and distribution of meeting minutes have not been completed.

STATEMENT OF FACTS:

- January 17, 2017, Annual General Membership Meeting, 3:30 p.m., Senior Center, 40 Moon Mountain Rd. After reporting the election results for 2017 Board of Directors, Officers were not selected. 2016 President stated that a Board meeting would take place within 10 days as required for this purpose. See meeting minutes.
- January 21, 2017, 2016 President gave notice to the other Board members of the time and place of the BOD meeting for the purpose of selecting officers; January 27, 2017 at 1:00 p.m. at the HOA office. President posted meeting notice at HOA office and on the HOA website.
- January 23, 2017 BOD Meeting attended by Scott, Winscom, and Cifuentes at HOA Office 9:00 a.m. Timely notice was not properly given to one Director and one Director was not notified. Some homeowners attended but notice was not provided or posted for all homeowners. BOD members present elected officers and conducted business. Meeting minutes only stated newly selected officers and not any other business that may have been conducted, see meeting minutes.
- January 26, 2017, Letter signed by the three officers selected in the January 23, 2017 BOD Meeting not properly noticed was sent to ACC, Administrative Law Judge, requesting a pause in the Financial Application and Rate Case.
- January 27, 2017, Mr. Hank Covey accompanied Directors Scott and Winscom to Horizon Bank and requested to be added to Association bank accounts. Proper documentation not provided so the request was not honored.
- January 27, 2017 BOD Meeting at HOA office, 1:00 p. m. properly noticed. 2017 Board member and 2016 President, 2017 Board member and 2016 Treasurer were present; remaining three Board Members were not present. No quorum, meeting adjourned after 20 minutes, see Meeting Minutes.
- 2016 BOD President scheduled a meeting room large enough for an open BOD Meeting for February 6, 2017, 3:00 p. m. at the Senior Center, 40 Moon Mountain Road. Notice to all BOD given, notice posted at the HOA Office, HOA website, and information board at subdivision entrance.

- January 30, 2017, Letter signed by the three officers selected in the January 23, 2017 BOD Meeting not properly noticed was taken to Horizon Bank requesting removal of ALL 2016 BOD members and addition of Directors Scott, Winscom and Cifuentes. Proper documentation not provided, request not honored.
- February 6, 2017, Open BOD meeting held 3:00 p.m. at Senior Center had a homeowner's sign in and agenda provided. 2016 BOD President presided: meeting called to order, all 2017 Board Members present, full quorum, approved minutes of the November 14, 2016 BOD Meeting; 2016 Treasurer gave Treasures report as of February 6, 2017. Next agenda item was election of 2017 BOD Officers: discussion and comments among Board members and homeowners occurred. Despite an attempt for an orderly and unemotional conduction of the meeting, police presence was called to quiet disruption by persons not having the floor. Voting for BOD officers occurred: 2017 President Ricky Scott, 2017 Vice President Jorge Cifuentes, 2017 Secretary/Treasurer Nancy Winscom. Nancy Winscom stated the new leadership had an agenda but she had not made copies. President Ricky Scott presided over unfocused comments and discussion. Director Glover stated income taxes and water reports need to be completed. Al Seng provided a presentation of proper meter replacement parts. Cletus Winkler asked the BOD if they planned to abandon the current water project and President Scott replied "no." Officers did not inform homeowners of the January 26, 2017 letter submitted to the ACC or of their policy decision to replace ALL of the water meters, or how that project would be funded. Meeting adjourned by Officers, but President allowed further homeowner discussion and comments. President left the stage and homeowners assumed the meeting was adjourned. No new Board of Directors meeting was scheduled.
- February 7, 2017 Group of homeowners researched, discussed, and started a Petition to call for a Special Meeting of the Membership for the purpose of removal of two members of the Board of Directors.
- February 8, 2017 ACC Administrative Law Judge ordered Procedural Conference to be held March 1, 2017 in response to inconsistency of Water Company's requests regarding Financial Application and Rate Case.
- February 10, 2017 Meeting minutes of the February 6, 2017 open BOD meeting presented to the HOA office. Minutes were incomplete and insufficient to reflect content of information discussed in a two hour meeting.
- February 13, 2017, Board Member notified Secretary/Treasurer that minutes were insufficient, and an open BOD meeting was requested to discuss omissions and prepare adequate minutes. Meeting request not acknowledged, no meeting scheduled.
- February 13, 2017, Association 2015 Tax folder taken by Secretary/Treasurer from the HOA office. 2015 fixed asset depreciation schedule needed for posting and presentation to accountant for completion of revenue taxes. Documents returned however, work not done and information not submitted for tax preparation.
- February 13, 2017 Letter signed by the three BOD Officers dated February 8, 2017 sent to ACC Administrative Law Judge improperly submitted and rejected. Letter stated further BOD decisions made in a private, closed meeting to request a postponement of the water project to replace all meters and fittings. Homeowners and other Board members have not been given this information to this date.
- February 15, 2017 Meeting with Quartzsite Town Manager regarding Spring Street well site property and capped wells attended by Ricky Scott, Jorge Cifuentes, and Al Seng. The

meeting was not open to the public, no meeting minutes were taken, no information was given to other Board members, no open BOD meeting scheduled.

- February 26, 2017 Director Glover became aware that legal counsel had been requested by President Scott and Secretary/Treasurer Winsom regarding Procedural Conference at ACC. Decision to seek legal advice not discussed with other BOD members.
- February 28, 2017, Open BOD Meeting, 8:30 a.m. at Senior Center had homeowner's sign in and agenda provided. 2017 BOD President presided: call to order, all 2017 Board Members present, full quorum, minutes of the February 6, 2017 meeting not approved as several revisions have been prepared but not provided to BOD for review or approval, Treasurers report as of Feb. 27, 2017 given. Next agenda item was proposal by BOD President to drop the process to the ACC. Board and membership discussion followed. Board Director Glover provided the history of Water Company water loss dating back to 2009 and the company's 2012 proposal and commitment to ACC to replace the water infrastructure, the progress made to date and explanation that the \$1.6 million dollar estimate is not a bid for the work. Agreement from ALL BOD members to submit a resolution to ACC to continue processing the Finance Application and Rate Case.
- February 28, 2017, Secretary/Treasurer Winscom initially declined to sign the Resolution of the Board despite her vote to move forward. Winscom contacted Director Glover later in the evening to sign the document.
- March 1, 2017, Procedural Conference held 10:00 a.m. at ACC attended by Scott, Winscom and Glover. Resolution signed by BOD submitted to Docket Control. Scott and Winscom presented public comment in opposition of the water project.
- March 3, 2017 Numerous annual filings with government agencies not completed or started.