

**HARMON RANCH HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
OPEN SESSION
October 3, 2006**

A meeting of the Harmon Ranch Homeowners Association Board of Directors was held on October 3, 2006, at the office of Lepin and Renehan Management, Inc. at 6:30 p.m.

In attendance: Brendan Busse, Scott Friedson, Kevin Ringer and David Goode and Gina Larsen of Lepin and Renehan Management, Inc. No one was absent.

The meeting was called to order at 6:33 p.m.

After due discussion and upon motion duly made, the following resolutions were passed unless otherwise indicated:

Resolved: To approve the minutes of the June 29, 2006, board meeting with the change of the "next meeting scheduled" to read August 2, 2006, instead of June 20, 2006.

Resolved: To accept the financial statements dated June 30, July 31, and August 31, 2006.

Notation: Scott Friedson has done some calculations and believes that the water usage is much higher than the past two years. He has no explanation for the increase in water usage, but wanted it to be noted that it is substantially higher. This is an issue that has been raised at least three (3) separate times with the City of Chandler.

Resolved: That for all homeowners that prepay their association assessments for the entire year of 2007 by January 31, 2007, they will receive a rebate of \$3.00 per month, for a total discount of \$36.00 off of the annual assessment.

Resolved: To make a reduction to the following categories in the 2007 Budget: Landscape Other (Maintenance) – Remove \$1,000.00, Office and Printing (Newsletters) - Remove \$121.00; Postage (Newsletters) – Remove \$102.00; Meeting Room Rental – Remove \$300.00; and Website - \$155.00. Monies to be taken from these categories are to be designated to Landscape Renovation Reserves.

Resolved: To ask management what the increase would be to the base management fee if the board does not accept the reduction of the number of meetings.

Further

Resolved: To ask management what the increase would be to the base management fee if the board reduces to 8 meetings.

Further

Resolved: To ask management what the increase would be to the base management fee if the board reduces to 7 meetings.

Notation: The Board of Directors wants to be included in the budget process for next year. It feels that it is at a disadvantage and behind in the budget process due to not being included in the preliminary meeting.

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- Resolved: To remove the statement on page 4 of the budget narrative and the painting/structural reserve sheet that says, "Management recommends that a structural engineer review the walls and provide a recommendation."
- Resolved: To approve the Addendum to the Meeting Minutes regarding Small Claims Transfers.
- Resolved: To table further discussion of the 2007 Meeting Schedule until the November 7, 2006, meeting.
- Resolved: To request that Carpenter Hazlewood review the Association documents and analyze the 10 most common violations, to be designated by the community manager, at a cost of \$450.00, in preparation for new state legislation compliance.
- Resolved: To table further discussion of the Perimeter Wall Painting/Renovation until the November 7, 2006, meeting.
- Resolved: To approve the proposal provided by Solar King, Inc., for the installation of solar lighting at the southwest corner of Ray and Ponderosa and the Joshua street entrance at a total cost of \$3,003.10.
- Notation: The Board is concerned about the placement of the solar panels for the lighting and requested that management ask Solar King (in proposal acceptance) to be sure and place the pole as high and against the wall for visibility and vandalism purposes.
- Resolved: To notify the homeowners of Lot #201 and advise that the Board of Directors has reviewed their letter regarding the issue between them and their neighbor and, while the Board empathizes with them, this is a neighbor to neighbor issue. They will need to contact their neighbor to resolve this issue. A copy of the letter to Lot #201 will be sent to Lot #212 so they are aware of the issue.
- Resolved: To notify the homeowner of Lot #213 and advise the following:
- The community manager drives the property once each week during normal business hours, Monday through Friday. All violation letters are sent based on this weekly inspection or any written and signed complaints issued by a homeowner.
 - The Bird of Paradise at Dublin and Ponderosa has been taken care of at this time. Please call if you see anything in the common areas that are not being attended to.
 - In regards to the mailbox area along Rush street between Dublin and Shannon, this is homeowner owned property and is the responsibility of the homeowner at the corner of Shannon to maintain. The Association will not maintain this area, but will enforce all CC&Rs when they are being violated.
- Thank you for your continued care of your community.

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Notation: The Board requested that the community manager leave the meeting at 8:57 p.m.

Notation: The Board requested that the community manager return to the meeting at 9:22 p.m.

Resolved: To approve the request from Ground Specialties to increase their base maintenance fee to \$3,000.00 per month to be effective January 1, 2007. David Goode opposed.

Resolved: To request that Ground Specialties provide a proposal for granite redressing for the Joshua entry median, the south side of the entry (Rural to Del Pueblo) and the Rural Road frontage from Joshua to wrap around the corner at Galveston to where it narrows at the wall.

The next meeting is scheduled for November 7, 2006, at the offices of Lepin and Renehan Management.

There being no further business, the meeting was adjourned at 9:37 p.m.

Respectfully submitted,

Gina Larsen
Recording Secretary

Brendan Busse
President

HARMON RANCH HOMEOWNERS ASSOCIATION
PO BOX 11330
TEMPE AZ 85284-0023

ADDENDUM TO THE MEETING MINUTES OF THE BOARD OF DIRECTORS

A meeting of the Board of Directors of Harmon Ranch Homeowners Association, an Arizona Corporation, was held at Lepin and Renehan Management, Inc., 7955 South Priest Drive, Suite 105, Tempe, AZ 85284 on October 3, 2006.

One of the purposes of the meeting was to discuss small claims complaints. After discussion and upon motion duly made and seconded, it was unanimously:

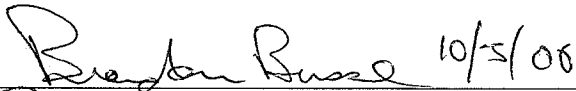
Whereas: If a homeowner (defendant) files a response to a small claims complaint filed by the Association, the Association must be represented in court, and

Whereas: Arizona Revised Statute (ARS) requires a Corporation to be represented by a board member at a small claims hearing, and

Whereas: The lack of a board member's attendance in court will result in the dismissal of the small claims complaint, it was,

RESOLVED: That when a small claims complaint is answered by the defendant, the case will be turned over to the Association's attorney to be transferred to Justice Court where the Association will be represented by the attorney and a board member's attendance will not be required by ARS.

FURTHER
RESOLVED: The attorney may amend the complaint and add attorney's fees and costs which will be charged to the owner's account.

 10/5/06

Board Member Signature

Board Member Signature

 10-3-06

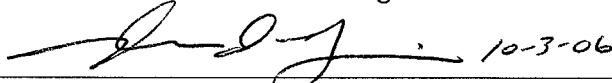
Board Member Signature

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