

**BELLA VISTA VILLAGE PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING - (REGULAR SESSION)
JULY 23, 2020 6:00 p.m. BOARD ROOM AT THE COUNTRY CLUB**

BOARD MEMBERS PRESENT: Chairperson David Brandenburg, Vice-Chairperson Mary Sinkus, Directors Mike Abb, Jerre Barron, Jr., Teah Bidwell, Sandy Fosdick, Jan Simms, and David Whelchel.

BOARD MEMBERS ABSENT: Director Jerry Hover.

BOARD MEMBER PROXY: Director Fosdick held Director Hover's stipulated proxy.

OTHERS PRESENT: Chief Operating Officer Tom Judson, General Counsel Doug McCash, and Corporate Secretary Tammie Loyd, 6 members and four media representatives.

I. CALL TO ORDER

Chairperson Brandenburg called the meeting to order at 6:00 p.m.

II. PLEDGE OF ALLEGIANCE

III. EXECUTIVE SESSION SUMMARY – JULY 7, 2020

- a) Chairperson Brandenburg stated that after interviews of candidates and after several rounds of discussion, the Board selected Mike Abb to serve as a Director until May 31, 2021.
- b) Vice Chairperson Sinkus stated that Allegations of Misconduct were brought by a member against Chairperson Brandenburg, alleging violations of Policy 6.02 Section I.5.a. and Policy 1.10 Section II.11. The Board voted 6-0-1 (Director Hover abstained) that the allegations were without merit.
- c) Vice Chairperson Sinkus stated that seven identical Allegations of Misconduct were brought against Chairperson Brandenburg, alleging violations of Policy 1.10 Section II.5 and Section II.8. After lengthy discussion, the Board voted 5-1-1 (Director Fosdick voted against; Director Hover abstained) that the allegations were without merit.

IV. APPROVAL OF MINUTES (BOARD VOTE)

Chairperson Brandenburg called for a motion to approve the minutes from the June 25, 2020, Regular Session Board Meeting. Director Whelchel motioned to approve the Board of Directors Regular Meeting minutes. Vice Chairperson Sinkus seconded. There was no discussion. The motion passed unanimously.

Chairperson Brandenburg called for a motion to approve the minutes from the July 16, 2020, Working Session Board Meeting. Vice Chair Sinkus motioned to approve the Board of Directors Working Session minutes. Director Whelchel seconded. There was no discussion. The motion passed unanimously.

V. JOINT ADVISORY COMMITTEE REPORTS

- a) Lakes – Mr. Judson stated the committee discussed the winter drawdown of Lake Rayburn was discussed at the monthly Lakes JAC meeting, discussion regarding additional lake regulations for next year, the Kids Fishing Derby, and 2021 Capital Budget items that are due by the end of August.
- b) Recreation – Mr. Judson stated that Recreation JAC discussed the 2020 Special Events, as well as the 2021 Capital Budget items that are due by the end of August.
- c) Golf – Mr. Judson stated that golf rounds were up over 7,000 rounds from last year and the WAPT/APT event was a success. The Golf JAC will be discussing their 2021 Capital Budget items and submitting them by the end of August.

VI. FINANCIAL REPORT

Mr. Judson reported on the June 2020 financials. The financial reports are located at <https://bellavistapoa.com/governance/financials/>.

VII. OPEN FORUM – PROPERTY OWNER COMMENTS LIMITED TO 3 MINUTES

- a) Chairperson Brandenburg read a letter from Larry Cook and Jeanne Struble, Stonehaven Drive regarding enough trails and tunnels in their area, the restaurants and the golf courses.
- b) Jim Parsons, Duvall Lane, spoke regarding Policy 3.09 and the suspension of water service for non-payment.
- c) Tommy Freytag, Pamona Drive, regarding the board member replacement, the ability of the board to appoint members, and water leaks in Bella Vista.

VIII. RESPONSE TO OPEN FORUM

- a) Mr. Judson stated our goal is to work with members when they are late making payments, and to make arrangements to get them back on track. Our collections team is compassionate and works with our members to set up payment plans.
- b) Mr. Judson stated the Board selected the Board Member replacement according to our policies and guidelines.
- c) Mr. Judson stated the Water Department does have leakage losses, but we have invested a significant amount of time and resources toward reducing those leaks. We now have a dedicated leak detection expert, and a system that works to recognize leaks much sooner than we ever could. Bella Vista is a rural water district, and our water rates are competitive with other rural districts.

OLD BUSINESS

NEW BUSINESS

IX. FIRE TRAINING LAND – EMINENT DOMAIN (BOARD VOTE)

Mr. Judson explained the City of Bella Vista would exercise their right to use eminent domain in the acquisition of the common property at Chelsea Road and Tudor Drive where

the Fire Training Center will be built. The City will pay the appraised price of \$110,000 as just compensation for the land. Director Abb motioned to not oppose the City of Bella Vista as they exercise their right to use eminent domain in the acquisition of the common property at Chelsea Road and Tudor Drive. Director Whelchel seconded. There was no discussion. The motion passed unanimously.

X. RECREATION JOINT ADVISORY COMMITTEE MEMBER NOMINATIONS (BOARD VOTE)

Director Whelchel motioned to accept the Recreation JAC nomination of Scottie Smith to an initial, three-year term. Director Barron seconded. There was no discussion. The motion passed unanimously.

Vice Chairperson Sinkus motioned to accept the Recreation Joint Advisory Committees nomination of Denise Klinger for an initial, three-year term. Director Barron seconded. There was no discussion. The motion passed unanimously.

XI. EMERGENCY CAPITAL ITEMS – WATER DEPARTMENT (BOARD VOTE)

Mr. Judson explained that with the increased demand on the Water Department, replacement trailers and an additional vehicle is needed to adequately keep up with their workload. The Water Department is currently \$644,000 better than budget and is asking for \$91,000 to allow for the purchase of two trailers (\$21,000 each) and one one-ton 4x4 cab truck with hydraulic dump bed (\$49,000). Director Bidwell motioned to approve the emergency \$91,000 Capital expenditure for the Water Department for the purchase of a truck and two trailers. Director Whelchel seconded. There was no discussion. The motion passed unanimously.

XII. OFFICER VOTE – TREASURER

Mr. Judson explained that the state requires officers, such as President, Vice President, Treasurer, and Corporate Secretary to be voted on by the Board. The Controller, Stacie Higgins will be taking on additional responsibilities from the former CFO position, therefore the Board will need to vote on a new Treasurer. Vice Chairperson Sinkus motioned to appoint Controller, Stacie Higgins as Treasurer. Director Barron seconded. After discussion, the motion passed unanimously.

XIII. SIGNATORY CHANGE ON BANK ACCOUNT – POA RESOLUTION 2020-02 (BOARD VOTE)

Chairperson Brandenburg stated that with the change of Treasurer and Chairman of the Board, new signatures on POA Resolution 2020-02 need to be updated with our financial institutions. Director Whelchel motioned to approve signatory change on the bank account, POA Resolution 2020-02. Vice Chairperson Sinkus seconded. There was no discussion. The motion passed unanimously.

XIV. REVIEW OF POLICY 1.07 – BOARD MEETINGS – FIRST OF TWO READINGS (BOARD VOTE)

Mr. Judson explained the changes to Policy 1.07 that the Rules & Regulations Committee voted to recommend to the Board. Director Abb motioned to approve the changes to Policy 1.07 as recommended by the Rules and Regulations Committee, as presented. This is the first of two required readings. Vice Chairperson Sinkus seconded. After further discussion, the motion passed 7-2, with Directors Fosdick and Hover opposing.

XV. REVIEW OF POLICY 1.03 – GUIDELINES FOR ASSOCIATION COMMITTEES – FIRST OF TWO READINGS (BOARD VOTE)

Chairperson Brandenburg explained the changes to Policy 1.03 that the Rules & Regulations Committee voted to recommend to the Board. Director Whelchel motioned to approve the changes to Policy 1.03 as recommended by the Rules and Regulations Committee, as presented. This is the first of two required readings. Director Barron seconded. After some discussion, the motion passed 7-1-1, with Directors Fosdick opposing and Director Hover abstaining.

XVI. SCOTSDALE BRIDGE REPAIR PROJECT – WAIVER FOR THREE-BID REQUIREMENT (BOARD VOTE)

Mr. Judson stated that Golf Maintenance is requesting a waiver for the three-bid requirement on the Scotsdale bridge repair capital project, due to seven companies being contacted to submit a bid, but only one firm submitted.

Vice Chairperson Sinkus motioned to waive the three-bid requirement for the Scotsdale Bridge Repair project. A total of seven firms were contacted, but only one firm submitted. Director Whelchel seconded. After discussion, the motion passed unanimously.

XVII. ANNOUNCEMENTS:

- a) **Board of Directors GM Meeting** – Thursday, August 13th at 4:30 p.m. in the Boardroom at the Country Club. (CLOSED MEETING)
- b) **Board of Directors Work Session** – Thursday, August 20th at 9:00 a.m. in the Boardroom at the Country Club.
- c) **Board of Directors Regular Session** – Thursday, August 27th at 6:00 p.m. in the Boardroom at the Country Club.

XVIII. ADJOURNMENT

Chairperson Brandenburg adjourned the meeting at 7:08 p.m.

Submitted:

Approved:

Tammie Loyd, Corporate Secretary

Chairperson

David Brandenburg, Board