

ENCLAVE BOARD MEETING MINUTES JANUARY 22, 2025

The monthly meeting of the Enclave Board was held at the Estate Club House on January 22, 2025 at 3:00 p.m.

ATTENDANCE: Joan Raskin, Karen Huffstutter, Carl Huffstutter, Larry Hirsch

HOMEOWNER ATTENDANCE: Richard Adam, Robert Berger, Fran Rosenberg, Carol Lewis, Richard Lewis, Sally Weisman, Bill Dugan, Terry Heilman, Monica Heilman Chuck Miller and Mark Szycher

MINUTES OF PRIOR MEETING: The minutes of the meeting held on November 20, 2024 were approved.

IRRIGATION SYSTEM AND CONVERSION TO SCOTTSDALE WATER:

Joan made a presentation regarding the steps taken by the current Board to improve the Enclave. Once the road project was completed, the Board was able to direct its attention to the issues regarding irrigation and landscaping. Due the age and condition of the Gainey irrigation system, the Board determined to first address irrigation concerns before addressing landscaping issues. These are truly separate issues

Joan addressed the concerns of the Board regarding the deteriorating condition of the current irrigation system and the costs incurred to maintain and repair it as well as our water bills to the City of Scottsdale. The current system is a "loop" system in which all of the Enclave is connected to both the city water system (for individual homeowners) and the Gainey system which has been used to irrigate front yards and common areas for over 40 years). The system has numerous leaks including a current problem with a leak at the pool, which is wasting thousands of gallons at our expense. Joan reported on the problems faced at "The Courts" with its failed water system and what that will cost that community. We are currently spending over \$35,000 per year to simply repair the existing system. Those funds come out of our reserve funds and that fund has been diminished due to the repair costs on the present system. Over the next five years we can anticipate spending \$135,000 to repair and maintain the current system even if it does not fail which would necessitate a replacement of the system which could cost at least \$500,000. It costs homeowners \$2500 over a year period simply to repair the current system. A replacement of the current system by having each homeowner connect their front yard to the existing Scottsdale system would cost each homeowner about \$1500 to make the connection to Scottsdale.

Scottsdale would be responsible for the repair and maintenance of the water main up to and including the water meter. Each homeowner would pay for their front yard landscaping costs-whether it is the current configuration or artificial grass or desert or a variation of any of those. Scottsdale has a "sliding scale" system for water usage-the more gallons a customer uses

the more per gallon cost they incur. Since each homeowner would be paying for their own water use their bill would be substantially less than their share of the current Enclave water bill. The Community would have its own account with Scottsdale for the water use for the common areas. That cost would be part of the monthly HOA assessment. It will cost about \$20,000 for the Community to connect the common areas to the Scottsdale water system.

Carl presented a report on how the current system operates and walked through the costs associated with the proposed irrigation and water plan. He explained how the Scottsdale billing system works and illustrated the comparative costs relative to water use for each home as paid for by the Community or by the individual. It would cost each homeowner about half as much to pay for their own water use as it does to share the cost for the Community paying for it. The current piping is failing and we don't want to be in the same position as the Courts are currently facing. As more homes convert to either artificial grass or desert, the costs will decline. The Community will continue to provide landscaping services for all homes (except for those which opt out and assume responsibility for maintaining their front yard. Each property owner will pay an assessment (as they do now) for that property maintenance even if they opt out of Gainey providing the service to their property.

The Board contacted an attorney who provided an opinion that the CC&Rs permit the Board to vote to abandon the current connection to the Gainey water system and cease providing water to each homeowner's front yard. After further discussion and comments and questions from community members, the Board voted to abandon the connection to the Gainey water system as of January 22, 2026. Each homeowner will have one year to connect their front yard irrigation to the existing Scottsdale system. If they decide not to do that, there will be no water provided to their property as the current system will be abandoned and disconnected from the Gainey system. The Community will also have the same one-year period to connect the common areas to the Scottsdale system.

LANDSCAPING CHANGE REPORT:

About half of the homes in the Enclave have either completed the process to change their front yard landscaping or are in the process of doing it. There are new rock colors which have been approved by the Gainey Association for use in landscaping. Karen will assist all who wish to change the design of their front yard.

Those families which opt out of Gainey yard maintenance will still be assessed for the overall costs of front yard and common area maintenance in the Enclave.

GOLF COURSE BORDER FENCING AND WALL ISSUES:

Joan reported on the ongoing problems with the Golf Course refusing to repair the fence which abuts the Enclave on the west side and refuses to alter the sprinkler system which is damaging walls which abut the course. Other communities face similar problems with the Club and Joan will contact those communities and discuss this issue with an attorney to seek recourse for the repairs.

GATE CAMERAS AND ACCESS TO ENCLAVE:

Rick Adams reviewed the prior presentation regarding the two-stage change to the front gate security system, he reported that the Estates has installed that system and a community member stated that the Estates members are having difficulty with the new system.

BUDGET AND FINANCES: Carl reported on the budget and the state of the finances. Our reserves have decreased due to irrigation repair costs. We were slightly over budget for 2024 expenditures (2-3%) due to inflation and repair costs. We are still in good shape financially and our reserves are adequate for current needs but we see the need to increase the reserves. We are working to reduce maintenance costs and Gainey Ranch has agreed to reduce our maintenance bill by 10% due to our conversion to artificial grass and desert. Any savings in maintenance costs (or other costs) will be added to the reserve account for 2025 and may impact our assessments going forward thereafter. The Enclave assessment is to be reduced for 2025 although the Master assessment for Gainey is increased. Gainey Ranch conducts a 10-year review of projected reserve fund usage but we may decide that planned replacements are not needed (like the furniture at the pool which was due for replacement but was not in need of replacement).

ANNUAL MEETING: February 19, 2025 at 5:00 pm.

FUTURE MEETINGS: Board meetings will be held on the third Wednesday of the month.

The meeting was adjourned at 4:20 p.m.