

8989 GAINY CENTER DRIVE CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS BUSINESS MEETING MINUTES

APRIL 29, 2025

1. Call to Order and Determination of Quorum –

2. Board Members in attendance: Claudette Muller, Diane Tuton, Josephine Chiu, Roz Capello, and John Barnes.

A quorum was declared, and the meeting was called to order at 2:30 pm.

Resident(s) in attendance: Mr. Mark Dulskey (Unit 101 Renter).

3. Homeowner Comments/Discussion - There was no discussion or comments.

4. March 4, 2025, Board Meeting Minutes -

MOTION: The 8989 Board unanimously approved March 4, 2025, Board meeting minutes as written.

5. February and March 2025 Financials Review -

YTD Revenues are on target with the YTD Budget and YTD Expenditures are \$943 under the YTD Budget. While the Water expense is \$4,069 over budget, it is offset by savings on gas, electric, legal/professional services, and lake maintenance. The Cash Operating Balance is excellent. The Community Enhancement Fee reflects two (2) Unit sales January through March for \$6,200. The majority of Owners are current on their monthly assessments. Water usage through March 2025 reflects dry months, planting of new landscaping, and draining of pool for repairs and cleaning. Water usage in February and March reflects a drop of about 22.5% from January due to rainy days.

6. Discussion and Action(s) regarding the following -

A. 8989 HOA Insurance Renewal for 2025/26:

The 8989 HOA insurance 12-month coverage begins on May 1st every year. We currently have Single Entity coverage based on the 8989 CC&Rs Article 10 (which excludes improvements and upgrades) at a \$10,000 deductible with Travelers Insurance.

The 2025 Chubb insurance quote for Directors and Officers is \$1,369.

Only Travelers Insurance and Arden Insurance (a California based company specializing in Condominiums and Apartments with an "A" rating) provided quotes for the Board's consideration. Other companies did not provide a quote because they were either not interested or unable to provide a competitive quote below \$45,000.

The Arden Insurance quote for the \$10,000 deductible is \$4,836 less than the Travelers Insurance quote; The difference between the Arden Insurance quotes for the \$10,000 and \$25,000 deductible is \$2,112 (only \$2.44/unit/month).

The total cost for Arden Insurance with a \$10,000 deductible and Chubb Directors & Officers coverage is \$31,541. \$32,500 is budgeted in 2025 for the HOA Insurance coverage.

The Condominium coverage provided by Arden Insurance is considered to be one of the best in the industry. The company is "A" rated and financially sound. Several items are included in the Arden Insurance policy that are better than the current Travelers Insurance policy:

Higher Guaranteed Replacement Cost at \$36,474,000 - No dollar limitation for buildings, community personal property and structural glass and signs. The Travelers Insurance coverage includes replacement cost only and is limited to \$21,949,016.

Building Code Coverage - Automatically includes demolition and increased cost of construction due to more stringent building codes up to \$500,000. The Travelers policy is limited to \$250,000.

Machine and Equipment Coverage - Automatically includes damage caused by explosion of vessels under pressure and mechanical breakdown at Guaranteed Replacement Cost.

MOTION: The 8989 Board unanimously approved the Arden Insurance Company Policy for Single Entity coverage with a \$10,000 deductible per each property damage occurrence for an annual premium of \$29,822 (plus the \$350 processing fee), and the Chubb Insurance Directors and Officers Policy for an annual premium of \$1,369. The total annual HOA insurance premium of \$31,541 is effective May 1, 2025. The Board declines the Arden Insurance terrorism coverage.

B. Mailbox Renovation Project: It was suggested the Board consider either refurbishing or replacing the 33-year-old 8989 mailboxes. John Barnes will acquire pricing for the Board to consider at the next Board meeting.

C. Building & Landscape Maintenance:

- ***Trees, Shrubs and Plants Replacement*** – Trees threatening the infrastructure were trimmed in February and March to minimize damage resulting from heavy rain and windstorms. The Board continues to replace dead and missing shrubs, relandscape areas between the driveways, and replace irrigation pipes damaged by tree roots. The final phase to relandscape driveway areas, and the ongoing replacement of dead or missing shrubs is scheduled for November 2025. The relandscaping of the visitor parking island in front of building #10 (where two (2) 33-year-old palm trees died) will be completed in November 2025. The Board is considering updating the 33-year old front entry planters with potted steel sculptures to reduce the cost for plants and water. Annual flowers/plants do not survive the extreme summer heat and the old planters are cracking. The GRCA staff and the Arborist are implementing the new Treeplotter Inventory Software which will allow the Master Association Staff and Satellite Boards to monitor the health of trees.
- ***Unit Membrane Decks Repairs/Resurfacing*** – A couple of Unit decks were not completed by SUNVEK two (2) years ago. After many delays by SUNVEK for various reasons, these decks/balconies will be completed in May/June 2025 (weather permitting).
- ***Pressure Release Valves (PRV) Annual Inspection*** – This program is critical and plays a significant role in helping prevent potential water damage, reducing insurance claims while protecting the 8989 property and insurability. The PRV inspection was completed in March 2025. There are four (4) Units with PRVs readings at 90 psi or higher (recommended range is 70psi to 80psi). There are nine (9) Units with faulty hose bibs. GRCA staff have advised all thirteen (13) Unit Owners to repair their Unit PRVs and/or replace a faulty hose bib (which may include the gate valve, hose bib, and hose back flow preventer) by May 5, 2025, so the PRV may be tested. The Owner must provide proof of the repair and PSI reading for the file. The 8989 Board will follow up with GRCA staff to monitor the progress of compliance by the Unit Owners.

- **Roof & Drain Inspection** – was completed in late March. All roof repairs identified in the March Report by Southwest Roofing were completed. GRCA staff cleared all plugged roof drains identified by Southwest Roofing.
- **Pool** – Maricopa County conducted its periodic pool inspection in March. Our pool continues to meet Maricopa County health standards. GRCA staff cleans the pool area and furniture every two (2) weeks (weather permitting). The pool is cleaned every week and staff is addressing the small patches of black algae in the adult pool. The black algae is caused by organic material in the air, elevated water temperature and imbalance of pool chemicals. While the majority of the pool deck is in good condition, there is a major crack in the deck to the left of the main entry stairs needing repair. GRCA staff have requested quotes for the Board's consideration. The pool's front gate does not latch properly and is being addressed by GRCA staff to comply with Maricopa County safety requirements. The repair costs will be provided to the Board for consideration. GRCA staff is reviewing the cracks in the pool planter walls and will provide repair options and costs for the Board's consideration. The pool heaters were turned off during the week of April 7, 2025. The pool fountain will operate from 9:00 am to 5:00 pm until the air temperature consistently reaches 100 degrees Fahrenheit or higher, at which time it will operate 24 hours a day to cool the pool. The Board is considering installing inexpensive aerator wands to help cool the pool during the summer months. The spa heater was replaced. Two missing tiles and calcium buildup on the fountain water feature will be addressed. There are a couple of the older style side tables needing replacement. The Board considered acquiring four (4) additional side tables from Paddy O' Furniture (same as the ones purchased 18 months ago). They are currently on sale for \$250/table (regular price is \$300/table). These side tables are made to withstand the extreme Arizona temperatures and get a lot of use at the pool.

MOTION: The 8989 Board unanimously approved the purchase of four pool (4) side tables from Paddy O' Furniture at a total cost of \$1,080.37 including sales tax.

- **Golf Course Lake Maintenance** - For years, the Board has discussed issues and complaints with the Golf Course Maintenance staff regarding lake maintenance. These complaints include trimming the golf course eucalyptus trees by building #5, floating debris, unpleasant odor, exposed white pipes on the lake surface, non-functioning fountains, and recently mechanical leaf blower activity at 5:30 am. The GRCA staff will meet with the Golf Course Management staff during the next few months to discuss the resolution of these issues. While both the exposed white pipes seen on the surface of the lake and non-functioning fountains are currently being addressed by the Golf Course Maintenance staff, repair of these items will take longer to complete. The 8989 Board and GRCA staff continue to monitor the Golf Course Maintenance staff progress.
- **Dansons Corporate Office Building** – GRCA staff has contacted and requested the Dansons building Owner address five (5) major problems at the Dansons and 8989 shared wall: trimming of trees and removal of dead trees, extinguishing the building lights at night and redirection of floodlights towards the ground, relocation and covering of the dumpster containers, cleaning of the rear patio area, and relandscaping of the area behind the Dansons building. These problems were identified by many Owners

of second level Units in buildings #1 through #5 at the HOA Annual meeting. At the request of the Board and GRCA staff, Danson's building owner trimmed and removed dead trees, and is extinguishing building lights at 9:00 pm. GRCA staff and the Board have been unsuccessful in getting the dumpsters moved or covered by the building owner and tenants. The Board and GRCA staff are considering options for shielding the dumpsters and rear patio area from view.

- **Miscellaneous** – One (1) Unit garage door requires replacement due to age (33 years) and structural failure. The 8989 HOA pays for the garage door not the labor, parts and painting (the specific door style is identified in the Standards & Rules Section 6, and requires an assessment be made by GRCA staff). There are several pedestrian and landscape light repair work orders in progress. The Board will discuss maintenance of the community's front entry gate with GRCA Management. The exterior wall and entry gates (vehicle and pedestrian) are the Master Association's responsibility.

D. GRCA Landscape Initiative Study – The Council of Presidents Meeting on May 1st will be reviewing the specific recommendations of the Landscape Initiative Study and discussing plans for their implementation of standards by the GRCA and Satellite communities. Highlights of the Initiative Study (reviewed at a recent GRCA Board meeting) show how the soil temperatures have increased by 8 to 10 degrees Fahrenheit and the soil moisture has decreased by 3 to 5% over the previous 5 to 10 years, both of which have stressed the health of trees and plants. Suggested solutions for a healthier, more resilient landscape include optimizing irrigation by moving emitters and adjusting watering schedules; enhancing and revitalizing soil health for stronger plants by adding materials for increased soil microbe activity; using advanced plant treatments for stress resistance by using mulch instead of gravel, avoiding artificial turf, and planting drought resistant grasses. The 8989 Board is awaiting standards from the GRCA Board to determine the cost to implement the recommendations.

E. 2025 Arizona Legislation affecting HOAs – To date, three (3) bills have been signed into law by the Arizona Governor. SB1039 (Homeowner's Associations: Meetings: Recordings); SB1494 (Common Expense Liens; Foreclosure; Amount); and HB2322 (Condominiums; Commercial Structures; Residential Structures). Since these bills do not have a specific enactment date or emergency clause, the law takes effect 90 days after the Arizona Legislature adjourns "sine die". The 8989 Standards and Rules will be modified to reflect any relevant changes.

F. 8989 Standards & Rules Compliance Update – Some residents continue placing trash bins out before 5:00 pm the day before pickup, leave their garage doors open when not entering or exiting, and park their vehicles in the visitor-only parking areas or in Unit driveways for extended periods of time without temporary approval from Security staff and the 8989 Board. An Owner replaced their blue colored umbrella with a sand colored one to comply with the 8989 Standards Section 12.

G. Architectural Applications Processed – One (1) was submitted for review in April.

The Board meeting adjourned at 3:50 pm.

Minutes submitted by Claudette Muller, Board President.