

Desert Shadows RV Resort Association Inc.
Board of Directors
Meeting Minutes
April 16, 2024 • 1:00 PM PST

A regular meeting of the Board of Directors was held on Tuesday, April 16, 2024 via zoom.

Members Present: Dennis Stoller, President
Mike Huszczo, Member at Large
James Cole, Secretary
Carol Bratt, Member at Large
Steve Wiltermuth, Vice President

Guests: David Smith, Resort Manager
Arnold Bos, CFO
Louis Rivest, owner who submitted an application to run for the board and requested to sit in on a meeting

The meeting was duly called to order at 1 PM (PDT). Dennis welcomed Louis as a guest.

Minutes: The minutes of the March 12, 2024 regular meeting were approved by unanimous voice vote.

Correspondence to Board:

- A. A resident reported that the swimming pool filters from Satellite A were being cleaned in the street, which is not very attractive for our resort. David talked to the pool contractors and they are now experimenting with cleaning them in a landscaping area.
- B. A resident was very concerned about tree removal when birds are actively nesting. David was "on top" of this situation. He talked to Fish & Wildlife and they did not have any issues with our tree removals. David also instructed BlueSky to inspect the trees for nests two days before the trees were removed and then again on the day of tree removal. BlueSky has provided a letter signifying they inspected the trees and found no active bird nests.

Board Priorities:

- A. LOAM:
 - 1. The "doghouses" for the electrical services and the trash bin enclosures have been painted the agreed upon colors; people have noted they look very nice.
 - 2. BlueSky is scheduled to begin work on the two new islands at the entry on May 1.
 - 3. The Cathedral City Fire Dept received an anonymous call stating a concern that the new islands in the entry would impede emergency vehicle access to the resort. The Cathedral City Fire Department Safety Inspector visited the site and stated that there is no problem with the placement of the islands. However, he did request that the trees on Sites #84 and #85 be trimmed back and that the curbs on the new island and roadways be painted red to prevent people from parking at those areas. David has sent the owners of the trees a letter about trimming the trees and they are understanding.

4. After looking at a number of pickleball courts in the area to research their color schemes, it was decided to use the color scheme Indian Wells used for their pickleball courts: dark blue for the service areas, dark green for the kitchen areas, and a lighter green surrounding the courts. Yellow or white will be used for the overlay of the pickleball lines on the dual-purpose court. David will ask the pickleball contractor to make sure the colors that are used are the same as Indian Wells' colors.
- B. Security Locks: The cost of the locks has increased; we need at least 7 more locks. David will continue to purchase the locks until we have all the locks we need for the security of our facilities.

Financials:

- A. We reviewed the March financial reports. Overall, our financial situation looks good. The shortfall in the revenue side is mainly due to the lack of lot sales commissions.
- B. Expenses:
 1. Administrative Expenses are higher than budgeted mainly due to legal fees. The attorneys audited their billings and found they had not billed the resort for about \$8,000 in fees.
 2. Refuse Disposal charges have caused us to be over-budget for utilities. Burrtec, our garbage service provider, raised their rates and now have requested another rate increase effective July 1, 2024. There are no other garbage pickup alternatives in our area. David has reduced the garbage pickup schedule from twice a week to once a week. As of early May, he will also be reducing the number of bins. During the off-season we have lower garbage expenses.
 3. Water, domestic and landscape, went up a bit. David thinks the higher water usage in March is due to people washing their units before they leave. We should not see a raised water cost in the spring. During the summer, the shrubs and trees are watered enough to survive the summer heat, but the grass is not kept alive.
- C. Insurance Renewal: We are able to purchase our insurance on the open market again. It was moved, seconded and passed by unanimous voice vote to approve signing the insurance contract.
- D. PSTC (Palm Springs Tennis Courts) Contract:
 1. It was moved, seconded and passed by unanimous voice vote to approve the PSTC contract for new pickleball court construction.
 2. It was also moved, seconded and passed by unanimous voice vote to approve the PSTC payment schedule.
 3. State law requires Board approval for any payments over \$10,000. The Board has approved the payments as scheduled to PSTC.
- E. WASH Contract: It was moved, seconded and passed by unanimous voice vote to approve the WASH contract for laundry services.
- F. Wall Repair: It was moved, seconded and passed by unanimous voice vote to approve the wall repair by the tennis/pickleball courts:

Old Business – Supplemental Information:

- A. Speed humps: there is nothing to do at this point.
- B. OG wall movement monitoring:
 1. On April 1 the wall receded 1/32".
 2. Water damage on the interior of the wall was non-existent. The damage appears to be from past watering and plants growing on it.

- C. Over-full large item waste disposal: It is often very unsightly and there have been many complaints about it. Burrtec only picks up four items per week for the whole resort. David has been researching what other parks/resorts are doing to handle this situation. ORPS has a 30 yd dumpster, Rancho Casa Blanca and others have no large waste disposal dumpsters and it is the responsibility of the owners to dispose of their own items; others resorts have a size and/or item limit. David will come up with a plan to have people be responsible to haul away their own junk. David will also come up with a list of junk haulers.
- D. LOAM information to owners: Mike Nunan did a nice job of posting the LOAM information on the web site. James did write a draft email blast to owners, but felt that it seemed to be a less effective redraft of the information that was on the website so it was not sent. David received feedback that some people could not find the drawings of what was being proposed on the website, even though they are available. It was recommended that some of the drawings be posted around the park - one already has been posted. Larger format drawings could be posted at other locations in the resort.
- E. Passive solar heat at pools: Steve spoke with Scott Frost (an interested owner) a number of times about the possibility of passive solar heat at the pools. Scott is looking into space/location considerations for the solar equipment, contractors, etc. Scott will continue to research this.
- F. Reservation Policy for OG and Satellites B and C: We reviewed the policy model James proposed.
 - 1. Reserving OG and satellites should be done through the HOA Office. There needs to be good communication between the Activities Director and the HOA Office about reserving these spaces to avoid scheduling conflicts.
 - 2. Reservations can be made 30 days in advance.
 - 3. The Resort Manager can consider that if someone makes a routine reservation and then does not use the space, their reservation will be revoked.
 - 4. If you do not have a reservation, you can use the space provided no one else has reserved it.
 - 5. People cannot use a space and close it off to others if they have not first reserved it through the resort manager.
 - 6. Reservations can be made by owners and non-owners.
 - 7. We will work with this new reservation policy for the next season and then re-evaluate if necessary.
- G. Funding for Capital Improvement: David and Arnold came up with the following procedures:
 - 1. A Capital Improvement line item will be put on the balance sheet.
 - 2. Contractor invoices will be coded to identify expenditures relating to the new pickleball facilities that could be considered a capital improvement vs. maintenance of the existing assets, including existing courts, landscaping, etc.
 - 3. The contractor invoices associated with the capital improvement portion of the project will be paid out of the capital improvement funds. The invoices associated with an existing asset will continue to be paid out of the reserve account.
 - 4. Upon project completion, all associated project improvements, along with any remaining funds associated with the capital improvement line item, will be moved into the reserve account.
- H. Replacement Reserve Fund checking and CD balances: We will wait until we are near the end of this capital improvement project (entry renovations and pickleball courts) and after the insurance has been paid -- maybe in 3-4 months -- and then Arnold will address this with David.
- I. Re-doing the Roads: David and the road consultant discussed doing the project in three or four phases. This is possible to do; however, with each project phase there will be inflation increases.

The consultant will present a plan for breaking the project up into phases. The consultant said even with a new surface we will have road cracking within five years of repaving due to the extreme desert conditions. The roads are functionally sound as we do not have potholes and we do not have extensive "alligator" cracking; the main problem with our roads is the slurry coat granules that are coming off the roads, mainly in Phase 1.

Resort Managers Report:

- A. Some owners have been asking the resort to deliver large and/or heavy packages from our mail room to the owner. We will not do this. It is also a liability issue for our resort.
- B. Many sites are showing signs of mole, vole and/or gopher activity. Several owners have asked that the HOA take care of getting rid of the pests on their personal properties. However, according to our CCR's and the California Civil Code, it is the owner's responsibility to do this. The resort is only responsible for ridding pests from common areas.
- C. There is a sidewalk section along DaVall that needs to be replaced where tree roots have uprooted the sidewalk. The City has said that we need to do this replacement with a City-approved contractor. David is attempting to determine with the City if we can use our own staff resources.
- D. Summer projects: painting of the electrical services "doghouses", painting of dumpster enclosures, painting of the resort office building, installing the two entry islands with trees, building two new pickleball courts.
- E. Desert Shadows Resort logo shirts:
 - 1. Many people have asked to purchase logo shirts. David has researched purchasing the logo shirts (colors, sizes, quantity, etc.), making a mark-up, and then selling them. It is another way to generate revenue for the HOA. David will determine whether to pre-order a supply of sizes and colors for sale, or a sample set of shirts that can be ordered and fulfilled when sufficient order quantities have been placed.
 - 2. David will also be ordering employee logo shirts that will have the employee's first name and position embroidered on the right side.
- F. The fences and light poles by the pickleball / tennis courts need to be repainted. David is waiting for a bid to come back from our painting contractor.

New Business:

- A. Board Secretary Role: It was suggested that the Board secretary role be transferred from James to Carol so James can put more focus on the LOAM project. David does not think there is a problem with the CC&R's. The Board approved this role transfer.
- B. Key Performance Measurements: This item will be discussed at a separate zoom meeting on Wednesday, May 1, 2024, 2 PM (PDT).

Motions:

- A. Moved, seconded and passed by unanimous voice vote to approve the March 12, 2024 Board of Directors Meeting Minutes.
- B. Moved, seconded and passed by unanimous voice vote to approve signing the insurance contract.
- C. Moved, seconded and passed by unanimous voice vote to approve the PSTC contract for new pickleball court construction and the payment schedule.
- D. Moved, seconded and passed by unanimous voice vote to approve the PSTC payment schedule.

- E. Moved, seconded and passed by unanimous voice vote to approve the WASH contract for laundry services.
- F. It was moved, seconded and passed by unanimous voice vote to approve the wall repair by the tennis/pickleball courts.
- G. Moved, seconded and passed by unanimous voice vote to adjourn the meeting.

Next Meetings:

- A. Performance Measurement: Zoom meeting, Wednesday, May 1, 2024, 2 PM (PDT).
- B. Regularly scheduled Board meeting: Zoom meeting, Tuesday, June 18, 2024, 1 PM (PDT).
- C. Open Meeting: Zoom meeting, Tuesday, June 25, 2024, 1 PM (PDT).

The meeting was adjourned at 3:08 PM.

Respectfully submitted,
Carol L Bratt, Secretary

Supplemental Information:

	Mtg Date	Action Item / Motion	Action / Person Responsible	Status
A	2024-02.20	Speed humps and bumps	To be reviewed in October 2024	Open
B	2023-03.14	OG wall along grass area movement to be monitored	Continuous monitoring is in place	Open
C	2024-04.16	Over-full large item waste disposal	David: create plan for owners dispose of their own large item and create list of junk haulers	Open
D	2024-04.16	LOAM information to owners	Post large format drawings in the resort	Open
E	2024-04.16	Reservation Policy for OG and Satellites B & C	To be reviewed after 2024-2025 season (April or May 2025)	Closed
F	2024-03.12	Replacement Reserve Fund checking and CD balances; to be reconsidered in 3-4 months (July/August)	David & Arnold: consider rebalancing of funds to optimize interest earning potential while preserving liquidity so funds are accessible when needed	Open
G	2024-03.12	Real Estate Transfer Fees	David: recommendation so our resort's real estate sales people are not disadvantaged by our leasing arrangement	Open
H	2024-03.12	Re-doing roads	David & Arnold: discuss with Roxi her road allocations in the Maintenance Reserve Fund	Open