



DC Ranch Association
Board of Directors Special Meeting Minutes
Tuesday, July 1, 2025 | 4:00 p.m.
Desert Camp Trailblazer Room / Zoom

Board Members Present: Iryna Sukhovolets, Marla Walberg, David Underwood, Chris Mullen, David Green

Board Member(s) Absent: None

Staff Present: Scott Levy, Kim Visser, Davina Lunetta, Jose Barcenas, Jose Cadenas

I. Call to Order/Quorum Established:

Iryna Sukhovolets called the meeting to order at 4:00 p.m. Roll call confirmed a quorum of five (5) directors present.

Note: A Special Meeting of the Members of the Association was held on June 18, 2025. At that meeting, results of a special election were announced. Directors Philip Geiger and David Young were removed from the Board by a majority vote of the membership. As such, the Board is currently comprised of five Directors.

II. Adopt Agenda

Mr. Mullen motioned to adopt the agenda; seconded by Ms. Sukhovolets. Motion passed unanimously.

III. Approval of Minutes

Mr. Underwood motioned to approve minutes of June 3, 2025, regular Board meeting and June 10, 2025, special Board meeting; seconded by Mr. Mullen. Aye: Sukhovolets, Walberg, Underwood, Mullen; Abstain: Green. Motion carried; minutes approved.

IV. Welcome Dr. David Green to Ranch Association Board

Ms. Sukhovolets welcomed Dr. David Green to the Ranch Association Board, after his appointment on June 10, 2025. Dr. Green shared words of appreciation.

V. Consider Approval of Amended 2025 Cost-Sharing Agreement

Mr. Levy brought back to the Board for final approval an Amendment to the 2025 Cost-Sharing Agreement between Ranch Association and Community Council. The Cost-Sharing Agreement has formally existed for past 11 years and is reviewed/approved annually as part of the budget process.

This amendment reduces the amount that Ranch will pay Council from May 2025 through December 2025 due to personnel changes. With the departure of Jenna Kohl (prior Executive Director) and Cheri Maki (prior Executive Assistant), these positions will not be backfilled with the new organizational structure. As such the monthly reimbursement amount from Ranch to Council will reduce from \$46,085 monthly to \$32,535 monthly. This will result in a net savings of \$108,395 for balance of this year.

Director Mullen shared that this was discussed and approved at the Cost-Sharing Working Group established by the organizations.

Motion to approve Scott Levy to sign Inter-Company Cost Sharing Agreement Addendum made by Mr. Underwood; seconded by Ms. Sukhovolets. Motion passed unanimously.

VI. Organizational Meeting of the Board (Bylaws Section 3.6)

a. Board Officers

i. President

Mr. Underwood moved to nominate Ms. Walberg as President; seconded by Ms. Sukhovolets. Discussion ensued, with Directors Underwood, Mullen, and Sukhovolets speaking in support of nomination.

Question was called, with roll call vote. Aye: Sukhovolets, Walberg, Underwood, Mullen, Green; No: None; Abstain: None. Motion passed unanimously; Ms. Walberg appointed as President.

ii. Secretary

Mr. Mullen moved to nominate Dr. Green as Secretary; seconded by Mr. Underwood. Discussion ensued, with Directors Mullen, Sukhovolets, Underwood speaking in support of nomination.

Question was called, with roll call vote. Aye: Sukhovolets, Walberg, Underwood, Mullen, Green; No: None; Abstain: None. Motion passed unanimously; Dr. Green was appointed as Secretary.

b. Board Committee Chairs

i. Modifications Committee

Mr. Levy noted that both Board policy and Arizona state law (ARS 33-1817, section B1) require that the Design Review/Modifications Committee be chaired by a current member of the Board.

Ms. Walberg moved to nominate Mr. Underwood as Modification Committee Chair; seconded by Ms. Sukhovolets. Discussion ensued.

Question was called, with roll call vote. Aye: Sukhovolets, Walberg, Mullen, Green; No: None; Abstain: Underwood. Motion passed 4-0-1, Mr. Underwood appointed as Chair of Modifications Committee.

ii. Community Patrol & Gate Access Committee

Ms. Sukhovolets moved to nominate Mr. Mullen as Community Patrol & Gate Access Committee Chair; seconded by Mr. Underwood. Discussion ensued.

Question was called, with roll call vote. Aye: Sukhovolets, Walberg, Underwood, Green; No: None; Abstain: Mullen. Motion passed 4-0-1, Mr. Mullen appointed as Chair of Modifications Committee.

c. Board Vacancies

There are currently two (2) Board vacancies due to special election on June 18, 2025, resulting in removal of two former Board members. Ranch Association Bylaws allow for the Board to operate with a minimum of 3 and maximum of 7 members. Discussion ensued.

Mr. Underwood suggested suspending trying to fill the two vacant positions immediately. This Board is just starting to coalesce as a functioning body and important for membership to see Board as a harmonious and functioning body. It doesn't serve anybody to rush into this right now.

Dr. Green commented that he agreed with Mr. Underwood, it is time to let this group gel together.

Ms. Sukhovolets stated that it would be very helpful for the Board to start working together as a group and make this mechanism productive instead of destructive. We can all focus on the work rather than politics.

Mr. Mullen suggested residents interested in potentially joining the Board should consider attending DC Ranch Leadership Academy, which will be held before next election in April 2026. Mr. Underwood expressed support of this program as well.

The Board took no action, but consensus was to keep the current 2 vacant seats unfilled at this time. The Board reserves the right to reconsider, but these positions could be up for election at the next Annual Meeting in April 2026.

VII. Executive Director Search Committee

Ms. Sukhovolets stated that an Executive Director Search Committee was tasked to recruit and interview potential candidates for Executive Director role. The committee spent a lot of time reviewing candidates and compiling information. The Board is now at a crossroads regarding what to do with their findings.

Mr. Underwood moved to disband the Executive Director Search Committee and go no further in effort to recruit Executive Director; seconded by Ms. Walberg. Discussion ensued.

Mr. Underwood stated there is no need for this office. We have more than what a single person can bring to the Association with current Chief Administrative Officer and Chief Operating Officer. A lot of the Ranch is beginning to understand breadth of job is bigger than one person. Mr. Underwood continued in his comments to reflect that rather than a further titular head/top-heavy role, the dollars can be better spent in Landscaping, Facilities, and other 'boots on the ground' getting the work done that members expect.

Mr. Mullen stated he had a different opinion on the matter. Over next 3-5 years we will be executing approximately \$10 Million in capital projects. Looking at candidates the search committee put forward, all of them have experience in that area. Mr. Mullen is concerned whether or not we have enough leadership capacity overall to manage through that given scope of work (roadwork, playgrounds, irrigation, trees etc.). Could one of these candidates complement skillset of existing leadership team? Given scope, we need additional leadership. There is possibility one of the candidates can help save 10% on capital projects, equating to \$1 Million in

potential savings. It costs nothing to interview – would recommend interviewing the 4 candidates the search committee suggested to see if they would add value.

Ms. Sukhovolets commended the search committee, specifically the amount of time they have dedicated to this effort. Out of respect for the committee's efforts, Ms. Sukhovolets stated we should interview the candidates they recommended.

Dr. Green commented that he would be concerned if we were ultimately not going to have a job to offer, he would not want to interview candidates. Dr. Green stated that decision to be made first is whether or not the Board still intends to hire an Executive Director or allow COO/CAO model an opportunity to lead.

Ms. Walberg engaged in discussion with the Board regarding logistics for potential ED candidate interviews (who would interview? In person vs. videoconference etc.). Ms. Walberg stated she wanted to listen to member comment, but her inclination was to disband the ED Search Committee and proceed with existing leadership.

Member comment:

- Questioning Director Mullen suggestion of potential \$1M cost savings, when many of the proposed candidates are from east coast and not familiar with Arizona vendors, requirements etc. Would rather see programs initiated under Kim & Scott continue, invest cost savings in more maintenance.
- We owe respect to Kim & Scott for suffering through intimidation, micromanagement, insults from certain Board members. We should allow them to work under normal conditions. It is pleasure to see a harmonious Board.
- Still questioning validity of how ED Search Committee came into existence. We have not given Kim & Scott a chance to fulfill the positions they were put into. Concern with how a potential ED would be paid, and what would they do that current leadership would not.
- We have had 3 Executive Directors over past 3 years. My personal experience with current leadership has been amazing. Instead of hiring new ED, take that money and hire staff current leadership need to support them.
- Good motion: agree there is no need for the Executive Director office.
- Honored to serve on ED Search Committee. We spent 25+ hours interviewing valid candidates. It is suggested in governing documents that Ranch Association have an Executive Director. I ask we move forward with interviewing list of candidates sent to the Board.

- In response to this comment regarding governing documents requiring an Executive Director, Mr. Levy shared the following statement from Association Counsel Firehawk (sent to the resident by e-mail, stating in relevant part):

"The provision that I believe to be relevant, based on your question below and other comments the Association has received during meetings, is the Ranch Association Bylaws at Section 3.18 Management:

'The Board may employ a professional manager agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The manager may be a corporation or an individual. The Board may delegate such powers as are necessary to perform the managers assigned duties but shall not delegate policymaking authority or those duties set forth in Section 3.17(a), 3.18(b), 3.18(f), 3.18(g), and 3.18(i). Declarant or an affiliate of Declarant may be employed as managing agent or manager.'

There are other provisions in the Arizona Nonprofit Corporation Act that also address delegation of powers by boards. While various Association policies make reference to an Executive Director, the term "Executive Director" is not expressly included in the CC&Rs and Bylaws. All of the governing documents for Ranch Association can be found at the following link: Ranch Association Governing Documents - DC Ranch

To summarize, the Board has the authority to delegate authority to managing agents. Historically, that delegation has been to a single Executive Director. Currently, it is divided between a Chief Administrative Officer and a Chief Operating Officer. We find nothing in the governing documents that requires or recommends a single approach."

- It appears to me things have been running smoothly. Give Kim & Scott a chance. By the way, Legacy Park looks great!
- You owe it to yourselves to interview these candidates to understand and appreciate their leadership skills. What capital campaigns have Kim and Scott managed?
- Scott and Kim are already working with a consultant.
 - *Note: Mr. Levy responded to this statement. While the Association has had a consulting agreement with former Executive Director Michele Brethower for specific tasks, Scott and Kim only worked with her on untangling the PRA Reserve System. That is full and sum total of work Scott and Kim have conducted with Ms. Brethower, which is appreciated.*
- Agree with my colleagues that ED Task Force should be disbanded. We have seen tremendous increase in service and responsiveness since Kim and Scott have taken over.

Ms. Walberg made further comment that the needs she believes exist are operational/"boots on the ground."

Question was called, with roll call vote. Aye: Walberg, Underwood, Green; No: Mullen; Abstain: Sukhovolets. Motion passed 3-1-1, Executive Director Search Committee disbanded with thanks of the Board, will proceed with current executive leadership.

VIII. Ranch Association Reserve Study Plan

Mr. Underwood commented this is long in coming. We have had several discussions over time, and there is good news here.

Mr. Levy commented that industry best practice is to conduct a comprehensive 'Level 1' Reserve Study every 3 years. An inventory of all physical assets, projected costs to repair & replace, and time horizons associated. Ranch Association has not had a Level 1 Reserve Study since 2017. As such, Ranch Association is behind and reliant upon an antiquated reserve software program and unreliable data regarding the reserve items. The reserve funds are safe and secure in dedicated accounts by neighborhood.

Community Council recently went through a comprehensive Request for Proposal process inclusive of eleven (11) qualified reserve analyst service firms. Scott Levy was a full participant in the RFP process and sat in on all presentations/interviews. Council ultimately selected Advanced Reserve Solutions as the preferred provider for reserve study services. Council adopted a multi-year plan for reserve studies and updates over next several years.

No Board action at this time, this was informational. Our intention is to move forward with the same provider, the full procurement requirements have been met through the Council RFP.

IX. Member Open Forum

- I think tonight we saw a functional Board working. A Board that can agree to disagree in a civil fashion. Congratulations, I give you an A+. I think the future of DC Ranch in your hands look bright.

X. Adjourn Meeting

There being no further business, Mr. Mullen motioned to adjourn the meeting. Mr. Underwood seconded the motion. Meeting adjourned at 5:07 p.m.