



A regular meeting of the GREEN VALLEY RECREATION, INC. BOARD OF DIRECTORS was held Wednesday, January 27, 2021 by teleconference. The President being in the chair and the Secretary being present.

Directors Present by Remote: Don Weaver (President), Mike Zelenak (Vice President), Mark Kelley (Secretary), Donna Coon (Treasurer), Charlie Sieck (Assistant Secretary), Randy Howard (Assistant Treasurer), Christine Gallegos, Bev Lawless, Mark McIntosh, Dale Sprinkle, Sandra Thornton, Gail Vanderhoof, Scott Somers (CEO)

Staff Present: Jen Morningstar (Director of Administrative Services), David Jund (Facilities Director), Marie Wilbur (Meeting Scribe)

Guests: Jim Counter, GVR Foundation

Visitors: 43

1. Call to Order/Roll Call/Establish Quorum

President Weaver called the meeting to order at 2:00pm MST. Roll was called by Secretary Kelley and a quorum was established.

2. Adopt Agenda

MOTION: C. Gallegos/2nd. Amend agenda to add Item 4B – Updating the CPM.

Passed: Yes – 10; Abstain – 2 (Sieck, Thornton)

MOTION: D. Weaver/2nd. Adopt agenda as amended. Add Item 6G – CEO Report; Item 4B – Updating the CPM.

Passed: unanimously

3. Consent Calendar

MOTION: M. Zelenak/2nd. Approve Consent Calendar – Minutes of 12/16/2020 and 12/29/2020 meetings and November 2020 Financial Statements.

Passed: unanimously

Separated from Consent Calendar

MOTION: Vanderhoof/2nd. Set Record Date for 2021 Election as Sunday, January 31, 2021 at 8:00pm MST.

Passed: unanimously

4. Unfinished Business

A. Amended and Restated Bylaws (2/3rd vote required on Bylaws motions.)

MOTION: Zelenak/2nd. Move that the GVR Board of Directors authorize the updated, revised and restated bylaws to be placed on the 2021 ballot for approval by GVR members.

AMENDED MOTION: Sieck/2nd. Add the following to revised Policy Governance Manual (PGM):

1) Item 1.5 – remove “as established by the Board” from this statement.

- 2) Add a definition for the PGM as being the document containing policies which define how the Board will function and these policies shall be monitored periodically for compliance and suitability.
- 3) **Sec. 10.6 being revised – In the event of conflict between Arizona Statutes, GVR Articles of Incorporation, Amended and Restated Bylaws, the Corporate Policy Manual (CPM), and the PGM, the following sequence of controls apply with the Arizona Non-profit Corporation Act having the highest authority and the CPM having the lowest authority. The highest is the Arizona Non-profit Corporation Act; 2nd is GVR Articles of Incorporation; 3rd is Amended and Restated Bylaws; 4th is the PGM; and, 5th is the CPM.**

Discussion followed.

M. Zelenak “Called the Question.”

Amended Motion Vote: (2/3rd majority required)

Motion Failed: Yes – 5 (Kelley, Sieck, Sprinkle, Thornton, Vanderhoof); No – 7

Original Motion Vote: (2/3rd majority required)

Motion Failed: Yes – 7; No – 5 (Kelley, Sieck, Sprinkle, Thornton, Vanderhoof)

B. Updating the Corporate Policy Manual (CPM)

MOTION: Gallegos/2nd. Move to give the CPM back to staff so updates can be published and the Board can revisit the split at a later date.

Discussion followed.

MOTION: Kelley/2nd. Table this item for further consideration.

Discussion followed.

Christine Gallegos “Called the Question.”

Motion to Table Failed: Yes - 6; No – 6 (Gallegos, Howard, Lawless, McIntosh, Weaver, Zelenak)

Original Motion Vote:

Passed: Yes – 8; No – 4 (Kelley, Sieck, Sprinkle, Thornton)

5. New Business

A. Architecture and Engineering Services for Canoa Hills Clubhouse – R. Howard Director Howard and David Jund (Facilities Director) presented an overview of progress to date on obtaining architectural services for the Canoa Hills Clubhouse and CEO Somers brought the Board up to date on the progress of the purchase and on the status of the GVR Foundation agreement regarding the parking lot and its planned usage.

MOTION: Howard/2nd. Move to approve an agreement with Scott Rumel Architect, not to exceed \$85,000, for architecture and engineering services for the expansion

and tenant improvements of Canoa Hills Clubhouse (CHCH), with Initiatives Fund as the source of funding.

Passed: unanimously

B. Meditation Club – C. Gallegos

Director Gallegos presented on behalf of the Board Affairs Committee approval of a proposed GVR Meditation Club. She presented their strategic plan goal and background justification.

MOTION: Gallegos/2nd. The Board Affairs Committee recommends the GVR Board approve the proposed GVR Meditation Club as a GVR Club.

Passed: unanimously

C. President – Removal from Office

President Weaver turned the meeting over to Vice President Zelenak during this item. Vice President Zelenak assumed the chair and stated that President Weaver asked that this be conducted in open session rather than executive session.

Director Sieck read the following into the minutes:

Whereas, the current Board is unnecessarily embroiled in controversy which has been aggravated by:

- the use of executive sessions outside of the parameters established in the Bylaws in the naming of the pickleball complex
- the miscommunication of the confidentiality requirements of CEO candidates to legal counsel
- failure to negotiate the purchase of the Canoa Hills Clubhouse according to the motion approved by the Board
- sending an official position to the newspaper and publishing it in eBlast without Board approval

MOTION: Sieck/2nd. Move that Don Weaver be removed as President of the GVR Board of Directors.

Each Director was given the opportunity to address this issue. Each Director spoke to the issue.

Motion Failed: Yes – 5 (Kelley, Sieck, Sprinkle, Thornton, Vanderhoof); No – 7

Vice President Zelenak turned the chair back to President Weaver to continue the meeting.

6. Committee Reports

A. Board Affairs Committee – Chair C. Gallegos

Chair Gallegos reported on the work of the committee during the past month. President Weaver thanked the committee for their work.

B. Fiscal Affairs Committee – Chair D. Coon

Chair Coon updated the Board on the committee's work during the past month. President Weaver thanked the committee for their work.

C. Investments Committee – Chair B. Lawless

Chair Lawless reported on the committee's work during the past month and thanked her committee and the Finance Department for their hard work. Director Thornton asked if the

Board could receive a copy of the Segall Bryant Hamill (SBH) Report for their review. Chair Lawless said she will ask CFO Moose and Director of Accounting David Webster regarding this request. There was discussion on possible revisions to the Investment Policy Statement (IPS). She announced that they have been informed that SBH is being bought out by a Canadian company and that they will be watching the results of this buyout. President Weaver thanked the committee for their work.

D. Nominations & Elections Committee – Chair M. McIntosh

Chair McIntosh reported on the committee's work over the past month. There are ten BOD candidates to date. The committee has held a BOD Candidate Meet & Greet and upcoming on February 4th is a BOD Candidate Orientation. Videos made with the candidates are posted online as well as their bios. Director Sieck asked why one candidate's bio is so much longer than the others. J. Morningstar (Liaison for N&E) stated that the original application was removed from the website and that the newest candidates, while not required to do so, were sent applications to complete that were Word documents and allowed more space for the candidates to respond than on the original application that was posted. Lengthy discussion followed on how to rectify this. It was determined that Liaison Morningstar will have IT re-establish the original application on the website for the new candidates to complete, if they choose to do so. President Weaver thanked the committee for their hard work.

E. Planning & Evaluation Committee – Chair R. Howard

Chair Howard reported on the committee's work to date. He noted Item 5A which dealt with the Canoa Hills Clubhouse and he updated the Board on the status of the East Center Pool. Facilities Director, David Jund, updated the Board on the status of the Clay Studio renovation at Santa Rita Springs. President Weaver thanked the committee for their work.

F. Policy Governance Ad Hoc Committee – Chair D. Coon

Chair Coon, who took over as Chair of this committee this month, reported on the committee's work. In regard to the lengthy discussion in this meeting regarding Policy Governance during this meeting, she proposed that the Board meet in conjunction with Policy Governance Committee during the Board's work session on February 24th to review the committee's work and discuss issues. President Weaver suggested inviting the Sun City Manager to come and talk about their facility's implementation of Policy Governance. He thanked the committee for their work.

G. CEO Report

CEO Somers stated that in the four weeks that he has been here, he has become involved in the plans for the Canoa Hills Clubhouse and the East Center Pool projects; he has met with many members of the Board, new BOD candidates and staff; he has toured the facilities; he has reached out to Susan Vos in regard to the calculation of annual surpluses and deficits and is awaiting a response back from her to coordinate a meeting with her; and, he has begun work on the Strategic Plan – working on the RFP with staff – awaiting the new Board being seated to move forward with this. Director Sieck requested that he expedite this rather than wait for the new Board. CEO Somers noted that he will probably bring this for approval to the existing Board in March and bring to the new Board in April. Director Kelley raised a question for future consideration – "who is going to be the driver of the Strategic Plan?"

7. GVR Foundation Update – Jim Counter for new President Don Lathrop

Mr. Counter announced that Don Lathrop has taken over his position as President of the GVR Foundation beginning this month. He stated that since most ties with GVR, Inc. have been severed, does the Board wish to continue a monthly report to the Board from the Foundation? CEO Somers stated that a monthly report is not legally necessary and reporting could be on an as needed basis. Mr. Counter informed the Board that the Foundation is working diligently on the best possible solution for both parties involved in the Canoa Hills Clubhouse parking lot. President Weaver thanked Mr. Counter for his hard work for the Foundation.

8. Member Comments - reviewed

There was discussion on the best way to address member comments. It was determined that questions should be reviewed before each vote to which they pertain, if possible. It was suggested that general questions could be forwarded to the Board to be addressed during a work session. Director Howard spoke to the fact that not many members attend as visitors at the committee meetings which are open to the public, but continue to complain about the fact that committees and the Board are not being open about their activities. He feels members are given ample opportunities to review all committees and the Board's actions by following the zoom meetings and reviewing the documents posted on the website.

9. Adjournment

MOTION: Gallegos/2nd. Move to adjourn the meeting at 4:34pm MST.

Passed: unanimously