



BOARD MEETING SUMMARY

A report by the Board of Directors of the Recreation Centers of Sun City, Inc. designed to keep members of the community informed of the outcome of Board meetings as soon as possible following the meeting.

At the Board Meeting, called to order by President Fimmel at 9:00am on May 30, 2024, at Sundial Auditorium the following took place:

PLEDGE OF ALLEGIANCE:

PRESENT: Kat Fimmel, President; Karen McAdam, Vice President; Connie Jo Richtmyre, Secretary; Anit Borski, Treasurer and Directors Preston Kise, Jim Rough, Chris Nettesheim, Tom Foster, Steve Collins (remotely)

ALSO PRESENT: Matthew D'Luzansky, General Manager; Brian Duthu, Director of Golf; Kevin McCurdy, Support/Finance Sr. Leader; Mike Wiprud, Facilities Sr. Leader; Mike Dirmyer, Non-Golf Sr. Leader; Debbie Giles, Assistant to GM; Marcia Johnson, Board Coordinator; Allen Kleinhans, Doreen Rafferty & Carla Young Audio/Video Engineers; 43 RCSC Cardholders and 1 member(s) of the press

- **Approval of Agenda:** Agenda was approved.
- **Approval of Minutes:** April 25, 2024 Minutes were approved as presented.
- **Treasurer's Report:** Treasurers Report was approved.
- **Management Report:** Management Report was accepted.
- **Committee Reports:** Committee Reports were given by the Directors.
- **Center update Report:** Center Update Report was given by General Manager D'Luzansky
- **Committee Recommendations:**
 1. **Insurance Committee – Director Foster** - I move, based on the Insurance Committee's and RCSC's Insurance Broker's recommendations, to approve the 2024-2025 insurance renewal proposal for the Recreation Centers of Sun City, Inc. The renewal proposal includes the same insurance coverages, carriers, and terms/conditions per RCSC's expiring coverage, with the exception of the Excess Liability coverage. \$30 million in Excess Liability coverage was provided in 2023-2024 by Philadelphia Insurance (\$10 million) and Federal Insurance (\$20 million). In 2024-2025 this same \$30 million of coverage will be split among Philadelphia Insurance (\$5 million), Sompo (\$5 million), Chubb (\$10 million), and Great American Insurance (\$10 million).

The overall premium increase for all coverage during 2024-2025 will be \$303,148 or 26.6%. Flood coverage is currently being quoted by RCSC's Insurance Broker, and RCSC will bind this coverage by the end of June, 2024.

The motion passed its first reading unanimously.

2. **Insurance Committee – Director Foster** - I move based on the Insurance Committee's and RCSC's Insurance Broker's recommendation, that RCSC decline Terrorism Risk Insurance. The terrorism related coverage is optional for commercial property and casualty coverages except Workers Compensation. The Terrorism Risk Insurance Act (TRIA) was initially created by the federal government after the 9/11/2001 attack on American soil. The act allows the federal government to share monetary losses with insurers on commercial property and casualty losses due to a terrorist attack. For TRIA coverage to apply, a terrorist event would have to be declared by the Secretary of State which has not happened in the United States since this Act was passed by Congress in 2002. RCSC has rejected TRIA on applicable coverages during the past several years. The motion passed its first reading unanimously.

- **Motions Second Reading:**

1. **Vice President McAdam** – On behalf of the Elections Committee, I move to amend Bylaws Article VII titled Nomination and Appointment Procedures, Sections 2 & 3 as follows:
The motion passed its second reading unanimously.

ARTICLE VII - NOMINATION AND APPOINTMENT PROCEDURES

SECTION 2: RECRUITMENT OF CANDIDATES

On or before the first Monday in June, **Board Candidate Packets will be available.** ~~Members shall be invited to become candidates.~~ In the event additional candidates are needed, the Election Committee shall begin recruiting to provide the required number.

If a member of the Election Committee desires to become a Board candidate, he/she must resign from the Committee prior to doing so.

SECTION 3: PETITION AND APPLICATION OF CANDIDATES

A Member who is eligible to become a candidate for election to the Board shall provide to the Chair of the Elections Committee on the ~~first Friday in October~~ **scheduled date in the candidate packet**, the following:

2. **Director Kise** – On behalf of the Golf Advisory Committee, I move to amend Board Policy #17 titled Golf, Section titled Green Committee, paragraph 4 as follows:
The motion passed its second reading unanimously.

Green Committee

In addition to each selected Green Committee member having a vote on the Golf Advisory Committee, the Presidents **and Vice President** of the Sun City Men's Golf Association ("SCMGA"), **the President of the** Sun City Women's Golf Association

(“SCWGA”) and **the President of the** Sun City Women’s Nine Hole Association will also have a vote.

3. **Director Rough** – I move to amend Board Policy #24 titled Preservation & Improvement Fee/Capital Improvement Fee as follows:

- Modify language around death of a single owner who was married at the time of the purchase of a property to not require a new PIF Fee or CIF Fee on the transfer of property to a spouse as sole owner. See Section 1 Paragraph A number 7, and Section 2 Paragraph A number 7 for language.
- Modify language requiring ownership for one year of a property that is sold, and subsequent Sun City property is purchased within a year of that sale. This would stop flippers from getting refund of Pif Fee and Cif Fee on new property not owned for a year. See Section 1 Paragraph C number 1, and Section 2 Paragraph C number 1 for language
- Adds detail to allow use of PIF Capital and CIF Capital. See Section 1 Paragraph D number 4, and Section 2 paragraph D number 4.

After discussion, the motion passed its second reading unanimously.

• **New Business**

1. **Director Kise** – I move to approve \$335,000 to fund the turf reduction design plan at the South golf course. The scope of work includes surveys of both the golf course and the sub-surface of the lakes, golf course design and consulting, golf course irrigation design, civil designs for irrigation road crossings and landscape architectural design.

Prior to reading the motion, Director Kise moved to withdraw the motion from the agenda. The vote was taken and the motion to withdraw passed 8 to 1.

SCOPE OF SERVICE	FEE
Initial Payment	\$15,000.00
Survey (M4)	\$17,500.00
Survey (Civil)	\$12,500.00
Lake Sub-Surface Survey	\$3,800.00
Golf Course Design and Consulting	\$125,500.00
Golf Course Irrigation Design	\$85,000.00
Civil (MCDOT) Design	\$32,400.00
Landscape Architecture	\$43,300.00
Total	\$335,000.00

2. **Director Kise** – I move to approve \$6.0 million for the Quail Run Golf Course renovation project. The scope of work includes money previously approved for project development, green renovation to USGA guidelines, complete irrigation replacement to include a new pump station, conversion of tees and fairways to Tif Tuf Bermuda grass, renovation of the golf course lake to provide lining and increased water storage, consultant construction oversight and a contingency. Additionally, the Quail Run audio system and patio will receive upgrades that are on the Golf Advisory Committee project priority list.

The motion passed its first reading unanimously.

DESCRIPTION	VENDOR	COST
Project Cost to Date	GBGD/MMD/Survey/Civil	\$129,600.00
Golf Course Renovation	Landscapes Unlimited	\$4,449,159.00
Golf Course Pump Station	Watertronics	\$210,159.00
Fertigation System	Fertizona	\$14,798.00
Golf Course Lake Renovation	Pacific Aquascapes	\$412,412.00
Consultant Construction Oversight Services	GBGD/MMD	\$111,000.00
Grow-in/Course Furnishings/Start-Up	RCSC	\$50,000.00
Upgrade clubhouse audio and patio	RCSC	\$100,000.00
Contingency	RCSC	\$547,712.00
TOTAL		\$6,024,840.00

3. **Director Rough** – I move to amend Board Policy #21 titled Membership Documentation Requirements; Letter C titled Occupancy as follows:

Prior to the vote and after discussion, Director Rough moved to postpone this motion until the June meeting to allow for further discussion. Seconded by Treasurer Borski, the motion to postpone passed unanimously.

- C. Occupancy: Each individual qualified by ownership and age, must also qualify as occupying the Property as their primary Arizona residence, by providing one of the following:
1. a valid Arizona driver's license having the same address as the Property for which a Member Card is sought, and property listed with Maricopa County as primary residence, not rental or other status; or
 2. a valid Arizona driver's license having an address farther than seventy five (75) miles from Sun City, Arizona; or
 3. a valid out-of-state or out-of-country driver's license; or
 4. if no valid driver's license is available, any government issued identification with the individual's name and address of the Property for which a Member Card is sought. An additional form of identification with a photo is required when the government issued identification does not contain a photo.

5. Owners who misrepresent themselves as an occupant of a Property shall be subject to suspension of Member Privileges. This suspension automatically extends to all Owner(s) of said Property, as well as any occupants of any other Properties owned by such Owner(s) including denial of use of any and all RCSC Facilities and any issued Privilege Cards, as determined by the Board.
4. **Director Rough** – I move to amend Board Policy #3 titled Corporate Records; Section A number 8 as follows:

Prior to the vote and after discussion, Director Rough moved to postpone this motion until the June meeting to allow for further discussion. Seconded by Director Nettesheim, the motion to postpone passed unanimously.

CORPORATE RECORDS

8. After completing review of documents, Members may request to have copies of a particular document, which may or may not be granted by the Board. There may be a charge for copies and such other additional charges as permitted by law. If approved, members may take photos of documents.