

TAAA Board of Directors Meeting Minutes; Sept 8, 2021

The teleconference Zoom meeting was called to order at 6:30 PM, M. Smith, President, presiding. Board members present: E. Foley, Vice President; R. Reynolds, Secretary; and Members-at-Large, D. Smith, G. Gomez, D. Means, J. Knoll.

Astronomy Magazine: Still looking for Oct issue with TAAA/CAC article to appear online and/or on newsstands. We will also monitor TAAA website traffic to monitor impact of article.

Minutes: E. Foley moved to accept the minutes as presented of the Aug 11, 2021 TAAA Board meeting. Motion was seconded by D. Smith. Motion carried 5-0.

Treasurer & Construction Report: M. McDowell not present so Ed gave construction report. Good progress on installation of roofing and walls on both buildings. Full enclosure of both buildings anticipated soon. Work also progressing on telescope pad with installation of piers and mounting hardware.

CAC Fund Raising Committee: Mae announced the formation of a committee to pursue the funding necessary to complete the new learning center and dormitory complex. The members of the committee will be Ed Foley, Mae Smith, Jim Knoll and Bob Reynolds who will chair the Committee. The charter of the committee will be to assess current construction cost estimates, dollars already spent, status of current funding and how much remaining funding is needed. Ed noted the need for Treasurer input and/or participation.

CAC and TIMPA COVID Policies: COVID cases are on the rise in Maricopa County. State wide infection rate is over 4,000 per day and over where TAAA previously limited site access. Discussed technical ability, space access and COVID requirements necessary to hold in person monthly member meetings. University requires masks in its auditorium and does not clean after every use. Bob Reynolds put a motion forward to not hold an October live, monthly meeting. It was seconded and passed with a vote of 5-0. A motion was put forward by Doug Smith to continue with existing use and COVID policies at TIMPA and CAC. It was seconded and passed by a vote of 5-0. However, sleeping in RMO continues to require vaccination. Other committee meetings will continue to be primarily by Zoom.

TIMPA Safety: Mae announced she had visited the site 4 times with other club members since the last meeting to assess safety concerns. She reported that the 3 reported issues had been addressed/remediated. The first were the gopher holes in the foot paths which were all filled. Further, it was agreed that whoever opens the site for club use should fill the gopher holes before attendees arrive. The second issue was to lower the surrounding grass which was accomplished by using the TIMPA mower. The third issue was access to the bathroom which was addressed by clearing the path to the bathroom. Bob commended Doug for reporting the safety issues. As a result of the safety improvements and new signage, Doug made a motion to allow use of TIMPA for paid star parties and it was seconded. The motion passed 5-0.

Surplus Dome Sales: So far, received 5 inquiries and had 2 visitors for the domes. Looking to recover at original TAAA investment of \$1,000 so we are asking \$250 per dome. Any buyer needs to provide their own transportation for the domes. Contact with Stellarvision is also being worked by John Kalas.

CAC Member Pad Lease: Proposed lease has been shared with all existing pad members. Motion was made by Bob Reynolds to accept leases as written which was seconded. Jim Knoll noted that he was preparing a position description for an assistant director to handle administration of the pad leases. John Kalas volunteered to initially fill the position. Motion passed 5-0. Bob made a motion for the Board to delegate authority to execute the member pad leases to the CAC Director and that he/she will be responsible for subsequent administration of the leases. Motion was seconded and passed by a vote of 5-0.

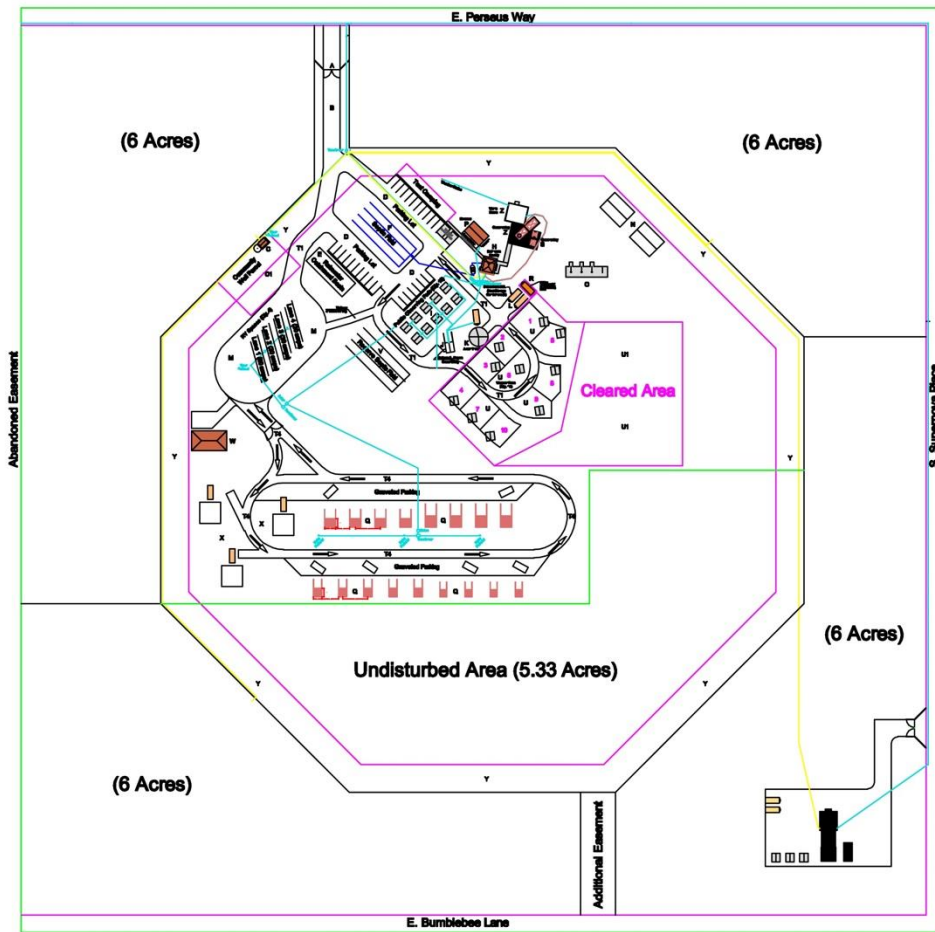
CAC Planning Group Summary: Bob reviewed the MOP pre-construction schedule. Ed pointed out previous preferences for multiple bids for MOP construction. It was agreed that multiple bids for the civil work is desirable if we can find bidders. It was also agreed that BYO would be the sole source contractor for the roll off observatory structures. This contracting strategy shall be considered unique to the MOP.

1. Pre-Sept 2021
 - Solicitation to club members for expressions of interest (Complete)
 - Submit article re MOP to Astronomy magazine (Complete)
 - Solicit legal opinion on relationship of MOP with 501c3 (Complete)
 - Discussions with current and potential CAC landowners regarding prospects for acreage swaps
 - One on one zoom sessions with all interested lessees thus far (Complete)
 - Preliminary discussions with BYO including selection of floor plans to be offered to lessees (Complete)
 - Preliminary discussions with Randy Maddox (Complete)
 - Preliminary discussions with Cochise County Permit Dept. to determine ability to use non-commercially licensed contractors (Complete)
2. Sept 2021
 - 9/14/21 Complete draft lease and present to joint CAC Ops/Plng Groups
 - 9/14/21 CAC Ops/Plng to approve MOP Site Plan
 - 9/?/21 Present draft lease to Board and Board approves MOP Site Plan
 - Publication of Astronomy Magazine article and receipt of additional expressions of interest
3. Oct 2021
 - Board approves version of lease for distribution to potential lessees
 - 10/31/21 Period for acceptance of expressions of interest closes and list of participants and desired observatory floor plans finalized
4. Nov 2021
 - Formal lease negotiations opened with potential lessees to determine basis for contractor bids
 - Using results of lessee negotiations, develop bid packages for civil, utility and BYO work scopes
5. Dec 2021
 - 12/31/21 All bids due to TAAA
6. Jan 2022
 - Inform potential lessees of updated cost estimates and seek approval of lease terms subject to Board approval
 - As lessee discussions are completed, seek Board approvals of individual leases
 - Collect full advance rental payments from all lessees
7. Feb 2022
 - Start construction

Review of 501c3 Legal Opinion: Bob Reynolds and Ed Foley gave a summary of the recent meeting with an attorney that specializes in 501c3 administration. The session with the attorney is available on video and a summary is as following:

- Key Questions to be Answered
 - Would MOP revenue be taxable (UBIT) or nontaxable to TAAA?
 - If MOP is UBIT, how to manage?
 - Is MOP usage model consistent with TAAA 501c3 charter?
- Reviewed key MOP project and Lease attributes to insure common understanding of underlying facts
- Conclusion 1: Given TAAA is not using debt to finance the MOP & TAAA qualifies under allowed UBIT exemptions, MOP revenue is not taxable
- Conclusion 2: Advanced rental payments do not constitute debt
- Conclusion 3: This TAAA 'business' would also qualify for a UBIT income exemption since it is fully managed by volunteers.
- Conclusion 4: A strong case can be made that the MOP project is related to TAAA's 501c3 purpose. This linkage will be enhanced with specific lease provisions
- Conclusion 5: "Exclusive Use" is not a significant risk and can be managed thru lease terms, lessee CAC activities and making sure MOP participation is open to all TAAA members
- Conclusion 6: Initial MOP lessee payments and annual maintenance fees are not tax deductible for lessees
- Conclusion 7: 501c3 is still the correct form for TAAA

Approval of MOP Plot Plan: The proposed plot plan without reference to the exact number of MOP observatories or pads was presented and discussed. A motion was put forward by Ed Foley and seconded by D. Smith to approve this MOP plot plan as the basis of project. Motion passed 5-0.



- Phase 1 (Completed)**
- A Entry Gate & Fencing
 - B Entrance Road
 - C Well House (Under Separate Permit)
 - C1 Well Head
 - D Parking Lot (30 Spaces including 2 Paved ADA)
 - E Rainwater Catchment Basin
 - F Septic Field
 - G Septic Tank
 - H Bathroom Facility (2 Unisex Bathrooms, Utility Room & Shower Room)
 - Y Utility Easement (Interior, 40' wide)
- Phase 2 (Completed)**
- I Public Observing Pads (10, Concrete w/ Electricity)
 - J Small Roll-Off Roof Observatory (Wallace E. Rogers Observatory)
 - K Amphitheater w/ Steel Storage Container
 - L Member Equipment Steel Storage Container (No. 1)
 - M Recreational Vehicle Parking w/ Electric Only (4 Lanes)
 - T1 Interior Roads (Graveled)
- Phase 3 (Completed)**
- P Outdoor Educational Center (Ramada)
 - L Member Equipment Steel Storage Container (No. 2)
- Phase 4 (Completed)**
- U Member Telescope Pads (10, Concrete w/ Electricity)
- Phase 5 (Completed)**
- Z Reynolds-Mitchell Observatory (40" Telescope on Deck w/ Roll-off Shed and Large Warm Room)
- Phase 6 (Completed)**
- S Reynolds-Mitchell Observatory (8" Folded Reflector Telescope on Deck w/ Roll-off Shed)
- Phase 7 (In-Process)**
- N Night Sky Learning Center & Sleeping Quarters Bldgs.
 - O Learning Center Telescope Pad w/ Roll-off Sheds
- Phase 8 (Proposed)**
- Q Member Observatories (17)
 - X Large Dobsonian Telescope Pads w/ Storage Containers (3)
- Future Development (Proposed)**
- R Additional Club Storage Container
 - T Interior Roads (Graveled)
 - U1 Additional Member Telescope Pads (28, Concrete w/ Electricity)
 - V Reserve Septic Field (If Needed)
 - W Caretaker Residence
- Chiricahua Astronomy Complex**
Tucson Amateur Astronomy Association
- Drawn By: J. Kalas
 Date: 8-31-21

Preview of MOP Lease: Ed Foley walked the Board through the MOP lease that will be put to a vote in the next Board meeting. This lease will be approved in Oct for presentation to potential lessees and will be submitted to the Board again once negotiations with individual lessees are complete.

- Build to Suit lease form with linked Lease and Agreement to Deliver
- Initial 10 year lease term with mutually agreed extensions
- Lease for personal use only and not transferable
- Observatory design and options to be provided by BYO & agreed by TAAA
- Initial rent payment = agreed cost to build desired observatory +10% contingency
- Annual payments to cover allocated share of utilities, maintenance, taxes
- Lessee responsible for casualty, liability and personal property insurance
- Lease terminates on earliest of:
 - Expiration of lease
 - Voluntary termination
 - Death
 - Failure to retain TAAA membership, pay annual fees or follow CAC site rules
- If lease terminated, limited member lessee reimbursement provisions

- For first 5 years of lease, no reimbursement
- For years 6 thru 10, 50% reimbursement dropping by a further 10% per year of ? value. No TAAA reimbursement after year 10.
- TAAA will be solely responsible for interface with regulatory agencies and re-lease/resale of member observatory/pad
- All contents of observatory/pad must be removed within 30 days of lease termination unless prior arrangement with TAAA

Considerable discussion occurred over the terms of reimbursement. Specifically, how market value risk associated with re-leasing is allocated between TAAA and the original lessee. All Board members were encouraged to read the lease before the formal approval is requested in October. Ed is going to reissue revised drafts for the October approval meeting.

Sale of Surplus Domes: Reviewed status of sales of surplus domes. Opening bid price is \$250 per dome plus the buyer is responsible for removal. Bids were encouraged.

TIMPA: Reviewed status of recent site work. A suggestion was also put forward to have a dedicated phone number for reservations and/site status. Options for using web site for similar functions were also discussed including setting up a Google phone number.

The Board meeting adjourned @ 9:57pm.