

Corrected as approved on June 8, 2016

**Fountain Hills Community Association
Board of Directors Meeting
May 5, 2016**

The Board of Directors of Fountain Hills Community Association held a Board of Directors Meeting at the Maryland SoccerPlex & Discover Sports Center, Annex Meeting Room, on Thursday, May 5, 2016 at 7:30 p.m.

Board Members Present:

Tom Brennan, President
Nick Mahabir, Vice President
Frank Walsh, Secretary
Sherry Lee, Director

Also Present:

Laura Etchison, Community Manager
Ruth Ann Allen, Recording Secretary

Board Members Absent:

Harry Matchett, Treasurer
Siu Poon, Director
Hari Donthi, Director

Homeowners Present:

David Holtzman, 18715 Sparkling Water Drive, Unit 102
JoAnn Windsor, 18933 Fountain Hills Drive
Joanna Vedaa 18926 Fountain Hills Drive
Cheryl Lohman, 18805 Lake Placid Lane
Manjit Kaur, 18625 Autumn Mist Drive
Robert Love, 18723 Autumn Mist Drive

A. CALL TO ORDER

The May Board of Directors Meeting was called to order by Tom Brennan at 7:47 p.m.

It was noted that Harry Matchett, Hari Donthi, and Siu Poon were not able to attend the May Board of Directors Meeting. The meeting location was changed, as the regular meeting room at the Upcounty Regional Services Center was not available.

David Holtzman inquired if Article 6, Section 3 of the By Laws had been followed as to notification of Board members six (6) days before the meeting of the location change. Frank Walsh noted that IKO had sent an email to Board Members notifying them of the meeting location change on April 29th.

B. MINUTES

1. January 7, 2016 Board of Directors Meeting Minutes

Frank Walsh noted that the January 7, 2016 Board of Directors Meeting Minutes had been approved with corrections when he was not at the meeting. Mr. Walsh noted

that he would not have agreed to all the changes suggested by Harry Matchett.

MOTION: (Tom Brennan/Frank Walsh) Include additional edits by Frank Walsh to the January 7, 2016 Board of Directors Meeting Minutes overlooked in approving of the January Minutes.

Vote: Motion Passed - 4 ayes/0 nays/0 abstentions

The corrections by Frank Walsh to the January 7, 2016 Board of Directors Meeting Minutes are attached at the end of these May 5, 2016 minutes.

2. April 7, 2016 Board of Directors Meeting Minutes

MOTION: (Tom Brennan/Frank Walsh) Accept the Board of Directors Meeting Minutes as edited by Frank Walsh and Nick Mahabir.

Vote: Motion Passed - 4 ayes/0 nays/0 abstentions

C. OFFICER REPORTS

1. Nick Mahabir, Vice President, noted that he did not provide a written report pertaining to some aspect of the community this month, as there was some disagreement on whether he could do this as an individual. Mr. Mahabir is waiting for the Board to rule on this matter.

2. Tom Brennan, President, noted that he had been in contact with Amy Bryant, Principal of Germantown Elementary School, regarding the speed limit around Germantown Elementary School following the accident on Liberty Mill Road. Ms. Bryant is to inform Mr. Brennan when the Police come to the school to discuss this matter, so he can be also participate in the meeting.

D. COMMITTEE REPORTS

1. Architectural Review Committee (ARC)

Robert Love noted that five (5) ARC Applications had been approved. These applications were for a storm door, a walkway along a driveway, a front porch, a roof replacement, and a playset. Mr. Love noted that the quality of the ARC Applications have improved. There are currently no outstanding ARC Applications.

2. Enforcement Committee

There was no report from the Enforcement Committee

3. Social Committee

It was noted that the yard sale for Fountain Hills Community Association has been cancelled. Several homeowners may hold private yard sales, but it is no longer a community event. Frank Walsh noted that yard sales by individuals should not be held on FHCA common property.

E. MANAGEMENT REPORT

1. Financial Report

Management reported that the income collected for FHCA was \$64,044.85 in April. The operating expenses for April were \$159,986.55; this amount the balance of the snow removal expense, which was in excess of \$78,000.00 and the large payment to

Dunlevy to cover both spring clean-up and the first of ten (10) monthly installments for grounds maintenance.

2. Pepco Invoices

Management noted that to date, there are fifteen (15) Pepco accounts throughout the community. As FHCA is an Association, it is exempt from paying six percent (6%) sales tax on this utility. Management has sent a letter to Pepco to remove this tax and reconcile and reimburse the Association for past payments of the sales tax.

3. Reserve Payback

Management reported that as of the end of March, the operating account owes the reserve fund \$19,461.81. Reserve contributions have not been made during February, March and April. Management has included the payback to the reserves into the draft budget for the coming fiscal year.

4. Pool Pass System

Management noted that TMGA had been contacted about transitioning the pool pass system used in 2015 to IKO for use this year. Unfortunately, due to the cost to get the infrastructure in place to use this system and other associated costs, it was determined not to be the best fit for the Association.

Management has engaged a contract with EZ Facility and is in the process of setting up the database. A refurbished laptop and a new scanner were purchased for this system. The cost of setting up the pool pass system was approximately \$2,400.00, which exceeded the amount approved by the Board in April. Management noted that part of that cost are one time fees for equipment and start up. Management purchased 1000 keys tags and adjusted the monthly subscription fee, so the Association is paying for full service only during the summer months and just a data storage fee for the rest of the year.

The Board inquired about vetting of pool pass applications. Management noted that pool pass applications are screened and checked and that only current homeowners/tenants will receive pool passes.

Management noted that information on the pool passes will be mailed to units that are HOC.

It was noted that owners who are delinquent in their monthly assessments will not receive pool passes.

5. Parking Policy for Delinquent Accounts

Sherry Lee noted that according to the parking policy for FHCA any homeowner who falls behind more than two (2) months on paying the monthly assessment will have their parking spaces blacked out. The homeowner/tenant also will not have the use of parking passes or visitor passes. The homeowner is responsible for the costs to blacken out the parking space and reinstatement of the number.

It was noted that the Association should be consistent in enforcing the parking policy for delinquent homeowners.

MOTION: (Sherry Lee) Start blocking out reserve parking spaces for homeowners who are more than ninety (90) days delinquent and homeowners will be responsible for payment of removal of numbering and the reinstatement of the numbers.

The motion was withdrawn

MOTION: (Sherry Lee) Enforce the parking rules for identified homeowners who are more than ninety (90) days delinquent

The motion was withdrawn.

The Board noted that as the rule is set up for the parking policy, a letter can be sent to the homeowner that they are in violation and their parking space will be blacked out immediately. The parking tag numbers are given to the towing company so that if this tag number is seen parked in the community, the vehicle can be towed. If a homeowner requests a payment plan that is approved by the Board, the parking space will be reinstated, at the homeowner's expense; only after the balance is paid in full.

6. Fence Repairs

Management stated that a check had been received from the insurance company in the amount of \$3,115.50 for the initial clean-up and fence repairs for the accident that damaged a large portion of community fencing. Management noted that if the cost of the repairs exceeds the amount of the check a supplemental claim can be sent to the insurance company. The Board requested that Management hold onto the check until the repairs are completed.

7. Bridge Repairs

Management received correspondence that there were damaged boards on a foot bridge behind Sparkling Water Drive between the single family homes and the condominium. Gardener's General Contractor inspected the bridge and cordoned off the area. Gardener's will submit a proposal for repair of the bridge. It was noted that the foot bridge should not have to be replaced. There is also another foot bridge that was inspected and that bridge is fine.

8. Spring Pool Opening

Management noted that the repairs to the pool lights have been completed. The pool company is currently rebuilding the main pool motor and pressure testing of the pool will be done next week.

9. FY2017 Draft Operating Budget

Management provided the Board with the FY2016-2017 Draft Operating Budget for their review. Management noted that all attempts were made to minimize the increase in the monthly assessment. Management noted that the Association needs to be aggressive with delinquent accounts and spend frugally this year to keep the budget on track.

The Board discussed with Management adjustments to the draft budget along with questions concerning specific line items.

Management noted that the Board will need to adjust the meeting date in June as it is required to give homeowners (30) days to review the budget before comments to the Board.

Tom Brennan inquired if it was possible to pay off the remaining \$19,000.00 loan to the reserves so not to have the loan carried over into the next fiscal year.

MOTION: (Tom Brennan/Sherry Lee) Hold off on paying the reserve contribution for

May and pay off the remaining \$19,000.00 of the loan and spread the four (4) month of reserve payment over twelve months to payback the reserves.

It was noted that the monthly contribution to the reserves would not cover the loan and two (2) more months of not funding the reserves would be necessary.

Tom Brennan and Sherry Lee rescinded the motion.

F. HOMEOWNER OPEN FORUM

1. Robert Love, 18723 Autumn Mist Drive, stated that he has seen no improvement in the relationship of FHCA with the Condominium. He suggested that the HOA try to work on this relationship.

Mr. Love also noted that there seems to be a generous amount of money in the reserves and maybe the Association does not need to pay back the money that was borrowed from reserves.

Mr. Love also suggested that the Association charge for guest passes for the pool and make more revenue at the pool by holding a 50/50 raffle.

Mr. Love also noted that the landscaper is mowing the grass too short causing some areas to become very muddy.

2. David Holtzman, 18715 Sparkling Water Drive, Unit 102, noted that the budget as presented does not meet the requirement of the Covenants and By-laws that each community has to support its own budget. The townhomes should support the costs of grounds maintenance, trash, and snow removal. Mr. Holtzman noted that there is not sufficient revenue from the townhomes to cover trash collection for at least two (2) years. Mr. Holtzman requested that the budget be revised so the townhomes can cover their own expenses. He also asked if the deficit is to be made up from the general association budget.

3. JoAnn Windsor, 18933 Fountain Hills Drive, noted that there is an inequity in the budgets of the townhomes and village for the year ending 2014 and asked about the source of this inequity.

Ms. Windsor also inquired about the invoice from legal counsel that has not been paid. The Board noted that this invoice from legal counsel is for work requested by the Board, but the Board authorized an expenditure not to exceed \$3,000.00, yet the Association was charged more than \$9,000.00. The Association is disputing the full payment of this amount.

Ms. Windsor also noted that the landscaping company does not seem to be doing its job in the community.

4. Manjit Kaur, 18625 Autumn Mist Drive, noted that the heavy mowing equipment is tearing up the grass and asked that the grounds maintenance crew be reminded to use smaller mowers in the small areas of grass.

Ms. Kaur also noted that a large boulder was moved out of place on Autumn Mist Circle and needs to be moved back into place. It was noted that there are other large boulders also that were moved by the snow removal equipment and that Dunlevy should move them back to where they belong.

Ms. Kaur also stated that she has not received any communication regarding removal of trees at her request. Management stated that an arborist has been contacted to

inspect the trees, but this inspection has not yet occurred. Management noted that the arborist should be in the community next week.

Frank Walsh also noted that, if the Board does not approve work in the community, Management is not permitted to authorize it.

G. MANAGEMENT REPORT (Contd.)

10. Fountain Service Agreement

Management provided the Board with proposals from Community Pool Service and Solitude Lake Management for the annual service agreement for the fountains. Management noted that the proposal from Solitude Lake is not clear on either pricing or scope of work, so Management is waiting for more clarification.

11. Knoble Repair Work

Management noted that there is nothing to report. Management has been waiting for repairs to the fountain to be completed. It was noted that the patch work was not done correctly. The Board requested that Management have Knoble come to the next Board Meeting.

12. Pool Furniture

Management was contacted by Criterion, Inc. Outdoor Furniture Repair concerning re-strapping of existing pool furniture and purchasing new chairs, if needed. The board discussed that there seems to be no agreement on how many chairs are at the pool. It was also noted that it may be time to replace the chairs instead of re-strapping them. JoAnn Windsor noted that she was willing to help inventory the deck furniture. **MOTION:** (Tom Brennan/Frank Walsh) Accept the proposal from Criterion, Inc. for re-strapping of fifty-seven (57) lounge chairs and twelve (12) arm chairs not to exceed \$7,576.89.

Vote: Motion Passed 3 ayes/1 nay (Lee)/0 abstentions

13. Legal Bill Update

It was noted that the invoice received from legal counsel was for ten (10) hours of work. The Board only approved up to \$3,500.00 for this work. Management received an itemized invoice from legal counsel. The Board tabled any action on this item.

14. Landscaping

It was noted that Dunlevy has started mulching the flower beds, but that the flowers will not be planted until next week. The Board inquired if Management knows what types of flowers will be planted and whether the plants are hardy. Management noted that it is probably too late to have a say in the type of flowers for this year. Management stated that she will hold Dunlevy to the standards for the community.

15. Meeting Requirements

Management noted that a meeting between Management and one (1) or (2) Board members meeting does not constitute a committee meeting and therefore is allowed. Management noted that Harry Matchett and Nick Mahabir worked with Management on the budget.

H. CLOSED MEETING

MOTION: (Tom Brennan/Sherry Lee) Move into Closed Meeting at 10:16 p.m.

Vote: Motion Passed - 5 ayes/0 nays/0 abstentions

I. RESULTS OF THE CLOSED MEETING

The Board approved the February 4, 2016 Closed Meeting Minutes and discussed reserved parking spaces for delinquent accounts; as well as the townhome budget.

J. ADJOURNMENT

MOTION: (Tom Brennan/Sherry Lee) Adjourn the Closed Meeting and Board of Directors Meeting at 10:30 p.m.

Vote: Motion Passed 4 ayes/0 nays/0 abstentions

**Fountain Hills Community Association
Board of Directors Meeting
January 7, 2016**

Board Members Present: Tom Brennan, President

Nick Mahabir, Vice President
Harry Matchett, Treasurer
Frank Walsh, Secretary
Hari Donthi, Member at Large
Sherry Lee, Member at Large
Siu Poon, Member at Large

Others Present:

Ruchita Patel, Management Agent
Marylou Bono, Recording Secretary

Homeowners Present:

Noreen Frank	Robert Love
Cheryl Lohman	Carrie Hoffman
JoAnn Windsor	Jerry and Alexis Gerard
Rick Morris	JoAnna Vedaa
Christopher Summers	Renee Walker
David Holtzman	Lisa Borg

Call to Order

The January 7, 2016 Fountain Hills Community Association Board of Directors meeting was called to order at 7:30 pm by Board President Tom Brennan.

Meeting Minutes

MOTION: (Sherry Lee, Tom Brennan) Accept the minutes of the December 3, 2015 Board of Directors meeting incorporating changes submitted by Harry Matchett and Frank Walsh.

Harry Matchett wished to rescind his vote concerning the collection policy discussed at the December meeting. Tom Brennan said that the vote could not be rescinded. Mr. Matchett indicated that the motion (page 5, first paragraph, of the December 3, 2015 minutes) should reflect that the change in the collection policy to add the single family homes was due to a typographical error in the policy and not a change.

Vote: 6-1-0 (Harry Matchett opposed)

Homeowner Forum

JoAnna Vedaa disagreed with the Board's decision to discontinue servicing of the pet waste stations in the community and considered this the removal of an amenity from homeowners. She expressed concern over TMGA's decision to terminate their contract with Fountain Hills and stated that it should be added to the Bylaws that anyone on the Board at the time that a management company terminates their contract should not be permitted to continue to serve on the Board.

Jerry Gerard advised that the Village homeowners would like to pay for and manage the pet stations in their area.

Alexis Gerard reported that the Cornelius Court storm drain needed some attention over the holiday break and that homeowners had cleared leaves from it.

JoAnn Windsor reported mixed feelings about the pet stations and said that more notice should have been given and community feedback solicited before a decision was made. She also stated they cost too mcu.

Cheryl Lohman was present to discuss the rental of her property as well as construction of a stairway on the property. She requested that she and her neighbor, Noreen Frank, go to binding arbitration to settle their differences on the matter. She also admitted that she had a renter. She stated that there is a high risk of infection from animal waste and that pet stations should stay in the community.

Robert Love stated his concern over the fiscal fiasco, the status of the CCOC case, financial solutions he proposed at the last meeting as a plan to resolve matters rather than “bandaid” them. He is against funding the pet stations.

Lisa Borg advised that she is opposed to rentals in the community.

Noreen Frank advised that she is opposed to rentals in the community. She stated that the primary purpose of the walkway being installed by Ms. Lohman is as a separate entrance for renters. She requested that a separate meeting be set to go over these issues.

A resident of 18806 Lake Placid Lane stated that she is opposed to rentals in the community.

David Holtzman noted that the cost for maintenance of the storm drain on Cornelius Court should come from the Village budget and not the general association budget. He is opposed to rentals and the proposed accessory apartment on Lake Placid Lane. He is concerned that the HOA is not enforcing architectural requirements and should reject the application for the walkway and the accessory apartment and only approve rentals for family members.

Renee Walker is against the removal of the pet stations.

Discussion ensued regarding the architectural change request application for the walkway at 18805 Lake Placid Lane.

Financial Issues

Tom Brennan advised that reporting on all financial issues would be deferred until the February meeting.

Voting Items

Cornelius Court Drain – Robert Love inspected the drain and feels there are options. Tom Brennan asked Mr. Love if he would investigate cost effective solutions and bring them to the Board’s attention.

Dog Station Renewal – Tom Brennan advised that the Board voted last month not to renew the contract for servicing of the pet stations in the community, which belong to Fountain Hills. He stated that the Board had listened to feedback, but does not feel it is worth the \$8,500 annual expenditure. Mr. Brennan obtained a proposal from another company to service the pet stations at an approximate cost of \$3,500 annually. A general discussion of the matter and possible solutions ensued.

MOTION: (Nick Mahabir, Hari Donthi) Remove all pet stations immediately.

Vote: 5-1-1 (Frank Walsh opposed; Hari Donthi abstained)

Ruchita Patel inquired as to whom the work order for removal should be issued. Proposals from Dunlevy and Gardener’s were presented.

MOTION: (Hari Donthi, Tom Brennan) Accept the proposal from Dunlevy to remove all pet stations for a cost not to exceed \$250 and dispose of them.

Vote: 2-4-1 (Sherry Lee, Siu Poon, Harry Matchett, Frank Walsh against; Tom Brennan

abstained)

Fountain Maintenance – Tom Brennan stated that he was not in favor of renewing the contract with CPS due to their poor performance last year. A decision was tabled until the new management company takes over.

Lawn Maintenance – Ruchita Patel advised that the lawn maintenance contract with Dunlevy had expired on December 31, 2015 and that services do not begin again until March. Tom Brennan advised that this item be tabled until the new management company takes over.

Pool Maintenance – Tom Brennan advised that this item would be tabled for discussion until the new management company takes over.

Trash Collection

MOTION: (Tom Brennan, Sherry Lee) Accept the renewal service agreement from Potomac Disposal at no cost increase.

Vote: 4-1-2 (Harry Matchett opposed; Siu Poon, Frank Walsh abstained)

Collection Policy – Harry Matchett expressed his desire to rescind his agreement to a motion made at the December meeting regarding the revised collection policy. Ruchita Patel pointed out that Mr. Matchett's original motion was to reinstate the former collection policy as the new one did not address the Village supplementary assessment; however, neither did the former policy. Tom Brennan suggested that discussion on the matter be deferred until the new management company takes over.

Lake Geneva Way Fountain – Tom Brennan advised that this item would be tabled for discussion with the new management company.

Board of Directors Email – Per Tom Brennan, this matter is tabled for discussion with the new management company.

February Assessment Payments - Harry Matchett inquired regarding the management transition date and the processing date of direct debit payments. Ruchita Patel advised that direct debits are processed on the 10th of each month and that the Board would need to consult their new management company on how to advise homeowners regarding their February assessment payments. Any funds received at TMGA's offices after February 5, 2016 would be forwarded to the new management company; however, TMGA can't do direct debits after February 5th.

MOTION: (Harry Matchett, Tom Brennan) To not make the February reserve contribution Do not make any payment to reserves in February in order to have funds in the operating account during the management company transition.

Vote: 6-1-0 (Frank Walsh opposed)

Ruchita Patel reminded the Board that it did not have sufficient cash in the operating accounts to pay invoices and it would be unrealistic to assume that the skipped February reserve contribution would be made up for in March.

December 19, 2015 Executive Session - Tom Brennan advised that the Board held an Executive Session on December 19, 2015. No motions were made and no votes taken. He will provide the minutes of this meeting.

Special Meeting

In accordance with Section 11B-111 of the Maryland Homeowners Association Act, a special meeting was made for the purpose of discussing property management contracts and conducting interviews with potential new management partners. No motions were made, nor votes taken.

On Saturday, December 19, 2015, a special meeting of the Fountain Hills Community Association Board of Directors was held at the Community Pool House located at 18700 Club Run Way, Germantown, MD. The meeting was called to order at 9:00 a.m.

Board Members Present:

Tom Brennan, President
Nicolm Mahabir, Vice President
Frank Walsh, Secretary/Condominium Representative
Harry Matchett, Treasurer
Siu Poon, Director, Single Family Homes Representative
Sherry Lee, Director, Townhome Representative

New Management Company

MOTION: (Tom Brennan, Siu Poon) Approve the management contract submitted by IKO Real Estate, Inc. as the community's new property management company effective February 6, 2016.

David Holtzman inquired as to the value of the contract and Tom Brennan advised that it was approximately \$70,000. Frank Walsh asked if the requested changes to the contract had been made as he had not seen a revised copy. Per Tom Brennan, all changes have been made and will be verified before signature.

Vote: 6-1-0 (Frank Walsh opposed)

Homeowner Request – The Board discussed Steven Muse's request to remove information concerning the CCOC case from the website. Tom Brennan advised that the information was there in the interest of transparency within the community and should be left as is. Frank Walsh noted that the information should be updated; Ruchita Patel advised that it had already been updated and forwarded to Tom Brennan.

18805 Lake Placid Lane

The homeowners of 18805 (Cheryl Lohman and 18807 (Noreen Frank) Lake Placid Lane discussed their concerns regarding rental of the property at 18805 and construction of a walkway. Ms. Frank does not wish to spend any money on arbitration and feels that the issues are linked and under HOA purview.

Tom Brennan specified that the sidewalk was an ARC issue and rental of the property another matter. Robert Love advised that no application has been presented after approval of the original application was rescinded. Mr. Love advised Ms. Lohman to submit a new application. Neighbor signatures would be verified to ensure that those most affected are represented. Ms. Frank clarified that what is being constructed is a stair/walkway with risers and drain emitters to change the drainage pattern on the property line in order to water trees which, in her opinion, are already overgrown.

Frank Walsh commented that the application was already disapproved by the ARC so an appeal should be heard by the Board. Ruchita Patel advised that Ms. Lohman has never submitted an appeal. Ms. Lohman wrote out and submitted to Ms. Patel a written appeal requesting that the Board review the ARC's

decision on her stairway architectural change request.

The Association's Bylaws were discussed. Ruchita Patel advised that homes can be subdivided after approval of the ARC or the Board and provided a handout to the Board with this information. Tom Brennan said that requests in previous years have been denied. Ms. Lohman advised that she currently has one renter who has access to her entire home. Ms. Patel mentioned that the Board may want to consider advising the community of this issue and requesting feedback before any decision is made as there are other residents who have roommates. She also advised that the Bylaws could be subject to interpretation if a renter has access to the entire home.

MOTION: (Tom Brennan) Deny request from the homeowner at 18805 Lake Placid Lane to subdivide her home for rental purposes.

Following discussion, Tom Brennan rescinded his motion and tabled discussion until the Board could investigate the matter further and interpret the Bylaws. Frank Walsh inquired of Ms. Lohman whether she has or is going to make a formal request to rent out her home. Ms. Lohman advised that family issues make it difficult for her to answer. She has no lease agreement with her current renter. She advised "no", but that she potentially would like to bring in a roommate.

Adjournment

MOTION: (Tom Brennan, Sherry Lee) Adjourn the Board of Directors meeting at 9:56 pm.
Vote: 7-0-0

Submitted by: Marylou Bono, The Management Group Associates, Inc.