

**Fountain Hills Community Association
Board of Directors Meeting
April 2, 2009**

The Board of Directors of Fountain Hills Community Association held a Board of Directors Meeting at the Upcounty Regional Services Center on April 2, 2009 at 7:30 p.m.

Board Members Present:

Siu Poon, President
Sue Adamkiewicz, Vice President
David Holtzman, Treasurer
Shirley Fair, Director
Daryl McFadden, Director

Also Present:

Stephon Collins, Community Manager
Craig Wilson, Vanguard Management
Ruth Ann Allen, Recording Secretary

Board Members Absent:

Frank Walsh, Secretary
Vernard McBeth, Director

Homeowners Present:

Sreenath Nampally, 13303 Tivoli Fountain Court
Steve Muse, 18804 Porterfield Way

A. CALL TO ORDER

The Board of Directors Meeting was called to order by Siu Poon at 7:30 p.m.

B. HOMEOWNER FORUM

1. Sreenath Nampally, 13303 Tivoli Fountain Court, stated that his car was towed on a Tuesday night when he had stayed home from work. His car was parked on the curb. He mentioned that there should be "No Parking" signs in that area or the curb painted yellow if cars are not allowed to be parked there. He thinks that the towing was unfair, and he should be refunded the \$183.00 towing charge. He mentioned that other homeowners have parked along that curb and have not been towed. He will email photos that he took to Management. Siu Poon will forward the parking rules from the covenants; page 11, section 6, to Mr. Nampally.

2. Shirley Fair mentioned that her neighbors have been screaming and cursing in the parking lot. She has reported the incident to the police. The police stated that she should call them back if there are more disturbances.

Ms. Fair also mentioned that a sign was placed in the community notifying of a community meeting. She removed the sign. No one seems to know any details about the purpose of this meeting.

3. Daryl McFadden mentioned that he noticed a small crack in one of the fence

posts on Dawson Farm Road that was recently repaired.

4. Siu Poon noted that the privacy fence along the alley way on Great Seneca Highway needs to be repaired. A section of the fence is broken off and the fence is leaning.

C. MINUTES

The Recording Secretary has not received the amendments to the March Board Minutes that were submitted by David Holtzman or Frank Walsh.

MOTION: (David Holtzman/Siu Poon) Table the approval of the March 5, 2009 Board Meeting Minutes until the amendments made by Frank Walsh and David Holtzman are incorporated.

Vote: Unanimous (5 ayes)

D. REPORTS OF OFFICERS OR DIRECTORS

1. Board Meeting Signs

Shirley Fair mentioned that the community should put signs up mentioning the upcoming Board meeting. Management mentioned that a volunteer would need to put up the signs, take down the signs, and store them. The community would need about six (6) signs.

Siu Poon mentioned that a notice for the Board meeting is put on the community website.

2. Committees Listed on Agenda

Siu Poon reminded Management to remove the Social Committee from the Board of Directors Meeting Agenda as there is currently not a Social Committee, but the Web Committee should stay on the Agenda.

3. Fire Safety Day at Condominiums

David Holtzman mentioned that the condominium will have a Fire Safety Day on April 4, 2009 where the Montgomery County Fire Department (MCFD) will partner a smoke detector safety program for residents. The MCFD will check smoke detectors and replace batteries and smoke detectors, if needed.

4. Hangout for Teenagers

David Holtzman mentioned that the condominium has had problems with teenagers entering and hanging out in the buildings in the afternoon. A teenager pulled the fire alarm last Monday. He also mentioned that teens are skateboarding on the tennis courts.

5. Enforcement Committee

Steve Muse and the Board were given the draft copy of the "Terms of Reference" from Management. Management suggested that this document be reviewed and discussed at the May Board Meeting.

6. ARC

There were three (3) ARC applications and all were approved.

David Holtzman asked about the status of the audit for ARC applications versus structure verification. Management stated that the current ARC chair has no interest in doing this audit. The Enforcement Committee would take on that job, but it cannot be done until the “Terms of Reference” is approved.

7. Web Committee

The Minutes for January and February and the pool documents have been posted on the community web site.

E. MANAGEMENT REPORT

1. Towing Dispute

The homeowner at 19002 Mediterranean Drive is requesting reimbursement of the \$158.00 he paid to G&G Towing for his vehicle being towed.

The homeowner indicated he never received a parking tag. Management stated that a notice was sent out by certified mail that homeowners should contact Management about parking tags. The homeowner did not pick up a tag until a few days ago. There are also signs posted in the community that state a parking tag is needed for parking.

MOTION: (David Holtzman/Siu Poon) Deny the request of homeowner at 19002 Mediterranean Drive for reimbursement of towing fee to G&G Towing.

Vote: Unanimous (5 ayes)

2. Street Sweeping Proposal

Management solicited bids for street sweeping for the community. D&A Dunlevy submitted a bid of \$5,400.00 and AW Landscapes, Inc. submitted a bid of \$4,700.00. Management requested bids from three (3) other companies, but they have not responded. The budget for street sweeping is \$4,300.00.

MOTION: (Daryl McFadden/David Holtzman) Accept the street sweeping proposal from AW Landscapes, Inc. for \$4,700.00.

Vote: Unanimous (5 ayes)

3. Replacement of Playground Equipment

Management met with John Espinosa of Playground Specialists to inspect each playground within Fountain Hills. Mr. Espinosa reported that only one playground needs to be worked on at this time: the playground on Lake Geneva Way. Although this playground is functional and not unsafe, the wood beams are beginning to split and could pose problems. According to the reserve schedule, there is still two (2) more years before this playground is scheduled for replacement. The quote to replace the playground with comparable play equipment is \$31,758.00, with free installation and delivery. It was noted by David Holtzman that there is a cost for shipping of \$229.00 in the proposal from Playground Specialists. Management will check on this matter.

The reserve replacement cost for this playground is \$18,000.00. David Holtzman

stated that there will be a little under \$10,000.00 in reserves at the end of the fiscal year. The added expense of replacement of the playground would have to be funded out of the operating account.

There are five (5) playgrounds in the Fountain Hills community. The replacement budget for these playgrounds is \$87,000.00. Lake Geneva Way is the oldest and largest of the playgrounds.

David Holtzman stated that the budget did not plan for upgrading the equipment to this extent. He suggested that Management check what other playground systems are available and solicit proposals from these companies. Management stated that Playground Specialists do have other configurations, and the Board could discuss with Mr. Espinosa what other possible configurations could be placed in the playground.

Craig Wilson mentioned that the reserve schedule is a guideline, and the monies are on a fund basis versus a line item basis. The playground would cost more, but money that is not used from other areas can be used to cover the costs in each budget cycle.

David Holtzman had concerns regarding the significant expense of the playground, as this expense would drain the reserves more quickly and would put a strain on funding other areas that will need work in the community as it ages. He noted that he is not opposed to replacement of the playground.

Steve Muse mentioned that the Lake Geneva playground is the oldest, but gets quite a lot of use. There are also other playgrounds in the community that are not all wood, so these would not need to be replaced as quickly.

Sue Adamkiewicz mentioned that Management could ask what type of equipment would be available for a specific amount of money.

Management stated that homeowners, who have children who use the tot lots, usually have ideas on what equipment would be best. These homeowners could meet with contractor to discuss options.

Daryl McFadden suggested that Management get other bids for comparable playground equipment on Lake Geneva Way. Management will solicit more bids.

4. Pool Repairs

Management and Winkler Pool Management met to inspect the pool area and review the pool repairs that had been determined at the end of the 2008 pool season.

The needed repairs are:

Repair	Cost
Re-caulking of expansion joints	\$1,500.00
Replacement of two (2) skimmers	\$1,200.00
Replacement of non-working underwater bulbs and/or fixtures	Cost to be determined
Replacement of three (3) drain covers	\$2,150.00

MOTION: (David Holtzman/Daryl McFadden) Approve the proposal from Winkler Pool

Management for caulking, and skimmer and drain cover replacement at the pool for \$4990.00, plus repair of the underwater lights. The pool is required to have working lights as it is open after dusk.

Vote: Unanimous (5 ayes)

5. Pool House Painting

Management solicited bids for the renovating and painting the interior of the pool house, pressure washing the exterior of the building, and painting of all gazebos. Management received five (5) proposals.

Name of Company	Cost of Project
Hann & Hann	\$17,352.00
Wayco	\$12,800.00
Noble, Inc.	\$18,600.00
T&C Painting	\$15,000.00
Potts Construction	\$15,500.00

MOTION: (Siu Poon/Daryl McFadden) Accept the proposal from T&C Painting for repairs and painting of the pool house.

Vote: Unanimous (5 ayes)

David Holtzman noted that the budgeted amount for repair and painting of the pool house is \$12,350.00. The rest of the monies will be taken from the reserve fund.

6. Accessory Apartment at 18817 Lake Placid Lane

Management reported that the application for special exception for an accessory apartment will be withdrawn and the sign out front of the house should be coming down.

Management mentioned that the Association has no control over what has been done inside the home, nor the parking issue.

David Holtzman stated that the homeowner would need to have a landlord permit for renting an apartment in the house as the house is not zoned for an accessory apartment. The Association will wait to see where this situation goes.

7. Replacement of Fence on Dawson Farm Road

The cost of clean up and the cost of repairs for the fence and tree that were damaged by the accident will be covered by the driver's insurance company.

Management will check on the split in the fence that was noticed by Daryl McFadden.

8. Request for Waiver of Late Fee

The homeowner as requested a waiver of the \$5.00 late fee for the January payment. The homeowner has not accrued a late fee before. The Board as a courtesy will waive the late fee once.

MOTION: (David Holtzman/Shirley Fair) Grant the request for waiver of \$5.00 late fee as stated in Item 11a of the Management Report.

Vote: Unanimous (5 ayes)

9. Waiver of Late Fee

The homeowner has requested a waiver of the \$5.00 late fee for the January payment.

MOTION: (Siu Poon/David Holtzman) Waive the \$5.00 late as requested in Item 11b of the Management Report.

Vote: Unanimous (5 ayes)

10. Fence Installation Near 7-Eleven

Frederick Fence has obtained the permit for installation of the fence next to 7-Eleven. Management has contacted Charles P. Johnson & Associates to perform the site survey to verify the property line. The cost of this work is \$800.00. Once this has been completed and the trees trimmed back the fence can be installed.

David Holtzman requested that stakes not be used as they will walk away. He suggested that Charles P. Johnson use paint to mark the property lines.

F. UNFINISHED BUSINESS

1. FY 2010 Operating Budget

Management provided the Board with the updated draft budget that incorporates David Holtzman's changes. The draft budget needs to be sent soon to homeowners in order to be approved on time.

David Holtzman commented on the rise in the delinquency rate for the townhouses between last year and this year. The proposed budget does not make any additional allowance for uncollected assessments. The operating contingency for the townhouses is only \$3000.00, which seems to be cutting it close.

Management mentioned that raising the townhouse assessment fees by \$1.00 per unit per month would help fund the operating contingencies.

David Holtzman also questioned whether there is any operating surplus that will come over from the present budget to the next. Management stated that there is some surplus and in the general budget surplus is sizable.

MOTION: (David Holtzman/Siu Poon) Publish the draft amended budget as of April 2, 2009 with the amendment to add \$1.00 to the townhouse unit per month for operating contingency to offset delinquencies.

Vote: Unanimous (5 ayes)

David Holtzman stated that the condominium should not have to supplement delinquencies of the townhouses as they have separate line items and a separate budget. Only the townhouse owners should be responsible for the general budget underwriting of the town houses.

G. NEW BUSINESS

1. Holding of Pool Passes

David Holtzman mentioned that the delinquency rate for the condominiums is at 11% and the condominium owners are paying attention to the fact that their monthly fees are paying to support delinquencies. Mr. Holtzman questioned whether pool passes could be held for those who are delinquent in condominium fees.

Management stated that the condominium has two (2) separate payments, which could create the situation where one assessment is paid up and the other not, pool passes could still be given to the homeowner. Management would have to decide if this is an action that they are willing to carry out, since changing this policy would potentially create problems for Management.

David Holtzman suggested that only homeowners who are more than ninety (90) days in arrears have their pool passes held. Management will contact legal counsel on this matter. This matter will be discussed at the next Board meeting.

2. Reimbursement to Condominium

David Holtzman also mentioned the idea that the HOA consider reimbursing the condominium for the delinquent amount when the condo was providing a lump sum amount to the HOA. Management will look into this matter, but stated that there is probably a three (3) year statute of limitations.

H. ADJOURNMENT

MOTION: (Siu Poon/Sue Adamkiewicz) Adjourned the Board Meeting at 9:05 p.m.

Vote: Unanimous (5 Ayes)