

Fountain Hills Community Association

Board of Directors Meeting

April 7, 2011

The Board of Directors of Fountain Hills Community Association held a Board of Directors Meeting at the UpCounty Regional Services Center on Thursday, April 7, 2011 at 7:30 p.m.

Board Members Present:

Phil Suter, President
Vernard McBeth, Vice President
Daryl McFadden, Treasurer
Steven Muse, Director
Nicolm Mahabir, Director

Also Present:

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

Board Members Absent:

Frank Walsh, Secretary
Shirley Fair, Director

Present:

David Holtzman, Condominium Board President

A. CALL TO ORDER

The April Board of Directors Meeting was called to order by Phil Suter at 7:37 p.m.

B. MINUTES

1. March 3, 2011 Board of Directors Meeting Minutes

MOTION: (Phil Suter/Vernard McBeth) Approve the March 3, 2011 Board of Director Meeting minutes as amended by Phil Suter.

Vote: Motion Passed - Unanimous

C. MANAGEMENT REPORT

1. E-mail Notification Opt-in Form

The Board requested that Management prepare an “opt-in” form to be sent to homeowners giving them the option to receive all correspondence from the Association via e-mail. This form will be included with the mailing to homeowners concerning the pool pass procedure.

MOTION: (Phil Suter/Steven Muse) Approve the email “opt-in” form to be included in the pool pass mailing that is sent to homeowners.

Vote: Motion Passed - 4 ayes/1 abstention (McBeth)

2. Pool Pass Distribution Procedures

Phil Suter made an email motion on March 18, 2011 which was seconded by Shirley Fair to appoint an “Ad-Hoc” Pool Pass Committee” consisting of Mr. McBeth, Mr. Muse and Mr. McFadden to finalize and implement logistics related to the Electronic Pool Pass System. The vote was 3 ayes/0 nays/0 abstentions. Board members that responded to the motion were Phil Suter, Shirley Fair, and Niclom Mahabir. The motion failed due to lack of support from the Board.

Mr. Suter stated that the previous Boards had always approved the pool pass application mailed to residents even though the process had stayed the same. This year, the Board has been discussing significant changes to the pool pass application logistics, which still have not yet been finalized. Mr. Suter stated that he was not comfortable proceeding with the implementation of the electronic pool pass system without approval from the Board. Since the Board was unable to finalize the pool pass logistics after the March meeting, the finalization and approve of the pool pass information packet would need to take place during the April Board Meeting.

Management provided the Board with the latest revised pool pass information packet to be sent to homeowners. The Board discussed whether the process and the dates for pool pass distribution stated in the packet is acceptable.

David Holtzman relayed several concerns from residents of the Condominium. Mr. Holtzman stated that many of the resident are renters and will need to have time to get their application from the owner. The Board will discuss the possibility of allowing residents to hand carry their applications directly to the pool pass distribution days, instead of mailing them to Management.

Mr. Holtzman also had concerns about the form of ID that is needed for proof of residence, as renters frequently move. The Board stated that a resident needs to provide some sort of ID with their current Fountain Hills address. Alternately, the resident can show the deed or lease. Mr. Holtzman also inquired if there were other days to get pool passes besides the weekend to cover those whose religious holiday is celebrated on Saturday. The Board responded that other days besides Saturday have been included for dates to pick up pool passes.

Mr. Holtzman stated concern over parking and traffic for pool pass pickup. The Board stated that there was a sufficient selection of days to accommodate those who are picking up for pool passes.

The Board agreed that residents could either bring the pool pass application directly to the pool house on pool pass distribution days or send them directly to Management.

Board members are volunteering their time to help with the pool pass distribution at the pool house. Phil Suter suggested that there should be three (3) people, if not four (4), at the pool house for the last days of pool pass distribution. It was suggested that it might be possible for life guards to help, and this would also provide them an opportunity to learn the system for the summer.

MOTION: (Vernard McBeth/Daryl McFadden) Engage RSV Pools for up to two (2) life

Fountain Hills Community Association
Board of Directors Meeting
April 7, 2011

guards at \$14.00 an hour for staffing at the pool pass distribution, if enough Board members cannot be there, not to exceed \$800.00.

Vote: Motion Passed - 4 ayes/1 abstention (Suter)

MOTION: (Nicolm Mahabir/Daryl McFadden) Send the 2011 pool pass information packet to homeowners as amended.

Vote: Motion Passed - 3 ayes/1 nay (Suter)/1 Abstention(McBeth)

3. Hang Tags for Harmony Woods Lane

The enforcement of hang tags on Harmony Woods Lane will begin on May 1, 2011. Residents on Harmony Woods Lane should pick up their hang tags at the pool house on any of the pool pass distribution dates before May 1st. Management will have the hang tags at the office during the week for homeowners to pick up if they cannot get to one of the pool pass distribution dates by May 1st.

MOTION: (Phil Suter/Daryl/McFadden) Approve the letter to homeowners of Harmony Woods Lane to be sent with the pool pass information packet.

Vote: Motion Passed - Unanimous

4. FY2012 Draft Budget

Vernard McBeth inquired about the monies in the lot maintenance inspection line item. Management explained that usually one-third (1/3) of the community is inspected each year, but this is a discretionary expenditure item and the money can be spent somewhere else. Mr. McBeth inquired about the money paid to Chestnut Oakes for maintenance of the road. Management explained that this is a perpetual contract as the road is shared between Chestnut Oakes and Fountain Hills. The money for printing and reproduction is also discretionary and the money can be spent elsewhere, if needed. The pay phone at the pool has been replaced with an emergency phone that only dials 911. The cost for this phone is \$23.00 a month. Mr. McBeth inquired if the money in the operating contingency could be put toward the reserve funds as it has not been used. Management stated that all these changes do not effect the total amount of the budget and can be decided upon later.

Management stated that they had received the new reserve study, but had not had a chance to study it. Management stated that it looked like the study indicated that the reserves needed to be funded at a higher level. Management does not agree with this and will look at the reserve study closer and discuss the findings with Miller Dodson, who did the reserve study, before sharing the findings with the Board.

MOTION: (Phil Suter/Steven Muse) Approve the FY2012 Draft Budget with a zero percent (0%) increase.

Vote: Motion Passed - Unanimous

5. Draining of Pool

Fountain Hills Community Association
Board of Directors Meeting
April 7, 2011

drain the water into the storm drain behind the pool, so the water overflowed the deck drain and went across the parking lot at the Condominium. This also happens when the back wash is done too long. Management will remind RSV Pools and the life guards that the back wash should not be done too long over the summer. Mr. Suter stated that Management informed him that this is at least the third (3rd) time that RSV Pools had not followed instructions on how to drain the pool without overflowing the Condominium parking lot and suggested adding an addendum to the RSV Pools contract.

6. Fountain Repairs

Management received a proposal from RSV Pools for repairs to all the fountains for a total cost of \$27,511.00. Management suggested that the Board ask Scott Vincent of RSV Pools to come and explain the fountain repairs at the next Board Meeting.

The Board requested that Management solicit other proposals for repairs to the fountains. Management suggested that Board members take a look at the appearance of the fountains before the next Board meeting.

7. Street Cleaning Proposals

Management received three (3) proposals for street cleaning to remove the sand used during the snow season. Management received proposals from D&A Dunlevy for \$5,500.00, AW Landscapes for \$5,800.00, and McFall & Berry for \$4,890.00.

Management stated that a fourth proposal was just received for street cleaning for \$4,500.00, but Management had not had time to look at the proposal.

MOTION: (Phil Suter/Daryl McFadden) Counter the street cleaning proposals from D&A Dunlevy and AW Landscapes with \$4,500.00. The first contractor that accepts the counter offer will be awarded the contract. If neither contractor accepts the counter, then accept the proposal from the new company for \$4,500.00.

Amend: (Vernard McBeth/Daryl McFadden) Response by Monday, April 11, 2011.

Vote: Motion Passed - Unanimous

8. Trash Removal Contract

Management sent out RFPs to six (6) trash removal companies but only received two (2) proposals back.

The current contractor, Potomac Disposal, submitted a proposal for three (3) years with unlimited free bulk pickup for \$3,224.00 a month. J&J Trash Removal, Inc. submitted a proposal for a one (1) year contract with free bulk pick-up every Thursday for \$2,767.00 a month.

The Board suggested that Management present Potomac Disposal with a counter offer of \$2,500 less for the year.

MOTION: (Phil Suter/Steven Muse) Accept the proposal from Potomac Disposal if they come down \$2,500.00 for the yearly contract. If they do not accept the counter offer,

Fountain Hills Community Association
Board of Directors Meeting
April 7, 2011

Vote: Motion Passed - Unanimous

9. 18701 Sparkling Water Drive, Unit E

The unit at 18701 Sparkling Water Drive, Unit E is undergoing a short sale and the Association was offered seventy-one percent (71%) of the account balance owed. The amount offered was \$1,500.74. The vote was taken via e-mail and needed to be ratified in open session to be placed in the minutes.

MOTION: Ratify the vote of March 24, 2011 to accept the offer of \$1,500.74 from 18701 Sparkling Water Drive, Unit E.

Vote: Motion Passed - Unanimous

10. 18819 Sparkling Water Drive, Unit 301

The homeowner is filing for bankruptcy and offered to pay \$1,000.00 toward the amount owed Fountain Hills Community Association as settlement.

MOTION: (Vernard McBeth/Phil Suter) Accept the offer from 18819 Sparkling Water Drive, Unit 301 of \$1,000.00 as settlement of the account.

Vote: Motion Passed - Unanimous

11. 13319 Rushing Water Way

The homeowner of 13319 Rushing Water Way has requested a waiver of the \$45.00 Notice of Intent fee, the \$96.50 Posting fee, and the \$300.00 Lien charge. All these cost are "hard costs" for the Association.

MOTION: (Phil Suter/Daryl McFadden) Deny the request for waiver of the Notice of Intent fee, the Posting fee, and the Lien charge for 13319 Rushing Water Way. The Association is willing to waive the \$55.00 late fees, but the homeowner must propose a payment plan in addition to the monthly assessment fees and the payment must be made on time.

Vote: Motion Passed - Unanimous

12. 18826 Sparkling Water Drive, Unit N

The homeowner of 18826 Sparkling Water Drive, Unit N requested a waiver of the \$45.00 Notice of Intent fee assessed against the account.

Management stated that the homeowner had been contacted concerning the delinquent dues. The Board requested that Management resend a copy of this letter to the homeowner and to Board members.

MOTION: (Phil Suter/Daryl McFadden) Deny the request for waiver of the \$45.00 Notice of Intent fee.

Vote: Motion Passed - 4 ayes/1 abstention (McBeth)

13. Deferred Assessment Resolution

MOTION: (Phil Suter/Daryl McFadden) The Association elects to apply all the excess

Fountain Hills Community Association
Board of Directors Meeting
April 7, 2011

assessment income to the following year's assessments and that such final amount shall be at the Board's discretion.

Vote: Motion Passed - 4 ayes/1 abstention (McBeth)

14. Draft Audit for 2008/2009

Management provided the Board with a copy of the 2008/2009 draft audit as prepared by the Association's audit firm The Goldklang Group. The Board tabled discussion of this audit until the May 2011 Board Meeting.

15. FY2011/2012 Audit Engagement Letter

Management provided the Board with the audit engagement letter from Goldklang Group for year ending June 30, 2011 and 2012. The fees for the audit for 2011 will be \$2,700.00 and for 2012 \$2,900.00 The cost for preparation and filing of the federal and state income tax returns will be \$350.00 per year. and the fee for preparing and filing the Personal Property Tax will be \$100.00 per year.

MOTION: (Vernard McBeth/Phil Suter) Counter the contract for The Goldklang Group for audit services for 2011 and 2012 for \$2,700.00 per year for the two (2) year contract.

Vote: Motion Passed - Unanimous

16. Concrete Repairs

Management sent out an RFP to contractors for concrete and sidewalk areas that are in need of repair.

Vernard McBeth stated that the concrete along Lake Geneva Way is terrible and a trip hazard.

Phil Suter suggested that the repairs be done in sections.

17. Tree Replacement

Management provided the Board with proposals for tree replacement and maintenance in Fountain Hills from five (5) different contractors. Management has walked with property with all of the contractors and the proposals cover all the areas that the Board specified.

MOTION: (Phil Suter/Vernard McBeth) Accept the tree replacement proposal from The Care of Trees for \$4,615.00

Vote: Motion Passed - Unanimous

D. OLD BUSINESS

1. Landscaping Proposal from McFall & Berry

Vernard McBeth stated that McFall & Berry has still not provided the proposal for landscaping that the Board requested. Management stated that the community has a new point of contact for McFall & Berry and this person will complete the proposal as the Board requested. Vernard McBeth, Phil Suter, and Frank Walsh will meet with

Fountain Hills Community Association
Board of Directors Meeting
April 7, 2011

E. ADJOURNMENT

MOTION: (Nicolm Mahabir/Phil Suter) Adjourn the Board Meeting at 9:40 p.m.

Vote: Motion Passed - Unanimous