

Fountain Hills Community Association

Board of Directors Meeting

April 7, 2016

The Board of Directors of Fountain Hills Community Association (FHCA) held a Board of Directors Meeting at the Upcounty Regional Services Center on Thursday, April 7, 2016 at 7:30 p.m.

Board Members Present:

Tom Brennan, President
Nick Mahabir, Vice President
Harry Matchett, Treasurer (Arr. 7:45 p.m.)
Frank Walsh, Secretary (Arr. 7:40 p.m.)
Sherry Lee, Director
Siu Poon, Director
Hari Donthi, Director

Also Present:

Laura Etchison, Community Manager
Ruth Ann Allen, Recording Secretary

Homeowners Present:

Barbara Peressini, 18931 Fountain Hills Drive
Cheryl Lohman, 18805 Lake Placid Lane
Carrie Hoffman, 18819 Porterfield Way
JoAnn Windsor, 18933 Fountain Hills Drive
Robert Love, 18723 Autumn Mist Drive
David Holtzman, 18715 Sparkling Water Drive, Unit 102

A. CALL TO ORDER

The April Board of Directors Meeting was called to order by Tom Brennan at 7:30 p.m.

B. APRIL 7, 2016 AGENDA

Due to the high volume of action/discussion items on the agenda, the Homeowner Forum was moved to the end of the meeting agenda.

C. MINUTES

1. March 3, 2016 Board of Directors Meeting Minutes

MOTION: (Sherry Lee/Siu Poon) Approve the March 3, 2016 Board of Directors Meeting Minutes with modifications by Frank Walsh.

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

Nick Mahabir, Vice President, noted:

- a. There was no fuss made about the Draft Agenda
- b. There was no “Obstructionist” activities in the meeting

- c. There was “No Barking” by anyone present in the meeting.

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2. January 7, 2016 Board of Directors Meeting Minutes

MOTION: (Siu Poon, Tom Brennan) Approve the January 7, 2016 Board of Directors Meeting Minutes as edited.

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

3. February 4, Board of Directors Meeting Minutes

Management received correspondence from JoAnn Windsor noting that her statement in the February Board of Directors Homeowner Forum was incorrect. The statement by Ms. Windsor should read "JoAnn Windsor, 18933 Fountain Hills Drive, requested that the information on the ongoing legal case be left on the FHCA website."

MOTION: (Siu Poon/Tom Brennan) Accept the request from JoAnn Windsor to edit her statement from the February 4, 2016 Board of Directors Meeting Minutes to read: JoAnn Windsor, 18933 Fountain Hills Drive, requested that the information on the ongoing legal case be left on the FHCA website."

Vote: Motion Passed - 6 ayes/0 nays/0 abstentions

D. OFFICER REPORTS

1. Special Meeting

In accordance with Section 11B-111 of the Maryland Homeowners Association Act, a Special Meeting was made for the purpose of reviewing open Association matters. No motions were made nor votes taken.

On Monday, March 28, 2016, 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 8:00 p.m.

Board Members Present:

Tom Brennan, Prjesident

Nicolm, Mahabir, Vice President

Frank Walsh, Secretary/Condominium Representative

Harry Matchett, Treasurer

Siu Poon, Director, Single Family Homes Representative

Sherry Lee, Director, Townhome Representative

2. Board of Directors Vice President

Nick Mahabir, Vice President, presented the homeowners and Board members with a written statement noting ways to be involved in the community and steps in considering joining the Board of Directors. An attachment was included describing the types of meetings under Robert's Rules. Going forward, Mr. Mahabir, will attempt to hand out a one (1) page summary covering different topics related to the community.

3. Board of Directors Secretary

Frank Walsh inquired about the approval of the January 7, 2016, Board of

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Directors Meeting Minutes. It was noted that the minutes had been approved with the suggested corrections by Mr. Walsh and Harry Matchett before Mr. Walsh arrived for the Board meeting. Mr. Walsh noted that he would not have agreed to all of the corrections suggested by Harry Matchett.

E. COMMITTEE REPORTS

1. Architectural Review Committee (ARC)

Robert Love, Chair of the ARC, noted that one (1) ARC application had been received, but it was disapproved with comments stating that more information was needed for approval, and the homeowner should re-submit the updated application.

Mr. Love noted that two (2) members of the ARC have resigned, leaving three (3) members on the committee. Management will check the Terms of Reference for the number of members that constitute the ARC.

Mr. Love also requested guidance on approving ARC Applications on designs that are similar to their neighbors'. Mr. Love suggested that the Board review the ARC guidelines to give Mr. Love more clarity in approving the applications.

2. Enforcement Committee

There was a total of six (6) vehicles towed in the month of March.

3. Social Committee

Siu Poon noted that due to lack of participation of the April 2nd yard sale, the date of the yard sale has been moved April 23rd. It was noted that April 23rd is the first day of Passover and that the Board should consider holidays when planning events in the future. Ms. Poon stated that it appears there is more involvement from the community for the 23rd.

MOTION: (Siu Poon/Tom Brennan) Approve moving the Community Yard Sale from April 2, 2016 to April 23, 2016.

Vote: Motion Passed - 3 ayes/1 nay (Walsh)/3 abstentions (Lee, Matchett, Donthi)

F. FINANCIAL OVERVIEW

1. Summary of Finances

Management noted that all financial information has been received from The Management Group Association (TMGA), but Management is still reconciling the information received. Management provided the Board with the Income & Expense Report, Balance Sheet, General Ledger, Disbursement Report, and the Owner Aged Balance Report for the period ending March 31, 2016. Management noted that the total amount in the Reserves is over \$931,000.00, as of the end of March.

The Board discussed with Management specific line items of the finances for information and explanation. Management will provide the Board with answers regarding questions.

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2. Status of Delinquent Accounts

Management noted that the cumulative delinquency amount is approximately \$200,000.00. Management noted that legal counsel is being aggressive about collecting on delinquent accounts to bring down this amount. It was also noted that some accounts have become delinquent due to confusion caused by the change in management companies.

3. Open Payables

Management noted that the March expenses were under budget by approximately \$47,000.00 which was due in large part for not funding the reserves for the months of February and March in an effort to have adequate funds available to offset the snow removal bills and the first monthly installment for spring grounds maintenance. It was noted that the Association still has an outstanding snow removal invoice from D&A Dunlevy in the amount of \$76,949.50. Management suggested that the Association pay Dunlevy \$40,000.00 now from the operating account with a promissory note to pay the remaining balance within thirty (30) days. In order to do this, money will not be paid to the reserves for April. It was noted that money has not been paid to the reserves for the past three (3) months.

The first installment for Grounds Maintenance to D&A Dunlevy is due in April for \$13,900.00.

Harry Matchett inquired about an invoice from Whiteford, Taylor and Preston in the amount of \$9,927.43. Management noted that she has contacted Whiteford, Taylor and Preston requesting an explanation for this invoice but has not received any information. Management will not pay this invoice until more specific information for the invoice is received.

4. FY2017 Draft Operating Budget

Management noted that the draft operating budget needs to be sent to homeowners for comment by May 2nd, thirty (30) days before the June 2nd Board of Directors Meeting. The May Board meeting will not be held until May 5th, which does not allow the required amount of time for the Board to approve a draft budget to be sent to homeowners. It was noted that sending the draft budget to homeowners does not mean that it has been approved by the Board, and there is a ten percent (10%) cap for an increase of the draft budget sent to homeowners. The Board discussed approving IKO to prepare and send the draft operating budget to homeowners by May 2nd.

MOTION: (Harry Matchett/Tom Brennan) Have IKO draft the FY2017 budget and send to homeowners for comment.

G. MANAGEMENT REPORT

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1. Fountain Repairs

Management noted that it has been difficult to get proposals for fountain repairs in short order. Management is expecting a proposal from Solitude Lake Management by next week. The Board agreed to table any action on the fountain repairs.

2. Pool Repairs

Management noted that Phil Carter, Community Pool Service, sent a camera down the backwash pit for investigation at no charge. Management received correspondence from Mr. Carter noting that there only seemed to be minor issues involving the backwash pit. Management noted that due to the information received from Community Pools, Management noted that the pool should stay on the current backwash system and not move to a cartridge system..

Management also provided the Board with a proposal from High Sierra Pools for an exploration survey of the backwash pit and associated plumbing in the amount of \$1,150.00.

The Board discussed the next course of action for determining the reason for the overflow and drainage problems at the pool. It was noted that alleged operator error caused the flooding of pool water onto the Condominium property and the backwash system can be monitored. It was also noted that the pool deck drains do not drain correctly.

MOTION: (Nick Mahabir/Frank Walsh) Approve the proposal from Sierra Pool to do a camera analysis of the backwash pit, not to exceed \$1,150.00.

Vote: Motion Failed - 3 ayes/ 4 nays (Brennan, Donthi, Matchett, Lee)/0 abstentions

3. Pool Pass System

The Board discussed with Management about using a paper pass system for this swim season or finding a new company for an electronic pool pass system. The previous pool pass system was provided by TMGA and cannot be used as they are no longer the management company for the Association. The Board agreed to have Management look into services for an electronic pool pass system with a cap of \$1,500.00.

MOTION: (Siu Poon/Tom Brennan) Move forward with the electronic pool pass system and have Management look into a system not to exceed \$1,500.00 including the monitoring fee of \$120.00 per month.

Vote: Motion Passed - 6 ayes/1 nay (Walsh)/0 abstentions

4. Spring Pool Repairs/Parts List

Management provided the Board with a proposal from Community Pool Service for supplies and parts needed for upcoming pool season in the amount of \$1,906.85. The

Board requested that wasp spray be added to the list of items needed for the pool.

MOTION: (Tom Brennan/Siu Poon) Approve the Community Pool Service proposal of March 1, 2016 for pool supplies and parts not to exceed \$1,906.85.

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Vote: Motion Passed - 7 ayes/0 nays/0 abstentions

5. Pool Repairs Proposal

Management provided the Board with proposals for remedial repairs and for implementing the cartridge filter system to replace the existing sand filters. Management noted that after investigation of the sand pit by Community Pools there is no need to move at this time to a cartridge filter system. Management also noted that Community Pools has agreed to complete the repairs to the pools for the lowest price whether from Community Pools or High Sierra Pools.

The Board agreed to approve the first six (6) items on the repair list. The remaining four (4) items on the repair list pertain to changing to a cartridge filter system. The six items for approval are:

Repair	Cost
Rebuild Main Pool Motor	\$1,200.00
Replace top Bulkhead on Last Filter	\$475.00
Replace Discharge and Flange on Main pool pump	\$495.00
Pressure Test the Maint Pool	\$1,400.00
Supply/Install ten (10) light adapter Rings	\$1,650.00
Diagnose Underwater Lights	\$295.00

MOTION: (Frank Walsh/Tom Brennan) Approve the Community Pool Service proposal for the first six (6) items on the Pool Repair Bids 2016 list, using the lowest price, in the amount of \$6,415.00.

Amend: (Frank Walsh/Tom Brennan) Amend the amount to \$5,515,00

Vote: Motion Passed - 4 ayes/3 nays (Donthi/Lee/Matchett)/0 abstentions

6. Communication

It was noted that the sign up link on the website was no longer working as it was

maintained by TMGA. Management will check with TMGA on this matter.

Management noted that a newsletter is not provided in the management contract for the Association, but IKO is willing to put together a newsletter with the cost of paper and

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postage charged to the Association.

7. Landscape Proposal

Management provided the Board with a proposal from Four Season Landscapes to excavate and repair the settled area where the backwash pipe exits the pump room. The Board noted that this proposal was from May 2015.

H. NEW BUSINESS

1. Wood Carpet for Tot Lots

Sherry Lee, Board Member, noted that she had looked into a free wood chip program for the tot lots in the community. Ms. Lee noted that the wood chips would be delivered to the placed requested and then the Association would be responsible for spreading the wood chips. It was suggested that a trial run be done for the Lake Geneva Way tot lot.

Management noted that she will check the requirements of the State regarding wood chip requirements for tot lots to find out if these wood chips are approved.

MOTION: (Sherry Lee/Siu Poon) Go with woodchipsdelivered.com to provide wood chips for free at the Lake Geneva Way tot lot, with notification of delivery to Sherry Lee and Management and that the Association will spread the wood chips; pending Management checking with State rules for wood carpet of tot lots.

Vote: Motion Passed - 7 ayes/0 nays/0 abstentions

I. HOMEOWNER FORUM

1. Robert Love, 18723 Autumn Mist Drive, noted that he was not sure that the Association should rely on homeowners to spread the free wood chips and suggested that the Association have Dunlevy do it.

Mr. Love noted that Maryland Pools originally built the pool for Fountain Hills and the Association should have them come look at the pool.

2. JoAnn Windsor, 18933 Fountain Hills Drive, inquired if an email blast could be sent to homeowners one (1) week before each Board meeting to remind homeowners. Ms. Windsor also suggested that email blasts be used to make announcement and provide information regarding events in the community. Ms. Windsor also asked about adopting pet stations on a trial basis.

3. David Holtzman, 18715 Sparkling Water Drive, unit 102, noted that because the yard sale has been moved to April 23rd, which is the first day of Passover, some homeowners will not be able to participate. Mr. Holtzman noted that the Board will be

hearing more regarding events being held on religious holidays.

Mr. Holtzman noted his displeasure with the information handed out by Mr. Mahabir for misspelled words. Mr. Holtzman noted that the Board still works in secret

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and they do not let homeowners know what is being done.

Mr. Holtzman noted that the Board meeting was unproductive and “lip flapping” took up so much time.

J. CLOSED MEETING

MOTION: (Siu Poon/Sherry Lee) Adjourn to the Closed Meeting at 9:44 p.m.

Vote: Motion Passed - 7 ayes/0 nays/0 abstention

K. RESULTS OF THE CLOSED MEETING

The Board took action on the writing off of bad debts, payments plans, and a request for a waiver of collection fees.

L. ADJOURNMENT

MOTION: (Siu Poon/Tom Brennan) Adjourn the Closed Meeting and Board of Directors Meeting at 10:07 p.m.

Vote: Motion Passed - 7 ayes/0 nays/0 abstentions