

Corrected as approved on August 4, 2016

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

The Board of Directors of Fountain Hills Community Association held a Board of Directors Meeting at the Upcounty Government Center on Thursday, July 7, 2016.

Board Members Present:

Tom Brennan, President
Nick Mahabir, Vice President
Harry Matchett, Treasurer
Frank Walsh, Secretary
Siu Poon, Director
Hari Donthi, Director
Sherry Lee, Director

Also Present:

Laura Etchison, Community Manager
Ruth Ann Allen, Recording Secretary

A. CALL TO ORDER

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

B. MEETING WITH COMMUNITY POOL SERVICE (CPS)

Phil Carter, Regional Director, Community Pool Service, was present to discuss pool matters with the Board.

Mr. Carter noted that there has been a change in staffing at the pool effective immediately. Nick Mahabir stated that on visits to the pool he has sometimes observed the following: no life guards in attendance in the lobby, non-employees behind the desk, and people sitting on the counters. Mr. Carter noted that CPS has investigated staffing issues at the pool and has made changes to correct these issues.

Mr. Carter noted that one (1) of the guard chairs at the deep end of the pool has rusted at the base. It was not previously noted by CPS or the Health Department. Mr. Carter described three (3) options for remedying the situation. The first (1st) option is to replace the chair with a comparable high end chair, which would cost about \$5,000.00. The second (2nd) option is to swap out the chair for a standard guard chair for \$2,600.00. The third (3rd) option is to remove the chair and cap the holes in the deck for the remainder of the pool season; this option would cost \$250.00. Mr. Carter noted that the guard chair is not a requirement of the Health Department. The Board inquired if the chair could be repaired. Mr. Carter noted that CPS will not repair the rusted base of a life guard chair and he pointed out that performing such a repair could establish liability.

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Mr. Carter also noted that the concrete pad that holds the ladder stairs in the deep end of the pool has become dislodged. Mr. Carter noted that this repair can be done quickly for about \$400.00. The ladder is a requirement for the pool and needs immediate attention.

Mr. Carter also updated the Board on the status of the backwash for the pool: although the life guards are becoming more skilled at doing the backwash, it can only be done for thirty (30) seconds several times a day. This presents a challenge, as the backwash should be performed for a total of sixteen (16) minutes during a week. Mr. Carter described two (2) options to fix the backwash. The first option is to install a holding tank by the back wall which would be hidden by lattice. The second option is to move to a cartridge system from the existing sand filter system. Purchase and installation of a cartridge system would cost approximately \$12,000.00, plus there would be yearly costs for filters. Cartridges cost \$250.00 each and sixty-four (64) cartridges are needed. The sand filter system is better and has a lower cost for operation.

Nick Mahabir noted that the pool is about twenty (20) years old and asked if it is time to refurbish the pool. Mr. Carter noted that the pool is no way near the end of its life. Most of the issues with the pool are just normal maintenance issues that need to be kept up. Included in the maintenance issues are the whitecoat, which needs to be done regularly. Currently the whitecoat is in compliance, but will need to be done soon.

Mr. Carter also updated the Board on the pool deck drains. The winter freeze plug, which was installed on the pool deck drain, has blocked the leak, apparently by cutting off flow to that section of the drain. Mr. Carter noted that repair of the drain is a massive project. Mr. Carter noted that an alternate would be the installation of a new drain that would empty into the storm water drain by the pool. Mr. Carter noted that this drain is not for pool water, but for water on the deck.

The Board thanked Mr. Carter for coming and will discuss the options for repairs to the pool and will have Management notify him on moving forward with this items.

C. MINUTES

1. June 8, 2016 Board of Directors Meeting Minutes

MOTION: (Tom Brennan/Siu Poon) Accept the Board of Directors Meeting Minutes of June 8, 2016 as amended.

Vote: Motion Passed – 6 ayes/1 nay (Matchett)/0 abstentions

2. June 2, 2016 Special Meeting/Work Session

MOTION: (Siu Poon/Tom Brennan) Approve the Special Meeting/Work Session Minutes of June 2, 2016 as edited by Frank Walsh and Nick Mahabir.

Vote: Motion Passed – 6 ayes/1 nay (Matchett)/0 abstentions

D. OFFICER REPORTS

1. Nick Mahabir requested that the Board approve as a permanent resource the email that he sent to Management and Board members concerning operations of the community. It was noted that the email has not been vetted by the Board and has some inconsistencies. It was noted that the email provided information that could be useful in the future, but did not need to be an official document.

MOTION: (Nick Mahabir/Frank Walsh) Adopt the email sent to Management identified as Item D3, Section 3 of the Special Meeting/Work Session Minutes of June 2, 2016, as a permanent part of Management's strategy for managing the community.

Vote: Motion Failed – 3 ayes/3 nays (Matchett, Lee, Brennan)/1 abstention (Donthi)

E. COMMITTEE REPORTS

1. Architectural Review Committee (ARC)

Robert Love reported that the ARC had one (1) outstanding application for a shed in the backyard of a townhouse for storing kayaks. Mr. Love noted that the units directly beside the townhouse are renters and cannot sign the ARC Application. The Board noted that as long as the shed follows the Architectural Guidelines that the application should be approved.

The ARC has approved applications for solar panels, a fence, and a shed.

2. Enforcement Committee

There was no report from the Enforcement Committee.

3. Social Committee

Siu Poon noted that the pool party scheduled for July 4th was cancelled due to the weather. There was no cost to the community as nothing had been purchased for the party.

The Annual Picnic for FHCA will be held on September 3, 2016.

4. Pool Committee

Tom Brennan suggested that the Board should revive the Pool Committee and that he is willing to be a member of the committee. Harry Matchett, Sherry Lee, and Frank Walsh agreed to also be on the committee.

Harry Matchett stated that he had noticed that the baby pool was overflowing, and there is rust above one (1) of the in pool lights by the diving boards.

Management will check on these issues.

F. MANAGEMENT REPORT

1. Financial Summary

Management noted that the financial reports for the end of May have been completed. The financial reports for the fiscal year ending June 30th have not yet been completed.

Management reported that the Association collected \$65,871.97 in combined income for the month of May. The operating expenses for the month were \$40,629.84 for a net gain of \$25,242.13. The reserve contribution was made for May and June.

Management stated that IKO has hired a new Accounting Manager with twenty-five (25) years' experience in community management.

2. Delinquent Accounts Summary

Management noted that letters were sent to homeowners regarding removal of the numbers for assigned parking spaces due to delinquent accounts. It was noted that the Association collected at least \$18,000.00 over the budgeted collection amount in May due in part to these letters.

3. Pool Key Fobs

Management noted that 1,800 key fobs have been given out for pool access. It was noted by Management and the Board that this number seems high. The Board requested that Management try to provide more information on the distribution of key fobs.

4. Open Invoices

Management reported that the only outstanding payable is the large legal bill from Whiteford, Taylor & Preston. Management noted that an itemized bill was received from Whiteford, Taylor & Preston which still states that FHCA still owes about \$10,000.00 for CCOC related items. It was suggested that the Board authorize Tom Brennan to talk directly to Whiteford, Taylor & Preston to work toward resolving the issues of the outstanding invoice.

MOTION: (Nick Mahabir/Siu Poon) Authorize Tom Brennan, President of the FHCA Board of Directors, to contact Whiteford, Taylor & Preston to discuss and work toward a resolution of the outstanding invoice and report back to the Board at the next Board Meeting.

Vote: Motion Passed – 5 ayes/2 nays (Walsh/Matchett)/0 abstentions

Harry Matchett suggested that Management let the auditors know about the disputed legal bill.

5. Fountain Service Agreement

Management provided the Board with a revised contract with Lake Solitude for fountain service with a shortened contract term from May through October and any repair work that may be needed will be provided as a written proposal for the Board's approval.

The Board noted that there are still inconsistencies in the fountain contract over the monthly costs for service. Management will contact Lake Solitude to discuss this matter.

The contract also includes a cost for storing the fountain over the winter at Lake Solitude's facility. It was suggested that the fountains be stored at the pool house over the winter to avoid incurring the storage fee.

6. Knoble Repair Work Update

Management is trying to set up date for re-inspection of the concrete work when both Frank Walsh and Harry Matchett are available. Management will set up a time for re-inspection on a Monday, Wednesday or Friday from 7:00 to 9:00 a.m. in the next two weeks.

7. Community Bridge Repair Update

Management noted that Gardener's did a semi-permanent repair of the bridge with plywood, but the fix is not holding up. Management noted that the original price of the proposal was \$1,100.00. Management discussed the repair with Gardener's who reduced the cost to \$750.00.

The Board requested that Management provide proposals for a permanent repair and replacement of the bridge. It was noted that the two (2) bridges are not included in the Reserve Study.

8. Landscaping/Tree Assessment

Management suggested that the Board look into a tree assessment for the community. This assessment includes a map and prioritization as to removal of dead trees, especially if they are considered a hazard. Management quoted an approximate cost of \$500.00 to \$1,000.00 for a tree assessment.

It was noted that some of the dead trees in the single family homes are County trees and the County should be notified.

Management also noted that a proposal has been received from D&A Dunlevy for removal of the eight (8) holly trees on the island of Harmony Woods Lane for \$600.00. It was noted that these trees do not represent any danger and are only an eyesore.

MOTION: (Tom Brennan/Siu Poon) Authorize Management to spend no more than \$1,000.00 for a tree assessment.

Vote: Motion Failed – 3 ayes/3 nays (Donthi, Matchett, Walsh)/1 abstention (Lee)

The Board suggested that Management ask Dunlevy for the cost for a tree assessment of the community.

9. Pool Repairs

The Board discussed the pool repairs suggested by Phil Carter, CPS.

MOTION: (Tom Brennan/Siu Poon) Accept the suggested repairs from CPS for \$250.00 to remove the life guard chair and cap the holes in the deck, and \$400.00 to fix the cement anchor for the pool ladder.

Vote: Motion Passed – 6 ayes/1 nay (Matchett)/0 abstentions

G. HOMEOWNER FORUM

1. David Holtzman noted that there is a class action suit regarding the towing practices of G&G Towing. Many associations, in particular those who were contracted with G&G Towing through early 2016, have been named as defendants.

Mr. Holtzman also noted that condominium homeowners received erroneous notices of balances due. Mr. Holtzman thinks that this error occurred somewhere between Management, banks, or previous management company and asked that this issue be avoided moving forward.

2. Robert Love noted that homeowners should be asked to provide input on trees that are on common property.

Mr. Love also inquired if the CCOC case has been resolved. The Board noted that this case is closed. Mr. Love also suggested that the legal fees be replaced from the reserves. Mr. Love also inquired as to how 1,800 pol passes were sent out.

3. JoAnn Windsor noted that the Wax Begonias that were planted are beautiful. Ms. Windsor noted that a statement should be made to the community about the closure of the CCOC case.

Ms. Windsor also inquired about the status of email blasts to homeowners. Management noted that it is being worked on.

4. Ashok Segiv noted his concerns regarding delinquent accounts and suggested using a collection agency instead of an attorney for collecting on delinquent accounts.

Management noted that the Association is doing everything legally possible to collect on delinquent accounts.

5. Hari Donthi inquired whether the Board of Directors' email address on the website should be retained, noting that messages to this address go to all Board members as well as Management. It was noted that individual Board members can have their email removed from the Board of Director email group.
6. Harry Matchett noted that his wife inquired as to why there is furniture stacked at the pool and what is to be done with it. Management noted that this matter is being worked on.

H. CLOSED MEETING

MOTION: (Siu Poon/Sherry Lee) Move into Closed Meeting at 9:30 p.m.

Vote: Motion Passed - 4 ayes/3 nays (Mahabir, Matchett, Brennan)/0 abstentions

I. RESULTS OF THE CLOSED MEETING

The Board approved the June 2, 2016 Closed Meeting Minutes, discussed pool staffing issues, and discussed the status of elimination of assigned parking spots on delinquent accounts.

J. ADJOURNMENT

MOTION: (Tom Brennan/Siu Poon) Adjourn the Board of Directors Meeting and the Closed Meeting at 10:03 p.m.

Vote: Motion Passed – Unanimous