

Corrected as approved on June 5, 2014

**Fountain Hills Community Association
Board of Directors Meeting
March 6, 2014**

The Board of Directors of Fountain Hills Community Association held a Board of Directors Meeting at the Upcounty Regional Services Center on Thursday, March 6, 2014 at 7:30 p.m.

Board Members Present:

Jackie Arnold, President
Nicom Mahabir, Vice President
Harry Matchett, Treasurer
Hari Donti, Secretary
Tom Brennan, Director
Steven Muse, Director
Frank Walsh, Director

Also Present:

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

Homeowners Present:

Vernard McBeth, 13108 Lake Geneva Way

A. CALL TO ORDER

The March Board of Directors Meeting was called to order at 7:33 p.m. by Jackie Arnold.

B. BOARD MEMBER RESIGNATION

Nicolm Mahabir noted that he had sent in a letter of resignation as Vice President of the Board of Directors to Management. After talking with several other Board members, Mr. Mahabir stated that he has withdrawn his resignation. Steven Muse noted that he would be in favor of Mr. Mahabir's resignation in light of his involvement with the CCOC case.

C. HOMEOWNER OPEN FORUM

1. Vernard McBeth, 13108 Lake Geneva Way, inquired about his request that the Board rescind his violation. Jackie Arnold stated that according to the Declaration of Covenants for the Association, a Hearing cannot be requested until the third (3rd) violation when a fine can be levied. As a Hearing was already conducted, Ms. Arnold inquired if the Board wanted to reconsider their previous motion to not rescind the violation.

MOTION: (Steven Muse/Jackie Arnold) Rescind the violation letter.

Frank Walsh noted that this matter should be taken up under Closed Meeting. Niclom Mahabir inquired about the letter that Mr. McBeth received from the CCOC

concerning evidence of the violation. It was noted that Mr. McBeth was uncomfortable sending that letter to the whole Board, so Mr. McBeth read the letter to the Board that stated that evidence would include a photo or a witness to the violation.

Vote: Motion Failed - 1 aye (Muse)/5 nays/1 abstention (Walsh)

Mr. McBeth also inquired how long the Association would continue with the CCOC case, as he considers the first (1st) proposed resolution to have been reasonable; if this had been agreed to, the Association could have avoided spending all the money on this case. Mr. McBeth felt the second (2nd) proposed resolution was onerous. Mr. McBeth stated he is still willing to sit down with the complainants and the lawyer to discuss an agreement.

2. Steven Muse, Board Member noted that the Board has not received the total of attorney fees incurred to the Association. Mr. Muse stated that the Association should stop payments to the attorney until the Board can see the breakdown of these costs.

Mr. Muse noted that there has been no answer from Management on who will cover the legal fees incurred by Management's contact with the attorney without Board authorization.

Mr. Muse noted that he has still not been given a Fountain Hills email address for Board business. Mr. Muse stated he will no longer accept Board emails on his personal email address.

Mr. Muse also inquired about the resignation of Niclom Mahabir as he was not informed of this matter.

Mr. Muse noted that he has not received an explanation for the website being down; neither has he received an explanation as to why the community was not informed.

Mr. Muse noted his concerns that Management has stated that it will take an additional five (5) days to send out notifications of violations. Harry Matchett stated that this matter will be discussed under Committee Reports.

3. Tom Brennan, Board Member, noted that Dunlevy has been doing an extremely poor job with snow removal in the community. Mr. Brennan noted that some areas were not cleared of snow, and there seems to be considerable damage to sidewalks and asphalt from the plows. Mr. Brennan suggested that a representative from Dunlevy come discuss this matter with the Board in April.

4. Harry Matchett, Board Member, noted that the water drain by 13219 Lake Geneva Way was missing. Vernard McBeth noted that the water drain by 13108 Lake Geneva Way was also missing.

D. MINUTES

1. February 6, 2014 Board of Directors Meeting Minutes

MOTION: (Hari Donti/Steven Muse) Accept the minutes of February 6, 2014 as edited by Frank Walsh and Harry Matchett.

Vote: Motion Passed - 6 ayes/0 nays/1 abstention (Arnold)

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E. COMMITTEE REPORTS

1. Notice of Meetings

Steven Muse noted that the process of notifying the community of meetings has not been satisfactory. Mr. Muse noted that the meeting of the Condominium Advisory Council did not follow the HOA's By-Laws and that the neighborhood advisory councils should not act as though there are no rules and regulation to follow. Mr. Muse quoted that Article IV, Section 4, under Notice of Meetings, which states "that a notice of a meeting should be mailed at least ten (10) days before a meeting." The By-Laws also state that the Neighborhood Advisory Councils are to follow the HOA rules. Therefore, the meeting of the Condominium Advisory Council should not have taken place in December without proper notice, even with an electronic vote.

2. Web/Newsletter Committee

It was noted that Danial Magid has stated his interest in being on the Web/Newsletter Committee.

MOTION: (Jackie Arnold/Harry Matchett) Appoint Danial Magid to the Web/Newsletter Committee.

Vote: Motion Passed - Unanimous

Steven Muse stated that he was interested in being Chair of the Web/Newsletter Committee. The Board noted that they could appoint Mr. Muse to the Committee, but the Committee is responsible for choosing its Chair.

MOTION: (Tom Brennan/Hari Donthi) Appoint Steven Muse to the web/Newsletter Committee.

Vote: Motion Passed - 6 ayes/0 nays/1 abstention (Mahabir)

3. Enforcement Committee

Harry Matchett stated that Management had notified him that it would take up to five (5) business days to mail out violations. Before violation notices can be sent out, Management needs to confirm the owner's address; this process is subject to staff availability. Management stated that the addresses are always verified against the database, to ensure they are using the most current information. Mr. Matchett suggested that the Enforcement Committee could send violation notices directly to the address listed on the violation. Management could then check the ownership of the address and only send out the violation notices to homeowners whose properties are listed as being rented.

MOTION: (Harry Matchett/Steven Muse) The Enforcement Committee chair or liaison mails out the violation notices initially and the process continues with Management who will only send notices to homeowners that have renters.

Mr. Matchett noted that he keeps an inspection sheet that keeps track of the number of violations a property has received. Mr. Matchett stated that he is willing to

send out the violation notices and be reimbursed for postage. Management will provide envelopes with a Fountain Hills return address.

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Vote: Motion Passed - 4 ayes/1 nay (Tom Brennan)/2 abstentions (Mahabir/Walsh)

F. MANAGEMENT REPORT

1. Alternate Board of Directors Meeting Date for July 2014

Management noted that the regular scheduled meeting for July falls on a day when Management will be closed for the 4th of July holiday. Management suggested holding the meeting on July 1st. The Board tentatively agreed to hold the meeting on July 1st, provided a meeting room is available.

2. ARC Application for 13211 Autumn Mist Circle

Management provided the Board with an ARC Application from 13211 Autumn Mist Circle for replacement of deck floorboards and railing caps, and stained to match the existing deck.

MOTION: (Jackie Arnold/Hari Donti) Approve the ARC Application from 13211 Autumn Mist Circle for replacement of deck floorboards and railing caps, and stained to match the existing deck.

Vote: Motion Passed - 6 ayes/0 nays/1 abstention (Walsh)

3. ARC Application for 13211 Autumn Mist Circle

Management provided the Board with an ARC Application from 13211 Autumn Mist Circle for moving the back fence out three (3) feet and installing a patio using 12" x 12" pavers.

MOTION: (Tom Brennan/Harry Matchett) Approve the ARC Application for 13211 Autumn Mist Circle for moving of fence and installation of a patio.

Vote: Motion Passed - 6 ayes/0 nays/1 abstention (Walsh)

4. ARC Application for 18835 Porterfield Way

Management received an ARC Application from 18836 Porterfield Way for replacement of siding. The Board noted that the total siding specified would not cover the whole house.

MOTION: (Tom Brennan/Frank Walsh) Request that 18836 Porterfield Way provide more information concerning the ARC Application for replacement of siding:

1. Description of where the siding will be installed
2. Color pictures of the color of the house and the new siding.

Vote: Motion Passed - Unanimous

5. ARC Application for 13213 Lake Geneva Way

Management received an ARC Application from 13213 Lake Geneva Way for

replacement of all windows and doors, with the front door color of Naval Blue. The Board discussed whether to approve the color of the Naval Blue front door.

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MOTION: (Tom Brennan/Frank Walsh) Reject the ARC Application based on the color of the front door being Naval Blue.

Vote: Motion Passed - 4 ayes/3 nays (Arnold, Donti, Muse)/0 abstentions

It was noted that the Board should look at the ARC guidelines for approved colors for front doors. It was also noted that there is no inspection of the property in relation to an ARC Application at this time as the Board is acting as the Architectural Review Committee.

6. FY2015 Draft Budget

Management emailed Board members the draft FY2015 budget for their review and consideration. The Board discussed that, at this time, the draft budget needs to be approved for distribution to homeowners for their review and comment. Homeowners will be mailed a postcard informing them that the draft budget is available on the website; the Board asked Management to make sure that the font on the cards is legible. The Board stated that it needs to be made clear to homeowners that the draft budget is for their review only and that this is not the final budget. Tom Brennan offered to write a notice to homeowners explaining the draft budget.

Harry Matchett noted that he was not comfortable with the description under bad debt expenses and suggested that the second sentence be removed.

Steven Muse stated that he does not agree with the increase for Vanguard Management, due to the quality of work from this past November until now. Management stated that the increase is due to the cost of doing business.

Tom Brennan stated he does not agree with an increase in HOA dues.

It was noted that homeowners are encouraged to attend the April Board meeting to comment on the draft budget and the final budget will be approved at the May Board Meeting.

MOTION: (Jackie Arnold/Hari Donti) Receive the draft FY2015 budget as provided by Management for posting and distribution to community for review and comment with removal of the second sentence under the debt expense explanation.

Vote: Motion Passed - Unanimous

G. CLOSED MEETING

MOTION: (Tom Brennan/Hari Donti) Move into Closed Meeting at 9:28 p.m.

Vote: Motion Passed - Unanimous

H. RESULTS OF THE CLOSED MEETING

The Board discussed the results of court hearing for a delinquent account.

I. ADJOURNMENT

MOTION: (Steve Muse/Hari Donti) Adjourn the Closed Meeting and Board of

Directors Meeting at 9:45 p.m.

Vote: Motion Passed - Unanimous