

Corrected as Amended on 4/5/2012

**Fountain Hills Community Association
Board of Directors Minutes
March 1, 2012**

The Board of Directors of Fountain Hills Community Association held a Board of Directors Meeting at the UpCounty Center on Thursday, March 1, 2012 at 7:30 p.m.

Board Members Present:

Phil Suter, President
Nicolm Mahabir, Vice President
Danial Magid, Treasurer
Frank Walsh, Secretary
Siu Poon, Director
Sue Adamkiewicz, Director

Also Present:

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

Board Member Absent:

Tom Brennan, Director

Homeowners Present:

Milen and Teodora Radomirski, 13509 Hamlet Square Court

A. CALL TO ORDER

The March 2012 Board of Directors Meeting was called to order by Phil Suter at 7:30 p.m.

B. MINUTES

MOTION: (Phil Suter/Siu Poon) Accept the February 2, 2012 Board of Directors Meeting Minutes as edited.

Vote: Motion Passed - Unanimous

C. REPORTS OF OFFICERS AND DIRECTORS

1. Resident Comments

Board President, Phil Suter, received several comments from homeowners. The homeowners have asked that the grounds around the storm drains be better maintained. There are a few dirt areas on Rising Sun Lane that need to have grass planted. There are trees with overgrown roots in that area, making it difficult to grow grass. All Comments involving violations have been forwarded to the Enforcement Committee.

2. Community Maintenance Follow-up

It was mentioned that the County is working on the trees in the area of the single family homes.

Management received an email from Comcast that the exposed wire from the junction box had been removed. Mr. Suter stated that prior to coming to the Board meeting, he noticed that the wire was still present. Management will check on this matter.

It was also noted that the Verizon port is still exposed.

D. COMMITTEE REPORTS

1. Pool Committee

Phil Suter mentioned that there are still twenty-four (24) homeowners that have received pool passes, but do not have completed applications on file. The Board requested that these homeowners be sent a pool pass application to be filled out and the indemnification signed.

2. Enforcement Committee

The Board reviewed the Enforcement Inspection Procedures. Mr. Muse noted that the enforcement procedures did not include any information on the process for imposing and enforcing fines. The Board agreed to add this information to the Enforcement Inspection Procedures.

MOTION: (Phil Suter/Nicolm Mahabir) Accept the changes to the Enforcement Inspection Procedures.

Vote: Motion Passed - Unanimous

3. Website and Newsletter Committee

Phil Suter noted that six hundred sixty-one (661) residents signed up for the community mailing list. Mr. Suter stated that a one-page notice concerning pool passes and the draft FY2013 budget will be mailed to residents and additional information will be posted on the website and in the monthly electronic newsletter.

4. Architectural Review Committee (ARC)

It was noted that there was no ARC approval for the house that repainted its dorrs and shutters purple. The ARC recommended that the homeowner be sent a violation notice requesting that an ARC application be submitted which shows how the house is in compliance with the guidelines.

The Architectural Review Committee is establishing a color palette for exterior house colors in the community and reviewing the ARC guidelines and the Application for Architectural Change.

5. Social Committee

The Social Committee is planning a community yard sale to be held on June 2nd. A notice will be sent out to residents in April asking for volunteers. Nicolm Mahabir

mentioned that he will contact the Salvation Army to request that they establish a donation site in the community that day. Management suggested that a bulk trash pick-up be scheduled for the following Monday. It was suggested that a bake sale could be held along with the yard sale.

The annual community picnic will be held on September 22nd.

E. HOMEOWNERS OPEN FORUM

1. Teodora Radomirski, 13509 Hamlet Square Court, noted that people are not cleaning up after their dogs by the playground and soccer field. The Board noted that these areas are County property, so the community has no enforcement authority in these areas. It was suggested that homeowners call the County to report this matter.

The Board noted that it is a County law that dogs are to be on a leash. Management can send a violation letter to the homeowner, but residents can also contact the County about dogs not on a leash.

Ms. Radomirski also noted that fireworks had been set off behind Hamlet Square Court. Management stated that residents should call 911 immediately as fireworks are illegal in Montgomery County.

Milen Radomirski inquired why the Board was discussing changing the pool contractor, as he thinks the pool operations were the best in years, especially the pool manager, Lindsay. The Board will discuss this matter further during the Management Report.

2. Frank Walsh inquired about the handicapped space that was removed and stated that he would not have voted to remove it. Management stated that if the need arises, by State Law, the parking space can be designated for handicapped use again.

F. MANAGEMENT REPORT

1. Review of Terms of Reference for Website and Newsletter Committee

The Board reviewed the Terms of Reference for the Website and Newsletter Committee. Frank Walsh inquired if the community was going to get rid of the paper newsletter. Phil Suter stated that the majority of the homeowners are able to receive information electronically and a paper newsletter could be sent from time to time if the Board chooses. The Board will discuss this matter further at a later time.

MOTION: (Phil Suter/Siu Poon) Approve the Terms of Reference for the Website and Newsletter.

Vote: Motion Passed - Unanimous

The Board agreed to accept Phil Suter as editor of the newsletter and Rick Morris as webmaster.

MOTION: (Siu Poon/Nicolm Mahabir) Approve Phil Suter as newsletter editor and Rick

Vote: Motion Passed - Unanimous

2. Solicitation from Capital Remodeling

The Board heard from several residents stating that they were approached by individuals who identified themselves as representatives from Capital Remodeling who stated they were representing not only Capital Remodeling, but the Fountain Hills Homeowners Association. Phil Suter contacted Capital Remodeling, but did not receive a return call. Mr. Suter wrote a letter to Capital Remodeling Stating that The Fountain Hills Board of Directors has not endorsed Capital Remodeling, or any other businesses, nor given any company permission to represent themselves, their product or services to anyone in the community as "HOA approved".

MOTION: (Phil Suter/Nicolm Mahabir) Accept the letter to Capital Remodeling concerning solicitation in the community as written.

Vote: Motion Passed - Unanimous

3. Pool and Fountain Management Proposals

Management sent out RFPs for pool management and fountain maintenance for 2012 to six (6) pool contractors. Management received proposals from the following five (5) pool contractors: RSV Pools, Inc., Community Pool Service, Inc., Continental Pools Incorporated, AquaSafe Pool Management, Inc., and High Sierra Pools, Inc.

The Board discussed the proposals for 2012 pool season and the pool management by RSV Pools from last summer. It was noted that the pool manager, Lindsay, did a great job and the Board would like to have her back for this summer. The complaints that were noted were the response from Pete Fleming, Pool Supervisor, and the lack of English speaking guards several times during the pool season.

Frank Walsh inquired if another company could be contracted to do the fountains. Management stated that engaging a separate fountain company would be expensive and another pool company may not want to do just the fountains.

MOTION: (Phil Suter) Go with RSV Pools, Inc. for the 2012 pool season, as long as Lindsay is the Pool Manager, if not, go with Community Pools, Inc.

The motion died as it was not seconded.

The Board requested that Management ask Community Pools if they would be willing to do the fountains only.

The Board also requested that Management contact RSV Pools and inquire if Lindsay would be the Pool Management again for Fountain Hills.

The Board tabled the decision on the pool contract and will discuss it further based on the responses from RSV.

4. Pool Pass Application

The Board reviewed the Pool Pass Applications for 2012, which have been sorted into the following groups: New applicants, previous applications, and tenants. The pool pass applications will be placed on the website. Management will draft a one (1) page letter to homeowners stating that the pool pass applications can be found online and any questions concerning the pool applications should be directed to Management. The letter will also include instructions for locating the proposed budget online and note that questions concerning the budget should also be directed to Management. Management will provide the draft letter for the Board's review.

MOTION: (Phil Suter/Nicolm Mahabir) Approve the pool pass applications as edited for placement on the website.

Vote: Motion Passed - Unanimous

5. Seal Coating and Striping

Management provided the Board with proposals for seal coating and striping of parking lots in the community from O'Leary Asphalt for \$47,488.00, Brothers Paving for \$44,119.00, and Dominion Paving for \$42,266.00. Management noted that the parking lots were last sealed and re-striped in 2007, and they should be done every five (5) years. The project will be done in two (2) phases: Phase I in the spring of 2012 and Phase II in late summer. This project will be paid for from Reserves.

MOTION: (Siu Poon/Phil Suter) Accept the proposal from O'Leary Asphalt for seal coating and striping from O'Leary Asphalt with payment to come from the Reserves.

Vote: Motion Passed - Unanimous

6. Draft Parking Policy

Management provided the Board with a copy of the draft parking policy for their review. This policy will set forth guidelines to deal with junk vehicles, stored vehicles, trucks, and trailers.

MOTION: (Phil Suter/Frank Walsh) Accept the draft policy resolution for Parking and Storage of Vehicles as edited.

Vote: Motion Passed - Unanimous

7. Draft FY2013 Budget (July 1, 2012 to June 30, 2013)

Management provided the draft FY2013 budget to the Board for their review. The draft budget reflects an increase of 3.03% in general assessments over 2012. The monthly assessment for single family homes and village homes would increase to \$47.60. The monthly assessment for town homes would increase to a total of \$78.60; this amount is the regular monthly assessment of \$47.60 plus a supplemental assessment of \$31.00. The condominium monthly assessment would increase to \$41.91. The Board discussed

funded from the reserves and inform homeowners that, according to the 2011 reserve study, the reserves should be increased.

MOTION: (Phil Suter/Siu Poon) Approve the FY2013 draft budget for distribution to homeowners.

Vote: Motion Passed - Unanimous

8. Homeowner versus Association Trees

The Board mentioned that there had been some confusion over the ownership of trees located near a homeowner's house that needed trimming: This particular tree is a community tree and thus will be trimmed back by the community. The Board requested that an inspection of trees in the whole community be undertaken to identify those that are hitting houses so they can be trimmed ASAP.

9. Write-off of Bad Debt

Management provided the Board with six (6) collection matters where the homeowners have filed for Chapter 7 bankruptcy. In each case, the amounts owed the Association prior to the filing date are not collectible and must be written off as bad debt.

MOTION: (Phil Suter/Siu Poon) In accordance with court order write-off as bad debt the amount of \$962.90 for 13420 Fountain Club Drive, \$1,689.17 for 18815 Sparkling Water Drive, Unit C, and \$5,335.30 for 13510 Lake Geneva Way, \$2,171.90 for 13523 Niagara Falls Court, \$437.12 for 13506 Rising Sun Lane, and \$203.20 for 18761 Harmony Woods Lane.

Vote: Motion Passed - Unanimous

10. Request for Waiver from 13101 Lake Geneva Way

The homeowner of 13101 Lake Geneva Way sent written correspondence requesting a waiver of the Notice of Intent fee of \$45.00 and the Posting of NICL of \$96.50 for a total of \$141.50 assessed to the account. These fees are hard costs to the community.

MOTION: (Phil Suter/Frank Walsh) Deny the request from 13101 Lake Geneva Way for the waiver of the Notice of Intent fee and the posting of the NICL fee.

Vote: Motion Passed - Unanimous

11. Federal and State Tax Returns

Management provided the Board the Federal and State Tax returns filed by the Association's auditor, Goldklang Group. The Federal Tax refund is \$1,065.00 and the State Tax refund is \$944.00. Management recommends that these funds be applied to next year's taxes.

MOTION: (Siu Poon/Phil Suter) Apply the refund from the State and Federal Tax returns into next year.

Vote: Motion Passed - Unanimous

12. Draft Audit

Management provided the Board with the 2011/2010 draft audit from Goldklang Group.

MOTION: (Phil Suter/Danial Magid) Accept the 2011/2010 draft audit from Goldklang Group.

Vote: Motion Passed - Unanimous

13. Request for Pay Raise from Recording Secretary

Management provided the Board with a written request from the current Recording Secretary for monthly pay increase to \$150.00 from \$140.00.

MOTION: (Phil Suter/Siu Poon) Approve the pay raise for the Recording Secretary of \$150.00 per month starting July 1, 2012.

Vote: Motion Passed

14. Letter from 19000 Noble Oak

Management provided the Board with correspondence from the homeowner of 19000 Noble Oak Drive expressing displeasure over the violation notice concerning storage of a trash can beside the house. The homeowner requested that the Association spend more time addressing the issues of residents letting their dogs off leash and rude homeowners. The Board stated that the trash cans may have been stored on the side of the house in the past, but that did not make it in compliance with the rules of the community. In addition, numerous homeowners have been cited for improper storage of trash and recycle bins, and the violation is being consistently enforced across the entire community.

G. UNFINISHED BUSINESS

1. Violation Stickers

Management provided the Board with a sample of the violation stickers that will be placed on trash cans/recycling bins that are left out following pick-up. The stickers will be orange.

2. Concrete Repairs

Phil Suter noted that the homeowners by Little Star Lane and Rising Sun Lane are agreeable to having a sidewalk installed in that area. It was noted that there are other areas in the community, especially on Lake Geneva Way, where the concrete sidewalks are a trip hazard. The Board requested that Management combine all the concrete work into one (1) proposal.

3. Stop Signs

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Management sent a letter to the County requesting installation of stop signs at the exit roads from the community. Management has not received a reply.

4. Risk Assessment

The risk assessment was cancelled due to rain and will need to be rescheduled. Management will work with the insurance company to schedule a new date.

5. Management Contract

Management provided the Board with a copy of the current Management contract. Management requested that the Board review the contract and send any comments to Craig Wilson, Vanguard Management. The Board agreed to tailor the Management Contract to the needs of the Association, but will table discussion of specific changes to the contract until Board member Tom Brennan is present.

MOTION: (Siu Poon/Phil Suter) Tailor the Management contract to the needs of the community.

Vote: Motion Passed - Unanimous

H. ADJOURNMENT

MOTION: (Siu Poon/Phil Suter) Adjourn the Board Meeting at 9:30 p.m.

Vote: Motion Passed - Unanimous