

**POINTE SOUTH MOUNTAIN RESIDENTIAL ASSOCIATION**  
**BOARD OF DIRECTORS MEETING**  
Pointe South Mountain Resort

Meeting Minutes of April 13, 2004

Directors present: Fred Huff, President  
Sunny Lee, Vice President  
Dave Harp, Treasurer  
Kay Hatch, Secretary  
Frank Frangul  
Mike Harris  
Jane Karkosky

City Property Management Company: Renee Gordon, Association Administrator  
Brian Lincks, Vice President

Recording Secretary: Paula A. Ripp

**CALL TO ORDER**

Fred Huff called the meeting to order at 7:08 p.m.

**RATIFICATION OF MINUTES**

The corrections to the March 9, 2004 minutes will be made and forwarded to CPMC.

Mike Harris made a motion, seconded by Frank Frangul, that the following resolution be adopted:

RESOLVED that the minutes of the Board of Directors of the Association held March 9, 2004 is true and accurate record of the meeting and is hereby ratified as corrected.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

**WATER SUBMETERING SYSTEMS**

Tony Rossetti was present to update the Board Members with the water submetering installation and billing.

Tony reported that water consumption decreased by 13%, numerous leaks were eliminated, and all submeters scheduled for installation have been completed.

Tony reported that all remaining billing issues would be resolved by May. The delinquencies are estimated at \$1,800.00.

Mike Harris raised several concerns regarding contractual obligations that have not been met; including, but not limited to insufficient bond, missing reports, damage caused to a wall, and billing credits and billing errors. Mike forwarded the following list to Renee for Tony's response/resolution:

- WSS Contract Violations
  - Only \$50,000 bond instead of \$100,000 provided
  - No Differential Billing on 9 approved by passed motion
  - No Electronic Report
  - Management Report Late by over 3 weeks (required 7 working days from meter read date)
  - Hard Copy Report in Wrong Format (contract requires spreadsheet format like at 1/22/04 meeting)
  - Missing Data
    - No Info on Replaced Submeters
    - No Info on Irrigation Submeters
    - No Info in regards to 1.5% meter accuracy checks
- WSS Errors
  - WSS charged us \$841.35 which equates to 213 billings, but we have only 202 in the submeter billing program for the first quarter which equates to \$797.90
  - Late fee is \$10 by contract, not \$15 as shown on bills
  - Payment is not late until after 25 days from billing by contract, not March 25 as shown on bills
  - All bills were wrong
    - WSS used new rates which did not become effective until March 3
      - WSS used new water rates of \$1.30, instead of \$1.26
      - WSS used new environmental water surcharge rate of \$0.14, instead of \$0.11
    - WSS did not take 10% off sewer charges before splitting in the case of those sharing with a cul-de-sac submeter
    - There are multiple other more detailed billing errors
- Other WSS Problems
  - Damaged wall from installation of submeter at 4840 E. Paseo Way (see pictures)
  - High sewer fees in regards to 9228 and 9234 S. 50<sup>th</sup> Street due to WSS problem with cul-de-sac submeter

Note: Eight (8) submeters added prior to March 17. Three (3) submeters added after March 24.

**PAST DOUBLE PAYMENT FOR WATER/SEWER BY HOMEOWNER**

Mike Harris discussed the homeowner of Lot 1884 paying previous years' water bills totaling \$3,494.17.

Mike Harris made a motion that the following resolution be adopted:

RESOLVED to refund the homeowner of Lot 1884 the budgeted amount for 2001, 2002, and 2003 in the amount of \$1716.

The motion was **denied**.

Mike Harris made a motion that the following resolution be adopted:

RESOLVED to let Barry Smith address the Board of Directors.

The motion was **denied**.

**PARKING PLAN**

Frank Frangul explained the parking procedure and homeowners in violation.

Terry Mills was present to explain how the courtesy patrol can enforce the CC&R violations. The courtesy patrol can run license plates for criminal activity or stolen vehicles. The courtesy patrol can not give that information to a private entity.

The courtesy patrol can not issue tickets as the Pointe South Mountain Residential Association is private property; however, the association can fine a homeowner for noncompliance.

The Board of Directors discussed the number of visits by APS per night.

Frank suggested using the courtesy patrol to ticket a vehicle and then have Renee follow up or continue using APS.

The Board of Directors discussed the feasibility of Renee following up with parking violations.

Mike Harris made a motion that the following resolution be adopted:

RESOLVED to give permission to APS to place a boot on a vehicle for violating the CC&Rs parking policy.

The motion was **denied**. Kay and Frank will develop a parking policy for PSMRA.

**ARCHITECTURAL COMMITTEE**

Susie Moore, Chairperson of the Architectural Control Committee, submitted a new plant list for the Court Homes. The ACC has been working with ValleyCrest Landscape Maintenance and their landscape architect.

Brian Lincks asked if the CC&Rs gives the ACC or Board of Directors the right to change the recommended list within the CC&Rs.

Per Mike of ValleyCrest Landscape Maintenance, the **recommended** list can be changed without a majority vote of the homeowners. Brian will review the CC&Rs to determine if the ACC or the Board of Directors can change the recommended list or if a vote of the homeowners is required.

Susie discussed the importance of homeowner maintenance and education of proper maintenance.

Susie reported that the ACC has recognized that the minimum plant requirements for the Court Homes are the same as for a single family home. Since the Court Homes have smaller areas, the ACC recommends changing the minimum requirements.

The Board of Directors would like to obtain a legal opinion to amend the recommended plant and minimum requirements.

The Board of Directors reviewed the landscape plan proposals.

Mike Harris made a motion, seconded by Dave Harp, that the following resolution be adopted:

RESOLVED to terminate Futurescapes Landscaping service effective May 31, 2004. The 30-day termination notice will be mailed on April 29, 2004.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

Jane Karkosky made a motion, seconded by Mike Harris, that the following resolution be adopted:

RESOLVED to contract with ValleyCrest Landscape Maintenance for service effective June 1, 2004.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

Brian suggested making the landscape specifications a part of the actual contract with ValleyCrest.

Renee to have ValleyCrest add to the contract specifications hand pruning and warranty of plant materials.

MANAGEMENT REPORT

Per Mike of ValleyCrest, ValleyCrest provided a detailed list of existing plant material in the Court Homes.

Mike Harris made a motion that the following resolution be adopted:

RESOLVED to expend \$35,000.00 to do all Court Home common area tree maintenance in phases during 2004.

The motion was **denied**.

Mike Harris made a motion, seconded by Jane Karkosky, that the following resolution be adopted:

RESOLVED to let Susie Moore address the Board of Directors.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

Susie reiterated to the Board members the dedication and work Valley Crest has already completed in preparation for servicing the PSMRA.

Renee reported that Prince Electric would be submitting a bid to correct and bring into compliance the ground lights.

Renee will have the glass changed in the lights at the pools to plexiglass.

The Gosnell lights should be completed in two weeks.

The APS contract expires April 30, 2004.

The Board of Directors discussed repainting parking lines on Siesta Street and the Hazel Loop.

Dave Harp made a motion, seconded by Mike Harris, that the following resolution be adopted:

RESOLVED to accept the bid submitted by Franklin Stripping in the amount of \$1,208.85 to paint the curbs red for where parking is not allowed and designate parking spaces with white paint (1 side of street only) on the appropriate sides/areas of the Siesta/51<sup>st</sup> Street/Hazel Loop.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

Brian Lincks explained that CPMC is currently charging a fixed monthly management fee in the amount of \$8,672.25 (\$6463.25 to Common Area + \$2209 to Court Homes) plus various variable administrative costs (office supplies, printing/copies, faxes) based upon usage plus postage. Brian stated the various variable administrative costs have been averaging \$861/month. CPMC will agree to credit all fax charges back to January 1, 2004 and offers a fixed rate for administrative costs in the amount of \$700.00.

Mike Harris made a motion, seconded by Dave Harp, that the following resolution be adopted:

RESOLVED to accept CPMC's offer to charge PSMRA a fixed rate for administrative costs in the amount of \$700.00 and receive credit for all fax charges back to January 1, 2004.

The motion was **denied**.

Dave Harp and Brian Lincks will review the management contract.

The Board of Directors discussed the utilization of the CPMC assistant. Brian reiterated that the assistant is available for up to 40 hours a week to PSMRA.

The Board of Directors discussed the violation process and the language in the violation letters. The violation letters range from warnings to fining a homeowner for noncompliance.

Kay Hatch made a motion, seconded by Jane Karkosky, that the following resolution be adopted:

RESOLVED to accept the three step violation letters to homeowners as presented by CPMC in the April 13, 2004 Board package with the stipulation that severe violations will be handled in a two-step process.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

Futurescapes has determined that there is no irrigation on a portion of 48th Street, thus the reason for not planting the bougainvillea. The irrigation will be corrected and all completed on April 14, 2004.

The Board of Directors discussed the work completed by Futurescapes in the 48th Street and Winston washes. Futurescapes believes they have completed to the best of their ability and requests payment. Renee is to release payment for the work completed.

Jane Karkosky made a motion, seconded by Kay Hatch, that the following resolution be adopted:

RESOLVED to allow a homeowner to address the Board of Directors.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

The homeowner informed the Board members of the coyote problem in the washes and how they make their nesting place in the brush.

Dave Harp made a motion, seconded by Kay Hatch, that the following resolution be adopted:

RESOLVED to reimburse Court Home Reserves \$11,111.95, per check number 326 dated January 13, 2004 due to an accounting error.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

Dave Harp made a motion, seconded by Kay Hatch, that the following resolution be adopted:

RESOLVED that the \$117,338.38 that had been previously moved from retained earnings in May 2003 to the operating reserve be moved back, including interest now totaling \$117,492.83 to the retained earnings.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

Renee submitted homeowner requests to replace awnings at seven locations (8626-1 51<sup>st</sup>, 4824-1 Winston, 4906-2 Siesta, 8841-2 51<sup>st</sup>, 4928-2 Siesta, 8633 51<sup>st</sup>, and 8626-2 51<sup>st</sup>) at a cost of \$295 plus tax for the larger (8'-6") ones and \$238 plus tax for the smaller (6'-6") ones as quoted for the first 2 locations. The Board members discussed the actual need for replacements. Renee relayed that one homeowner requesting a replacement has a palm tree in the rear yard (7<sup>th</sup> location?), which may be causing deterioration of the awning. Renee explained to the homeowner that the palm tree must be removed prior to receiving an awning replacement. Renee relayed that another homeowner (4<sup>th</sup> location) had been previously approved for an upgraded awning and would now like the credit so she can purchase the new awning.

Kay Hatch made a motion, seconded by Sunny Lee, that the following resolution be adopted:

RESOLVED to replace five awnings not to exceed \$2,100.00 plus tax.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

TAXES: CPMC received a tax bill for a parcel that had not been consolidated with the other parcels. Lynn of Ekmark & Ekmark recommends paying the taxes in the amount of \$2,947.99.

There are also two additional tracts along 48th Street that have not been claimed at this point in time. Lynn of Ekmark and Ekmark will send a letter to the appropriate homeowners.

Mike Harris made a motion, seconded by Sunny Lee, that the following resolution be adopted:

RESOLVED to pay the outstanding taxes in the amount of \$2,947.99 for the Monte Way parking lot and to have Lynn of Ekmark & Ekmark draft a letter to the city that the parcel is owned by PSMRA and request consolidation of the parcel.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

ROOFS: Kay and Renee will meet with the vendor to review the current roof leaks and bring the information to the Board for resolution.

The Board of Directors discussed removal of two trees causing wall and foundation damage to homes.

Mike Harris made a motion, seconded by Dave Harp, that the following resolution be adopted:

RESOLVED to accept the bid in the amount of \$1,025.00 to remove two trees and the bid in the amount of \$190.00 to grind the stumps totaling \$1,220.00.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

Mike Harris made a motion, seconded by Frank Frangul, that the following resolution be adopted:

RESOLVED to accept the bid submitted by Ju-Rell in the amount of \$965.00 to kill the mildew, repair the drywall, restore the stucco, texturize, paint and waterproof the exterior with the stipulation that this resolution is approved by Lynn of Ekmark & Ekmark. Note: The Board of Directors would like to obtain a legal opinion from Lynn of Ekmark & Ekmark regarding the precedent being set.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

**NEW BUSINESS**

The Board of Directors discussed an uplifted portion of concrete at 8622-1 51<sup>st</sup> Street being a safety hazard and reviewed the bid submitted by All Cut.

Mike Harris made a motion, seconded by Dave Harp, that the following resolution be adopted:

RESOLVED to accept the bid submitted by All Cut to repair the concrete at 8622-1 51<sup>st</sup> Street due to the safety hazard not to exceed \$300.00.

The motion was carried and resolution adopted by a unanimous affirmative vote.

The Board of Directors discussed a bee-infested tree that was removed near 4810-3 Euclid and the bid submitted by the Beekeeper to remove the hive and repair the wall.

Kay Hatch made a motion, seconded by Dave Harp, that the following resolution be adopted.

RESOLVED to accept the bid submitted by The Beekeeper to remove the beehive and repair the wall in the amount of \$700.00.

The motion was carried and resolution adopted by a majority vote. Mike Harris opposed because the tree hiding/causing the problem belongs to the Court Home owner, not the HOA.

The Board of Directors discussed ownership of the irrigation system outside the association wall near 4720 E. Winston. Renee will obtain a legal opinion from Lynn of Ekmark & Ekmark to clarify ownership of the irrigation system outside the wall near 4720 E. Winston. The issued is table until the legal opinion is obtained.

The Board of Directors discussed the cracked wall near 1515-2 E. Hazel. The homeowner asked when it would be repaired. Per the Board members, the association will repair the wall in accordance with the maintenance plan.

**OLD BUSINESS**

The Board of Directors discussed the purpose of a reminder notice on the 15th of the month. It was suggested that a reminder notice be placed on the mailboxes in April, July, and October.

Mike Harris made a motion, seconded by Dave Harp, that the following resolution be adopted:

RESOLVED to discontinue the reminder notices on the 15th of the month and have a reminder flyer to pay association dues placed on the mailboxes in April, July and October. Additionally, approve the monetary policy and reaffirm the collection policy.

The motion was carried and the resolution adopted by a unanimous affirmative vote.

**TREASURER'S REPORT**

Dave Harp reviewed the financial statement reporting that by year-end the PSMRA will be over budget.

Dave Harp will check on the insurance cost for the Court Homes.

Dave Harp recommends canceling the umbrella policy of \$15,000,000.00 and increasing the Farmer's policy by \$1,000,000.00. The issued is tabled.

**ADJOURNMENT**

There being no further open session matters to discuss, the Board adjourned the meeting at 11:52 p.m.