

**POINTE SOUTH MOUNTAIN RESIDENTIAL ASSOCIATION**  
**BOARD OF DIRECTORS SPECIAL MEETING**  
City Property Management Company

Meeting Minutes of December 13, 2004

Directors present: Kay Hatch, President  
Dave Harp, Treasurer  
Frank Frangul, Secretary  
Mike Harris  
Jane Karkosky (arrived @ approximately 4:15 p.m.)

Directors absent: Sunny Lee, Vice President  
1 open seat as a result of Fred Huff's resignation effective 6/1/04

City Property Management Company: Renee Gordon, Property Manager

Recording Secretary: Barbara A. Hanser

**CALL TO ORDER**

Kay Hatch called the Special Executive Meeting to order at 4:05 p.m.

**MEETING AGENDA**

Kay Hatch announced that Executive Session of the Board members has been called in order to finalize various legal issues, as outlined by the Association attorney.

**ELECTION COMMITTEE & PROCESS**

**MOTION** was made by Kay Hatch that Board ratify the president's appointment of the chairman of the Nominating Committee/Election Committee, and the chairman's appointment of the remaining members of the committee, the election process, and the review of the ballots. The chairman of the Nominating Committee/Election Committee is Frank Frangul, and the other members of the Nominating Committee/Election Committee are Bob Meneely and Jane Meneely, Barbara Hanser, and William Lambrakis. Also, due to safety considerations and the integrity of the balloting process, the only parties counting the ballots shall be the Election Committee. Any member who wishes to review the ballots may review copies of all of the ballots upon providing the Association with written request at least three (3) business days prior to the date for review. This motion is to confirm all of the above matters. Motion was 2<sup>nd</sup> by Dave Harp. Three members voted in favor with Mike Harris voting nay. Motion did not carry due to lack of a quorum majority.

Jane Karkosky arrived.

Above **MOTION** was re-introduced verbatim by Kay Hatch and 2<sup>nd</sup> by Dave Harp. Motion carried with four (4) members voting in favor and Mike Harris voting nay since this was a **retroactive** motion being used as the basis for why Mike Harris was denied access to the vote counting on December 8, 2004.

**INSURANCE DEDUCTIBLE & MOLD**

**MOTION** was made by Kay Hatch that the Board approve the Rules Covering Payment of the Insurance Deductible, Costs of Damage Not Covered by Insurance, and Policy Regarding Mold and Mold Remediation that the Board previously authorized be drafted by the attorney for the Association, and ratify the president's signing of the same. Motion was 2<sup>nd</sup> by Dave Harp. Motion carried with four (4) members voting in favor and Mike Harris voting nay since this was another **retroactive** motion being used to cover up Kay Hatch's mistake of signing and having recorded a document never discussed in open session and approved by the board.

**NOTATION:** Mike Harris stated the mistake should have been corrected as follows:

- Formerly rescinding the unapproved recorded document
- Having the necessary legal opinion discussions in executive session
- Having the necessary **open** session discussions as required by law
- Modifying and approving the resolution based upon the discussions
- Recording a properly discussed, reviewed, and approved resolution

**MONTE WAY POOL PARKING LOT**

**MOTION** was made by Kay Hatch that Board authorizes Ekmark & Ekmark to file whatever legal action is appropriate and necessary to obtain ownership of the Monte Way Pool parking lot (Tract M). Motion was 2<sup>nd</sup> by Dave Harp. Motion carried with all in favor. **NOTATION:** Mike Harris did suggest that a financial dollar limit be set, but the rest of the board members did not wish to set such a limit.

**WATER POOL**

**MOTION** was made by Kay Hatch that Board approve changing the method of billing the 48 single-family attached owners who are not submetered as follows: Because the Declaration specifically allows the Association to vary the amount of assessments charged to owners based on the amount of water usage, commencing January 1, 2005, the Association will reduce the base assessment for the 48 owners to \$86.00 per month. The owners will then receive a separate bill from the water submetering company for the water portion of their assessments. This amount will also be considered part of the assessments for the Association. Motion was 2<sup>nd</sup> by Dave Harp. Motion carried with all in favor. **NOTATION:** Mike agrees with the policy and voted in favor of the above motion, but he disagrees with the number of 48 and stated number is currently 51 owners.

**WATER SUBMETERING CHAIRMAN**

**MOTION** was made by Kay Hatch that Board approves removal of Mike Harris from the position of water submetering chairman and, by this motion, informs Mr. Harris that he is not authorized to trespass onto any lots of owners within the community for performing any Association business. This motion is being taken for liability reasons. Motion was 2<sup>nd</sup> by Dave Harp. Motion carried with four (4) members voting in favor and Mike Harris voting nay. **NOTATION:** Mike Harris has repeatedly informed the board that over 83% of Water Submetering Systems (WSS) bills are in error due to systematic problems in addition to numerous other problems with WSS.

**EXECUTIVE SESSION PROCEDURES**

Kay Hatch stated that all of the above matters involve legal advice from counsel, as they all involve legal issues. Therefore, the Board may not only discuss these matters in Executive Session, but may also vote on these matters in Executive Session. If a matter is an item that can be discussed in Executive Session, it can also be voted on in Executive Session. He stated further that there is no reason to vote on the matter in Open Session.

**ADJOURNMENT**

There being no further business to come before the Board, motion was made by Dave Harp and 2<sup>nd</sup> by Frank Frangul that the meeting be adjourned. Kay Hatch adjourned the meeting at 4:25 p.m.