



Fountain of the Sun Community Assoc. (FOSCA) & Fountain of the Sun Homeowners Assoc. (FOSHA)
Special Board of Directors Meeting Agenda
September 21, 2016 1:00 p.m.
Fountain of the Sun Activity Center
560 South 80th Street Mesa, AZ
Main Ballroom

Call to order – FOSCA President Shima called the meeting to order at 1:00PM.

Roll call - The following Board Members were present: FOSCA: Larry Shima, Harry Gibbens, Francine Miller, Mike Royce, Sheila Buchan, absent: Mike Powell and Jerry Favero. FOSHA: Thomas Parker, Marilyn Block, Sue McMahon and via conference call President George Taylor, Keith Kellen and Ron Heldt. FOSHA Manager Nannette Trolene and FOSCA Manager John Millar were also present.

Approve Agenda - Motion by Director Gibbens, to approve the agenda, seconded by Director Parker. All in favor, the agenda was approved.

President's Report – FOSCA President Larry Shima stated that the purpose of this special meeting was to review the ad hoc Merger Committee report, and to review and vote on the Joint Board Resolution Regarding Intent to Pursue Merger. The agenda, committee report and resolution are available to all in attendance and all in attendance will be given an opportunity to make comments prior to the resolution coming to a vote. He then requested the committee report to be read by Directors Miller and Buchan. After the motion was read President Shima thanked the committee for their efforts noted that the committee was made up of three FOSHA Board members – Tom Parker, Dick Bistodeau and Keith Kellen and three FOSCA Board members – Sheila Buchan, Jerry Favero and Harry Gibbens. He also recognized Keith Hilgendorf who was appointed by the FOSHA Board and served as Chairperson of the Committee and Bob Haggbloom who was appointed by the FOSCA Board.

Community Forum

Lorraine Lane - Palo Verde Way, Q: What advantages this would have for the condominium properties. A: the condominiums would continue to operate as they always have.

Nancy Mitchell - E. Joshua Tree Lane, Q: What about street repair in the condominiums? A: No, the condos would continue to maintain the streets on condominium property.

Ed Zuckerman - S. 78th Place, Q: Is the merger equal for condo owners and homeowners? A: All would continue to be subject to the terms of the 1983 Agreement; FOSHA would assume the role of FOSCA outlined in this agreement.

Jerry McCully - E. Ocotillo Ave., Q: Will street maintenance in all areas be the responsibility of the merged association? A: No, the streets within the condominiums would continue to be maintained by the condominiums. Mr. McCully stated he believes some streets in the condo areas should fall into the merged association's maintenance responsibility.

Raymond Drace - E. Calypso Ave., Q: Will the fees increase for residents of manufactured homes? A: The manufactured homes are a part of FOSHA and will be subject to assessments as determined by the FOSHA Board as permitted by their bylaws. Operating efficiencies should result in economies of scale that will reduce costs for the merged association.

John Focht - S. Eagle Circle, Q: Was consideration given to include all of the condominiums in the merged association? A: No, the varying age of the associations, their level of maintenance and the governing documents precluded this from consideration.

Alan Beigun - E. Desert Trail, Q: Wouldn't the street maintenance in the HOA be unfair to condo owners? A: This inequity would have to be addressed in the plan of merger.

Stu Knapp - E. Deer Circle, Q: How do you address the different assessment rates? A: The rate of assessment for the common area currently maintained by FOSCA is set uniformly for all homes subject to the 1983 agreement.

Audrey Burfiend - S. 76th Place, noted that the inequity felt by the condominium owner's years ago was the reason FOSCA was created by the 1983 Agreement.

Kit McCormick - S. 83rd Way, stated that the annual assessment paid to FOSCA is the same for every resident no matter if they live in a condominium, manufactured or "stick built" home.



President Shima noted that the meeting would continue by reading the Joint Board Resolution Regarding the intent to Pursue Merger and that after the Board members had commented the community would once again have an opportunity to comment. Director Royse read the resolution, President Shima requested each Board member to comment.

Director Royse: Noted that this issue had been researched in the past and the conclusion was drawn that it was not worth pursuing, he encouraged people to read the 1983 Agreement to understand why FOSCA was created.

Director Miller: Stated she felt that this was all moving too fast. Director Miller moved to: "Delay consideration of the resolution for one month." the motion was seconded by Director Royse. President Shima called for a roll call vote regarding the motion to table.

FOSCA: Roll Call Vote: Directors Miller and Royse – Yes, Directors Shima, Buchan and Gibbens – No, the motion failed, 2-3.

FOSHA: Roll Call Vote: Directors Parker, Block, McMahon, Heldt, Taylor and Kellen all voted no - the motion failed 0-6.

Director Buchan: Feels that the merger would be good for the community as a whole.

Director Gibbens: Noted that after working on the merger committee he believes this is worth pursuing and that every effort will be made to inform the community and provide community input throughout the process. He also noted that none of this can occur without a community vote and that this is only the beginning of the process needed to move forward in an orderly fashion that is not dictated by artificial timetables.

President Shima: Stated that he supported moving forward and that he would make every effort to make the process transparent with multiple opportunities for resident input.

President Taylor: Liked the effort to moving a barge and that there was room for all residents to contribute, as more information regarding the merger is gathered he hoped that the majority of residents would be on board so the community could move on to great things in the future.

Director Kellen: Agrees with Director Gibbens that there is much more work to be done but that it is worth the effort.

Director Heldt: Thanked the committee and believes this will be a win for all residents of FOS.

Director Parker: Stated he believes this will bring the community together and vowed to make the entire process transparent.

Director Block: Thanked the committee and believes the merged associations would simplify the management of the community.

Director McMahon: Supports moving forward and encouraged all residents to participate in the process, get the facts and voice their opinions.

FOSHA Manager Trolene: Stated she believes this is an awesome opportunity for the community.

FOSCA Manager Millar: Noted that while this has been studied by previous Boards the current effort is the first time that the concept of merging the two associations is proposed for a vote of the community.

Community Member Comments:

Paul Uster - S. 78th Place, Q: Is the January 1, 2018 date recommended in the committee report set in stone or could it change? **A:** The goal of completing the merger by 1-1-2018 is a suggestion by the ad hoc committee – the effort to pursue the merger will focus on getting things done right and transparency, it will not be governed by an arbitrary timeline.

Kit McCormick - S. 83rd Way, Stated that in her experience while serving on the FOSCA board the organizational chart is a mess, she supports this effort for a more unified community.

Homeowners: Requested that additional information be provided prior to the Community Forums as well as other details about potential cost savings if the merger were approved.

Bob Haggblom - S. Palo Verde Way, Stated that the value to the condominium owners was the cost savings and a central place of service for all residents.

Keith Hilgendorf - E. Dutchman Drive and ad hoc Committee Chair thank all the residents in attendance for coming and that the committee report was a roadmap to the future for Fountain of the Sun.



New Business

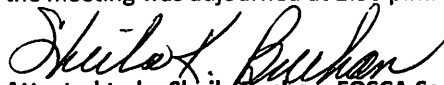
Motion #1 Approve the Joint Board Resolution Regarding Intent To Pursue the Merger of Fountain of the Sun Community Association (FOSCA) and Fountain of the Sun Homeowners Association (FOSHA).


FOSCA: Motion by Director Buchan Second: Director Gibbens, Roll Call Vote: Directors Shima, Buchan and Gibbens – Yea, Director Royse – Nay, Director Miller Abstained. The motion was approved, 3-1 with one abstention.

FOSHA: Motion by Director Parker Second: Director Heldt. Roll Call Vote: Directors Parker, Block, McMahon, Heldt, Taylor and Kellen - The motion was approved 6-0.

President Shima thanked everyone in attendance for attending and requested a motion to adjourn.

Motion was made by Director Parker, Second Director Heldt, Approved by a unanimous vote of both boards the meeting was adjourned at 2:30 p.m.


Attested to by Sheila Buchan, FOSCA Secretary


Attested to by Sue McMahon, FOSHA Secretary
