

CAC Newsletter: Late-August 2020

Upcoming Zoom Call with Residents

The Fairway Villas CAC (“Community Advisory Committee”) & the YMCA (Alex Kennedy) will be hosting another Resident Zoom call, scheduled for **10am Saturday, August 29**. Send any questions you have ahead of time to: schmidt3694@gmail.com.

The CAC has revised the **agenda** for the upcoming Zoom call with residents:

- Comments from Alex Kennedy, Lifestyle Director
- CAC Chair Report
- Discussion of Ebert Metro District issues (following Wednesday special board meeting)
- Discussion of Town Center District issues
- Discussion of Bungalow Owners issues
- Discussion of CAC issues
- Answers to Pre-submitted questions
- Open discussion as time allows (noon cut off)

As you can see, the agenda is aggressive. Prior to the call, the CAC will have had meetings with Town Center board members (and Oakwood) and hosted a meeting between representatives from the bungalow homeowners and Town Center President and District Manager. We hope to provide more details before the Zoom call.

Join 8/29 Resident Zoom Meeting

<https://zoom.us/j/97353217948?pwd=bFBQaWQ2SFQzTIVCVm1MVWZDVVUyZz09>

Meeting ID: 973 5321 7948

Passcode: 811486

One tap mobile - Find your local number: <https://zoom.us/u/accy5uAFsd>

Town Center Metropolitan District (“TCMD”) Issues

Recently, the TCMD board met to discuss several issues that affect the residents of Fairway Villas. The three issues were:

- Status of \$2.9 million returning from GVR East: In the mid-2000s, TCMD borrowed money from Ebert to lend to the new metro district in Green Valley Ranch East (east of Picadilly Road) to help pay for its share of the cost of developing Picadilly Road. GVR East has now repaid that amount to TCMD. Ebert and TCMD are negotiating how much of the money will be returned to Ebert, a discussion that is still ongoing.
- Discussion of maintenance contract with Foothills Facilities Maintenance (Julio): In March, the District Manager (aka Timberline) hired Julio to be the district’s maintenance manager through the newly formed Timberline-owned Foothills Facilities Maintenance company. Timberline was requesting the board to formally approve the contract. However, the CAC (and its finance subcommittee, “FMS”) has been regularly expression our concerns about how the contract was initiated and what it covered. The TCMD board asked the District Manager for a lot more details before approving it, details which the District Manager did not readily have available. The District

Manager had not put the contract out for bid, it had no termination clause, the District Manager had not shared his analysis of potential maintenance savings, and he had not shared any of the details of the contract with the CAC or the board prior to the meeting. The board tentatively approved the contract for further review and discussion at the next board meeting. The District Manager needed to share the task allocation between Foothills and the YMCA (completed and shared with residents in a YMCA newsletter) and share the savings analysis with the board and the CAC (pending), added a 30-day notice to terminate, and put monthly limits on Foothills charges to the sub-districts (FV1, FV2 and the Enclave).

- Discussion of Conveyance of the Lodge from Oakwood Homes to TCMD: The board also extensively discussed the upcoming transfer of the Lodge from the builder, Oakwood Homes, to Town Center Sub-district 4 (FV2, controlled by TCMD). The board approved the transfer, subject to a number of conditions. First, the Lodge must be transferred to TCMD for a nominal fee, which will be a Developer Contribution versus the theoretically repayable Developer Advance previously shown on SD4 financial statements. Oakwood needs to provide a one-year warranty on the building and contents, and Oakwood needs to complete a “punch list” of closing items (with input from the CAC).

Ebert Metropolitan District (“Ebert”) Issues

On Wednesday, Ebert will be holding a Zoom call board meeting. The biggest agenda item is selecting replacements for an existing opening and another that will result from the pending resignation of its current President, FV resident Sandra Hittman. They will then select new officers. It will also provide an update on its newly-formed committees for Landscaping, Communications and Fiscal/Strategic Planning. FV has residents participating on all of those committees.

Sandra has served for over two years as President. She led a task force that refinanced the outstanding bonds used to develop Green Valley Ranch North that led to a significant reduction in taxes and added key reserve accounts for debt service and capital expenditures. She has increased the influence of Ebert over TCMD by renegotiating the inter-governmental agreement. She was involved in the task forces that replaced previous service providers with Westwind and the YMCA, adding better performance measures into their contracts. Under her tenure, Ebert has added a new website, is improving communication and transparency, established three new committees which include many Ebert-area residents and is negotiating with TCMD to add an Ebert member to the TCMD board. She has also helped CAC have more influence with TCMD. We will miss her, and we thank her for her service to our community.

CAC Discussion with TCMD

Members of the CAC and FMS (subcommittee) recently met with two TCMD board members and the SVP of Oakwood (in charge of regional Oakwood-developed amenities, such as the Lodge) to discuss a number of longstanding issues and concerns we and residents have with TCMD and the District Manager. We had sent the group a 9-page memo highlighting our concerns and had links to about 15 attachments with 200-300 pages of invoices, photos, email exchanges and other memos to support and document our concerns. The memo started with: *“The purpose of this communication is driven by our common goals: ensure the best quality and most competent and cost effective performance from our primary service providers.”* We all agreed at the start that we shared this same vision for the community. The CAC is not in a position to request an immediate change in the District Manager responsible for most of our concerns, since the TCMD has that power, and the District Manager is responsible for managing more than just Fairway Villas. However, we did discuss several remedies to address the topic of reducing or eliminating the influence of the current District Manager, remedies that could evolve over the next one to two years.

The memo addressed the following topics and had our proposed remedies for many of them:

- Historically unsatisfactory maintenance, primarily in the Clubhouse;
- Inefficient management of contracts with Westwind and WTS (the predecessor to the YMCA). The CAC sent a recent newsletter outlining the problems related to managing WTS;
- Unfulfilled promises for performance and information;
- Concerns about the Foothills contract (mentioned above);
- Neglecting fiduciary responsibilities (poor cost management and vendor oversight as well as not providing for long term capital reserves in budgeting);
- Transparency concerns with both the District Manager and TCMD; and
- Landscaping issues.

We expressed our significant concerns related to poor communication from TCMD and the District Manager. Examples include:

- No discussion from either on the shutdown impact on the 2020 budget: What money have we saved? What will be the impact on the year-end surplus (likely) or deficit? What will happen to the surplus? Will the surplus and other events affect next year's taxes? These are questions that residents and we have been asking for months with no response.
- What is their thinking on planning for capital reserves? They are reviewing a new Reserve Study, but they had one last year as well. We have no idea how or when they plan to finance the needed reserves, including items that are overdue for correcting.
- We sent them a long list of maintenance issues related to the pools. Some were suggested fixes they could have corrected when the pools were drained last year. Others pointed out our concerns about damage that resulted and which could result from the dehumidifier breakdown last year. We have received little or no response.

We agreed that we needed to meet again soon so that the CAC and the District Manager can start to work out our differences and improve the communication process. TCMD agreed that they could improve their communication, such as by sending a residents information packet prior to future board meetings. I will also likely have the CAC "involved" earlier in the budget setting process, a move that would give us better insight into what is and is not included in the plans so that we can better inform the residents. TCMD asked the CAC to be prepared with a "wish list" of immediate things we could change, and we will likely see a similar list from the District Manager for us. Our goal is for "them" to be more proactive in dealing with maintenance and other issues and less reactive.

Bungalow Residents Issues

The bungalow owners have similar communication issues surrounding the fees that they pay for snow removal and landscaping. A group of them met with the TCMD President and the District Manager in January to share their concerns about billing for the fees, snow removal policies and a definition of the scope of services they should expect for their fees. The changes to the snow removal policies worked fairly well. TCMD made some minor changes to the billing and processing of fees, but that process still costs too much. They are still waiting to see the detailed scope of services.

The CAC has arranged for a second meeting later this week to continue the discussion. Again, they do not have sufficient information to determine whether or not TCMD will need to raise their fees again next year. TCMD and the District Manager need to update the group on projected fee revenues as well as their expected service costs for the balance of the year.

Changes to Bylaws

On the last Zoom call on August 8, residents voted to have the CAC draft a series of changes to its Bylaws to permit voting by electronic ballots and/or by voice vote at resident meetings and have those

changes presented on the August 29 call. However, any vote on any changes would not be valid without using the only method permitted in the Bylaws, that being voting by mailed ballots to all residents. The whole point of changing them now was to accommodate a proposed electronic vote this month. But since we had three candidates for two full members and one alternate, the CAC deemed an election not necessary, in keeping with past practice in prior elections.

The CAC did not wish to rush through the drafting of any changes. Rather, it will likely form a revision committee with residents to draft a series of proposed changes and follow the existing rules as closely as possible and with due deliberation.