

anthem

community council

Meeting of the Board of Directors
May 25, 2016
OPEN SESSION at 6:30 p.m.
Anthem Civic Building
3701 W. Anthem Way

MEETING MINUTES

Members Present:

Ryan Halleran – President
Roger Willis – Vice President
John Balzer – Secretary
Bob McKenzie – Treasurer
Terry Mullarkey – Director

Members Absent:

Tim Fyke
Rick Kesselman

Others Present:

Neal Shearer, Community Operations Officer
Kevin Shaffer, Community Center Director
Michele DeMichele, Special Events & ACB Operations Director
Kristi Northcutt, Communications Director
Jim Metcalf, Parks and Facilities Director
Natalie Beryozkin, Controller
Tammy Tollefson, Recording Secretary

CALL TO ORDER

The Open Session of the Anthem Community Council (ACC) was called to order at 6:32 pm.

ESTABLISH QUORUM

President Halleran established a Quorum with five Board members present.

ADOPT AGENDA

Treasurer McKenzie made a motion to adopt the agenda. Secretary Balzer seconded. Voting took place; the motion passed unanimously.

PRESENTATION/AWARDS/ANNOUNCEMENTS

A. Thank You to Outgoing Board Member Linder

President Halleran thanked Rob Linder for his service to Anthem.

B. Introduction and Seating of New Board Member Mr. Terry Mullarkey

President Halleran introduced the newly appointed Board Member, Mr. Terry Mullarkey representing Parkside.

STAFF COMMUNICATIONS/REPORTS

Mr. Shearer summarized the staff report and shared the following:

- May 27: Arizona Moonshine Band will be playing from 7-9 p.m. in the Community Park Amphitheater. Due to the first concert rainout, Butta Burger, Comfort Cravings, Queso Good and Satay Hut will be on site for the final concert.
- May 28: Big Splash Water Park opens for full summer hoursthru August 7 – we hired 65 of the best and brightest youth from Anthem and the surrounding area to be lifeguards for the summer. We also completed hiring and orientation for our summer camp counselors who are equally dedicated and talented. Our popular summer camps are booked once again this year.
- May 30: Memorial Day Ceremony, 10 a.m., Anthem Veterans Memorial. The keynote address will be delivered by Cmdr. Bill Krissoff, a surgeon who entered the Navy at the age of 61, upon learning of his Marine son's death in Iraq. His desire was to honor his son's memory by being on the front lines to help save lives. Visitors will have an easier time finding the Veterans Memorial with the new signs on I-17, Anthem Way and Gavilan Peak – courtesy of ADOT and MCDOT.

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- The ACC will be observing holiday hours this weekend. The Anthem Civic Building will be closed on Saturday and on Monday for the Memorial Day weekend; the Community Center hours for Memorial Day will be 7 a.m. – 7 p.m., with the pool open from 7 a.m. to 6:30 p.m., and the water park open from 10 a.m. to 6:30 p.m.
- June 1: Teen Summer Sampler kicks off at the Anthem Civic Building, 1 – 3 p.m.
- June 2, 9, 16: Love and Logic Parenting, 5:30 – 8 p.m., Anthem Civic Building
- June 10: Representative Town Hall, 9 a.m., Anthem Civic Building, always interesting speakers at this event. Representatives June 10 will be from the Arizona Legislative staff, Arizona Game and Fish and the State Land Department.
- June 11: National Anthem auditions (Independence Day), 9 – 11 a.m. Anthem Civic Building. Applications are due this Friday, May 27 by 5 p.m. This Friday is also the last day to submit sponsorship applications for the July 3 event.
- The next Resource Guide will go out around the first of July, and will include Independence Day event details and the fall Activity Guide.
- Park Signs Project: Staff is finalizing language and placement for all new signage in the Community Park and Liberty Bell Park, as well as preparing the signage for Opportunity Way Park. This project is on schedule for completion this summer.
- Anthem Civic Building continues to be a popular venue as Boulder Creek has held the Lady Jags Soccer, Men's Lacrosse and BCHS Student Government banquet events.
- Senior Cinema: More than 60 attendees participated in the inaugural Senior Cinema Wednesday at the Anthem Civic Building on May 18. Given the success of the event, the staff has decided to make this a monthly event, with the next installment slated for June 8.
- New diggers have been installed at the Liberty Bell Park playground.
- Bocce Ball Courts are being tested, with staff adding the finishing touches. First come, first serve.
- Grass conversion on Anthem Way, north of the Community Park was completed this month.
- Opportunity Way Park is taking shape. By mid-next week the night time temperatures will be hot enough to spray the stolon's which are the seedlings for the new Bermuda grass. This project will take about 3 days and the critical grow-in period will run through the end of August. During this time we will be finishing the installation of park furnishings in hopes of opening the new park at a date to be determined in September.
- We expect to have another grand opening late summer/early fall as staff is wrapping up an RFP for the renovation of the south tot lot playground in the Community Park. This planned renovation should get underway this summer with more details to be provided in the coming weeks.

FINANCIAL REPORT

Ms. Beryozkin summarized the Balance Sheet and Income Statement for the Board and reported the following:

- Anthem Council financial performance for April 2016 is trending both favorable to budget and favorable vs. 2015 after four months of operations.
- Financial Statement Review:
 - Net of cash balances due to our HOA partners, the ACC has \$3.1 million in operating cash.
 - Our adjusted Reserve Fund balances at \$12.6 million continues to remain in excess of 109% fully funded against our 2013 independent Reserve Study. 2016 spending is estimated at \$790,000 which includes approximately \$230,000 carried over from 2015 to complete selected reserve projects. The bulk of this reserve spend will be accomplished within the next four months.
 - Collections and Accounts Receivable balances continue to trend positively. As of the close of April, total community open receivables are at \$1.7 million, which is \$200,000 below April, 2015. Presently, 2,000 owners have signed up for the ACH Direct Deposit program. Amounts due from current and prior owners in excess of 1 year old have declined \$500,000 since last April, due to strong collection efforts.
 - YTD Enhancement funding is 18% above 2015 and 24% above budget, with 287 properties transitioned YTD.
 - The Opportunity Way Project continues to be on budget, with approximately \$1.6 million spent to date.
 - Overall revenues YTD are approximately 1% over budget and prior year.

- Utilities are performing 11% better than budget and 7% better than 2015, as improved conservation efforts implemented in 2015 are now delivering results.
- All other expense categories are performing at or better than budget and consistent with 2015 YTD comparisons.

Ms. Beryozkin stated that full disclosure financial statements are posted to www.OnlineAtAnthem.com.

OPEN DISCUSSION:

Ron Jerich, resident, inquired about the money saved when cancelling concerts for the Music in May Series. Ms. DeMichele stated no money was saved. Once we have signed the contract and they are set up to play, the bands are paid.

Ron Jerich, voiced his concern about the amplified sound from non-ACC events at the amphitheater, specifically the group that rented in early April that caused noise complaints as well as the condition of the park after the event. Mr. Shearer stated staff shares responsibility for not anticipating the additional clean-up needs as well as the noise issue.

A resident requested improvements to the Hastings Field section of Liberty Bell Park. Mr. Shearer stated that area is problematic due to the construction debris from the developer as well as the substandard irrigation. There was an additional water line added last year to bring more irrigation and get better coverage. On June 20 we will be reseeded with a Bermuda that we hope will fill in the bare spots. We will be closing the area for three to four weeks to allow the grass to grow in.

Ron Jerich inquired about the status of the Community Center Director position. Mr. Shearer stated Mr. Shaffer graciously agreed to stay on longer to help out until a replacement can be found. The ACC has done a nationwide recruitment and we will be hosting the final candidates here in Anthem. Mr. Shearer stated we are excited about the quality of the finalist group and acknowledged Mr. Shaffer for all the work he is doing which allows us to keep services and the Community Center operating.

Kris Madson, resident, requested the park open at 5 a.m. Mr. Shearer stated the park employees comes in at 5 a.m. and open the gates as they make their rounds.

APPROVAL OF MEETING MINUTES

Treasurer McKenzie made a motion to approve the minutes from April 27, 2016 Open Session, May 11, 2016 Special Meeting and May 16, 2016 Special Meeting. Vice President Willis seconded. Voting took place; the motion passed unanimously.

CONSENT AGENDA/ACCEPT COMMITTEE REPORTS:

A. Accept Committee Reports

- 1) Economic Development Committee
 - a. April 26, 2016 Meeting Minutes
 - b. May 4, 2016 Meeting Minutes
- 2) Community Development Planning Committee
 - a. April 12, 2016 Meeting Minutes
- 3) Fiscal and Resource Management Committee
 - a. May 18, 2016 Meeting Minutes
- 4) Utilities Panel
 - a. May 16, 2016 Meeting Minutes

B. Approve Anthem Country Club Community Association Design Guideline Changes

Treasurer McKenzie made a motion to accept the consent agenda. Vice President Willis seconded. Voting took place; the motion passed unanimously.

DISCUSSION OF ITEMS REMOVED FROM THE CONSENT AGENDA: None

COMMITTEE UPDATES AND ACTION ITEMS

A. Utilities Panel

1) Update on Wastewater Rate Case

Vice President Willis stated on April 29, 2016 EPCOR filed a request for new wastewater rates for all five of their wastewater districts with the Arizona Corporation Commission (AzCC). This rate request presents new rate designs under three models, full consolidation of all five districts for ratemaking purposes, standalone by district (which is the current model) and standalone by wastewater system (requiring restructuring of the Agua Fria and Sun City West districts and has no effect on Anthem).

EPCOR proposed and supports full consolidation for many reasons. For Anthem full consolidation results in very favorable wastewater rates initially. The Utilities Panel recommends that Anthem support the full consolidation rate model proposed by EPCOR.

OLD BUSINESS

A. Consider Authorizing Funding for the Anthem Civic Building Roof Repair

At the January 21 Board meeting, the Board authorized staff to take necessary and prudent steps to fix the leaky roof issue for the Anthem Civic Building (ACB), including total replacement of the roofing underlayment and to reuse existing tiles with the option of installing all new tiles. Staff developed a Request for Proposal with detailed specifications and posted on the ACC's website and sent to various roofing companies that had previously expressed an interest in competing for the ACB roofing project.

We received four competitive bids from reputable roofing companies in the Valley. Staff reviewed the bids, taking into consideration a variety of factors to determine which company provided the best overall value. Lyons Roofing submitted the best overall proposal when considering all factors. Mr. Shearer invited a representative from Lyons forward.

Director Mullarkey inquired if the warranty included leak protection for the skylights. Lyons representative stated the flashing are covered, which is what they will be redoing but the actual skylight, the lens, is not.

Director Mullarkey inquired what percentage of tile could be reused. Lyons representative stated about 4000 sq. ft.

Vice President Willis inquired if the underlayment will be thicker than what we have now. Lyons representative stated when this building was built it was common to use one layer, now 2 layers are used.

Treasurer McKenzie made a motion to authorize staff to enter into a contract with Lyons Roofing to provide materials, labor and equipment to replace the roof on the Anthem Civic Building using all new underlayment and concrete tiles pursuant to the specifications and Lyons' proposal; in the amount of \$111,076, plus \$2,475 for optional leak protection for eleven sky lights and additional wood deck repairs, as needed; and to fund this project as an unbudgeted operating expense with available cash on hand. Secretary Balzer seconded. Voting took place; the motion passed unanimously.

NEW BUSINESS

A. Consider Approval of Little League Field #3 Renovation Project

The Anthem Community Park has three baseball fields. Two of the fields, Coleman Field and Field #2, have skinned infields and are regulation size for Little League baseball (ages 12 and under) and girls' softball (ages 5 through high school). Little League #3 is not regulation size for these sports and age groups, as it is too large with a home run distance of approximately 300 feet in the center field, as compared to the recommended 200 feet home run distance that exists in center field at Coleman Field and Little League field #2. Because of the irrigation system set-up and drainage characteristics with the infield, maintenance crews continue to experience challenges watering the grass without overwatering the dirt paths and home plate area. Staff recommends that the Board approve landscape renovation to convert Little League Field #3 to the same dimensions and infield composition as Coleman Field and LL Field #2.

Vice President Willis inquired about the area outside the new fence and if it will be grassed over. Mr. Shearer stated it is currently turf and will remain turf.

Director Mullarkey inquired about the lighting and if staff anticipates any problems. Mr. Shearer stated the lights are adequate and staff does not anticipate the need to move the lights.

President Halleran stated that High Desert Little League has provided the mounds and portable fencing for that field and graciously allows other organizations to use them. He stated they have been a great partner.

Treasurer McKenzie made a motion to approve the proposed landscape project to convert Little League Field #3 to the same dimensions and infield composition as Coleman Field and Little League Field #2. Director Mullarkey seconded. Voting took place; the motion passed unanimously.

B. Consider Discontinuing the C.A.R.E. Program

Creative Academic Recreational Experience (C.A.R.E.) is a long running after school program at the Community Center for age levels kindergarten through sixth grade that runs from the end of the school day to 6 p.m. The program fees typically do not cover program staffing costs and there are safety and liability concerns regarding the use of the vans to transport children. The vans are up for replacement in the 2016 Reserve Schedule, budgeted at \$73,158.

Director Mullarkey inquired if the ACC would be purchasing new vans. Mr. Shearer stated the ACC would like to assess and make a determination on the best use of these vans.

Director Mullarkey made a motion to authorize staff to take necessary and prudent steps to discontinue the Community Center C.A.R.E. program at the end of the 2015/2016 school year and to seek Board approval prior to spending Reserve Funds to replace a Community Center van. Vice President Willis seconded. Voting took place; the motion passed unanimously.

There being no further business to discuss, the meeting adjourned at 8:33 p.m.

Respectfully Submitted,
Tammy Tollefson
On Behalf of the Anthem Community Council Board of Directors