anthem
community council

Meeting of the Board of Directors
May 23, 2018
OPEN SESSION at 6:30 p.m.
Anthem Civic Building
3701 W. Anthem Way
Community Room

MEETING MINUTES

Members Present:
Roger Willis, President
Terry Mullarkey, Vice President
Dino Cotton, Director
Ryan Halleran, Director
Rick Kesselman, Secretary

Members Absent:
Bob McKenzie. Treasurer
John Balzer, Director

Others Present:
Neal Shearer, Community Executive Officer
Doug Greenstein, Community Finance & Operations Officer
Mark Sahl, Legal Counsel
Jonathan Ebertshauser, Legal Counsel
Kristi Northcutt, Communications and Public Affairs Director
Dave Fermoile, Community Center Director
Brian Duncan, Parks & Facilities Director
Dawn Dworak, Management Analyst
Kim Bodary, Recording Secretary

CALL TO ORDER
President Willis called the meeting to order at 6:34 p.m. and recognized those in attendance.

ESTABLISH QUORUM
President Willis established a quorum with five Board members present.

ADOPT AGENDA
Vice President Mullarkey made a motion to adopt the agenda. Director Cotton seconded. Voting took place; the motion passed unanimously.

APPROVAL OF MEETING MINUTES
Vice President Mullarkey made a motion to approve the minutes from the April 25 Open Session. Director Halleran seconded. Voting took place; the motion passed unanimously.

PRESENTATIONS/AWARDS/ANNOUNCEMENTS

A. Recognize Director Halleran for his service on the Board
President Willis thanked outgoing Board member Ryan Halleran for his years of service to Anthem and presented him with a special gift.

B. CivicRec Team Recognition
Mr. Greenstein thanked the CivicRec team for all of their hard work on the new software program that allows for the scheduling of the ACC's programs and amenities. The team consisted of Taylor McCulley, Civic Building Program Manager, who accepted the role as project leader; Jennifer Huddleston, Community Center Administrative Assistant; Kathy Johnson, Accounts Receivable Specialist; Jennifer Chappelle, Accounts Payable Specialist; and Blanche Munnelly, Accountant.

C. 2017 Audit Presentation
Mr. Greenstein thanked the audit team of Brad Enos, Josh Swartzendruber and Mariana Robles. Mr. Greenstein extended the appreciation to the ACC's Finance team, who work every day to make our financial reports accurate

and timely. Special thanks to Kathy Johnson, Accounts Receivable Specialist; Jennifer Chappelle, Accounts Payable Specialist; Blanche Munnelly, Accountant; and Teresa Oorin, Collections Specialist.

Mr. Brad Enos stated that when they look at the ACC financials, they focus on the balance sheet thoroughly, especially accounts receivables, crude expenses and accounts payables. Mr. Enos further stated when Mansperger Patterson & McMullin (auditors) visited the ACC in March of 2018, they were able to review bills and expenses from January and February, to make sure they were in the correct month and year. The auditors also confirm all cash investments with the banks, and Mr. Enos stated that Anthem is in a very strong position from a financial perspective, with approximately $20M in cash and investments.

D. Water Rate Case Verbal Update

President Willis gave an update on the EPCOR water rate case. The hearings have been delayed for two months, so residents still have time to submit their comments. Vice President Mullarkey suggested residents comment on the way EPCOR has the distribution laid out over five years, and to vote in favor of the consolidation.

E. June Board Meeting

President Willis stated the main focus of the June Board meeting would be choosing the location of the dog park.

STAFF REPORT

Mr. Shearer provided the following summary staff report from what was posted online:

- This Saturday, May 26, Big Splash Water Park opens for the summer. Through the teamwork of Aquatics Manager Desi Valdivia and HR Manager Sheryl Brown, we have a fully trained, 5-star rated lifeguard staff awaiting the arrival of residents and their guests. Under Lead Pool Tech Aaron Brown, pool techs completed acid washing the entire water park and painting the water features. The bearings in the Red Bucket were replaced, which was a huge task that was a team effort between Dave's staff and Brian's staff—most notably Brandon Haile and Milt Lundskow. To round out the water park improvements, a full coat of wax was applied to the slides to ensure a fast ride to splashdown.
- This coming Monday, May 28: Memorial Day Ceremony, 9 a.m., Anthem Veterans Memorial. Staff has been working closely with Daisy Mountain Veterans representatives to plan the Memorial Day Ceremony. Rear Admiral Ron Tucker is the keynote speaker, and the ceremony will feature music from the Arizona Veterans Band and Musical Theater of Anthem.
- May 31: Special ACC Board of Directors Meeting, 6:30 p.m., Civic Building. The Board will interview candidates and consider a replacement for Director Halleran. Recruitment has been underway since the announcement was made at the April meeting. There are four candidates who have filed statements of interest.
- June 5: Summer Teen Series Begins, 1 p.m., Civic Building (continues T/W/Th through Aug. 2). Great lineup of programs like fitness classes, game days, movie days, stargazing, life skills workshops and more. This is a collaborative program among our program managers from the Civic Building and Community Center.
- Also on June 5: Public Safety Roundtable, 2 p.m., Civic Building. There was a report on the news last week about crimes of opportunity in Anthem – criminals are preying on those who leave their vehicles unlocked and rifling through their belongings. They'll try to take the garage door opener from vehicles to enter the garage and even the house, if the inside door is not locked. Please LOCK UP YOUR VEHICLES, keep valuables out of sight and watch out for your neighbors—call 911 to report suspicious activity.
- June 8: Representative Town Hall meeting, 9 a.m., Civic Building. Always an interesting lineup of speakers. Collaboration between New River/Desert Hills Neighborhood Association and the ACC.
- June 9: Java & Jammin', 9:30-11:30 a.m., Civic Building (new Public Art rotation opens). The new exhibit from Sonoran Arts League artists features "Travel and Leisure."
- Community Center is nearly finished! Wrap up and punch list items are underway and final work will involve the landscape restoration in the front of the building. Initial resident feedback has been very positive. Special thanks to Dawn Dworak and Dave Fermoile for their attentive oversight throughout this project, which will be completed within the approved project budget.

- As an encore to the remodel, we are also pleased to report that as part of the 2018 Reserve schedule, we will be adding over two dozen pieces of exercise equipment to the upstairs workout area by the end of June.
- EPCOR Water Hauling Station: Construction is underway and the City of Phoenix has extended the water hauling permits through August 31. Business Services Specialist Tony Smith will continue to monitor site activities.
- Maricopa County: Staff met with Carol Johnson, Maricopa County Director of Planning and Development, to discuss Anthem's upcoming master plan projects and other issues where there would be substantial County involvement. Ms. Johnson has now assigned a specific County liaison to Anthem in order to assist us with future activities.
- Water Rate Case: Staff has been supporting the Utilities Panel in communicating the rate case details to the community. A postcard was sent to all residents east of I-17, encouraging public comments to the Corporation Commission in support of consolidation. A video was also made and posted to social media. Kristi Northcutt attended a Chamber meeting and a Rotary meeting to discuss the case. The hearing start is delayed until July 17 (announced May 10); a decision is not expected until late fall. The delay allows residents time to continue to file public comments. That step-by-step process is on our website.
- Music in May: May 25 is the final Friday for Music in May. Thank you to event sponsors Brightview Landscapes, Prickett Realty and State Farm Insurance-Justin Simons.

FINANCIAL REPORT
Mr. Greenstein summarized the Balance Sheet and Income Statement for the Board. He summarized the financial performance, fund balances and collections activities. He noted that the ACC's monthly financial package has been upgraded to provide additional historical Balance Sheet information, graphs of operating and cost trends and summary variance reporting. The full disclosure financial statements are posted on OnlineAtAnthem.com as part of the documents supporting this open meeting. Mr. Greenstein encouraged all property owners to take the time to become familiar with our financial standing and results.

Mr. Greenstein stated at April's open session meeting, a resident raised concerns as to the ACC's compliance efforts with local businesses, with specific reference to sanitation and visual appeal issues. Mr. Greenstein further informed the Board of the process that Mr. Smith, the ACC Business and Compliance Specialist, does each week to make sure businesses are in compliance.

As for political signs or items on Maricopa County property, Mr. Greenstein stated the ACC has no control over County property but did ask Carol Johnson from Maricopa County, if the ACC could have permission to remove such items and store them for owners to pick up. Maricopa County is working on this request.

OPEN DISCUSSION
Ron Jerich, resident, suggested that a 41st Drive sign be placed in the median on Anthem Way at 41st Drive so that residents can find the businesses on this street.

Mr. Jerich stated he did not agree with Mr. Greenstein's comments regarding nonresidential compliance and President Willis suggested that Mr. Jerich submit photos when he sees a business not in compliance.

CONSENT AGENDA/ACCEPT COMMITTEE REPORTS:

A. ACCEPT COMMITTEE REPORTS

1) Utilities Panel Report

a. May 16, 2018 Meeting Minutes

Director Halleran made a motion to approve the Utilities Panel Report from May 16, 2018. Director Cotton seconded. Voting took place; the motion passed unanimously.

OLD BUSINESS

A. Consider Approval of Final Pickleball Project Design and Construction Budget

Ms. Dworak presented a PowerPoint regarding the status of the proposed pickleball courts.

Vice President Mullarkey inquired about the shade structures and Ms. Dworak stated the structures will be made of steel frames and posts, and have material sales.

Secretary Kesselman inquired about shade coverage and Richard Clutter, from Emc2 Architects Planners, PC, stated the shades would have a double layer fabric that will overlap each other and there will be no gaps.

Secretary Kesselman asked about sun movement in the morning, and Mr. Clutter stated there would be some low angle sun on the tables.

Secretary Kesselman inquired on kiosk storage, and Ms. Dworak stated that the Pickleball group did review the measurements and stated the kiosk storage will work for their items.

Director Cotton inquired about summer and winter Solstice and Mr. Clutter stated he could do some sun modeling to show the angles. Ms. Dworak stated as per the drawing, the shades are not that tall, and Mr. Cotton stated that they need to be more practical and not cosmetic.

Vice President Mullarkey asked if there would be a big difference if there were only eight courts and not ten courts. Gretchen Bender, resident and Vice President of the Anthem Pickleball Club, stated and urged the Board to consider ten courts as they will be used due to the explosive growth of pickleball which continues to increase.

Director Cotton inquired how many courts are needed to hold a tournament, and Ms. Bender stated you need at least ten courts, which will amount to about two hundred players.

Director Cotton inquired on court hours and Mr. Shearer stated they would likely open when the Community Center opens and close at 10 p.m.

Vice President Mullarkey inquired if other cities were repurposing tennis courts for pickleball, and Ms. Bender stated other cities, like Surprise, are starting to repurpose tennis courts. Troy Rudolph, from Elite Sports Builders, stated the issue with repurposing tennis courts is lighting and fencing.

Vice President Mullarkey inquired if tennis is declining, and Ms. Bender stated that tennis has probably reached its peak, but the US tennis organizations have not come out with their player numbers yet. Ms. Bender further stated pickleball is anticipated to be in a growth phase for the next ten to fifteen years.

Vice President Mullarkey inquired if scoreboards are needed for tournament play, and Ms. Bender stated the referee announces the score and they don't usually use scoreboards. Ms. Dworak stated there would be power at the kiosk so when there are big tournaments, they will be able to plug in scoreboards if needed.

Secretary Kesselman inquired if additional courts could be added to the grassy area at a later date, and Ms. Dworak stated yes there is room for two additional courts in that area, subject to drainage requirements.

President Willis inquired about funding and priorities, and Ms. Dworak stated the alternative priorities are listed in the following order of priority: security cameras, site furnishings, custom kiosk and plumbing.

President Willis inquired about sponsorships, and Mr. Shearer stated that the Anthem Pickleball Club did commit to donating five thousand dollars to this project and will continue to help with operating costs. The club will also seek sponsorships to help offset costs.

Secretary Kesselman inquired about naming rights, and Mr. Shearer stated there are naming guidelines for the Board to consider naming any Anthem facility after someone who passed away and was a hero in the Community or an entity who brings forward a substantial financial contribution to a project. The Board would determine if something is financially substantive. The ACC does allow sponsorships for Anthem special events, and staff recognizes this is a sensitive issue and would not do anything regarding this without bringing it back to the Board.

Ron Jerich, resident, stated his concerns regarding pickleball.

Kris Madsen, resident, stated her concerns regarding lighting.

Regarding Mr. Jerich's comment about a different location site, Mr. Shearer stated there is not a lot of land available in Anthem for new facilities, which is a significant challenge; so this site is the best choice.

Regarding Ms. Madsen's lighting comment, Mr. Shearer stated there were many discussions regarding lighting, and that we would be using LED lights, which are very inexpensive to operate, and court lighting will be managed seasonally for all courts.

President Willis stated Opportunity Way Park (OWP) could not be used, as there is no lighting, which would limit the amount of play time. Director Cotton stated there are parking concerns already at OWP, so adding pickleball courts would not work.

Vice President Mullarkey made a motion to authorize staff to proceed with the pickleball court project final design, approve a project budget in the amount of $711,150 for base scope items, plus $114,745 for discretionary scope items 1-4 as itemized on the project budget sheets, and continue with the ten pickleball courts and ask the contactor to get the work done as quickly as possible. Director Kesselman seconded. The motion passed unanimously with four Board members present.

Director Cotton stated for the record that he is not excited about the lighting and the fence.

There being no further business to discuss, the meeting adjourned at 8:24 p.m.

Respectfully Submitted,
Kim Bodary
On Behalf of the Anthem Community Council Board of Directors