



January 7, 2021 at 4PM

Watson Run HOA Fire Alarm Monitoring Meeting

AGENDA

ITEM 1: FRAN CANNON WELCOMES HOMEOWNERS

ITEM 2: WCPAM REVIEWS BACKGROUND ON FIRE ALARM ISSUE

**ITEM 3: WCPAM WILL REVIEW WEBSITE WITH APPLICABLE
INFORMATION**

**ITEM 4: FRAN CANNON WILL REVIEW YARNELL'S INSTALL
SCHEDULE, EXPECTATIONS, & ASSOCIATED COSTS**

**ITEM 5: WCPAM/FRAN CANNON WILL REVIEW SUBMITTED
QUESTIONS**

***HOMEOWNERS MAY SUBMIT QUESTIONS AT:**

<http://www.watsonrunhoa.com/172021-fire-alarm-meeting.html>

ITEM 6: ADJOURNMENT



MEMO

December 4, 2020

To: Watson Run Executive Board

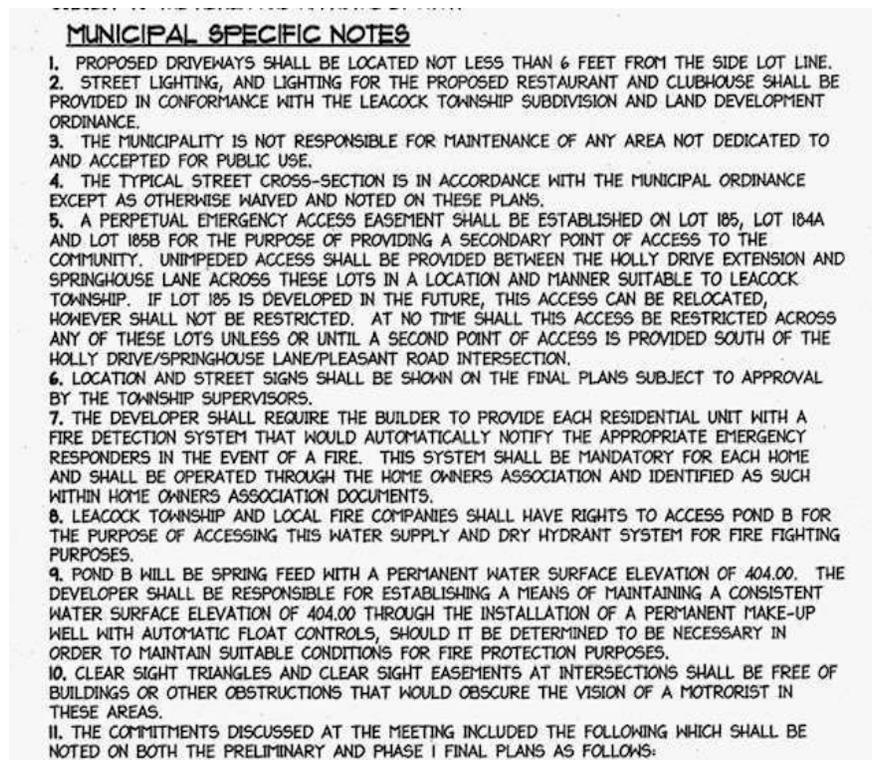
From: WCPAM

Subject: Individual & Monitored Fire Alarm Systems for All Homes in the Watson Run community.

1. **Question:** Where does the mandate for fire alarm monitoring originate?
Answer: In an October 13, 2020 email to WCPAM from Leacock Township official, Frank Howe - Mr. Howe wrote:

“This is a requirement of the Final Subdivision and Land Development Plans. Look at the final plans for Phase 1 page 2 of 40 under Municipal Special Notes # 7. That explains it for you. This was done because of the closeness of the homes and not because of the availability of water. Frank Howe”

Below, is the section Frank Howe is referencing above (please read item #7):





2. **Watson Run Governing Document Stipulations:**

Unfortunately, from what WCPAM and current executive board members can gather, the governing documents are silent on the matter – although, the township requirement calls on the Association to operate all fire alarm systems throughout the Association. It is WCPAM’s interpretation that this area was left vague so the Association may come up with rules and regulations to address and facilitate the fire alarm monitoring requirement. *To date, this requirement is outstanding, and the current executive board should immediately rectify.*

3. **Further Complications & Considerations:**

- A. Triple H was the fire alarm monitoring service for the Association until Triple H sold their company to Security Services (SS). Unknown, to the executive board and the managing agent, Triple H subcontracted the actual fire alarm monitoring to Yarnell Security. Once Triple H sold their business to SS, SS terminated Yarnell’s fire monitoring – resulting in multiple homeowners having monitoring interruptions. Triple H & SS failed to disclose these changes to the executive board and/or their managing agent. In addition, in less than a year, all cellular systems will require a system upgrade due to cellular requirements – making the current fire monitoring technology obsolete.
- B. Yarnell has agreed to take over the fire alarm monitoring for all homes with the following offer(s):
- \$10.00 (total) per month/per home for fire alarm monitoring for landline monitoring.
 - \$20.00 (total) per month/per home for existing cellular homeowners that want cellular monitoring, and the entire community does NOT turn over to cellular. There is a one-time fee of \$99.00 for the new cellular radios.
 - \$99.00 install fee plus \$18.00 (total) per home/per month for cellular monitoring IF entire community chooses cellular

**Notes about Cellular: No internet is needed for cellular. All cellular radios will be programmed at Yarnell before installation and the technology should be good for at least 10 years. Yarnell technicians will mount the new cellular radios on the homeowner’s existing alarm panel, test while there, and then leave. Goal is to complete 20-40 per day. Every 30 days, each system will be automatically tested by Yarnell and system verifications will be sent to WCPAM.*



4. **WCPAM Recommendations:**

- A. For the Association to meet the township mandated fire alarm monitoring requirements, it is critical for the executive board to implement rules, regulations, and procedures surrounding fire alarm monitoring. The only way to make absolutely certain that all homes are (1) in compliance with fire alarm monitoring, and (2) actually being properly monitored – is for the Association to contract with a service provider and receive monthly updates regarding all fire alarm monitoring systems.
- B. WCPAM believes the new cellular option provides the best assurances and documentation that the Association is overseeing their fire alarm monitoring duties.
- C. The Association has the ability (but is not mandated) to cover the \$99.00 installation and equipment charges per home.
- D. The Association has the ability (but is not mandated) to cover the \$18.00 per home/per month monitoring fee.
- E. WCPAM strongly suggests that the rules and regulations note that any ongoing maintenance issues with either the cellular radios themselves, or monitoring service be placed on the individual homeowners to contact Yarnell to schedule a service call. The homeowner would then be responsible for the cost of any non-warranty related service calls and/or equipment. The rules and regulations should also note that current and future executive boards have the authority to review the fire alarm monitoring rules and regulations and make changes to either the monitoring equipment, service provider, or financial arrangements as the executive board deems necessary. Just because the current board is agreeable to allowing the Association to cover both the original equipment charges AND the monthly monitoring fees, does not mean either will be practical or financially feasible for future boards.



5. Budget Considerations:

- A. Per Section 9.6. of Watson Run's governing documents, the executive board is granted leeway if future expenditures exceed actual budgetary projections:

Section 9.6. Adoption of Non-Budgeted Common Expense Assessments. If the Executive Board votes to levy a Common Expense assessment not included in the current budget, other than one enumerated in Section 9.3 of this Declaration, the Executive Board shall immediately submit a copy or summary of such Common Expenses to the Unit Owners and such Common Expenses shall be subject to rejection in the same manner as a budget under Section 9.5 hereof. Notwithstanding the foregoing, the Unit Owners shall not have the power to reject the imposition of Common Expense assessments due to the actual cost of a budgeted item being in excess of the amount originally budgeted.

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- B. The Association is responsible for maintaining an adequate capital reserve balance and is authorized to use such monies for capital projects.



In addition, the Association is responsible for crediting homeowner accounts with any surplus monies. The Association could apply 2020 surplus funds to pay for unplanned fire alarm monitoring costs with the caveat that the executive board needs to make the Association aware of the reason(s) why. The Association may also choose to use capital reserve monies to fund the cellular installs.

Section 9.13. **Capital Reserve Fund.** Commencing upon the First Settlement and thereafter at the closing with respect to each Initial Third Party Purchaser, the Association shall collect from each such purchaser of a Residential Unit the sum of Five Hundred Dollars (\$500.00), which amount shall be deposited and held in a separate account and used by the Association to establish a capital reserve account. No amount paid hereunder shall be considered an advance payment of regular Common Expense assessments. No Unit Owner is entitled to a refund of these monies from the Association upon the subsequent conveyance of his or her Unit or otherwise.

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Section 9.14. **Surplus Funds.** Any excess amounts accumulated from Common Expense assessments, Limited Common Expense assessments or reserves, together with any income related thereto, which exceed the amounts required for each, shall be credited to each Unit in accordance with Section 5313 of the Act and shall be applied to subsequent assessments against each each Unit until exhausted.

- C. The executive board needs to determine if they view the ongoing monitoring expenses as common expenses or limited common expenses. Past precedents (with no official policies) have treated the monitoring aspect as common expenses (meaning the Association pays the bills).

-END-