

**Coronado Shores Condominium Association No. 10  
“La Princesa Tower”**

**Minutes <> November 17, 2017**

**The Board of Directors of Coronado Shores Condominium Association No. 10 held a regular meeting on Friday, November 17, 2017 in the General Manager’s office of La Princesa Tower.**

- I. The meeting was called to order at 10:30 am.**
- II. Those present:**
- Andrew Brunhart, President**
  - Ron Leeds, Vice-President**
  - Thomas Vince, Treasurer**
  - Kathryn Grosnoff, Secretary**
  - Jan Zobrist, Director**
  - Bill Lawrence, General Manager**

**Additionally, 15 residents**

- III. Executive disclosure:**
- The items discussed during the executive session included personnel matters and on-going litigation.**

- IV. Oral and Written Communication:**
- It was announced that only checks, not cash would be accepted by building staff.**
- Oral Communication:**

**One resident expressed concern with the handling of the slip and fall incident.**

**The need for assistance for residents in emergency situation was presented.**

**The clarification of rules regarding the storage of items above storage cages was requested, as was the presence of the building extra carpeting in front of cages, making those cages not accessible.**

- V. Minutes of Previous Meetings**

**The minutes of the following meetings were presented for approval:**

**October 20, 2017, Regular Meeting**

**On a motion by Mrs. Grosnoff, and a second by Mrs. Zobrist,  
the minutes were approved unanimously.**

**October 27, 2017, Special Meeting**

**On a motion by Mr. Leeds, and a second by Mrs. Grosnoff,  
the minutes were approved by a vote of 4 to 0 with 1 abstention.**

**October 27, 2017, Executive Meeting**

**On a motion by Mr. Leeds, and a second by Mr. Vince,  
the minutes were approved by a vote of 4 to 0 with 1 abstention,**

**VI. August 2017 Financial Report**

Mr. Lawrence gave a summary of financial activity as follows: For October 2017 budgeted operating revenues were \$129,177; actual operating revenues were \$141,037 a positive/favorable to budget variance of \$11,860. Budgeted expenditures were \$129,180; actual expenditures were \$122,043 a positive/favorable to budget variance of \$7,137. Reserve expenditures were \$59,476 for the replacement of the domestic water valves, water backflow devices, cast iron pipes, and the elevator panels.

Operating Assets = \$214,115  
Reserve Assets = \$509,004  
Private Bank Balance = \$617,030  
Delinquencies = \$47,010

The lien on a La Princesa property was sold, but not the property.

The approval of the October financial report was deferred to the regular December meeting.

**VII. Architectural Committee Report**

Mr. Brunhart presented two proposals for partial remodels.

On a motion by Mr. Leeds with a second by Mrs. Zobrist the partial remodel of 208 was approved unanimously.

On a motion by Mr. Leeds with a second by Mrs. Zobrist the partial remodel of 1106 was approved unanimously.

**VIII. Beach Club Report. Mrs. Grosnoff gave the report**

A quorum was present. The minutes were approved as corrected. Jerry McDonald, Complex Manager, gave the financial report. Revenue was favorable to budget for the month by \$1,779, and favorable for the year by \$4,535. A discussion was held concerning the sale of coffee drinks at the Beach Club as a convenience to the residents, and an income source for the Beach Club. Mr. McDonald stated that he is seeking to make Beach Club renovations a priority for the 2018 budget. Items that will carry over to a full renovation in 2019, could begin in 2018. Ms. Ryan presented a total profit of \$4,601 for the month of October from bingo, Wednesday night social hour, and Friday night dances. Proceeds from "Elvis Night" made all the difference in making the month profitable. "Martini Men" as presented by Tim Eisley will be booked for the evening of Valentine's Day, February 14. The flyers for the New Year's Eve event have been distributed. Twenty people have already registered. Bekker's Catering will be providing a carving station, potato bar, salad bar, and fruit and cheese table. The cost is \$130 per person. Beginning with the month of December, bingo will move to 5:00 PM. A tree trimming and menorah lighting party will be held on Wednesday, December 13, from 5:15 PM to 7:00 PM. "3 Guys Will Move You" will be supplying the music. The Super Bowl Party at the Beach Club will be held on Sunday, February 4. A Mardi Gras celebration with the Bayou Brothers will be held from 7:00 PM to 9:00 PM on Friday, February 9.

**IX. Landscape & Recreation Committee Report.** Mrs. Grosnoff gave the report. Oral communication included four speakers, three in opposition to the lagoon project as presented, and one concerning safety issues regarding the rail road ties on the auto bridges. Violations for October were at a minimum with La Princesa having no citations.

The complex general manager presented the financial report. It is projected that L&R is \$21,000 favorable to budget at the end of 2017.

The landscape committee continues to trim trees around the complex. The plantings at each of our four pools are being refurbished. Three pools have been completed with only El Camino remaining. \$5,258 was approved for this purpose.

The roof of the Roeder pavilion is leaking. The expenditure of \$2,100 was approved to replace missing shingles to avoid further damage.

Concrete repairs are being completed on tennis courts 1 to 6, and should be completed by Saturday. The El Camino pool gate will be replaced next week. If found to be acceptable, the additional 5 gates needed will be ordered.

An expenditure not to exceed \$17,000 was approved to repair trip and fall hazards throughout the complex. An additional \$4,000 was approved to address curb cuts accessibility in three locations.

A message table will be set up in the gym's stretch room as requested by gym users on a trial basis.

There will be a professional demonstration on aging and balance at the Beach Club on Saturday, January 20 at 2:00 PM.

The next insurance committee meeting will be in Mid-January and will address property and liability.

Prior to a vote on the lagoon maintenance project, the La Princesa L&R representative read a statement outlining La Princesa's concern regarding the legality of the alteration of common area boundaries without a vote by all residents. The vote to approve the lagoon maintenance project as presented was rejected by a vote of 4 to 6.

An independent engineer will be hired to assess the ability of the lagoons to be repaired, and the use of brackish water. This will be accomplished in time for the December 21 L&R meeting.

No currency higher than a twenty dollar bill will be accepted by L&R.

A nominating committee consisting of Carlos Banachec, Doug Crain, Bill Leonard, and Kathryn Grosnoff will meet prior to the December 21 L&R meeting. A slate for the coming year will be presented at that time.

**X. Manager's Report**

Major projects completed include the replacement of several areas of rusted out cast iron sewer lines. There was a replacement of valves on the roof. Correction of damage to the mail room, lobby, and adjacent units has been completed. To avoid damage caused by plumbing in individual units, for which the owner is responsible, Victaulic kits with braided stainless steel hoses including a thermostat will be available for owner purchase at an approximate cost of \$3,000.

The reserve analyst prepared the draft reserve study.

The 2018 budget needs approval so that it may be sent to owners before the end of November 2017.

The issue of mail package handling needs to be addressed in anticipation of the holiday package rush. A motion was made by Mr. Brunhart, and seconded by Mr. Leeds to authorize the General Manager to proceed with the construction of temporary, tasteful storage in the lower lobby behind the area containing the three chairs, and to hire a "Santa's helper" to deliver packages inside resident units with the permission of the owner, on a trial basis, through January 15. The motion was passed unanimously.

Service requests by residents need to have a defining policy, so that all residents are treated equally.

Tippling by residents directly to the staff has been occurring. A motion to eliminate tipping and encourage residents to add to the employee year-end bonus fund was made by Mr. Brunhart, and seconded by Mrs. Zobrist. The motion was passed unanimously.

A wine and cheese hosted by DirecTV will be held in the lobby on December 1 from 4:00 PM to 6:00 PM. The association is being billed by DirecTV for 150 cable boxes, and may be responsible for returning them.

**BREAK from 1:00 PM to 1:20 PM**

#### **XI. Expenditure Proposals**

Following discussion, a motion was made by Mrs. Zobrist and seconded by Mr. Brunhart that the board ratify the Pipe Trades proposal expenditures in the amount of \$18,329 as reserve expenses. The motion carried unanimously.

Following discussion, a motion was made by Mrs. Zobrist and seconded by Mr. Vince that the board authorize the General Manager to expend up to \$15,000 for exigent repairs in December. The motion carried unanimously.

Following discussion, a motion was made by Mrs. Grosnoff and seconded by Mrs. Zobrist to authorize the ProTec proposal to clean hallway carpet, steam clean the trash chutes, and remove and pressure wash the trash chute and trash room for \$4,485.23. The motion was passed unanimously.

Following discussion, a motion was made by Mr. Leeds and seconded by Mrs. Zobrist to approve the Vortex proposal to replace the boiler and elevator equipment room doors for \$6,738 as a reserve expenditure. The motion was passed unanimously.

The General Manager was tasked with obtaining a second bid for landscape maintenance. Vitale had made a proposal of \$1,350 per month. This proposal would free up the time of an existing utility worker.

After discussion, Mr. Leeds made a motion which was seconded by Mrs. Zobrist to authorize wiring work for the elevator CCTVs in the amount of \$2,900 as an operating expense. The motion was approved unanimously.

After discussion, Mrs. Zobrist made a motion which was seconded by Mr. Leeds to authorize the staff to donate used goods to charity and electronics to USD recycling. The motion passed unanimously.

#### **XII. Earthquake Insurance Renewal**

Michael Abdou of Farmer's Insurance presented renewal information for La Princesa's earthquake insurance renewal. A motion was made by Mr. Leeds and seconded by Mrs. Zobrist that earthquake insurance not be renewed for the coming year. The motion passed by a vote of 3 to 2.

**XIII. Restricted Reserve**

After discussion, a motion was made by Mr. Brunhart and seconded by Mr. Leeds that the amount in restricted reserve be reduced from \$3,090,000 to \$1,000,000. The motion was approved unanimously.

**XIV. Reserve Study**

After examination and discussion of the reserve study report #33573-0, a motion to accept the study pending adjustment was made by Mr. Brunhart, and seconded by Mr. Leeds. The motion was approved unanimously.


**XV. 2018 Budget**

The board reviewed the draft budget as presented by the General Manager. The board made adjustments to the Plan B budget as submitted. A motion was made by Mrs. Zobrist and seconded by Mr. Leeds that the adjusted plan B budget for 2018, including a 10% increase in HOA dues, be accepted. The motion passed unanimously.

**XVI. Special Assessment**

Following study and discussion, a motion was made by Mrs. Grosnoff, and seconded by Mrs. Zobrist, that there be a special assessment of \$77,000 due December 30, 2017. The motion was passed unanimously.

The meeting adjourned at 5:05 PM.

  
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Andrew Brunhart, President

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Kathryn Grosnoff, Secretary

