

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

Minutes <> 26 May 2017

The Board of Directors of Coronado Shores Condominium Association No. 10 held a regular meeting on Friday, May 26, 2017 in the Building Manager’s office of La Princesa Tower.

I. The meeting was called to order at 9:00 AM.

II. Those present: Andrew Brunhart, President
Richard Barr, Vice-President
Thomas Vince, Secretary/Treasurer, via Telecom
Kathryn Grosnoff, Director
Ronald Leeds, Director

Steve Bennett, Building Manager

III. Oral and Written Communication:

There was no Written Communication given.

Oral Communication

An owner identified paint was peeling on the exterior of the building on the tenth floor. The Building Manager has action to remedy on an interim basis. The complete exterior of the building is scheduled to be painted in Calendar Year 2019 per the Building Reserve schedule.

IV. Minutes of the previous meetings. There was a motion made, and seconded to approve the Minutes of April 21 as amended. The vote to approve was unanimous.

V. Financial Report.

Board members discussed some gaps in the March 2017 Financial Report at the April 21 Board meeting and did not approve this financial report for audit. Rather, the gaps were to be remedied and provided to the Board at the May meeting. Board consideration of the March 2017 Financial Report was carried-over to the June Board meeting. The April 2017 Financial Report was approved for audit.

The annual financial audit was not completed. Mr. Bennett indicated the audit would be completed soon. It was asked what was the final due date, per state law, whereby the Association’s 2016 financial audit must be completed. Mr. Bennett indicated he did not know. The Building Manager was asked to determine that cut-off date and inform the Board of Directors.

The Delinquency list of Owners in arrears was discussed. Collection processes are now the responsibility of Consortium Inc. (the Association's Accounting firm). Mr. Bennett indicated he would be meeting with a Consortium Inc. representative on Tuesday, May 30. Mr. Bennett was asked to determine the process steps Consortium used in collection of monies owed to the Association and brief the Board of Directors at the June 2017 meeting on that process.

VI. Beach Club Report.

Financials are in good shape. There was a small profit from the Potato Party, which was not well attended. There will be a summer Salsa Party on July 15. There may be snacks on the deck in the summer. A Hot Dog machine and ice cream machine are under consideration. Cards for BINGO on Memorial Day will be \$5 and may stay at \$5 thereafter. On June 17, the Museum of Photographic Arts will make a presentation at the Beach Club. A fashion show is being planned for August 10.

VII. L&R Report.

Financials through April 30 were read with nothing out of the ordinary. The Kyocera copier at L & R is nearing the end of its lease. A motion to replace with a Canon copier was approved.

Lagoon renovation is still in the discussion phase. Designers are being interviewed. It was discussed that the lagoon landscape plan could be the beginning of a new master plan for the entire community.

Water usage has been considerably lower due to winter and spring rains; however, the price of water continues to increase. Annual tree trimming continues and should be complete soon.

Water intrusion into La Princesa walls due to Melaleuca tree roots was discussed. The Complex General Manager will meet with the La Princesa Building Manager and Building Engineer to discuss and report back to Landscape committee.

Delivery of the Wheelchair lift for the Health Club has been delayed, but should be operational by the end of June. The purchase of one new recumbent bike was approved.

Tennis Courts 7 & 8 reconstruction will be completed in early June. New security cameras will be installed by mid-June.

During the summer months, pool monitors will be on site from 11 am to 7 pm. An extra ping-pong table will be placed at the Cabrillo pool for the summer.

A Proposal for a "Doggy Park" with dogs off-leash for a few hours using the La Perla lawn was discussed. Each building's Board of Directors was asked to discuss and provided input. The La Princesa Board discussed the Proposal and voted unanimously to provide a "No" input/vote on the proposal at the June 15 L & R meeting.

VIII. Board of Directors Nominating Committee Report

One Owner had submitted an application and one Director submitted an application at the Board meeting. Interested owners were asked to submit their application.

IX. Elevator Cab Walls Adhoc Committee Report

Carole Vince discussed Proposals received from three vendors for replacing elevator cab walls with Formica material as well as color samples. The Board unanimously approved the most cost-efficient Proposal to be funded by current year unexecuted fund balances. Installation will occur in September after the summer black-out period. Payment of a 35% deposit was authorized to enable specific scheduling of dates with the contractor and ordering of materials. It is estimated that each elevator will be out-of-service one day during the installation.

X. Garage Subcommittee Report

Three owners were previously sent notifications of Fines for not remedying the violation of rules regarding their parking spaces. As the three owners had not responded, at the April 21 Board meeting, Mr. Bennett was asked to inform these owners that another individual Hearing will occur during the May 2017 Board at which the Board might levy another fine. The Building Manager sent the three owners letters on May 16, 2017, which did not inform the owners that a Hearing would be scheduled/conducted at the May Board meeting. Thus, not having informed the owners of Hearings, the Board did not hold Hearings on these three matters. Mr. Bennett Manager was again asked to inform these three owners by letters that Hearings will be held at the June Board meeting, that could result in additional fines and suspension of common area privileges including the privilege of entering the Lottery for Association-owned parking spaces.

At the April Board meeting, another listing of garage parking space rule violations assimilated by a Director was distributed to the Board and provided to the Building Manager. Mr. Bennett indicated he was having front desk staff telephone owners in violation as an initial courtesy to remedy their violation. During discussion, the Board provided the Building Manager guidance to also inform owners during these courtesy phone calls that violations needed to be remedied within seven days of the phone call. If not, a Notice of Violation would be issued. Additionally, as the Building Manager did not indicate a Master Listing of Violations and Telephone Calls accomplished was being maintained, the Board provided guidance to immediately prepare and maintain such a Master Listing to enable appropriate management tracking. It was noted for the most recent listing of violations prepared by a Director on May 23, that many of the violations would be violations during the summer period when beach gear is permitted to be located within parking spaces because there currently existed items in parking spaces not permitted at any time during the year, e.g., barbecue, firewood, etc. For these, Mr. Bennett was issued guidance to: (a) provide a courtesy phone call to the respective owner giving a 7-day courtesy period to remedy the violation, and (b) if the violation was not remedied within seven days to issue a Notice of Violation to the respective owner indicating a Hearing would be scheduled at the June 2017 Board meeting.

Front desk personnel conducting rounds are to maintain the listing of garage parking space violations. The Board reminded Mr. Bennett to provide a status update at every Board meeting. Yellow paper Courtesy Notices of violations are being placed on the vehicle parked in these parking spaces, bringing this matter to their attention for remedy.

XI. Unfinished Business.

A. Garbage Rooms

At the April 21 Board meeting, owners pointed out that some residents were piling trash on the floor within individual floor garbage rooms and not following the rules. The Building Manager was asked to send the two owners identified a Reminder Letter. Mr. Bennett indicated he had not send the Reminder Letters. Mr. Bennett indicated he had telephoned one owner and did not have related communication with the other owner.

Carole Vince provided an example from another building in the complex of a tasteful, plexi-glass notification of items that could be placed in the garbage shoots. The Building Manager will use our existing notification and have created laminated signs/notification for our garbage rooms. Additionally, it was suggested to the Building Manager that directly under the English verbiage of the signs/notification, the same verbiage be repeated in Spanish. Mr. Bennett was asked to provide a status report to the Board of Directors at the June Board meeting.

B. High Gas Bill

At the April Board meeting, Mr. Bennett was asked to investigate potential causes of the high gas bill including: (a) the Building Engineer having leak-testing performed on the roof gas lines, (b) comparing building total occupancy for these three months for the last three years, (c) having the Hot Water Boilers checked for efficiency, (d) comparing our building gas usage to the other 'square' buildings (comparable size) in the complex, and (e) having the gas company check the calibration of our master gas meter. Mr. Bennett indicated (b) above could not be done and, for item (d) above he had discoursed with the Building Manager at El Mirador and they too had experienced high gas bills. Mr. Bennett indicated he had not accomplished items (a), (c), or (e) above. Mr. Bennett was asked to provide a status report at the June Board meeting.

C. Damage to Building by Contractors Performing Remodels

Contractors performing Remodels had damaged the Building on the 2nd and 5th floors as well as interior elevator cab walls. A memorandum was provided to each respective owner requesting remedy. Mr. Bennett indicated he had not received any response. The Board discussed these specific matters. It was noted that the Remodels for these two Units had been approved by the Board with a completion date of June 24, 2017. It is unlikely these remodels will complete by June 24, 2017 – the beginning of the summer back-out period wherein no work on remodels is permitted. The Board asked Mr. Bennett to inform the owners that the Board would not approve any extension in the completion date of these remodel until the damage to the building caused by their contractors was fully remedied. In the event the damage to the building was not fully remedied, the Association would have the work accomplished and bill the owner for the remedies. An extension to the respective remodeling completion dates would not be granted by the Board until the owners reimburse the Association for the cost to remedy the damage.

As a related matter, Harvey Friedman made suggestions to enhance expectations and understanding of responsibility prior to starting Remodels, such as requiring a meeting attended by the Building Manager, Building Engineer, Owner, and Contractor's Superintendent at which responsibilities would be discussed and a physical walk-through of the respective portions of the building including the floor whereon the Remodel will occur for all parties to sight the existing condition of the building before any Remodel activities commence. The Board President will review the Remodel Application documents and bring potential modifications to the Board for consideration.

D. La Princesa Rule Change for Revised Unit Remodeling Fee

Mr. Bennett had not provided recommended changes to the La Princesa Remodeling Rules regarding Fees for consideration at the May Board meeting. Board members discussed specific changes and reasons for them. The Board unanimously approved changing paragraph 3.a of the La Princesa Rules and Regulations for Remodeling to:

A non-refundable fee of \$1,000 is required for normal wear on the building. In addition, a damage deposit of \$1,000 is required, which will be refunded at the completion of the remodel if there has been no damage to the building. If damage to the building occurs in excess of \$1,000, the contractor/owner will be billed for these expenses incurred by the Association.

This change is effective June 12. Any complete Application for Remodel received prior to June 12, will fall under the existing paragraph 3.a.

E. Reimbursement of Carole Vince

Although Carole Vince had received a check for amounts due by the Association, she had not been fully reimbursed. Mr. Bennett indicated a supplemental check would be issued on Tuesday.

F. Garage Exhaust Fans

A owner had identified the poor condition of a garage exhaust fan. Mr. Bennett indicated the specific garage fan the owner had brought to his attention had been cleaned, but was not functioning. Mr. Bennett was asked to provide the Board his plan for returning garage exhaust fans to operable condition.

G. Sewer Drain Blockages

The '07 stack and the '05/'06 stacks had experienced sewer drain blockage. The '07 stack was blocked by Drano being used in a unit, which caused a mass to accumulate within the sewer main piping running vertically between floors. The Board discussed that the use of Drano and similar products was prohibited for this reason. The '05/'06 stack vertical sewer pipe was blocked by construction materials. It appears a Remodel contractor had washed tools within the sink of a unit which carried

drywall type material into the sewer drain creating a mass to block the pipe. Unfortunately, due to several recently completed and ongoing Remodels, the responsible unit could not be determined.

H. Television/Internet/Phone Service

Mr. Brunhart indicated Proposals will be obtained from Spectrum, DIRECTV, and DISH for: (a) Television Service only, (b) Television and Internet Services, and (c) Television, Internet, and phone Services. Additionally, a listing of enhanced services that could be selected by individual owners will be obtained to include in overall comparison. DIRECTV had performed a site visit and confirmed that they can provide service. Proposals from a DIRECTV provider and Spectrum have been received. Both Proposals did not provide sufficient detail. These providers and DISH will be requested to provide detailed Proposal. Messrs. Brunhart and Leeds will then conduct individual discourse with the providers. Thereafter, the modified Proposals will be brought to the full Board. The plan includes notifying Spectrum prior to September 1, 2017 that La Princesa will not be extending the existing Agreement (120-day notice). A new Agreement with a Provider will be effective on January 1, 2018.

XII. New Business

A. Building Manager's Report – Facilities Items

Panels on Terrace. Work is Complete.

Painting of Terrace. Approximately 50% complete.

La Princesa Comprehensive Maintenance Plan. A draft was provided to the Board President on May 26.

Elevator Camera: A wireless camera has been obtained. Mr. Bennett indicated it was learned the camera must be installed by the elevator company. Cost is approximately \$1,000 to install, which is within the Building Manager's authority level. Mr. Bennett will schedule installation with the elevator company

Hot Water Boilers Bi-annual Servicing Proposal (Overdue). County Boiler has not yet responded.

Inspection of Building. Everest National, Workman's Comp insurer, inspected the building and only identified one item to be remedied at the entrance to the Building Manager's office.

Fire Sprinkler Tank Cover: The work was identified as complete; however, it is not complete. The top of the enclosure had been identified many times as being wood lattice, as previously existed, with recently identified black mesh material underneath. Mr. Bennett will have the contractor fully complete the project

Garbage Room of each Floor: Painting of walls has commenced. This in-house project also includes replacing the light with an LED fixture, painting the ceiling, and installing vinyl baseboard.

Grocery Carts: Four new plastic grocery carts have arrived. The old metal carts will be discarded.

Garage Lighting: Pilot LED bulbs have been installed at the pedestrian entrance to the inner building within the lower garage. The LED bulbs will pay for themselves via lower energy usage within 0.7 years. Mr. Bennett was directed to proceed with installation of LED bulbs in all garage fixtures.

B. Association's Simplified Employee Pension (SEP) Individual Retirement Account (IRA)

A SEP IRA is in place to which the Association makes annual contributions for La Princesa employees. The Association has not yet made contributions to employees for 2017. Mr. Bennett was requested to specifically identify within the 2017 Budget the fund source for the 2017 SEP IRA and to provide a chart including the Association's contribution to each employee at the June 2017 Board meeting.

C. Architectural Review Committee (ARC)

There was no report planned due to no new Remodel Application received. However, it was learned during the Board meeting that an incomplete Application was received, which was being cured to have it complete. Thus, there may soon be a Remodel Application for the ARC to review

XIII. Being no more business, the meeting was adjourned at 11:37 PM.



Andrew Brunhart, President



Thomas Vince, Secretary / Treasurer