

CANON DEL SOL HOMEOWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING MINUTES

January 3, 2011 at 6:30 p.m.

CDS Clubhouse, 400 Abalone Drive, La Selva Beach

CALL TO ORDER:

The meeting was called to order at approximately 6:30 p.m. A legal quorum of Directors was present to conduct the Board of Directors Meeting. Legal notice was by actual written notice posted on the community bulletin board as prescribed in the Association's bylaws.

DIRECTORS PRESENT:

Mona Salvage, Bob Fennell, Jesse Fielding, and Mike Barber. Absent: None.

OTHERS PRESENT:

Amanda Gullings, from the Management Company, who served as the recording secretary at the outset of the Meeting. Also present was owner Scott Thomas, who serves as the Association's On-Site Manager.

MINUTES:

Minutes from the Board of Directors Meeting held December 6, 2010 were approved as amended. A motion was duly made, seconded, and passed by unanimous voice vote.

FINANCIAL REPORTS:

Financial reports were reviewed by Directors for the twelve-month period ending December 31, 2010 and accepted as presented. The following breakdown of information was noted for the Meeting Minutes:

Balance Sheet Report: A total of \$492,350 was on deposit in Association bank accounts. Delinquent dues in Aged Receivables total \$5,804.

Operating Fund Report: Sources of income are at budget (102.5%); total expenses through December 31st are at 94.38% of budgeted amount. Net changes in fund, contributions less expenses paid, net change of + \$23,623. The Board of Directors had the following questions for the year-end report:

- Why is the insurance over budget at 106.3%?
- Why is irrigation over budget at 103.8%?
- When Arbor Art took out all of the shrubs on the end of Arca, was that paid from tree trimming or landscaping? Hedge/shrub removal and re-planting should always be paid out of landscaping.

Reserve Fund Report: Sources of income are at budget (100.98%). Interest income to date totals \$4,406. Reserve repairs total \$167,513. The reserve fund shows net changes in fund, contributions less expenses paid, net change of + \$123,555.

FINANCIAL REPORTS CONTINUED:

Aged Receivable Report: All owners are current in the payment of their Association dues with the following exceptions: eight owners have delinquent amounts owing to the Association. Six owners are one month, or less, past due. One owner is sixty days past due, and one owner is over ninety days past due. Delinquencies total \$5,804. Penalty fees were charged to all delinquent accounts.

Four owners have prepaid dues for a total of <\$943.>

ON-SITE MANAGERS REPORT:

Scott Thomas reported to Directors, in a written report, on items for the current period ending December 31, 2010. A copy of the report is made a part of these Meeting Minutes.

RECAP OF WORK ORDERS AND CORRESPONDENCE:

A recap of work order requests and correspondence were reviewed by Directors. A copy of this report is also made a part of the Meeting Minutes. Directors requested that future recaps only include twelve-months of work order and correspondence history.

NEW WORK ORDER AND CORRESPONDENCE REQUESTS:

Homeowner Carlos Goti (473 CDS) sent an e-mail to the Board of Directors and Management regarding peeling and cracking of exterior paint on his unit. The Board of Directors requested that Management draft a notice to all homeowners in both phases four and five letting owners know that the Board is aware of the condition and failing paint on their homes. These phases are scheduled to be painted sometime in the year 2012, at which time extensive painting preparation will be included in the job specifications in order to prevent this problem from occurring again in the future.

LANDSCAPE COMMITTEE:

Director Bob Fennell presented his landscape report for the period ending December 31, 2010. A recap of this report is as follows:

- Store umbrellas until spring.
- Finish rock bed and plant (CDS and Sea Horse).
- Rock wall and plant on corner of Marina Del Rey and Oyster Drive.
- Fix irrigation and plant pond #2.
- Clean and plant pond #3.
- Cut beach path and field in back of the Clubhouse by the end of February.
- Put up new tennis net.
- Cover up irrigation pump at Arca and Canon Del Sol. Scott Thomas will purchase this cover at Home Depot.
- Get 220 to station B backflow.
- Cut fire break by the end of March.
- Bob requested the Boards approval to remove the old dog waste stations, and purchase and install three new dog waste stations. A motion was made, seconded, and passed by unanimous voice vote.

ARCHITECTURAL COMMITTEE UPDATES:

New ARC Packets: Scott Thomas volunteered to develop a packet of adopted policies for windows, doors, exterior lights, paint colors, etc. to provide to new applicants when making changes to the exterior of their homes. Directors requested Scott make the following changes to the current ARC packet:

- Director Mona Salvage requested that Scott go to Riverside Lighting and find a replacement lamp model that can be added to the ARC Form.
- Italicize and bold on the ARC Form construction hours.
- Mona would like to know if the \$1,000 fines listed in the ARC Form are in compliance with the Davis Sterling Act. Management to follow up on this and report back at the next Board of Directors Meeting.
- On the current ARC Form, would like it to be changed to have all replacement doors match the original or existing.
- All garage door replacements should be painted to match the trim color of the designated unit.

FINANCIAL COMMITTEE UPDATES:

None.

ENVIRONMENTAL COMMITTEE UPDATES:

Beach Path Drainage Work: Mona announced that there is nothing new to report. She is waiting to hear back from engineer Bob DeWitt for his follow up report. Director Bob Fennell requested that a letter be sent to Soquel Creek Water regarding the drainage problem. Bob requested that Ernie Anderson contact him to discuss the specifics of the letter. Is this something that Management should write or should the Association have an attorney compose?

COUNTY SERVICE AREA:

Treatment Plant Funding: Board of Directors would like for Ernie Anderson to check and report back on if letter has been drafted to send to homeowners.

Pajaro Valley Water Management Agency: Ernie Anderson informed Mona Salvage that at the advice he received from an attorney, the Association will have to pay the invoiced amount owed to the P.V.W.M.A. This is a charge that has appeared on everyone's water bill and was questioned because the Association belongs to Soquel Creek Water District.

NEW BUSINESS:

2011 Deck Repairs and Replacements: A written report has been received by Don Wilden which includes inspections and repair recommendations for all decks in the Association. Any action on this item will be tabled pending a written report from contractor Dale Ruthledge which lists the decks in order of highest priority for repair/replacement.

PENDING ITEMS:

Electric Service under Marina Del Rey: Scott Thomas would like to have both the

trenchless plumbing company and Everready Electric onsite to look at and discuss the project before any decisions for repair are made.

PENDING ITEMS CONTINUED:

Reserve Plan Draft: The Board of Directors tabled action on this item until the next Board Meeting when Ernie Anderson is able to be present. Mona Salvage would like to schedule a meeting with Martha Andersen to go over the draft before it is discussed at the next Meeting.

Legal Document Revision Bid: The Board of Directors requested that Ernie Anderson follow up with attorney Cathy Phillipovitch to find out what the cost would be to revise and update the Association CC&Rs.

MISCELLANEOUS:

Director Mona Salvage announced that she is working on an invitation for the super bowl party that the Association will host on February 6, 2011. She will provide Management with the invitation to mail out to all of the homeowners as soon as it is available.

ORAL COMMUNICATIONS:

None.

NEXT MEETING DATE CONFIRMED:

Directors confirmed that they will meet next on Monday, February 7, 2011 at 6:30 p.m. in the Clubhouse.

ADJOURNMENT:

There being no further business to bring before the Association's Board of Directors, a motion was duly made, seconded, and by unanimous voice vote of Directors present adjourned the public portion of the Meeting at 8:00 p.m.

WEBSITE INFORMATION REMINDER:

Name of Website: www.canondelsol.litesites.info

Password: surfandsun

IMPORTANT REMINDER!

SHUT YOUR WATER OFF WHEN LEAVING POLICY REMINDER:

Ernie reminds everyone to remember to shut off the water supply to your residence whenever you are leaving your home for more than the day. Water shut off valves are located at the front of each residence, and if anyone has trouble finding your valve, or turning it off, please call Management for help. Water damages to the interior of a residence from leaking appliances, broken pipes, are an individual unit owner responsibility.