

CANON DEL SOL HOMEOWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING MINUTES

February 7, 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:

Ernie Anderson, 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 January 3, 2011 were approved as presented. 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 for the month of January, 2011 and accepted as presented. The following breakdown of information was noted for the Meeting Minutes:

Balance Sheet Report: A total of \$492,347 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 97% of budgeted amount. Net changes in fund, contributions less expenses paid, net change of + \$16,413.

Reserve Fund Report: Sources of income are at budget (100%). Interest income to date totals \$4,433. Reserve repairs total \$168,787. The reserve fund shows net changes in fund, contributions less expenses paid, net change of + \$122,308.

FINANCIAL REPORT FOR THE MONTH OF JANUARY 2011:

Balance Sheet Report: A total of \$527,613 was on deposit in Association bank accounts. Delinquent dues in Aged Receivables total \$5,120.

Operating Fund Report: Sources of income are at budget (99%); total expenses through January 31st are at 51% of budgeted amount. Net changes in fund, contributions less expenses paid, net change of + \$8,622.

Reserve Fund Report: Sources of income are at budget (100%). Interest income to date totals \$ -0-. Reserve repairs total \$2,493. The reserve fund shows net changes in fund, contributions less expenses paid, net change of + \$21,764.

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. Two owners are sixty days past due. Delinquencies total \$5,120. Penalty fees were charged to all delinquent accounts. Eleven owners have prepaid dues for a total of <\$9,389.>

ON-SITE MANAGERS REPORT:

Scott Thomas reported to Directors, in a written report, on items for the current period ending January 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:

- March Board meeting March 7th; Annual Owners meeting April 16th.

LANDSCAPE COMMITTEE:

Director Bob Fennell presented his landscape report for the period ending January 31, 2011. A recap of this report is as follows:

1. Store umbrellas for the winter.
2. Finish rock bed and plant (CDS and Sea Horse). Waiting on better stock.
3. Rock wall and plant on corner of Marina Del Rey and Oyster Drive.
4. Fix irrigation and plant pond #2.
5. Clean and plant pond #3.
6. Cut beach path and field in back of the Clubhouse by the end of February.
7. Pick up gopher baskets to use in planting.
8. Cover up irrigation pump at Arca and Canon Del Sol. Scott Thomas will purchase this cover at Home Depot.
9. Get 220 to station B backflow
10. Cut fire break by the end of March.
11. Tennis Courts were installed.
12. Joe Nussbaum donated a high pressure washer, send letter of thanks. 2200#'s.

This washer is excellent to clean driveways and member can borrow it for this purpose.

ARCHITECTURAL COMMITTEE UPDATES:

1. Director Mona Salvage requested that Scott go to Riverside Lighting and find a replacement lamp model that can be added to the ARC Form. Scott provided samples of two fixtures. After discussion Directors agreed that the upgraded fixture manufactured by Designer Fountain model number 1101-CL-BK at a

cost of \$42.95 each. It was agreed that this information will be inserted into the ARC Application form, and the Association will purchase some and hold in stock for owners to purchase. Ernie will contact Home Depot for any savings, and Bob Fennell offered to check the Internet for a cost savings.

2. In response to the question how much can daily fines be it was confirmed that \$1,000 per day is a legal amount (adopted October 2006). A copy of the legal response is attached.
3. Owner Catherine Matthews, 407CDS, requests permission to replace two front windows (one bedroom, one bathroom). After discussion Directors voted their approval for this request with one change. There are three windows that can be observed at the front of the home from the street. Directors require that all 3 windows be included in the change out. Milgard, white vinyl, no grids. MSP.

Directors request that included in the approval letter that the Board encourages to change out all windows when possible so that all window frames are the same.

FINANCIAL COMMITTEE UPDATES:

1. Revised Reserve Plan was reviewed, and after discussion Directors adopted a motion to accept the new Reserve Plan as presented. MSP.
2. Saviano Tennis Court Construction submitted a bid for \$18,000 to install new overlay to repair the tennis court cracks and recoat the decking. Ernie was directed to sign the contract upon receipt. Work planned for late spring, when it is warmer and subsoil has dried out.

ENVIRONMENTAL COMMITTEE UPDATES:

Beach Path Drainage Work: Robert DeWitt confirmed that the County and State have issued a permit to do the drainage work proposed. The County required no further heavy equipment on the job; any remaining work must be done "by hand".

It is expected that further information is pending, and Directors agreed that we will ask the State if they are willing to do the work, and we would pay the State for their costs for these drainage improvements.

COUNTY SERVICE AREA:

Treatment Plant Funding: Ernie submitted a draft letter to be sent out to the members. Mona volunteered to make some revisions and will forward it to management for enclosure in the next dues statements.

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. Contractor Dale Rutledge Construction submitted a bid for \$17,740 for the repair of 26 decks. Directors voted their approval for this bid with the qualification that any repairs related to owner-built additions to the balcony decks are to be paid by owners,

and not the association. Ernie will ask inspector Don Wilden to review the work and confirm any exceptions. MSP.

PENDING ITEMS:

Electric Service under Marina Del Rey: Scott Thomas obtained bids from both the trench less plumbing company and Eveready Electric onsite to look at and discuss the project before any decisions for repair are made. 49er bid \$2200, and Eveready bid \$500-\$700 to pull the wire into the pipe installed underground.

Capitola Pump: Scott will check with Capitola Pump to obtain cost and details to install the pump for Irrigation Station "B" after the underground wire is extended with 220.

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. Her bid is pending.

ORAL COMMUNICATIONS:

None.

NEXT MEETING DATE CONFIRMED:

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

April Board meeting will be held on Monday, April 4, 2011. (6:30pm)

April Annual Owners meeting will be held on Saturday, April 16, 2011 (10am).

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 8:30 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.