

**THE VILLAS AT RANCHO SAN JOAQUIN
HOMEOWNERS ASSOCIATION
REGULAR BOARD OF DIRECTORS MEETING
MARCH 25, 2010**

Minutes

- NOTICE OF MEETING** Upon due notice, had and received, the Board of Directors of The Villas at Rancho San Joaquin Homeowners Association, A California Corporation, held their Meeting on March 25, 2010 at the Rancho Senior Center, Irvine, CA. 92612.
- CALL TO ORDER** The meeting was called to order by Marguerite Bivens at 7:31 pm.
- DIRECTORS PRESENT**
- Marguerite Bivens, President
Myron Davey, Vice President
Tim Hunter, Treasurer
Gini Cassara, Secretary
Annette Ritche, Member-at-Large
- ALSO ATTENDING** Becky Seifert, CCAM, and Sonia Martinez both of Villageway Management, Inc
- HOMEOWNERS PRESENT** Fifteen (15) homeowners
- HOMEOWNERS FORUM**
- Jason Graham & Becky Peralta, 24Navarre asked that a tree be removed because the roots are causing water intrusion. They also inquired as to whether they could tap into a drain. They were told the head of the landscape committee would check into the situation.
- Annette Ritche, 12 Segura, said Jeff Tanner did an estimate for some water damage work at her place December 2009 and she had never heard anything. Becky Seifert said she would check into it.
- ADMINISTRATIVE** The February minutes were tabled.
- ARCHITECTURAL REPORT** None this month.
- FINANCIAL REPORT** The Board of Directors signed the following banking documents: Account Application, Client Agreement and Substitute Form W-9 Request for Taxpayer ID Numbers for Morgan Stanley / Smith Barney and the Sunwest checking account.

T. Hunter moved to have Villageway make the reserve funding a line item under assets; M. Bivens seconded; motion passed unanimously.

T. Hunter moved to approve the financials; seconded by Myron; carried unanimously

M. Bivens moved to file pre-liens on account numbers:

- 111-0411
- 111-0121 and
- 111-0001

Seconded by T. Hunter; carried unanimously.

T. Hunter, Treasurer reported that the reserves were underfunded by \$136,000 in 2007, \$48,000 in 2008 and \$28,000 in 2009. Discussion need to address problem but arrived at no solution. So far this year we're meeting our monthly funding allocation.

ROOF REPORT

Eileen Pinkerton, Chair of Roof Committee, reported contracts for flat roof replacements will be presented to Board for signature next month. Contracted roof and gutter cleaning will be completed this month. She reminded board members there's an ongoing roof repair log included in the monthly management report.

FACILITIES

G. Cassara moved to accept the proposal from Royal Access for pool and pedestrian fence repairs in the amount of \$6,040; seconded by A. Ritche; passed unanimously.

M. Bivens moved to ratify "Consent to Action Outside of a Meeting" re: a Garland proposal for emergency water intrusion dryout at 41 Morena in the amount of \$2684.11. Seconded by M. Davey. Passed with G.Cassara and T. Hunter abstaining.

M. Bivens moved to approve Change Order dated 3/18 for additional mold remediation (Garland) in the amount of \$1668.86. Seconded by M. Davey. Passed unanimously with G. Cassara and T. Hunter abstaining.

G. Cassara moved to accept ARC proposal in the amount of \$2450 to repair roof leak at 13 Navarre; seconded by M. Davey; passed unanimously.

G. Cassara moved to accept ARC proposal in the amount of \$2250 to repair roof leak at 24 Segura; seconded by T. Hunter passed unanimously.

A. Ritche moved to accept ARC proposal in the amount of \$2650 to repair exterior wall at 41 Morena; seconded by M. Bivens; passed unanimously with G. Cassara & T. Hunter abstaining.

G. Cassara moved to accept ARC proposal for roof repair (\$2950) At 46 Navarre; seconded by M. Davey; passed unanimously.

T.Hunter moved to deny the Vasin Sign Solutions proposal to refurbish four double-sided street signs for \$934.00; seconded by M. Bivens; passed unanimously.

LANDSCAPE REPORT

Request from landscape committee for two proposals. Bid #0810 for 7 Morena was denied unanimously.

Bid #07-10 for 13 Morena in the amount of \$303 to install plants that had been removed for "non-compliance" was passed unanimously.

ARCHITECTURAL (CC& R'S)

None submitted at this time.

ADJOURNMENT

M Bivens made a motion to adjourn the meeting at 9:05 PM.
2nd by Tim Hunter. Motion carried unanimously

M M Davey

Tim Hunter

[Signature]

**THE VILLAS AT RANCHO SAN JOAQUIN
HOMEOWNERS ASSOCIATION
REGULAR BOARD OF DIRECTORS MEETING
APRIL 22, 2010**

Minutes

Notice of Meeting: Upon due notice, had and received, the Board of Directors of The Villas at Rancho San Joaquin Homeowners Association, A California Corporation, held their Meeting on April 22, 2010 at the Rancho Senior Center, Irvine, CA. 92612.

Call to Order: The meeting was called to order by Marguerite Bivens at 6:30 pm.

Directors Present:

Marguerite Bivens, President
Myron Davey, Vice President
Tim Hunter, Treasurer
Gini Cassara, Secretary

Directors Absent:

Annette Ritche, Member-at-Large

Also Attending: Becky Seifert, CCAM and Sonia Martinez both of Villageway Management, Inc.

Homeowners Present: Fifteen (15) homeowners

Committee Reports:

Landscape Committee – Chair Myron Davis reported that the landscape at 13 Morena, approved at the March meeting, had been completed. Also that he was addressing the optimal way to correct the water intrusion situation he reported at the March HOA meeting at 28 Navarre.

Architectural Committee – Mary Ann Somers, Chair. No report.

Roof Committee – Eileen Pinkerton, Chair said it would cost 250K per year to do six buildings. She gave us new contracts amounting to approximately \$118, 000. Buildings 10,14 & 24 would be re-roofed and then buildings 3, 15 & 17. All told another 40 residences will be completed by the end of 2010. Ms. Pinkerton asked whether to prepare costs for other three and an appreciative Board encouraged her to do so.

Homeowners Forum:

Mary Ann Somers mentioned the bushes near unit 34 Navarre were too far over the walkway.

Denise Van Horn re: a termite issue at 40 Morena, her mother's unit. An inspection has been done. The home—including the attic—garage and nearby storage closets are heavily infested. The storage closets contain pieces of wood that could be the source of the problem. The patio cover is infested; the owner will

have it removed. Villageway will put a note on the outside, unlocked closet door by 40 Morena telling the owner we'll be removing the wood.

Ed Dygert spoke for his wife, Simone Hofford, owner of 60 Navarre. He expressed their frustration at getting a dry rot situation remedied in a timely fashion despite repeated attempts—via e-mails and telephone calls—to do so over six months. Work at the unit began in November, 2009 but the contractor told the tenant that Villageway asked him to stop the work. The owner was never apprised of this by VW.

Anna Rubyn reported three wood pieces at 5 Segura, replaced several years ago were already badly deteriorated. She wondered why we don't use don't we use laminated wood? She was told that rather than replacing we are now eliminating the corbels altogether.

M. Davey said he had been doing some research about solar.

ADMINISTRATIVE:

M. Bivens said the adjacent car wash had removed three trees illegally. She had been in touch with the City and action is going to be taken against them.

T. Hunter moved to accept the consent calendar as follows. 2nd by M. Bivens. Passed unanimously.

1. Resolve to accept the Minutes from the February 25, 2010 Regular Board of Directors Meeting.
 - ❖ RESOLVED, to accept the Minutes of the Regular Board of Directors Meeting held on February 25, 2010.
2. Resolve to accept the Minutes from the March 25, 2010 Regular Board of Directors Meeting.
 - ❖ RESOLVED, to accept the Minutes of the Regular Board of Directors Meeting held on March 25, 2010.
3. Resolve to accept the Draft Audit for the year ending December 31, 2009, prepared by Inouye, Shively & Longtin.
 - ❖ RESOLVED, to accept the Draft Audit for the year ending December 31, 2009.
4. Resolve to accept the financial material for the period ending March 31, 2010.
 - ❖ RESOLVED, to accept the financial material for the period ending March 31, 2010, subject to audit review.
5. Resolve to record liens against the following accounts:
 - 00111-0121
 - 00111-0001
 - 00111-0411
 - ❖ RESOLVED, to accept recording the liens
6. Resolve to accept the ARC Roofing proposals for the following:
 - 22 Segura
 - 39 Morena
 - 40 Navarre
 - 94 Navarre
 - 22 Morena
 - 2 Navarre
 - 27 Morena
 - 24 Morena
 - 1 Segura
 - ❖ RESOLVED, to accept the ARC Roofing proposals.
 - ❖ Pay from G.L. Code 6296.

- Resolve to accept the Garland Restoration Invoice #12900 dated April 6, 2010, for dry-out of 41 Morena.
7. ❖ RESOLVED, to accept the Garland Restoration Invoice #12900, in the amount of \$2,684.11, dated March 15, 2010, for mold remediation to interior repairs to bedroom ceiling from water intrusion.
Resolve to accept Garland Restoration Invoice #12901 dated April 6, 2010, for additional remediation for 41 Morena.
 8. ❖ RESOLVED, to accept Garland Restoration Invoice #12901, dated April 6, 2010, dated April 6, 2010, for additional mold remediation to interior repairs to bedroom ceiling and attic not noted during original remediation repairs on March 15, 2010, in the amount of \$1,668.66.
Resolve to accept the proposal from Jeff Tanner for window repairs to 1 Segura.
 9. ❖ RESOLVED, to accept Jeff Tanner's proposal, dated March 24, 2010, to replace (2) 5 ft. section and 1 3 ft section of termite damaged window trim on front window, patio window, and print at 1 Segura, in the amount of \$365.00.
Resolve to accept the Accurate Termite report dated March 15, 2010, for 41 Morena.
 10. ❖ RESOLVED, to accept Accurate Termite's report dated March 19, 2010, for local termite treatment and repair of dry wood termite damage noted at framing in the amount of \$600.00.

FINANCIALS:

The board signed checks that had been hand carried.

FACILITIES:

T. Hunter moved to approve a notice to be posted on utility closets used by the city stating that they are not to be used by residents and any items therein will be removed. G.Cassara. 2nd. Carried unanimously.

M.Bivens moved to approve Accurate Termite costs for 40 Morena and 22 Navarre, including a letter to the escrow company re: 22 Navarre. 2nd by T.Hunter. Carried unanimously.

G.Cassara moved to approve Midori Gardens, proposal #9860, dated April 1, 2010 and Total Building Care proposal #0320213 re: concrete repairs at 38 Morena. M. Bivens 2nd. Carried unanimously.

M. Bivens moved to approve Total Building Care Bid—Scope A and Scope B (wall and ceiling) repairs—at 41 Morena. 2nd by M. Davey. G. Cassara and T. Hunter abstained. With A. Ritche available by phone motion carried.

G.Cassara moved to accept a bid from Peak Lighting for a replacement light pole near 9 Navarre. M.Davey 2nd. Carried unanimously.

G.Cassara suggested we consider placing floats in the pool next February to discourage ducks. B. Seifert said other associations were exploring some modern methods so the topic was tabled.

LANDSCAPE:

M. Bivens moved to not to trim the trees, as planned, this month due to financial constraints. T. Hunter 2nd. Passed unanimously.

G.Cassara moved to stop street sweeping for three months. M. Davey 2nd. Carried unanimously.

ARCHITECTURAL/CC&R'S

M.Davey moved to approve architectural application for garage door at 2 Segura. T. Hunter 2nd. Carried unanimously.

M.Bivens moved to send a violation letter to 8 Morena re: painting the front door and installing a front gate and side panel. 2nd by M.Davey. Carried unanimously.

M. Bivens moved to deny a request for a garage door at 22 Navarre and ask them to resubmit the architectural app when the unit closes escrow. 2nd by G.Cassara. Carried unanimously.

M Bivens made a motion to adjourn the meeting and move into Executive Session at 8:05 PM. 2nd by G. Cassara. Carried unanimously.

_____ Title: _____

_____ Title: _____

NEXT MEETING – General Session Meeting – May 27, 2010.

**THE VILLAS AT RANCHO SAN JOAQUIN
HOMEOWNERS ASSOCIATION
REGULAR BOARD OF DIRECTORS MEETING
MAY 27, 2010**

Minutes

Notice of Meeting: Upon due notice, had and received, the Board of Directors of The Villas at Rancho San Joaquin Homeowners Association, A California Corporation, held their Meeting on April 22, 2010 at the Rancho Senior Center, Irvine, CA. 92612.

Call to Order: The meeting was called to order by Marguerite Bivens at 6:34 pm.

Directors Present:

Marguerite Bivens, President
Myron Davey, Vice President
Gini Cassara, Secretary

Directors Absent:

Tim Hunter, Treasurer
Annette Ritche, Member-at-Large

Also Attending: Becky Seifert, CCAM and Sonia Martinez both of Villageway Management, Inc.

Homeowners Present: Nine

Committee Reports:-

Landscape Committee – Chair Myron Davis. Tree trimming still on hold for financial reasons but those at the Morena entrance will be done as required by the city so fire trucks have access.

Architectural Committee – Mary Ann Somers, Chair.

- Passed architectural app for new almond windows for Dan & Lori Moss; M. Bivens moved to approve; M. Davey 2nd; passed unanimously.
- Passed architectural app for Sheila Diskin, 6 Morena for a satellite dish on a pole; M. Davey moved to approve; G. Cassara 2nd; passed unanimously.
- M. Bivens moved to deny a request to send a violation letter re: a green side panel window at 64 Navarre pending an opportunity for board members to view it.; G. Cassara 2nd; passed unanimously.

Roof Committee – Eileen Pinkerton, Chair

Premier Roofing started the removal and replacement of the flat roof at Bldg 10 (20-32 Segura) on May 11th and expects to complete the project by early June (subject to city inspections and weather). The next

building (Bldg 14) will start in early June and the third building (Bldg 24) will be started later in June. The next three buildings' proposals will be delivered to the Board at the next meeting.

Homeowners Forum:

Re: 5 Segura. E. Pinkerton reported that the deteriorating wood reported by the homeowner was the wood trim and corbels at the first floor laundry room window and second floor front bedroom window. This wood trim has never been replaced and is no where near the roofing fascia that was replaced two years ago.

Discussion of whether the garage door should be open only for entering and exiting. M. Davey moved to keep garage doors closed when garage not in use; G. Cassara 2nd; passed unanimously.

There was discussion of the fact that gates and screen doors should also be closed when not in use.

Franco Sdringola complained about the condition of storage unit doors near his unit, 19 Morena and was told the doors, # 45, 46, 47 are the next set to be replaced. He also complained about the pool decks not being cleaned.

B. Seifert said the vendor cleans once a month in winter and twice in summer. After assurance from Becky that he wasn't the type to bill for unnecessary work, M. Bives moved to authorize Bob Sims to clean "as needed" and pay him per visit. G. Cassara 2nd; passed unanimously.

M. Bivens reported that the adjacent car wash was fined by the City of Irvine for unlawfully removing trees and asked to submit a landscape plan.

Gerhard Stehr asked when the roof will be done and was told his unit was part of the 2010 2nd phase scheduled for the 2nd half of the summer 2010.

Gerhardt also said a breakdown of the financials used to be part of the minutes and asked that it could be again.

G. Cassara moved that the financial summary be included in the minutes; 2nd M. Davey, passed unanimously. The figure in reserves for the end of April, 2010 is \$356,702.

ADMINISTRATIVE:

M. Bivens moved to accept the consent calendar with the exception of item #4 which will be postponed since the Treasurer is absent. 2nd by M. Davey. Passed unanimously.

1. Resolve to accept the Minutes from the April 22, 2010 Regular Board of Directors Meeting.
 - ❖ RESOLVED to accept the Minutes of the Regular Board of Directors Meeting held on April 22, 2010.

2. Resolve to accept Resolution to Record a Lien against Account #00111-0001.
 - ❖ RESOLVED to accept the Resolution to Record Lien against Account #00111-0001.

3. Resolve to accept Resolution to Record a Lien against Account 00111-0411.
❖ RESOLVED to accept the Resolution to Record Lien against Account #00111-0411.
4. Resolve to accept the financial material for the period ending April 30, 2010.
❖ RESOLVED to accept the financial material for the period ending April 30, 2010, subject to audit review.
5. *Resolve to accept the ARC roofing proposal.*
❖ RESOLVED to accept the ARC roofing proposal dated May 17, 2010, Estimate #21667 for repairs to unit on Morena.
6. Resolve to accept two Tanner Maintenance issues:

Proposal #59, dated May 12, 2010, for repairs to stucco wall located at the pool @ \$440 and
Invoice #0274, dated May 29, 2010 for \$1440 for work done on 40 Morena

FINANCIALS:

The board signed checks that had been hand carried.

The board duly took note of correspondence from the State of CA State Board of Equalization outlining new requirements for registering for "use tax" to be paid on purchases from out-of-state vendors. B. Seifert, CCAM of Villageway, said the Villas Association doesn't make purchases from out-of-state so we simply need to note the issue.

FACILITIES:

G. Cassara moved to deny a proposal dated May 3, 2010 from Quickel Paving for paving repairs to 98 Navarre; 2nd by M. Davey, passed unanimously.

G.Cassara moved to approve invoice #095546, from Accurate Termite control for repairs and treatment for unit at 98 Navarre; M. Davey 2nd; passed unanimously.

M.Bivens moved to approve repairs to 94 Navarre as reported by Angelo Termite Company date May 3, 2010; 2nd by M. Davey; passed unanimously.

G. Cassara moved to approve proposal from The Bee Man to open stucco to remove bee hive for unit on 12 Morena; 2nd M. Bivens; passed unanimously.

Board reviewed spread sheet from ARC on roof repairs completed and pending. As of 5/11/2010 the year- to-date repairs amount to \$34,028 of which \$15,024 is unpaid. Added on to that is an ARC proposal for \$2950 to repair termite & roof edge damage at 40 Morena that was approved at the 4/25/10 board meeting.

Board also noted re: 40 Morena, that proposal from Jeff Tanner to repair damage based on Accurate Termite report was approved on 4/25/10.

Board reviewed an educational piece from Fontaine Weatherproofing on critters causing damage to roofs.

M. Bivens made a motion to adjourn the meeting and move to Executive Session at 8:15 PM. 2nd by M. Davey.

_____ Title: _____

_____ Title: _____

NEXT MEETING – General Session Meeting – June 24, 2010.

**THE VILLAS AT RANCHO SAN JOAQUIN
HOMEOWNERS ASSOCIATION
REGULAR BOARD OF DIRECTORS MEETING
JUNE 24, 2010**

Minutes

Notice of Meeting: Upon due notice, had and received, the Board of Directors of The Villas at Rancho San Joaquin Homeowners Association, A California Corporation, held their Meeting on June 24, 2010 at the Rancho Senior Center, Irvine, CA. 92612.

Call to Order: The meeting was called to order by Marguerite Bivens at 6:35 pm. M.Bivens moved to accept the agenda as published; M.Davey 2nd; passed unanimously.

Directors Present:

Marguerite Bivens, President
Myron Davey, Vice President
Gini Cassara, Secretary
Annette Ritche, Member-at-Large

Directors Absent:

Tim Hunter, Treasurer

Also Attending: Becky Seifert, CCAM and Sonia Martinez both of Villageway Management, Inc.

Homeowners Present: Nine

Committee Reports:-

Landscape Committee – Chair Myron Davis said Dan's recommends a tree near the gate on Morena should come down; also four dead trees along the tennis courts should be removed and four trees at the entrance need to be trimmed so emergency vehicles have access at a cost of \$320.

A. Ritchie moved to have the entry way trees trimmed @ \$320. Seconded by G. Cassara. Passed unanimously.

Architectural Committee – Mary Ann Somers, Chair. No report at this time.

Roof Committee – Eileen Pinkerton, Chair

Finished w 1st 3 – Buildings 10 (20-32 Segura), 14 and 24; She presented contracts for 3 more buildings:

#3 (26-40 Morena) for \$43,835
#13 (33-39 Navarre) for \$25,767
#17 (82-96 Navarre) for \$44,746 for a total of \$113,898.

When asked why buildings with the same number of units are priced differently, Ms. Pinkerton said different staging makes for different pricing. The intent is to begin work July 19th, weather permitting and complete all three by the end of August.

M.Bivens moved to approve the new roofing contract and authorize payment of \$49,663.00 for work recently completed.

Homeowners Forum:

Becky Seifert reported that per the Board's request, Villageway wrote a letter to the Racquet Club of Irvine advising them some clients are parking on RSJ property. They responded that they have issues with our eucalyptus trees shedding which causes them to incur clean-up expenses. They also say 4 or 5 of our pine trees are ripping up their asphalt.

M. Bivens asked Becky how much they would charge to send out the Villas newsletter. She said they would have to get pricing from a mailing service they use. It was suggested we consider e-mailing the newsletter to owners.

There was a discussion re: landscaping with considerable back and forth among homeowners, tenants and board members sharing sometimes differing points of view as to current state of Villas' landscaping.

ADMINISTRATIVE:

G. Cassara moved to accept the consent calendar. 2nd by M. Davey. Passed unanimously.

1. Resolve to accept the Minutes from the May 27, 2010 Regular Board of Directors Meeting.
 - ❖ RESOLVED to accept the Minutes of the Regular Board of Directors Meeting held on April 22, 2010.

2. Resolve to accept architectural application for garage door and door screen.
 - ❖ RESOLVED to accept architectural application from owner on Navarre to replace garage door and new black screen door

3. Resolve to accept architectural application for windows.
 - ❖ RESOLVED to accept the architectural application for owner on Morena for thermal windows.

4. Resolve to accept the financial material for the period ending April 30, 2010.
 - ❖ RESOLVED to accept the financial material for the period ending May 31, 2010, subject to audit review.

5. *Resolve to accept the proposal from Dan's Landscape.*
 - ❖ RESOLVED to accept proposal from Dan's Landscape #Bid11-10, dated June 10, 2010, for entry Way tree trimming

- Resolve to accept “Notice of Proposed Water Rate Change.”
6. ❖ RESOLVED to accept “Notice of Proposed Water Rate Change” from the Irvine Ranch Water District.

 7. Resolve to accept email dated June 11, 2010, from homeowner regarding water intrusion and proposal from Garland Restoration regarding same.
 - ❖ RESOLVED to accept email from homeowner and Garland’s proposal.

The board reviewed “action items,” a 2 ½ page report in which Villageway lists Board requests of Management and gives us a status update: whether they’ve been completed or are in process (pending).

FINANCIALS:

The board signed checks that had been hand carried.
The figure in reserves for May 31, 2010 is \$364, 658 up from \$356,702 at the end of April, 2010.

FACILITIES:

A. Ritche noted the May bills for two water meters usage were exceedingly high, both related to resident usage, not landscaping. The meter at 2 Segura (which serves a building was billed at \$1,000.42—of which \$771.90 was billed on tier five as “excessive and wasteful”. The bill for the 18101 Culver Drive meter, one of our landscape meters, was \$508.

Aquatrends, our pool company, recommended a new sign saying ours is “faded & illigible.” The cost is \$325.50. Motion was made by M. Bivens to table it. Seconded by G. Cassara. Unanimous.

G. Cassara moved to approve three hand-carried invoices from Jeff Tanner: one re: 22 Segura for \$1990, one re: 12 Segura for \$1895 and one re: 13 Navarre for \$3390. M. Davey 2nd; passed unanimously.

G. Cassara moved to table an invoice from J. Tanner for 12 Segura for \$2330. M. Davey 2nd; passed unanimously

M.Davey moved to approve the following ARC roof repairs; 2nd by M. Bivens; passed unanimously:
22 Navarre; Atrium @ \$1950 6/22
19 Segura’ fascia above doorway, under pitched roof @ \$1150; 6/22
64 Navarre, fascia; remove, replace approx 40 ft of lumber @ \$2150 6/22

Board reviewed the following:

Current insurance coverage from July 24, 2010 to July 24, 2011.

Email from owner dated June 8, 2010, regarding roof repairs and landscaping.

Spread Sheet from ARC on roof repairs completed and pending.

Account Note Report for May 2010.

Summary Work Order Report for May 2010.

Letter from Management to Major Sweeping Service and their proposal for starting up again.
Street sweeping was suspended May 1st thru July 31 to see whether the Board thought it money well spent. They will begin again August 1, 2010

M. Bivens made a motion to adjourn the meeting at 8:50 PM. 2nd by A. Ritchie.

_____ Title: _____

_____ Title: _____

NEXT MEETING – General Session Meeting – July 22, 2010, 6:30 PM

**THE VILLAS AT RANCHO SAN JOAQUIN, HOMEOWNER'S ASSOCIATION
THE REGULAR BOARD OF DIRECTORS MEETING – JULY 22, 2010
MINUTES**

Notice of Meeting: Upon due notice, had and received, the Board of Directors of The Villas at Rancho San Joaquin Homeowners Association, a California Corporation, held their Meeting on July 22, 2010 at the Rancho Senior Center, Irvine, CA. 92612.

Call to Order: The meeting was called to order by Marguerite Bivens at 6:35 pm.

Directors Present:

Marguerite Bivens, President
Myron Davey, Vice President
Gini Cassara, Secretary
Annette Ritche, Member-at-Large

Directors Absent:

Tim Hunter, Treasurer

Also Attending: Becky Seifert, CCAM and Sonia Martinez both of Villageway Management, Inc.

Homeowners Present: Seventeen

Committee Reports:

Landscape Committee – Chair Myron Davis announced that Sharon Fratilla resigned from the committee and that he was doing the same. Gini Cassara will be the new chair.

Architectural Committee – Mary Ann Somers, Chair. The following are approved:

- Door to be painted in Red Revival, 50 Navarre.
- A 3 panel patio door and a bedroom window in almond, 14 Navarre
- Thermal windows almond in color, 12 Morena

Roof Committee – Eileen Pinkerton, Chair said Premier has proposed the following tentative schedule for re-roofing the flat roofs on the next three buildings.

Building 3 – Start 7.19.10, Substantially complete by 8.2.10
Building 17 – Start 8.2.10, Substantially complete by 8.16.10
Building 15 – Start 8.16.10, Substantially complete by 8.27.10

Homeowners Forum:

John Reese gave a visual presentation representing his thoughts about landscaping. There was further discussion re: landscaping with considerable back and forth among homeowners sharing sometimes differing points of view as to current state of Villas' landscaping. Board members—who are the functioning power of the Association—listened without reminding residents they have the power to appoint committees who then are empowered to make decisions, not all of which will be popular.

Jill Dunn Cooper reported that the shower at the pool area isn't draining and requested it be snaked. She also suggested adjacent trees be trimmed because their seeds and leaves are the source of the problem. The Board asked Becky to see that it was done immediately.

Another homeowner asked if we would consider having landscapers use blowers three times a week instead of once. Suggestion taken under advisement.

ADMINISTRATIVE:

M.Bivens moved to accept the agenda as published; M.Davey 2nd; passed unanimously.

A. Ritche moved to accept the consent calendar with the 8th item removed. 2nd by G. Cassara. Passed unanimously. The 12 items on the consent calendar are published as part of the 7/22/2110 agenda.

FINANCIALS:

The board signed checks that had been hand carried.
The figure in reserves as of June 30, is \$328,012, down from \$364,658 as of May 31, 2010.

FACILITIES:

The board reviewed a notification from Waste Management regarding a fine for overfilling a dumpster at 10 Ethel Coplen. We think the bin isn't even ours and instructed B. Seifert to look into it.

G. Cassara moved to accept a hand-carried proposal from Garland for mold remediation at 22 Morena in the amount of \$3142. Seconded by M.Davey. Passed unanimously.

LANDSCAPE:

M.Davey moved to accept a proposal in the amount of \$2596 for the annual over seeding of our turf. 2nd by M. Bivens. Passed unanimously.

At 8:05 PM M. Bivens moved to adjourn to Executive Session; 2nd by M. Davey. Passed unanimously

_____ Title: _____

_____ Title: _____

NEXT MEETING – General Session Meeting – August 26, 2010, 6:30 PM

THE SEPTEMBER MEETING HAS BEEN CHANGED FROM THE 4TH THURSDAY OF THE MONTH TO THE 5TH—SEPTEMBER 30TH. SAME TIME/SAME PLACE

THE VILLAS AT RANCHO SAN JOAQUIN, HOA'S REGULAR BOARD OF DIRECTORS MEETING – AUGUST 26, 2010 MINUTES

Notice of Meeting: Upon due notice, had and received, the Board of Directors of The Villas at Rancho San Joaquin Homeowners Association, a California Corporation, held their Meeting on 8/26, 2010 at the Rancho Senior Center, Irvine, CA, 92612.

Call to Order: The meeting was called to order by Marguerite Bivens at 6:30 p.m.

Directors Present:

Marguerite Bivens, President

Myron Davey, Vice President

Tim Hunter, Treasurer

Gini Cassara, Secretary

Directors Absent: Annette Ritche, Member-at-Large

Also Attending: Becky Seifert, CCAM and Sean Green both of Villageway Management, Inc.

Homeowners Forum: Twelve Homeowners present.

Lou Shaver, 20 Segura asked that the Board reconsider a letter he received asking him to remove a ficus benjamina because it's tearing up the sidewalk. Board member—and Landscape Chair, G. Cassara offered to meet him there to assess the situation.

MOTION TO ACCEPT AGENDA AS PUBLISHED. M. Bivens so moved. G. Cassara 2nd; unanimous.

Committee Reports:

Roof Committee – Eileen Pinkerton, Chair, absent but report read by M. Somers:

Building # 3 (26-40 Morena)

Premier's re-roof contract work is complete.

The extra work at the transition from wall to flat roof at 40 Morena will be complete before the end of the month.

Building #17 (82-96 Navarre)

Premier's re-roof contract work is complete.

There are two skylights that could not be re-used and had to be replaced.

These skylights are part of the original roof construction and located over the master bathroom in the smallest unit. They will be delivered and installed by the end of this week.

Building #15 (33-39 Navarre)

The tear off of the flat roof started on Monday, August 16th.

This 4 unit building is scheduled to complete by August 27, 2010.

As of the end of August, the Association will have provided 40 homes with new flat roofs for 2010

Landscape Committee – Chair Gini Cassara said committee members are Pam Gruebnau, Annette Ritche and Dick Seaholm. August 31st, they meet with Dan's Landscape's licensed arborist, Jeff Carrell, to get his assessment of the aesthetics, health and safety of our current landscaping and to enlist his help in developing a long-range landscaping plan.

Architectural Committee – Mary Ann Somers, Chair reported:

32 Segura: DENIED app for Satellite Dish as there were no signatures from either homeowner or neighbors and we were not told where H/O wanted to place the dish. We need to remember that attaching it to the new flat roof would void the warranty.

26 Segura: APPROVED app for new almond garage door to match community's color and style.

8 Navarre: APPROVED application for bronze front door screen door.

35 Morena: APPROVED (emergency) application for new almond garage door to match existing community color and style.

ADMINISTRATIVE:

G. Cassara moved to accept the consent calendar with item #6 removed. 2nd by T. Hunter. Passed unanimously. The 9 items on the consent calendar are published as part of the 8/26/2110 agenda.

Given that the board meeting has been changed to the 4th Thursday of September, The Oasis Senior Center has been reserved for September 30th

FINANCIALS:

T. Hunter, Chair of the Finance Committee reported that the committee met and approved the budget with no changes from last year. Dues will thus not be raised.

The board signed checks that had been hand carried. T. Hunter moved to select Inouye, Shively & Longtin to do your year-end audit from among three bids. M. Davey 2nd: Passed unanimously.


The figure in reserves as of July 31 is \$277,528 down from \$328, 012 as of June 30th and 364,658 as of May 31, 2010.


FACILITIES:

Discussed a proposal from C & R Drains to replace leaking drinking fountain at pool. Jill Dunn, Homeowner asked if a fountain is even necessary. Board asked Property Manager to find out from the City.

Board reviewed 29 pages of non-action items including status updates, e-mails from vendors and residents, a spread sheet from ARC on roof repairs and a July summary work order report from Villageway.

At 7:35 PM G. Cassara moved to adjourn to Executive Session; 2nd by M. Davey. Passed unanimously





Title: president.

Title: Secretary

NEXT GENERAL SESSION MEETING – September 30, 2010, 6:30 PM

THIS DATE IS A CHANGE FROM OUR REGULAR SCHEDULE—THE 3RD THURSDAY OF THE MONTH—AS THREE BOARD MEMBERS HAVE A CONFLICT ON 9/23. THE OCTOBER MEETING WILL BE ON THE 21ST.

THE VILLAS AT RANCHO SAN JOAQUIN, HOA'S REGULAR BOARD OF DIRECTORS MEETING – SEPTEMBER 30, 2010 MINUTES

Notice of Meeting: Upon due notice, had and received, the Board of Directors of The Villas at Rancho San Joaquin Homeowners Association, a California Corporation, held their Meeting on 8/26, 2010 at the Rancho Senior Center, Irvine, CA, 92612.

Call to Order: The meeting was called to order by Marguerite Bivens at 6:35 p.m.

Directors Present:

Marguerite Bivens, President
Myron Davey, Vice President
Gini Cassara, Secretary
Annette Ritche, Member-at-Large

Directors Absent: Tim Hunter, Treasurer

Also Attending: Becky Seifert, CCAM, Villageway Management, Inc.

Jeff Carrel, Arborist & Jose Ramirez of Dan's Landscape

Homeowners Forum: Twenty-four Homeowners present.

MOTION TO ACCEPT AGENDA AS PUBLISHED. M. Bivens so moved. G. Cassara 2nd: unanimous.

Committee Reports:

Landscape Committee – Gini Cassara, Chair introduced Jeff Carrel, Certified Arborist who addressed homeowners for twenty minutes and took questions from attendees.

Roof Committee – E. Pinkerton, Chair, absent but report submitted to secretary via e-mail and read by M. Somers:

The 2010 target of FLAT roof replacement of 40 units is complete as of September 1, 2010. All completed FLAT roofs carry a 20 Year NDL(no dollar limit) warranty from the supplier of the materials. To secure this warranty, the supplier inspected the installation and confirmed that all materials were installed correctly. The roofs were inspected and approved by the City of Irvine Building Department Inspector who visited each roof at various stages of tear off and reinstall before a final sign off of all FLAT roofs. RSJ also had our own inspector from ARC visiting on a regular basis, recording the process with pictures, confirming the needed wood replacement, inspecting any previously hidden conditions, and meeting with the other inspectors, as needed. All new FLAT roofs were installed by Premier Roofing Company (Bob Price-Owner). We have 40 units remaining to complete the total remove and replacement of all FLAT roofs at RSJ.

Architectural Committee – Mary Ann Somers, Chair reported:

18 Navarre: New patio slab, etc. with set of plans attached. Approved with condition that all required permits be obtained.

86 Navarre: New windows -- like for like -- metal, dark brown. Brochure attached. Approved.

3 Navarre: Already installed new garage door, homeowner is now compliant. Approved.

ADMINISTRATIVE:

M. Bivens accept the consent calendar with items 2, 3 & 4 removed and striking the word "Oasis" in front of "Senior Center" in the 8/26/2110 minutes (item #1). 2nd by A. Ritchie. Passed unanimously. The 6 items on the consent calendar are published as part of the 9/30/2110 agenda.

FINANCIALS:

The board signed checks that had been hand carried.

The figure in reserves as of August 31, 2010, is \$231, 358.

FACILITIES:

G. Cassara moved to defer a decision on two proposals (ARC & Gale Force) for gutter cleaning. M. Davey seconded. Passed unanimously.

We heard from a homeowner who had a water pressure leak that cause significant damage to his property. We wish to remind homeowners it is their responsibility to maintain and check their water pressure valves. The valves the Association installed a number of years ago, have just a one year warranty. G. Cassara suggested we get a price from several plumbers and offer homeowners the option of having their valves checked annually.

M. Bivens moved to accept a proposal from Vasin Sign Co. dated September 15, 2010, to secure a leaning "Directory Monument Sign." M. Davey seconded; passed unanimously.

A. Ritchie moved to approve three invoices from Jeff Tanner: #0311 for \$1595, #0927 for \$3,920 and #0296 for \$3,870. M. Davey seconded; passed unanimously.

Board reviewed 31 pages of non-action items including status updates, e-mails from vendors and residents, a spread sheet from ARC on roof repairs completed and pending and an August summary work order report from Villageway.

At 8:15 PM G. Cassara moved to adjourn to Executive Session; 2nd by M. Davey. Passed unanimously

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Title: _____

Title: _____

NEXT GENERAL SESSION MEETING –Thursday, October 28th 2010, 6:30 PM

MINUTES
BOARD OF DIRECTORS MEETING
THE VILLAS COMMUNITY ASSOCIATION
A California Nonprofit Corporation

OCTOBER 28, 2010

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 10/22/10 for the General Session of the Board of Directors of The Villas Community Association held on the above date at the Rancho Senior Center, 2 Ethel Coplan Way, Irvine, California.

Roll Call

A quorum of the Board was established with the following Directors in attendance:

Directors Present: Marguerite Bivens, President
 Myron Davey, Vice President
 Virginia Cassara, Secretary
 Tim Hunter, Treasurer
 Annette Ritchie, Member at Large

Directors Absent: None

Others Present: Stephanie Jebbia, Senior CCAM[®], Optimum Property Management, Inc. (CMF[®])
 Cynthia Hunter, Director of Training, Optimum Property Management, Inc. (CMF[®])
 See Sign In Sheet

Executive Session Disclosure

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 09/30/10 from 8:16 p.m. to 8:45 p.m. for the following:

- Delinquencies (Prior Management)
- Owner Request for Reimbursement (Prior Management)

Call to Order

President and Presiding Chair, Marguerite Bivens, called the General Session of the Board of Directors to order at 6:30 p.m.

Homeowner Forum

In accordance with State Statute the homeowners present were given an opportunity to address the Board of Directors. The following items were presented:

- Tree Removals
- Damaged Concrete Slabs/Tree Roots Causing Damage
- Repairs to Fascia Board
- Pressure Regulator Responsibilities
- New Management Firm
- Roof Maintenance

Secretary's Report

A motion was made, seconded and carried to APPROVE the minutes of the September 30, 2010 General Session of the Board of Directors as prepared by prior management (Villageway).

ABSTAIN: Hunter

Action Without A Meeting Resolution – Optimum Property Management Contract

A motion was made, seconded and unanimously carried to APPROVE ratifying the Action Without A Meeting Resolution dated 10/01/10 approving the full service management agreement between Optimum Property Management and The Villas Community Association effective October 1, 2010.

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 09/30/10 as prepared by prior management (Villageway) subject to audit/review at fiscal year end by CPA.

Cash Flow Deficit/Withdraw Funds From Beal Bank CD Maturing 3/30/2011

The Board was advised that there is an operating cash flow deficit and low liquid funds available in the reserve account. A motion was made, seconded and unanimously carried to APPROVE withdrawing the funds in the Certificate of Deposit at Beal Bank, Reserve Account G/L #0301 (prior management) in the amount of \$50,000.00 plus interest, which doesn't mature until 03/30/11 and depositing funds in the amount of \$24,450.00 into the Pacific Western Bank operating account to cover the operating cash flow deficit. The remainder of these funds shall be deposited into the Morgen Stanley Smith Barney money market account to pay reserve expense invoices. Furthermore, a motion was made, seconded and unanimously carried to APPROVE repayment to the reserve account the amount owed to reserves of \$24,450.00 in 12 months.

Discuss General Expectations, Work Flow and Executive Session Scheduling

The Board discussed their general expectations and work flow with Optimum Property Management. A motion was made, seconded and unanimously carried to APPROVE scheduling the Executive Session prior to the General Session as recommended by Optimum Property Management.

Management Transition Status from Villageway

The Board was advised that Optimum Property Management has not received the following records from prior management company, Villageway, as of 10/28/10:

- The minutes from the September 30, 2010 Executive Session (Gini delivered the minutes to Management at the meeting)

Profile Review

The Board reviewed the Association's profile created by Management and advised Management that any necessary information and/or changes will be emailed by the Board.

Annual Calendar Review

The Board reviewed the Association's annual calendar created by Management and advised Management that any necessary information and/or changes will be emailed by the Board.

Proposed Summary of Architectural Procedures

Optimum advised the Board that a Summary of Architectural Procedures was not provided during the transition of records from the prior management company, Villageway, which is required in accordance with Civil Code §1378(c) "An association shall annually provide its members with notice of any requirements for association approval of physical changes to property....". Therefore, a motion was made, seconded and unanimously carried to APPROVE the Summary of Architectural Procedures prepared by management as presented.

Contracts: Collection Attorney Agreements

The Board reviewed three (3) proposals/contracts for collection attorney services. A motion was made, seconded and unanimously carried to TABLE further review of the contracts until the December board meeting pending as the Board has not had an opportunity to review and discuss the contracts in Executive Session.

Invoice for Approval: Premier Roofing & Building Co., Inc. #125

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #125 from Premier Roofing & Building Co., Inc. dated 09/06/10 to repair the stucco and install new z-bar backing, z-metal, new paper and wire mesh at 40 Morena for \$3,500.00 to be funded from Reserves G/L #3245 (Roof House/Garage Reserves).

Invoice for Approval: Total Building Care #0410002-5

A motion was made, seconded and carried to TABLE payment of invoice #0410002-5 from Total Building Care dated 09/17/10 for the final payment for repairs completed at 41 Morena for \$16,653.00 until the December board meeting pending a discussion in Executive Session about potential litigation.

ABSTAIN: Hunter, Cassara

Invoice for Approval: Tanner's Repair & Maintenance Services #0297

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #0297 from Tanner's Repair and Maintenance Services dated 08/22/10 to repair the walls and baseboards at 22 Morena for \$3,920.00 to be funded from Operating G/L #7640 (Building and Maintenance Repairs).

Invoice for Approval: Tanner's Repair & Maintenance Services #0296

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #0296 from Tanner's Repair and Maintenance Services dated 8/02/10 to repair the drywall and perform remediation services at 22 Segura for \$3,870.00 to be funded from Operating G/L #7640 (Building and Maintenance Repairs).

Invoice for Approval: ARC Services #22135

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #22135 from ARC Services dated 06/11/10 to repair the tile roof and stucco at 22 Morena for \$3,142.40 to be funded from Operating G/L #7655 (Roof Maintenance).

Invoice for Approval: ARC Services #22152

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #22152 from ARC Services dated 08/31/10 to repair the tile roof damages due to the removal of a bee hive at 70 Navarre for \$700.00 to be funded from Operating G/L #7655 (Roof Maintenance).

Invoice for Approval: ARC Services #22150

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #22150 from ARC Services dated 08/09/10 to repair the tile roof and wood fascia at 72 Navarre for \$3,597.50 to be funded from Operating G/L #7655 (Roof Maintenance).

Invoice for Approval: ARC Services #22147

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #22147 from ARC Services dated 07/27/10 to repair the roof and dry rotted/termite damaged wood at the second story at 22 Navarre for \$2,840.15 to be funded from Operating G/L #7655 (Roof Maintenance).

Invoice for Approval: Dan's Landscape Service, Inc. #9582

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #9582 from Dan's Landscape Service, Inc. dated 09/30/10 for the annual overseeding of the turf for \$2,596.00 to be funded from Operating G/L #7215 (Landscape Services/Extras).

Invoice for Approval: C&R Drains, Inc. #322015

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #322015 from C&R Drains, Inc. dated 06/17/10 to repair a main line stoppage at 86 Navarre for \$1,452.00 to be funded from Operating G/L #7620 (Plumbing Repairs).

Proposals for Exterior Repairs due to Termite Damage

The Board reviewed three (3) exterior repairs due to termite damage proposals for 64 Navarre. A motion was made, seconded and unanimously carried to APPROVE the repair proposal from Accurate Termite & Pest Control dated 09/23/10 to complete exterior termite repairs at 64 Navarre for \$1,485.00 to be funded from Reserves G/L #3120 (Painting/Exterior Reserves).

Dan's Landscape Proposals: Tree Removals, Landscape Upgrades, Turf conversion to Drought Tolerant Plants, Podocarpus Treatment & Detail Work

The Board reviewed several proposals from Dan's Landscape for tree removals, landscape upgrades, turf conversion to drought tolerant plants, Podocarpus treatment & detail work throughout the community. A motion was made, seconded and unanimously carried to APPROVE the following proposals:

- #B19-10R2 dated 10/18/10 for emergency tree removals at 14 locations in the community for \$1,950.00 to be funded from Operating G/L #7215 (Landscape Services/Extras)
- #B27-10 dated 10/19/10 for tree removals at 48 Navarre for \$380.00 to be funded from Operating G/L #380.00 (Landscape Services/Extras)

A motion was made, seconded and unanimously carried to TABLE the remaining proposals until 2011 due to budget constraints.

ARC Services Proposal for 19 Navarre

A motion was made, seconded and unanimously carried to TABLE proposal #E-21683R from ARC Services dated 10/08/10 for fascia board repair near the atrium at 19 Navarre for \$2,950.00 until the December meeting pending an additional proposal based on time and materials.

ARC Services Proposal for 30 Navarre

A motion was made, seconded and unanimously carried to TABLE proposal #E-21684R from ARC Services dated 10/08/10 for fascia board repair at 30 Navarre for \$2,950.00 until the December meeting pending an additional proposal based on time and materials.

ARC Services Proposal for 14 Segura

A motion was made, seconded and unanimously carried to APPROVE proposal #E-21691 from ARC Services dated 10/19/10 to repair the tile roof at 14 Segura for \$1,950.00, not including any hidden damage if any, to be funded from Reserve G/L # 3245 (Roof House/Garage Reserve).

ARC Services Email Proposal for 40 Morena

A motion was made, seconded and unanimously carried to APPROVE the email proposal from ARC Services dated 10/22/10 to repair the previous contractor's wood repair work at 40 Morena for a cost not to exceed \$500.00 to be funded from Reserve G/L # 3245 (Roof House/Garage Reserve).

Audit/Tax Return Proposals FYE 12/31/10

The Board reviewed three (3) proposals for an audit and tax preparation at fiscal year end. A motion was made, seconded and unanimously carried to TABLE the proposals until the December meeting as the Board says they already approved a proposal from Inouye, Shively and Longtin under prior management (Villageway).

Accurate Termite Report #14996 for 39 Morena

A motion was made, seconded and unanimously carried to APPROVE the termite report from Accurate Termite dated 09/27/10 for termite treatment and repairs at 39 Morena for \$2,412.00 to be funded from Reserve G/L # 3275 (Termite Reserve).

Discussion on Proposed Delinquent Assessment Policy

The Board discussed the proposed Delinquent Assessment Policy with Management. Some Association members signed a petition because they say that the proposed policy is not in accordance with the CC&Rs.

Management was asked to review the CC&Rs and the timelines set forth in the proposed policy and will discuss it with the Board at the December meeting prior to adoption of said policy.

Owner Request: Maintenance at 54 Navarre (Manga)

A motion was made, seconded and unanimously carried to TABLE the request of Joe Manga of 54 Navarre dated 10/7/10 to replace the concrete slab at the entrance of his home until the December board meeting pending review of the CC&Rs and maintenance obligations of the slab. A motion was made, seconded and unanimously carried to TABLE the request of Joe Manga of 54 Navarre to replace the door on utility closet #3 until an unspecified date as the Board has requested Management to obtain proposals to replace the doors on the utility closets throughout the community based on the door condition. The Board provided Management with a priority list based on the condition of the doors for the bidding process.

Owner Request: Maintenance at 32 Morena (Foss)

A motion was made, seconded and unanimously carried to TABLE the request of Gerhard Stehr (tenant) of 32 Morena dated 10/21/10 to replace the damaged garage slab due to common area tree roots until the December board meeting pending a report from a licensed contractor detailing the cause of the cracks in the slab as well as a proposed solution to prevent continued damage and water intrusion in the garage.

Insurance Claim Procedure & Deductible Policy Must be Prepared by Attorney

Optimum advised the Board that an Insurance Claim Procedure & Deductible Policy that outlines the procedure for handling insurance claims and responsibility for the deductible was not provided during the transition of records from the prior management company, Villageway, and recommended the Board approve having the Association's legal counsel create an Insurance Claim Procedure & Deductible Policy. A motion was made, seconded and unanimously carried to TABLE proceeding with the Association's legal counsel's, Hickey & Petchul, draft of an Insurance Claim Procedure & Deductible Policy to be presented to the Board for review and approval until the December board meeting pending a proposal from the attorney to create said policy and procedure.

Water Intrusion Procedure Must be Prepared by Attorney

Optimum advised the Board that a Water Intrusion Policy was not provided during the transition of records by the prior management company, Villageway, and recommended the Board approve having the Association's legal counsel create a policy and procedure for water intrusion issues to be adopted by the Board. A motion was made, seconded and unanimously carried to TABLE proceeding with the Association's legal counsel's, Hickey & Petchul's, creation of a Water Intrusion Policy for the association and management to follow for situations involving water damage to a unit until the December board meeting pending a proposal from the attorney to create the procedure.

Approval to Re-Type Rules and Regulations

A motion was made, seconded and unanimously carried to APPROVE Optimum Property Management to re-type the Rules and Regulations in word format for a fee of \$150.00 as the document was only received in pdf format by prior management, Villageway.

Water Pressure Regulator Discussion

The Board discussed the maintenance responsibility for water pressure regulators. A motion was made, seconded and unanimously carried to TABLE further discussion of the maintenance responsibility for water pressure regulators until the Association's attorney has an opportunity to review the governing documents.

ITEMS NEEDING IMMEDIATE ACTION

Civil Code §1363.05(4) states that the board of directors may take action on any item of business not appearing on the agenda posted and distributed pursuant to subdivision (f).

A motion was made, seconded and unanimously carried to APPROVE review of the following items not previously identified on the Agenda as they require immediate action. Furthermore, the Board advised the membership present that the following items required immediate action:

1. **Proposed Budget, Reserve Study and Reserve Funding Plan Fiscal Year 01/01/11 to 12/31/11**

Management advised the Board that there is no recorded motion wherein the Board approves using the 2010 budget for 2011. In addition, Management advised the Board that the Reserve Study for fiscal year 2011 was not obtained by prior management; therefore there are no current reserve study figures to use in creating a proposed budget for fiscal year 01/01/11 to 12/31/11. Management will contact Association Reserves and request a copy be submitted once the report has been completed. A motion was made, seconded and unanimously carried to APPROVE using the 2010 budget for fiscal year 01/01/11 to 12/31/11 with assessments remaining at \$395.00 per unit per month and monthly funding to reserves of \$28,687.50, which is less than the amount recommended of \$29,520.00 in the update reserve study by Association Reserves dated 09/01/09 with reserves funded at 38.7% in 2010 and 71.2% in 2015. The Board may need to consider a mid-year budget revision and/or assessment increase for fiscal year 01/01/11 to 12/31/11.

Furthermore, the Board TABLED the Reserve Funding Plan pending completion of a reserve study for fiscal year 2011.

Next Meeting

The next meeting of the Board of Directors is scheduled for Thursday, December 2, 2010 at 6:30 p.m. Executive and 7:15 p.m. General Session at the Rancho Senior Center, Irvine, California.

Adjournment

There being no further business to come before the Board of Directors in General Session, a motion was made, seconded and unanimously carried to ADJOURN to Executive Session at 8:20 p.m. to discuss contracts, delinquencies and to approve the minutes of the 9/30/10 Executive Session.

SECRETARY'S CERTIFICATE

I, _____, duly Appointed and Acting Secretary of The Villas Community Association, do hereby certify that the foregoing is a true and correct copy of the minutes of the General Session of the Board of Directors held on the above date, as approved by the Board of Directors of The Villas Community Association.

ATTEST:

Appointed Secretary

Dated

MINUTES
BOARD OF DIRECTORS MEETING
THE VILLAS COMMUNITY ASSOCIATION
A California Nonprofit Corporation

DECEMBER 2, 2010

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 11/27/10 for the General Session of the Board of Directors of The Villas Community Association held on the above date at the Rancho Senior Center, 3 Ethel Coplen Way, Irvine, California

Roll Call

A quorum of the Board was established with the following Directors in attendance:

Directors Present: Marguerite Bivens, President
 Myron Davey, Vice President
 Virginia Cassara, Secretary
 Tim Hunter, Treasurer
 Annette Ritchie, Member at Large

Directors Absent: None

Others Present: Stephanie Jebbia, Senior CCAM[®], Optimum Property Management, Inc. (CMF[®])
 See Sign In Sheet

Executive Session Disclosure

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 12/2/10 from 6:02 p.m. to 7:00 p.m. for the following:

- Contracts: Assessment Collection
- Delinquencies: A/R Aging Report 10/31/10, one (1) Notice of Foreclosure/Write Off Bad Debt
- Legal: Invoices and Liens
- Minutes: Executive Session 10/28/10 and 11/12/10

Call to Order

President and Presiding Chair, Marguerite Bivens, called the General Session of the Board of Directors to order directly following Executive Session at 7:04 p.m.

Homeowner Forum

In accordance with State Statute the homeowners present were given an opportunity to address the Board of Directors. The following items were presented:

- Tree Removals
- Water Intrusion/Tree Roots Causing Damage
- Plant Pruning and Landscape Maintenance
- New Management Firm and After Hours Contact Information

Secretary's Report

A motion was made, seconded and carried to APPROVE the minutes of the October 28, 2010 General Session of the Board of Directors as written.

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 10/31/10 as presented, subject to audit/review at fiscal year end by CPA. The Board requested that copies of the utility bills be included in the Directors Reports going forward.

Plan to Reimburse Reserves per Civil Code 1365.5(c)(1)

At the October meeting, the Board APPROVED withdrawing the funds in the Certificate of Deposit at Beal Bank, Reserve Account G/L #0301 (prior management) in the amount of \$50,000.00 plus interest, which doesn't mature until 03/30/11 and depositing funds in the amount of \$24,450.00 into the Pacific Western Bank operating account to cover the operating cash flow deficit. A motion was made, seconded and unanimously carried to APPROVE repayment to the reserve account the amount owed to reserves of \$24,450.00 in 12 months with monthly payments of \$2,037.50.

Delinquent Assessment Collection Policy

After having given 30 days notice and consideration of comments made by the membership, a motion was made, seconded and unanimously carried to APPROVE the adoption of the Delinquent Assessment Collection Policy previously mailed to the membership on 10/01/10 to include a late fee of \$10.00 plus a late statement fee of \$10.00 after 30 days and interest of 10% after 30 days effective 12/2/10.

Proposed Early Dispute Resolution Policy

After having given 30 days notice and consideration of comments made by the membership, a motion was made, seconded and unanimously carried to APPROVE the adoption of the proposed Early Dispute Resolution Policy mailed to the membership on 10/01/10 effective this date.

Contracts: Assessment Collection Attorney

The Board reviewed three (3) proposals/contracts for collection attorney services. A motion was made, seconded and unanimously carried to APPROVE the contract from The Perry Law Firm dated 10/1/10 for assessment collection services.

Water Intrusion Procedure Prepared by Attorney

Optimum advised the Board that a Water Intrusion Policy was not provided during the transition of records by the prior management company, Villageway, and recommended the Board approve having the Association's legal counsel create a policy and procedure for water intrusion issues to be adopted by the Board. A motion was made, seconded and unanimously carried to APPROVE for the Association's legal counsel, Hickey & Petchul's, to create a Water Intrusion Policy for the association and management to follow for situations involving water damage to a unit for a cost not to exceed approximately \$107.50.

Maintenance Responsibility Checklist

A motion was made, seconded and unanimously carried to APPROVE the Association's legal counsel to draft a maintenance matrix for a cost not to exceed \$1,075.00 to be funded from Operating G/L #8365 (Legal Services). The Maintenance Responsibility will be based on the Association's CC&Rs and Civil Code in accordance with the Management Agreement and will clearly identify if the homeowner or the Association is responsible for maintenance items.

Insurance Claim Procedure & Deductible Policy Must be Prepared by Attorney

Optimum advised the Board that an Insurance Claim Procedure & Deductible Policy that outlines the procedure for handling insurance claims and responsibility for the deductible was not provided during the transition of records from the prior management company, Villageway and recommended the Board approve having the Association's legal counsel create an Insurance Claim Procedure & Deductible Policy. A motion was made, seconded and unanimously carried to TABLE proceeding with the Association's legal counsel's, Hickey and Petchul, draft of an Insurance Claim Procedure & Deductible Policy to be presented to the Board for review and approval until the January board meeting pending information from the Association's insurance agent.

Audit/Tax Return Proposals FYE 12/31/10

The Board reviewed three (3) proposals for an audit and tax preparation at fiscal year end. A motion was made, seconded and unanimously carried to APPROVE the proposal from Inouye, Shively and Longtin CPA dated

10/08/10 to conduct an audit of the Association's financial records and prepare tax returns for fiscal year ending 12/31/10 for \$1,100.00.

Electronic Communication Policy

The Board reviewed the Electronic Communication Policy recommended by Optimum Property Management, Inc. which states the following: 1) The Board of Directors shall not use general e-mail accounts, which may be shared with spouses, family or others, for the purposes of conducting Association business, 2) the Board of Directors shall not communicate with Association members or other Board members via any blog or other electronic chat room; nor will the Board endorse any such website, 3) The Board will appoint one Board member to be the communication liaison to the management company, 4) The Board will appoint one Board member to be the communication liaison to the Association's attorney for Board approved legal matters, 5) No member of the Board will ever blind carbon copy (bcc) anyone on any e-mail communication sent for Association business, and 6) The Board shall not vote on any action items, or otherwise take Board action, via e-mail unless it is an emergency situation.

A motion was made, seconded and unanimously carried to APPROVE the Electronic Communication Policy recommended by Optimum Property Management, Inc. as presented effective this date.

CID Insurance Programs Proposal ~ Master Fidelity Coverage

The Board reviewed the policy quote from CID Insurance Programs for the Master Fidelity Coverage in accordance with the Management Agreement. A motion was made, seconded and unanimously carried to APPROVE the policy quote from CID Insurance Programs dated 10/25/10 for Master Fidelity Coverage with a policy limit of \$375,000.00 and a deductible of \$1,000.00 for a total annual policy premium of \$551.00 to be funded from Operating G/L #8412 (Fidelity Coverage).

Workers' Compensation Insurance Proposals

The Board reviewed two (2) proposals from CID Insurance and State Farm Insurance for workers' compensation insurance coverage. A motion was made, seconded and unanimously carried to APPROVE the proposal from CID Insurance dated 10/25/10 with coverage for Board members and appointed committee members and a policy limit of \$1 million for a total annual premium of \$576.00 subject to rate changes to be paid from Operating.

Accurate Termite & Pest Control Report #15245 for 12 Segura

A motion was made, seconded and carried to APPROVE the termite report from Accurate Termite & Pest Control dated 11/4/10 for termite treatment and repairs at 12 Segura for \$3,238.00 to be funded from Reserve G/L # 3265 (Termite Reserve).

ABSTAIN: Ritchie

Accurate Termite Report & Pest Control #15292 for 31 Morena

A motion was made, seconded and unanimously carried to APPROVE the termite report from Accurate Termite & Pest Control dated 11/5/10 for termite treatment and repairs at 31 Morena for \$1,838.00 to be funded from Reserve G/L # 3265 (Termite Reserve).

Accurate Termite & Pest Control Report #15351 for 11 Morena

A motion was made, seconded and unanimously carried to APPROVE the termite report from Accurate Termite & Pest Control dated 11/5/10 for termite treatment at 11 Morena for \$500.00 to be funded from Reserve G/L # 3265 (Termite Reserve).

Draft Reserve Study Dated 11/8/10

A motion was made, seconded and unanimously carried to TABLE the update Reserve Study prepared by Association Reserves dated 11/8/10 for fiscal year 01/01/11 to 12/31/11 with monthly recommended funding to

reserves of \$29,520.00 with reserves funded at 26.6% until the January meeting pending further review by the Board.

Exterior Repair Proposals for 19 and 30 Navarre

The Board reviewed three (3) proposals for exterior repairs to the fascia, trim and roof at 19 and 30 Navarre. A motion was made, seconded and unanimously carried to APPROVE the proposals from OCBS dated 12/2/10 for fascia, trim and roof repairs at 19 Navarre for \$1,435.00; fascia, trim and roof repairs at 30 Navarre for \$2,292.00; and roof repairs at both units for \$1,868.00 to be funded from Reserves G/L #3330 (Building Repairs). The Board has requested that the repairs for 19 Navarre not be scheduled until January 2011 due to the current health of the owner. Management is waiting for warranty information from Premier Roofing to determine whether or not Premier Roofing should complete the roof repairs in order to not void the warranty.

Dan's Landscape Proposals: Tree Removal at 32 Morena

A motion was made, seconded and unanimously carried to APPROVE proposal #BID 35-10 from Dan's Landscape dated 11/15/10 to remove two (2) Eucalyptus trees in front of 32 Morena for \$380.00 to be funded from Operating G/L #7215 (Landscape Extras).

City of Irvine Community Services Reservation for 2011 Board Meetings

A motion was made, seconded and unanimously carried to APPROVE the reservation agreement from the City of Irvine Community Services dated 11/15/10 for the 2011 board meetings for \$1,237.50 to be funded from Operating G/L #8499 (Miscellaneous Administration).

Utility Door Replacement Proposals

The Board reviewed two (2) proposals to replace the remaining utility doors throughout the community. A motion was made, seconded and unanimously carried to TABLE the proposals until the January meeting pending review of the current contracts with Jeff Tanner for the same work.

ARC Services Report on 18 Navarre

The Board reviewed the ARC Services report/invoice dated 11/2/10 which states there is evidence of water stains and "ponding" on the old flat roof. ARC Services recommends that minor remedial repairs be completed if the owner reports any water entry into the unit. A motion was made, seconded and unanimously carried to APPROVE waiting on repairs until absolutely necessary as this building is scheduled to be re-roofed in 2011.

Invoice for Approval: Total Building Care #0410002-5

A motion was made, seconded and carried to APPROVE payment of invoice #0410002-5 from Total Building Care dated 09/17/10 for the final payment for repairs completed at 41 Morena for \$16,653.00 to be funded from Reserves G/L #3330 (Building Repairs).

ABSTAIN: Hunter, Cassara

Invoice for Approval: Accurate Termite & Pest Control for 64 Navarre

A motion was made, seconded and unanimously carried to APPROVE the invoice from Accurate Termite & Pest Control dated 11/18/10 for termite treatment and exterior termite repairs at 64 Navarre for \$1,965.00 to be funded from Reserves G/L #3265 (Termite Reserve).

Invoice for Approval: Ultimate Pool Service

A motion was made, seconded and unanimously carried to APPROVE the invoice from Ultimate Pool Service dated 8/4/10 for pool pump and motor repairs for \$759.59 to be funded from Reserves G/L #3135 (Pool Filter).

Inspectors of Election ~ Annual Membership Meeting & Election

A motion was made, seconded and unanimously carried to TABLE the appointment of the Inspector(s) of Election which will certify the results of the election in accordance with the adopted Election Rules for the

Annual Membership Meeting & Election to be held on January 27, 2010 with registration at 7:00 p.m. at the Rancho Senior Center until the January meeting as there are no volunteers at this time. Furthermore, Optimum Property Management, Inc. is authorized to receive the ballots and will turn them over to the Inspector of Election prior to the meeting.

Reallocation of Reserves

A motion was made, seconded and unanimously carried to APPROVE the recommendation from Optimum Property Management to reallocate the reserves in accordance with the most recent reserve study for a fee of \$250.00 once the draft Reserve Study has been approved.

ITEMS NEEDING IMMEDIATE ACTION

Civil Code §1363.05(4) states that the board of directors may take action on any item of business not appearing on the agenda posted and distributed pursuant to subdivision (f).

A motion was made, seconded and unanimously carried to APPROVE review of the following items not previously identified on the Agenda as they require immediate action. Furthermore, the Board advised the membership present that the following items required immediate action:

1. Dan's Landscape Proposals: Tree Removal at 10 Navarre

A motion was made, seconded and unanimously carried to APPROVE proposal #BID 39-10 from Dan's Landscape dated 12/1/10 to remove one Melaluca tree in front of 10 Navarre that is causing damage to the concrete and perimeter wall for \$300.00 to be funded from Operating G/L #7215 (Landscape Extras).

2. Dan's Landscape Proposals: Emergency Tree Removals

A motion was made, seconded and unanimously carried to APPROVE proposal #BID 19-10R3 from Dan's Landscape dated 11/22/10 for emergency tree removals at 15 locations that are damaging the common area walkways for \$2,430.00 to be funded from Operating G/L #7215 (Landscape Extras).

Next Meeting

The Annual Membership Meeting & Election is scheduled for January 27, 2010 at 7:30 pm (Registration at 7:00 pm) followed by the Organizational Meeting of the Board of Directors at the Rancho Senior Center, Irvine, California.

The next meeting of the Board of Directors is scheduled before and after the Annual Meeting on January 27, 2010 at 6:30 p.m. Executive and 8:00 p.m. General Session at the Rancho Senior Center, Irvine, California.

Adjournment

There being no further business to come before the Board of Directors in General Session, a motion was made, seconded and unanimously carried to ADJOURN to at 8:25 p.m.

SECRETARY'S CERTIFICATE

I, _____, duly Appointed and Acting Secretary of The Villas Community Association, do hereby certify that the foregoing is a true and correct copy of the minutes of the General Session of the Board of Directors held on the above date, as approved by the Board of Directors of The Villas Community Association.

ATTEST:

Appointed Secretary

Dated