

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

SEPTEMBER 24, 2020

Notice of Meeting

In accordance with Civil Code §4920, notice of the meeting and the agenda was posted at the community pool at least four (4) days prior to the General Session of the Board of Directors of The Villas Community Association held on the above date **via Webex teleconference**.

Roll Call

A quorum of the Board (Five Members per Bylaws) was established with the following Directors in attendance:

Directors Present: Daniel Wells, President
Cathy Lewis, Vice President
Jill Cooper, Secretary
Ali Gharavi Esfahani, Treasurer
Angie Dickson, Member at Large

Directors Absent: NONE

Others Present: Morgan Winegar | Director, Optimum Professional Property Management, Inc.

Executive Session Disclosure §4935(a)

In accordance with Civil Code §4935(e), notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on **September 24, 2020 from 6:20 p.m. to 7:35 p.m.** for the following:

- Contract: Optimum Monthly Meetings
- Delinquencies: A/R Aging Report 07/31/20, Account Update
- Legal-8: Window Replacement Update, Request for Reasonable Accommodations, ADR for Vehicle Violation & Water Damage Concern Update and Drainage
- Minutes: Executive Session 07/23/20

Call to Order General Session

President and Presiding Chair, Dan Wells, called the General Session of the Board of Directors to order **following Executive Session at 7:40 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:

- Window replacement
- Abatement

Architectural Committee

There were no items presented by the architectural committee. No action necessary.

Landscape Committee: Grant's Landscape Proposals

A motion was made, seconded and unanimously carried to APPROVE the proposal dated 08/03/20 from Grant's Landscape for fall lawn scalp and over-seeding for \$1,530.00 to be paid from Operating G/L #60400 (Landscape Supplies).

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A motion was made, seconded and unanimously carried to APPROVE the proposal dated 08/12/20 from Grant's Landscape for plant replacements at 26 Navarre for \$525.00 to be paid from Reserves G/L #34200 (Landscape Irrigation).

A motion was made, seconded and unanimously carried to APPROVE the proposal dated 09/11/20 from Grant's Landscape for installation of a pigmy palm at 37 Morena for \$170.00 if the homeowner at 37 Morena (Kojian) agrees to pay the invoice in full as it a personal request and not an Association responsibility item.

Secretary's Report / Minutes

A motion was made, seconded and unanimously carried to APPROVE the Minutes of the July 23, 2020 General Session of the Board of Directors as written.

Treasurer's Report / Financial Statements

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period(s) ending 07/31/20 and 08/31/20 as presented, subject to audit/review at fiscal year-end by a CPA.

Morgan Stanley CD G/L #15058

A motion was made, seconded and unanimously carried to APPROVE rolling over the Certificate of Deposit at Morgan Stanley, Reserve Account G/L #15058 in the amount of \$100,000.00 plus interest maturing 09/21/20 for a term of six (6) months at the best available rate.

Morgan Stanley CD G/L #15067

A motion was made, seconded and unanimously carried to APPROVE rolling over the Certificate of Deposit at Morgan Stanley, Reserve Account G/L #15067 in the amount of \$50,000.00 plus interest maturing 10/30/20 for a term of nine (9) months at the best available rate.

Morgan Stanley CD G/L #15065

A motion was made, seconded and unanimously carried to APPROVE rolling over the Certificate of Deposit at Morgan Stanley, Reserve Account G/L #15065 in the amount of \$75,000.00 plus interest maturing 10/16/20 for a term of twelve (12) months at the best available rate.

Morgan Stanley CD G/L #15060

A motion was made, seconded and unanimously carried to APPROVE rolling over the Certificate of Deposit at Morgan Stanley, Reserve Account G/L #15060 in the amount of \$75,000.00 plus interest maturing 10/14/20 for a term of twelve (12) months at the best available rate.

Morgan Stanley CD G/L #15055

A motion was made, seconded and unanimously carried to APPROVE rolling over the Certificate of Deposit at Morgan Stanley, Reserve Account G/L #15055 in the amount of \$100,000.00 plus interest maturing 10/19/20 for a term of thirteen (13) months at the best available rate.

Proposed Budget, Reserve Study and Reserve Funding Plan Fiscal Year 01/01/21 to 12/31/21

The Board reviewed proposed budget #1 prepared 09/17/20 for fiscal year 01/01/21 to 12/31/21 with an increase in assessments of \$24.00 (5.7%) from \$420.00 to \$444.00 per unit per month and monthly funding to reserves of \$26,000.00 per the reserve study onsite by Association Reserves dated 09/14/20 with reserves funded at 83.5% at beginning of new fiscal year and 90.3% in five (5) years. A motion was made, seconded and carried to APPROVE a budget revised by the Board of Directors for fiscal year 01/01/21 to 12/31/21 with an increase in assessments of \$14.00 (3.3%) from \$420.00 to \$434.00 per unit per month and monthly funding to reserves of \$26,000.00, which is the amount recommended of \$26,000.00 in the reserve study onsite by Association Reserves dated 09/14/20.

NOTE: The Board of Directors is NOT currently considering a special assessment and/or obtaining a bank loan for fiscal year 01/01/21 to 12/31/21 to repair any major common area components or to fund the reserves. Furthermore, the Board APPROVED the reserve study onsite by Association Reserves dated 09/14/20 revision 1 for fiscal year 01/01/21 to 12/31/21 with monthly recommended funding of \$26,000.00 with reserves funded at 83.5% in 2021 and projected funding at 90.3% in five (5) years.

Components with a remaining useful life of 30 years or less listed on the Executive Summary will continue to be funded per the approved budget and repairs or replacement of these items is not currently being deferred.

Furthermore, the Board ADOPTED the Reserve Funding Plan by Foresight Financial Services for fiscal year 01/01/21 to 12/31/21 with reserves funded at 90.3% in five (5) years based on the approved reserve funding amount of \$26,000.00.

OPPOSE: Dickson

24 Hour Construction Invoice – Remediation at 70 Navarre

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #33400 from 24 Hour Construction dated 06/23/20 for remediation at 70 Navarre for \$3,449.20 to be paid from Operating G/L #75020 (Contingency).

Appointment of Director

A motion was made, seconded and unanimously carried to APPROVE the appointment of Ali Gharavi Esfahani, owner of 33 Navarre, to the Board of Directors effective immediately to fill the vacancy created by the resignation of Rob Fallone on 08/03/20 to serve the remainder of the term expiring January 2021. Furthermore, Ali Gharavi Esfahani is elected to the office of Treasurer.

Appoint Member to Architectural Review Committee due to Resignation of Rob Fallone

A motion was made, seconded and unanimously carried to APPROVE appointment of Ali Gharavi Esfahani to the Architectural Committee effective immediately to fill the vacancy created by the resignation of Rob Fallone on 08/03/20.

Election of Officer/Treasurer

A motion was made, seconded and unanimously carried to APPROVE the election of Director, Ali Gharavi Esfahani to the office of Treasurer effective immediately.

Inspectors of Election - Annual Membership Meeting & Election

A motion was made, seconded and unanimously carried to APPROVE appointment of Avi Schwartz of 62 Navarre to act as the Inspector of Election and certify the results of the election in accordance with the adopted Election Rules for the Annual Membership Meeting & Election to be held on January 28, 2021 at 7:00 p.m. with registration at 6:45 p.m. at Optimum Professional Property Management. Furthermore, Optimum Professional Property Management is authorized to receive the ballots and will turn them over to the Inspector of Election prior to the meeting.

Adopt the Revised Fine Policy

After having given twenty-eight (28) days-notice and consideration of comments made by the Membership, a motion was made, seconded and unanimously carried to ADOPT the Revised Fine Policy previously posted for the Membership on 08/27/20, effective 09/24/20.

Approve Proposal for Tree Trimming – Great Scott

A motion was made, seconded and unanimously carried to APPROVE the proposal from Great Scott Tree Service dated 09/09/20 for annual tree trimming for 2021 for \$22,845.00 to be paid from Operating G/L #61100 (Tree Trimming).

Engineer Proposals for Culvert Drainage Concerns & Scope of Work – Status Update

A motion was made, seconded and unanimously carried to APPROVE the proposal from Total Engineering dated 07/29/20 to improve the drain inlet at the end of the drainage culvert and to provide an additional proposal for repairs for \$2,800.00 to be paid from Operating G/L #75020 (Contingency).

Trash Schedule Recommendation from Waste Management

A motion was made, seconded and unanimously carried to TABLE the recommendation from Waste Management to either increase service days or add an additional bin due to the overage in the dumpsters every week. The Board asked Management to request a later pickup on Saturdays to help alleviate the problem.

Large Item Dumping Concerns

A motion was made, seconded and unanimously carried to TABLE the discussion about the large items being dumped inappropriately until the October board meeting pending further review.

Approve Board Member Reimbursement for Landscape Supplies

A motion was made, seconded and carried to APPROVE the request of Dan Wells owner of 18 Segura for reimbursement from the Association for landscape supplies for the common area in the amount of \$100.00 since it was determined the supplies were for the common area to be paid from Operating G/L #82800 (Miscellaneous Administration).

ABSTAIN: Wells

Approve Gift Card for Landscape Foreman Jesus Castaneda

A motion was made, seconded and unanimously carried to APPROVE the request of Dan Wells owner of 18 Segura for reimbursement from the Association for a monetary holiday bonus of \$150.00 for Jesus Castaneda, the Landscape Foreman, since this is an Association expense to be paid from Operating G/L #82800 (Miscellaneous Administration).

Owner Request for Reimbursement for Window Replacement – 60 Navarre

A motion was made, seconded and unanimously carried to APPROVE the request of Simone Hofford owner of 60 Navarre for reimbursement from the Association for window replacement at 60 Navarre (Hofford) in the amount not to exceed \$2,126.00 based on the Association's proposal from CPR Construction since it was determined the repair is the Association's responsibility.

24 HRC Proposal for Interior Repairs at 60 Navarre

A motion was made, seconded and unanimously carried to APPROVE the proposal from 24 HRC dated 08/27/20 for emergency services and interior repairs at 60 Navarre (Hofford) in the amount not to exceed \$6,000.00 to be paid from Operating G/L #75020 (Contingency).

Petra Geotechnical Investigation at 70 Navarre – Status Update

The Board discussed the status updated provided by Petra Geotechnical with regards to 70 Navarre and the additional request for gutter installation. The Board requested that Management discuss this with the Association's legal counsel, Dirk Petchul and provide the Board with a recommendation.

Petra Geotechnical Investigation at 38 Navarre – Status Update

The Board reviewed information provided by Petra Geotechnical with regards to drainage at 38 and 40 Navarre and requested that the Association's legal counsel, Dirk Petchul review the condo plan with the representative from Petra Geotechnical and provide the Board with a recommendation.

Plumbing & Remediation Proposals for Ratification for 35 Morena

A motion was made, seconded and unanimously carried to APPROVE to ratify the proposal dated 08/25/20 from South County Plumbing to reroute the hot water line up to 50ft. for \$2,450.00 to be paid from Operating G/L #73600 (Plumbing Repairs). A motion was made, seconded and unanimously carried to APPROVE to ratify the proposal dated 09/25/20 from South County Plumbing to repair the cracked kitchen drain for \$1,100.00 to be paid from Operating G/L #73600 (Plumbing Repairs). Additionally, a motion was made, seconded and unanimously carried to APPROVE to ratify the proposal dated 08/17/20 from Viking Environmental for asbestos abatement for \$1,942.55 to be paid from Operating G/L #73600 (Plumbing Repairs).

South County Plumbing Invoice & Report for 52 Navarre – Status Update

The Board reviewed the report provided by South County Plumbing regarding the possible slab leak at 52 Navarre and requested that Management submit a workorder to Petra Geotechnical to inspect this area and provide a recommendation.

Owner Request Concrete Repair – 19 Segura

A motion was made, seconded and unanimously carried to DENY the homeowner's request at 19 Segura to repair the concrete outside the front door at 19 Segura since this repair is the homeowner's responsibility.

Professional Craftsman Proposal for Replacement of Utility Door with Fiberglass

A motion was made, seconded and unanimously carried to TABLE the proposal from Professional Craftsman dated 01/30/20 to replace the utility doors with fiberglass doors for \$1,895.00 until the October board meeting pending further review.

Parking Concerns - Discussion

A motion was made, seconded and unanimously carried to TABLE discussion of parking concerns to the October board meeting pending further review.

Pool Furniture Repair/Replacement

A motion was made, seconded and unanimously carried to TABLE discussion of the pool furniture repair or replacement to the October board meeting pending further review.

Storage Closet - Discussion

A motion was made, seconded and unanimously carried to TABLE discussion of the storage closet to the October board meeting pending receipt of additional information.

Email Address Database

A motion was made, seconded and unanimously carried to TABLE discussion of the email address database to the September board meeting pending further review.

ITEMS NEEDING IMMEDIATE ACTION

Civil Code §4930(d) states that the board may take action on any item of business not appearing on the agenda posted and distributed pursuant to subdivision (a) of Section 4920 with certain conditions.

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Therefore, 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 and the Board advised the membership of such:

1. Board Meeting Location

A motion was made, seconded and unanimously carried to APPROVE holding the October 22, 2020 Board meeting at Optimum Professional Property Management.

Next Meeting

NOTE: Meetings of the Board of Directors are held every month. The Annual Membership Meeting and Election is held in January.

The next meeting of the Board of Directors is scheduled for **October 22, 2020** at 6:15 p.m. Executive Session, 6:45 p.m. General Session at Optimum.

Adjourn General Session

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 at **10:20 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:

APPROVED

10/22/20

Appointed Secretary

Dated