

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

JANUARY 27, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 01/23/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, 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, CCAM[®], Director of Training, Optimum Property Management, Inc. (CMF[®])
 Dirk Petchul, Hickey and Petchul, LLP
 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 01/27/11 from 6:30 p.m. to 7:15 p.m. for the following:

- Delinquencies: A/R Aging Report 12/31/10, one Board Awareness for Proposed Settlement Agreement, one Invoice from Collection Attorney, one Request to Waive Fees
- Legal: Two (2) Legal Opinions, one Correspondence, Review Draft Maintenance Matrix
- Minutes: Executive Session 12/2/10

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Organizational Meeting at 8:46 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:

- Vehicle Theft in Irvine
- Water Intrusion and Damage at 32 Morena
- Storage/Utility Door Replacement Schedule

Secretary's Report

A motion was made, seconded and carried to APPROVE the minutes of the December 2, 2010 General Session of the Board of Directors as written.

ABSTAIN: Seaholm

Action Without A Meeting: Fontaine Weatherproofing Proposal ~ 13 Navarre

A motion was made, seconded and carried to APPROVE ratifying the Action Without a Meeting dated December 28, 2010 approving the proposal from Fontaine Weatherproofing dated 12/24/10 to complete tile roof repairs at 13 Navarre for \$2,500.00 to be funded from Reserves G/L # 3130 (Roofs) as written.

ABSTAIN: Seaholm

Action Without A Meeting: Total Building Care Invoice ~ 41 Morena

A motion was made, seconded and carried to APPROVE ratifying the Action Without a Meeting dated December 29, 2010 approving partial payment of invoice #0410002GL from Total Building Care dated 12/28/10 for repair work completed at 41 Morena in the amount of \$13,625.00, which is total of Scope A and B to be funded from Reserves G/L # 3330 (Building Repair Reserves) and that the Board of Directors is disputing the change order dated 9/8/10 for additional work in the amount of \$9,942.78 as written.

ABSTAIN: Seaholm

Action Without A Meeting: Orange Coast Building Services ~ 13 Navarre

A motion was made, seconded and carried to APPROVE ratifying the Action Without a Meeting dated January 7, 2011 approving Orange Coast Building Services (OCBS) to continue remediation services due to extensive water damage caused by a tile roof leak at 13 Navarre as the cost for said services is in excess of \$3,000.00 to date as written.

ABSTAIN: Seaholm

Action Without A Meeting: Gale Force Pressure Washing Proposal ~ Gutters & Downspouts

A motion was made, seconded and carried to APPROVE ratifying the Action Without a Meeting dated January 7, 2011 approving the proposal from Gale Force Pressure Washing dated 9/8/10 to clean all rain gutters and downspouts for \$4,250.00 plus sweep all of the roofs for an additional \$1,000.00 (see email) to be funded from Operating G/L # 7655 (Roof Maintenance) as written.

ABSTAIN: Seaholm

Treasurer's Report

A motion was made, seconded and carried to ACCEPT the financial statements and reconciled bank statements for periods ending 11/30/10 and 12/31/10 as presented, subject to audit/review at fiscal year-end by CPA.

ABSTAIN: Seaholm

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.

Delinquencies: Approval to Record Lien

In accordance with California Civil Code §1367.1(c)(2): A motion was made, seconded and unanimously carried to APPROVE recording a lien in accordance with the Association's adopted Delinquent Assessment Collection Policy and California Civil Code on property identified as #0963-00007-1, 0963-00134-1 and 0963-000135-1.

Inspectors of Election ~ Annual Membership Meeting & Election

No action required as inspectors were appointed at the Annual Membership Meeting and Election held prior to the General Session.

Reserve Study and Reserve Funding Plan Fiscal Year 01/01/11 to 12/31/11

A motion was made, seconded and unanimously carried to APPROVE the update Reserve Study prepared by Association Reserves dated 11/08/10 version 1 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% in 2011 and projected funding at 80.3% in 2016.

Furthermore, the Board ADOPTED the Reserve Funding Plan presented by Foresight Financial Services that shows reserves funded at 26.6% in 2011 and 80.3% in 2016 based on the approved reserve funding amount of \$29,520.00 per month for fiscal year 01/11/11 to 12/31/11.

Water Intrusion Protocol

Optimum advised the Board that a Water Intrusion/Mold Protocol 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 the Water Intrusion Protocol for the Association and management to follow for situations involving water damage to a unit as prepared by the Association's legal counsel, Hickey and Petchul, LLP.

Maintenance Responsibility Checklist

The Board reviewed the draft Maintenance Responsibility Checklist based on the Association's CC&Rs and Civil Code as prepared by the Association's legal counsel, Hickey and Petchul. A motion was made, seconded and unanimously carried to TABLE the draft Maintenance Responsibility Checklist until the February meeting pending further review by the Board.

Invoice for Approval: ARC Services #22187

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #22187 from ARC Services dated 12/6/10 to repair the tile roof and install new wood, roofing paper, and stucco at 14 Segura for \$3,021.60 to be funded from Reserves G/L #3245 (Roof House/Garage).

Invoice for Approval: 24 Hour Restoration #9725

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #9725 from 24 Hour Restoration dated 12/09/10 to perform emergency service remediation due to a sewage backup at 16 Morena for \$2,745.99 to be funded from Reserves G/L #3235 (Water Damage/Restoration).

Invoice for Approval: 24 Hour Restoration #9724

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #9724 from 24 Hour Restoration dated 12/09/10 to perform emergency service remediation due to a sewage backup at 2 Morena for \$1,975.88 to be funded from Reserves G/L #3235 (Water Damage/Restoration).

Invoice for Approval: Summit Consulting and Architecture #2146

A motion was made, seconded and carried to APPROVE payment of invoice #2146 from Summit Consulting & Architecture dated 07/23/10 to inspect, review documents, perform a water test and publish a report for water damage at 41 Morena for \$667.50 to be funded from Reserves G/L #3235 (Water Damage/Restoration).

ABSTAIN: Hunter, Cassara

Dan's Landscape Proposal: #01-11 Spring/Summer Tree Trimming

A motion was made, seconded and unanimously carried to TABLE proposal #BID 01-11 from Dan's Landscape dated 12/15/10 for Spring/Summer 2011 tree trimming services throughout the community for \$8,260.00 until the February board meeting pending additional proposals and inspection as to which trees need to be removed not trimmed because of potential property damage to common area pipes and drains.

Dan's Landscape Proposal: #03-11R Trench Drain Line at 86 and 88 Navarre

A motion was made, seconded and unanimously carried to APPROVE proposal #BID 03-11R from Dan's Landscape dated 01/19/11 to trench along the drain between 86 and 88 Navarre to expose and connect the exiting 6" drain due to clogging and to re-grade the area toward the catch basin for \$400.00 to be funded from Operating G/L #7215 (Landscape Extras).

Dan's Landscape Proposal: #32-10 Trim Back Plant Material Hanging Over from The Temple

A motion was made, seconded and unanimously carried to TABLE proposal #32-10 from Dan's Landscape dated 10/28/10 to trim back plant material hanging over the property from the Temple and to remove a diseased Eucalyptus tree across from 29 Navarre for \$1,475.00 until the February board meeting as the Board is desirous of clarifying the property line between the Association and the Temple in the event the plant material belongs to the Temple.

Dan's Landscape Proposal: #30-10 Spray Myporum for Thrip

A motion was made, seconded and unanimously carried to TABLE proposal #30-10 from Dan's Landscape dated 10/28/10 to spray the Myoporum for Thrip between 11 and 39 Navarre by the Temple for \$300.00 until the February board meeting pending more information from Gini Cassara on clarification of the property lines.

Aquatrends Proposal: LED Pool Lights

A motion was made, seconded and unanimously carried to TABLE INDEFINITELY the proposal from Aquatrends to convert the two (2) pool and one (1) spa light from incandescent to LED lights to save the Association energy and money (\$306.00 per year/per light) for \$1,185.00 due to budget constraints.

C&R Drains Proposals (2): Trench Drain Line at 86/88 Navarre and 60 Navarre

A motion was made, seconded and unanimously carried to TABLE INDEFINITELY the proposal from C&R Drains dated 01/14/11 to trench the area drain at 86 and 88 Navarre due to clogging for \$672.00 as the Board approved the same work to be completed by Dan's Landscape.

A motion was made seconded and unanimously carried to TABLE INDEFINITELY the proposal from C&R Drains dated 01/21/11 to trench the area drain at 60 Navarre due to clogging for \$448.00 because the Board is desirous of Management obtaining a proposal from Rocky Rooter to camera the line to determine where is the blockage is before proceeding with any trench work at this location. This vendor has not been reviewed and/or approved for use by management. The Board of Directors approves use of this vendor at its sole discretion.

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 February board meeting pending review of the current contract with Jeff Tanner for the same work and an onsite meeting with PCW to clarify the scope of work proposed.

Interior Repair Proposals for 16 Morena

The Board reviewed two (2) proposals to complete interior repairs at 16 Morena. A motion was made, seconded and unanimously carried to APPROVE the proposal from 24 Hour Restoration dated 12/08/10 to complete interior repairs due to remediation services because of sewage backup in the amount of \$1,670.79 contingent on State Farm Insurance (claim pending) permitting the Association to use this vendor to be funded from Reserves G/L #3235 (Water Damage/Restoration).

Owner Request: Plumbing Reimbursement ~ 2 Morena (Mills)

A motion was made, seconded and unanimously carried to APPROVE the request of Tom Mills of 2 Morena dated 12/03/10 for reimbursement from the Association in the amount of \$120.00 to clear the sewer backup at 2 Morena (Mills) since it was determined that the repair was made to the common area drain line and the owner submitted proof of payment made to the vendor for this repair. This expense shall be funded from Operating G/L #7620 (Plumbing Repairs).

Owner Request: Relocation Expense Reimbursement ~ 16 Morena (Yang)

A motion was made, seconded and unanimously carried to DENY the request of Tina Yang of 16 Morena dated 01/05/11 for reimbursement from the Association in the amount of \$1,403.25 for her tenant's relocation expenses for five (5) days due to sewage back up and necessary remediation services since relocation expenses

are not covered by the Association's insurance policy and is considered the owner's responsibility under Civil Code 1364(c), which should be covered by the owner's own insurance policy.

Owner Request: Remediation Reimbursement ~ 92 Navarre (Rogers)

A motion was made, seconded and unanimously carried to APPROVE the request of Marilyn Rogers of 92 Navarre dated 01/20/11 for reimbursement from the Association in the amount of \$1,870.72 for remediation services at 92 Navarre (Rogers) since it was determined that the remediation was necessary due to interior flooding caused by an exterior stucco leak and the owner submitted proof of payment made to the vendor for these services. This expense shall be funded from Reserves G/L #3235 (Water Damage/Restoration).

Proposals to Install Drain System Behind 48 Navarre (for 32 Morena)

The Board reviewed two (2) proposals to install a drain system along the garage behind 48 Navarre, which is the garage that belongs to 32 Morena. A motion was made, seconded and unanimously carried to TABLE the proposals to install a drain system along the garage behind 48 Navarre pending an additional proposal. The Board did agree to review all three (3) proposals and decide via Action Without a Meeting (AWOM) before the February board meeting.

Premier Roofing Roof Repair Proposals for 19 and 30 Navarre

A motion was made, seconded and unanimously carried to TABLE the proposals to repair the new flat roofs at 19 and 30 Navarre as no proposals were submitted in time for the meeting. At the December meeting the Board approved OCBS to perform exterior repairs to the fascia, trim and roofs at both addresses; however, the flat roof warranty from CertainTeed requires that Premier Roofing, the roofing installer, or other certified roofer complete repairs to the roof in order to not void the warranty.

Roof Repair/Interior Repair Proposals: 44 Navarre

The Board reviewed three (3) proposals for interior damage and four (4) proposals for tile roof repairs at 44 Navarre. A motion was made, seconded and unanimously carried to TABLE the proposals to repair the tile roof and complete interior repairs at 44 Navarre pending further review by the Board. The Board did agree to review all seven (7) proposals and decide via Action Without a Meeting (AWOM) before the February board meeting.

Roof Repair Proposals: 64 Navarre

The Board reviewed two (2) proposals to repair the tile roof at 64 Navarre. A motion was made, seconded and unanimously carried to TABLE the proposals to repair the tile roof at 64 Navarre pending further review by the Board. The Board did agree to review the two (2) proposals and decide via Action Without a Meeting (AWOM) before the February board meeting.

Roof Repair Proposals: 66 Navarre

A motion was made, seconded and unanimously carried to TABLE the proposal from ARC dated 01/11/11 to repair the tile roof at 66 Navarre pending an additional proposal from Fontaine Weatherproofing. The Board did agree to review the two (2) proposals and decide via Action Without a Meeting (AWOM) before the February board meeting.

Roof Repair Proposals: 80 Navarre

A motion was made, seconded and unanimously carried to TABLE the proposal from ARC dated 12/31/10 to repair the tile roof and any additional wood damage at 80 Navarre pending an additional proposal from Fontaine Weatherproofing. The Board did agree to review the two (2) proposals and decide via Action Without a Meeting (AWOM) before the February board meeting.

Roof Repair Proposals: 92 Navarre

A motion was made, seconded and unanimously carried to TABLE the proposals to repair the roof/stucco wall at 92 Navarre as the scope of work was not submitted by OCBS in time for proposals to be obtained for review at the meeting. The Board did agree to review the proposals and decide via Action Without a Meeting (AWOM)

before the February board meeting pending receipt of the scope of work from OCBS and proposals from other vendors.

Landscape Committee Report/Guidelines for Common Area Planting

The Board reviewed the draft Villas Guidelines for Planting in the Common Area as drafted by members of the Landscape Committee. A motion was made, seconded and unanimously carried to TABLE further review and approval of the guidelines until they have been reviewed by the Association's legal counsel.

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 to Install a New Irrigation Controller for Clock #2

A motion was made, seconded and unanimously carried to TABLE Dan's Landscape proposals #BID 04-11 and #BID 05-11 dated 1/20/11 to install a new irrigation controller for clock #2 pending additional information on the IRWD requirements to install smart timer in Homeowners Associations by 2012. Dan's Landscape proposed three (3) options to replace the broken controller for clock #2 as follows:

-BID 04-11-\$1,208.00-Rainmaster 24 Station Controller (replacement of existing model) and \$918.00-Rainmaster Central Controller.

-BID 05-11-\$2,966.50-WeatherTrak Irrigation Controller plus \$18.95 monthly service fee.

The Board did agree to review the proposals and decide via Action Without a Meeting (AWOM) before the February board meeting as the controller is broken and Dan's Landscape is currently hand watering the turf in this area.

2. Annual Membership Meeting & Election Tabulated Results

The results of the Adjourned Annual Membership Meeting & Election held on January 27, 2011 to elect five (5) directors for a one (1) year term expiring 2012, as Certified by the Inspector(s) of Election are as follows:

- Richard "Dick" Seaholm received 163 votes and was elected for 1 year term expiring 2012
- Marguerite Bivens received 62 votes and was elected for 1 year term expiring 2012
- Virginia "Gini" Cassara received 53 votes and was elected for a 1 year term expiring 2012
- Annette Ritchie received 48 votes and was elected for a 1 year term expiring 2012
- Tim Hunter received 47 votes and was elected for a 1 year term expiring 2012
- Myron Davey received 31 votes

CC 11504 Certified Manager Disclosure

In accordance with CC11504 that became law on January 1, 2003 a person who provides services to a CID, as a manager, is required to disclose the following to the Board of Directors: Community manager, Stephanie Jebbia is certified as defined by CC11504 by the California Association of Community Managers, Inc. (CCAM) whose location is 23461 South Point Dr., Suite 200, Laguna Hills CA 92653. Certification was obtained in 2010 and is currently in good standing. Furthermore, the primary office of Stephanie Jebbia is 17731 Irvine Boulevard, Suite 212, Tustin, CA 92780.

Next Meeting

The next meeting of the Board of Directors is scheduled on February 24, 2011 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 10:40 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

5/24/11

Dated

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

FEBRUARY 24, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 02/19/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, 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. (ACMF[®])
 Cynthia Hunter, Senior CCAM[®], Optimum Property Management, Inc. (ACMF[®])
 Dirk Petchul and Dave Wankel, Hickey and Petchul, LLP
 See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 2/24/11 from 6:30 p.m. to 7:30 p.m. for the following:

- Contracts: Optimum Property Management, Summit Consulting and ARC Services
- Delinquencies: A/R Aging Report 1/31/11 and Reconciliation Report 1/31/11
- Hearing: One for Non Compliance of the CC&Rs
- Legal: Review Draft Maintenance Matrix and Proposed New Landscape Guidelines, Correspondence
- Minutes: Executive Session 1/27/11

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:30 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:

- Newsletter and Letter from The President
- Water Intrusion and Damage at 32 Morena
- Premier Roofing Inspection Fees
- Respect for Owners in Attendance at Meetings
- Posting of the Minutes
- Electric Cars/Amp Usage
- Reports for 1 Segura

Secretary's Report

The Board reviewed the Minutes of the January 27, 2011 Annual Membership Meeting & Election which will be presented to the Membership for approval at the next Membership Meeting. No corrections were needed.

The Villas Community Association
General Session Minutes
February 24, 2011
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A motion was made, seconded and unanimously carried to APPROVE the Minutes of the January 27, 2011 Organizational Meeting of the Board of Directors as written.

A motion was made, seconded and unanimously carried to APPROVE the minutes of the January 27, 2011 General Session of the Board of Directors as written.

Action Without A Meeting: Fontaine Weatherproofing Proposal ~ 44 Navarre

A motion was made, seconded and carried to APPROVE ratifying the Action Without a Meeting dated February 2, 2011 approving the proposal from Fontaine Weatherproofing dated 1/20/11 to complete tile roof repairs at 44 Navarre for \$1,195.00 in addition to replacing defective wood at an additional cost of \$65.00 per hour plus the cost of materials to be funded from Reserves G/L # 3130 (Roofs).

Action Without A Meeting: Fontaine Weatherproofing Proposal ~ 64 Navarre

A motion was made, seconded and carried to APPROVE ratifying the Action Without a Meeting dated February 2, 2011 from Fontaine Weatherproofing dated 1/20/11 to repair the tile roof at 64 Navarre for \$1,195.00 in addition to replacing defective wood at an additional cost of \$65.00 per hour plus cost of materials to be funded from Reserves G/L # 3130 (Roofs).

Action Without A Meeting: Dan's Landscape WeatherTrak Controller

A motion was made, seconded and carried to APPROVE ratifying the Action Without a Meeting dated February 3, 2011 approving proposal #B05-11 from Dan's Landscape dated 1/20/11 to replace controller #2 with a WeatherTrak Irrigation Controller for \$2,716.50 plus \$250.00 for labor to install for a total of \$2,966.50 to be funded from Reserves G/L #3195 (Irrigation). In addition, the Board approved the \$18.75 monthly service fee for the WeatherTrak satellite subscription to be funded from Operating G/L#7215 (Landscape Extras).

Treasurer's Report

A motion was made, seconded and carried to ACCEPT the financial statements and reconciled bank statements for periods ending 1/31/11 as presented, subject to audit/review at fiscal year-end by CPA. Management was requested to email the IRWD and SCE invoices to the Treasurer upon receipt.

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. A motion was made, seconded and unanimously carried to TABLE further discussion of this matter until the March meeting due to time constraints.

Contracts: Summit Consulting

A motion was made, seconded and carried to APPROVE the contract with Summit Consulting dated 1/24/11 to inspect and report on the accessible exterior common areas of the community in the amount of \$3,000.00 to be funded from Reserves G/L #3300 (Contingency) pending an onsite meeting. This contract provides for a visual inspection and report of the following areas: roof to wall flashing, wood fascia, wood trim, stucco, sidewalks, trellis (if any), and window installations. The Board is also desirous of adding the asphalt streets to the list of inspected common areas.

ABSTAIN: Bivens

Maintenance Responsibility Checklist

The Board reviewed the draft Maintenance Responsibility Checklist based on the Association's CC&Rs and Civil Code as prepared by the Association's legal counsel, Hickey and Petchul. A motion was made, seconded

and unanimously carried to TABLE the draft Maintenance Responsibility Checklist until the March meeting pending further review by the Board and clarification by the attorney on several items.

Board Liaison

A motion was made, seconded and unanimously carried to APPROVE the appointment of Annette Ritchie, Board Member at Large, to act as the Board Liaison to Optimum Professional Property Management.

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.

Invoice for Approval: 24 Hour Restoration #9909

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #9909 from 24 Hour Restoration dated 1/19/11 to perform emergency service remediation due to a roof leak at 13 Navarre for \$1,354.78 to be funded from Reserves G/L #3235 (Water Damage/Restoration). The Board directed Management to contact the Association's insurance agent and submit a claim.

Invoice for Approval: OCBS #66775

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #66775 from OCBS dated 2/7/11 to perform remediation and set up containment due to a roof leak at 13 Navarre for \$8,617.79 to be funded from Reserves G/L #3235 (Water Damage/Restoration). The Board directed Management to contact the Association's insurance agent and submit a claim.

Proposals: Interior Repairs 44 Navarre

The Board reviewed three (3) proposals for interior repairs. A motion was made, seconded and unanimously carried to APPROVE proposal #0079 from Tanner's Repair and Maintenance Service dated 1/24/11 to complete interior repairs due to a roof leak for \$1,110.00 to be funded from Operating G/L #7614 (Common Area Repairs).

Proposals: Roof/Interior Repairs at 92 Navarre

The Board reviewed three (3) proposals for interior repairs and two (2) proposals for exterior and roofing repairs. A motion was made, seconded and unanimously carried to APPROVE proposal #82840 from PCW Contracting Services dated 2/17/11 to complete exterior and roof repairs as well as interior repairs due to a stucco/roof leak at 92 Navarre for \$5,090.00 to be funded as follows: \$3,185.00 from Operating G/L #7614 (Common Area Repairs), \$785.00 from Reserves G/L# 3260 (Tile Roofs) and \$1,120.00 from Reserves G/L #3150 (Buildings).

Proposals: Stucco/Interior Repairs at 13 Navarre

The Board reviewed two (2) proposals for stucco and interior repairs. A motion was made, seconded and unanimously carried to APPROVE proposal #82839 from PCW Contracting dated 2/17/11 to complete stucco repairs and interior repairs due to a roof leak at 13 Navarre for \$3,588.00 to be funded as follows: \$2,658.00 from Operating G/L #7614 and \$930.00 from Reserves G/L#3150 (Buildings). This approval is subject to the

insurance carrier's potential designation of its own vendor to complete repairs as the Board directed Management to contact the insurance agent and submit a claim.

Proposals: Roof Repairs at 66 Navarre

The Board reviewed two (2) proposals for roof repairs. A motion was made, seconded and unanimously carried to APPROVE the proposal from Fontaine Weatherproofing dated 2/7/11 to complete flat roof repairs and fascia replacement at two (2) locations at 66 Navarre for \$1,995.00 per location plus \$65.00 per hour plus the cost of materials for any additional wood replacement necessary to be funded from Reserves G/L #3130 (Roofs).

Proposals: Roof Repairs at 80 Navarre

The Board reviewed three (3) proposals for roof repairs at 80 Navarre. A motion was made, seconded and unanimously carried to APPROVE the PCW Contracting Services dated 2/21/11 to complete tile roof repairs at 80 Navarre for \$1,285.00 to be funded from Reserves G/L #3260 (Tile Roofs).

Premier Roofing Roof Repair Proposals for 19 and 30 Navarre

Management advised the Board that Premier Roofing would not submit a proposal for flat roof repairs at 19 and 30 Navarre until OCBS (approved in December 2010) completed the exterior repairs to the fascia and trim at both addresses and Premier Roofing had a chance to view the damage, at which time they will submit a proposal for the Board's consideration. 19 Navarre has a new flat roof and the warranty from CertainTeed requires that Premier Roofing, the roofing installer, or other certified roofer complete repairs to the roof in order to not void the warranty.

Proposals: Roof Repairs at 16 Navarre

The Board reviewed two (2) proposals for roof repairs. A motion was made, seconded and unanimously carried to APPROVE the proposal from Fontaine Weatherproofing dated 2/7/11 to complete flat roof repairs and fascia replacement at 16 Navarre for \$1,995.00 plus \$65.00 per hour plus the cost of materials for any additional wood replacement necessary to be funded from Reserves G/L #3130 (Roofs).

Premier Roofing Proposal for Flat Roof Replacement for Seven Buildings

A motion was made, seconded and unanimously carried to TABLE reviewing the Premier Roofing proposal to replace the flat roofs on the seven (7) remaining buildings until the March meeting pending additional proposals and further review by the Board.

Dan's Landscape Proposal: Five Year Tree Trimming/Care Program & Proposal #01-11R

A motion was made, seconded and unanimously carried to TABLE the Five (5) Year Tree Trimming/Tree Care Program and proposal #01-11R for 2011 Spring/Summer Tree Trimming for \$4,895.00 until the March meeting pending further review by the Board.

Dan's Landscape Proposal: #32-10 Trim Back Plant Material Hanging Over from The Temple

A motion was made, seconded and unanimously carried to TABLE proposal #32-10 from Dan's Landscape dated 10/28/10 to trim back plant material hanging over the property from the Temple and to remove a diseased Eucalyptus tree across from 29 Navarre for \$1,475.00 until the March board meeting as the Board is desirous of clarifying the property line between the Association and the Temple in the event the plant material belongs to the Temple.

Dan's Landscape Proposal: #30-10 Spray Myporum for Thrip

A motion was made, seconded and unanimously carried to TABLE proposal #30-10 from Dan's Landscape dated 10/28/10 to spray the Myporum for Thrip between 11 and 39 Navarre by the Temple for \$300.00 until the March board meeting pending more information from Gini Cassara on clarification of the property lines.

Dan's Landscape Proposal: #09-11 Annual Aeration of Turf

A motion was made, seconded and carried to APPROVE proposal #09-11 from Dan's Landscape dated 1/26/11 to aerate the turf and apply mulch on all of the lawn areas for \$1,905.50 to be funded from Operating G/L #7215 (Landscape Extras).

ABSTAIN: Hunter

Dan's Landscape Proposal: #11-11 Tree Removals

A motion was made, seconded and unanimously carried to TABLE proposal #11-11 from Dan's Landscape dated 2/14/11 to remove Cupania and Yucca trees throughout the community for \$7,725.00 until the March meeting pending further review by the Board.

Dan's Landscape Proposal: #12-11 Tree Removals

A motion was made, seconded and unanimously carried to TABLE proposal #12-11 from Dan's Landscape dated 2/14/11 to remove Melaluca and Pine trees throughout the community for \$8,650.00 until the March meeting pending further review by the Board.

Dan's Landscape Proposal: #13-11 Tree Removals

A motion was made, seconded and unanimously carried to TABLE proposal #13-11 from Dan's Landscape dated 2/14/11 to remove Eucalyptus trees throughout the community for \$4,900.00 until the March meeting pending further review by the Board.

Dan's Landscape Proposal: #08-11 Drain Installation at 7 Morena

A motion was made, seconded and unanimously carried to APPROVE proposal #08-11 from Dan's Landscape dated 1/26/11 to install a drain connection to relieve standing water along the common area sidewalk in front of 7 Morena areas for \$270.00 to be funded from Operating G/L #7215 (Landscape Extras).

EPA Lead Based Paint Renovation, Repair and Painting Program Rule (RRP)

The Board reviewed one proposal for lead-based paint testing. The Board also reviewed the Notice from Optimum Property Management regarding the EPA's Lead-Based Paint Renovation, Repair and Painting Program which is a federal regulatory program affecting contractors and others who disturb painted surfaces and applies to residential multi-unit homes built before 1978. Optimum's recommendation is that the common area within the Association which was built before 1980 be tested for the presence of lead based paints. A motion was made, seconded and unanimously carried to TABLE hiring a company to inspect and test the common areas for the presence of lead based paints pending an additional proposal. The Board did agree to approve a proposal via Action Without a Meeting before the next regularly scheduled General Session in March.

Utility Door Replacement Proposals

The Board reviewed three (3) proposals to replace the remaining utility doors throughout the community. A motion was made, seconded and unanimously carried to APPROVE proposal #13158 from OCBS dated 12/2/10 to replace the remaining utility doors throughout the community for \$435.00 per door plus \$55.00 per hour labor rate in addition to \$50.00 per door plus \$55.00 labor rate to paint a door to be funded from Reserves G/L # 3160 (Utility Doors). This approval is contingent on OCBS agreeing to include full primer instead of spot prime for the same cost.

Owner Request: Electricity Reimbursement ~ 13 Navarre (Ableman)

A motion was made, seconded and carried to APPROVE the request of Ruby Ableman of 13 Navarre dated 1/25/11 for reimbursement from the Association in the amount of \$91.14 for electricity used in conjunction with remediation equipment at 13 Navarre (Ableman) since it was determined that the increased usage was due to the remediation equipment as a result of a roof leak. This expense shall be funded from Operating G/L #5225 (Electricity).

OPPOSED: Hunter

Proposals to Install Drain System Behind 48 Navarre (for 32 Morena)

The Board reviewed three (3) proposals to install a drain system along the garage behind 48 Navarre, which is the garage that belongs to 32 Morena. A motion was made, seconded and unanimously carried to TABLE the proposals to install a drain system along the garage behind 48 Navarre until the March meeting pending an inspection and report from a GeoTech/Engineering firm.

New Homeowner Welcome Package (Escrow)

A motion was made, seconded and unanimously carried to TABLE the "New Homeowner Welcome Package" prepared by Management that is distributed to new homeowners through escrow until the March meeting due to time constraints.

Landscape Committee Report

Ana Rubyn of the Landscape Committee discussed the proposed tree trimming/care program and tree plot map prepared by Dan's Landscape.

Next Meeting

The next meeting of the Board of Directors is scheduled on March 24, 2011 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 at 9:05 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

3/24/11

Dated

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

MARCH 24, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 03/19/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, 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. (ACMF[®])
 Morgen Hardigree, Senior CCAM[®], Optimum Property Management, Inc. (ACMF[®])
 See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 3/24/11 from 6:30 p.m. to 7:17 p.m. for the following:

- Delinquencies: A/R Aging Report 2/28/11 and Reconciliation Report 2/28/11
- Legal: Review Revised Draft Maintenance Matrix and Proposed New Landscape Guidelines, Correspondence
- Minutes: Executive Session 2/24/11

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:20 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:

- Water Intrusion on Patio at 34 Navarre
- Water Intrusion at 32 Morena

Secretary's Report

A motion was made, seconded and unanimously carried to APPROVE the Minutes of the February 24, 2011 General Session of the Board of Directors as written.

Action Without A Meeting: Lead Based Paint Testing

A motion was made, seconded and carried to APPROVE ratifying the Action Without a Meeting dated March 16, 2011 approving the proposal from Allstate Services dated 3/10/11 to inspect and test the exterior of all common areas for the presence of lead based paints for \$1,495.00 to be funded from Operating G/L #7614 (Common Area Repairs).

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 2/28/11 as presented, subject to audit/review at fiscal year-end by CPA.

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. A motion was made, seconded and unanimously carried to TABLE further discussion of this matter and draft correspondence to the membership until the April meeting pending further review by the Board.

Maintenance Responsibility Checklist

The Board reviewed the revised draft Maintenance Responsibility Checklist based on the Association's CC&Rs and Civil Code as prepared by the Association's legal counsel, Hickey and Petchul. A motion was made, seconded and unanimously carried to APPROVE the revised draft Maintenance Responsibility Checklist.

Board Liaison

A motion was made, seconded and unanimously carried to APPROVE the appointment of Gini Cassara, Board Secretary, to act as the Board Liaison to Legal Counsel Hickey and Petchul, LLP in accordance with the Electronic Communication Policy approved at the February board meeting.

Invoice for Approval: Sims Janitorial #333299

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #333299 from Sims Janitorial dated 9/22/10 for routine janitorial services for \$80.00 to be funded from Operating G/L #7510 (Janitorial Contract).

Invoice for Approval: C&R Drains #323897

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #323897 from C&R Drains dated 2/7/11 for plumbing repair services due to a slab leak at 94 Navarre for \$1,926.70 to be funded from Operating G/L #7620 (Plumbing Repairs).

Invoice for Approval: Accurate Termite Report #15732

A motion was made, seconded and unanimously carried to APPROVE payment of report #15732 from Accurate Termite dated 2/24/11 to perform termite treatment at 30 Navarre for \$450.00 to be funded from Reserves G/L #3275 (Termite).

Invoice for Approval: Hickey and Petchul, LLP. #23317

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #23317 from Hickey and Petchul, LLP. dated 12/31/10 for general counsel legal services for \$2,322.00 to be funded from Operating G/L #8365 (Legal Services).

Proposals: Roof Repairs at 12 Morena

The Board reviewed two (2) proposals for tile roof repairs. A motion was made, seconded and unanimously carried to APPROVE proposal #83160 from PCW Contracting dated 3/17/11 to complete tile roof repairs at 12 Morena for \$748.00 to be funded from Reserves G/L #3260 (Tile Roofs).

Proposals: Roof Repairs at 37 Navarre

A motion was made, seconded and unanimously carried to TABLE the proposal from Fontaine Weatherproofing dated 3/8/11 for multiple tile roof repairs at 37 Navarre for \$2,795.00 until the April board meeting or AWOM pending an additional proposal from PCW Contracting.

Proposals: Roof Repairs at 6 Segura

A motion was made, seconded and unanimously carried to TABLE the proposal from Fontaine Weatherproofing dated 3/8/11 for tile roof repairs at 6 Segura for \$2,795.00 until the April board meeting or AWOM pending an additional proposal from PCW Contracting.

Dan's Landscape Proposal: Five Year Tree Trimming/Care Program & Proposal #01-11R

A motion was made, seconded and unanimously carried to TABLE the Five (5) Year Tree Trimming/Tree Care Program and proposal #01-11R for 2011 Spring/Summer Tree Trimming for \$4,895.00 until the April meeting pending further review by the Board and change in pricing for 12 trees.

Dan's Landscape Proposal: #32-10 Trim Back Plant Material Hanging Over from The Temple

A motion was made, seconded and unanimously carried to TABLE INDEFINITELY proposal #32-10 from Dan's Landscape dated 10/28/10 to trim back plant material hanging over the property from the Temple and to remove a diseased Eucalyptus tree across from 29 Navarre for \$1,475.00 as the Temple is uncooperative in helping to determine the property line and there are no funds in the budget to spend on hiring a surveyor to establish the property line between the Villas and the Temple.

Dan's Landscape Proposal: #30-10 Spray Myporum for Thrip

A motion was made, seconded and unanimously carried to APPROVE proposal #30-10 from Dan's Landscape dated 10/28/10 to spray the Myporum for Thrip between 11 and 39 Navarre by the Temple for \$300.00 to be funded from Operating G/L# 7215 (Landscape Extras).

Dan's Landscape Proposal: #11-11 Tree Removals

A motion was made, seconded and unanimously carried to TABLE proposal #11-11 from Dan's Landscape dated 2/14/11 to remove Cupania and Yucca trees throughout the community for \$7,725.00 until the August meeting so this expense can be considered and included in the 2012 budget.

Dan's Landscape Proposal: #12-11 Tree Removals

A motion was made, seconded and unanimously carried to TABLE proposal #12-11 from Dan's Landscape dated 2/14/11 to remove Melaluca and Pine trees throughout the community for \$8,650.00 until the August meeting so this expense can be considered and included in the 2012 budget.

Dan's Landscape Proposal: #13-11 Tree Removals

A motion was made, seconded and unanimously carried to TABLE proposal #13-11 from Dan's Landscape dated 2/14/11 to remove Eucalyptus trees throughout the community for \$4,900.00 until the August meeting so this expense can be considered and included in the 2012 budget.

Dan's Landscape Proposal: #02-11 Plant Installation at Three (3) Locations

A motion was made, seconded and unanimously carried to APPROVE proposal #02-11 from Dan's Landscape dated 1/20/11 to install replacement plant material at 4 Morena, 33 Morena and 5 Segura for \$274.75 to be funded from Operating G/L #7215 (Landscape Extras).

Dan's Landscape Proposal: #10-11 Mulch Installation

A motion was made, seconded and unanimously carried to TABLE proposal #10-11 from Dan's Landscape dated 2/9/11 to install mulch in the planters and tree wells for \$900.00 until the August meeting so this expense can be considered and included in the 2012 budget.

D&O Insurance Proposals per OPM Contract Section 2.9

The Board reviewed three (3) proposals for Directors and Officers coverage in accordance with the Optimum Property Management contract section 2.9. A motion was made, seconded and unanimously carried to APPROVE the proposal from Alante Insurance dated 03/10/11 to include Directors & Officers coverage with a policy limit of \$1 million for a total annual premium of \$1,426.00 subject to rate changes. Furthermore, the board approves the terms of the agreement from Alante Insurance to finance the annual premium with monthly payments and financing charges.

Tenant Request: Website Registration Reimbursement ~ 39 Morena (Redmond)

A motion was made, seconded and unanimously carried to APPROVE the request of Debra Redmond of 39 Morena dated 2/15/11 for reimbursement from the Association in the amount of \$53.88 for The Villas website registration fee to be funded from Operating G/L# 8499 (Miscellaneous Administration).

Proposals to Install Drain System Behind 48 Navarre (for 32 Morena) and GeoSoils, Inc. Report/Proposal

A motion was made, seconded and carried to APPROVE the proposal from GeoSoils, Inc. dated 3/22/11 to further investigate the garage of 32 Morena and the surrounding areas to determine the expansion characteristics and moisture content of the site soil, perform geologic reconnaissance mapping, test soils and prepare an illustrated geotechnical engineering and geologic report in addition to recommendations related to mitigation for the water intrusion issues at the garage of 32 Morena for \$2,006.00 with funding to be determined at a later date.
ABSTAIN: Hunter, Bivens

The Board reviewed three (3) proposals to install a drain system along the garage behind 48 Navarre, which is the garage that belongs to 32 Morena. A motion was made, seconded and unanimously carried to TABLE the proposals to install a drain system along the garage behind 48 Navarre until the April meeting pending the completion of the report and recommendations from GeoSoils, Inc.

New Homeowner Welcome Package (Escrow)

A motion was made, seconded and unanimously carried to APPROVE the "New Homeowner Welcome Package" prepared by Management that is distributed to new homeowners through escrow with minor changes to the welcome letter and removal of the old maintenance matrix from the package.

Accurate Termite and Pest Control Report #16142 for 2 Segura

A motion was made, seconded and unanimously carried to APPROVE report #16142 from Accurate Termite and Pest Control dated 3/9/11 for termite treatment to the common area components at 2 Segura for \$2,500.00 to be funded from Reseves G/L#3275 (Termite).

Establish Goals for 2011

A motion was made, seconded and unanimously carried to APPROVE the following goals for 2011: resolve the financial situation of the community and improve cash flow so repairs and replacements to the common area components can be completed.

Landscape Committee Report

There was no landscape committee report.

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. **Architectural Application for Windows and Sliding Glass Doors at 70 Navarre**

A motion was made, seconded and unanimously carried to APPROVE the architectural application for 70 Navarre (Sebag) conditioned upon and subject to the signing a covenant that makes the owner responsible for any and all damages to and maintenance of the windows and patio doors. The covenant must be executed prior to the removal of the existing windows/doors and installation of the new windows/doors. This covenant is recordable legal document that is recorded against the property along with a sketch and description of where the new windows and doors will be installed. This document is prepared by and recorded by the attorney and is subject to a \$300.00 fee. This document must be signed by the owners of the property and those signatures must be notarized.

2. **Architectural Application for Windows and Sliding Glass Doors at 9 Navarre**

A motion was made, seconded and unanimously carried to APPROVE the architectural application for 9 Navarre (Sebag) conditioned upon and subject to the signing a covenant that makes the owner responsible for any and all damages to and maintenance of the windows and patio doors. The covenant must be executed prior to the removal of the existing windows/doors and installation of the new windows/doors. This covenant is recordable legal document that is recorded against the property along with a sketch and description of where the new windows and doors will be installed. This document is prepared by and recorded by the attorney and is subject to a \$300.00 fee. This document must be signed by the owners of the property and those signatures must be notarized.

3. **Aquatrends Proposal to Replace Spa Light**

A motion was made, seconded and unanimously carried to APPROVE Aquatrends to replace the burned out spa light with a regular incandescent light bulb with a 90 day warranty for \$158.93 instead of an LED light for \$395.00 with a two (2) year warranty to be funded from Operating G/L #7545 (Light Repairs) due to budget constraints.

Next Meeting

The next meeting of the Board of Directors is scheduled on April 28, 2011 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 at 8:47 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

4/28/11

Dated

The Villas Community Association

(Association name)

RESOLUTION RE: ADDITION OF ITEM TO POSTED AGENDA

BOARD MEETING DATE 3/24/11

The Board of Directors hereby resolves that the facts/circumstances indicated below exist, and that the Board has openly identified the referenced item to the Association Members in attendance at the meeting.

(Choose and complete box I, II or III below)

I. Emergency Situation

An emergency situation exists because there are circumstances a) that could not have been reasonably foreseen by the Board, b) that require immediate attention and possible action by the Board, and c) that, of necessity, make it impracticable to provide notice.

A. Director Vote (Requires that a majority of Board members present agree that an "emergency situation" exists):

No. of Directors Present _____ No. of Directors Agreed _____

B. Emergency Situation – Brief Explanation:

II. Need for Immediate Action

The need for immediate action exists because there is a) a need to take immediate action, and b) the need came to the attention of the Board after the agenda was posted/distributed.

A. Director Vote:

- i. (check box): More than two-thirds of Directors present at the meeting.
(requires agreement of at least two-thirds of Directors present that a "need for immediate action" exists)
- ii. (check box): Less than two-thirds of Directors present at the meeting.
(requires unanimous agreement of Directors present that a "need for immediate action" exists)

Total No. of Directors 5 No. of Directors Present 5 No. of Directors Agreed 5

B. Need for Immediate Action – Brief Explanation:

NRC application subject to the signing of covenants for 70 # 9 Navarra
Apartment's proposal for replacement spa light \$ 198.95 (# 7915).

III. Previous Agenda

The matter on which the Board has taken action appeared on an agenda that was posted/distributed for a prior meeting of the Board that occurred not more than thirty (30) calendar days before today's Board meeting.

A. Meeting Date Confirmation:

Date of prior meeting: _____ No. of days since prior meeting: _____ (not more than 30 days)

B. Agenda Item: _____

I, _____, Secretary of the Board of Directors of the Association, certify that the foregoing resolution was duly and regularly adopted by the Board at the above-referenced meeting of the Board; and passed by the referenced and required vote of the Board members present thereat.

Date: 4/28/11 Signature: [Signature]

Note: This document is to be attached to the minutes of the referenced Board meeting. Further, the minutes should reference this resolution, as well as any further Board resolutions or actions related to the non-agenda item referenced herein.

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

APRIL 28, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 04/22/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, Vice President
 Virginia Cassara, Secretary
 Annette Ritchie, Member at Large

Directors Absent: Tim Hunter, Treasurer

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

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 4/28/11 from 6:25 p.m. to 7:15 p.m. for the following:

- Contracts: Summit Consulting and Architecture
- Delinquencies: A/R Aging Report 3/31/11 and Reconciliation Report 3/31/11; one Payment in Full per Settlement Agreement
- Legal: Correspondence for Roof Replacement Project
- Minutes: Executive Session 3/15/11, 3/24/11

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:20 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 Replacement at 18 Morena
- Tree Removal at 20 Segura
- Water Intrusion at 32 Morena
- Window Covenants
- Window Installation at 40 Morena
- Flat Roof Replacement Project Completion Status
- Roofers Inspecting 24 Morena Without HOA Approval

Secretary's Report

A motion was made, seconded and unanimously carried to APPROVE the minutes of the March 24, 2011 General Session of the Board of Directors as written.

Action Without A Meeting: Modification, Installation, Maintenance and Indemnity Agreement

A motion was made, seconded and unanimously carried to APPROVE ratifying the Action Without a Meeting dated April 1, 2011 approving the covenant titled Modification, Installation, Maintenance and Indemnity Agreement prepared by the Association's Legal Counsel for modifications to the common area.

Action Without A Meeting: Draft Audit FTE 12/31/10

A motion was made, seconded and unanimously carried to APPROVE ratifying the Action Without a Meeting dated April 5, 2011 approving the draft audit and tax returns as presented for fiscal year-ended 12/31/10 prepared by Inouye, Shively and Longtin, CPA.

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 3/31/11 as presented, subject to audit/review at fiscal year-end by CPA.

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. A motion was made, seconded and unanimously carried to APPROVE mailing to the membership the Reserve Loan Notification which informs the membership of the amount owed to the Reserve Account from the Operating as well as indicates that the Board is considering a special assessment to cover the Association's operating day-to-day bills.

Invoice for Approval: Accurate Termite Report #16183

A motion was made, seconded and unanimously carried to APPROVE payment of report #16183 from Accurate Termite dated 4/01/11 to perform termite treatment at 40 Navarre for \$485.00 to be funded from Reserves G/L #3275 (Termite).

Invoice for Approval: Accurate Termite Report #16399

A motion was made, seconded and unanimously carried to APPROVE payment of report #16399 from Accurate Termite dated 4/14/2011 to perform termite treatment at 44 Navarre for \$850.00 to be funded from Reserves G/L #3275 (Termite).

Invoice for Approval: Hickey and Petchul, LLP. #23448

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #23448 from Hickey and Petchul, LLP. dated 1/31/11 for general counsel legal services for \$2,952.13 (listed on agenda as \$2,924.00) to be funded from Operating G/L #8365 (Legal Services).

Invoice for Approval: Hickey and Petchul, LLP. #23597

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #23597 from Hickey and Petchul, LLP. dated 2/28/11 for general counsel legal services for \$2,472.50 to be funded from Operating G/L #8365 (Legal Services).

Proposals: Roof Repairs and Interior Repairs at 62 Navarre

The Board reviewed two (2) proposals for tile roof repairs and one proposal for interior repairs resulting from the roof leak. A motion was made, seconded and unanimously carried to APPROVE the proposal from PCW Contracting dated 4/19/11 for tile roof repairs and interior repairs at 62 Navarre for \$1,390.00 and \$1,845.00 to be funded from Reserves G/L #3260 (Tile Roofs) and Operating G/L #7614 (Common Area Repairs) respectively.

Proposals: Roof Repairs at 37 Navarre

A motion was made, seconded and unanimously carried to TABLE the Fontaine Weatherproofing proposal dated 3/8/11 for multiple tile roof repairs at 37 Navarre until the May meeting or AWOM pending an additional proposal from PCW Contracting as PCW is still waiting for the owner to contact them for an inspection.

Proposals: Roof Repairs at 6 Segura

A motion was made, seconded and unanimously carried to TABLE the Fontaine Weatherproofing proposal dated 3/8/11 for tile roof repairs and fascia repairs at 6 Segura until the May meeting or AWOM pending a revised proposal from PCW Contracting using the scope of work from Fontaine Weatherproofing.

Proposals: Roof Repairs at 7 Segura

The board reviewed two (2) proposals for window/roof repairs. A motion was made, seconded and unanimously carried to APPROVE the PCW Contracting proposal dated 4/10/11 for tile roof repairs at 7 Segura for \$1,587.00 to be funded from Reserves G/L #3260 (Tile Roof Repairs).

Dan's Landscape Proposal: Five Year Tree Trimming/Care Program & Proposal #01-11R

A motion was made, seconded and carried to APPROVE proposal #01-11R from Dan's Landscape for 2011 Spring/Summer Tree Trimming for \$4,895.00; however, the Board requested that the cost be reduced by \$80.00 because the California Pepper tree will be removed not trimmed which brings the total to \$4,815.00 to be funded from Reserves G/L #3320 (Tree Trimming). Management was directed to obtain a proposal to remove said tree.
ABSTAIN: Bivens

Dan's Landscape Proposal: #16-11 Annual Overseeding

A motion was made, seconded and unanimously carried to TABLE proposal #16-11 from Dan's Landscape dated 3/11/11 to overseed the turf areas throughout the community for \$2,361.00 until the June meeting due to budget constraints.

Dan's Landscape Proposal: #17-11 Drain Installations

A motion was made, seconded and unanimously carried to APPROVE proposal #17-11 from Dan's Landscape dated 4/18/11 to install and connect two (2) landscape drains at 34 Navarre for \$610.00 to be funded from Operating G/L #7215 (Landscape Extras).

Asphalt Repair Proposals

The Board reviewed three (3) proposals for asphalt repairs. A motion was made, seconded and unanimously carried to APPROVE the proposal from TLG Paving dated 4/21/11 for asphalt repairs at the corner of Morena and Navarre for \$1,500.00 to be funded from Operating G/L #7614 (Common Area Repairs).

Concrete Replacement Proposals

The Board reviewed three (3) proposals for concrete repairs. A motion was made, seconded and unanimously carried to APPROVE the proposal from Quickel Paving dated 4/11/11 for concrete repairs at three (3) locations throughout the community for \$3,395.00 provided that the 20 Segura location was omitted from the proposal in error. If there is no error, a motion was made, seconded and unanimously carried to APPROVE the PCW Contracting proposal dated 4/7/11 for concrete repairs in the amount of \$3,475.00 to be funded from Reserves G/L #3210 (Streets/Drives).

Utility Door Replacement Proposals

The Board reviewed the revised OCBS proposal to replace the remaining old utility doors throughout the community. A motion was made, seconded and unanimously carried to TABLE revised proposal #13158R1 from OCBS dated 4/7/11 to replace the remaining old utility doors (approximately 76) throughout the community for \$435.00 per opening plus \$55.00 per hour labor rate in addition to \$50.00 per opening plus \$55.00 labor rate to prep and paint the doors, jambs and stucco mold until the May meeting pending clarification on sections 4.0 and 6.0 of the proposal regarding jamb replacement.

EPA Lead Based Paint Renovation, Repair and Painting Program Rule (RRP) Results

In February the Board reviewed the Notice from Optimum Property Management regarding the EPA's Lead-Based Paint Renovation, Repair and Painting Program which is a federal regulatory program affecting contractors and others who disturb painted surfaces and applies to residential multi-unit homes built before 1978. Optimum's recommendation was that the common area within the Association which was built before 1980 be tested for the presence of lead based paints. Said test was conducted in March 2011 and all tests came back negative for the presence of lead based paint. No action required.

State Farm D&O Insurance Coverage Cancellation

In March the Board reviewed three (3) proposals for Directors and Officers coverage in accordance with the Optimum Property Management contract section 2.9. A motion was made, seconded and unanimously carried to APPROVE cancelling the D & O coverage provided in the current State Farm package policy for a refund of the unused portion of the policy.

Parking and Electric Vehicle Discussion

A motion was made, seconded and unanimously carried to TABLE the discussion on parking rules and the parking of electric vehicles in the Villas community until the May meeting due to time constraints.

Aquatrends Proposal for Duck Off

A motion was made, seconded and unanimously carried to TABLE INDEFINITELY the proposal to add "Duck Off" to the community pool for \$34.50 per gallon as the Board doesn't feel this product is necessary at this time.

Landscape Committee Report

Gini Cassara discussed the recent conversation with the neighboring Temple's representative about cleaning up the small landscaped slope between Navarre and the Temple. Dan's Landscape will be submitting a proposal to clean up this area which may be a shared cost between the Temple and the Association.

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. **Premier Roofing Proposal: Roof Repairs at 8 Morena**

A motion was made, seconded and unanimously carried to APPROVE the proposal from Premier Roofing dated 4/21/11 for tile roof repairs at 8 Morena for \$2,800.00 to be funded from Reserves G/L #3260 (Tile Roofs). Premier Roofing will waive the \$500.00 charge to water test the flat roof which was completed in early April.

2. **Waste Management Correspondence Re: Overfilled Trash Containers**

Over the past two months the Association received several letters from Waste Management advising of the consistent overfilling and overflowing of trash containers. As a result, the Association is being billed a \$34.83 overage fee per occurrence. Management recommended that the Board consider increasing the collection frequency to prevent these overage charges as suggested by Waste Management.


Next Meeting

The next meeting of the Board of Directors is scheduled on May 26, 2011 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 at 8:57 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

5/24/11

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

MAY 26, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 05/20/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, Vice President
 Virginia Cassara, Secretary
 Annette Ritchie, Member at Large
 Tim Hunter, Treasurer

Others Present: Stephanie Jebbia, Senior CCAM®, Optimum Professional Property Management, Inc. (ACMF)
 Cynthia Hunter, Director of Training and Senior CCAM®, Optimum Professional Property Management, Inc. (ACMF)
 Ana Jensen, CAM, Optimum Professional Management, Inc. (ACMF)
 See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 5/26/11 from 6:35 p.m. to 7:24 p.m. for the following:

- Contracts: Summit Consulting and Architecture Report/Proposal Renovation Plan and Cost
- Delinquencies: A/R Aging Report 4/30/11 and Reconciliation Report 4/30/11.
- Hearings: Four (4) for Non-Compliance of the Governing Documents
- Legal: Board Member Correspondence & Board Member Request for Proposed CC&R Amendment.
- Minutes: Executive Session 3/15/11 and 4/28/11

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:24 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:

- Water Intrusion Issue at 32 Morena Garage
- Buildback Work at 34 Morena
- ARC Covenant Fee

Secretary's Report

A motion was made, seconded and carried to APPROVE the minutes of the April 28, 2011 General Session of the Board of Directors as written.

ABSTAIN: Hunter

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 4/30/11 as presented, subject to audit/review at fiscal year-end by CPA.

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. Insurance Proposals

A motion was made, seconded and unanimously carried to APPROVE going out to bid for insurance proposals to be reviewed at the June General Session.

Next Meeting

The next meeting of the Board of Directors is scheduled on June 23, 2011 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 at 8:30 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

6/26/2011

Dated

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

JUNE 23, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 06/19/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, Vice President
 Virginia Cassara, Secretary
 Annette Ritchie, Member at Large
 Tim Hunter, Treasurer

Others Present: Ana Jensen, CAM, Optimum Professional Management, Inc. (ACMF)
 Cynthia Hunter, Director of Training and Senior CCAM[®], Optimum Professional
 Property Management, Inc. (ACMF) See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 6/23/11 from 6:24 p.m. to 7:15 p.m. for the following:

- Contracts: Summit Consulting and Architecture Report/Accurate Termite Pest Control Presentation
- Delinquencies: A/R Aging Report 5/31/11 and Reconciliation Report 5/31/11.
- Hearings: Four (2) for Non-Compliance of the Governing Documents
- Legal: Correspondence regarding Board Member Request for Proposed CC&R Amendment
- Minutes: Executive Session 5/26/11

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:15 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:

- Special Assessment discussion
- Renovation Project

Secretary's Report

A motion was made, seconded and carried to APPROVE the minutes of the May 26, 2011 General Session of the Board of Directors as written.

ABSTAIN: Marguerite Bivens

Action without a Meeting Resolution Ratified

A motion was made, seconded and carried to RATIFY the action without a meeting resolution dated 6/7/11 approving the proposal from Morgan Stanley Smith Barney Reserve account G/L #1056 in the amount of \$40,000.00 dated 6/3/11 for transfer into a protected money account at Mutual of Omaha with an introductory rate of .85%.

Action without a Meeting Resolution Ratified

A motion was made, seconded and carried unanimously to RATIFY the action without a meeting resolution dated 6/11/11 approving the proposal from PCW Contracting dated 5/25/11 to repair interior damage to bathroom at 26 Morena for \$2,278.00 to be funded from G/L #3235 (Restoration).

Action without a Meeting Resolution Ratified

A motion was made, seconded and unanimously carried to RATIFY the action without a meeting resolution dated 6/14/11 approving the proposal from PCW Contracting dated 5/25/11 to complete interior repair to bathroom and living room at 12 Morena For \$3,170.00 to be funded from G/L #3235 (Restoration).

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 5/31/11 as presented, subject to audit/review at fiscal year-end by CPA.

Invoice for Approval: Summit Consulting and Architectural #2239

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #2239 from Summit Consulting dated 5/03/11 to inspect two buildings, pool and concrete, and to develop budgets with OCBS for \$930.00 to be funded from Reserves GL #3300 (Contingency).

Invoice for Approval: GeoSoils #77160

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #77160 from Geo Soils, Inc. dated 5/27/11 for geotechnical investigative service and report for water intrusion issues at the garage of 32 Morena for \$1,156.80 to be funded from Reserves G/L #3180 (Landscape Reserve).

Invoice for Approval: C & R Drains, Inc#324487

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #324487 from C & R Drains dated 4/27/11 for interior leak detection at 26 & 34 Morena for \$1,278.58 to be funded from Reserve G/L # 3150 (Building Repairs).

Invoice Accurate & Termite and Pest Control#16658

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #16658 from Accurate & Termite and Pest Control dated 6/13/11 for termite repairs at 11 Naverre for \$1690.00 to be funded from Reserve G/L # 3275 (Termite).

Invoice Accurate & Termite and Pest Control#16646

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #16646 from Accurate & Termite and Pest Control dated 5/26/11 for termite treatment at 8 Morena for \$425.00 to be funded from Reserve G/L # 3275 (Termite).

Invoice PCW Contracting Service #36682

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #36682 from PCW Contracting Service dated 5/31/11 for complete roof and interior repairs at 62 Navarre for \$275.00 to be funded from Reserve G/L # 3150 (Building Repairs).

Review/Approved Draft Reserve Study/ Executive Summary

A motion was made, seconded and unanimously carried to TABLE reviewing the Reserve Study onsite prepared by Association Reserves until the July General Session pending changes made by the reserve analyst.

Accurate Termite Pest Proposal/Contract

A motion was made, seconded and unanimously carried to TABLE the proposal from Accurate Termite Contract dated 6/15/11 for Fumigation of entire community pending reserves update for \$145,000.00 to be funded from G/L #3275 (Termite).

Accurate Termite Pest Proposal/Contract

A motion was made, seconded and unanimously carried to APPROVE the proposal from Accurate Termite dated 3/28/11 for termite work at 98 Navarre for \$995.00 to be funded from G/L #3275(Termite)

Roof Repairs Proposals at 37 Navarre

A motion was made, seconded and unanimously carried to TABLE the Weatherproofing date 5/5/11 for roof Repairs at 37 Navarre for \$2,180.00 pending additional proposal from Antis roofing for the board to review.

Dan's Landscape Correspondence and Proposal (2)

A motion was made, seconded and unanimously carried to DENY the Dan's Landscape proposal dated 4/28/11 for one time clean up of slope areas between Villas and Beth Jacob Temple for \$6,380.00 due to low funds in Reserves.

Dan's Landscape Correspondence and Proposal (2)

A motion was made, seconded and unanimously carried to TABLE the Dan's Landscape proposal dated 3/3/11 for Annual Seeding for \$2,361.00 pending for further discussion.

Approve Renewal Quote or New Proposal for Insurance Renewal

A motion was made, seconded and unanimously carried to APPROVE State Farm Insurance renewal quote date 6/23/11 for new premium of \$74,190 and D & O premium for 41,562.00.

Concrete Repair Proposal from Quickel Paving

A motion was made, seconded and unanimously carried to TABLE the Quickel Paving proposal dated 5/23/11 for concrete repair at 17 Morena for \$1,895.00 and grinding at 20 Segura for \$300.00. The board requested to meet with Quickel Paving and inspect areas before approving.

City of Irvine Community Services Reservations Dates

A motion was made, seconded and unanimously carried to APPROVE the City of Irvine Community Services reservations dated 5/12/11 for facilities reservation for 2012 board meeting for \$1,237.50 to be funded from G/L #8499 (Miscellaneous Administration).

Next Meeting

The next meeting of the Board of Directors is scheduled on July 28, 2011 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 at 8:30 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

7/28/11

Dated

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

JULY 28, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 07/25/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, Vice President
 Virginia Cassara, Secretary
 Annette Ritchie, Member at Large
 Tim Hunter, Treasurer

Directors Absent: None

Others Present: Ana Jensen, CAM, Optimum Professional Management, Inc. (ACMF®)
 See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 7/28/11 from 6:30 p.m. to 7:00 p.m. for the following:

- Contracts: Termite Fumigation Proposals (3), Roofing Proposals (3) Construction Management (2)
- Delinquencies: A/R Aging Report 6/30/11 and Reconciliation Report 6/30/11.
- Hearings: Four (1) for Non-Compliance of the Governing Documents
- None-Compliance: (4)
- Minutes: Executive Session 6/23/11

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:15 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:

- Reserve Study FY 2012 Discussion

Secretary's Report

A motion was made, seconded and carried to APPROVE the minutes of the June 23, 2011 General Session of the Board of Directors as written.

Action without a Meeting Resolution Ratified

A motion was made, seconded and carried to RATIFY the action without a meeting resolution dated 6/27/11 approving the proposal from Newport Exterminating for termite repair work at 72 Navarre in the amount of \$1,110 to be funded from Reserves account G/L #3272 (Termite).

Action without a Meeting Resolution Ratified

A motion was made, seconded and unanimously carried to RATIFY the action without a meeting resolution dated 6/06/11 approving the proposal from PCW Contracting change order for additional roof repairs in the amount of \$350.00 to be added to \$1,030.00 for a total amount of \$1,380.00 to be funded from G/L #3260 (Tile/Roof).

Action without a Meeting Resolution Ratified

A motion was made, seconded and unanimously carried to RATIFY the action without a meeting resolution dated 02/02/11 approving the proposal from Quickel Paving dated 7/06/11 for replacement of concrete at 17 Segura and 20 Segura for a total amount of \$2,195.00 to be funded from Reserves G/L #3135 (Streets).

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 6/30/11 as presented, subject to audit/review at fiscal year-end by CPA.

Morgan Stanley Smith Barney Maturing Money Market 08/08/11

A motion was made, seconded and unanimously carried to APPROVE the recommendation from Morgan Stanley Smith Barney dated 07/28/11 to leave the liquid funds currently in the Morgan Stanley Smith Barney Money Market Account, Reserve G/L #1057 totaling \$50,000.00 as the interest is higher in the Money Market Account.

Invoice for Approval: Summit Consulting and Architectural #2239

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #118669 from Fire Safety First dated 6/30/11 to repair fire extinguishers in common areas for \$1,423.86 to be funded from Operating GL #3225 (Fire Extinguishers).

Invoice for Approval: GeoSoils #77160

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #10452 from 24 Hour Restoration, Inc. dated 5/19/11 at 26 Morena for mold remediation \$1,760.07 to be funded from Reserves G/L #3300 (Contingency).

Review/Approved Draft Reserve Study/ Executive Summary

A motion was made, seconded and unanimously carried to APPROVE the Reserve study update presented by Association Reserves Orange County for 01/01/2012 to 12/31/2012 for \$590.00 to be funded from Operating G/L#8222 (Reserve Study).

Board Member Discussion-Pool Locks

The Board discussed the history of repair of the pool locks there was no action made.

Fire Safety First Deficiency Report

A motion was made, seconded and unanimously carried to TABLE the Fire Safety First proposal dated 7/6/11 to refurbish (18) fire extinguishers, (9) cabinets locks, and (25) cabinets decals pending next year's budget of 2012.

CID Insurance Programs Proposal-Master Fidelity Coverage

The Board reviewed the renewal policy quote from CID Insurance Programs for the Master Fidelity Coverage insurance renewing 8/30/11. A motion was made, seconded and unanimously carried to APPROVE the renewal policy quote from CID Insurance Programs dated 7/7/11 for Master Fidelity Coverage with a policy limit of \$525,000.00 and a deductible of \$2,500.00 for total annual policy premium of \$620.00 to be funded from Operating G/L# 8410 (Insurance).

Architectural Application Landscape Improvement 28 Segura (Mrs Lu)

A motion was made, seconded and unanimously carried to APPROVE the architectural Application from Mrs. Lu of 28 Segura dated 06/30/11 to replace old windows with Aluminum Vinyl windows, as submitted.

Architectural Application Landscape Improvement 40 Morena (Mr. Heinz)

A motion was made, seconded and unanimously carried to APPROVE the architectural Application from Mr. Heinz of 40 Morena dated 06/29/11 to replace old windows in both bedroom with Aluminum Vinyl windows, as submitted.

Accurate Termite Pest Proposal

A motion was made, seconded and unanimously carried to TABLE the Accurate Termite proposal dated 6/24/11 For termite work at 47 Morena pending clarity of scope of work from Accurate and AWOM Approval.

Dan's Landscape Correspondence and Proposal

A motion was made, seconded and unanimously carried to TABLE Dan's Landscape proposal dated 6/21/11 for an increase to contact of \$200.00 for the maintenance of slope that borders Beth Jacobs Congregation and Villas Community pending approval of next year budget 2012.

Dan's Landscape Correspondence and Proposal

A motion was made, seconded and unanimously carried to TABLE Dan's Landscape proposal dated 4/28/11 for one time clean up of slope areas between Villas and Beth Jacob Temple for \$6,380.00 pending approval of next year budget 2012.

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. **Eric Quade Racquet Club of Irvine General Manager**

A motion was made, seconded and unanimously carried to TABLE Eric Quade General Manager of Irvine Racquet club request dated 7/20/11 for trimming of trees on RCI court eleven parking structure pending the landscape committee evaluation of property both entities property lines.

Next Meeting

The next meeting of the Board of Directors is scheduled on August 25, 2011 at 6:30 p.m. Executive and 7:15 p.m. General Session at the Rancho Senior Center, Irvine, California.

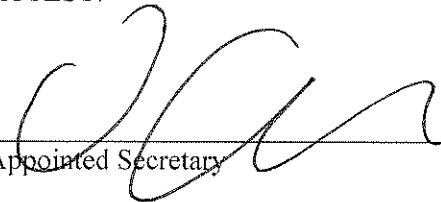
Adjournment

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 at 8:15 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

8/28/11

Dated

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

AUGUST 25, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 08/18/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
Marguerite Bivens, Vice President
Virginia Cassara, Secretary
Annette Ritchie, Member at Large
Tim Hunter, Treasurer

Directors Absent: None

Others Present: Ana Jensen, CAM, Optimum Professional Management, Inc. (ACMF®)
Cynthia Hunter, CCAM, Optimum Professional Management, Inc. (ACMF®)
See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 8/25/11 from 6:00 p.m. to 7:12 p.m. for the following:

- Budget
- Construction Manager Interview
- Delinquencies: A/R Aging Report and Reconciliation Report 7/31/11.
- Legal
- Minutes: Executive Session 7/31/11

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:18 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:

- Budget / Reserve Study FY 2012 Discussion
- Trash Trucks
- Landscape Mowing

Secretary's Report

A motion was made, seconded and carried to APPROVE the minutes of the July 31, 2011 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 7/31/11 as presented, subject to audit/review at fiscal year-end by CPA.

Invoice for Approval: Quickel Paving Invoice #113503 dated 7/31/11

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #113503 from Quickel Paving dated 7/31/11 to grind down sidewalks near Morena for \$2/195.00 to be funded from Operating GL #7614 (Common Area Maintenance).

Invoice for Approval: Accurate Termite and Pest Control Invoice #139144

A motion was made, seconded and unanimously carried to APPROVE payment of invoice #139144 from Accurate Termite and Pest Control dated 7/28/11 at 20/30 Navarre for Termite Fumigation for \$970.00 from Reserves G/L #3275 (Termite Fumigation).

Construction Manager

A motion was made, seconded and unanimously carried to APPROVE the hire of Mike Kiss of Summit Architecture for the upcoming Refurbishment Project. The Contract will be reviewed along with discussions with Mike Kiss. Decision of the contract will take place at the September 22, 2011 Board of Directors, General Session Meeting.

Board Member Request for Reimbursement

The Board discussed the Reimbursement to Dick Seaholm, President in the amount of \$209.00 for CAI education luncheons and Membership fees for CAI. A motion was made, seconded and unanimously TABLED to discuss at the next Board of Directors, General Session Meeting scheduled for September 22, 2011.

Next Meeting

The next meeting of the Board of Directors is scheduled on September 22, 2011 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 the General Session at 8:15 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

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

SEPTEMBER 27, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 09/23/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, Vice President
 Tim Hunter, Treasurer

Directors Absent: Virginia Cassara, Secretary
 Annette Ritchie, Member at Large

Others Present: Cynthia Hunter, Sr. CCAM, Optimum Professional Management, Inc. (ACMF®)
 See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 9/27/11 from 6:26 p.m. to 7:12 p.m. for the following:

- Contracts: Construction Manager
- Delinquencies: A/R Aging and Reconciliation Reports 8/31/11
- Legal: Release of Mechanic's Liens, Request for ADR, Work to be Performed by Contractors
- Minutes: Executive Session 8/25/11
- Non-Compliance: Unapproved Exterior Modifications

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:15 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:

- Eucalyptus Trees
- Irrigation Along Segura
- River Grass
- Utility Doors
- Book Exchange

Secretary's Report

A motion was made, seconded and unanimously carried to APPROVE the minutes of the August 25, 2011 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 8/31/11 as presented, subject to audit/review at fiscal year-end by CPA.

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

A motion was made, seconded and unanimously carried to APPROVE proposed budget #2 prepared 08/23/11 as presented for fiscal year 01/01/12 to 12/31/12 with an increase in assessments of \$25.00 (6.5%) from \$395.00 to \$420.00 per unit per month and monthly funding to reserves in the amount of \$28,687.00, which is the amount recommended in the onsite reserve study by Association Reserves dated 07/21/11 with reserves funded at 23.4% at beginning of new fiscal year and 59.4% in five years.

Furthermore, the Board ADOPTED the Reserve Funding Plan as presented by Association Reserves that shows reserves funded at 23.4% in 2012 and 59.4% in five (5) years based on the approved reserve funding amount of \$28,687.00 per month for fiscal year 01/11/12 to 12/31/12.

Board Member Request for Reimbursement

A motion was made, seconded and unanimously carried to TABLE the request from Board President Dick Seaholm dated August 11, 2011 requesting reimbursement for Community Association Institute Membership fees in the amount of \$124.00, luncheon meeting on May 26, 2011 in the amount of \$42.50, and Luncheon meeting on July 12, 2011 with presentation, for a total amount of \$209.00 to the October General Session for further review and discussion.

Termite Report - 4 Navarre

A motion was made, seconded and unanimously carried to APPROVE item 2A-3 for termite treatment to be performed at 4 Navarre, as per the report submitted by Western Exterminators dated 07/25/11, in the amount of \$310.00, to be paid from operating g/l #7528 (Termite Treatment).

09/02/11 Professional Services Proposal – 38 Morena – Downspout Installation

A motion was made, seconded and unanimously carried to TABLE the proposal received by Professional Services dated 09/02/11 to install a downspout at 38 Morena for \$589.00 to the October General Session to allow for further review and discussion.

08/22/11 Dan's Landscape Service, Inc. Proposal – 32 Morena - Installation of Drain

A motion was made, seconded and unanimously carried to TABLE the proposal from Dan's Landscape Service, Inc. dated 08/22/11 for the installation of a drain by 32 Morena for \$595.00 to the October General Session to allow for further review and discussion.

09/02/11 Professional Services Proposal – 48 Navarre – Barrier Wall

A motion was made, seconded and unanimously carried to TABLE the proposal received by Professional Services dated 09/02/11 for the installation of a barrier wall at 48 Navarre to the October General Session, as the vendor advised they do not recommend the repair to be performed, but rather perform a different method. Management was requested to send a letter to the owner of 48 Navarre providing them a copy of the proposal and advise the owner they must choose the method to have the work performed, and the cost of the work to be performed will be the owners responsibility.

09/02/11 OCBS Proposal – 48 Navarre – Barrier Wall

A motion was made, seconded and unanimously carried to TABLE INDEFINITELY the proposal from OCBS dated 09/02/11 for the installation of a barrier wall at 48 Navarre to the October General Session, as the vendor advised they do not recommend the repair to be performed, but rather perform a different method. Management was requested to send a letter to the owner of 48 Navarre providing them a copy of the proposal and advise the owner they must choose the method to have the work performed, and the cost of the work to be performed will be the owner's responsibility.

09/13/11 CR&R Drains, Inc. Proposal – 50-56 Navarre – Installation of Two-Way Cleanout in ABS

A motion was made, seconded and unanimously carried to TABLE the proposal dated 09/13/11 from CR&R Drains to install a two-way cleanout in the ABS at 50-56 Navarre for \$1,678.37 to the October General Session to allow management to obtain an additional proposal from Rocky Rooter.

08/31/11 CR&R Drains, Inc. Proposal – 50-56 Navarre – Video Tape Inspection

A motion was made, seconded and unanimously carried to TABLE the proposal dated 08/31/11 from CR&R Drains to perform a video tape inspection of the of the sewer lateral for 50-56 Navarre for \$362.00 to the October General Session to allow management obtain an additional proposal from Rocky Rooter.

08/31/11 Dan's Landscape Service, Inc. Proposal – Podocarpus Removal at Pool

A motion was made, seconded and unanimously carried to APPROVE the proposal submitted by Dan's Landscape Service, Inc. dated 08/31/11 for the removal of the podocarpus at the pool damaging the concrete, in the amount of \$350.00, to be paid from operating g/l #7215 (Landscape Extras).

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. **Delinquencies: Approval to Record Lien**

In accordance with California Civil Code §1367.1(c)(2): A motion was made, seconded and unanimously carried to DENY recording a lien in accordance with the Association's adopted Delinquent Assessment Collection Policy and California Civil Code on property identified as #O963-00135-1 as the account was brought current.

2. **06/13/11 PCW Change Order – 1 Segura – Installation Stucco and Replace Dry Rot Damaged 2x4's**

A motion was made, seconded and unanimously carried to APPROVE the PCW Change Order dated 06/13/11 for the demo of 27 additional square feet of stucco and the replacement of dry rot damaged 2x4's at 1 Segura, for a total amount of \$2,529.00, to be paid from operating G/L #7614 (Common Area Repairs).

Next Meeting

The next meeting of the Board of Directors is scheduled on October 27, 2011 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 at 8:28 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

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

OCTOBER 27, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 10/21/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at 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: Dick Seaholm, President
 Marguerite Bivens, Vice President
 Tim Hunter, Treasurer
 Virginia Cassara, Secretary
 Annette Ritchie, Member at Large (Via Teleconference)

Directors Absent: None

Others Present: Cynthia Hunter, Sr. CCAM, Optimum Professional Management, Inc. (ACMF®)
 See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 10/27/11 from 6:25 p.m. to 7:15 p.m. for the following:

- Contracts: Construction Manager, Management
- Delinquencies: A/R Aging and Reconciliation Reports 9/30/11
- Hearings: One (1) hearing resulting in non-compliance of the governing documents for unapproved modifications
- Minutes: Executive Session 9/27/11

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:20 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:

- Minute Format
- Agenda
- Pool Shower

Secretary's Report

A motion was made, seconded and unanimously carried to TABLE the minutes of the September 27, 2011 General Session of the Board of Directors pending corrections.

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 9/30/11 as presented, subject to audit/review at fiscal year-end by CPA.

Board Member Request for Reimbursement

A motion was made, seconded and carried to APPROVE the request from Board President Dick Seaholm dated August 11, 2011 requesting reimbursement for Community Association Institute Membership fees in the amount of \$124.00, luncheon meeting on May 26, 2011 in the amount of \$42.50, and Luncheon meeting on July 12, 2011 with presentation, for a total amount of \$209.00 to be paid from operating g/l #8499 (Miscellaneous Administration).

OPPOSED: Bivens

Accurate Termite Pest Control Report – 37 Navarre - \$2,670.00

A motion was made, seconded and unanimously carried to APPROVE performing the work on items 2B, 3A, 3B, 3C and 3D per the accurate Termite Pest Control Report dated 9/30/11, in the amount of \$2,670.00, to be paid from operating G/L #7525 (Pest Control).

Summit Architecture Contract

A motion was made seconded and unanimously carried to TABLE the proposed contract for exterior renovation of the community from Mike Kiss of Summit Consulting & Architecture dated 10/18/11 to the next General Session pending further discussion regarding the cost for the project.

Workers' Compensation Insurance Proposal

The Board reviewed the renewal policy quote dated 10/21/11 from CID Insurance for workers' compensation insurance coverage renewing 12/02/11. A motion was made, seconded and unanimously carried to APPROVE the renewal quote from CID Insurance dated 10/21/11 with a policy limit of \$1 million for a total annual premium of \$601.00 subject to rate changes to be paid from Operating g/l #841 (Workers' Compensation).

Annette Richie terminated the teleconference at 7:35 p.m. and rejoined the board meeting via teleconference at 7:38 p.m.

Appoint Inspectors of Election and Approve Optimum to Receive Ballots

A motion was made, seconded and unanimously carried to APPROVE the appointment of Anna Rubyn of 5 Segura to act as the Inspector of Election and to 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, 2012 with registration at 5:45 p.m. at the community pool area. Additionally, the Board advised two additional Inspectors of Election will be appointed at the December General Session. 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.

Audit/Tax Return Proposals FYE 12/31/11

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, Shievely, & Longtin, CPA dated 08/22/11 to conduct an audit of the Association's financial records and prepare tax returns for fiscal year ending 12/31/11 for \$1,200.00.

Next Meeting

The next meeting of the Board of Directors is scheduled on December 1, 2011 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 at 7:38 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

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

DECEMBER 1, 2011

Notice of Meeting

In accordance with Civil Code §1363.05, notice of the meeting and the agenda was posted at the pool on 11/23/11 for the General Session of the Board of Directors of The Villas Community Association held on the above date at Rancho Senior Center, 3 Ethel Copen Way, Irvine, California.

Roll Call

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

Directors Present: Dick Seaholm, President
 Marguerite Bivens, Vice President
 Tim Hunter, Treasurer

Directors Absent: Annette Ritchie, Member at Large
 Vacant, Secretary

Others Present: Cynthia Hunter, Sr. CCAM, Optimum Professional Management, Inc. (ACMF®)
 Andre Ocampo, South Shore Exterminating, Inc.
 17 Homeowners were present: See Sign In Sheet

Executive Session Disclosure 1363.05

In accordance with State Statute, notification is hereby provided of an Executive Session of the Board of Directors held prior to this meeting on 12/01/11 from 6:35 p.m. to 7:00 p.m. for the following:

- Delinquencies: A/R Aging and Reconciliation Reports 10/31/11
- Minutes: Executive Session 10/27/11
- Non-Compliance

Call to Order

President and Presiding Chair, Dick Seaholm, called the General Session of the Board of Directors to order directly following the Executive Session at 7:03 p.m.

Guest Speaker – Andre Ocampo of South Shore Exterminating, Inc.

Mr. Andre Ocampo addressed the Board of Directors and the Homeowners in attendance about a new way of treating termites. The treatment is called Bora-Care and the active ingredient in Bora-Care is Disodium Octaborate Tetrahydrate, a borate mineral salt this is deadly to insects. And because it is a mineral salt, it will not break down over time. Furthermore, its patented formula penetrates into the wood and remains there for years, providing residual protection.

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:

- Possible Special Assessment
- Budget
- Bora-Care

Secretary's Report

A motion was made, seconded and unanimously carried to APPROVE the minutes of the September 27, 2011 General Session of the Board of Directors as written

A motion was made, seconded and unanimously carried to APPROVE the minutes of the October 27, 2011 General Session of the Board of Directors as written.

Action Without A Meeting Resolution Ratified

A motion was made, seconded and unanimously carried to RATIFY the Action Without A Meeting Resolution dated 11/4/11 approving the facts regarding termite tenting and a series of Question and Answers regarding current Association business.

Action Without A Meeting Resolution Ratified

A motion was made, seconded and unanimously carried to RATIFY the Action Without A Meeting Resolution dated 11/16/11 approving the Management Contract, which starts on December 1st and continues on a Month to Month basis with a 30 day termination clause.

Treasurer's Report

A motion was made, seconded and unanimously carried to ACCEPT the financial statements and reconciled bank statements for period ending 10/31/11 as presented, subject to audit/review at fiscal year-end by CPA.

Ally Bank CD Maturing 12/9/11

A motion was made, seconded and unanimously carried to APPROVE withdrawing the funds in the Certificate of Deposit at Ally Bank, Reserve Account G/L #1058 in the amount \$50,000.00 plus interest maturing 12/9/11 and depositing the funds in a liquid Money Market Account with the best rate.

Board Member Request for Reimbursement

A motion was made, seconded and carried to TABLE the request from Board President Dick Seaholm dated November 17, 2011 requesting reimbursement for Community Association Institute Luncheon meeting on 9/6/11 for \$42.50 and 11/10/11 for \$42.50 and the Law Seminar on 9/16/11 for \$45.00 for a total amount of \$130.00 to be paid from operating G/L #8499 (Miscellaneous Administration) until the next scheduled Board Meeting as Bivens OPPOSED and Hunter APPROVED; therefore, majority was not established.

Board Member Resignation – Virginia Cassara, Secretary (Acknowledgement)

The Board of Directors reviewed the letter of resignation that was dated 11/7/11 by Virginia Cassara, Secretary announcing her immediate resignation as she has taken on additional responsibilities that would prohibit her to continue in a Board Member capacity.

Appoint Inspectors of Election and Approve Optimum to Receive Ballots

A motion was made, seconded and unanimously carried to APPROVE the appointment of two additional Inspectors of Election Jack Lewin of 104 Navarre and Brian Kraft of 45 Morena along with Anna Rubyn of 5 Segura to act as the Inspector of Election and to certify the results of the election in accordance with the adopted Election Rules for the Annual Membership Meeting & Election to be held on January 26, 2012 with registration at 7:00 p.m. at Rancho Senior Center. 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.

Approval of Christmas Gift of \$100.00 to Association's Full Time Gardener

A motion was made, seconded and unanimously carried to APPROVE a check in the amount of \$100.00 to be made to Jose Castaneda as a Christmas Gift from The Villas Community Association to be funded from Operating G/L #7215 Landscape Extras.

Condition of Tile Roofs - Discussion

President Dick Seaholm stated that he wanted to make sure three separate proposals for the Tile Roofs were obtained prior to making a decision. Management insisted that there will be three separate proposal based on one scope of work.

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. **Reallocation of Reserves**

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

2. **Premier Roofing and Building Company Proposal ~ Roof Leak 66 Navarre (Gray)**

A motion was made, seconded and unanimously carried to APPROVE the proposal from Premier Roofing and Building Company dated November 13, 2011 to tear off existing roof at leak area (approx.. 200 Sq. Ft.), replace plywood, and re-roof area to match existing for \$1,700.00 to be funded from Reserves G/L#3130 (Roofs).

Next Meeting

The next meeting of the Board of Directors is scheduled on February 23, 2012 at 6:30 p.m. Executive and 7:15 p.m. General Session at the Rancho Senior Center, Irvine, California. Annual Membership Meeting and Election scheduled on January 26, 2012, registration begins at 7:00 Election begins at 7:30 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 at 8:20 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:

Appointed Secretary

Dated