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HOMEOWNERS ASSOCIATION

BOARD MEETING MINUTES

The Coronado Cays Homeowners Association held its regular monthly meeting on Thursday, October 23, 2008 in the Grand Caribe.

Board members in attendance and constituting a quorum were:

Stuart Landersman, President
David Herring, Vice-President
Kim Tolles, Secretary
Bob Shugert, Treasurer
Jim Besikof, Director
Rudy Dew, Director
Mark Conrad, Director
Fred Brown, Director (2:00 p.m.)
David Love, Director (1:05 p.m.)

Antigua Village
Jamaica Village
Bahama Village
Blue Anchor Cay
Blue Anchor Cay
Green Turtle Cay
Kingston Village
Mardi Gras Village
Trinidad Village

Absent:

David Clopp, Director
Carla Bacon, Director

Montego Village
Port Royale Village

Staff present:

Larry Peterson, General Manager
Clarence Freeman, Director of Safety & Code Enforcement
Kathie Kaiwi, Accounting Assistant

I. REGULAR SESSION

President Landersman called the meeting to order at 2:00 p.m. He welcomed all members to the meeting.

President Landersman briefed the public on topics covered in Executive Session:
Waterways litigation and a personnel issue.

II. Pledge of Allegiance

III. Recognition of Guests:

President Landersman recognized guests; Councilman Al Ovrom, Fire Chief Kim Raddatz, and Councilmember Carrie Downey.

Councilmember Ovrom reported on resurfacing the tennis courts, lighting for the basketball court and storm drains.

Councilmember Downey was extended an invitation to speak about her candidacy for City Council since she was unable to attend the “Forum” at Coronado Cays Yacht Club.

Fire Chief Raddatz informed the Board that construction is scheduled to begin on the Cays Fire Station in December. The temporary structure is intended for living space during construction. He also told the Board emergency generators are moved based on need, but the Cays Fire Station has its own to support itself. He will talk with Admin. Services about the identified critical needs of the Cays in an emergency. In response to Director Herring, he said that the Cays was in the Emergency Plan, and he knew that, because he wrote it.

- IV. **Board Minutes:** The proposed minutes of the regular meeting of September 25, 2008 were previously distributed. The reading of the minutes in their entirety was waived.

Director Herring moved and Director Brown seconded the motion to approve the minutes of the Regular Board Meeting of September 25, 2008. The motion carried unanimously.

Changes to agenda :

Item VI. A. – Docks and Channels Committee

Change **from** a Non-Action-Item **to** an Action-Item.

Item XII. 1. – Member’s Handbook Update

Change **from** add Section 3.16 **to** add Section 3.17 and 3.18.

No objection to changes.

- V. **AECC Recommended Actions:** October 16, 2008

Director Herring moved and Director Conrad seconded the motion to remove **Item V. L.- Trinidad/Kingston Village (TV/KV) Clubhouse Docks** from the Consent Calendar of the AECC recommendation. The motion carried. Yeas – 7, Nays – 1.

Director Herring moved and Director Conrad seconded the motion to accept the actions of the AECC minutes dated October 16, 2008 with the exception of Item L. The motion carried unanimously.

- B. 23 Green Turtle Rd., Perez – install new windows **recommend approval**
- C. 52 Mardi Gras Rd., Piagentini – replace two new windows **recommend approval**
- D. 45 Port of Spain Rd., Vunderink – Demo & dock installation
recommend approval w/conditions
- E. 47 Port of Spain Rd., Crabtree – Demo & dock installation
recommend approval w/conditions
- F. 95 Antigua Ct., Hermann – Install motorized shutters **recommend denial**
- G. 11 Green Turtle Rd., Robertson – Install spa **recommend approval**
- H. 56 Blue Anchor, Matranga – Replace port hole with windows **recommend approval**
- I. 37 Delaport, Belovs – Install play structure in rear yard **recommend approval**
- J. 38 Bahama Bend, Davidson – Enclose deck, a/c unit & windows

- recommend approval w/conditions**
 - K. 32 Trinidad Bend, Welch – Install spa on roof deck*
recommend approval w/conditions
 - M. 58 Port of Spain, Gary – Replace gate with new **recommend approval**
 - N. 16 The Point, Reveley – replace waterside wrought iron gate w/glass
Recommend approval

 - L. **Trinidad/Kingston Village Clubhouse Docks** -Demo & installation **recommend approval w/cond.**
- Director Herring moved and Director Besikof seconded the motion to table this item to December 4, 2008 Board Meeting, pending report from ad-hoc committee with immediate notification of Trinidad Village, Kingston Village and properties on Blue Anchor Cay Road, adjacent to the TV/KV Clubhouse. The motion carried unanimously.

VI. Committee Reports:

- A. **Docks & Channels Committee**
Director Dew moved and Director Brown seconded the motion to approve the minutes. The motion carried unanimously.

- B. **Antigua Landscaping Coordinator Appointment:** Chris Bonderant
Director Herring moved and Director Conrad seconded the motion to approve the appointment. The motion carried unanimously.

- C. **Safety Committee Minutes:** October 14, 2008
Director Herring moved and Director Brown seconded the motion to approve the minutes. The motion carried unanimously.

- D. **Safety Sub-Committee Appointments:**
Director Herring moved and Director Conrad seconded the motion to table the Safety Sub-Committee Appointments pending legal advice on insurance. The motion carried unanimously.

- E. **Antigua Village Safety Committee Appointments:**
See Item D above.

- F. **Insurance Committee:**
Director Herring moved and Director Brown seconded the motion to increase the D & O umbrella insurance from \$5 to \$10 million. The motion carried unanimously.
Director Tolles absent.

- G. **Finance Committee Minutes:** September 2008
Director Herring moved and Director Brown seconded the motion to approve the minutes. The motion carried unanimously.
Director Tolles absent.

VII. Correspondence

- A. **In-coming:**
 1. Letter dated 10/09/08 Re: Silver Strand Alcohol ban. No action.
 2. Letter Re: Silver Strand Alcohol ban – Ruth Coleman, State Parks Commission.

Director Herring moved and President Landersman seconded the motion for President Landersman to write a rebuttal to Ms. Coleman, copying the City. The motion carried unanimously. *Director Tolles absent.*

3. Letter Re: Trinidad Village Docks Inc. No action.

B. Out-going:

None

VIII. President's Report:

President Landersman recommended that Directors scrutinize their spending in light of the economy. He reported that there were 200 attendees at *Meet the Candidates* hosted by CCYC. The Beach Booze Ban has not yet been approved by the State. The City's position on the proposed Silver Strand State Beach Cabins continues to be an open item.

IX. Treasurer's Report:

A. Director Herring moved and Director Brown seconded the motion to accept the wharfage gift of CC Wharfage Inc. as outlined in a letter from Dock Master Kevin Brenden, dated 10/22/08. *Liability: no additional insurance cost, two small tax bills in the amount of \$91.38 and \$6k income.* The motion carried unanimously. *Director Tolles absent.*

Bob Shugert, Treasurer, reported that the combined financial statement for the month of September and our 3rd month of our new fiscal year is below budget in the amount of \$55,251.00 as compared to last year's budget at the same time of a below budget amount of \$73,301.00. Total income is slightly ahead of budget and operating expenses are below budget.

Our combined Reserve Account balance is \$2,964,789.00 as compared to last year's balance (September 2007) of \$2,628,057.00. Over this last year we have added \$336,732.00 to our Reserve Account.

For the month of September and year to date the Common Administration Financial Statement is below budget in the amount of \$16,423.00. Income is slightly ahead of budget and operating expenses are below budget. Administration expense is over budget due to higher legal expenses.

The Common Administration Reserve balance is \$339,367.00 compared to the September 2007 balance of \$166,705.00.

All villages are essentially under budget for the month of September and year to date. All villages are currently in compliance with Resolution 07-02, our threshold funding requirement.

Recent Events: CCHOA income is slightly ahead of budget. At the last Finance Committee meeting, General Manager Peterson discussed the impact of the decline in the real estate market and the subsequent impact on two of our major tenants, Coldwell Banker and Prudential. It appears we may have to re-negotiate the terms of our leases

which could result in a reduction in our leasehold income. We are also implementing more stringent procedures with respect to the collection of our Homeowners dues. Your President will comment on this issue in his report.

Investment Policy:

The CCHOA Investment Policy continues to concentrate on investments in either CD's insured by FDIC or U.S. Treasury notes or bills. Our money market funds at Wachovia are invested in their Evergreen Fund which only invests in securities guaranteed by the U.S. Government. Wachovia Securities Company is a wholly owned subsidiary of Wachovia Bank which was recently merged into Wells Fargo Corporation. Our operating funds that are invested in the Wells Fargo Corporation money market account are backed by the AAA rating of Wells Fargo Corporation. Although the final details of the U.S. Government's program to assist the banking industry are being clarified, it appears that our operating funds at Wells Fargo will be insured by the FDIC. In as much as Wells Fargo Bank has a AAA rating, I am not concerned about the safety of our funds. The Reserve Fund investments are laddered over a two year time frame and the indicated current annualized yield is 4.2%

Director Herring moved and Director Brown seconded the motion to approve the Treasure's Report. The motion carried unanimously.

Director Tolles absent.

X. Manager's Report

General Manager Peterson discussed with the Board the issue of "shading". If you reduce the amount of dock space, the HOA will accumulate credit which can be used for increasing dock space at another location.

XI. Old Business

1. Resolution 08-07: Amend CC&Rs Termite
Director Herring moved and Director Dew seconded the motion to deny.
Motion carried: Yeas – 6, Nays – 1. *Director Tolles absent.*
2. D & O Insurance:
Action taken in Treasurer's report.
3. Reimbursement of unused paint funds:
Director Love withdrew.
4. Resolution 08-05 Bahama Architectural Guidelines Director Tolles
Note to correct the spelling of 'private' on page 44 of the Board packet.
Director Herring moved and Director Brown seconded the motion to approve.
Motion carried: Yeas – 7, Nays – 1

XII. New Business

1. Member's Handbook Update: Director Herring
Add Section 3.17, Re: Security Lights
Add Section 3.18, Re: Second Floor Umbrellas
Director Herring moved and Director Love seconded the motion to approve the resolution omitting Section 3.18. The motion did not pass.

Yeas – 3, Nays – 4 *Director Conrad absent.*

2. Proposed Dog Dropping Violation \$300
Director Dew moved and there was no second. Resolution not accepted.
City Ordinance 4.4.3.3 already in place.
3. Delinquent Assessment Report:
1002, 2004, 2007, 2184, 2192, 3076, 7024, 7027, 8011, 8134, 8138, 9138,
10008, 10039
Discussion: This may indicate a trend, and may affect budgeted projects.
Director Herring moved and Director Besikof seconded the motion to continue
the liens process on delinquent accounts. Motion carried unanimously.

XIII. Oral Communications:

Ella Croshier, 25 Blue Anchor – Requested that April 2008 minutes on the website be updated. There are no 2008 Annual Meeting minutes on the web, nor other committee minutes. Asked the Board what rules we are following on 90.10.100 Specific Plan.

RG Head, 63 Port of Spain – Trinidad Village Docks Inc.(TVDI)

Notification to off-water homeowners: there have been seven.

Crossing easement – for renters and buyers at the TV/KV Clubhouse

Financial status of TVDI – 26 of 28 buyers that have either paid in full or made their first payment on their purchase.

David Finkelstein, 7 Spinnaker Way – TV/KV Clubhouse Docks

Rick Taylor, 77 Port of Spain – TVDI Project

David Cuban, Boy Scout Troup 801 – Bench and awning for tennis courts, donation request. Director's Assistant Wallin assumed the responsibility to follow up.

XIV. Announcements:

The next regular Board meeting is 2:00 p.m. December 4, 2008 in the Grand Caribe room. This will be the last meeting in 2008.

XV. Adjournment

Director Landersman moved and Director Dew seconded the motion to adjourn the meeting at 4:58 p.m.

CERTIFICATION OF BOARD & APPROVAL OF MINUTES:

“This is to certify that the Coronado Cays Homeowners Association is a California Nonprofit Mutual Benefit Corporation; that the Board is duly constituted; has made all decisions based on reasonable investigation, in good faith and with regard for the best interests of the community and its members; has exercised discretion with the scope of its authority under relevant statutes, covenants and restrictions in discharging its obligations; and, hereby approved the authenticity of actions reported in minutes of this meeting.”

Stuart Landersman, President

Kim Tolles, Secretary