

**THE VILLAGE ASSOCIATION
BOARD OF DIRECTORS MEETING
June 14, 2010**

MINUTES

CALL TO ORDER

The meeting was called to order by Board Vice-President Jonathan Nook at 6:03 PM.

BOARD MEMBERS PRESENT

Jerry Howell, President
Jonathan Nook, Vice-President
Greg Tiritilli, Treasurer
Ramon Pelayo, Secretary
Earl Turner, Member at large

OTHERS PRESENT

Martha Olvera of Horizon Management
Twelve owners attended the meeting

APPROVAL OF PRIOR MEETING MINUTES:

MOTION (ET/JN): to approve the meeting minutes of the May 18, 2010 meetings. The motion carried.

Guest: Redondo Beach Fire Marshall: The Marshall informed the association that his crew was informed that alarms at the community had been turned off. He indicated that the marine environment exacerbates the sensitivity of the electrical systems. The Marshall suggested that only certified companies perform work on the systems, he stressed that the association use only licensed and certified contractors to do any work on the systems at the association.

FINANCIAL REPORTS:

The board reviewed and discussed the May financial report.

MOTION (JH/RP): to accept the May 2010 financial reports as submitted.

MOTION (RP/JH): the Board agreed to move the funds listed below. The motion carried.

1. Funds from Banco Popular CD cash out (\$76,626) is under consideration for CD at Excel Bank, 12 mos. I = 1.44%
A = 1.45%.
2. Current Excel MM account balance is 155,921.19. The MM account and CD combined at about \$230K will remain under the FDIC \$250K limit.
3. Cal National/US Bank \$ 101,158.92 Re-deposited, 18 mo. CD I = 1.49% A = 1.50% Maturity 5/28/11
Capital Source \$94,446 Re-deposited, 7 mo. CD I = 1.19% A = 1.20%
4. First Fed/OneWest \$110,250.44 Opened second CD as First Fed now OneWest. TTL deposit under \$250K FDIC cap.
Deposited, 13 mo. CD, I = 1.59% A = 1.60%
5. Money Market, Savings
JP Morgan and Wachovia/Well, handed to David Lynn-Smith Barney

Resolution to record lien. The board reviewed the Notice of Delinquent Assessment (pre-lien letters) sent to the owners of the properties identified as Assessor's Parcel Number APN#7505-003-149. The owner, as of the date of this board meeting, has not requested internal dispute resolution (IDR). A majority of the board members voted to authorize Horizon Management Company or other designee to record a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection (including the fees and costs of preparing the lien against the owners of the properties, fees for coordinating enforcement of the lien between designees, and attorneys' fees), if IDR is not requested and payment in full is not received by the Association. Thirty (30) days after recordation of the lien, if the delinquencies persist, the board authorizes its designee to enforce the liens.

MOTION (GT/JN): to record resolution for APN#7505-003-149. The motion passed with all Board members in attendance agreeing to the action.

ON SITE MANAGER'S REPORT:

Lee King reported that he and the crew:

- Cleaned up cigarette butts by gas meter at 640 building.
- Cleaned out the boiler at the 630 building.
- Finished building the fence.
- The hot water pipe in the 640 boiler room had a leak, suggested that other pipe be replaced.

Lee King asked if he could purchase shirts for the crew.

MOTION (GT/ET): to authorize Lee King to purchase shirts for employees for a cost of up to \$500. The motion carried.

Landscape:

- Jerry informed those in attendance that at the previous month's Board meeting the Board discussed in executive session a third-party contract proposal from TruGreen Landscape. Since the decision could possibly affect employees at the association, as allowed by civil code, the Board decided to discuss the matter in executive session.
- Jerry went on to explain that since Lee King informed the Board that one of the full-time employees left on personal leave and since it was unknown if the person would be returning, the Board agreed to keep one of the employees engaged for six months and use his services to complete painting and other projects.
- The decision was made by the Board to engage TruGreen Landscape to perform weekly maintenance services at a cost not to exceed \$2,165 per month, beginning June 1, 2010. The terms of the contract include a 30-day notice from either party to terminate the contract. The Board agreed to a six month review period for TruGreen.
- Greg objected to the landscape service decision, stating that it was the wrong thing to do. He indicated that discussing the matter in public session did not in anyway violate any part of the CC&Rs; the mention of employee names could have been left out; the terms of the "contract" were already determined no longer 3rd party. The matter should have been publicly noticed.
- Additionally, the action impinged Village policy by using outside sources instead of in-house sources. Further the resources are costing the HOA \$23-24.00 per man hour, nearly double of our in-house cost.
- The landscape further came to notice from a petition presented to the BOD, from several homeowners with similar concern. The contents of the petition were not revealed at the meeting.

OPEN FORUM:

The following items were brought up in the open forum:

- Some owners inquired about the hiring of a professional landscape company.
- An owner asked for an update on the Ocean Club matter.
- An owner commented on the recent power outage that left the gate open.

COMMITTEE REPORTS:

- **Verizon FIOS:** Jonathan Nook updated the Board and members on the FIOS project. Jonathan informed everyone that Verizon is okay with the plans so far, now the Board needs to decide if they want to invest in the valance over the recessed door moldings that will cover the wires.

Unfinished business:

Elevator maintenance – the Board reviewed the proposal from KONE Elevator and determined that they saw no improvement in the terms of the agreement. They asked management to contact KONE and site to them their recent lack of customer service regarding the handling of a disabled elevator and their poor response to emergency services. The Association will ask KONE to release them from the current contract by no later than August 1, 2010.

Settlement of legal matter:

Jerry informed those in attendance that the legal matter regarding Fiske v. The Village was settled on June 8, 2010 and that the Board of Directors does not anticipate that any special assessment will occur as a result of the settlement.

New business:

Insurance:

Greg informed the Board members that he had spoken with Steve Segal Insurance regarding the renewal proposal and asked that the contract be discussed in executive session. The motion carried.

Sun Deck replacement: the Board discussed the proposal from the PLL Company for materials to rebuild the sun deck behind building 610 and decided not to pursue the project at this time.

ADJOURNMENT AND NEXT MEETINGS.

The meeting adjourned at 8:10 P.M to executive session to discuss a third party contract and outstanding legal matters. The next Board meeting will be held on Tuesday, July 20, 2010.