

PINNACLE MUSEUM TOWER ASSOCIATION
BOARD OF DIRECTORS MEETING
February 18, 2009

OPEN SESSION MINUTES

**NOTICE OF
MEETING:**

Upon due notice given and received, an Open Session of the Pinnacle Museum Tower Association Board of Directors was held on February 18, 2009 at 6:00 p.m. in the Amenity Room.

ATTENDANCE:

Directors Present: Chris Eddy, President
Steve Sparta, Vice President
Pete Thistle, Secretary
Jim Cox, Director

Directors Absent: Roger Dyer, Treasurer

Also Present: Bruce Heckman, The Prescott Companies
Rob Hussey, The Prescott Companies

**CALL TO
ORDER:**

Chris Eddy, President, called the meeting to order at 6:16 p.m.

**ORGANIZATIONAL
MEETING:**

At the Annual Meeting, held on January 15, 2009, Chris Eddy and Steve Sparta were re-elected to the Board of Directors. As required by the Association's Bylaws, the Board of Directors is required to choose officer positions annually.

Motion: Upon a motion duly made, seconded, and carried the Board of Directors moved to keep the officer positions as they are, Chris Eddy (President), Steve Sparta (Vice President), Pete Thistle (Secretary), Roger Dyer (Treasurer), and Jim Cox (Director-At-Large).

EXECUTIVE SESSION

DISCLOSURE: The Board of Directors disclosed proceedings in the Executive Session:

- Global Power Proposal
- Ratification of Concierge Contract
- Hearing Appeal Denial
- Member Request
- Approval of Minutes
- One Foreclosure
- Construction Default Lawsuit Update

**CC&R
AMENDMENT**

BALLOT COUNT: Management informed the Board of Directors of the current status with regard to the number of CC&R Amendment ballots which have

been received, thus far. It was announced to the Membership, the Association has received 113 ballots of the 129 required to open the ballots. The Board of Directors also informed those present, the Association requires a 'yes' vote on at least 129 of the ballots which are received.

Motion: Upon a motion duly made, seconded, and carried the Board of Directors moved to reconvene the ballot count until March 18, 2009 and asked Management to send a new ballot, to those who have not yet voted, by certified mail.

**APPROVAL
OF MINUTES:**

Upon a motion duly made, seconded, and carried, the Board of Directors approved the minutes from the Open Session on December 17, 2008, as presented.

**FINANCIAL
REPORT:**

The Board of Directors reviewed the financial statements for the periods ending December 31, 2008 and January 31, 2009. A summary of the financial activity is as follows:

	<u>December 2008</u>
Operating Assets:	\$238,059.86 (\$22,597.22 Delinquencies)
Reserve Assets:	\$462,419.42
YTD Total Assets:	\$700,479.28

	<u>January 2009</u>
Operating Assets:	\$288,386.08 (\$19,741.30 Delinquencies)
Reserve Assets:	\$477,378.60
YTD Total Assets:	\$765,764.68

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors accepted the December 2008 financial reports as presented subject to the auditor's year end review.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors accepted the January 2009 financial reports as presented subject to the auditor's year end review.

COLLECTIONS: The Board of Directors reviewed the delinquency report listing the past due accounts as of January 31, 2009. The following accounts are scheduled for collection action pursuant to the Association's delinquency policy subject to Board action:

<u>Account</u>	<u>Balance</u>	<u>Action</u>
535-042-09-55	\$1,999.00	Lien

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved the above stated collection actions pursuant to the aging report and the Association's Collection Policy.

INVESTMENTS: Management presented a recommendation to the Board of Directors from David Lynn, Merrill Lynch Financial Advisor. The recommendation from Mr. Lynch suggests the Board of Directors take the currently liquid \$219,855.00 in the Association's Reserve account and purchase four (4) \$40,000.00 CDs (in 12, 18, 24, and 30 month CDs) and leave the remaining \$59,855.00 liquid in the Reserve account. The Board of Directors reviewed and discussed Mr. Lynn's recommendation.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved the purchase of three (3) \$40,000.00 CDs in lengths of 3, 6, and 9 months leaving the remaining \$99,855.00 liquid in the Reserve's money market account.

**COMMITTEE
REPORT:**

Todd Ruth, Committee Chair, presented the following information as recommendations of the Committee from a meeting held on February 3, 2009:

- **2009 Budget:** The Committee would like to view financials regularly to follow the 2009 Budget.
- **CC&R Ballots:** The Committee supports sending ballots to those who have not yet voted.
- **Roof Top Lights:** The Committee feels the lights aren't working the same way as when originally tested.
- **iPod Docking Station:** The Committee supports the purchase of an iPod docking station in the Amenity Room.
- **Vendor Proposals:** The Committee supports the idea to have bids from companies to clean dryer ducts, refrigerator coils, and wine cooler coils.
- **Amenity Room:** The Committee does not support the idea to 'auction off' the Amenity Room to the highest bidder on days where the Amenity Room cannot be reserved (i.e. Holidays)
- **Time/Use Matrix:** The Committee has updated the Time/Use Matrix for the 2nd floor amenities.
- **Fob Access:** The Committee suggests moving the fob reader to the pool to the second door, leaving access to the restrooms, sauna, and steam room open to all. (Pending the passage of the Time/Use Matrix)
- **Guest Suite:** The Committee would like to make changes to the current rules with regard to the Guest Suite.

NEW BUSINESS: **Resident Request:** The Board of Directors reviewed a request from a Homeowner to be reimbursed \$174.90 in late fees, due to the fact she was unaware she had a mailbox on site.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved the Homeowner's request to be reimbursed \$174.90.

Resident Request: Management presented a request from a Homeowner to be reimbursed \$503.35 for a plumbing bill to repair her dishwasher. The electronic water valve needed to be replaced due to crystals, from the building's water softener, which collected in the valve and damaged it. Management informed the Board of Directors the plumber was contacted and verified the problem.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved the Homeowner's request to be reimbursed \$503.35.

Resident Request: Management presented a request from a Homeowner to be reimbursed \$168.50 for a plumbing bill to unclog his kitchen sink. It was unclear if the clog was indeed in the Common Line. It was also noted, the Association would not be responsible for a cracked P-trap in a residential unit.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors denied the Homeowner's request, based on the evidence presented.

The Committee and Social Committee Appointments: Management presented a list of interested residents who would like serve on The Committee and the Social Committee for 2009. The Membership present were asked, if anyone would like to join either committee. Those interested were added to the list.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors appointed all the following to The Committee, Todd Ruth, Melanie Branca, Bobbi Gilliam, Allen Tyler, Stan Marder, Steve Kirkeby, Tim Cloonan, and Pat McArron. The Board of Directors appointed the following to the Social Committee, Stan Marder, Marianne Egger, Lidia Diba, Dixie Newman, Lenore Cohen, Mary Sparta, and John Palafoutas.

Ad Hoc Lobby Design Committee: Management suggested an Ad Hoc Lobby Design Committee (LDC) be created to meet and discuss redecorating, refurnishing, and making general upgrades to the lobby aesthetic. The LDC's starting budget would be roughly \$5600.00, money received from elevator reservation fees.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors appointed Steve Sparta, Jim Cox, and Ken Hawkins to the Lobby Design Committee.

Elevator Refurbishing Proposals: Management presented proposals from Stuart Dean (\$7,107.00) and Apex (\$2250.00) to refurbish the wood and stainless steel surfaces.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors tabled this item until further notice.

Heat Pump Maintenance Proposals: Management presented offers from Brain Cox Mechanical (BCM) and Hurn Mechanical (HM) to perform preventative maintenance on the heat pumps located inside the residential units. BCM's offer is \$135 for the first unit and \$52.50 for each additional unit. HM's offer is \$110 for the first unit, \$170 for two units, and \$230 for three or more units. Management asked the Board of Directors to allow these offers to be presented the Membership.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors asked for these offers to be available to all residents.

Elevator Access Proposals: Management presented a request from a Homeowner to install a means by which only she have access to the 35th floor via elevator. The Board of Directors reviewed a proposal from Siemens (\$2,190.00) to update the system by removing unwanted relays in the elevator control panel located on the 34th floor and a proposal from ThyssenKrupp (\$2,798.00) to remove the '35' button in each of the four elevators and replace it with a key switch.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors supports the proposal from Siemens to grant the owner of the two units on the 35th floor exclusive access (with the exclusion of key building personnel) to the 35th floor. The Board of Directors feels it is the responsibility of the owner of the two units on the 35th floor to pay for the work needed to gain exclusive access to the 35th floor and ask that she agree to a condition, if she were to sell the units in the future, as two units, that she be responsible for returning the system back to its original condition.

OLD BUSINESS:

New Children's Museum: Chris Eddy, Board President, reminded those present the Association's intent to dissolve the Master Association and create a shared use agreement in the coming months.

Additional Cameras: Management presented a proposal to the Board of Directors from Siemens (\$2088.00) to add one camera to the second floor. The current DVR has room for only one more camera. The Board of Directors was asked to choose a preferable location on the second floor, if one were to be installed. Other proposals were available from Siemens to expand the current system's storage capacity for \$3300.00 and to purchase an additional DVR ranging from \$10,800.00 to \$12,800.00.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors tabled this item until further notice.

Time/Use Matrix: Management presented a Time/Use Matrix, which addresses usage hours of the second floor amenities, created by The Committee to the Board of Directors. It was discovered The Committee updated the Time/Use Matrix since the last meeting.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors tabled this item until a current Time/Use Matrix was provided.

Ratification of Bicycle Storage Rules: The Board of Directors approved the newly created Bicycle Storage Rules at a meeting held on December 17, 2008. The Bicycle Storage Rules were subsequently mailed to the Membership for a 30-day review. During this time, there was no correspondence received from the Membership opposing the rule change.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors ratified their decision to accept the Bicycle Storage Rules, with Chris Eddy abstaining.

Ratification of Amenity Room Rules: The Board of Directors approved changes made to the Association's Amenity Room Rules at a meeting held on December 17, 2008. The Amenity Room Rules were subsequently mailed to the Membership for a 30-day review. During this time, there was no correspondence received from the Membership opposing the rule change.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors ratified their decision to accept the Amenity Room Rules.

**HOMEOWNERS
FORUM:**

The floor was opened for Homeowner's comments. The following items were raised for discussion:

* Inquiry regarding possible charges from the Fire Department for false alarms.

* Inquiry asking if the problem causing the fire alarm to sound was remedied.

* Suggestion to introduce new Homeowners at the Board Meetings

* Inquiry regarding the liquor license request from the New Children's Museum

NEXT MEETING

DATE:

The next Open Session of the Board of Directors will be held on March 18, 2009 at 6:00 p.m. in the Amenity Room at 550 Front Street, San Diego, CA 92101

ADJOURNMENT: With no further business to come before the Board of Directors at this time, the Open Session adjourned at 8:27 p.m.

ATTEST:



DATE:

3/18/09