

PINNACLE MUSEUM TOWER ASSOCIATION
BOARD OF DIRECTORS MEETING
June 17, 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 June 17, 2009 at 6:00 p.m. in the Amenity Room.

ATTENDANCE:

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

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

**CALL TO
ORDER:**

Chris Eddy, President, called the meeting to order at 6:11 p.m.

EXECUTIVE SESSION

DISCLOSURE:

The Board of Directors disclosed proceedings in the Executive Session:

- Four Hearings
- Approval of Minutes
- No Collection Action
- Construction Defect Lawsuit Update

**APPROVAL
OF MINUTES:**

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved the minutes from the Open Session on May 20, 2009, as presented, with Roger Dyer and Jim Cox abstaining.

**FINANCIAL
REPORT:**

The Board of Directors reviewed the financial statements for the period ending May 31, 2009. A summary of the financial activity is as follows:

	<u>May 2009</u>
Operating Assets:	\$222,491.29 (\$12,854.53 Delinquencies)
Reserve Assets:	\$484,478.73
YTD Total Assets:	\$706,970.02

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

COLLECTIONS: There was no collection action required.

INVESTMENTS: Management shared a recommendation from Cyndi Koester, Community Association Banc Representative, with the Board of Directors. Ms. Koester recommends the sweep accounts for the Association's Operating Account be closed. She suggests moving the funds to the original account where the funds will be subject to higher interest rates. The Board requested of management to investigate additional investment vehicles for the Association's reserve funds.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved closing the sweep accounts and moving the funds back to the original checking account.

**COMMITTEE
REPORT:**

The Committee had nothing new to report.

The Social Committee had a successful event at Athens Greek Tavern and look forward to future events to include a movie night, an event at The Merk, an event at Roy's, and the annual summer party.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved an amount not to exceed \$3000.00 for the Social Committee to spend for the summer party scheduled for July 24, 2009.

Pete Thistle announced to the Membership the Board of Directors' intention to update the Members monthly on the progress on projects to include Lobby and Elevator improvements, an Urban Garden, Gym Expansion, efforts made to maintain assessments, and more.

OLD BUSINESS: New Children's Museum: Management presented a letter and map from the NCM which alerts the Membership of the timeline and placement of equipment for the event scheduled for August 22, 2009. Acceptance of these items via correspondence from the Board of Directors is required for the NCM to obtain their permit for this event.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors accepted the documents and timeline with the caveat, the minimal load out on Saturday night should be complete by 11:00pm. The Board of Directors instructed Management to alert the NCM representatives accordingly.

Rules Enforcement Policy: The Board of Directors reviewed the Association's current Rules Enforcement Policy and deemed it acceptable.

Motion: No action was taken.

NEW BUSINESS: Preventative Maintenance Agreement: The Board of Directors reviewed proposals from A Garage Door (\$275/Quarter; current vendor), Access Professional Systems (\$150/Quarter), and Golden State Garage Door (\$200/Quarter). The chosen company would be responsible for the preventative maintenance of the Association's two tilt-up garage doors. It was noted a quote was not available for the roll-up door on the dock.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors moved to allow Management to proceed with their best discretion with regard to choosing a Preventative Maintenance Company for the Association's gates.

Resident Request for Reimbursement: The Board of Directors reviewed a request from a Homeowner for reimbursement for costs incurred (\$1,836.00) from hiring an acoustical engineer. The Board of Directors discussed how a remedy was already being diligently pursued, which would have continued with or without the engineer's report. It was also noted; the Board of Directors had approved and conducted the repairs consistent with the expert's recommendation. The results, of which, were deemed unsatisfactory by the Owner.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors denied the request for reimbursement based on the Owner not receiving prior approval for the expenditure and finding the results of the acoustical engineer's report ineffective. Additionally, The Association should not be obligated to pay for report/costs which it had nothing to do with creating.

Resident Request for Reimbursement: The Board of Directors reviewed a request from a Homeowner asking the Board of Directors to reconsider their decision regarding a reimbursement of \$1,072 for plumbing costs incurred as a result of a repair done to the pressure regulating valves by the Developer in August 2008.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors denied the request for reimbursement based on no new evidence being presented.

Theater Upgrade: The Board of Directors reviewed proposals from Murray Digital Entertainment Systems (\$3,987.23) and American Home Entertainment (\$5,894.68) to upgrade the video equipment in the theater and to place the existing projector from the theater in the amenity room.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors tabled this item until newly presented proposals could be reviewed.

Personal Transportation Devices: The Board of Directors reviewed a rule created by The Committee (also, reviewed and amended by Jon Massie, Association Counsel) which outlines the acceptable areas of use for personal transportation devices, as follows:

Use of all personal transportation devices of any kind, including but not limited to skateboards, scooters, Segways, bicycles, or in-line skates or any other personal transportation device of any type, configuration, or make that the Board in its sole discretion deems a threat to the health, safety, or welfare of the membership is strictly prohibited in the Common Area and Association property, including without limitation, the recreational facilities and the lobby. The garage is covered by a separate policy.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved the personal transportation device rule, and instructed Management to send the new rule to the Membership for a 30-day review.

Key Policy: Management presented an on-going policy with regard to not accepting keys at the Front Desk and noted the extreme liabilities involved with accepting keys. Documentation from Jon Massie, Association Counsel, was also provided strongly encouraging keys not be accepted at the Front Desk for any reason. Jon Massie also stated, the staff 'should refrain from taking anything from a homeowner for safekeeping or transfer to another owner.' The Board of Directors discussed the liabilities involved with residents leaving keys at the Front Desk and strongly opposed such occurrences.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors moved to allow front desk staff to accept packages and prohibits residents from leaving keys at the Front Desk. This will be included in a mailing for 30-day review to the Membership.

Resident Request for Donations: The Board of Directors reviewed a request from a Homeowner to set-up a collection area for clothes to be donated to a charity. The Board of Directors felt it was not in the Association's best interest to support one charity above others and encouraged the Homeowner to post a notice for other residents to contact her.

Motion: No action was taken.

**HOMEOWNERS
FORUM:**

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

- Noise complaint regarding floor replacement
- Report of cracks in unit's ceiling
- Report of oven not working
- Notice of a Homeowner who plans to hire a window washer 2 times a year to clean her windows. Offer to split the cost with other owners on floors 3 – 6.

NEXT MEETING

DATE: The next Open Session of the Board of Directors will be held on July 15, 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 7:55 p.m.

ATTEST:  **DATE:** 7/15/09