

PINNACLE MUSEUM TOWER ASSOCIATION
BOARD OF DIRECTORS MEETING
July 15, 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 July 15, 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 6:02 p.m.

EXECUTIVE SESSION

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

- Two Hearings
- Approval of Minutes
- No Collection Action
- Personnel – Rate Increase
- 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 June 17, 2009, as presented.

**FINANCIAL
REPORT:**

The Board of Directors reviewed the financial statements for the period ending June 30, 2009. A summary of the financial activity is as follows:

	<u>June 2009</u>
Operating Assets:	\$209,738.20 (\$16,260.90 Delinquencies)
Reserve Assets:	\$504,235.31
YTD Total Assets:	\$713,973.51

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

COLLECTIONS: There was no collection action required.

INVESTMENTS: Management informed the Board of Directors two \$40,000.00 Reserve CDs had matured on June 4, 2009 and June 11, 2009. They are currently in the money market account waiting to be placed in a new CD. The Board of Directors reviewed the options given to them by David Lynn, Merrill Lynch representative.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors moved to purchase one 12- month CD in the amount of \$80,000.00.

**COMMITTEE
REPORT:**

Todd Ruth, Committee Chair, announced a request from John Palafoutas to be appointed to The Committee.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors appointed John Palafoutas to The Committee.

The Social Committee reminded those present of the upcoming Summer Event scheduled for July 24, 2009.

OLD BUSINESS: **Strategic Plan:** The Board of Directors informed the Membership present of their intention to seek professionals who can provide renderings of a vision for a remodel of the lobby.

Ratification of Guest Suite Rules and Time/Use Matrix: The Board of Directors approved the amended Guest Suite Rules and the newly created Time/Use Matrix at a meeting held on May 20, 2009. The Guest Suite Rules and Time/Use 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 amended Guest Suite Rules and newly created Time/Use Matrix.

New Children's Museum Discussion: The Board of Directors was presented with a request from the NCM for their approval with regard to an event scheduled for September 5, 2009. The event would occur in the afternoon and have a concert with an expected attendance of 2500 people.

Before any action is to take place, the Board of Directors asked the following to be clarified with representatives of the NCM:

- What security measures will be in place?
- Will P1 be used by anyone?
- What time will the NCM close?
- Is it possible to aim the stage toward the park?

- Will the residents' only ingress to the plaza be affected by the closure of Island Avenue and the presence of a ticket booth?

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors opted to defer making a decision as to their response to the NCM until more information is made available.

Upgrade for Theater and Amenity Room: The Board of Directors was presented with proposals from Murray (\$4,290.40) and American Home Entertainment (\$6057.80) to replace the projector and DVD player in the Theater and place the existing projector in the Amenity Room.

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors approved the proposal from Murray with the exception of moving the old projector to the Amenity Room bringing the cost to \$3290.40.

NEW BUSINESS: **Resident Request for Reimbursement:** The Board of Directors reviewed a request from a resident to waive the late charges posted to his account due to non-payment. The Homeowner claimed to never have received an assessment reminder. According to the CC&Rs, Section 4.13, 'All regular assessments are due and payable in monthly installments on the first day of each calendar month. No notice of regular assessments shall be required...'

Motion: Upon a motion duly made, seconded, and carried, the Board of Directors denied the request to waive any late charges based on the language of the CC&Rs and Civil Code.

Commercial Water Usage: The Board of Directors discussed the recent discovery that the Association has been paying for the water and sewage for Richard Walkers Pancake House. According to the CC&Rs, a commercial space which is used as a restaurant must be separately metered. To date, the Association has spent \$18,559.21 for what is believed to be the costs associated with the Commercial water usage.

Motion: Upon a motion duly made, seconded, and carried the Board of Directors requested the installation of a water meter necessary to calculate the water usage of Richard Walker's Pancake House from this time going forward. The Board of Directors also wishes to negotiate the past expenses with the Commercial Owner.

HOMEOWNERS

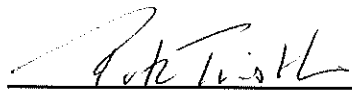
FORUM: The floor was opened for Homeowner's comments. The following items were raised for discussion:

- Inquiry with regard to the fictitious name filing
- Complaint about a noisy resident
- Insurance Presentation on July 21, 2009
- Complaint about construction noise
- Inquiry with regard to reserving the Amenity Room on Holidays

NEXT MEETING

DATE: The next Open Session of the Board of Directors will be held on August 19, 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 7:42 p.m.

ATTEST:  **DATE:** 8/19/09