

**PINNACLE MARINA TOWER ASSOCIATION**  
**BOARD OF DIRECTORS MEETING**  
August 19, 2009

**OPEN SESSION MINUTES**

**NOTICE OF  
MEETING:**

Upon due notice given and received, an Open Session of the Pinnacle Marina Tower Association Board of Directors was held on August 19, 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 6:15 p.m.

**EXECUTIVE SESSION**

**DISCLOSURE:**

The Board of Directors disclosed proceedings in the Executive Session:

- Three 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 July 15, 2009, as presented.

**FINANCIAL  
REPORT:**

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

	<b><u>July 2009</u></b>
Operating Assets:	\$209,636.83 (\$17,043.80 Delinquencies)
Reserve Assets:	\$522,587.34
YTD Total Assets:	\$813,043.80

**Motion:** Upon a motion duly made, seconded, and carried, the Board of Directors accepted the July 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 July 31, 2009. The following accounts are

scheduled for collection action pursuant to the Association's delinquency policy subject to Board action:

ACCOUNT	BALANCE	ACTION
42502	\$2,403.00	Lien
42484	\$2,481.00	Lien
42519	\$1,711.00	Lien
42665	\$1,846.00	Lien
42450	\$1,654.00	Lien
42475	\$3,057.00	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 informed the Board of Directors of two \$40,000.00 Reserve CDs to mature on August 20, 2009 and September 4, 2009. Also, as of August 4, 2009, the Association has \$110,323.00 in the Reserve account's money market. Merrill Lynch recommends the following:

\$40,000 9-month CD from your current money market balance  
\$40,000 18-month CD after your \$40,000 CD matures on 08.20.09  
\$40,000 12-month CD after your \$40,000 CD matures on 09.04.09  
\$70,323 plus interest to remain liquid in the money market

**Motion:** Upon a motion duly made, seconded, and carried, the Board of Directors approved the purchase of a six (6) month CD in the amount of \$80,000.00.

**COMMITTEE  
REPORT:**

Todd Ruth, Committee Chair, presented the following information as recommendations of the Committee from a meeting held on August 13, 2009:

- Request to program fobs to open Amenity Room; Bruce stated all fobs would have to be reprogrammed every time the Amenity Room was reserved.
- Request for plumbers to sign-out at front desk and inform how far in the pipes he/she went; Bruce stated the pipes are cast iron and are not subject to damage.
- Request for more information with regard to installing variable speed pumps for the pool and spa; Bruce informed the Committee a second opinion verified the previous findings stating the pool is too large and the pumps are too far away to be in compliance with regulations.

- Inquiry with regard to hallway temperatures
- Request for new chairs for the Amenity Room
- Response to a request for a rule against cigar smoking on balconies. It is suggested a complaint be filed based on the nuisance clause of the Governing Documents.
- Request from the Committee for a list of holidays/events which are blocked from reserving the Amenity Room.
- Request for a price quote to add more LED lights to the roof.
- Request for more communication/updates from the Lobby Committee.

Pat McArron alerted those present of the recent facelift given to the Association's website. He is also working on a way to involve more people in the voluntary resident directory.

Stan Marder of the Social Committee reminded those present of upcoming events, including a night at Roy's on September 2, 2009 and a performance for Noises Off on August 29, 2009.

Melanie Branca of the Financial Committee reported she met with Bruce Heckman to discuss inquiries/concerns with the 2010 Budget. The Financial Committee is currently working on recommendations for cost savings in 2010.

Jim Cox of the Lobby Design Committee reported to those present he had met with one firm and requested a bid for first drawings. He has meetings scheduled with two other firms and will have a report by the next Board Meeting.

**OLD BUSINESS:** Strategic Plan: The Board of Directors informed the Membership present of their continued efforts to improve on their vision with regard to the building's aesthetics and amenities.

Ratification of Personal Transportation Device and Key Policy: The Board of Directors approved the Key Policy and the newly created Personal Transportation Device Policy at a meeting held on June 17, 2009. These 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 Personal Transportation Device and Key Policies.

Sovent/Construction Defect Repairs: Management presented a proposal from AV Builders to address the Sovent repair needed for affected unit #1108. To do so, the repair has to be made through

the ceiling of unit #1007, which has a unique faux finish. The repairs cost for drywall removal, plumbing repair, and drywall replacement is \$5,425.00. Painting the faux finish is an additional \$2,415.00. The Homeowner of #1007 stated he could have the original artist complete the job for \$5,000.00.

Management informed the Board of Directors of a reoccurrence of the suds issue after the same fix was made approximately a month ago.

Another proposal from AV Builders (\$3,050.00) was presented to the Board of Directors to inspect the cause for moisture and mold growth in the ceiling of unit #603. The proposal also includes mold remediation, mold testing, drywall replacement, and finishing. The proposal does not include the cost for the repair, as the cause is unknown.

If approved, all costs would be submitted to the attorneys for reimbursement from the litigation.

**Motion:** Upon a motion duly made, seconded, and carried, the Board of Directors approved the proposal from AV Builders for \$3,050.00 to inspect the cause for moisture and mold growth in the ceiling of unit #603, with Chris Eddy abstaining.

**Motion:** Upon a motion duly made, seconded, and carried, the Board of Directors approved the proposal from AV Builders for \$5,425.00 and a counter offer of \$3,000.00 for the faux finishing to the Homeowner in #1007. The work should be scheduled if a revised repair to the issue is discovered prior to the next Board Meeting. All costs should be forwarded to the Construction Defect attorneys to be included in the Construction Defect lawsuit.

**Building Signage:** Management presented proposals from Omni Graphics (Option 1: \$3,854.00, Option 2: \$10,144.00) and Stanford Sign (\$3,750.00) to replace the existing signs on the building with ones which read 'Pinnacle Marina Tower'.

**Motion:** Upon a motion duly made, seconded, and carried, the Board of Directors approved the proposal from Omni Graphics contingent on the General Manager and a majority of the Board of Directors makes a final decision on the Northeast and South entrance signs with an amount not to exceed \$10,144.00.

**NEW BUSINESS:** 3<sup>rd</sup> Floor Circulation Pump: The Board of Directors reviewed proposals from AO Reed (\$3,452.00) and Sherwood Mechanical (\$3,142.00) to replace the pump and motor to the 3<sup>rd</sup> floor re-heat tank.

**Motion:** Upon a motion duly made, seconded, and carried, the Board of Directors approved the proposal from AO Reed for \$3,452.00 to replace the pump and motor to the 3<sup>rd</sup> floor re-heat tank.

**2010 Insurance Proposals:** The Board of Directors reviewed proposals from Michael Abdou of Farmers (\$78,567.00) and Robyn Thaw of Barney and Barney (\$74,299.00) for the Association's Insurance Coverage in 2010.

**Motion:** Upon a motion duly made, seconded, and carried the Board of Directors tabled this item until they could meet with both insurance representatives to listen to presentations and make inquiries.

**Architectural Improvements – Timeline:** The Board of Directors discussed the impact of prolonged architectural improvements within the residential units including influence on property values, use of freight elevator, disruption to neighbors, and time limits on certain projects.

The Board of Directors asked the Committee to add this item to their agenda for discussion.

**Motion:** No action was taken.

**HOMEOWNERS  
FORUM:**

The floor was opened for Homeowner's comments. None were made.

**NEXT MEETING  
DATE:**

The next Open Session of the Board of Directors will be held on September 16, 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 7:59 p.m.

**ATTEST:**



**DATE:**

