

PINNACLE MARINA TOWER ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, SEPTEMBER 19, 2012 MINUTES

NOTICE OF MEETING: Upon due notice given and received, a Regular Session Meeting of the Pinnacle Marina Tower Association Board of Directors was held on Wednesday, September 19, 2012, at 6:00 p.m. in the Amenity Room.

ATTENDANCE: Directors Present: Steve Sparta, Vice President
Joe Mansolillo, Secretary
Melanie Branca, Treasurer – via conference call
Vikram Monder, Director-at-Large

Absent: Chris Eddy, President

Also Present: Bill Lawrence and Melissa Vaughan representing The Prescott Companies

CALL TO ORDER: The Regular Session Meeting was called to order at 6:03 p.m. by Vice President, Steve Sparta.

EXECUTIVE DISCLOSURE: In accordance with California Civil Code, the items discussed in Executive Session must be briefly disclosed to the membership in Open Session. No specifics or names shall be provided.

- **Approval of Minutes**
- **Construction Defect Lawsuit Update**
- **Contract Formation**
- **Homeowner Legal Matter**
- **Homeowner Request**
- **Contractor Billing Dispute**

APPROVAL OF MINUTES: **Motion:** Upon a motion made by Joe Mansolillo seconded by Vikram Monder and carried, the Board voted to approve the August 15, 2012 Regular Session Meeting Minutes and the September 5, 2012 Special Regular Session Meeting Minutes as presented.

FINANCIAL REPORT: The Board of Directors reviewed the financial statements for the period ending August 31, 2012. A summary of financial activity is as follows:

Operating Assets:	\$ 299,440.58
Reserve Assets:	\$ 1,034,127.54
YTD Total Assets:	\$ 1,333,568.12
Delinquencies:	\$ 39,777.05

For August 2012, budgeted revenues were \$152,569; actual revenues were \$156,347 a positive/favorable to budget variance of \$3,778. Budgeted expenditures were \$152,569; actual expenditures were \$170,593, a negative/unfavorable to budget variance of \$18,024. Since the beginning of the new fiscal year, revenues are \$16,957 positive/favorable to budget; and operating expenses are \$262,223, negative/unfavorable to budget variance. The negative/unfavorable expense YTD is primarily due to the \$156,163 transfer from the operating account to the reserve

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account, and payment of expenses to make repairs to correct some major plumbing construction defects.

Motion: Upon a motion made by Joe Mansolillo seconded by Vikram Monder and carried, the financials for the period ending August 31, 2012 were accepted subject to a year-end review.

**MANAGEMENT
REPORT:**

The Board reviewed the Management Report as submitted.

**COMMITTEE
REPORT:**

The Board reviewed the Committee Report as submitted.

COLLECTIONS:

The board reviewed the documentation provided by Management regarding the following delinquent account:

ACCOUNT	BALANCE	LAST ACTION	NEXT ACTION
42498	\$1,618.00	Pre-Lien	Lien

Motion: Upon a motion duly made by Vikram Monder seconded by Melanie Branca and carried, the Board voted to place a lien on the account pursuant to the Association's Collection Policy and State Law.

**UNFINISHED
BUSINESS:**

Strategic Plan: The Board tabled this item for discussion at a future meeting.

Commercial Owner Architectural Approval: The Board reviewed sign specifications for the commercial unit C2.

Motion: Upon a motion made by Melanie Branca seconded by Vikram Monder and carried, the Board voted to approve the sign for Hill & Hill Realty.

Management Office Reconstruction: The Board reviewed revised proposals from AV Builders and WRC for the management office reconstruction project.

Motion: Upon a motion made by Melanie Branca seconded by Joe Mansolillo and carried, the Board voted to approve the WRC proposal for \$19,890.00 plus a 10% allowance for hidden damages or unanticipated work for a total of \$21,879.00.

Water Intrusion Procedure: The Board reviewed the procedure which was drafted by Management and edited by the Super Committee.

Motion: Upon a motion made by Steve Sparta seconded by Joe Mansolillo and carried, the Board directed management to follow the recommendations for a period of time, collect information about how well the proposed language works, and report back at a later date for the Board to consider approving the procedure as formal rule.

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Museum Parking Agreement: The Board reviewed the Museum Parking Agreement drafted by Management and reviewed by Jon Massey.

Motion: Upon a motion made by Steve Sparta seconded by Joe Mansolillo and carried, the Board voted to send the draft agreement to the Museum for their review.

Bylaw Amendment/Candidate Eligibility: The Board tabled this item for discussion at a future meeting.

Proposals to Resurface Trash Room, Hallway and Loading Dock: This item was tabled for discussion at a future meeting.

Gym Equipment: The Board reviewed pricing for the replacement of two (2) elliptical machines from Out-Fit and One Shot Fitness.

Motion: Upon a motion made by Joe Mansolillo seconded by Vikram Monder and carried, the Board voted to purchase the elliptical machines from Out-Fit for \$9,699.38.

NEW BUSINESS: **2013 Reserve Study:** The Board reviewed and discussed the draft reserve study prepared by Barrera & Co. and chose to table this item for discussion at the October meeting when the Board President and all members of the Finance Committee will be present. Additionally, a representative from Barrera & Co. was scheduled to attend the meeting to discuss the reserve study and was a no show. The Board directed Management to invite the representative to attend the October meeting.

2013 Budget: The Board tabled this item to the October meeting in conjunction with the Reserve Study discussion.

Homeowner Architectural Approval – Flooring: The Board reviewed specifications for a flooring installation in unit 3201.

Motion: Upon a motion made by Joe Mansolillo seconded by Vikram Monder and carried, the Board voted to approve the flooring installation.

Loading Dock Cover: The Board reviewed a proposal from Jon Wayne Construction for a louvered sound absorbing cover for the loading dock. This item was tabled for discussion at a future meeting and may be incorporated into the strategic plan.

November 2012 Meeting Date: Regularly scheduled Board Meetings are held on the third Wednesday of every month with the exception of December and January. The third Wednesday in November falls on the day before Thanksgiving.

Motion: Upon a motion made by Joe Mansolillo seconded by Steve Sparta and carried, the Board voted to reschedule the November meeting for the fourth Wednesday of the month: November 28th, 2012.

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Proposed Handicapped Parking Rule: At a previous meeting the Board approved a new rule to limit residential parking in the handicapped spaces on the west side of the plaza to two hours. Upon investigation, Management discovered the spaces are owned by Pinnacle International, making it impossible for the Association to regulate parking in those spaces.

Motion: Upon a motion made by Joe Mansolillo seconded by Vikram Monder and carried, the Board voted to retract their approval of the handicapped parking rule.

Projects with Large Total Costs: The Board reviewed a proposed rule drafted by the Committee which would require the Board to poll the membership by mail before approving any non-emergency projects in excess of \$3,500.00 with a total cost estimated to be greater than five (5) percent of the budgeted gross expenses of the Association for that fiscal year.

The Board discussed the Committee's proposal and tabled this item for discussion at a future meeting with the possibility of incorporating the idea into the strategic plan.

Fire Pump – Potential for Emergency Impact: The Board reviewed a recommendation from A & D Fire Sprinklers which explained the options of repair and replacement of the damaged fire pump.

Motion: Upon a motion made by Joe Mansolillo seconded by Vikram Monder and carried, the Board voted to replace the fire pump and approved the \$38,201.00 reserve expense.

Closed Loop System Filtration: The Board reviewed a proposal from Capture H2O and Countywide Mechanical to install a filtration system in the closed loop system which will minimize the sediment in the lines.

Motion: Upon a motion made by Joe Mansolillo seconded by Melanie Branca and carried, the Board voted to approve the purchase of the filtration system from Capture H2O for \$7,060.00 and the installation proposal from Countywide Mechanical for \$3,972.00.

**HOMEOWNER
FORUM:**

The floor was opened for Homeowner comments.

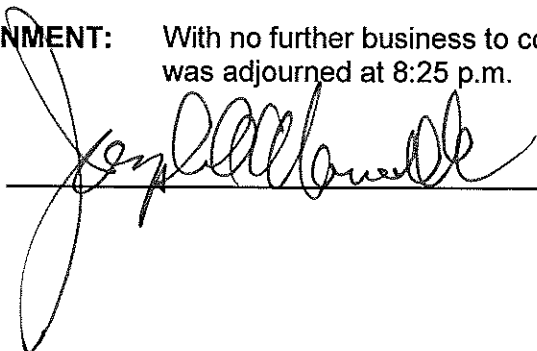
**DATE OF NEXT
MEETING:**

The next meeting will be held in the Amenity Room on October 17, 2012, at 6:00pm.

ADJOURNMENT:

With no further business to come before the Board of Directors, the Open Session was adjourned at 8:25 p.m.

ATTEST:



DATE:

10/17/12