

**MINUTES OF THE VIRTUAL REGULAR BOARD MEETING OF THE
BOARD OF DIRECTORS HELD WEDNESDAY JULY 15, 2020**

The President, Mr. Kachigian, called the meeting to order at 10:00 AM stating that a quorum was present. Those in attendance were Karen Perry, Scott Nicoll, Sara Smith and Linda Shenwick via virtual APP Zoom.

The Manager Anthony Diaz was also present. Homeowners present via virtual APP Zoom were: Mr. John Robinson, Mrs. Caroleen Williams and Mr. Mauricio Hill.

The President moved "to accept the minutes of the May 20, 2020 Executive Session & Regular Board Meeting as written". Scott Nicoll Seconded the motion which carried unanimously (5/0).

Homeowner Comments:

Paraphrased:

Two homeowners complimented Mrs. Karen Perry for her outstanding efforts during the L&R 2021 Budget Committee Meeting held on July 14, 2020.

Treasurer's Report: Karen Perry. The Treasurer gave her report (See attached).

Manager's Report: Anthony Diaz. The manager gave his report to the Board members. (See attached).

Beach Club Report: Phyllis Maas/Linda Shenwick. Nothing to report.

Landscape & Recreation: Karen Perry. L&R Report- Tony has been doing an excellent job of passing the L&R information on to our owners with the ever-changing rules because of Covid-19 so I won't go over the same information. The 2 issues I will report on is the formation of an Ad Hoc committee for governance and the proposed 2021 L&R budget. At the last meeting the chair appointed an Ad Hoc committee on governance. I am chair, Robert Clinton from Las Palmas and Beth Mulcahy from La Perla were also appointed. Recently the L&R rules and regulations were reviewed and updated. The Ad Hoc committee will be looking at revising and updating L&R governing documents (Articles of Operation). The Ad Hoc committee is a bit unclear on its scope and charge and has decided to go back to the L&R committee to get clarification and guidance.

Yesterday there was an L&R proposed budget workshop. The proposed budget has an increase to each tower of 6.02%. The increase being primarily due to a mandatory minimum wage increase and the cost of one full time position for an administrative

assistant. The Capital Expenditure budget remains at \$480,000. There was lively discussion about the items on the budget and it was decided the committee would come up with a revised list of expenditures. Here is the revised list. The chair of L&R has requested that any homeowners' comments to L&R be given to their representative so if you have any comments for L&R please pass them to me or Tony and I will bring it up at the meeting. The proposed budget will be discussed at tomorrow's meeting and the budget will be voted on at the August meeting.

Board discussed having a meeting prior to the L&R 2021 Budget meeting in August to discuss Las Flores priorities for the Capital Replacement items. The L&R budget committee's revised recommended Capital Replacement Items is attached.

To be clear, this is not the final list of 2021 Capital Replacement line items. It is just a first step, so if any homeowner wants to make recommendations, please make such thoughts known to Tony. The topic will be discussed and voted upon at the next Board meeting August 20, 2021.

Finance and Budget: Same as Treasurers Report. (See attached).

Las Flores will have a Las Flores budget workshop meeting on August 20.

Facilities Advisory Group: Scott Nicoll. NTR

Landscape Advisory Group: Cheryl Nicoll. NTR

Community Alliance Group: Sara Smith. NTR

Seawall & Roadway Committee: John Robinson. The enforcement Committee will have a meeting on July 24, 2020 a report will be submitted at the next Board meeting.

Insurance: John Robinson. Next Insurance meeting will be in October and a report will be submitted for the November Board meeting.

Governing Documents & Rules Committee: Linda Shenwick. Need to pass the emergency rules that were implemented on June 23, 2020 and need to make it retroactive to protect the Association as it is a requirement of the Davis Sterling Act. Linda Shenwick made a motion "that the board adopted the Las Flores COVID-19 Emergency Rule promulgated on June 23, 2020". Sara Smith seconded the motion which carried unanimously (5/0).

House Committee: See attached Report.

Disciplinary Committee: Linda Shenwick. We don't have any pet warning violations regarding the length of leases at this time. Some homeowners are not submitting their

leases as required by the CC&R's to the Association and we think there are at least two cases and maybe more of pets that are not authorized. Leases that were submitted before June 15, 2020 and if affected will result in the owners receiving a warning letter notifying them that they are in violation of the pet rule and that next year that they are required to comply with the pet rule.

Unfinished Business:

Engineer Study Update. Manager. Still working on possible companies capable of the study.

Rules & Regulations Violation Enforcement. Linda Shenwick. Mentioned above.

New Business:

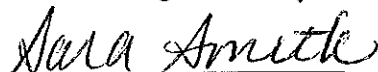
Finance Committee for 2021 Budget: Mentioned above

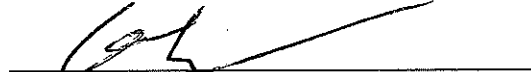
Request from unit 102 to change door lock to keyless entry pad. Postpone until next Board meeting.

Next Meeting will be the Regular Board Meeting on August 20, 2020.

ADJOURNMENT:

There being no further business the meeting was adjourned at 10:54 AM.


Sara Smith, Secretary


George Kachigian, President

Treasurers Report:

Treasurer's Report for month ending May 31, 2020

Reserves

Balance brought forward from 2019 \$470,136.53 in the Regular Reserve Fund.

Union Bank Statement ending balance as of 31 May, 2020 \$224,862.24.

CalPrivate Bank Statement Balance as of 31 May, 2020 \$200,019.86.

CalPrivate CDARS Balance as of 31 May, 2020 \$100,000.00.

Currently: 2020

At the end of May there is \$543,528.68 * in the Regular Reserve Fund account, kept in the reserve bank account. See Reserve Funds Account Summary for a complete breakdown of Reserve Accounts. This represents that the Association Reserve is currently at approximately 26% funded level based on the revised Reserve Study Update completed October 2019.

*Includes undeposited reserves funds.

Interest Income

Year to date we have collected a total of \$212.36 in interest. We projected we would receive \$255.00 leaving us under projections at the end of May by \$43.36.

Operating Budget

For the month of May, we budgeted \$124,800.00 for assessment income and we actually received \$124,800.00.

For the month of May, we budgeted \$124,851.00 for expenses and actually expended \$134,169.20 leaving us over projected budget expenditures for the month by \$9,318.20. To date ending May 31st shows that we are currently under projected budget expenditures for the year 2020 to date by \$28,093.68.

Net Ordinary Income to Budget year to date as of May 31st is positive \$28,051.04.

Notes:

Sincerely,

For the Treasurer
Anthony Diaz
Association Manager

Treasurer's Report for month ending June 30, 2020

Reserves

Balance brought forward from 2019 \$470,136.53 in the Regular Reserve Fund.

Union Bank Statement ending balance as of 30 June, 2020 \$224,449.96.

CalPrivate Bank Statement Balance as of 30 June, 2020 \$200,063.70.

CalPrivate CDARS Balance as of 30 June, 2020 \$100,000.00.

Currently: 2020

At the end of June there is \$543,096.43 * in the Regular Reserve Fund account, kept in the reserve bank account. See Reserve Funds Account Summary for a complete breakdown of Reserve Accounts. This represents that the Association Reserve is currently at approximately 26% funded level based on the revised Reserve Study Update completed October 2019.

*Includes undeposited reserves funds.

Interest Income

Year to date we have collected a total of \$280.84 in interest. We projected we would receive \$306.00 leaving us under projections at the end of June by \$25.16.

Operating Budget

For the month of June, we budgeted \$124,800.00 for assessment income and we actually received \$124,800.00.

For the month of June, we budgeted \$124,851.00 for expenses and actually expended \$134,773.96 leaving us over projected budget expenditures for the month by \$9,922.96. To date ending June 30th shows that we are currently under projected budget expenditures for the year 2020 to date by \$18,198.22.

Net Ordinary Income to Budget year to date as of June 30th is positive \$18,173.06.

Notes:

Sincerely,

For the Treasurer
Anthony Diaz
Association Manager

Manager's Report:

1. Due to the new Law SB-323, I need to send out the 2020-2021 Nominee Committee Letter to the membership and the Nomination Forms this week for the 2020-2021 election. Dead line to receive nomination forms is 24 August, 2020. The election this year will be 21 November, 2020. Mr. Dennis Brokaw will be the third-party inspector for the election with two homeowners. Mr. Dennis Brokaw will charge a \$50 rate which is very reasonable.
2. Fire main booster pump replacement is going to cost \$10,038.00 to replace by Schmidt Fire Protection. Awaiting parts status.
3. Contacted Dec Engineering to submit proposal for engineering study of water heaters and boilers. Mr. Tim Hermann came to Las Flores for a walkthrough with the building engineer. Firm declined to submit proposal.
4. Contacted Walsh Engineering to submit proposal for engineering study of water heater and boilers. Mr. Bill Tziouvaras came over to Las Flores for a walkthrough with the building Engineer on 7-13-20. Waiting on proposal.
5. We had a power outage on 6-30-20 elevators went into earthquake mode. ThyssenKrupp had to come over to reset elevator controls.
6. Had the annual maintenance on portable fire extinguishers done
7. Had the annual maintenance on wet and dry piping and fire hoses completed.
8. Had a renter on the 6th floor burn some food inside the unit, the renter opened the hallway door to clear the smoke and the fire alarm was activated on 6th floor which put the elevators into earthquake mode requiring response by elevator company to reset.
9. Contacted Direct TV to obtain proposal for Service. Was informed by Direct-4-Biz commercial representative for Direct TV that they are going away from multi dwelling service.
10. Contacted DISH TV for the second time to restart process to get proposal on TV service. Waiting for a response from the area representative.
11. Installed (4) flags in front of building; US, California, City of Coronado and a Las Flores Flag.
12. Replaced trash chute fire door in upper garage dumpster room.
13. Repairs made to #2 main back flow valve preventer noted on last month's report.
14. Painted stair frames for the ground to terrace stairs north and south
15. Painted door frame of the terrace to building doors
16. Cleaned water feature filter
17. Painted all four garage gates with 2-part epoxy paint.
18. Repaired cracked chemical feed line on cooling tower.
19. Built and installed foot wash station by upper exit ramp.
20. Have a shorted fire alarm strobe and speaker unit on first floor. Unit removed, awaiting parts and install by Redhawk.
21. Found clogged drain and over flowing bathroom sink in 1002 causing damage to 1002 cabinets and drywall and paint in 902.
22. With summer here, we have had a lot of calls to clear drains, unplug toilets and fix disposals.

UNITS FOR SALE

- 601
- 710
- 1402
- 1410

UNITS SOLD

- 101, JUNE, 2020

HOUSE REPORT (Roof, terrace and garages)

July 15, 2020; Board Meeting

The purpose of this report is to inform the Board of Directors and Homeowners of conditions in the Las Flores building that are in need of remedial work. The report also confirms that the staff is timely and satisfactorily correcting these items. Any health or safety concerns that are observed while inspecting the building are also reported.

California Occupational Safety and Health Administration (Cal OSHA) regulations require Las Flores building inspection reports include the names of individuals that conduct the inspection.

July 7-9, 2020 inspections:
Scott Nicoll, Board Member
Anthony Diaz, Association Manager

The following is a list of conditions in the building that are in need of remedial work and those for which work has been completed since the previous report. Tasks reported as "completed" in previous reports are not repeated in this report. The work completion status is noted for some of the tasks pending completion.

Since each remedial work task is not equally important and the urgency to complete each task is not the same, tasks have been assigned a priority. The priorities are defined as follows:

Priority 1: Items that are health or safety concerns or conditions that have the potential to become future health or safety issues.

Priority 2: Items in need of repair or replacement that are in locations accessible to Homeowners and whose existing condition is unsightly.

Priority 3: Items in locations that are not normally accessible to Homeowners and whose immediate repair or replacement will not result in appreciably accelerating their deterioration or cost to remediate.

The building's staff perform many routines, but very important, maintenance, repair, and housekeeping tasks that are not listed in this report. This report is limited to those work activities planned for a future time and/or ongoing work that needs an extended length of time to finish. In addition, all items that Homeowners have brought to the attention of the Manager or House Committee are included unless they were

reported as "completed" in prior reports. This provides a way for the Board to make sure that Homeowners' housekeeping concerns receive consideration and appropriate corrective action.

Roof Top & Machinery Room

1. Cooling tower deck needs to be power washed.
2. Cooling tower foundation frame needs to be preserved.
3. Entry door steps needs to be recoated.
4. Rust on A/C vents.
5. Gas pipe needs to be repainted.
6. Deck by boiler is chipped, needs preservation.
7. All roof-top rooms need to be organized.
8. Rust on all roof drains.
9. Shelving in equipment room needs to be inventoried and organized.
10. Equipment room needs to be cleaned and organized.

Terrace Common Area & Stairwells Building Perimeter

1. Northside terrace decking in common area has a couple of cracked planks.
2. Vent screens on southside entry door terrace level need preservation.

Upper Garage & Store Rooms Employee Restroom

1. Parking U-1 Excessive bikes (4), Bikes not registered, stall has trash.
2. Parking U-2 Unauthorized items (BBQ Pit), 2 bikes not registered.
3. Parking U-8 Unauthorized items (Fire pit) 1 bike not registered.
4. Parking U-11 Unauthorized items (cardboard boxes).
5. Parking U-12 Unauthorized items (BBQ Pit and Fire wood).
6. Parking U-13 Excessive bikes (5) 3 bikes not registered.
7. Parking U-15 2 bikes not registered.
8. Parking U-16 Vehicle parked outside of boundary area.
9. Parking U-17 Unauthorized items (Cardboard box), 1 Bike not registered 8 empty 5-gallon water bottles.
10. Parking U-19 Unauthorized items (Wood & floor tile).
11. Parking U-21 Bikes not registered (2).
12. Parking U-22 Unauthorized items (Cardboard), 1 bike not registered.
13. Parking U-23 Unauthorized items (Wood trim).
14. Parking U-28 Unauthorized item (Paint).
15. Parking U-29 Excessive bikes (5), Bikes not registered (2).
16. Parking U-30 Unauthorized items (BBQ Pit), 2 bikes not registered.

17. Parking U-31 Bikes not registered (2).
18. Parking U-32 Unauthorized items (Trash & cardboard).
19. Parking U-36 Unauthorized items (Tile, Vases).
20. Parking U-37 Excessive bikes (6).
21. Parking U-38 Bikes not registered (2).
22. Parking U-41 Bikes not registered (1).
23. Parking U-56 Bike not registered (1).
24. Parking U-58 Excessive bikes (5) bikes not registered, trash in parking stall.
25. Parking U-61 Bikes not registered (4).
26. Parking U-62 Unauthorized item (Wood).
27. Parking U-65 Trash in parking stall.
28. Parking U-66 Bike not registered (1).
29. Parking U-69 Bikes not registered (5).

Lower Garage & Store Rooms

1. Parking L-2 Excessive bikes, bikes not registered (3).
2. Parking L-3 Excessive bikes (6), bikes not registered (6).
3. Parking L-8 Bikes not registered (2).
4. Parking L-11 Unauthorized items (cardboard boxes), bikes not registered (2).
5. Parking L-12 Unauthorized items (Books, trash, fire wood).
6. Parking L-14 Bikes not registered (2).
7. Parking L-15 Excessive bikes, bikes not registered (4).
8. Parking L-17 Unauthorized items, bikes not registered (2), (Trash, cardboard box).
9. Parking L-18 Bike not registered (1).
10. Parking L-22 Bike not registered (1).
11. Parking L-26 Vehicle outside of boundary line, bikes not registered (4), excessive bikes.
12. Parking L-31 Excessive bikes (5) bikes not registered (3).
13. Parking L-35 Bikes not registered (2).
14. Parking L-44 Excessive bikes (3), unauthorized items (tile and paint).
15. Parking L-45 Unauthorized items (Fire wood, trash).
16. Parking L-46 Bike not registered (1).
17. Parking L-48 Unauthorized items (glass shelves, boxes).

18. Parking L-53 Unauthorized item (Tile).
- 19.. Parking L-55 Bikes not registered (2).
20. Parking L-59 Unauthorized items (Tile).
21. Parking L-63 Excessive bikes (5), bikes not registered (3), stall is a mess.
22. Parking L-64 Excessive bikes (3), bikes not registered.
23. Parking L-65 Bikes not registered (2).
24. Parking L-69 Bikes not registered (4).
25. Parking L-72 Bikes not registered (2), unauthorized items stall is a mess.
26. Parking L-75 Bikes not registered (2).
27. Parking L-76 Bikes not registered, (2).

Pump Room in Upper Garage

1. Remove Cleaning gear from pump room.

Misc. tasks pending completion:

NTR.

General Items noted for action:

1. Eastside of building has rust spots.
2. Approximately 10 rocks have fallen off the rock wall, rocks need to be cemented back on.

House Report (Corridor Inspection)

July 15, 2020: Board Meeting

The purpose of this report is to inform the Board of Directors and Homeowners of conditions in the Las Flores building that are in need of remedial work. The report also confirms that the staff is timely and satisfactorily correcting these items. Any health or safety concerns that are observed while inspecting the building are also reported.

California Occupational Safety and Health Administration (Cal OSHA) regulations require Las Flores building inspection reports include the names of individuals that conduct the inspection.

July 7-9, 2020 inspections:
Scott Nicoll, Board Member
Anthony Diaz, Association Manager

The following is a list of conditions in the building that are in need of remedial work and those for which work has been completed since the May 15, 2019 report. Tasks reported as "completed" in previous reports are not repeated in this report. The work completion status is noted for some of the tasks pending completion.

Since each remedial work task is not equally important and the urgency to complete each task is not the same, tasks have been assigned a priority. The priorities are defined as follows:

Priority 1: Items that are health or safety concerns or conditions that have the potential to become future health or safety issues.

Priority 2: Items in need of repair or replacement that are in locations accessible to Homeowners and whose existing condition is unsightly.

Priority 3: Items in locations that are normally inaccessible to homeowners and whose immediate repair or replacement will not result in appreciably accelerating their deterioration or cost to remediate.

The building's staff perform many routines, but very important, maintenance, repair, and housekeeping tasks that are not listed in this report. This report is limited to those work activities planned for a future time and/or ongoing work that needs an extended length of time to finish. In addition, all items that Homeowners have brought to the attention of the Manager or House Committee are included unless they were reported as "completed" in prior reports. This provides a way for the Board to make sure that Homeowners' housekeeping concerns receive consideration and appropriate corrective action.

Corridors (Priority 2 unless noted otherwise)

General:

Floor 16:

1. Scuff marks North & south overhead by elevator.

Floor 15:

1. Scuff marks North & south overhead by elevator.
2. Scuff marks on overhead by units 1503/1504.

Floor 14:

1. Laminate by 1403
2. Scuff marks overhead by 1405.

Floor 12:

1. Scuff marks on the overhead by 1207/1208.
2. Chips on elevator frames.
3. Fix laminate on 1203 door.

Floor 11

1. 1103 laminate needs to be fixed.
2. 1104 dead bolt not authorized.
3. Elevator door frame chipped.

Floor 10:

1. Elevator door frame chipped.
2. Unit 1008 door laminate needs to be repaired.
3. Overhead scuff marks by 1008.
4. Unit 1003 door laminate needs repair.
5. Unit 1004 door laminate needs repair.

Floor 9:

1. Scuff marks north & south overhead elevator overhead.
2. Number for unit 0905 needs to be replaced.
3. Trash room door frame chipped.
4. Trash room vent dirty.

Floor 8:

NTR

Floor: 7

1. Wall paper by 702 needs to be clued.
2. Elevator frames chipped

Floor 6:

1. North & south elevator doors chipped.
2. Trash room door frame chipped.

Floor 5:

1. Scuff marks on the overhead by elevators.
2. Wallpaper by in front of the trash room needs to be clued.

Floor 4:

NTR

Floor 3:

1. South side door sign needs to be replaced.

Floor 2:

1. Scuff marks on overhead by unit 209.

Floor 1:

1. North stairway drywall needs to be fixed.
2. North vestibule drywall needs to be repaired.

Note:

Main Lobby: NTR

Priority 1 Safety Items:

The following units need to fix their smoke stops ASAP: (contact manager for replacement).

- 1610
- 1606
- 1602
- 1508
- 1507
- 1506
- 1410
- 1403
- 1401
- 1210
- 1208
- 1203
- 1107
- 1007
- 1006
- 1003
- 0909
- 0908
- 0903
- 0902
- 0808
- 0807
- 0710
- 0709
- 0706
- 0701
- 0609
- 0607
- 0601
- 0506
- 0503
- 0501
- 0409
- 0408
- 0310
- 0307
- 0303
- 0302
- 0207
- 0110
- 0108
- 0103
- 0102