

**MINUTES OF THE VIRTUAL REGULAR MEETING OF THE
BOARD OF DIRECTORS HELD IN THE MANAGER'S OFFICE
WEDNESDAY JULY 20, 2022**

The President, Mr. Nicoll, called the meeting to order at 9:00 AM stating that a quorum was present. Those other Board members in attendance were Karen Perry, Sara Smith, Linda Shenwick and John Robinson via zoom.

The Manager, Anthony Diaz, was present; homeowners present were Mrs. Cheryl Nicoll and Ms. Caroleen Williams via zoom.

The President motioned "to accept the minutes of the May 18, 2022, regular Board meeting as written". Karen Perry seconded the motion which carried unanimously 5/0.

Paraphrased Minutes:

Homeowner Comments: None

Treasurer's Report: (See attached) John Robinson

Manager's Report: Anthony Diaz

The Manager gave his report and provided a written report to the Board members for review. (See attached).

Beach Advisory Group: Cheryl Nicoll

50th Anniversary Celebration of the Shores activities has been postponed due to COVID 19 spike in San Diego and staff shortages.

Landscape and Recreational Committee: Karen Perry

The previous L&R General Manager has resigned. Mark Merson, the current controller, has been appointed Acting General Manager. There is also a search committee for a new Facilities Manager. That position will be opening up because the current manager is taking a different position in the Shores complex and going back to school. Bill Lawrence, a previous Building Manager, will fill in until the position is filled.

At the June 16th meeting, L&R meeting, approval was given to complete walls south of El Camino and west of Cabrillo. Purchasing webbing material for the pool furniture was also approved. The installation of the material will be done in-house after the summer. The L&R committee received the Tree Report from Master Arborist, Ron Matranga. Tree trimming was approved and will happen in the fall.

Finance and Budget Committee:

John Robinson

The committee is primarily concern at this point with the 2023 budget; this is just a discussion meeting, and no vote is required. The budget will be further discussed at the August 17th, meeting and voted on in September. We just had our reserve study completed and the reserve study consulting agency recommends we contribute \$318,000.00 to our reserve funds in 2023 and that we are currently at a 30.6% funding level. The calculation is based on California statute by the reserve study company.

Tony has provided 5 different budget proposals with varying percentages increases. Our current reserve contribution is \$176,000.00 a year, the reserve study is recommending \$318,000.00 so option one is a zero increase in assessments and the reserve contribution would be a \$14,000.00 to the reserves which is \$162,000.00 less than what we contributing now, option number two is a 5% increase and that would have a reserve contribution of \$101,000.00 also less than what we are contributing now and about \$217,000.00 less than what the reserve study recommended, option three is a 7% increase with a contribution of \$136,000.00, \$40,000.00 less than our current contribution, option four is a \$228,000.00 contribution to the reserves, still less than \$318,000.00 and that's a 12% increase in the monthly assessments, option number five is a 8% increase. It's a little out of order but that is a \$155,000.00 increase, still less than what the reserve study recommend. We have zero, five, seven, eight, and twelve percent proposals for your review. The upcoming discussion on a special assessment for the roof top equipment will be coming up, but that assessment, if approved by the owners, does not significantly change reserve funding levels over the next 20 years.

The board discussed the various proposals but in general felt that increasing reserve funding to \$318,000 is too much at this time. The board wants to look at the other proposals instead, especially since the amount of the special assessment for the rooftop equipment is unknown until the engineering planning is complete and sent to contractors for bid. See unfinished business below.

Facilities Advisory Group:

Karen Perry

All the BBQs are working and spare igniters have been ordered so we have parts on hand if an igniter goes out. Lap Lines at the El Camino have broken. New lines have been ordered. An extra lap line will be ordered.

Beach Club glass with a one panel exception has been installed. Somehow the panel was lost in transit. Mark will be working with Princessa to choose a design that is acceptable to help camouflage the new sheds. He will be looking into ways to deal with rust issues on the pedestrian bridges.

Facilities will be discussing any outstanding wall issues. A policy needs to be developed regarding the memorial benches for location and maintenance issues. The facilities committee will be looking at ways to help set priorities for the remaining 2022 CAPEX monies and for the monies that should be spent in the next few years. Next meeting July 20th.

Landscape Advisory Group:

Diane Rutherford.

Committee voted to have Las Flores White Melaluca tree and 9 Big Birds removed and stumped this year.

(White Melaluca trees in other buildings removed as well). All included in Arborist report from 5/2022.

Timing of removal not set - could be now or in fall 2022 after summer high season (depending on vendor availability).

That tree removal will deplete the funds for any further tree lacing or trimming, unless we take money from maintenance to apply to tree trimming. Committee acknowledged that trees have not been laced for 3 years. Need to increase tree trimming budget for 2023 to cover adequate tree trimming.

Committee recommended NOT to build gate at "Crossing Path" park area. Facilities controls the budget. Committee will not add funds to build up rock wall near La Sierra - Hotel Del committed to do that work and will be held accountable. Landscape will not use its resources to do what the Del said they would do.

Peter Vitale will provide a monthly maintenance schedule for the campus so buildings know when/what to expect for their normal maintenance month-to-month.

Meeting with Arborist on Wednesday June 22 at 10AM at beach club to review his recommendations for the campus.

Community Alliance Group:

Sara Smith

Talked about putting some kind of camouflage plants around the base by the public art down by the boardwalk because it is unattractive. The no bike signage by the boardwalk has really helped, CAG stated that it's working. CAG is working on the fire rings on the beach; they have gone to the city, and that is ongoing.

Seawall and Roadways Committee:

John Robinson

Next meeting is July 22nd and the only business that will be discussed is the ongoing pump station from downstream. This issue has been ongoing for a couple of years. I'll get back to the Board once I have additional information.

Insurance Committee: NTR

John Robinson

Governing Documents/Rules/Legal:

Linda Shenwick

We are going to revise the bike rules to make them more user friendly from a reading perspective so it will be easier to implement and we will follow through. The bikes will

not be taken to the storage, we will go through the normal disciplinary process and suspension of the common access cards to the violators.

Mr. Robinson asked the status on the door cameras and door knockers. Ms. Shenwick said she was working the issue with the association attorney. Mr. Robinson said there is no privacy issue with door cameras as hall privacy is not a reason to deny such requests. However, there are door décor standards that need to be identified and enforced, not currently being done, leading to confusion on the policy.

House Committee: See attached report.

Board

UNFINISHED/OLD BUSINESS:

Building spalling work – September 6, 2022

Anthony Diaz

Spalling maintenance is still on schedule for September 6, 2022 for approximately 8 weeks.

Roof equipment replacement update

Anthony Diaz

Wash Engineering is still in the design and development stage, they are coordinating the sizing of the plumbing for water heaters, they will need to modify the current concrete pad on the roof to be able to fit all of the tankless water heaters. They are looking into the structural portion for the water heaters, and will probably need to hire the structural engineer for that portion. They are also looking into getting the specifications for the project to be finalized in the next month or so then go out for bids.

Bicycles and parking stall rule violations update

Anthony Diaz

The bicycles situation in the parking garages has gotten worse since the summer crowd has arrived. I will send violation letters and proceed with the normal disciplinary process and suspension of the common access cards to the violators as Linda stated.

TK elevator update

Anthony Diaz

I'm still evaluating the situation with TK elevator and I will have a contract recommendation to the Board during the September executive session meeting.

NEW BUSINESS:

2022-2023 Elections

Anthony Diaz

The 2022-2023 nomination committee letter and nomination form requesting for candidates will go out to the membership on the 25 July, 2022.

2023 Budget

John Robinson

The 2023 proposed budgets were presented to the Board by the manager and the chair of the finance committee. The budgets will be further discussed during the finance committee meeting on August 17, 2022.

Reserve Study

Anthony Diaz

McCaffery Reserve Consulting conducted the 2022 Reserve Study at Las Flores. The reserve study revealed that the Las Flores Tower is poorly funded at 30.6% and recommended reserve contribution for 2023 of \$318,000.00.

Pump Valve Replacement Quotes

Anthony Diaz

The Manager presented to the Board three quotes to replace 4 isolation valves for the domestic water pump in the pump room. The Manager recommended Phil's Mechanical to replace 4 isolation valves for domestic water in the pump room at a cost of \$8,750.00, expenditure cost to be funded from the reserve funds.

Linda Shenwick motioned "to accept the Manager's recommendation to replace 4 isolation valves for domestic water in the pump room by Phil's Mechanical at a cost of \$8,750.00, expenditure cost to be funded from the reserve funds". Scott Nicoll seconded the motion which carried unanimously 5/0.

Next Meeting will be the Finance Committee Meeting on August 17, 2022.

ADJOURNMENT:

There being no further business the meeting was adjourned at 10:35 PM.

Sara Smith, Secretary

Scott Nicoll, President

Attached Reports:

Treasurer's Report for month ending June 30, 2022

Reserves

Balance brought forward from 2021 \$763,540.78 in the Regular Reserve Fund.

Union Bank Statement ending balance as of 30 June, 2022 \$529,167.20.

CalPrivate Bank Statement Balance as of 30 June, 2022 \$301,330.58.

Currently: 2022

At the end of June there is \$820,132.62 * 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 35% funded level based on the revised Reserve Study Update completed October 2019. (Post statement note by manager: revised down to 31% based on 2022 Reserve Study)

*Includes undeposited reserves funds.

**Board funding goal is a minimum of 30% of total reserve obligations based on reserve study.

Interest Income

Year to date we have collected a total of \$319.82 in interest. We projected we would receive \$300.00 leaving us over projections at the end of June by \$19.82.

Operating Budget

For the month of June, we budgeted \$144,465.00 for assessment income and we actually received \$145,365.10.

For the month of June, we budgeted \$144,465.00 for expenses and actually expended \$134,235.53, leaving us under projected budget expenditures for the month by \$10,229.47. To date ending June 30th shows that we are currently under projected budget expenditures for the year 2022 to date by \$6,637.57.

Net Ordinary Income to Budget year to date as of June 30th is positive \$12,342.62.

Notes:

Sincerely,

For the Treasurer
Anthony Diaz
Association Manager

Treasurer's Report for month ending May 31, 2022

Reserves

Balance brought forward from 2021 \$763,540.78 in the Regular Reserve Fund.

Union Bank Statement ending balance as of 31 May, 2022 \$522,012.17.

CalPrivate Bank Statement Balance as of 31 May, 2022 \$301,286.00.

Currently: 2022

At the end of May there is \$818,369.27 * 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 35% funded level based on the revised Reserve Study Update completed October 2019.

*Includes undeposited reserves funds.

**Board funding goal is a minimum of 30% of total reserve obligations based on reserve study.

Interest Income

Year to date we have collected a total of \$253.52 in interest. We projected we would receive \$250.00 leaving us under projections at the end of May by \$3.52.

Operating Budget

For the month of May, we budgeted \$144,465.00 for assessment income and we actually received \$144,521.50.

For the month of May, we budgeted \$144,465.00 for expenses and actually expended \$155,998.61. leaving us over projected budget expenditures for the month by \$11,533.61. To date ending May 31st shows that we are currently over projected budget expenditures for the year 2022 to date by \$4,538.58.

Net Ordinary Income to Budget year to date as of May 31st is positive \$232.57.

Notes:

Sincerely,

For the Treasurer
Anthony Diaz
Association Manager

Manager's Report

1. Coronado Fire Inspector conducted a surprise inspection at Las Flores on 7-11-2022. There were three minor discrepancies; two trash shoot doors were not closing flush to the frame. Staff fixed the discrepancy immediately.
2. All staff members were contacted by Colonial Life for the yearly supplemental insurance enrollment.
3. ADT conducted quarterly fire, life, and safety sys test and discovered pull station 9th floor failed its testing.
4. ADT replaced pull station and re mapped system.
5. Conducted fire hose, dry pipe and valve maintenance for annual inspection.
6. Placed dry pipe designation sign on each floor to comply with state requirements
7. Replaced 36 of 37 fire hoses to meet state requirements by All County Fires
8. Removed and installed #3 house booster pump.
9. Hec's plumbing repaired #3 house pump supply line
10. Replaced upper-level entrance gate springs
11. TKE maintenance repaired number 2 elevator, they replaced the mechanical tensioning on the doors.
12. Hec's plumbing repaired laundry drain line in unit 1404
13. Repaired drywall damage in units 1004, 1104, 1204 and 1404 due to water damage from 1404's laundry line rupture.
14. Hec's plumbing repaired leak on unit 410 laundry drain line.
15. Repaired drywall damaged in units 310 and 410 due to water damage from unit 410 laundry drain line rupture.
16. Solicited bid for maintenance contract for elevators from Kone, Otis, San Diego elevators and TKE.
17. Ahlee Backflow conducted annual backflow inspection in the backflow pit, inspection revealed that NR2 valve failed inspection. NR2 valve has been repaired
18. Replaced hallway light on 15th floor
19. Conducted water shut off for 04 stack to install angle stops for new washer.
20. Tagged all bikes for removal and removed bikes for 4 units in lower level and put in storage shed.

HOUSE REPORT (Roof, terrace and garages)

July 20, 2022: Board Meeting

June 28-29, 2022, inspections:
Scott Nicol, President
Anthony Diaz, Association Manager

The purpose of this report is to inform the Board of Directors and Homeowners of conditions in the Las Flores building that need 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.

The following is a list of conditions in the building that need 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. Roof vent screens need to be ordered and installed.
2. All machinery room shelves and lockers need to be re-organized and inventoried.
3. Northside outboard of building has spalling needs to be repaired during the 2022 spalling work.
4. #2 A/C screen filter needs to be replaced.
5. A/C vents rusty throughout the roof, need to preserve them.
6. Cooling tower room needs to be cleaned.
7. Cooling tower foundation needs to be preserved.
8. A/C vent in cooling tower needs preservation.
9. Roof door hinges going into the cooling tower need preservation.
10. Pain deck by water heaters.
11. Roof equipment room needs eye wash station.
12. Safety switch plaque #3 missing label.

Terrace Common Area & Stairwells Building Perimeter

1. Cracks on eastside of building planter box, cracks will be fixed during the building spalling repairs early spring 2022.

Upper Garage Discrepancies

1. Unit 1503, Parking U-1 Excessive bikes (4), Bikes not registered, stall has trash.
2. Unit 509, Parking U-2 (Trash, fire pit, fire wood).
3. Unit 1609, Parking U-5 Trash in parking stall, unauthorized items (Furniture).
4. Unit 309, Parking U-6 Bikes not registered (3) unauthorized gear stored above locker.
5. Unit 403, Parking U-8 (1) bike not registered, excessive bikes (1).
6. Unit 609, Parking U-12 Parking stall is very disorganized (Clutter).
7. Unit 1004 Parking U-13 (2) bikes not registered.
8. Unit 101, Parking U-15 Unauthorized items (Firepit, firewood, tennis tutor box), very disorganized with a lot of clutter.
9. Unit 105, Parking U-16 Bikes not registered (2).
10. Unit 406, Parking U-17 Disorganized parking stall, unauthorized item (Carpet).
11. Unit 603, Parking U-19 Unauthorized items (box, golf clubs & sneakers).
12. Unit 1408, U-21 unauthorized item (Car seat).
13. Unit 1607, Parking U-22 Bikes not registered (5).

14. Unit 810, Parking U-24 Remove screen above storage box, not authorized.
15. Unit 207, Parking U-28 Unauthorized storage above locker.
16. Unit 210, Parking U-29 Bikes not registered (4).
17. Unit 707, Parking U-30 Bike not registered (1).
18. Unit 202, Parking U-31 Bikes not registered (2).
19. Unit 110, Parking U-36 Bikes not registered (3) Excessive bikes (1).
20. Unit 510, Parking U-37 (1) bike not registered.
21. Unit 602, Parking U-47 Parking stall is a disaster, very disorganized, bikes not registered (4).
22. Unit 501, Parking U-50 Bikes not registered (3).
23. Unit 306, Parking U-57 Trash in parking stall, bikes not registered (2).
24. Unit 304, Parking U-60 Bikes not registered (4).
25. Unit 1508, Parking U-64 Excessive bikes (5), bikes not registered.
26. Unit 1006, Parking U-67 Bikes not registered (2).
27. Unit 1008, U-69 Unauthorized items (Car seat), bike not registered (1).

Lower Garage Discrepancies

1. Unit 903, Parking L-1 Excessive bikes, bikes not registered (9).
2. Unit 1109, Parking L-8 Bikes not registered (4).
3. Unit 1405, Parking L-17 Unauthorized items (Water jug, mulch & trash), bikes not registered (2).
4. Unit 508, Parking L-22 Bike not registered (1).
5. Unit 1106, Parking L-42 Bike not registered (1).
6. Unit 703, Parking L-44 Bike not registered (2).
7. Unit 705, Parking L-46 Bikes not registered (2).
8. Unit 1205, Parking L-52 Unauthorized item (Shelves).
9. Unit 1206, Parking L-53 Unauthorized items (Tile).
10. Unit 1406, Parking L-57 Bike not registered, (3).
11. Unit 503, Parking L-64 Excessive bikes (3), bikes not registered, (3).
12. Unit 1509, Parking L-65 Excessive bikes (3) bikes not registered (7).
13. Unit 1604 Parking L-69 Trash in the parking stall.
14. Unit 1605 Parking L-70 Bike not registered (1), Kayak encroaching into L-69, storage boxes outside of boundaries not in compliance with Las Flores Rules
15. Unit 708, Parking L-72 Excessive bikes (4), bikes not registered (8).
16. Unit 303, Parking L-74 Unauthorized item (Cooking pot, wall picture).

17. Unit 803, Parking L-75 Excessive bikes (3).
18. Unit 1506, Parking L-76 Bikes not registered, (5), excessive bikes (3).
19. Unit 701, Parking L-77 Bikes not registered (1).

Pump Room in Upper Garage:

1. Remove cleaning gear from the space.

Misc. tasks pending completion:

NTR.

General Items noted for action:

1. Eastside of building has rusted spots and a crack on the lower planter box. Will inspect crack for spalling.

Note: For the record the following storage cages have signs attached to the storage lockers in their parking space. Upper 18, 27 & 46 and Lower 48 & 60.

House Report (Corridor Inspection)

July 20, 2022: Board Meeting

June 28-29, 2022, inspections:
Scott Nicol, President
Anthony Diaz, Association Manager

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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 July 14, 2021, 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.

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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. Broken tile in front of north & south elevator doors.

Floor 15:

1. NTR

Floor 14:

1. Unit 1409 door laminate need to be fixed.
2. North & south elevator door frames are chipped.

Floor 12:

1. NTR

Floor 11

1. Emergency lights between 11th & 12th floor are OOC.
2. Door laminate needs to be fixed by unit 1110.

Floor 10:

1. North elevator door frame is chipped.
2. Overhead paint doesn't match by unit 1003. Repaint overhead.

Floor 9:

1. Emergency lights OOC between 8th & 9th floor.
2. Door laminate needs to be fixed unit 905.

Floor 8:

1. South elevator door frames are chipped.

Floor: 7

1. North elevator door frames are chipped.
2. Hallway sconce are loose and need to be tighten up.

Floor 6:

1. Southside elevator door frame is chipped.

Floor 5:

1. South elevator door frames are chipped.

Floor 4:

1. Wall outlet by unit 409 needs to be tighten up.

Floor 3:

1. South elevator door frames are chipped.
Carpets need steam cleaning.

Floor 2:

1. South vestibule deck going to the terrace level needs to be painted.
2. Telephone room door chipped across the hallway by unit 205.

Floor 1:

1. Stain on carpet by unit 101.
2. South elevator door frame chipped.
3. North vestibule door chipped.

Note:

Main Lobby: NTR

Priority 1 Safety Items:

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

- 1610
- 1606
- 1508
- 1506
- 1505
- 1407
- 1110
- 1107
- 1007
- 1001
- 0908
- 0903
- 0805
- 0801
- 0709
- 0707

- 0605
- 0603
- 0506
- 0310
- 0309
- 0303
- 0302
- 0110
- 0110

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