

**MINUTES OF THE OPEN BOARD MEETING OF THE
BOARD OF DIRECTORS HELD IN LAS FLORES LOBBY
WEDNESDAY NOVEMBER 16, 2022**

The President, Mr. Nicoll, called the meeting to order at 9:30 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: Mr. & Mrs. Curry, unit 109, Mr. & Mrs. Rutherford, unit 504, Mr. & Mrs. Pota, unit 907, Mr. & Mrs. Hendrickson, unit 1101, Mrs. Menderson, unit 707, Mr. Perry unit 906, Mr. Martin, unit 1201, Ms. Williams, unit 807, Mrs. Nicoll, unit 405, Mr. & Mrs. Peterson, Ms. Cady, unit 810 and Ms. Louden, unit 607.

The President motioned “to accept the minutes of the September 21, 2022 Regular Board meeting as written”. Karen Perry seconded the motion which carried unanimously 5/0.

Linda Shenwick motioned “to accept the five candidates, Scott Nicoll, Karen Perry, John Robinson, Linda Shenwick and Sara Smith, who ran for the 2022-2023 Board of Directors by acclamation”. Sara Smith seconded the motion which carried unanimously 5/0.

Treasurer’s Annual Report: (See attached October financials) John Robinson

Manager’s Annual Report: Anthony Diaz

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

Beach Club Advisory Group: Cheryl Nicoll

Landscape and Recreational Committee: Karen Perry

This has been a year of changes and challenges at L&R. The BBQ project has been completed but with ongoing issues with performance. A new expanded security camera system, an HVAC system for the L&R office, a monument sign, and the last section of pool glass panels should be completed before the end of the year. The remaining tennis courts were resurfaced and two courts can now also be used for pickle ball. New webbing for the pool furniture was purchased and an inventory of needed umbrellas for the summer of 2023 is ongoing. An EV working study group has been established. The Roeder and Beach Club roofs and structures will be reviewed. There is to be a more comprehensive reserve study of futures needs and priorities.

There have been changes in personnel. Mark Merson is the permanent G.M/ Controller. Bill Lawrence is the interim facilities manager. The acting chair is Robert Clinton. Starting in mid-November with the El Camino Pool there will be pool closures for energy saving and repairs.

Finance and Budget Committee: (Same as Treasurer's Report) John Robinson

Facilities Advisory Group: Karen Perry

There will be a facility meeting today at 1PM. Topics to be discussed are 2023 wall strategy, Roeder report, AD Magellan roof reports, storage sheds, lagoon panels, CES security camera system, Pool equipment enhancements and golf cart needs.

Landscape Advisory Group: Diane Rutherford

All metrosdieros trees throughout the Shores campus will be evaluated to see which ones get "laced" first - in 2023. Eventually, all of them will be laced - just do not have enough funds to do them all at once. Mark, the CS manager, will meet with arborist to set priority and report in November. The shrubs on the North and South "hanging gardens" are being removed in October and the water turned off. This brings light into the garage and reduces the water bills.

Community Alliance Group: Sara Smith

The community alliance group is a group that addresses issues with our campus and the community. One of the things we been working on is cutting down the wheels on the boardwalk, there are sandwich signs placed throughout the boardwalk for several months now and so far, the wheels on the boardwalk has diminished quite a bit. The police department has been involved with helping to cut down the wheels on the boardwalk. There is a big push to stop the beach fires on the beach, there has been a lot of complaints, there is a proposal to only have beach fires at the north beach. The Avenida del Sol landscaping project is still in progress.

Seawall and Roadways Committee: John Robinson

The committee is responsible for the seawall, sewer, and storm drains plus roadways. Continuing repairs to all those areas continued throughout the year.

Insurance Committee: John Robinson

The Insurance Committee became the Insurance Advisory Committee with a final decision on insurance issues by the Landscape and Recreational Committee. The next vote for the Landscape and Recreational Committee is the general liability insurance policy in February 2023. The association's medical insurance policy will be renewed identical to 2022 on Jan 1, 2023 and is not under the purview of the L and R Committee.

Governing Documents/Rules/Legal:

Linda Shenwick

We continue to work on the governing documents to ensure there are no conflicts with the house rules and the CC&R's. We are going to work on updating the house rules in 2023, they are currently hard to read and cumbersome. We are going to ensure they are easy to read and make sure the rules can be enforceable.

House Committee: See attached report.

Board

UNFINISHED/OLD BUSINESS:

Rooftop equipment update

Manager

Walsh Engineering has submitted all the plans and drawings to the City of Coronado for permitting. Currently waiting the permits to be issued by the City of Coronado. Upon approval by the City of Coronado, Walsh Engineering will seek out for 3 bids and present them to the Board.

NEW BUSINESS:

Morgan Stanley/AG Edwards CD investment

Board

Linda Shenwick motioned "to have the Board agree to invest \$400,000.00 of our existing reserve funds in an interest-bearing account that's fully insured with the type and nature of the vehicle to be determined by the Board and manager". Sara Smith seconded the motion which carried unanimously 5/0.

Holiday Fund letter authorization

Board

Linda Shenwick motioned "to approve the holiday letter". Sara Smith seconded the motion which carried unanimously 5/0.

Lease agreement administration fee

Linda Shenwick

Karen Perry motioned "to defer the lease agreement administration fee topic to the January 2023 Board meeting". Linda Shenwick seconded the motion which carried unanimously 5/0.

Holiday Party Discussion

Board

Karen Perry motioned "to have a holiday party this year in the lobby on December 15, 2022". Sara Smith seconded the motion which carried unanimously 5/0.

Seismic gas line automatic shut-off valve quote proposal

Manager

Sara Smith motioned “to approve the quote the manager presented to the Board for the installation of the seismic gas line automatic shut-off valve not to exceed \$13,700.00 to be funded from the reserve fund”. Karen Perry seconded the motion which carried unanimously 5/0.

ADJOURNMENT:

Next Meeting: The Organization Meeting, Wednesday, November 16, 2022.

There being no further business the meeting was adjourned at 11:24 AM.

Sara Smith, Secretary

Scott Nicoll, President

DRAFT

Attached Reports:

Treasurer's Report for month ending October 31, 2022

Reserves

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

Union Bank Statement ending balance as of 31 October, 2022 \$577,946.32.

CalPrivate Bank Statement Balance as of 31 October, 2022 \$301,740.75.

Currently: 2022

At the end of October there is \$879,848.07 * 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 33% funded level based on the revised Reserve Study Update completed in 2022. *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 \$823.00 in interest. We projected we would receive \$500.00 leaving us over projections at the end of October by \$323.00.

Operating Budget

For the month of October, we budgeted \$144,465.00 for assessment income and we actually received \$144,644.96.

For the month of October, we budgeted \$144,465.00 for expenses and actually expended \$161,225.39, leaving us over projected budget expenditures for the month by \$16,760.39. To date ending October 31st shows that we are currently under projected budget expenditures for the year 2022 to date by \$23,200.11.

Net Ordinary Income to Budget year to date as of October 31st is positive \$33,039.01.

Notes:

Sincerely,

For the Treasurer
Anthony Diaz
Association Manager

Treasurer's Report for month ending September 30, 2022

Reserves

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

Union Bank Statement ending balance as of 30 September, 2022 \$561,407.33.

CalPrivate Bank Statement Balance as of 30 September, 2022 \$301,587.03.

Currently: 2022

At the end of September there is \$863,155.36 * 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 32% funded level based on the revised Reserve Study Update completed in 2022. *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 \$645.02 in interest. We projected we would receive \$450.00 leaving us over projections at the end of September by \$195.02.

Operating Budget

For the month of September, we budgeted \$144,465.00 for assessment income and we actually received \$144,466.80.

For the month of September, we budgeted \$144,465.00 for expenses and actually expended \$128,232.10, leaving us under projected budget expenditures for the month by \$16,232.90. To date ending September 30th shows that we are currently under projected budget expenditures for the year 2022 to date by \$39,497.89.

Net Ordinary Income to Budget year to date as of September 30th is positive \$49,206.83.

Notes:

Sincerely,

For the Treasurer
Anthony Diaz
Association Manager

Manager's Report

Open Board Meeting November 19, 2022

1. Annual Meeting not required due to 2022-2023 Election is by Acclamation.
2. Annual Budget Pro Forma was sent to homeowners. Assessments will increase in 2023 as stated in the annual policy statement:
 - One bedroom \$906.00
 - Two bedrooms \$1,057.00
 - Two bedrooms + Den \$1207.00
 - Three bedrooms \$1207.00
3. CPA conducted yearly financial audit; no discrepancies noted. Sent the audit to the membership.
4. Hired new engineer for Keith's replacement. Mr. Adrian Dominquez, started Monday October 3, 2022.
5. Had "loss prevention" inspection by Farmers Insurance Rep. Found 5 items for action.
6. Loss prevention Item #1 Gas meter has no protection from vehicle damage. Placed parking wheel-stop in parking space L-45.
7. Loss prevention item #2 no hand rail on stairs to roof. Parts on order to correct. Will up upon completion.
8. Loss prevention item #3, flammable liquid storage on roof. Loss prevention item #3, flammable liquid storage on roof. The flammable storage lock is an approved OSHA locker and it items in the flammable locker is inventoried and in compliance with all safety requirements.
9. Loss prevention item #4 locking of front door when door person is away from desk. Have not yet determined how to deal with this.
10. CPA conducted yearly financial audit; no discrepancies noted. Sent the audit to the membership.
11. Filed all payroll tax returns and reports for 2022.
12. We completed and passed all required tests and building inspection such as fire & safety, and elevator inspections.
13. Passed the annual inspection by the San Diego County Air Pollution Control District
14. Completed annual inspection and maintenance on portable fire extinguishers, wet and dry pipe and fire hoses.
15. Passed annual back-flow preventer inspection
16. Continued work with Walsh Engineers on Plans for equipment replacement on roof.
17. Had annual back-flow preventer inspection.
18. Las Flores units active for sale; Units; 101, \$1.699 million, 1007, 1.489 million.
19. Las Flores units sold in 2022: Units; 204, 601, 608, 704, 1407, 1408 Low to High, \$1.4 to 4.5 million.

2022: Reserve Expenditure as of November 30, 2022:

- 1.** Fire control panel replacement. Completed, **\$5,348.88.**
 - 2.** Terrace topcoat maintenance. Completed, **\$19,600.00.**
 - 3.** Replacement of building fire hoses (36). Completed, **\$6,619.54.**
 - 4.** L&R capital replacement). Completed, **\$5,089.90**
 - 5.** Rooftop equipment design development construction documents. Completed, **\$4,400.00.**
 - 6.** Rooftop design development. Completed, **\$5,200.00.**
 - 7.** L&R capital replacement. Completed, **\$10,526.16.**
 - 8.** Roof equipment design Dev & Construction Documents. Completed **\$3,800.00.**
 - 9.** Duthie Power generator ATS replacement. Completed, **\$6,270.35.**
 - 10.** L&R capital replacement. Completed, **\$6,088.38.**
 - 11.** Spalling 10% payment. Completed, **\$4,770.00.**
 - 12.** Rooftop equipment, electrical and structural. Completed, **\$7,260.00.**
 - 13.** L&R Capital replacement. Completed, **\$12,563.78.**
- Total: \$97,536.99**

Outstanding Reserve Expenditure for 2022:

- 1.** Spalling maintenance. NOV 7- DEC 17, 2022, **\$43,130.00**
- 2.** Replace 4 isolation valves for domestic water. December, 2022 **\$8,750.00**
- 3.** L&R Capex expenditure outstanding balance. **\$18,133.30**
- 4.** Seismic automatic shutoff valve December, 2022 **\$8,831.00**
- 5.** Rooftop additional Service cost **\$12,100.00**

Total: \$90,944.43

2022 Reserve Contribution: **\$226, 113.00**

2022 Reserve Expenditure **\$188,481.29**

2022 Projected year end reserve contribution approximate Total: **\$37,631.71**

Reserve Funding level is currently at 32%, poorly funded.

HOUSE REPORT (Roof, terrace and garages)
November 16, 2022: Open Board Meeting

October 19-20, 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 foundation needs to be preserved.
7. A/C vent in cooling tower needs preservation.
8. Roof door hinges going into the cooling tower need preservation.
9. Pain deck by water heaters.
10. Roof equipment room needs eye wash station.
11. Safety switch plaque #3 missing label.
12. Water bib needs to be replaced outside of mechanical room.

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) bike not registered (1).
3. Unit 1609, Parking U-5 Trash in parking stall, unauthorized items (Furniture).
4. Unit 309, Parking U-6 Bike not registered (1) unauthorized gear stored above locker.
5. Unit 403, Parking U-8 (1) bike not registered, excessive bikes (1) parking stall is disorganized.
6. Unit 308 Parking U-10, excessive bikes (2), bikes not registered (2).
7. Unit 609, Parking U-12 Parking stall is very disorganized (Clutter).
8. Unit 1004 Parking U-13 Bikes not registered (3).
9. Unit 101, Parking U-15 Bike not registered (1).
10. Unit 105, Parking U-16 Bikes not registered (1), storage cabinet needs to be fixed.

11. Unit 406, Parking U-17 Trash in parking stall.
12. Unit 1408, U-21 unauthorized item (Car seat), excessive bikes (2) bikes not registered (3).
13. Unit 1607, Parking U-22 Bikes not registered (2).
14. Unit 810, Parking U-24 Remove screen above storage box, not authorized.
15. Unit 1402 Parking U-23 Bike not registered (1).
16. Unit 210, Parking U-29 Bikes not registered (3).
17. Unit 202, Parking U-31 Bikes not registered (2).
18. Unit 602, Parking U-47 Parking stall very disorganized.
19. Unit 306, Parking U-57 Trash in parking stall, bikes not registered (2).
20. Unit 104, Parking U-58 Unauthorized item (Firewood).
21. Unit 304, Parking U-60 Bikes not registered (4).
22. Unit 1008, U-69 Bike not registered (1).

Lower Garage Discrepancies

1. Unit 903, Parking L-1 Excessive bikes, bikes not registered (3), unauthorized items (firewood, fire pit).
2. Unit 804, Parking L-2 Bikes not registered (2).
3. Unit 1109, Parking L-8 Bikes not registered (4).
4. Unit 704, Parking L-16 Bikes not registered (2).
5. Unit 1405, Parking L-17 Unauthorized items (Water jug, mulch & trash).
6. Unit 508, Parking L-22 Bike not registered (1).
7. Unit 1106, Parking L-42 Bike not registered (2).
8. Unit 703, Parking L-44 Bike not registered (2).
9. Unit 507, Parking L-45 Bike not registered (1).
10. Unit 705, Parking L-46 Bikes not registered (2).
11. Unit 1110, Parking L-48 Unauthorized items (Grocery basket, clothes rack, duffle bag).
12. Unit 1608, Parking L-49 Unauthorized item (Baby stroller).
13. Unit 206, Parking L-50 Unauthorized items (Firewood, fire pit).
14. Unit 1509, Parking L-65 Bikes not registered (3).
15. Unit 1604 Parking L-69 Trash in the parking stall.
16. Unit 1605 Parking L-70 Bike not registered (1).
17. Unit 708, Parking L-72 Excessive bikes (3), bikes not registered (8).
18. Unit 303, Parking L-74 Unauthorized item (Wall picture).

19. Unit 803, Parking L-75 Excessive bikes (3).
20. Unit 1506, Parking L-76 Bikes not registered, (5), excessive bikes (3).

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)

November 16, 2022: Open Board Meeting

October 19-20, 2022, inspections:

Scott Nicol, President

Anthony Diaz, Association Manager

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.

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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. Fix door laminate, unit 1609.

Floor 15:

1. Loose vent by units 1505/1503

Floor 14:

1. Fix wall paper by unit 1408.
2. North & south elevator door frames are chipped.
3. Scuff marks, overhead by electrical room and elevators.

Floor 12:

1. A/C vent loose by unit 1209/1208.
2. A/C vent loose by unit 1203.
3. North elevator door frame chipped

Floor 11

1. NTR

Floor 10:

1. Door laminate needs to be fixed, unit 1005.
2. Overhead paint doesn't match by unit 1003. Repaint overhead.
3. Overhead scuff marks by north elevator.

Floor 9:

1. Door laminate needs to be fixed units 903 & 905.

Floor 8:

1. Vent loose southside hallway.
2. Fire alarm light loose by unit 808/809.

Floor: 7

1. NTR

Floor 6:

1. Southside elevator door frame is chipped.

Floor 5:

1. NTR

Floor 4:

1. NTR

Floor 3:

1. Door laminate needs to be fixed unit 303.
2. Door laminate needs to be fixed unit 308.

Floor 2:

1. Southside vestibule door screws need to be flushed with the door.

Floor 1:

1. Overhead scuff by unit 105.

Note:

Main Lobby: NTR

Priority 1 Safety Items:

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

- 1610
- 1508
- 1506
- 1505
- 1203
- 1110
- 1107
- 1007
- 1001
- 0908
- 0807
- 0805
- 0801
- 0605
- 0506
- 0310
- 0309
- 0303
- 0302
- 0110

