

MARINA HILLS PLANNED COMMUNITY ASSOCIATION  
BOARD OF DIRECTORS MEETING MINUTES  
GENERAL SESSION – May 24, 2010

**BOARD OF DIRECTORS PRESENT:** Chuck Johnston – left at 7:30 P.M.  
Vito Ferrante  
Jim Sabatello  
Jeff Taylor – left at 7:45 P.M.

**BOARD OF DIRECTORS ABSENT:** Loretta Pierce

**MANAGEMENT REPRESENTATIVE:** Kim Hockings  
Keystone Pacific Property Management,  
Inc.

**ISSUES DISCUSSED IN THE MAY 24, 2010 EXECUTIVE SESSION MEETING**

The following items were discussed during the May 24, 2010 Executive Session meeting:

- A. Executive Session minutes from the April 14, 2010 meeting were approved.
- B. Delinquent accounts.
- C. Homeowner fine reversal request.
- D. Third party legal contract.
- E. Violation/architectural matters.
- F. Legal issue.
- G. Held hearings.

**CALL TO ORDER**

The General Session meeting of the Marina Hills Planned Community Association Board of Directors was called to order by Board Vice President, Chuck Johnston at 6:05 P.M. at the Marina Hills Clubhouse, 31461 Parc Vista in Laguna Niguel, California.

**LANDSCAPE REPORT**

Amy Crapo from Villa Park Landscape was present and reported the following:

Maintenance Items:

- The slopes on Valle Vista, Niguel Road, Denia, Via Marini and Siena were cleaned.
- The first area of the landscape renovation project is in process and they are working on area #1 along Marina Hills Drive
- Fuel modification slopes behind Denia, Villamoura, Sorbonne, Chamonix and Gaeta were cleared and are ready for inspection.
- All the streets and sidewalks were cleaned.
- The middle islands on Marina Hills Drive were detailed.
- The Honeysuckle on Valle Vista was trimmed and manicured.

Tree Trimming:

- There is a two week schedule for work orders requesting tree trimming and all requests are reviewed individually, as not all trees are due to be trimmed.
- As requested by the Board of Directors, they aren't removing any trees until further notice.
- Trees are only thinned and laced, no topping policy still in place and they aren't allowed to top trees.

Irrigation Items:

- All the irrigation is on and inspections to the irrigation system are conducted daily.
- The central system is working properly and communicating with all the satellite controllers on site. Also the system is online and can be accessed remotely.
- Three major leaks were repaired this month on the island by Marina Hills Drive, Parc Vista by Via Vetti and the clubhouse.
- Vandalism to the irrigation system was minor and was reported on slopes behind Villamoura, Mercato and Chandon.

**DELEGATE REPORTS**

Harvey Holden, Monaco – Not present.

George Webster, Bel Fiore – Present. George Webster wanted clarification on what improvements would be considered major and which ones would be considered minor. Management explained that it lists specific items on each individual application.

Manny Piceno, Terracina – Not present.

Andrew Kienle, Vistara – Not present.

Larry Buss, Chandon – Not present.

Peter Klause, Amarante – Not present.

Dan Mulhern, Siena – Not present.

Carol Albert, Cabo Del Mar – Not present.

Morris Passwater, Encore – Not present.

Richard Butler, Palacio – Not present.

Hector Rodriguez, The Heights – Not present.

**COMMITTEE REPORTS**

- A. Landscape – No report.
- B. Architectural – No report.
- C. Tennis – No report.

**OFFICER REPORTS**

- A. President – No report.
- B. Vice President – No report.
- C. Treasurer – Jeff Taylor reported the following:

STATEMENT OF INCOME AND EXPENSES

Income:

- \$199,853.00 Actual vs. \$198,025.00 Budget.

Expenses:

- \$116,589.00 Actual vs. \$119,609.00 Budget.

Net Surplus:

- \$20,220.00, including Reserve Deposits of \$63,045.00.

## BALANCE SHEET

### Assets:

#### Current Assets:

- o \$579,813.00, of which \$564,034.00 consists of Operating Cash.

#### Total Assets:

- o \$3,165,827.00, of which \$2,583,267.00 consists of Reserve Assets

### Liabilities:

#### Current Liabilities:

- o \$114,269.00

#### Reserve Liabilities:

- o \$2,583,267.00

### Equity:

- o \$404,124.00

### Surplus:

- o \$64,168.00

### Total Equity:

- o \$468,291.00

### Total Liabilities, Reserves and Equity:

- o \$3,165,827.00

The Association accounts are in balance. The Association has adequate Current Assets to meet Current Liabilities, and Reserve Assets are at appropriate levels to fund Reserve Liabilities.

- D. Secretary – No report.
- E. Member at Large – Jim Sabatello informed the representatives present from Villa Park Landscape that he would like to see them be more proactive and notice leaks near the medians along Marina Hills Drive or moss in the gutters since they are on site daily.

## **HOMEOWNER FORUM**

Homeowners were present to discuss the painting of front doors on attached homes, repairs to a perimeter wall and tree removals.

**CONSENT CALENDAR**

A motion was made, seconded and carried to approve the following items from the consent calendar, without further discussion:

- A. **Approval of Action Without Meeting Minutes from May 4, 2010 – Repair Leak on Median on Marina Hills Drive - RESOLVED**, to ratify the action and approve Action Without Meeting Minutes from May 4, 2010 to approve the proposal from So Cal Coatings to remove and replace approximately 25 square feet of stamped concrete located in the center median on Marina Hills Drive between Tropea and Parc Vista for a cost of \$1,485.00. Villa Park Landscape was also authorized to repair the water line leak underneath the concrete.
- B. **Approval of Action Without Meeting Minutes from May 7, 2010 – Replace Booster Pump Motor - RESOLVED**, to ratify and approve the Action Without Meeting Minutes from May 7, 2010 approving the proposal from Villa Park Landscape to remove/replace the damaged booster pump motor at the corner of Mondano/Via Marini for a cost of \$1,385.00.
- C. **Financial Statement – RESOLVED**, to accept the April 30, 2010 financial statement as submitted.
- D. **Maturing CDs - RESOLVED**, to allow Jeff Russell from Merrill Lynch to roll over the reserve CD that is maturing on 5/21/10 for the same term at the highest interest rate possible, in order to keep the CDs staggered and open a reserve CD in the amount of \$200,000.00 for a term of one year at the highest interest rate possible.
- E. **Delinquent Account APN #933-40-372 – RESOLVED**, to place a lien on #933-40-372 for outstanding assessments and applicable charges.
- F. **Delinquent Account APN #653-231-28 – RESOLVED**, to place a lien on #653-231-28 for outstanding assessments and applicable charges.
- G. **Delinquent Account APN #653-271-01 – RESOLVED**, to place a lien on #653-271-01 for outstanding assessments and applicable charges.
- H. **Delinquent Account APN #653-261-30 – RESOLVED**, to place a lien on #653-261-30 for outstanding assessments and applicable charges.
- I. **Perimeter Wall Repair – 19 Amarante – RESOLVED**, to approve the proposal from So Cal Coatings to repair a large crack on both sides of the perimeter common area block stucco wall at a cost of \$1,865.00.

A motion was made, seconded and carried to approve the following items from the consent calendar, with further discussion:

- A. **Approval of April 14, 2010 General Session Meeting Minutes/Architectural Report from 3/10/10 – 5/10/10** – A motion was made, seconded and carried to ratify the action taken and approve the minutes taken by Management from the April 14, 2010 General Session Board Meeting/Architectural Report from 3/10/10-5/10/10. Motion carried 4/0.
- B. **Investments** – A motion was made, seconded and carried to table allowing Jeff Russell from Merrill Lynch to roll over the principals of the \$50,000.00 in operating and \$80,000.00 and \$95,000.00 in reserves each for a term of one year at the highest interest rates possible in order to keep the CDs staggered, until the June meeting so Jeff Russell can attend the meeting to answer questions the Board may have. Motion carried 4/0.

#### OLD/NEW BUSINESS

- A. **Landscape Proposal – Tree Replacement for Area #1 Slope Along Marina Hills Drive/Removal & Replacement of Trees** – A motion was made, seconded and carried to approve the proposal from Villa Park Landscape to install 14 trees on the slope in Area #1 on Marina Hills Drive where trees were removed between Tropea and Valle Vista for a cost of \$2,150.00. Motion carried 4/0.
- B. **Landscape Proposal for Extras** – A motion was made, seconded and carried to approve the proposal from Villa Park Landscape for items that were discussed during the drive on April 20, 2010 for a cost of \$2,670.00. Motion carried 4/0.
- C. **Landscape Proposal From May Landscape Drive** – A motion was made, seconded and carried to approve the proposal from Villa Park Landscape for items listed on the punch list generated from the May 6, 2010 drive for a cost of \$4,822.50, which includes removing (9) trees with legitimate reasons and replacing (3) out of the (9) trees. Motion carried 4/0.
- D. **Landscape Proposal – Landscape Renovation for Area #1 Slope Along Marina Hills Drive** - A motion was made, seconded and carried to approve the proposal from Villa Park Landscape to upgrade half of the already approved Bougainvillea to be planted on the slope on Marina Hills Drive in Area #1 from one gallon to five gallon shrubs for a cost of \$1,650.00. Motion carried 4/0.
- E. **Improvements to the Clubhouse/Office/Kitchen/Upstairs Room/Storage Room** - A motion was made, seconded and carried to table discussion on the improvements to the clubhouse, office, kitchen, upstairs room and storage room until the June meeting. Motion carried 4/0.

- F. **No Tree Topping Policy** - A motion was made, seconded and carried to eliminate the “No Tree Topping” policy and trees will be evaluated on an individual basis. Motion carried 4/0.
- G. **Window Replacement in Kitchen** – A motion was made, seconded and carried to approve the proposal from So Cal Coatings to remove the window in the kitchen, re-frame the opening and re-install a new window for a cost of \$2,125.00. Motion carried 4/0.
- H. **Homeowner Request – Time Cleaning Pool** – A motion was made, seconded and carried to deny the request from Hooman Darabi to change the time that the pool area is closed for cleaning from 9:00-10:00 A.M. to 7:00-8:00 A.M. Motion carried 4/0.
- I. **Re-Plastering Pool/Spa/Wader and Replacement of Deck Mastic** – A motion was made, seconded and carried to table discussion on re-plastering the pool, spa and wader and replacement of the deck mastic until the June meeting. Management was requested to speak to the Orange County Health Department and see if the Association can obtain a two year extension for re-plastering the pool, spa and wader, because the Board is working on a master plan for the pool area, which possibly includes rebuilding the pool due to it being out of level. Motion carried 3/0.
- J. **Improvement for Lighting the Flag at Main Fountain** – A motion was made, seconded and carried to table discussion on improvement for lighting the flag at the main fountain until the June meeting so Management can discuss additional options with OCBS, such as installing halogen bulbs, redirecting the light fixtures or installing spots instead of flood lights or using a combination of both. Motion carried 3/0.
- K. **Painting of Garage Doors/Attached Homes** – A motion was made, seconded and carried to have the Architectural Committee review applications for painting garage doors and the Board agrees with the committee that homeowners shouldn’t be allowed to paint the pop out trim pieces on garage doors a different color than the body of the garage door, because this design does not fit the Tuscan theme in the community and looks more country. Motion carried 2/0.

A motion was made, seconded and carried to allow homeowners with attached homes to be able to paint their front doors different colors, as long as they choose from a color from the pre approved paint palette, because the front doors are not visible from the street. If homeowners choose a color that is not on the pre approved paint palette, the Architectural Committee will need to approve it. If homeowners with attached homes want to paint their garage doors different colors, they will need to submit for approval from the Architectural Committee. Motion carried 2/0.

- L. **Amending Governing Documents** – A motion was made, seconded and carried to have Rich Tinnelly prepare a ballot to not only include amending the governing documents to allow the Board to appoint a homeowner to fill a vacant seat instead of having to hold an election, but also to eliminate the District Delegate system and make the District Delegates volunteer positions. The Board would like to review the draft ballot at their June meeting. Motion carried 2/0.
  
- M. **Violation Policy – Fine Schedule** – A motion was made, seconded and carried to revise the violation policy – fine schedule increasing the fines from \$100.00 to \$150.00 for the first thirty (30) day period of the continuing infraction and from \$200.00 to \$300.00 for the second thirty (30) day period of the continuing infraction. This proposed change will be sent out to the membership in the July newsletter giving homeowners 30 days to comment before being considered at the August meeting for adoption. Motion carried 2/0.
  
- N. **4<sup>th</sup> of July Carnival** – Jim Sabatello volunteered to work the shift from 1:00-3:00 P.M. and Management will check with the other Board members and committee members to fill the other positions. Loretta Pierce informed Management that Pacific Signs is donating 4 signs to the Association for advertising for the carnival.
  
- O. **PEX Charges** – Management explained that there will be times when special mailings will need to be mailed out to the homeowners, but Management will work with the Board to see what can be done to ensure that items are grouped together to minimize special mailings.
  
- P. **Homeowner Request to Waive Clubhouse Rental Fee** – A motion was made, seconded and carried to deny the request from Sudi Saberi, homeowner at 12 Sitges, to have the rental fee for the clubhouse waived for use on June 5, 2010. Motion carried 2/0.
  
- Q. **Repair to Perimeter Wall – 1 Phaedra** – A motion was made, seconded and carried to approve the proposal from So Cal Coatings to repair one crack in the common area perimeter wall and secure 12 glass panels for a cost of \$910.00. Motion carried 2/0.
  
- R. **Repair to Perimeter Wall – 13 Phaedra** – A motion was made, seconded and carried to approve the proposal from So Cal Coatings to repair a crack in the common area perimeter wall and re-install a glass panel for a cost of \$575.00. Motion carried 2/0.
  
- S. **Repair to Perimeter Wall – 6 Corfu** – A motion was made, seconded and carried to approve the proposal from So Cal Coatings to repair one section of the common area perimeter wall that has shifted away from the homeowner’s divider wall for a cost of \$1,485.00. Motion carried 2/0.

- T. **June Board Meeting Date** – A motion was made, seconded and carried to hold the June meeting on Tuesday, June 22, 2010. Motion carried 2/0.
  
- U. **Association Wish List** – A motion was made, seconded and carried to not add any items to the Association wish list. Motion carried 2/0.

**ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 8:15 P.M.

APPROVED: 

DATE: 6-22-10