

**PINNACLE MUSEUM TOWER OWNERS ASSOCIATION**

**BOARD OF DIRECTORS MEETING**

August 24, 2006

**REGULAR SESSION MINUTES**

**NOTICE OF  
MEETING:**

Upon due notice given and received a meeting of Pinnacle Museum Tower Owners Association was held August 24, 2006 at the hour of 6:00 p.m. in the Amenity Room.

**ATTENDANCE:**

Directors Present: Jim Roberts, President  
Chris Eddy, Vice President  
Robert Natapow, Treasurer  
Apriano Meola, Secretary

Director Absent: Rick Bortolussi, Director

Representing The Prescott Companies was Cynthia Gibson, Susan Wiese, Amanda Montour and Rich Giandomenico.

Approximately 39 members were in attendance at the meeting.

**CALL TO  
ORDER:**

Jim Roberts called the meeting to order at 6:09 p.m.

**SPECIAL  
EXECUTIVE  
SESSION  
DISCLOSURE:**

Jim Roberts informed the membership present of the issues discussed and/or acted upon during a Special Executive Session Meeting of the Board which took place on August 14, 2006.

- The Board reviewed the status of the common area punch list with and believes it to be approximately 75% complete. Additional issues noted with the granite in the lobby area and elevators will be addressed by the developer and their subcontractors.
- The Board reviewed and acted on correspondence received by two homeowners.
- Management presented the Board with preliminary information about potential increases in the Association's insurance premiums in part because of claims.
- Chris Eddy, Vice President of the Board of Directors, was designated as the liaison to the city of San Diego and the Children's Museum on all parking issues related to P1. Chris will advocate on behalf of the Tower Association for a revised plan which includes one-way traffic flow on Island Avenue as well as inside the parking structure, and valet parking for Museum visitors.

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- The Board held one hearing regarding a violation of the Governing Documents.
- The Board met with two homeowners who oppose the requested CC&R changes on insurance subrogation. The Board remains committed to the proposed amendments for all of the reasons previously given.

**EXECUTIVE  
SESSION**

**DISCLOSURE:**

Jim Roberts informed the membership present of the issues discussed and/or acted upon during an Executive Session Meeting of the Board which took place immediately prior to the Regular Session Board Meeting.

- Representatives from the Union Bank, a future commercial tenant, met with the Board to present potential plans for tenant improvements.
- The Board met with homeowner, Peter Thistle, to review a product which would assist with flood prevention in the units. Peter Thistle, representing D Tecton, Inc, presented a brief overview of the base and satellite system which would contact someone in the event there is water detected. The Board encouraged homeowners to research and potentially install the system in their units to help prevent potential flooding disasters in their own homes.
- Three maintenance contracts were accepted as presented as the initial warranty period is due to expire:
  - ThyssenKrup - \$2,920.00 per month
  - Parking Garage Doors - \$275.00 quarterly
  - HVAC (this is a partial maintenance contract) - \$625.00 per month.

It was also noted that Pinnacle International is still continuing work on unit owner's heat pumps to resolve any issues prior to turning them over at the end of the warranty period.

- The Board reviewed three letters from homeowners. One particular letter addressed concerns with the reservation policy for the Amenity Room. After a brief discussion with homeowners present, the Board proposed a trial period of allowing those who reserve the Amenity Room to utilize the four closest tables located outside of the room on the pool deck area. This would leave the two tables and the barbeque accessible to any residents who wish to utilize the barbeque while an event is being held in the Amenity Room.
- It has become apparent that there are still homeowners allowing their pets to urinate and defecate in the common areas of the property, including the lobby, elevators and garage. The Board

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directed Management to draft a notice to be delivered to every resident as well as placed conspicuously throughout the property reiterating the potential of disciplinary actions, including fines and cleanup costs, against any who are found allowing this to occur.

- The Board proposed a new rule requiring all who park in the parking garage to display an approved decal or placard, to assist security and avoid unnecessary towing of vehicles. Vehicles not properly displaying the decal or placard may be subject to disciplinary actions up to and possibly including removal of the violating vehicle from the premises. A notice will be sent to the members in accordance with civil code.
- Management informed the Board of an insurance claim against the Association's policy that will be partially covered by Fireman's Fund. The owners affected will be contacted for fund disbursement.

Jim Roberts initiated discussion regarding the Association's insurance coverage. Management made the Board aware of the potential of the Association being placed in a 'high risk' category due to the amount of claims made during the first year of occupancy by homeowners seeking coverage under the Association's policy. The Association's insurance will be up for renewal in October and the 'high risk' category will likely increase insurance premiums.

Jim then mentioned that due to the broad coverage currently required by the CC&Rs, the Association's insurance company, Fireman's Fund, is obligated to pay for certain damages normally covered under individual owners policies. However, with the proposed amendments still out to vote, there is no way to immediately remedy the situation. He urged any homeowner present who has not voted to review the proposed amendments and cast a ballot for the amendments as early as possible.

- The Board received a response from Michael DeCotiis regarding the proposed reallocation of the funds offered to remedy several common area issues. The Board decided to send additional correspondence to Michael DeCotiis suggesting a resolution of some but not all issues for the funds offered. Should this be agreeable, the Association would be prepared to provide Pinnacle International a release for those items for which funds are received.

**APPROVAL OF  
MINUTES:**

Upon a motion duly made by Robert Natapow, seconded by Chris Eddy and unanimously carried, the Board approved the Regular Session minutes of the July 13, 2006 meeting as presented.

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**FINANCIAL  
REPORT:**

Robert Natapow presented the financial reports for the months of May and June. As of July 31, 2006, the Associations' financial status is as follows:

	<u>July 2006</u>
Operating Balance:	\$ 62,472.49
Reserve Balance:	\$ 79,981.88
YTD Delinquencies:	\$ 17,622.58
Total Assets:	\$ 142,454.37

**Motion:** Upon a motion made by Chris Eddy, seconded by Robert Natapow and unanimously carried, the July 31, 2006 financial report was approved as presented.

**COLLECTIONS:** Upon a motion duly made by Chris Eddy, seconded by Robert Natapow, and unanimously carried, the Board directed Management to proceed with the Associations' approved collection policy for the following accounts:

<u>APN #</u>	<u>Balance</u>	<u>Action</u>
535-042-09-08	\$5,644.40	Intent
535-042-09-09	\$1,734.80	Lien
535-042-09-33	\$5,769.40	Intent
535-042-11-22	\$1,597.50	Lien
535-042-11-23	\$1,648.10	Lien

**WINDOW WASHING  
UPDATE:**

Richard Giandomenico presented a verbal report to those in attendance. Richard has been working closely with Pearce and Tractel to resolve the issue of the window washing basket leaving marks on the exterior of the building. They believe new non colored non skid rollers will prevent this from happening again in the future. Richard also reported that Pinnacle International is in the process of completing railing modifications for access issues and working closely with a unit owner who, with the developer's permission, installed a soaking tub and bench, to accommodate window washing equipment that must share the same space. Now that the first window washing has been completed, the Association may move ahead with the second wash within the next couple of months. No action was required at this time.

**COMMITTEES:** Safety and Concierge Committee – Brett Schaffter, Committee Chairperson, was present and gave a verbal report at the meeting. Brett informed those present that the committee was continuing its

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diligent work to resolve safety issues. The committee has completed their assessment of how many additional cameras would be needed and the Association is awaiting a funding commitment from the developer.

Architectural Committee – Terry Jordan, committee member, was present and presented a verbal report. Terry updated those present that the committee has been endeavoring to turn around requests for unit modification as quickly as possible. Terry also thanked those who were forth-coming with requests and implored others who would resist, to see the value in the process, and allow the committee to review their plans. Terry addressed a terse reply from a unit owner who rejected Managements attempt to assist and attempted to change the perception from being unnecessarily invasive, to protecting the interests of the building and its owners.

**HOMEOWNER  
FORUM:**

Several owners present asked questions in relation to tenant owner responsibilities in the Association, fellow owners that are dropping cigarette butts and other debris from their balconies, washing balconies off with hoses and excessive amounts of water. There was also a discussion of stuffy air on garage level P3.

**ADJOURNMENT:** With no further business to come before the Board, the meeting was adjourned at 7:47 p.m. The next open session Board meeting will be scheduled.

**ATTEST:** \_\_\_\_\_

**DATE:** \_\_\_\_\_