

**PINNACLE MUSEUM TOWER ASSOCIATION**

**BOARD OF DIRECTORS MEETING**

May 15, 2008

**OPEN SESSION MINUTES**

**NOTICE OF  
MEETING:**

Upon due notice given and received, an Open Session of the Pinnacle Museum Tower Association Board of Directors was held on May 15, 2008 at 6:00 p.m. in the Amenity Room.

**ATTENDANCE:**

Directors Present: Steve Sparta, Vice President  
Harold Dokmo, Treasurer  
Pete Thistle, Secretary  
Jim Cox, Director

Directors Absent: Chris Eddy, President

Also Present: Melodie Nickell, The Prescott Companies  
Bruce Heckman, The Prescott Companies  
Rob Hussey, The Prescott Companies

**CALL TO  
ORDER:**

The meeting was called to order at 6:07 p.m. by Steve Sparta, Vice President.

**EXECUTIVE SESSION**

**DISCLOSURE:**

The Board of Directors disclosed proceedings in the Executive Session:

- One collection item in Executive Session
- Approval of minutes
- Resident request
- SB800 update
- Steven Sparta presented to the membership the report by HOA Litigation Plumbing Consultant Dan Daderian, including that any homeowner having problems to their individual units should make sure they have reported all problems, so that our consultants can make the best analysis possible.

**BLUE POINT**

**PRESENTATION:**

Paul Phipps, a representative of Blue Point Energy, presented a rebate program in cooperation with SDG&E which would give the Association up to \$16,128 annually for the use of the Association's generator when black outs or brown outs are imminent. The generator could be used as much as 4 hours per event, 10 events per month, and capping at 120 hours per year. Blue Point would also install a \$60,000 monitoring system which would enable vital components of the generator to be viewed on-line. The contract with Blue Point Energy would be for 3 (three) years.

**Motion:** Upon a motion made by Harold Dokmo, seconded by Jim Cox, and carried, the Board of Directors moved to accept the offer of a rebate program with Blue Point Energy with the request to have decibel testing completed at their expense.

**APPROVAL  
OF MINUTES:**

Upon a motion made by Pete Thistle, seconded by Jim Cox, and carried, the Board of Directors approved the minutes from the Open Session on April 17, 2008 as presented with Steve Sparta abstaining.

**FINANCIAL  
REPORT:**

The Board of Directors reviewed the financial statements for the period ending April 30, 2008. A summary of the financial activity is as follows:

|                   | <b><u>March 2008</u></b>                 |
|-------------------|--|
| Operating Assets: | \$208,378.46 (\$40,741.46 Delinquencies) |
| Reserve Assets:   | \$334,963.67                             |
| YTD Total Assets: | \$543,342.13                             |

**Motion:** Upon a motion made by Jim Cox, seconded by Pete Thistle, and carried, the Board of Directors accepted the April 2008 financial reports as presented subject to the auditor's year end review.

**COLLECTIONS:** The Board of Directors reviewed the delinquency report listing the past due accounts as of March 31, 2008. The following accounts are scheduled for collection action pursuant to the Association's delinquency policy subject to Board action:

| <u>Account</u> | <u>Balance</u> | <u>Action</u> |
|----------------|----------------|---------------|
| 535-042-09-43  | \$1,788.00     | Lien          |
| 535-042-09-55  | \$3,898.80     | Lien          |
| 535-042-10-46  | \$1,889.60     | Lien          |
| 535-042-11-13  | \$1,776.40     | Lien          |
| 535-042-11-33  | \$1,793.20     | Lien          |
| 535-042-11-46  | \$1,900.30     | Lien          |

**Motion:** Upon a motion made by Pete Thistle, seconded by Jim Cox, and carried, the Board of Directors approved the above stated collection actions pursuant to the aging report and the Association's Collection Policy.

**INVESTMENTS:** Management presented the recommendations of Merrill Lynch to invest the \$204,545.44 which is currently in the Association's reserve account. Their recommendation is as follows:

- \$40,000 to a 12 month CD
- \$40,000 to an 18 month CD
- \$40,000 to a 24 month CD
- \$40,000 to a 30 month CD
- \$45,545 (remainder) to remain liquid in the reserve money market account

**Motion:** Upon a motion made by Harold Dokmo, seconded by Jim Cox, and carried, the Board of Directors approved the recommendations as made by Merrill Lynch.

**COMMITTEE  
REPORT:**

Todd Ruth, Committee Chair, presented the following information as recommendations of the Committee from a meeting held on May 5, 2008:

- Communications: Pat McArron is to create an on-line calendar to show residents the availability of the Association's amenities.
- Water Leak Detection: Recommendation for amendment to the supplied documents were made
- Dog Policy: Recommendation for amendments to the Association's Pet Policy were made
- Move Policy: Recommendation to offer 'renting tips' to Homeowners who rent their units
- Radio: Suggested a trial run in the lobby
- Speed Bumps in Garage: Committee voted against the placement of speed bumps in the garage unanimously

**NEW BUSINESS:** Water Treatment Proposal: Management presented the Board of Directors with a notice from Aquatec (current water treatment company) informing us of an increase in their monthly rate from \$650 to \$715. Management also presented a proposal from Aquaclear to provide water treatment services in the amount of \$345 which includes water softener testing, logbooks, and calibration.

**Motion:** Upon a motion made by Harold Dokmo, seconded by Jim Cox, and carried, the Board of Directors accepted the proposal from Aquaclear for \$345 a month and directed Management to terminate the Association's current water treatment company, Aquatec.

Annual Reserve Study Proposal: Management presented a proposal from Barrera and Company to provide a reserve study update as required by California Civil Code 1365.2.5. The cost of the level 3 study is \$550.

**Motion:** Upon a motion made by Pete Thistle, seconded by Harold Dokmo, and carried, the Board of Directors accepted the proposal for a level 3 study produced by Barrera and Company in the amount of \$550.

**Smart Property Proposal:** Management presented a proposal from Smart Property to provide software which incorporates the Association's reserve study and maintenance manuals. The system helps maintain warranties, costs, and maintenance schedules. There is a one-time set up fee of \$1995 (will be waived) and a monthly fee of \$350.

No action was taken. The Board of Directors asked for Management to have a representative of Smart Property to make a presentation at the next meeting.

**Union Street Planters:** Management presented a proposal from Benchmark landscaping to provide a choice of a Tropical or Mediterranean layout of plants to be placed in the planters on the Union Street entrance. If accepted, either layout would cost \$2140.

No action was taken. The Board of Directors asked for more time to review this proposal.

**OLD BUSINESS:** **Children's Museum Discussion:** Steve Sparta, Vice President, informed the Membership present of the events which occurred on the Museum's opening day. He stressed the importance of safe driving while in the garage by maintaining a slow speed and turning your headlights on.

Richard Schneider, supervisor for Allied Barton Security, was in attendance and was instructed to alert his staff at the Pinnacle to carefully monitor the garage/traffic concerns and to also vigilantly enforce a restriction against the Children's Museum using Association property for open flame cooking/food preparation.

**Amenity Room Countertop:** Management presented the Board of Directors with a number of samples provided by the Developer as a means to replace the existing damaged countertop.

**Motion:** Upon a motion made by Steve Sparta, seconded by Jim Cox, and carried, the Board of Directors approved the installation of 'Gris Carmel' in the Amenity Room Kitchen.

**HOMEOWNER**

**FORUM:** The floor was opened for homeowner's comments. The following items were raised for discussion:

- Request for update on water detection installation
- Inquiry as to the different amounts of assessments

**NEXT MEETING**

**DATE:** The next Open Session of the Board of Directors meeting will be held on June 19, 2008 at 6:00 p.m.

**ADJOURNMENT:** With no further business to come before the Board of Directors at this time, the Open Session adjourned at 7:37 p.m.

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