

BOARD MEETING MINUTES
LOS PASEOS HOMEOWNERS ASSOCIATION
March 8, 2106

- 1) Call to Order --Robert called the meeting to order at 7:07pm. In attendance were Robert Lombardi, President; Alex Fasan, Vice President; Gizelle Lamb, Treasurer; Gregory Cook, Secretary; Judy Seps, Associate Representative; Sarah Barber, Office Manager. Also in attendance were: Jenni Anderson, Homeowner; and Greg Tanner, Homeowner.
- 2) Approval of February 2016 Minutes -- Motion to be approved made by Gizelle, seconded by Alex. Motion passed.
- 3) Open Forum:

Members in good standing are free to speak about issues. Speakers must observe rules of decorum and not engage in obscene gestures, shouting, profanity or other disruptive behavior. Each speaker will have three minutes to talk. If they are in the middle of a sentence when time is called, they may finish their thought before sitting down. The time guidelines ensure that others will have an opportunity to speak.

Greg Tanner – Raised concerns about the ballot counting process for the approval of the CC&R and Bylaws. These concerns in detail have been communicated to the Board. In general, Greg T. wanted it known that in his opinion the ballot counting process had some inconsistencies and in two cases, was not completely within the strict interpretation of the rules. Alex stated that the ballot counting was conducted in a fair and aboveboard manner, and that the votes are an accurate count and indicate the will of the Homeowners. Gizelle further clarified that the continued delay of the ballot count (until we had enough ballots to be considered a majority) was suggested by our attorneys based on their experience in these kinds of votes. Greg T. also wanted to comment on the appearance of hiring a contractor (for the landscaping) who also does work for one of the Board Member's commercial properties might be construed to be a conflict of interest. The Board responded that a proper set of bids was obtained, and this contractor was the lowest, and further that a commercial working relationship in itself does not constitute a reason to reject a bid.

- 4) Swim Team Contract: During the process of reviewing the contract, the board noted that there is no language regarding unsupervised swimmers. It was noted that last year there were issues with unsupervised children during swim practice and that this is a potential liability issue if they were to get hurt playing near HVAC equipment or behind the pump house.. Alex made a motion to include a line in the contract that during swim team hours there should not be any unsupervised children south of the pool, below the grass area or south of the deck, and specifically no access to

the shed area. It was noted that the Association cannot risk the potential liability of children out of sight, but still on the property. Alex motioned that the following paragraph be added to the contract: "Section 4.6.6. During swim team practice hours, any children not involved in the current scheduled practice are only allowed to be under close supervision of their parents or in the sport court area." Greg seconded. The motion passed.

5) Associate Member Representative Report

- a) Judy asked about painting the rust on the diving board. Gizelle responded that the painting will be scheduled as soon as it stops raining and the surfaces were completely dry.
- b) It was noted that there is further work that will need to be done to the pool deck to address water ponding issues. This work is not scheduled to be completed this year.
- c) Swim Team diving blocks -- They should be replaced, but the problem is that the new blocks might need bigger holes. As the deck work noted above is for the drainage, it would not apply to the area near the blocks. The Board recommends that the Swim Team pay for extra work in enlarging the holes, or purchase new diving blocks that fit the current holes. As there is only eight weeks until the pool opens, it is likely that the old blocks will have to serve their purpose one more year.
- d) Activities which are planned for this year are: Movie Night on the Lawn, Family Fun Night, and Wine Tasting (September).

Financial Report

- e) Current Account Balances
 - i. Focus Checking -- \$66,440.94
 - ii. Focus Reserve Account -- \$15,697.08
- f) Landscaping -- The turf replacement project for the front lawn area is completed. In order to qualify for the rebate from the Santa Clara Water District, we needed a pre-inspection in order to submit an application. Once the application was approved by the water district, the work commenced to remove the grass and install the approved drought tolerant plants. The work was completed and the post inspection photos were sent to the water district. Our application is in the que for payment (our rebate will be approximately \$16,000). The rules are that the new plants must cover 50% or more of the grass area, and plants must be picked from a list of approved plants provided by the water district. We have received an e-mail that indicating that our post inspection was approved and we should be receiving a check in eight to ten weeks. The amount of the rebate will cover the cost of the landscaping with an overage of approximately \$5,000; this will be applied to the cost of the installation of the new gazebo and BBQ islands in the upper barbeque area that was previously approved by the board.

- g) Dues -- quite a few conscientious (and appreciated) Homeowners have paid their dues; the exact number to date will be reported at the March Board Meeting.
- h) It was noted by Gizelle that we need to get an appraisal to get an actual valuation of the Clubhouse and other assets. Once this is accomplished the CPA can create an accurate balance sheet. We will ask Melinda if she can recommend an appraiser.

6) Committee Reports

a) Architectural Committee

- i. Approvals -- 1 approval: **XXXX** Via Maria. There is a dead tree that needs to be removed (requires Association and City of San Jose to approve.)
- ii. Houses sold -- no changes
- iii. Houses for sale – 7038 Via Pradera
- iv. Violation Letters Sent -- Violation letters noted last month have been sent out
- v. All late fees have been paid.

7) Office Report

a) Clubhouse Manager Report

- i. An estimate has been received for repairs to the furnace and will be reviewed.
- ii. The 2015 tax return has been completed by the CPA. All appropriate documents were signed at the meeting.
- iii. The independent auditors report needs to be sent to the Homeowners 120 days after the report is finalized.
- iv. Focus Bank was bought out by Heritage Bank, and we currently don't have access to some cancelled checks. We are currently working on this issue.
- v. For the record, the annual tax returns and accounting audit are done at the same time by our CPA.
- vi. Rental report – there was one this past Saturday, and another scheduled for March 19th.
- vii. Collections: Two owners are in bankruptcy and two are in regular collection.

8) Old Business

- a) Security cameras – The fan on the server is broken and cannot be turned on. Alex will try to return the unit at Costco, and if that is not possible then we will try to replace the fan.
- b) Rules and Regulations Working Session: This item was tabled, and a review session was scheduled for Monday, March 21 @ 7pm at Gizelle's house.
- c) Dealing with Bankruptcies – this has been a difficult process, Sarah reports that calls to the various agencies are not returned.

- d) Windows in the Kitchen – received a quote for \$3310, which is lower than the budgeted amount of \$5000. We are moving forward with the replacement.
- 9) New Business
- a) Sarah has tendered her resignation as Office Manager. The Board recognizes her excellent service to the Association and wishes her well in the future. In order to both facilitate transitioning to the new Office Manager as well as recognizing Sarah's dedication to the Association, Greg motioned the Board approve a free pool membership for Sarah for the 2016 Season. (All Office Managers have free pool memberships as part of their compensation.) Gizelle seconded, and the motion passed.
 - b) As decided in a Board Executive Session, after interviewing three excellent candidates, the Board voted to offer Lisa Gasparovic the position of Office Manager.
- 10) Adjournment – Rob made a motion to adjourn the meeting at 8:53 pm. Greg seconded. All were in favor.