

COWELL HOMEOWNERS ASSOCIATION, INC.

Open Session Board of Directors Meeting • Thursday, October 28th, 2021

BOARD MEETING MINUTES

Board Members Present	Mike Kindorf	President
	Brian Beckon	Secretary
	Rebecca D'Lima	Director at Large
	Ken Dixon	Director at Large
	George Fulmore	Director at Large

Others in Attendance Bill Mazza of Common Interest Management Services

Meeting Location Teleconference

CALL TO ORDER

The meeting was called to order at 7:02pm. It was determined that a quorum was present.

HOMEOWNER'S OPEN FORUM

The Homeowner's Open Forum was held for those in attendance.

APPROVAL OF MINUTES

A motion was made and seconded to approve the minutes from the September 2nd, 2021 Board of Directors meeting. **The motion carried unanimously.**

A motion was made and seconded to approve the minutes from the September 23rd, 2021 Board of Directors meeting. **The motion carried unanimously.**

A motion was made and seconded to approve the minutes from the September 23rd, 2021 Annual Meeting of the Members. **The motion carried unanimously.**

COMMITTEE REPORTS

Committee Chair Dixon provided the Board with an update from the October Architectural Committee meeting. The Board was also given the General Manager's report detailing ongoing projects and any noteworthy property updates.

TREASURER'S REPORT & FINANCIAL REVIEW

Item: Treasurer's Report

The Treasurer's Report was provided to the Board.

Item: Financials as of September 30th, 2021

The Board received and reviewed the Association's financials dated September 30th, 2021.

NEW BUSINESS / ACTION & DISCUSSION ITEMS

Item: 2022 Insurance Renewal

Because the Association's insurance policies all expire on December 31st, 2021 and renewal quotes and proposals are typically not provided by carriers more than a few weeks before the end of the policy's term, the Board discussed its options for ensuring that there was no lapse in insurance coverage.

A motion was made and seconded to delegate the authority to approve the Association's 2022 insurance policies to Director Kindorf. **The motion carried unanimously.**

Director Kindorf was instructed to report back to the Board prior to approving a policy should the cost be significantly higher than originally anticipated.

Item: Clubhouse Deck/Balcony Inspections

The Board discussed the potential need for having a third party inspect the Association's clubhouse balconies/decks, given some comments that were made by previous Association clubhouse employees when the Clubhouse was previously available to reserve.

A motion was made and seconded to approve having the Clubhouse decks/balconies inspected with a NTE (Not To Exceed) of \$2,000.00. **The motion carried unanimously.**

The Board also directed management to begin discussions with vendors regarding the condition of the deck surface above the two storage closets facing the lifeguard shack, as there were concerns that it might be in need of resurfacing or repairs to prevent water from leaking into the storage areas.

Item: Clubhouse Deposit Income Reclassification

The Association's financials include a line item called *Clubhouse Refundable Deposits*, which shows as a liability on the financials since it was indicated that these funds are deposits that should by name be refunded back to homeowners who rented out the Clubhouse. As of September 2021, this category is showing as a liability on the financials in the amount of \$3,094.25. However, the Clubhouse has not been rented since early 2020, and record-keeping related to this line item is lacking.

Being that nearly two years have elapsed since the Clubhouse was last available to rent, the Board believed it safe to assume that any resident who had their rental deposit check cashed has since requested their appropriate refund. From there, the Board thought it reasonable to surmise that the remaining \$3,094.25 is made up of either 1) income that was improperly classified as *Clubhouse Refundable Deposits*, or 2) a deposit that was held or a fee incurred as a result of damage to the Clubhouse or a breach of the Clubhouse rental contract.

After a consideration of all information available, a motion was made and seconded to reclassify the \$3,094.25 currently classified as *Clubhouse Refundable Deposits* to *Other Income*, so that it no longer considered a liability on the Association's financials. **The motion carried unanimously.**

Item: 2019 Lawsuit Insurance Reimbursement Settlement Agreement

Following the conclusion of the 2019 lawsuit, the Association has been negotiating with its Directors & Officers insurance carrier for reimbursement of incurred legal fees. After a lengthy negotiation, a settlement agreement was finally reached.

A motion was made and seconded to ratify approval of the *Settlement Agreement and Mutual Release of All Claims* between Cowell Homeowners Association, Inc. and Continental Casualty Company, a subsidiary of CNA Insurance.

Item: Main Pool Gym Entrance Project

Because the Main Pool rehabilitation project has been pushed back in favor of the more urgent East and West Pool pump room rehabilitation projects, management requested direction from the Board regarding whether the Clubhouse gym entrance project (where the gym entrance and surrounding pool deck would be modified so that residents could access the gym outside of normal Main Pool or Clubhouse hours) might be considered its own, independent project, or incorporated into the future Main Pool rehabilitation project.

The Board directed management to see if a preliminary cost estimate for this Main Pool Gym Entrance project could be obtained. The Board will then make a determination based off of that information.

Item: Mulch Installation

A motion was made and seconded to approve proposal #16993-OL in the amount of \$11,871.55 from JetMulch for delivery and installation of approximately 164 cubic yards of walk-on bark in six pre-determined locations. **The motion carried unanimously.**

Item: Over-Seeding Proposal

A motion was made and seconded to approve proposal #SMP(e)-12965 in the amount of \$9,800.00 from Mike McCall Landscape to over-seed some of the bare and thinning areas of turf throughout the greenbelt and common areas. **The motion carried unanimously.**

STANDING ITEMS

Item: Rental Requests

No action taken at this time.

Item: Association Committees

No action taken at this time.

Item: Late Fee Waiver Requests

No action taken at this time.

Item: 2021 Reserve Projects Discussion

The Board reviewed proposed, pending, and ongoing reserve projects for 2021.

Item: Good of the Order / Director's Comments

The Good of the Order / Director's Comments portion of the meeting was held for those in attendance.

Director Fulmore announced his resignation from the Board of Directors immediately following the conclusion of this meeting. The Board thanked Director Fulmore for his service over the last year.

MOTION TO ADJOURN

There being no further business and no objections, a motion was unanimously carried to adjourn the meeting at 8:43pm.

EXECUTIVE SESSION SUMMARY

Per Civil Code § 4935(e), any matter which was discussed in Executive Session must be generally noted in the minutes of the immediately following open Board meeting.

The Board of Directors met in Executive Session on October 28th, 2021 and discussed third-party contracts and Association employees. The Board ratified approval of a contract with Admiral Security effective October 1, 2021. At the previous Executive Session meeting, a contract with Guardian Security was initially approved. Unfortunately, there were subsequent issues related to the contract and scheduling, so a decision was made to instead approve the contract with Admiral Security.

BOARD CERTIFICATION

I do hereby certify that the foregoing is a true and correct copy of the Minutes of the Cowell Homeowners Association Board of Directors meeting as approved by the attending Directors.

M. WINDOLF

Director's Name

M. Weil

Signature

BOARD PRESIDENT

Office / Position

06 DEC 2021

Date