

PGA WEST RESIDENTIAL ASSOCIATION, INC.

Board of Directors' Meeting

JULY 16, 2009

2:00 PM

Board Member(s) Present:

- Richard Moore, President
- Russ Long, Treasurer
- Nancy Aprile, Secretary
- Ray Shaffer, Director
- David Sari, Director

Board Member(s) Absent:

- Carl Brooks, Vice President
- Don Mann, Director

Also Present:

- Michael Walker, General Manager
- Kelly McGalliard, Operations Manager

CALL TO ORDER

Richard Moore called the meeting to order at 2:03 PM in the PGA WEST Residential Association Customer Service Center Meeting Room.

MINUTES FOR PREVIOUS MEETINGS

Approve & Waive Reading of Minutes – Board of Directors' Meeting of 5/21/09, Executive Session of 5/21/09, and Special Board of Directors' Meeting of 6/25/09 – Russ Long made a motion to approve and waive the reading of the minutes from the Board of Directors' Meeting of 5/21/09, Executive Session of 5/21/09, and Special Board of Directors' Meeting of 6/25/09. Seconded by Ray Shaffer; passed unanimously.

OPEN FORUM

Jean Gilchrist of 55-105 Oak Hill stated she was not able to attend the Annual Meeting and was observing this meeting to find out what is currently going on with the Association. She had no comments.

FINANCIAL

- **Operating Fund Financial Statement as of 5/31/09** – Dave Sari made a motion to accept the Operating Fund Financial Statement as presented. Seconded by Russ Long; passed unanimously.
- **Accounts Receivable Summary as of 5/15/09** – Dave Sari made a motion to accept the Accounts Receivable Summary as presented. Seconded by Russ Long; passed unanimously.
- **Request for Board of Director's Authorization to Record Delinquent Assessment Liens** – Russ Long made a motion to authorize Peters & Freedman to proceed with recording delinquent assessment liens on the accounts listed below. Seconded by Nancy Aprile; passed unanimously.
 - P100-00704-066-02
 - P100-00102-031-01
 - P100-00229-420-01
 - P100-00120-323-01
- **Small Claims Update** – Kelly McGalliard stated that to date 15 small claims actions have been filed. Three of the 15 claims were heard by the court on Monday, July 13, 2009. The Association won on all three claims for a total of \$12,499 plus costs. Abstract of Judgments will be filed on the three accounts in an attempt to compel payment. The other 12 small claims actions are pending and are scheduled for court hearings in the future. 10 additional claims are going to be filed within the next couple of weeks.
- **Reconstruction Fund Financial Statement as of 5/31/09** – Ray Shaffer made a motion to accept the Reconstruction Fund Financial Statement as presented. Seconded by Nancy Aprile; passed unanimously.

OLD BUSINESS

Final Cost Summary 1)Lake SRP-2 Repair 2)Lake Access Repair (Greens Special Assessment) – Nancy Aprile made a motion to approve the final cost summary for the repair of Lake SRP-2 totaling \$148,590. 75% of the total is to be paid by Greens Owners. Each Greens Owner will be assessed \$589.66. Seconded by Russ Long; passed unanimously.

Ratify Ballot of June 5, 2009 Regarding Pool Pumps – Nancy Aprile made a motion to ratify the ballot of June 5, 2009, to purchase and install 108 Pentair VS+SVRS Pool Re-circulating Pumps. IID has indicated that upon completion of the installation of the 108 VS+SVRS pumps, a rebate of approximately \$46,139 will be forthcoming. Seconded by Ray Shaffer; passed unanimously.

Legal Opinion Letter of 6/30/09 Peters & Freedman Re: FHTM – Richard Moore stated that at the Special Board of Directors' Meeting on June 25, 2009, the Board of Directors instructed management to obtain an opinion letter from the Association's legal counsel before proceeding with the Fortune High Tech marketing ballot. The Legal Opinion letter for Fortune High Tech Marketing is attached to the ballot.

Ratify Ballot of June 25, 2009 Regarding – Russ Long made a motion to ratify the ballot of June 25, 2009, to authorize the Association to join Fortune High Tech Marketing, a revenue sharing program that would give the PGA West members an opportunity to join in the revenue sharing as well as earn additional savings with on-line purchasing at numerous well established retailers. Seconded by Ray Shaffer; passed unanimously.

Letter Kelly McGalliard PGA West to Riverside County Health Department 6/16/09 – Richard Moore stated that the County of Riverside wants the Association to purchase a permit for each pool that the new pumps are being installed, at a cost of \$400 per pool. Kelly McGalliard wrote a letter to the county objecting to this cost as being extremely high unjustified. As an alternative, five permits were pulled, representing one permit for each of the various pool types, as built by five different pool construction contractors.

Response Letter of Riverside County Health Department to PGA West Residential Association, Inc. – Richard Moore stated the County of Riverside replied to the letter written by Kelly McGalliard by disagreeing that the \$400 permit fee per pool is excessive; but did not comment on the Association purchasing the five permits.

NEW BUSINESS

Update Contract Negotiations for Bulk Cable – As authorized by the Board of Directors, Kelly McGalliard and Mike Walker made an effort to renegotiate the Time Warner Cable contract. Kelly McGalliard stated that Time Warner Cable agreed to a three year contract as opposed to a five year contract. However, if the three year contract is chosen, benefits and incentives will be lost that are included in the five year contract. Management is attempting to find competition for video service.

Mike Walker stated that Dish Network was contacted and unfortunately they did not have anything to offer the Association. Direct T.V. was also contacted and is currently working on a proposal to submit to the Association. Verizon installed underground conduit for cable television, telephone and high speed internet about two years ago. With the condition of the economy as it is, Verizon will not be offering a contract to the Association for cable television at this time.

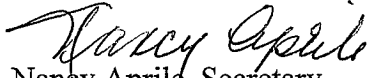
The next Board of Directors meeting is scheduled to be conducted on Thursday, September 17, 2009 at 2:00 PM.

Nancy Aprile made a motion to adjourn the board meeting at 2:52 PM. Seconded by Russ Long; passed unanimously.

EXECUTIVE SESSION

An Executive Session was conducted immediately following the Board of Directors' Meeting with the Board of Directors, the General Manager and Operations Manager.

Respectfully submitted,



Nancy Aprile, Secretary
PGA WEST Residential Association, Inc. Board of Directors