



**Board of Directors' Meeting Minutes
In Person and Via Zoom
September 7, 2023
9:00 AM**

Board Member(s) Present:

- Jan Van Willigen, President
- Laurel Klaus, Vice President
- Jim Young, Treasurer
- Paula Turner, Secretary
- Carol Nolte, Director (via Zoom)
- Dean Rivale, Director
- Jay Agoado, Director

Also Present:

- Michael Walker, General Manager
- Kelly McGalliard, Operations Manager
- Doug Enroth, Pinnacle Design
- Patrick Prendiville, Prendiville Insurance Agency
- Matt Lawton, Prendiville Insurance Agency

CALL TO ORDER

Jan Van Willigen called the meeting to order at 9:00 AM. The Board of Directors, Management and six homeowners were present in person at the HOA office, which is located at 54-320 Southern Hills La Quinta CA. There were additional homeowners present via Zoom.

Meeting Minutes

Paula Turner made a motion to approve the minutes of the Board Meeting of June 8, 2023, the Executive Sessions of June 8, July 12, July 13, and August 11, 2023. Seconded by Laurel Klaus; passed unanimously.

Financial Statements

Jim Young provided a Treasurer's Report, which included an overview of the July 2023 month end financial statement, as well as a summary of the year-to-date financial position of the Association. Jan Van Willigen made a motion to accept the Operating Fund Financial Statement as of July 2023, Accounts Receivable Summary of August 31, 2023, Financial Review Certification for May, June and July 2023, and 2nd Quarter Bank Statements as presented. Seconded by Paula Turner; passed unanimously.

Jan Van Willigen made a motion to proceed with initiating a Delinquent Assessment Lien on Parcel 775141027. Seconded by Dean Rivale; passed unanimously.

Old Business

Master Landscaping Plan Update – Doug Enroth – Mr. Enroth of Pinnacle Design Company presented a PowerPoint depicting the proposed landscape design for the area adjacent to the Oak Hill Wall, the area surrounding Association Lakes, the area surrounding the 54 pool and spa sites, common area green spaces, and sample landscape designs for each unit type, i.e., Champion, Legend, Greens...

Insurance Proposal Policy Period 10/01/23 – 09/30/24 Patrick Prendiville – Patrick Prendiville presented Prendiville Insurance Agency's proposal to the Board for the Association's insurance for the policy period 10/01/23 – 09/30/24. Mr. Prendiville advised the Board that the insurance marketplace has become very limited, with multiple carriers no longer writing policies in California. Philadelphia Insurance declined to bid, as did other carriers. Farmers Insurance was the sole bidder for property coverage.

Jim Young made a motion to approve the proposed Bare Walls policy to be effective on or about January 1, 2023. Seconded by Paula Turner; passed unanimously. Summarily, the Board voted in favor of changing the property policy from a 'Walls-In' Policy to a 'Walls Out' policy. What this means is that the new policy, which will go into effect in 90 days, (January 1, 2024) will cover the interior of each unit, up to and including the studs, drywall, and rough electrical and plumbing hook ups. Owners are required to insure the flooring, cabinets, countertops, plumbing, and electrical fixtures. This type of policy is consistent the Association's CC&Rs and allows for a straightforward description of the unit owners' insurance coverage needs.

Jim Young made a motion to approve a \$10M Earthquake policy with a 30% deductible. Seconded by Dean Rivale; passed unanimously.

Jan Van Willigen made a motion to authorize Management to review and select a workers' compensation policy. Seconded by Jim Young; passed unanimously.

Homeowner Conduct Rules – Review Owner Comments – The Board reviewed 21 homeowner comments regarding the proposed Anti-Harassment & Anti-Discrimination Policy. There were two edits made to the policy by the Board of Directors, one intended to replace subjective language as it relates to the definition of harassment, and one to include the following language in the document: "Likewise, it is required that owners (including their guests, tenants, residents, occupants, and all other persons affiliated with the owners' units) behave in a manner that is respectful and professional when interacting with any person on the Association's development, including other homeowners and residents, Association staff, Board members, vendors, contractors, employees, and workers."

Establish Pool/Spa Heating Schedule 2023 and 2024 – Management presented various scenarios of pool heating schedules, based upon the information that is available at this time. Jim Young made a motion to heat 26 pools and 26 spas on a rotating basis. Seconded by Paula Turner. Jan Van Willigen, Laurel Klaus, Jim Young, Paula Turner, Carol Nolte, and Dean Rivale voted in favor of the motion. Jay Agoado voted in opposition to the motion.

Oak Hill MA Wall Repair Status – Kelly McGalliard reported that Henry’s Masonry has completed the reconstruction of the Oak Hill wall that collapsed because of a Ficus Tree blowing onto it during the February 21, 2023 windstorm.

Update Bank Transition – James Young stated that the Association’s transition from Pacific Western Bank to Bank of America is progressing. No action required; none taken.

Landscape Maintenance Extension Agreement – The Board instructed Management to inform Sunshine Landscape Company that the 2023 Landscape Maintenance Agreement may be extended, without increase, for a period of six months, during which time the Board and Management will assess whether Sunshine Landscape Company will be invited to bid on the Landscape Contract for the following contract period.

New Business

Michael Walker Letter of Intent to Retire – Michael Walker, General Manager for PGA WEST Residential Association for the past 32 years submitted a letter of intent to retire on January 31, 2024.

Appoint Successor General Manager – Following receipt of Mr. Walker’s letter regarding his forthcoming retirement, Jan Van Willigen made a motion to appoint Kelly McGalliard, PCAM, AMS, CCAM, and who has served as PGA WEST Residential Association Operations Manager since June 1996, to serve as General Manager effective January 1, 2024. Seconded by Dean Rivale; passed unanimously.

2023 Reserve Painting Contract – 24 units stucco and trim, 117 units trim only – The Board considered four proposals for painting stucco and trim on 24 Champion units and trim on 117 units. Jan Van Willigen made a motion to award the stucco and trim portion of the work to Ivan’s Painting, and the trim only portion of the work to MC Painting. Seconded by Jay Agoado; passed unanimously. This work shall be completed in 2023.

Draft Plumbing, Water, Mold Disclosure – In July 2023, prior to the tropical storm and monsoonal rain, the Board discussed water damage. The discussion primarily revolved around interpretation of the Association’s governing documents as they relate to responsibility. Consequently, the Board directed Management to request that legal counsel prepare a disclosure regarding Plumbing, Water and Mold. Please note, the document is not a new policy, nor does it contain any new rules. It clarifies what is stated in the Association’s existing governing documents and California law.

Reserve Allocation to Landscape Renovation – The Association’s Reserve Study contains a recurring line item that is intended to fund ‘special landscape’ projects. The amount has ranged from \$60K to \$100K, and last year it was increased to \$200K. The Landscape Committee requested that the amount remain at \$200K for 2024. The next project is to install landscaping on the inside of the Oak Hill Wall, in accordance with the new Master Landscape Plan. Jan Van Willigen made a motion to allocate \$200K to the reserve line item for landscape renovation. Seconded by Laurel Klaus; passed unanimously.

2024 Roof Maintenance Contract – The Board considered bids from two roofing contractors, BRS Roofing and RAM Roofing. Both contractors have successfully completed roofing work within the Association; however, BRS’ proposal to perform the 2024 Roofing Maintenance is the low bid. Jan Van Willigen made a motion to award the 2024 Roof Maintenance contract to BRS Roofing. Seconded by Jim Young; passed unanimously.

2024 Street Sweeping Contract – Management recommended that Marvin’s Sweeping be awarded a sole source contract for the 2024 Street Sweeping. This recommendation is due to having contracted with two other sweeping companies in recent years and not being satisfied with the performance of either of those contractors. Marvin’s Sweeping has provided quality service since July 2022, and the increase they proposed for 2024 is less than one percent. Jim Young made a motion to approve Marvin’s Sweeping 2024 contract as presented. Seconded by Dean Rivale ; passed unanimously.

2024 Tremblay Contract – To date the Association has replaced 150 dilapidated fiberglass gates with metal gates. Thus far the new gates have been well received and are performing well. Management developed a list of 50 gates proposed to be replace in 2024 by Tremblay Iron Works (the same company that manufactured and install the 150 existing gates). Tremblay proposes to replace the next 50 gates at no increase over the 2022 and 2023 contracts. Jan Van Willigen made a motion to approve Tremblay’s contract as presented. Seconded by Jim Young; passed unanimously.

Foam Roof Coating Contract – Many flat roofs within the Association have polyurethane foam applied in lieu of the former tar and gravel built up roofing. These foam roofs need to be recoated periodically to ensure that they remain watertight. The Board considered proposals from two roofing contractors. Jan Van Willigen made a motion to award the Foam Roof Coating System Contract to recoat 286 polyurethane roofs to BRS Roofing. Seconded by Jim Young; passed unanimously.

Spectrum Bulk Renewal Contract –The current 5-year Spectrum Internet and Cable Contract will expire in December 2024. The Board is beginning the process of determining what type of internet and/or cable contract to consider for the future. Spectrum is proposing an early renewal contract, which the board is considering. No action required at this time; none taken.

2024 BOD Calendar and Holidays – The Board agreed to the following dates for 2024 Board of Directors’ Meetings, Annual Membership Meeting, and 2025 Budget Workshops:

Board of Directors’ Meetings:

January 25, March 12, May 16, July 18 and November 7 2024 – All BOD meetings at 2:00 PM

Annual Members’ Meeting: Thursday, March 7, 2024 at 9:00 AM

1st 2025 Budget Workshop: September 26, 2024 at 9:00 AM

2nd 2025 Budget Workshop: October 30, 2024 at 9:00 AM

Retention Policy – The Board reviewed a retention policy that is based upon what Association records must be retained and for how long. The Board and Management would like to dispose of records that are unnecessary to preserve and digitize records of the Association. No action required; none taken.

Proposal Digitalize HO records ubeo – Kerri Schutz, Homeowner and Senior Account Executive with ubeo provided a proposal to digitize homeowner files for 1,422 units. Although the Board is interested in digitizing records, there are no funds currently allocated for this purpose. The Board agreed to consider such a cost at the forthcoming budget workshop.

Consider appointment of a Health & Safety Committee – Pursuant to the request of a homeowner, the Board considered establishing a Health & Safety Committee. Upon due consideration, the Board determined that the duty of the Board and Management is to make decisions based upon health and safety, which is already how PGA WEST Residential Association’s Board and Management operate. No action required; none taken.

Committee Reports – The Landscape/Pool Committee Report, the Architectural Committee Report, the Compliance Committee Report, the Master Association Report, and the Communication Report were provided by the respective Committee Chairs, Paula Turner, Dean Rivale, Jay Agoado, Jim Young, and Carol Nolte.

In conjunction with Mr. Young’s Master Association (MA) report, he stated that the MA requested that Res I share the cost of clean up of a Ficus tree that fell on PGA Boulevard during a windstorm in February 2023. Paula Turner made a motion that Res I will approve sharing the cost of clean up of the Ficus tree, if the MA pays for 50% of the reconstruction of the portion of the perimeter wall that was damaged when the subject tree fell. Seconded by Jan Van Willigen. Discussion ensued. Jan Van Willigen, Laurel Klaus, Jim Young, Paula Turner, Carol Nolte, and Jay Agoado voted in favor of the motion; Dean Rivale opposed the motion. Motion passed, 6 in favor to 1 opposed. Management was instructed to provide a letter outlining the Res I Board’s position on this matter.

Correspondence – Homeowner, Sharon Stegmuller, provided an email thanking staff for the prompt response to issues related to Storm Hilary.

General Manager’s Report - Michael Walker, General Manager, provided information regarding Association activities, including utility consumption updates, work order report, speed report, landscape, pest, lake, pool, and maintenance departments.

Of note, Mr. Walker informed the Board that due to a court of appeals decision, Boards may now communicate via email, providing that the email conversations do not include deciding on an Association related matter.

Also discussed was a practice that the MA patrol has conducted for years, which is to allow PGA WEST owners access to the Res I parking lot after hours and on weekends for the purpose of parking oversized vehicles in the Association lot. Jim Young made a motion to request that the MA continue to instruct patrol to assist with access to the Res I facility parking lot. Seconded by Jan Van Willigen; passed unanimously.

Open Forum – The homeowners were invited to address the Board. Topics discussed include a complaint about the palm tree trimming, digitalization of HOA documents, Dwelling Live (MA software program), and the lawn scalping schedule.

Jan Van Willigen made a motion to adjourn at 1:30 PM. Seconded by Carol Nolte; passed unanimously.

Respectfully submitted,

Paula Turner, Secretary

A handwritten signature in cursive script that reads "Paula Turner".

The next Board of Directors' Meeting is scheduled for
November 2, 2023 at 2:00 PM

An Executive Session to discuss legal issues and member discipline was conducted immediately following the Board of Directors' Meeting.