



**Board of Directors' Meeting Minutes  
May 8, 2019  
3:00 PM**

Board Member(s) Present:

- Richard Moore, President
- Jan Van Willigen, Vice President
- Bob Shipley, Treasurer
- Paula Turner, Secretary
- Carol Nolte, Director
- Gavin Schutz, Director
- Dale Lauer, Director

Also Present:

- Michael Walker, General Manager
- Kelly McGalliard, Operations Manager
- Richard Calquhoun and Jessie Contreras, Sunshine Landscape

**CALL TO ORDER**

The Board of Directors' Meeting was called to order by Richard Moore at 3:00 PM in the PGA WEST Residential Association Main Meeting area.

**MINUTES FOR PREVIOUS MEETINGS**

Richard Moore called for a motion to waive and approve the reading of the minutes of the three Board Meetings as presented in the Board packet. Jan Van Willigen made a motion to waive and approve the Executive minutes of March 22, 2019, the Board Meeting minutes of March 23, 2019 and the Organizational Meeting minutes of April 2, 2019. Seconded by Gavin Schutz; passed unanimously.

**OPEN FORUM**

Richard Moore expressed gratitude to Mr. Russ Long, Mr. Wayne LeBlang and Mr. Ken Northrup for their contributions to the Association. In recognition of their long-term service as Board Vice President, Board Treasurer and Architectural Committee member, respectively, a card and token of appreciation was provided to each of them. Mr. Le Blang was present; Mr. Long and Mr. Northrup were not.

Homeowners present included Sally Nilan, Robert and Kelly Trujillo, Cheryl Sommer, Debi and Darrell Snyder, Kathryn Wanshura, Elaine Lomenzo, Wayne LeBlang, Kylie Grenier, Dean Rivale, Kenn Ulrich, Steve and Edie Parker, Liz Schutz, Lisa Parker and Gail Wayne.

Mr. Moore asked if any of the homeowners who were present would like to speak in Open Forum. Mr. Ulrich inquired about the court hearings related to PGA WEST Residential Association, Inc. and PGA WEST Master Association. Mr. Moore responded that the MA Petition to dispense with the voting requirement to amend the MA CC&R's was denied. Mr. Moore also stated that the court did not feel that it was appropriate for them to require that the former seven person Board be reinstated; rather that the parties should meet and confer in an effort to reach an agreement as to how to resolve the issue of the conflicting Master Association documents.

Kathryn Wanshura stated that she attended the hearing the morning of the Board Meeting and she has concern that Dave Peters will be engaged by the MA to serve as the Inspector of Election when they go out to a vote of the membership regarding amending the MA CC&R's. She stated that there are two cases pending challenging Mr. Peters firm's integrity as it relates to handling the ballot preparation and receipt and processing of ballots.

Mr. Moore responded that the judge encouraged the MA and Res I to get together and come up with an amicable resolution to this situation.

No additional homeowner comments were made during the Open Forum.

## **FINANCIAL**

Bob Shipley provided a financial report of the March financial statements, and accounts receivable.

- **Operating Fund Financial Statement as of March 31, 2019** – Bob Shipley made a motion to accept the 03/31/2019 Operating Fund Financial Statement as presented. Seconded by Gavin Schutz; passed unanimously.
- **Accounts Receivable Summary as of April 15, 2019** – Bob Shipley made a motion to accept the Accounts Receivable Summary as presented. Seconded by Gavin Schutz; passed unanimously.
- **Authorization to Record Delinquent Assessment Lien on Parcel 775130011** – Paula Turner made a motion to authorize recording a delinquent assessment lien for Parcel 775130011. Seconded by Jan Van Willigen; passed unanimously.
- **Reconstruction Fund Financial Statement as of March 31, 2019** – Bob Shipley made a motion to accept the 03/31/2019 Reconstruction Fund Financial Statement as presented. Seconded by Gavin Schutz; passed unanimously.
- **Monthly Financial Review** – In accordance with Civil Code §5500, Richard Moore, President and Bob Shipley, BOD Treasurer, provided a report to the Board confirming that

they reviewed the March 2019 operating accounts, reserve account, operating revenue and expenses, account statements, income and expense statements, check register, monthly general ledger and delinquent assessment receivable reports.

## **OLD BUSINESS**

**Mark Copeland – SEIA - Schwab** – Mark Copeland of Signature Estate and Investment Advisors (SEIA) provided an overview of the Association’s investment accounts. Mr. Copeland stated that all of the Association’s investments are in accord with the Association’s very conservative investment policy. He further advised that the YTD the return on the investments is 1.4%, most of which is tax free. No action required; none taken.

**Update Bighorn Sheep Barrier** – Bob Shipley and Jan Van Willigen reported that the Coachella Valley Conservation Commission (CVCC) conducted a Special Meeting to consider the La Quinta Peninsular Bighorn Sheep Barrier Project and Final Environmental Impact Report (EIR). After review and discussion, the CVCC voted unanimously in favor of the EIR; consequently, the bighorn sheep barrier project is progressing. The next step in the process will be costing. It was also noted that CVWD has agreed to provide an artificial watering source on the mountain for the sheep. CVWD has existing water tanks in place. Although no specific fence installation date has been established, the intent is to begin installation in 2019.

**Traffic Study Committee Initial Recommendations** – Bob Shipley, Chair of the Ad-Hoc Traffic Study Committee informed the Board that the Committee has met and reviewed the Traffic Study Report prepared by RBI Traffic. At this time the Committee has seven recommendations based upon the study, the Association’s research and homeowner complaints. Those recommendations include: Install Cart Crossing Decals on pavement at 9 cart crossings, approximately 25’ prior to existing crosswalk (in one or both directions as applicable); Install 4 STOP signs making a 3 way STOP at Olympia Fields and Tanglewood (north and south) and at Tanglewood and Riviera (north and south) (each sign has a small 3 Way Sign below); Install Center Lines on several street curves – 4 on Shoal Creek; 2 on Oak Tree; 1 on Southern Hills (this install is as a test) (Tanglewood curve already installed); Install Solar Light on STOP sign eastbound on Pete Dye at Pebble Beach (demonstration); Install SLOW signs – 2 on Shoal Creek; 4 on Oak Hill; Install Maintenance Crossing Signs at Southern Hills GC Maintenance Yard (north and south) and Install 3 Radar Enforced Signs – 1 at the inbound boundary of Res I and Res II (northbound on Riviera); 1 at the boundary of Res I and Res II (north bound on Southern Hills); 1 at boundary of Res 1 and Res 2 on Winged Foot (Westbound at Southern Hills). The Committee respectfully requested authorization to expend up to \$4,430 to complete the stated project. Richard Moore made a motion to authorize the expenditure of \$4,430 to complete the work defined by the Committee. Seconded by Carol Nolte; passed unanimously.

**Landscape Committee Report** – Paula Turner provided an update from the Landscaping Committee. She stated that in 2017 and 2018 there were 30 pool areas on the Palmer side and 5 pool areas on the Stadium side that were renovated with an average cost of \$3,000 - \$3,500 each. Those pool areas received very little rock and no irrigation changes, nor was there much updating done outside of the fenced in pool area. In 2018 and 2019, the Board authorized additional funding to install plant material, rock and sprinkler modifications for eleven pools on the Stadium side. These pools received a more

extensive renovation, which included plants, rock, irrigation changes and portions of the outside of the fenced pool area were upgraded. The average cost for those pools was \$8,000 and they look much nicer than the original 25 pools that were formerly refurbished. There are 5 pools that were done in 2008 that need to be updated again. Paula Turner and Carol Nolte would like to walk the 30 pools that were initially done as part of the current renovation, plus the 5 pools that were landscaped in excess of 10 years ago, and determine what it would take to bring those pool areas up to the standard of the pool areas completed in late 2018 and 2019. Richard Moore made a motion to authorize Ms. Turner and Ms. Nolte, along with Bill Bobbitt, Landscape Manager, to proceed with determining the cost to bring the pool areas, which were previously refurbished to the same standard that the final 11 pools were renovated to. Seconded by Jan Van Willigen; passed unanimously.

Paula Turner advised that the Landscape Committee met and selected the 2019 fall flowers. The flowers will include a variety of flowers, which will be mixed to create an English Garden look. This is a flower palette that the Association has used in the past and has been well received by the residents.

Ms. Turner stated that there is a new member of the Landscape Committee, Dale Lauer. Mr. Lauer would like to Chair a Landscape Sub-Committee, which will investigate formulating a Long-Term Landscaping Plan for the Res I Community. Mr. Lauer stated that there are some long-term landscaping issues that the Association must come to terms with and plan accordingly. For example, water usage is critical from a usage as well as economic relationship to landscaping. Also, the landscaping currently in place is 30 years old. We have a state-of-the-art irrigation controller computer system, but it is operating an aging irrigation structure. Mr. Lauer expressed that landscaping is one of the most important facets of the community as it is the thing about the community that will shape first impressions and it is an important feature in maintaining and escalating property values. Bob Shipley made a motion to authorize Dale Lauer to chair an ad-hoc Long-Term Landscape Planning Committee, whose purpose will be to gather information that will assist in formulating a long-term plan and to report back to the Board. Seconded by Gavin Schutz; passed unanimously.

**2019 Fall Flower Purchase Contract** - Paula Turner discussed the fall flower purchase contract. Richard Moore made a motion to approve the Armstrong contract for the 2019 fall flower purchase. Seconded by Carol Nolte; passed unanimously.

**2020 Contracts – Roof Maintenance** – The Association’s current Roof Maintenance Contractor, Roof Asset Management (RAM) has provided a proposal to perform maintenance, cleaning, broken tile replacement and gutter cleaning for 2020 for the 1354 condominium type of units within the Association. Mike Walker stated that we are very satisfied with the performance of RAM as it relates to the specific duties outlined in the contract and we were very fortunate that RAM responded so efficiently to the numerous roof leaks that we experienced during the record daily rainfall of February 14, 2019. RAM is proposing to perform the contract work for the same price as they did in 2017, 2018 and 2019. Richard Moore made a motion to approve the 2020 Roof Asset Management Contract to provide roof maintenance to the Association’s 1354 condominium type units. Seconded by Carol Nolte; passed unanimously.

**Valley Pools Service 2020 Pool and Spa Maintenance and Equipment Repair/Replacement Contracts** – Mike Walker provided a historical overview of contract cost for pool and spa maintenance and for pool and spa equipment repair/replacement. Discussion ensued regarding the quality of pool and spa maintenance that the Association is receiving. Several meeting attendees expressed their dissatisfaction with the current pool service. Richard Moore suggested that the 2020 Pool and Spa

Contract discussion be tabled and that Management meet with the owner of Valley Pools and discuss the issues presented by the homeowners, then for Management to report back to the Board with the results of the meeting.

**Sunshine Landscaping 2020 Contract** – Mike Walker introduced Jesse Contreras, one of the owners of Sunshine Landscape Company. Mr. Contreras stated that Sunshine Landscape Company explained that over the past several years the state of California has annually increased the minimum wage, which has a significant impact on the cost of landscape labor. In 2017 and 2018 Sunshine absorbed the increase; however, in 2019, Sunshine increased the Association’s contract to offset the labor cost increase. Mr. Moore requested that the discussion regarding the 2020 landscape maintenance contract be tabled and that Sunshine Landscape representatives meet with Management prior to the next Board Meeting to discuss the 2020 contract terms and cost.

**Fall 2019 Flower Purchase Contract** – Mike Walker stated that the Association obtained bids from Armstrong and Altman’s to grow and supply the flowers for the 2019 fall flower planting. Discussion ensued regarding product quality. Mr. Walker and Ms. Turner indicated that the flowers received in the past from both Armstrong and Altman have been of high quality. In this case, Armstrong has provided a slightly lower quote. Richard Moore made a motion to approve the 2019 fall flower purchase contract as presented by Armstrong. Seconded by Paula Turner; passed unanimously.

**Architectural Committee Appointee** – Jan Van Willigen stated that the Architectural Committee is recommending that the Board of Directors ratify the appointment of homeowner, Tom Headrick, to serve as Architectural Committee Member. Seconded by Bob Shipley; passed unanimously.

At 4:32 PM Mr. Moore announced that Matt Morris, Esquire, was present to discuss a matter in Executive Session; therefore, he suspended the Board Meeting.

At 5:20 PM the Board of Directors’ Meeting reconvened.

Richard Moore asked if any other Committees would like to provide a report. Carol Nolte stated that she would like to provide an update on the pool area inspections that are being performed by the Landscape/Pool Committee members. Summarily Ms. Nolte noted that some of the pools, spas, furniture and restrooms are in need of attention. Her comments were echoed by several homeowners. Management was directed to investigate the issues and take necessary action to rectify the problems.

**Discussion Short Term Rentals (STR)** – Mr. Moore stated that the Board has reevaluated the initial proposed STR Rules and the Compliance Committee has included a version of the STR Rules in the draft revised PGA WEST Combined Community Rules; however, there has been no unanimous acceptance of the PGA WEST Combined Community Rules. Mr. Moore expressed that he is in favor of the residential Association implementing the STR Rules to the extent that we revise the insurance requirement to general liability as opposed to the original commercial general liability requirement and issue a low cost, \$50 permit so that the Association can track the short-term rental units.

Gavin Schutz explained that the Compliance Committee has been working on getting the PGA WEST Combined Community Rules modified to the point where all of the Association’s will agree to proceed with them. There is a follow up meeting scheduled for May 14<sup>th</sup>. One of the sticking issues is having the Master Association facilitate the administration of the permits. Bob Shipley stated that he believes that it should be required that owners of STR units have a person responsible to respond within 45 minutes, which is consistent with the City of La Quinta STR Rules. Discussion ensued; Bob Shipley

made a motion to include a 45-minute physical response time in the STR Rules and to have Res I consent to having the Master Association facilitate administration of the STR permits; further, that if the STR Rules are not agreed to by all of the Associations within 45 days, that Res I may opt to proceed with independent STR Rules. Seconded by Gavin Schutz; Jan Van Willigen, Gavin Schutz, Bob Shipley, Dale Lauer and Paula Turner voted in favor of the motion. Richard Moore and Carol Nolte voted in opposition to the motion. Motion carried, with five in favor and two opposed.

## **NEW BUSINESS**

**Ethics Agreement/Code of Conduct** – Gavin Schutz stated that he brought the Ethics Agreement/Code of Conduct to the Res I Board for the purpose of letting the Community and Management know that their Board of Directors is highly committed, in word and in action, to ethically representing them. Mr. Schutz made a motion that the Res I Board adopt the Ethics Agreement/Code of Conduct and that each Board member agree to abide by and sign the document. An accounting of the Board members that sign the document is to be recorded in the minutes of the meeting. Seconded by Jan Van Willigen; discussion ensued. Carol Nolte suggested that going forward with Board elections, that anyone who is desirous of running for the Board must agree to the terms of the Ethics Agreement/Code of Conduct from the election phase forward. Ms. Nolte stated that in the last election, there were a number of misconceptions intentionally represented by the non-incumbent candidates, which would clearly be in violation of the Ethics Agreement/Code of Conduct. Paula Turner reiterated the concerns raised by Ms. Nolte regarding Mr. Schutz' campaign tactics being in conflict with the Ethics Agreement/Code of Conduct that he is now presenting. Mr. Moore inquired why Mr. Schutz feels that a formal declaration is necessary. Mr. Moore expressed that for the past thirty years the Boards have functioned in accord with city, county, state and federal laws. Mr. Van Willigen interjected that the Ethics Agreement/Code of Conduct provides a concise set of parameters for the Board to operate within. Bob Shipley articulated that he too is of the opinion that Board candidates should be required to sign the Ethics Agreement/Code of Conduct and to abide by its standards. Mr. Shipley requested that Mr. Schutz modify his motion to include that stipulation. Mr. Schutz complied by amending the motion to include that Board candidates will be required to sign the document and adhere to its principals in the campaign process. This requirement is subject to being legal. The vote on the amended motion followed; Jan Van Willigen, Bob Shipley, Paula Turner, Carol Nolte, Gavin Schutz and Dale Lauer in favor of the motion. Richard Moore opposed to the motion.

**Request Jan Van Willigen Committee Reports** – Jan Van Willigen stated that all Committees should have an opportunity to provide an update to the Board of Directors. Jan Van Willigen made a motion that there be a standing agenda item on future Board Meeting agendas specifically for Committee Reports. Seconded by Bob Shipley; passed unanimously.

**Letter from Homeowner, Debbie Rooney Regarding Temporary Fence** – Richard Moore made a motion to approve the temporary fence as described. Seconded by Carol Nolte; passed unanimously.

**Check Signers** – Gavin Schutz made a motion that Board officers Richard Moore, Jan Van Willigen, Bob Shipley and Paula Turner be granted corporate check signing authority for the Union Bank and Schwab Association accounts. Seconded by Bob Shipley; passed unanimously.

**Board Training Date** – A Board Training is scheduled to precede the November 7, 2019 Board of Directors’ Meeting.

**5/1/19 Meeting with Spectrum RE: Bulk Services** – Kelly McGalliard provided an overview of a meeting with Spectrum representatives Scot Koehler and Sheila Radazza and Association representatives Richard Moore, Michael Walker and Kelly McGalliard. The purpose of the meeting was to discuss bulk service options for the Board to consider, as the current cable contract expires December 31, 2019. Ms. McGalliard reported that bulk video as well as bulk internet options are being explored. No action required; none taken.

**Golf Course Security** – Carol Nolte inquired about how, from a security perspective, are homeowners to deal with persons trespassing on the golf course and disrupting the quiet enjoyment of the PGA WEST residents. Discussion ensued; however, ultimately it was agreed that the golf course is not within the jurisdiction of the Homeowners’ Association. Ms. Nolte stated that she requested that Ben Dobbs write a letter to the residents advising that the golf course is private property and trespassers are subject to legal ramifications.

**Correspondence** – Letter from CVWD – April 2, 2019 – Information only, no action required; none taken.

**General Manager’s Report** – Mike Walker provided an overview of his report, detailing the work order status, utility usage update, landscape, lake, pest, maintenance reports.

Bob Shipley made a motion to adjourn the Board’s Business Meeting at 6:46 PM. Seconded by Paula Turner; passed unanimously.

Respectfully submitted,



Paula Turner, Secretary  
PGA WEST Residential Association, Inc.  
Board of Directors