



**Board of Directors' Meeting Minutes
In Person and Via Zoom
June 16, 2022
2:00 PM**

Board Member(s) Present:

- Jan Van Willigen
- Gavin Schutz
- Paula Turner
- Carol Nolte
- Dean Rivale, Director
- Kenn Ulrich, Director

Also Present:

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

CALL TO ORDER

Jan Van Willigen called the meeting to order at 2:00 PM. Six members of the Board of Directors, Management and six homeowners were present at the HOA office, which is located at 54-320 Southern Hills La Quinta CA. There were additional homeowners present via Zoom.

Meeting Minutes

The Meet & Greet Meeting Minutes of April 19 had one correction, which was noted and approved. Gavin Schutz made a motion to approve the May 17, 2022 Board of Directors' Meeting, May 17, 2022 Executive Session minutes as presented. Seconded by Paula Turner; passed unanimously.

Open Forum

Gary Dolenga inquired about the effect of the drought. Mr. Dolenga was informed that the State Water Board and Coachella Valley Water District directives would be addressed later in the Board Meeting.

Financial Statements

Dean Rivale, Treasurer, provided a financial report to the Board. Dean Rivale made a motion to accept the Operating Fund Financial Statement as of April 30, 2022, the Accounts Receivable Summary as of May 31, 2022, and the Financial Review Certifications of April 2022, as presented. Seconded by Jan Van Willigen; passed unanimously.

Jan Van Willigen made a motion to authorize initiating delinquent assessment liens on parcels 775141017, 775141015, 775071058, and 775153028. Seconded by Dean Rivale; passed unanimously.

Cell Tower Update – Kelly McGalliard informed the Board that Management has been in contact with a Senior Vice President of Vertical Bridge, which is a private cellular tower project developer. There is a meeting scheduled for next week to further discuss the process to potentially obtain a cellular tower within the Association.

Management is also communicating with American Tower and attempting to reach Crown Castle, which are public cellular tower project developers.

Non-Potable Water – Mike Walker provided an update on the pursuit of non-potable water for Association irrigation and lakes. The PGA WEST Club Golf Course Management has indicated that the Club will be remodeling their irrigation system and supplying non-potable canal water to the Stadium course. Hopefully this will present an opportunity for the HOA to also have access to non-potable canal water.

- I. CVWD Conservation Action** – Subsequent to the State Ordered Level 2 Mandatory Water Conservation Actions Effective June 14, 2022, the Coachella Valley Water District (CVWD) has implemented the following relevant directives:
- Spray Irrigation is prohibited during daylight hours
 - CVWD Discourages Overseeding
 - Water runoff into streets and sidewalks is prohibited
 - Broken sprinklers must be fixed within 5 days
 - Water waste patrols will be increased
 - Outdoor water budget may be decreased by 10%
 - **Irrigation of non-functional turf is prohibited at commercial, industrial, and institutional sites including HOAs.**
 - a) **Any valve that waters turf and trees can remain 100% operational**
 - **Fines up to \$500 per day may be imposed**
 - **A drought penalty for using the top 10% of Tier 2 OWB – CVWD has not yet determined the fine amount; however, in 2015 & 2016, the penalty was double the normal cost per unit of water.**
 - CVWD increased its turf conversion rebate from \$2 to \$3 per square foot

Please follow the link below provided by Coachella Valley Water District, regarding drought updates and water usage. <http://www.cvwd.org/261/Drought-Updates>

2022 Planting of Annual Color – The Board was faced with determining whether to purchase the approximate 7,000 flats of annual color in 2022 that we budgeted for. The issue is whether there will be sufficient water available at an affordable price to keep the flowers alive and thriving.

Following much discussion and consideration, the Board decided to purchase 10% of the Association's typical flower order, or approximately 700 flats of flowers. These flowers will be planted in high visibility areas within the Association. The remainder of the flower budget will be used to purchase drought tolerant perennials and materials (i.e., decorative rock) that will be placed in select flower beds. The irrigation in these beds is to be converted from spray to head per plant. This action will allow for colorful plants and reduce water usage by eliminating the waste which results from spray heads. The Board may reconsider if CVWD quickly indicates that there will be sufficient water at an affordable price in the fall.

2022 Rye Grass Overseeding – The Board postponed deciding on whether to overseed the lawn areas, pending further information from CVWD. The matter will be considered at the August 18, 2022 Board Meeting.

2022 – 2023 Association Insurance – Patrick Prendiville, of Prendiville Insurance Agency, provided confirmation that he will be seeking bids from three carriers for the Association's master policy. Additionally, competitive bids will be sought for the other insurance coverages as well. These include D&O, Earthquake, Fidelity, Auto, Umbrella, Cyber and Pesticide Liability.

Debt Collection Licensing Update – In late 2021 Management advised the Board of a law, SB 908, which requires businesses who collect consumer debt to apply for and obtain a Debt Collection License from the California Department of Financial Protection & Innovation (DFPI). It was anticipated that complying with this law would be time consuming and cost approximately \$5,000. Fortunately, DFPI has determined that HOA assessments do not constitute a 'consumer credit transaction'; therefore, there is no requirement at this time for the Association to obtain the license.

Pool/Spa Heating Survey – The Board reviewed a draft survey designed to gather Homeowner feedback regarding pool and spa heating for 2023. The cost of natural gas is extremely volatile and very high. Consequently, we will be sending a survey in the next week, which will allow homeowners an opportunity to assist the Board in determining what the pool and spa heating schedule will be. Each option has an estimated cost associated with it. Please note, the projected costs are our best estimate, using historical usage and current rates. We strongly encourage your participation in this survey. It will be used as a guide to determine the amount to budget for the natural gas line item in the 2023 budget. Please keep in mind, that we anticipate significant increases in various budget items, including labor, materials, and contracts for 2023.

Site Survey Farmers' Insurance Company – David Camacho, Farmers' Loss Controller, performed an annual site survey. This site survey is designed to identify potential hazards so that corrections may be made. Mr. Camacho determined that at this time he has no recommended improvements for PGA WEST Residential Association.

Burrtec Organic Waste – Homeowner, Kylie Grenier, is familiar with SB 1383 regarding Organic Waste Recycling. The Organic Waste Recycling mandate requires all residents to dispose of food waste and green waste in a designated bin. There is a need to educate homeowners and address

possible solutions to the challenges that owners and the Association will need to address with this organic waste collection program. Jan Van Willigen made a motion to appoint Kylie Grenier to Chair an Ad-Hoc Committee to help homeowners make the City of La Quinta's organic waste collection program a success at PGA WEST. Seconded by Gavin Schutz; passed unanimously.

Anyone who is interested in being a Committee member and can commit to 5-8 hours per month from July 2022 through April 2023, please contact the office at (760) 771-1234 and we will put you in touch with Kylie Grenier.

Review Insurance Requirements for Homeowners' Architectural Improvement Contractors – The Association's Insurance Broker reviewed the Insurance Requirements for Homeowners' Architectural Improvement Contractors and determined that the Association should implement a couple of changes. These changes will be incorporated into the Association's Architectural Improvement Guidelines and application. Gavin Schutz made a motion to adopt the Insurance Requirements for Homeowners' Architectural Improvement Contractors as presented. Seconded by Dean Rivale; passed unanimously.

Review Fees – HOA Certifications and Escrow Documents – The Association's fees for HOA Certifications and Escrow Documents have not been increased in many years. The amount of work required to complete the questionnaires and provide the documents has increased. The lenders have significantly increased their requests for information because of the condominium structure collapse in Florida. Management recommends increasing the fees to \$150 for an HOA Certification and \$350 for Escrow Documents. The fees are lower than those of the other two PGA WEST HOAs and well within industry standards. Gavin Schutz made a motion to adopt the revised Certification and Escrow Document Fee Schedule as presented. Seconded by Paula Turner; passed unanimously.

Contracts –

- a) Street Sweeping effective July 1, 2022 – Gavin Schutz made a motion to contract with Martin Sweeping to clean the Association's streets, with a contract commencement date of July 6, 2022. Seconded by Dean Rivale; passed unanimously.
- b) Foam Roofing (Reserve) – Dean Rivale made a motion to award the 2022 Reserve Foam Roofing Contract to apply polyurethane roofing to ten Champion units in the fall, to Roof Asset Management (RAM). The affected owners shall be notified approximately 30 days prior to the work commencing. Seconded by Carol Nolte; passed unanimously.
- c) Pool and Spa Plastering – Gavin Schutz made a motion to award the 2022 Reserve Pool and Spa Plastering of Pool 13A, Pool 19BB and Spa 29A to Rammell Pools. The work shall be completed in early fall. Seconded by Jan Van Willigen; passed unanimously.

Proposed Sign Policy Revision – Kenn Ulrich urged the Board to consider amending the current sign policy, which only addresses real estate & alarm signs, to include a statement which will inform homeowners to be aware of city, county and state requirements for homeowner posted signage. Kenn Ulrich to present proposed language at the August 18, 2022 Board of Directors Meeting.

Discussion regarding Speeding – Kenn Ulrich expressed concern regarding the ongoing issue of speeding within the Community. He asked Board members to contemplate possible actions that may be taken to reduce the speeding on Association streets.

Gavin Schutz made a motion that Management will work with the Master Association on conducting a speed sign test in Res I. The test will include placing additional speed signage in Res I to determine its effectiveness. Seconded by Kenn Ulrich; passed unanimously.

Committee Reports – The respective Committee Chairs of the Landscape/Pool, Architectural, Compliance, Gate and Patrol, Master Association, Communication, Investment and Bighorn Sheep Committee Chairs provided reports to the Board.

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

Gavin Schutz made a motion to adjourn at 5:00 PM. Seconded by Jan Van Willigen; passed unanimously.

Respectfully submitted,



Paula Turner, Secretary

The next Board of Directors’ Meeting is scheduled for
August 18, 2022 at 2:00 PM

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