

Alvarado Community Association, Inc.

Board Meeting Minutes

October 13, 2020

Call to Order: The duly noticed meeting of the Board of Directors of the Alvarado Community Association, Inc., held in the Community Park located at 4774 Yerba Santa Drive, in the city of San Diego, state of California, was called to order by the President at 5:02 PM.

Roll Call/Quorum Establishment: Quorum was met with 11 of 11 Directors in attendance.

Board Members present: President--Jose Reynoso, Secretary—Stacey James, Treasurer—Ken Klayman, and Vice President—Wayne Breise. Board Members: Wes Hinkle, Susan Crisafulli, Steven Neu, David Wiles, Austin Hong, Miguel Espinosa and Eric Poliak.

Others in attendance: Management representatives, Katrina Wong and Shay Wickline with Associated Professional Services (APS.)

Prior Board Meeting Minutes: Stacey moved to approve minutes from the prior organizational board meeting, tabling the annual meeting minutes. Motion seconded by Wes, carried, and the Minutes from the September 12, 2020 Organizational Board Meeting were unanimously approved as presented.

Public Comment: No issues brought before the Board.

Presentations: Jose presented memo prepared by Sanna Loando, on behalf of San Diego City Council President, Georgette Gomez updating key community dates for public facilities such as libraries and playgrounds to re-open and be prepped for proper social distancing.

Ongoing Business/Committee Reports:

Treasurer's Report:

Draft 2021 Budget - Ken presented his draft 2021 annual budget. Ken highlights the most notable change from this year compared to last is the change in interest rates. He accounted for 2% interest last year; rates this year are negligible. Ken's budget outlines a breakdown of assessment by lot, recording a 6.87% increase overall.

Wayne expressed wanting to keep the assessment increase low by decreasing the amount going into capital reserves account, which is currently 117% funded according

to reserve study. Wayne suggests using surplus from previous year as income in the following year to reduce assessment increase by small percentage. Ken prefers using 2019 surplus as a line item thereby reducing assessments.

David proposes extending gate attendant hours on Sunday to enhance security and address the large number of cars waiting during those hours. The Board discussed adjusting the safety budget as well. Steve doesn't want to cut the safety budget (10k), but Ken points out its not being spent in totality presently.

David proposes putting money towards fire abatement in the surrounding canyons. Jose points out this area is, in part, private property and the cost is expected to be split between the Association and private owners. David and Jose estimate the total project cost is about \$10,000, of which the Association would likely fund half, or around \$5,000.

Karen (Owner) recounted an incident of 93 parked cars in and around gate area on a Sunday evening. This seemed to indicate a party being thrown at one of the lots, allegedly by an Airbnb renter. Karen's son followed the Instagram tag documenting the event. She expressed favor for expanding gate attendant hours.

David motions to increase gate attendant hours on Sunday (currently 9am-5pm, proposed 7am-7pm). Wayne seconds, and the Board unanimously passes motion. The safety budget will be reduced by \$4,500 and the gate attendant budget will be increased by \$4,500 to cover the additional expense.

Ken motions to adopt changes to the budget as summarized to use the surplus from 2019 (as determined by the Association's auditors) to reduce the 2021 homeowner assessments. He will prepare a revised draft to distribute before the November Board meeting in order to give enough time for a timely annual disclosure report distribution to owners. Wes seconds Ken's motion and the Board unanimously approves motion at 5:39pm.

Engagement Agreement: Stephen DeMaine - On Ken's motion, seconded by David, and carried, the Board unanimously approved to engage the services of Stephen and Gary DeMaine for the Association's audit and upcoming tax preparations.

Property Manager's Report: Katrina reports that Governor Newsom signed AB 3182 in late September. This bill voids rental caps restricting at 25%, allows for 30-day lease restrictions, but most importantly *will require the association to amend its governing documents to become compliant by December 31, 2021*. Though associations are

allowed this grace period of a year, any existing non-compliant restrictions are unenforceable by January 1, 2021.

Architectural Review Committee Report - August 2020:

Houses approved and currently in destruction/construction mode:

Lot 107 – Major Remodel started April 2019 – Request for one-year extension

Lot 74 – Major remodel of existing structure

Pending:

Lot 25 – new home construction approved

Lot 63 – backyard cabana/garage freestanding addition

Approvals:

Lot 5 – completion of front yard landscaping and stucco wall & solar

Lot 29 – remove exterior wood and replace with stucco similar color

Lot 49 – Replace current front retaining wall

Lot 52 – Repair & replace rebuilding of roof parapets and some siding, dirt excavation and waterproofing of the subterranean walls by the front door.

Lot 53 – Solar

Lot 58 – Solar

Lot 59 – removal of 3 pine trees requested by insurance company, plus removal and lacing of pine trees on south portion with neighbor's approval

Lot 61 – resurface driveway

Lot 65 – outdoor kitchen on side yard patio (assume 5 ft setback was given during original remodel)

Lot 67 – new roof & solar

Lot 70 – new roof

Lot 71 – POD on street during remodel for 30 days

Lot 73 – insurance requested removal of trees next to house

Lot 83 – New roof, solar & paint on guest house to match main house

Lot 124 – add boulders to existing boulders in front yard & cover utility pipes with painted fascia

Lot 126 – Front/side yard lighting - 16 wall sconces & 4 pillar lamps

Lot M 30 – conversion of garage at side yard

Completions

Lot 1 – Free standing art studio & driveway

Lot 105 – front yard landscape remodel

Requests:

Lot 26 – regarding Lots 25, 27 & 28 and any walls in plans to build – owner to be kept in loop regarding any building with regard to privacy, view & lighting.

Lot 32 – overgrown vegetation and dead brush/trees need to be removed

Lot 60 – needs to follow city rules and sign the Project Requirements form – middle of the night construction disturbing neighbors

Lot 107 – Major Remodel started April 2019 – Request for one-year extension – Permit being held up due to Historical review – Letter from HOA sent to City

Gate Operations Committee Report: Austin and Ken discussed reimbursement for T-Mobile internet payments as they require credit card payment in advance and APS can no longer issue checks to address payment. Austin prefers to make one payment per year and Ken will authorize reimbursement. Jose will forward existing rules around gate codes to Austin and David to clear up confusion around special event and guest codes.

Common Area Maintenance: Jose reported that he had asked our contractor to thin out the dead vegetation and brush. He also had him double check the water fountains because he noticed they don't work from time to time. The rules sign at the dog park is peeling and needs replacing. Jose wants to put sign on the gate rather than towards the side where it was previously.

CACC: Jose reports zoom meetings with the city planning department are ongoing. The meetings have been stuck on wording thus impeding progress on the Community Plan.

Streets Committee Report: Wes reports contractors finished filling holes and fixing road cracks in asphalt last week. Wes reported that they could not use the heavier seal with sand as previously intended, but they performed a double coat. He is confident these should hold for the next couple of years. He reports the West end of Yerba Santa and Palo Verde Terrace will be done within a few months, hopefully by end of the year.

Jose gave an update on the undergrounding project. The City Council office will give the Board an update before their November Board meeting and will give a formal written response to Jose's letter before the end of the year. If denied, Jose will consider filing a complaint with the city. Stacey reminds the group that months ago the Board authorized hiring legal council and drafting a complaint if the request to the City is denied. Jose believes Alvarado has favorable chances with the likely new elected City Council member due to the IRS recognizing the area as a public right of way.

Safety/Security Committee Report: David introduced Eric Poliak as a Board member joining the Safety/Security committee. Eric is using a drone that can monitor the canyon from above and seek out hidden homeless camps.

David wants to put pressure on City to let the Association heighten fire safety measures. Jose has contacted Council Member, Gomez, and her chief of staff regarding fire safety concerns and understands she is pushing this matter on their behalf.

The KenTal Planning Group has said it will be addressing the overgrowth of the palm forest along Montezuma Road. The Fire department communicated that there is a hazard of fire embers blowing into the community if that area were to be affected. Jose wants to confirm whether it is city or private property. Regardless, city can pressure if it is private.

Social Committee Report: *** Dates Subject to Change ***

Annual Picnic/Movie Night— Saturday October 24th @ 5:30 – HOA hosted food – with Halloween Costume Stroll & Movie Night incorporated.

Ice Cream Social & Concert— Saturday, November 14th @ 3 – 4 pm – HOA hosted ice

cream truck with the Skylarks performing.

Club House Committee: Susan reported that the committee has selected an architect out of the three options it was considering. All work to date has been done pro-bono. Eric helped photoshop the clubhouse visual renderings. These visuals will be updated to show glass doors facing the grassy area of the park. After membership feedback at the September Annual Meeting, the group is working on pledge forms and a more robust survey method. They will likely engage APS to assist in reaching members via mail who did not previously participate in the email survey. Susan will draft a new survey questionnaire for the Board to review first before sending to membership. Funding for the club house will continue to be by donation only. Susan will have new estimates on Clubhouse cost before the November Board meeting.

New Business:

Marshall Lewis, who served as the Inspector of Elections in the September Board Election, previously sent an email to the Board discussing procedural issues and concerns. He drafted a resolution to amend the previously updated election rules to better fit the needs of the Association in advance of the next annual meeting scheduled for March 2021. He encourages Board members to review his prepared resolution. On Jose's motion, David's second, the Board unanimously approved to publish Marshall's proposed rule changes and submit for membership comment. Ken motions to continue to have Marshall serve as Inspector of Elections, Stacey seconded, and the Board unanimously approved having Marshall continue his role.

Susan suggests changing the election date from March to May to give the Board time to accommodate election rule amendments and hopefully ensure better weather at the annual meeting. The requirement to hold next election in March 2021 is in the ByLaws, which will need to be amended. Jose will place moving the next election from March to May 2021 as an agenda item for the November meeting.

Calendar: Next meeting will take place Tuesday, November 10th, 2020 at 7pm. Venue TBD.

Adjournment: There being no further business, the Board meeting was adjourned at 6:32 PM.

Minutes respectfully submitted by K. Wong.

Secretary Certification:

Alvarado Community Association, Inc.

Minutes approved during the Board Meeting held on_____.

Signed:_____, Stacey James - Board Secretary