

Coronado Shores Condominium Association #9

BOARD OF DIRECTORS

MEETING MINUTES

FEBRUARY 16, 2024

The meeting was convened by David Zacharias at 9:00 am on February 16, 2024 with a quorum present.

Directors Present:

David Zacharias, President
Irene Pedroza, Vice-President
Carlos Atri, Member at Large, by Zoom

Others Present:

Rafael Estrada, Association General Manager
Jason Cardenas, ProTec, by Zoom
Robert Wright, ProTec, by Zoom
Jack Hammond, Remodeling Committee Chair
Michael Sabella, Association General Manger Nominee
Homeowners by zoom and in person

Consent Agenda:

Upon motions duly made, seconded and carried by the Board of Directors, the following consent agenda items were approved:

General Board Meeting Minutes, January 19, 2024
Executive Minutes, January 19, 2024

Mr. Zacharias introduced Michael Sabella as the new General Manager of El Mirador beginning February 26, 2024. Michael gave a more detailed explanation of his work experience and advised that he was eagerly looking forward to February 26.

ProTec Report:

Robert Wright presented the monthly report dated February 15, 2024. The detailed report is attached.

Financial Report:

David presented the status of the capital plan and a summary of the monthly financial performance.

David reviewed the capital plan concept and its current status. He said that for this year, four major expenditures are planned to be made: Cooling tower replacement, air conditioning system for the condo units, the roof and fire engine/pumps for the fire sprinkler system. He reported that the Board is in the process of reviewing bids from various vendors and that after Board approval, the owners will be asked to approve an assessment, probably within the next month. The capital plan is derived from a combination of known expected costs and the estimated costs for the re-model and for other capital needs as identified in Association Reserves study dated January 5, 2024. He reported that our Reserve Fund is 11.9% funded and that the 5 to 10-year Plan will include a target funding more in line with industry standards.

David presented the financial results for January 2024 by reviewing the 2024 budget development process. He advised that data was sourced from L&R, SDG&E, Insurance company and using a CPI Index of 5%. Adjustments were also made for the out-sourcing of Maintenance to ProTec and various maintenance contracts for fire engines/pumps, water treatment, and plumbing repairs, among others.

For January 2024, El Mirador reported a net income of \$24,000 principally made up of an assessment recovery (\$6,062), Compensation decrease (\$7,235) and lower utility expenses (\$5,809). Mr. Zacharias stated that the budget process was done on an annual basis which means that there will be monthly variations due to "seasonality." That is to be corrected in the 2025 budgeting process.

The \$37,000 reserve provision was "booked" on El Mirador's books but not on Morgan's books due to lack of clearance. Morgan will show a \$74,000 payment in February. Morgan shows a \$32,443 payment in January (which was paid in December but not cleared until January).

In conclusion, the Key Takeaways were:

- There was a data driven process (where possible) for developing the budget
- First month of 2024 is off to a good start
- February Morgan Reserve report will show a \$74,000 payment into reserves.

Delinquencies of note was one account which entered the 61-90 day delinquency for about \$1,500.

A motion was made, seconded and passed approving the acceptance of the financials.

Insurance Committee:

David reported that half of the buildings at Coronado Shores took a \$25 million liability umbrella while the others took a \$50 million umbrella. We opted for the \$50 million coverage for a premium increase of about \$4,000.

Renovation Committee:

David gave an overview of the re-model process initiated by the Board in November 2022 as some owners have expressed concern about the time it is taking to get the re-model moving forward. He indicated that time was taken to form a committee, determine the process, design and take a survey of the owners' desires, interview architects, choose two, negotiate a "competition" between two, present preliminary schematics at an April 2023 Town Hall, negotiate a contract with the one chosen with the appointed general contractor and with the general contractor, develop greater detailed schematics, determine "final" costs. The cost results at this stage were unacceptable to the Committee. The Committee fired the general contractor and hired a professional cost estimator, negotiated a contract, reviewed the results, concluded that the costs, after a modified plan, were still unacceptable. We asked for alternatives with cost decreases/increases to make choices. The architectural fee became unacceptable for the construction drawings and now the Committee is interviewing interior designers and general contractors for implementation. Once done, the schematics will be distributed to three /four general contractors for bidding purposes. Once done, the costs and designs will be presented to the owners for approval. David reminded the Board that other buildings have taken up to 2 ½ years just to develop plans. And that a lot of work has been to present a desired re-model at an acceptable cost.

L&R Committee:

Irene advised the Board that the L&R Committee needs a new Chairman; that a speed bump by El Encanto (precise location to be decided) is to be built this Spring; that Sacramento is considering laws controlling the use of electric bikes.

Manager's Report:

Written report submitted. The issue of electric storage of bikes was discussed given the potential lack of safety. Such bikes cannot be stored in condo units, there is insufficient room in the bike storage areas, and garage storage is not the best. Research into a mandate of electric bikes with "certified" batteries would be allowed in the building. More research is required.

Next Meeting: Friday, March 15

**NOTE: THE APRIL BOARD MEETING WILL BE HELD ON FRIDAY, APRIL 26 AT 9:00 AM.
THE ANNUAL MEETING WILL BE HELD ON SATURDAY, APRIL 27 AT 10:00 AM.**

Adjournment:

There being no further business, the meeting was adjourned at 10:17 am.

Elizabeth Hammond
Board Member

28/06/24
Date