

Coronado Shores Condominium Association #9

BOARD OF DIRECTORS OPEN SESSION MEETING MINUTES August 16, 2024

Directors Present:

David Zacharias, President
Carlos Atri, Vice President
Luis Lozano, Treasurer (by Zoom)
Cheryl Mahoney, Secretary

Others Present:

Michael Sabella, General Manager
Rafael Estrada, Assistant General Manager
12 Homeowners

Call To Order:

A meeting of the Board of Directors of Coronado Shores Condominium Association #9 was called to order by Board President, David Zacharias at 11:09am, on Friday, August 16, 2024, in the conference room located at 1820 Avenida del Mundo, Coronado California.

Consent Agenda:

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

- Annual Board Meeting Minutes 6-15-24
- Open Board Meeting Minutes 7-19-24

President's Report & Executive Session Summary: - David Zacharias

Update HVAC Pump Replacement and new Key Link System

The recent Reserve Study Analysis suggested that the HVAC Pump Systems be replaced and that this cost be included in the analysis. This has been included and completed at an average cost of \$46,500.00.

The Key Link system has been installed and fully integrated into the existing Building Link system at the front desk, providing additional controls and enhanced protection of unit keys.

Water Leak Detection System

The Board of Directors has received and reviewed three bids for water sensor installation with a final review forthcoming by legal counsel and David Zacharias, President. This project will commence soon.

Financial Reports – David Zacharias

David Zacharias presented the financial statements for the month and year ending July 31, 2024. He indicated that the income statement should be adjusted by \$3,000,026 as it was not income from operations but rather Special Assessment proceeds. Accordingly, July experienced a \$18,353 loss and YTD experienced a loss of \$24,002. The primary source of YTD loss was Buildings & Grounds with Plumbing Repairs \$54,000 over budget YTD. The net income variance as a percentage of Revenue was 1.6%.

Mr. Zacharias also indicated that the cash balance in Reserves (\$1,181,879) was not accurate because the proceeds of the \$3 million Special Assessment, to the degree

collected, are banked at City National Bank. Although some cash has been moved to Morgan, the reporting is on a cash basis, not received by Morgan by July 31.

A motion was made by Carlos Atri, seconded by Cheryl Mahoney to approve the financials for July 2024. Motion passed unanimously.

Special Assessment Funds - Michael Sabella

Michael Sabella is closely monitoring the special assessment funds. Since we received a substantial amount of special assessment funds in July, we have already managed to pay and transfer most of the proceeds designated for the financial aspects of the special Assessment, as shown in the first column below.

The dates provided are an approximate of when the payments or transfers were made, with one scheduled for around August 13, 2024.

Lastly, all the payments/transfers mentioned below were effectively internal transactions, reallocating the money to the appropriate accounts.

		PAID	
2022 Past due Reserve allocations (2)	\$ 55,851.66	7.24.24	
2024 100K Reserve loan Payback	\$ 100,000.00	8.6.24	Out of 400K collected
2024 100K Reserve loan Payback	\$ 100,000.00	8.6.24	Out of 400K collected
2023 Past Due Reserve Allocations	\$ 324,433.30	8.6.24	
Reimburse Reserves - 2 closed loop pumps	\$ 48,907.00	8.13.24	4 BCM Invoices
200K for operating liquidity	\$ 200,000.00	8.9.24	Out of 400K collected

Financial and reconciled bank statements:

A motion was made by Carlos Atri, seconded by Cheryl Mahoney that the financial statements and reconciled bank statements be ratified as presented, subject to audit/review by a CPA at fiscal year-end. Motion passed unanimously. Note: these financial statements were reviewed by the Board of Directors within the times required by the California Civil Code and the Association's governing documents.

Annual Budget -Michael Sabella

Michael Sabella has submitted to the Board of Directors an initial draft of the 2025 budget for their review. He has suggested that once the Board has had the opportunity to review this initial draft, that a Board Meeting is scheduled to discuss the budget prior to final review for a vote at the September Board meeting.

Delinquencies – None

El Mirador Rules and Regulations

The draft of the El Mirador Rules and Regulations had been previously mailed to the membership for a 28-day comment period and sent to legal counsel for review. Changes from members have been received and reviewed by legal counsel. The next step is to incorporate the feedback and revisions provided by members and legal counsel. Cheryl Mahoney has agreed to complete the revisions and prepare the last version for submission at the next Board of Directors meeting for final approval.

Contract Negotiations: - David Zacharias

Spalling Contract –Three bids have been received and reviewed by the Board of Directors, regarding El Mirador’s spalling work. A third bid was received for \$100k for year 1, so it wasn’t given any consideration. After further discussion, a motion was made by Carlos Atri, seconded by Cheryl Mahoney, and passed unanimously to accept the Hamilton Pacific 5-year maintenance plan which covers comprehensive repair and maintenance of spalls, including priming and painting.

Feature	Hamilton-Pacific Inc. (Revised)	Deck Kotings Unlimited
Total Initial Cost	\$45,000 (Year 1) rising to \$49,000 (Year 5)	\$43,000 (+5% annual increase for 5 years)
Scope of Work	Comprehensive spall maintenance for 5 years	Specific spall repairs, annual maintenance
Project Duration	5-year maintenance program	5-year plan
Exclusions	No specific exclusions	Balcony surfaces, handrails, exact paint match, window wash
Additional Costs	None listed	\$150.00 per LF/SF if repairs exceed 50 LF
Material Used	Standard industry materials	Sikatop 122 or 123 Repair mortar
Payment Structure	Annual payment based on year	\$10,000 initial, \$33,000 upon completion

El Mirador Roof

The Board is still waiting to receive a review an RFP for the roof repair/replace project.

Reserve Study - Consultant’s Plan

The consultants’ Reserve Study outlines a comprehensive plan starting from January 1, 2025. The study emphasizes the importance of preparing for inevitable component replacements and repairs to protect property values. It lists various components, their useful lives, remaining useful lives and current cost estimates, spanning exteriors, interiors, systems/equipment, and garage areas. Key highlights include significant expenditures like replacing balcony decking and extensive interior and exterior renovations. The reserve fund’s strength is 37.5%, which is considered fair but indicates medium risk for future special assessments or deferred maintenance.

A motion was made by Carlos Atri, seconded by Cheryl Mahoney to approve the Consultants’ Reserve Study, with Key link, HVAC valves, estimated interest and 1/1/25 balance updated the motion passed unanimously.

El Mirador Building Committee Reports:

None. L&R did not have committee meetings this month.

Other Business:

Angle Stops and Hoses A reminder that ACCO Engineering has been hired to conduct the work necessary to replace angle stops and hoses in each unit as verified by the original onsite audit. This work will commence after Labor Day. Each unit owner will be notified individually, in writing, what work is required in their unit and the costs associated with the work and the acceptance of the liability by the owner for work performed.

Personnel – None

Homeowner Open Forum

The exterior window washing will commence on Monday, August 19, 2024. It was noted that the Board of Directors will still have to ratify an earlier vote if we are to move back to the four times a year exterior window cleaning schedule.

Next Board Meeting

September 20, 2024

Adjournment: There being no further business to come before the Board; the meeting was adjourned by a motion passed unanimously at 12:04pm.

Cheryl Mahoney
Cheryl Mahoney, Secretary

9-25-24
Date