

BARRON SQUARE HOMEOWNERS ASSOCIATION

Minutes of the Board of Directors Meeting

November 16, 2011

ORDER

The Barron Square Board of Directors Meeting was called to order by President Maurice Green at 7:09pm at the Association's Clubhouse. Board members also in attendance were Brooke Bailey, Chris Grillone, John Morrissey, and E. Perky Perkins. Also attending was Deborah McGraw of PML Management.

AGENDA/CALENDAR REVIEW

The Board reviewed the Agenda and Calendar.

HOMEOWNER FORUM

There were no items to discuss in Homeowner Forum.

APPROVAL OF PREVIOUS MEETING MINUTES

On a motion duly made by Maurice Green and seconded by John Morrissey, the Minutes of the October 20, 2011, Board of Directors Meeting, were unanimously approved, as submitted. On a motion duly made by Perky Perkins and seconded by Brooke Bailey, the Minutes of the November 8, 2011, Board of Directors Executive Session, to review the Reserve Study and draft Budget, were unanimously approved, as submitted. On a motion duly made by Chris Grillone and seconded by Perky Perkins, the Minutes of the October 13, 2011, Board of Directors Executive Session, to discuss the PML Management Contract, were unanimously approved, as submitted.

REVIEW ACTION LIST

The Board reviewed the action list and updated some of the content.

REPORTS

Treasurer – Deborah McGraw presented a summary of the October 2011 financial statement as follows:

	Month	Y-T-D	Budget	Variance
Total Revenue	40,134	404,646	406,500	(1,854)
Total Maint. & Repairs	8,557	74,853	73,400	1,453
Total Utilities	3,139	23,804	26,340	(2,536)
Total Admin. Expenses	8,118	81,897	93,830	(11,933)
Total Reserve Expenses	2,211	46,059	184,370	(138,311)
Total Assets		1,156,857		
Total Liabilities		7,337		
Total Fund Balances		1,149,520	1,018,070	est yr end

Architectural – There was a discussion regarding 542 Thain and their red drapes and storage of a filing cabinet at the front door. Deborah McGraw was requested to send the owners a letter notify them that it is the Association's policy for owners to have window coverings of a white or a neutral off-white color and that there is no storage allowed in the common area. The Board then reviewed a request from 4150 Thain Way to replace the kitchen, dining room and living area windows. After some discussion, Deborah McGraw was requested to ask the owners for a brochure or website address indicating the style and color of the proposed windows.

Landscaping – Deborah McGraw stated that the Podocarpus tree in the pool area next to 551 Thain has been pruned by Loral Landscaping at a cost of \$647. It was also noted that an approved proposal from CalVac paving to repair the bulging asphalt at 4122 Thain garage, which was a mushroom growing under the asphalt, was cancelled. Apparently, when the PML Maintenance crew was on site recently, Perky Perkins asked them to inspect it and make the repair. The cost for the repair was \$276.84.

Grounds – The Board reviewed a proposal from Frank Fiala Roofing, at a cost of \$950, to install a metal water diverter over the 508 Thain garage. This diverter will direct the water into the gutter and prevent water from flowing over the roof which has caused dry rot in the past. After some discussion Chris Grillone made a motion approve the proposal. Perky Perkins seconded the motion, which was approved by a unanimous vote.

Deborah McGraw then provided proposals from Medallion Glass to make repair the weather stripping at 4137 Thain at a cost of \$771 and 4108 Thain at \$2,739. On a motion duly made by Perky Perkins, and seconded by Maurice Green, the Board unanimously approved both proposals.

The Board then reviewed a list of processed work orders from 10/1/11 – 11/09/11 provided by Deborah McGraw.

Lights – Maurice Green reported that he has contacted Modern Electric and LaGrone Electric who met with him on site to review the existing common area lighting. Maurice explained that apparently the wiring runs through a galvanized steel conduit which is in fairly good condition. The Board discussed the 2012 reserve expenses and noted that there is \$70,000 budgeted for lighting replacement. However, it is Maurice’s opinion that, based on the recent inspection of the conduit, the Association does not need to spend as much money as is budgeted since the conduit is still in good condition and won’t need to be dug up and replaced. After further discussion, Chris Grillone made a motion to modify the 2012 reserve expenditure for lighting replacement from \$70,000 to \$50,000 with a note to all owners that the Board is trying to keep the Association’s reserve funding level at the same percentage as last year and will make a full evaluation of the line items which are scheduled to be completed. Maurice seconded the motion, which passed by a unanimous vote.

Garage Doors – Maurice Green stated that the 2012 reserve study calls for replacement of all garage doors. However, it appears that many of the doors are still in good condition. He suggested having all the doors inspected and repairs made as necessary instead of replacing doors that are still in good condition. After some discussion Chris Grillone made a motion to modify the 2012 reserve expenditure from \$70,000 to \$25,000. Maurice Green seconded the motion, which was unanimously approved.

Pool & Recreation – No report.

Adjacent Properties – Maurice Green reported that he recently attended a meeting of the Barron Park Association where Mayor Espinosa attended the meeting to discuss the ongoing test of changes to Arastradero Road that also affect other streets, including Maybell. In his research on the proposed 4146 El Camino Real (vacant lot) planning change requests to the City by the owner, with his specific interest on the possible effect of egress unto Thain Way, Maurice made a video of the current traffic conditions at the intersection of Maybell and Thain, mainly during the heavier times of going and coming from Thain to work, showing a clear vision of both bike and car traffic on Maybell. The Mayor asked for a copy which will be provided to him by Maurice Green.

UNFINISHED BUSINESS

6.1 HOA website – Maurice Green was happy to report that the Barron Square website is now live and additional information regarding the website will be provided to all owners and tenants in the next newsletter.

8.1 2012 Draft Budget – The Board reviewed the draft budget and discussed the modifications to the reserve expenditures. With this reduction in expenses, a motion was made by Chris Grillone to keep the monthly assessments at the same level, with the expectation that various items in the reserve study will be modified in order to keep the Association at the same percent funding level. Perky Perkins seconded the motion, which was unanimously approved.

10.3 Insurance Review for renewal on 12/31 – According to the Association’s governing documents (CC&Rs section 7.5) “each owner shall insure his or her personal property against loss and obtain comprehensive personal liability insurance of at least \$100,000”. Previously the Board agreed to send a letter to all owners

asking them to provide proof of their personal insurance coverage to the Association in order to be included with their unit file. It was agreed that a copy of the insurance declaration sheet or a letter from their insurance agent would be sufficient for proof of insurance. The letter will be sent out after January 1, 2012.

NEW BUSINESS

11.1 Association files in storage – The Board discussed the Association's boxes of archive files which are currently kept in PML's storage facility. Deborah McGraw was requested to notify the board of the number of files and the related years that are in storage.

11.2 Deck/Balcony storage – The Board discussed an issue with various owners storing items on their balconies, some temporary and others permanently. The Board agreed to review the CC&Rs in order to determine the items allowed to be stored on the balcony, which is considered exclusive use common area, without prior permission from the Board.

11.3 Loral Landscaping fee increase – Deborah McGraw stated that Loral Landscaping has requested an increase in their monthly fee of 2.4% to \$4774 per month starting in January 2012. After some discussion Chris Grillone made a motion to accept the rate increase. Perky Perkins seconded the motion which was unanimously approved.

11.4 Insurance Renewal, 1/1/12 – Deborah McGraw stated that State Farm has provided a renewal certificate for the master insurance policy with an annual premium of \$28,579 including the Umbrella Policy. Last year, the cost was \$27,919 – a difference of \$660. On a motion by Chris Grillone, seconded by Perky Perkins, the Board approved of the renewal policy. Deborah McGraw then presented a renewal proposal for the Earthquake insurance at the existing 15% deductible at a cost of \$31,157.80, which is the same price for a 15% deductible at the January 2011 renewal; a 10% deductible at \$38,520.85; and a 20% deductible at \$26,334.25. After some discussion, a motion was made by Maurice Green to keep the deductible at 15% with an annual premium of \$31,157.80. Perky Perkins seconded the motion, which was unanimously approved.

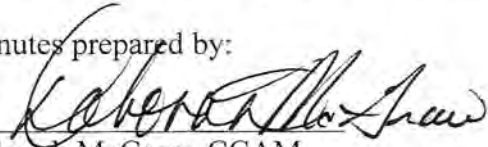
PENDING ITEMS

- **Comcast Re-wiring project** – Maurice Green reported that he has spoken with Lisa Hmelar, Comcast representative. Comcast agreed to start the rewiring project in 2012. However, they will do a model rewiring on Building 8 in December, since that building has areas with no service. Additional information will be provided at the next Board Meeting.
- **550 Thain Roof Replacement** – Deborah McGraw presented proposals for the replacement of the flat roof at 550 Thain from Izmirian Roofing at a cost of \$14,650 (5 year warranty) and Platinum Roofing at \$16,271 (10 year warranty). After some discussion, Perky Perkins made a motion to accept the proposal from Platinum Roofing. Chris Grillone seconded the motion, which was unanimously approved.
- **2011 Reserve Study** – Approved as amended at the 10/13/11 Board meeting.
- **502 Thain (Interior Remodeling)** – No report from the City.
- **CC&R Amendment Ballot** – Since there have not been very many ballots returned, the Board agreed to extend the balloting period to 12/14/11 to be opened at an Open Meeting on 12/15/11. A notice regarding the extended balloting period will be included in the November newsletter.

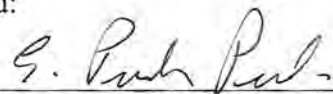
ADJOURNMENT & ANNOUNCEMENTS

The next regular Board of Directors meeting was scheduled for January 18, 2012, in the Association's Clubhouse. There being no other business to come before the Board, the Meeting was adjourned at 10:06pm.

Minutes prepared by:


Deborah McGraw, CCAM
ML Management Corporation

Attested:


E. Perky Perkins
Secretary