

**MINUTES OF THE ANNUAL MEETING OF MEMBERS  
OF  
THE MONTEREY DUNES COLONY ASSOCIATION  
AND  
MONTEREY DUNES COLONY MUTUAL WATER ASSOCIATION**

October 18, 2014

**PRESENT**

Frank Williams, Director  
Bob Dickinson, Director  
Jeff Schwartz, Director  
John Steinhart, Director  
Todd Davis, Director  
Tom Bugary, Secretary and General Manager

**ABSENT**

None

**WELCOME**

The combined Annual Meeting of the Monterey Dunes Colony Association and the Monterey Dunes Colony Mutual Water Association was called to order by Frank Williams, President, at 10:00 A.M., Saturday, October 18, 2014 at the Monterey Dunes Colony Clubhouse, 195 Monterey Dunes Way, Moss Landing, CA 95039.

**HOMEOWNER INTRODUCTIONS**

Homeowners present at the meeting introduced themselves.

**PRESIDENT'S REPORT**

Frank Williams gave the president's report, which was basically a recap of the preceding year. He began by commending the staff and thanking all those homeowners who have served on various committees throughout the year and those that have supported the Board and the committees. Next, Frank emphasized that the Board has tried to be very open, transparent, and accessible throughout the year and he feels that, for the most part, they have succeeded. He also mentioned that if any homeowner has a suggestion or idea regarding how the Board can improve their transparency and/or communication, please let the Board know.

This year, the governing documents (CC&R's and Bylaws) have been updated to be in compliance with the amended Davis Stirling Act. The updated documents have been sent to the membership to vote on them; all homeowners are encouraged to send in their ballots and vote.

We have replaced all common area lighting with LED lighting, reducing our energy consumption. At the same time, the membership just recently approved a solar project in which all common areas (minus the pool and jacuzzi) will be run on solar power. While P.G.& E. rates continue to climb, our budgeted amount will remain static for the foreseeable future - that means the portion of your monthly dues used to pay the electric bill will not increase and the funds collected for the budgeted amount will be used to pay down the solar costs.

We have continued to improve relations with the various Federal, State, and County agencies that we need approval from for our many ongoing coastal projects. For example, we have just received a permit to replace sand in a few of our breaches on the southern end of the colony and to re-vegetate the foredunes. Receiving this permit was mainly due to the efforts of the general manager, Tom Bugary, and the members of the wave run-up committee.

We have a clear upgrade path for internet service at reduced prices. First, we had a proposal from Surfnet who offered good service but “stumbled” on their promises of delivery. We formed a broadband committee to look at our options regarding the Internet and make recommendations. After looking at both Surfnet and Redshift (Redshift is offering better speed at reduced prices; if you need a flyer with the Redshift pricing information, contact Susie in the office), the committee recommended that, for the time being, the Colony not contract with Surfnet, but continue our relationship with Redshift.

We continue building our reserve funds, as we have done for the past several years, and we are approaching our goal of 40% of current replacement costs. At the same time, we face challenges such as an unexpected repair to our water tank (done this year), thereby extending its life by 20+ years at a cost much lower than replacing the tank.

### **INTRODUCTION OF DIRECTORS, 2014-2015 TERM**

Frank Williams wanted to thank 2 Board members from the previous year - they are Bill Michaels and Ted Swanson. He further announced that the 2014-2015 Board of Directors were voted in by acclamation. The Directors and officers are:

- 1) Frank Williams - Director
- 2) Jeff Schwartz - Director
- 3) Bob Dickinson – Director
- 4) Todd Davis – Director
- 5) John Steinhart – Director

### **MEMBER BUSINESS**

#### **IRS Revenue Ruling 70-604**

Frank read aloud a mandatory IRS Revenue Ruling (70-604) pertaining to the current fiscal year. With the aid of a majority of homeowner proxies, it was M/S/C unanimously to approve the resolution, which states that any excess revenue generated by the Association in the current fiscal year is applied to the following fiscal year expenses.

#### **Member Comments**

A homeowner from the audience thanked Frank for sending out summary letters to the homeowners after board meetings in which the important points of the meeting are highlighted. Frank responded to the homeowner and said that he would continue sending out the summary letters.

Another homeowner asked for the policy on homeowner water usage to be reviewed. The homeowners monthly dues include 200 gallons of water usage per day. If the water usage exceeds 200 gallons per day (tier II), the excess water is billed at .005 cents per gallon; if the usage exceeds 300 gallons per day (tier III), the excess water is billed at .03 cents per gallon. Monthly readings of the water meters allows us to identify water leaks at individual units and the Board will generally waive those charges provided it is the first time and the leak has been repaired. It was noted that the Colony has reduced their water usage by 1/3 compared to the water usage prior to water meters being installed at the units.

There was a suggestion that ECC applications be made available for neighbor review for a month versus the two-week period they are made available now.

Another suggestion was for management to post more notifications on the Colony's website.

Several homeowners expressed concern about activity on the sand dunes and were wondering if there are steps we can take to educate people (laminated single sheet instructions?, "stay off dunes" signs?), etc.

It was noted that the staff, depending on availability, are able to do small jobs for homeowners as a "charge to owner" at a less expensive rate than a contractor or handyman.

### **ADJOURNMENT**

With no further business, Frank adjourned the meeting at 10:50 A.M. and announced that there will be an organizational meeting following this meeting and the annual homeowner's barbeque will be at 12:00 P.M.

### **ORGANIZATIONAL MEETING**

Following the annual meeting, there was an organizational meeting in order to elect officers of the Board for the 2014-2015 term. The Directors made the following appointments:

Frank Williams	President
Bob Dickinson	Vice-President
John Steinhart	Treasurer
Jeff Schwartz	Director
Todd Davis	Director
Ted Adams	Appointed as an Officer, Assistant Treasurer
Tom Bugary	Appointed as an Officer, Secretary

Respectfully Submitted,

*Thomas J Bugary*

Thomas J. Bugary, CMCA, CCAM  
Secretary and General Manager

DRAFT