

**COMBINED MEETING OF THE BOARDS OF DIRECTORS
MONTEREY DUNES COLONY ASSOCIATION
AND
MONTEREY DUNES COLONY MUTUAL WATER ASSOCIATION**

November 16, 2013

PRESENT

Bob Dickinson, Vice President
Ted Swanson, Treasurer
Jeff Schwartz, Director
Bill Michaels, Director (via telephone)
Tom Bugary, Secretary and General Manager

ABSENT

Frank Williams, President

WELCOME

In the absence of Frank Williams, Bob Dickinson, Vice President, called the meeting to order at 10:00 AM, November 22, 2013 at the Monterey Dunes Colony Clubhouse.


MINUTES

The Board reviewed the draft minutes of the 9-21-13 directors meeting as well as the 10-26-13 Annual Homeowners Meeting and the organizational meeting that followed. It was M/S/C to approve both sets of minutes as presented.

TREASURER'S REPORT

Ted Swanson, Treasurer, gave the Treasurer's Report for September and October 2013. Ted noted that the payments to the Capital Reserve Replacement Fund and to the Mutual Water Association were current. Additionally, Ted stated that all of our account balances could be seen in the written report, which has been attached to and made part of these minutes.

FINANCE COMMITTEE REPORT

Bob Dickinson, Finance Committee chair had prepared a written report regarding the Finance Committee meeting the previous day. During that meeting, the committee reviewed the financials for the first 4 months (July - Oct) of the fiscal year. To read a complete copy of his report, please click here.  Bob also recommended Art Testani be approved as a new committee member to fill the seat previously held by Jim McFeeters who recently retired. The Board M/S/C the committee's proposal that Art Testani, unit 174 be appointed to the Finance Committee.

ECC REPORT

Jeff Schwartz, ECC chair, reported that there has not been an ECC meeting since the last Board meeting in September and there are no requests pending.

AD HOC WAVE RUN-UP COMMITTEE

Ted Swanson, committee chair, gave a verbal report. He reported that the barrier test was held on November 8 and was a complete success as the 6 barriers used in the test did what they were supposed to do when negotiating the wave run-up.

Ted stated that he hoped to have a meeting of the committee on December 13 to discuss a way of identifying the optimal time to place the barriers forward of the houses when all the critical elements of a storm, (surge, wind and tide), and associated wave run-up could occur. He also said he wanted to discuss back-up septic system alternatives in the event of a septic system failure.

GENERAL MANAGER'S REPORT

MONTEREY DUNES COLONY ASSOCIATION

This report covers work completed this fiscal year, July 1, 2013 to date.

Windows, Doors, Fences, and Skylights

Association Carpenters completed 17 window replacements at unit 156 and a Sliding Glass Door at unit 278. Units waiting for windows and sliding glass doors due replacement this year are 176, 238, 262, 278 and 328.

Carpenters also replaced wood fencing near the recycle area along the tennis courts and courtyard fencing at units 158 and 302.

Association Maintenance replaced a large double-pane skylight at unit 156.

Garage Door Replacement/Repairs

Contractors replaced 2 garage doors at unit 124 and 302 and replaced the door jams at unit 120.

Painting

Maintenance has completed painting the exterior trim on units 102, 104, 106 and 108. We have also completed painting the chimney caps, exterior flues and storm collars on all units in the colony.

Archiving Project Update

We have hired a new part time data entry person for the archiving project. The project should pick up speed once the person becomes familiar with the archiving equipment.

Landside Boardwalk Replacement

Landside boardwalks have been replaced near units 132, 136, 234, 238, 242, 244, 246, 310, 314, 316 and 318.

Fumigation Update

One garage (units), 112-114-116-118, and an Association-storage-area fumigated on 7-24-13. 1 Building, units 178-180 and 182 was tented on 7-24-13 as well as one additional unit, (250) receiving a local treatment on 8-23-13. Unit 218 had a local treatment for drywood termites on 10-10-13. Unit 250 was retreated with a local application on 10-10-13 for an infestation in a different location than was found on 8-23-10. If the second local treatment on unit 250 fails to eradicate the termites, Terminix plans to re-tent the building under our current maintenance warranty agreement.

Built-up Roofs

Carl Black Construction was awarded a contract to replace 9 of the 48 built-up roofs within the colony that were scheduled for replacement last year. This contract was completed and the permit finalized on 9-12-13.

Coastal Projects

On 10-11-13, the colony received a "Notice of Permit Waiver Effectiveness" (CDP Waiver 3-13-020-W), signed by the Central Coast District Manager for the Coastal Commission. This waiver allowed the colony to conduct a one-day test of the "efficacy" of the K-Rail devices as an alternative to sand bags. The colony conducted the test on 11-8-13 where the K-Rails effectively abated the wave run-up and would have stopped most debris as it washed up with the waves during a storm.

The work towards obtaining CCC approval for our MOU with the State Parks system is still ongoing.

Chimney Inspection Update

The 2013 chimney inspection is completed. Most of the repairs were associated with chimney caps, exterior flue pipe and storm collars. Unit 194 remains red-tagged and needs to replace the fireplace and unit 332 is pending repairs to the flue pipe.

Retaining Wall Rebuild

On 11-12-13 I met with a local engineer and discussed the replacement of the retaining wall along the walkway adjacent unit 216. After receiving his report and recommendations, I will put together a replacement schedule and solicit bids for the project.

Smoke Detector Inspection Update

The 2013 smoke detector inspection is completed.

MONTEREY DUNES COLONY MUTUAL WATER ASSOCIATION

Water Conservation – Oriented Billing

During the September billing period, there were 8 units that exceeded the Tier 1 water conservation zone. 3 were under the \$5.00 billing limit and therefore not billed. 5 units were in Tier 2 and there were no units in Tier 3.

During the October billing period, there were 11 units that exceeded the Tier 1 conservation zone. 6 units were under the \$5.00 billing limit and therefore not billed. 5 units were in Tier 2 and there were no units in Tier 3.

Owners who exceeded Tier 1, or are in Tier 2 or 3 water use zone are billed for their usage in accordance with Association Policy.

Water System Update

The water tank project was completed in September but showed a small leak in the liner as we were filling the tank. The contractor returned to repair the liner on 11-8-13, however, the tank continues to leak when refilled. The contractors are scheduling to return to the colony to find and repair the liner using dye in the water to locate the break in the liner.

The Cla Valve, (hydraulic control pressure reducing valve) assigned to well 3 went out, is repairable, ordered but on back order. This renders the controlling well head useless until the valve is replaced. The water company is currently operating on well 4 and at reduced capacity.

OLD BUSINESS

Electric Charging Stations

In a previous meeting, a homeowner had brought up a concern over how he could charge his electric car while at the Colony. Tom was instructed to review electric charging station legislation and research the civil code concerning association responsibility/obligations for installing or allowing the installation of Electric Car Charging Stations either in the common area or in the exclusive use common areas such as the individual garages. After discussion, the board decided that the association was responsible to set policy for charging electric cars within the confines of the development. Tom was instructed to check with charging station manufacturers and local installers, (electricians) and supply several options for ECC design review and board

discussion at the next board meeting in January 2014.

Review Draft Governing Documents

Bob suggested that the review of the draft governing documents be tabled until a special meeting is held in January with the specific purpose of reviewing the governing documents. This suggestion was M/S/C.

NEW BUSINESS

Homeowner Letter to the Board reference Water Usage

A homeowner submitted a letter to the Board asking that he receive a credit in the months that his unit uses less than the 200 gallon per day limit and that this surplus is subtracted from those months where his unit exceeds the 200 gallon a day limit. The board elected to take no action.

OWNER'S STATEMENTS

There were no owner's statements.

WATER COMPANY BUSINESS

Addressed in the Managers Report.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:00 p.m. The next Board meeting will be on January 18, 2014 at 10:00 a.m.

EXECUTIVE SESSION

A homeowner requested a late fee waiver for a delinquent monthly assessment.

FOR THE BOARD OF DIRECTORS:

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

Treasurer's Report
September and October 2013

This report covers our fiscal year budget status through October 31, 2013.

Account Balances as of September 30 and October 31, 2013 are:

	<u>September</u>	<u>October</u>
Total MDCA Reserve Funds	\$1,923,361.88	\$1,919,286.89
+ <i>Comm Assoc Banc (CAB) Reserve</i> \$	---	\$ 5,032.91
+ <i>ICS Reserve (Bank Acct)</i>	\$ 817,481.96	\$ 808,374.06
+ <i>CDARS (CD Placement)</i>	\$ 600,740.12	\$ 600,740.12
+ <i>CDARS (CD Placement)</i>	\$ 505,139.80	\$ 505,139.80
CAB Operating	\$ 181,117.55	\$ 173,697.74
RABOBANK Petty Cash	\$ 1,120.92	\$ 433.62
CAB Water Operating	\$ 10,569.25	\$ 13,035.92
Total Water Reserve Funds	\$ 140,886.81	\$ 80,037.40
+ <i>CAB Water Reserve</i>	\$ ---	\$ ---
+ <i>ICS Water Reserve (Bank Acct)</i>	\$ 140,886.81	\$80,037.40

Payments to the Capital Replacement Fund (\$16,320.00 per month) are current.

Payments to the Mutual Water Association (\$3,750.00 per month) are current.

Respectfully Submitted,

Ted Swanson

Ted Swanson