

**Holiday Estates Maintenance Association
Board of Directors Meeting
March 17, 2011**

Board Members

John Milner	President (Present until 7:55 p.m.)
David Stoltz	Vice President/Treasurer
Julie Allen	Secretary/Communications
Sandor Drobilisch	Director/Roads & Ditches
Jess Macias	Director/Architectural & Safety
Josh Maston	Director/Roads & Ditches

Others Present

Tim Dillon	Access Association Services, Inc.
Tom & Dodi Monti	Budget/Finance Committee
Carl McCaw	Budget/Finance Committee
Gloria Platt	Budget/Finance Committee
Three Homeowners	

Item I Call to Order

The Board of Directors meeting was called to order by President, John Milner at 7:00 p.m.

Item II Agenda Review

- A. Due to a prior commitment, board president John Milner requested that the Open Forum portion of tonight's meeting be moved to the end of the meeting so he could conduct the required business on the agenda.

- B. Budget/Finance Committee Appointment – John addressed the volunteers on the Budget/Finance Committee that were present and asked if there was a motion from the board to appoint the committee as follows: Tom & Dodi Monti, Carl McCaw, Jacklyn & Ivan Guevara and Gloria Platt. Motion was made, seconded and unanimously approved to appoint the Budget/Finance Committee and John gave a brief review of the committee guidelines to all of the members.

Tom Monti commented that the committee has informally met and discussed the selection of a committee chair and developed a brief charter statement. Tom further commented that he was appointed as the chair of the committee and read the following charter for the minutes of the meeting:

"The budget and finance committee plans to review past financial history with respect to projected commitments and look for opportunities where dues can be reduced if possible. This will be accomplished through participation in the reserve study, validation of the application of the various funds of the association and working to find ways to obtain the best value possible from our membership dues."

Item III Consent Agenda

Motion made, seconded and unanimously carried to accept the Consent Agenda as follows:

- A. Minutes of the January 20, 2011 Board of Directors Meeting and Executive Session approved as corrected
- B. Work Order Summary
- C. Correspondence Summary

Item IV Committee Reports

Financial Report – David Stoltz

- A. David Stoltz reported on the financial status of the association for the period ending January 31, 2011. Dave requested that the financial reports could contain an additional column giving the amount of funds available in each account for that budget year. Management will investigate adding this item to future reports.

Dave further commented that the operating funds as of January 31, 2011 were at \$259,197; the reserve funds were at \$830,278 and the open space fund at \$201,717.

- B. Delinquency Report – Management provided an updated delinquency report with the following information:

- Past due notices were sent to 84 homeowners on March 1, 2011 notifying them that their account was 30 days past due.
- On March 17, 2011 there were 61 homeowners that had not paid the current assessment for a total of \$41,809.
- A total of 17 homeowners have paid the current dues but not the late fees or final notice fees amounting to \$1,020.
- There are currently 12 homeowners in collections with Allied Trustee Service for a total of \$22,320.
- Nine lots were in foreclosure for an additional \$9,076.
- Grand total as of March 17, 2011 in delinquent assessments is \$74,225.

Consistent with the association's collection policy, a motion was made, seconded and unanimously approved to send a final notice letter on April 1, 2011 to all homeowners that are delinquent in their assessments with a 10 day demand to bring their account current or their accounts will be sent to Allied Trustee Services.

Architectural – Jess Macias

- 17060 Holiday Wind Turbines – Architectural committee reviewed the request with the board of directors and based on the current architectural standards of the community, denied the request for the wind turbines as they are not in keeping with the architectural integrity of the community. Management will send a denial letter to the homeowner.
- 17429 Blue Jay Driveway Improvements – A lengthy discussion ensued regarding the plans submitted to widen the driveway and add a parking area on the homeowner's lot. Based on the plans submitted to the committee, it is unclear whether or not the parking

area would be set back from the roadway easement and although the homeowner submitted a drawing with the dimensions, the committee recommends that the homeowner request be denied until engineering plans are submitted showing the exact location of the proposed driveway and parking areas in relation to the homeowners lot and the road easement.

- 17665 Raccoon Court Landscape Plantings – Management provided a cease and desist letter written to the homeowner on March 14, 2011 requesting that they refrain from planting redwood trees along the property line that will obscure the view from other homeowners in the area. The homeowner did not attend the meeting; however, the architectural standards of the community state under “Landscaping, Item IV” that the height of newly planted trees and shrubs at their maturity may not block anyone’s view of the lake, valley or foothills. Further, it states that the homeowner must obtain the appropriate permits and submit an architectural request prior to commencing a project. Management was directed to send the homeowner a formal notice to remove the redwood trees and resubmit a planting plan that would include species of trees that will not grow to a height that would restrict the view of other homeowners. If the homeowner does not respond within 10 days of this letter, management was directed to contact the association’s attorney and to start the legal process against the homeowner for the violation.

Roads & Ditches – Sandor Drobilisch

- Sandor commented that the request for a proposal that was recently sent to four contractors have not received any response. Based on this information, Sandor is requesting that the board contract with John Brice to submit an engineering report on the road conditions as bid at a cost of approximately \$10,000 to review all roads and update the conditions. A motion was made, seconded and unanimously approved to accept this proposal and to proceed with the work as soon as possible.
- Retaining Wall – Sandor further commented on the retaining wall on Shady Lane, suggesting that the condition of the retaining wall may be affecting the overall structure of the road. A detailed discussion ensued regarding the agreement from one of the five homeowners to rebuild the retaining wall. Sandor expressed concerns that the engineering necessary for supporting the upper roadway should be reviewed and based on the discussion, will confer with engineer John Brice to include a brief review of this matter during his approved road survey.
- Storm Drains – Sandor met with Pacific Geotechnical Engineering to discuss the possibility of surveying the vertical culverts within the community at an approximate cost of \$3,400 for the engineering firm to scope and comment on necessary repairs for inclusion in the association’s reserve study. After a brief discussion on this item, it was determined to table further discussion on this matter to the May meeting.
- Lower Meadow Well Pump – Sandor addressed the pond in the lower meadow, commenting that the original design of the pond was as an irrigation source, which contains a well system and an old pump. Concerns that the well casing could be a potential hazard, Sandor is suggesting that the culvert be filled with gravel or rock and the pump equipment be removed and hauled off the property. After a brief discussion on anticipated costs for this, it was also tabled to the May board meeting.
- Emergency Escape Route – Sandor questioned the board of directors in light of the recent earthquakes, should the board consider an escape route for residents in the event of an emergency at Holiday Estates? A brief discussion ensued regarding the

county road that exits through Anderson Dam. However, this item was also tabled pending further review by individual board members.

Communication – Julie Allen

- Julie commented that the newsletter has been finalized and will be mailing this week.

Beautification – Julie Allen

- Julie commented that the beautification project previously emailed to the board of directors did not receive any response on suggested plans for replanting. Julie provided photographs of proposed deer and drought resistant plants and will submit those photos to management in order to obtain some cost estimates for consideration at a future board meeting.

Sewer & Annexation –John Milner

No report given.

Item V Action Items

- A. Open Space Agreement – As a result of questions posed at the last board meeting by Carl McCaw, management researched and found the open space agreement that was approved and recorded in 1994 dedicating the open space to the association. The upper and lower meadows are detailed in this agreement which will now be part of the association's legal document package.

Additionally Julie Allen provided information from 2003 when the board at the time started the lower meadow beautification project and further established that open space maintenance would be funded from the operating expenses and to replenish the open space fund.

- B. Reserve Study Materials – Management provided the reserve study materials in a supplemental package, including the draft copy of the current reserve study from Beatty and Associates. As the draft has just been received, the board of directors were given the information for review at the May board meeting. Copies will also be distributed to the financial committee members.
- C. Road Engineering Request for Quote – Management provided the specifications submitted to the contractors for this project, noting that no response from all four contractors was received.

Item VI Open Forum

Carl McCaw presented the board with additional information on one of the areas that the Budget/Finance Committee is working on, which is the projected tree expenses. This information shows that there are actually two funds set aside for tree maintenance; one in reserves and one in operating. The reserve expense for tree maintenance is in excess of \$27,000 per year and not being utilized on an annual basis. Additionally, in the operating budget over the past several years, very little expense has been incurred in tree removal. Carl

further commented that this is one of the areas that the committee will be making recommendations on.

Tom Monti further commented that the committee is looking forward to working with the board and looking at ways to hopefully reduce costs. Tom further commented that the goal of the committee is to focus on the reserve study and assist the board of directors in these matters utilizing his civil engineering experience and Dodi's experience as a CPA.

Gloria Platt commented that although she has been a homeowner at Holiday Estates since 1965, she has not been involved with the association and is looking forward to working with the committee and board and she appreciates all of the hard work that the board has put into the association.

Item VII Next Meeting Date

The meeting is scheduled for May 20, 2011 at 7:00 p.m. at the Ramada Inn.

Item VIII Adjournment

There being no further business before the Board of Directors, the meeting adjourned at 9:00 p.m. to executive session to discuss a homeowner payment plan.