



The Ocotillo Community Association

C/o Premier Community Management, Inc.
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OPEN SESSION MINUTES January 29, 2008

The Meeting was convened in the Conference Room at First Federal Credit Union building and called to order at 6:15PM by President Mike Palermo. Other Board attendees included: Vice President Wally Brown, Treasurer Gina Phalen, Secretary Roger Stage and Director Donna DeVoe. Quorum was duly noted and recorded. Also in attendance from Premier Community Management, Inc. (PCM) were Assistant Manager Dana Stevens and Compliance Manager Annie Colegrove. OCA General Manager Lynne Kerley was absent this meeting.

I. Pledge of Allegiance

II. Approval of Minutes

- Donna motioned to approve both the November 15, 2007, and January 9, 2008 open session minutes as written. Wally seconded the motion. Motion passed unanimously.

III. Treasurer's Report

- Gina presented the financial summary. 2007 year to date (YTD) income ran 0.4% under budget, 2007 YTD expenses ran 5.1% under budget. Overall a pretty solid year financially for the OCA. Gina noted that in 2007 the expenses for lake treatments and walls, monuments and fences both ran significantly over budget in 2007. Both line items were appropriately adjusted in the 2008 budget.
- At the beginning of January 2008, the reserve funds were \$646,313.05 which represents 76% of the amount recommended in the last reserve study.
- Gina proposed moving \$75K from reserve operating to a CD as there are adequate funds in general operating to cover upcoming big ticket items such as the main monument. Gina shared rates for 6 month and 12 month CDs.
- Request to Premier to investigate the rates for construction loans as an option for paying for the work associated with the main monument.
- Roger motioned to move \$75,000 from reserve operating to a 6 month CD at CAB bank. Gina seconded. Motion passed unanimously.

IV. Community Color Scheme Approval

Dana explained the new colors for Discovery and Premier I & II provided by Dunn Edwards. The original builder colors are intended to be included but the exact color names have not yet been formally identified.

Mike noted that the Ocotillo Lakes Sub-association BoD has been involved in the color scheme selection process and approves of the proposed schemes. Discussion noted that Dunn Edwards should not be the only vendor. Dana explained that once the color schemes are approved, Dana will obtain the equivalent Frazee and Sherwin Williams names. This needs to be made clear to in the letter to homeowners.

Proposal by Donna to make the schemes for body color as proposed and make the fascia trim optional. Several wording clarifications made to notes and the homeowner letters. Dana will send out the homeowner letters and color schemes to the BoD by e-mail to solicit review and edits which are to be returned to Dana by next week.

Motion by Roger to approve the proposed color schemes for the following communities per the attached specifications:

- Ocotillo Lakes – Discovery
- Ocotillo Lakes – Premier I and II
- Ocotillo Lakes – Horizons I and II
- Camelot Cove
- Carmel Bay
- Corona Del Mar I and II
- Cypress Point Estates
- Greenbriar
- Harbour Club
- Monterey Bay
- Peninsula
- Sandpiper Shores
- Silverlake
- Spyglass Bay
- Stillwater Cove

Gina seconded the motion. Motion approved unanimously.

V. Nominating Committee

Mike reviewed the requirements for a nominating committee for the upcoming BoD elections per the OCA's governing documents. Donna agreed to chair the nominating committee and will solicit two additional members for the committee.

Applications will close February 22nd. Interviews will start the following week.

VI. Manager's Report

- Peninsula Slurry Seal Proposals

Two bids were presented. One bid from ACE Asphalt for \$13,980.00 and one from S&S Paving and Construction for \$26,629.99. One reason for the difference is that ACE did not include crack sealing in their bid. Currently, \$20,000 has been set aside for the Peninsula street seal.

Discussion noted that in general we should have a single RFP for such projects so that bids are more easily compared. Request for Premier to contact ACE to understand whether crack sealant is included and if not, why not. Premier also requested to contact Absolute Paving to ask them why they did not bid and whether they would reconsider.

Proposals tabled.

- Park Seal Coat Proposals

Absolute Paving Maintenance and Sunland Asphalt bid on the Sunset Shores and Lakeside Parks. Request to Premier to have ACE and S&S bid on the parks too.

A total of \$4000 is in the budget for the two parks.

Proposals tabled.

- Annual Meeting Timeline

Dana reviewed the timeline leading up to the April 9, 2008, Annual Meeting.

- Design Review Board Discussion

The appointment made by the BoD three years ago is up this month. Ocotillo West (OW) has been fulfilling this role until OCA is built out. The current ODRB includes Mike Palermo, Bernie Hoogestraat and Jean Brown.

No contract exists between the OCA and OW for the ODRB. The thought process at the time of the last appointment was that the ODRB is an appointed board hence no contract was needed. Gina noted that since design review fees transfer between the OCA and OW, a contract may be prudent going forward. Wally concurred and explained some of the reasons why a contract makes good practical legal sense.

Discussion and agreement to continue with the ODRB appointees and process as is until the next meeting when a formal contract proposal should be available for BoD review and approval. Premier was requested to work with OW to ensure that such a draft is available prior to the February open session meeting.

The sections of the governing documents pertaining to the ODRB were read and discussed. It was agreed that a formal process for ODRB appeals is needed that is more completely defined than what is included in the governing documents.

Ancillary to the ODRB discussion, Premier was requested to prepare a formal contract for the Community Events Coordinator position.

VII. Violation Report (Dana Stevens)

Violation reports for the OCA are available on the OCA web site. Breakdowns of violations by individual communities within the OCA have not been posted to the web site up to now. Discussion led to agreement that for now, the OCA will stay with posting to the web site only the overall violations summary.

VIII. Adjournment

Roger motioned for adjournment at 8:30PM. Donna seconded the motion. Motion passed.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Roger Stage". The signature is written in a cursive style and is positioned to the left of a vertical line.

Roger Stage
Secretary, The Ocotillo Community Association