



One Glen Lake Drive, Pacific Grove, CA 93950  
✕ <http://theglenofpg.com>

**THE GLEN OF PACIFIC GROVE HOMEOWNERS' ASSOCIATION  
BOARD OF DIRECTORS MEETING MINUTES  
February 22, 2011**

**CALL TO ORDER:** Candy Pollock called the meeting to order at 6:02 p.m.  
**Board Members present:** Nancy Budd, Terry Field, Glen Grossman, Candy Pollock and Jack Rugar.  
**Board members absent:** None.  
**Others present:** Four homeowners attended.  
**Management present:** Etna Monsalve, Thelander Management Company.

**MINUTES: M/S/C:** Grossman/Rugar/Unanimous (Budd abstained due to absence): to adopt the minutes of January 19, 2011. The Board will post minutes on the website in final draft form as soon as completed. The minutes will be adopted at the following meeting.

**REPORTS:**

**Management:** Management worked with Travelers to complete an onsite inspection of the property and a questionnaire. The umbrella insurance premium may be increased by \$869 but the insurance broker expects the increase to be offset by other discounts. The worker's compensation insurance has renewed for the period January 13, 2011 through January 13, 2012 at a premium \$841 plus \$43 in fees. Management updated the Secretary of State filings. The new signature cards required signatures from all authorized signers again and delivery of documents was coordinated with Ms. Pollock and the local Pacific Grove branch representative. Another notice was received regarding the fraudulent check. Management sent copies of the affidavit previously submitted. Management reported which documents should be retained and the length of time for retention, what documents must be disclosed to the membership and when, and which financial documents the Board is required to review and accept according to the Davis-Stirling Act. Management reported that Thelander Management Company holds a one million dollar bond. Mr. Field requested a copy of the bond. Management reported that the monthly reserve contribution hadn't been increased with the new budget. Management is working to correct the automatic transfer to reflect the updated contribution per the 2010-2011 Budget.

**Financial Report:** Mr. Rugar reported that although he has seen the December financial reports, he is still waiting for the January reports. Management hasn't finalized them and will distribute them to the Board via email as soon as they are ready. **M/S/C:** Grossman/Rugar/Unanimous: to approve \$1635 for McCormick and McCormick CPA to complete the 2010-11 tax returns and annual review.

**Maintenance Report:** Mr. Rugar reported that a lake tree was removed. Affordable Arborist Tree Care and Removals inspected several trees and recommended trimming two trees near units 7 and 9 and removal of two trees at units 102 and 104. **M/S/C:** Grossman/Rugar/Pollock

amended/Unanimous: to send the arborist's estimate with a notice to owners reminding them to address the needs of the trees on their lots.

Architectural Control Report: Mr. Morley reported that units 102 and 104 were approved to replace their garage doors. Unit 54 was approved to replace some windows.

Gardening Report:

A. Irrigation-The water bill is being monitored monthly and showing a reduced cost due to the satellite linked irrigation system.

B. Trees-Report presented earlier.

Lake Report: Ms. Bomberger reported that seeds were planted. Weeding will be done weather permitting. Dead flowers around the lake will also be removed. The rhododendron is also pending replacement previously approved.

Rule Compliance Report: No violations reported.

New Resident Report: There is one new resident but the contact information has not been submitted.

Rental Property Committee: No new information to report.

Community Committee: Ms. Pollock reported that the next community supper will be in April.

Emergency Preparedness Plan: No Report.

Website Report: Mr. Morley reported that the final draft of minutes will be available on the website. The two copies of backup discs are being given to Management and a Board member for storing to avoid the expense of storage at a bank. He asked for a list of approved documents for distribution via the website. Management provided a list of documents with retention time limits, a list of disclosure documents and distribution time line, and a list of documents that Board members are required to review periodically. Once the Board adopts disclosure and record retention policies, Mr. Morley will be notified.

Ad Hoc Committees:

A. Rules & Regulations Document-Ms. Pollock reported that the rules in the CC&Rs are being condensed and additional rules are being created to compile a concise and complete list.

B. Legal Issues; Small Claims Issues-Tabled

1. Fallen Tree

2. French Doors

Liens: Management reported that there are two cases pending, one against the prior owner of unit 38 and one against the owner of unit 25..

President's Report: M/S/C: Pollock/Rugar/Unanimous: to meet with Management prior to the six month contract review period to reevaluate the contract services and fee. Management will schedule a meeting as soon as possible with the Board of Directors and the principal, Clinton Thelander, of Thelander Management Company. The Board discussed the level of urgent business handled at every meeting and determined that monthly meetings are not necessary. The President can exercise presidential authority to approve needed expenses in between meetings and report them at the next meeting. M/S/C: Pollock/Grossman/Unanimous: to change board meetings to every other month. The next meeting shall be scheduled for April 26, 2011. Ms. Pollock also reported that the inspection from the insurance company's representative revealed a need for reminders to owners to clean and maintain fireplaces, clean out dryer vents and adopt a barbeque grill policy. Management will send the Board the verbiage from Davis-Stirling and a sample policy.

UNFINISHED BUSINESS:

New Gate Code: Ms. Budd reported that she has come up with five new codes to be distributed

to residents, contractors, delivery drivers, utility companies and emergency services with an effective date of March 15, 2011.

Investment Options: Mr. Rugar reported that approximately \$200,000 should be reinvested. The options are a six month certificate of deposit with a return of .3%, one for nine months with a return of .4%, and one for twelve months with a return of .5%.

M/S/C: Grossman/Field/Unanimous to invest \$100,000 at six months for .3% and the balance at nine months for .4%.

Safe Deposit Box/ Firebox: Mr. Morley and Ms. Budd agreed to have a board member and Management store the website backup discs.

Porch light Fixtures: Tabled.

Termites: The Board discussed the various sections of the CC&Rs which relate to maintenance responsibility. The Board also discussed possible alternatives for policies to address termite treatment and repairs which would fall within the CC&Rs. The Board will research other associations' policies and reconvene this board meeting to finish discussion of this item and propose a policy. Ms. Pollock also stated that whatever policy the Board reaches, should be approved by an attorney before proceeding for member review and board adoption.

NEW BUSINESS:

OPEN FORUM/RESIDENT REQUESTS: A member requested a new member directory.

CORRESPONDENCE: Ms. Pollock addressed a letter the Board received from an owner concerned about the holiday decorations still on display in the community. The Board reminds all residents that holiday decorations should be removed promptly after the holiday.

FUTURE BOARD MEETING: Scheduled for April 26, 2011 at the Forest Grove HOA Clubhouse at 6pm. An executive session with Thelander Management Company to discuss the contract will be scheduled in conjunction with the reconvened meeting currently set for March 16, 2011 pending scheduling with Clinton Thelander.

ADJOURNMENT: M/S/C: Grossman/Rugar/Unanimous: This meeting is adjourned until March 16 at 6pm to complete the discussion on termite policy.

Respectfully submitted,



Etna Monsalve  
Recorder



Glen Grossman  
Secretary

5/3/11

**THE GLEN OF PACIFIC GROVE HOMEOWNERS' ASSOCIATION**  
**BOARD OF DIRECTORS MEETING MINUTES**  
**March 15, 2011 (adjourned from February 22, 2011)**

CALL TO ORDER: Candy Pollock called the meeting to order at 6:00 p.m.

Board Members present: Nancy Budd, Terry Field, Glen Grossman, Candy Pollock and Jack Rugar.

Board members absent: None.

Others present: Lynn Bomberger.

Management present: Etna Monsalve, Thelander Management Company.

Termites: The Board discussed responsibility to treat termites and repair damage caused by termites. The CC&Rs are silent as to wood-destroying pests. However, Davis-Stirling Statutes Section 1364 (b) (2) states that in a planned development (PUD) the owner of a separate interest is responsible for the repair and maintenance of that separate interest as may be occasioned by the presence of wood-destroying pests or organisms.

The Board reviewed the Davis-Stirling Statutes, the Bylaws and the CC&Rs of The Glen of PG and some of the deeds to properties at The Glen. The first finding was that The Glen is a PUD not a condominium. Ms. Pollock reported that according to legal definitions of PUD and condominiums, found in Davis-Stirling Statutes Section 1351, The Glen fits the definition of a PUD. Additionally, the governing documents also refer to a planned development. Also, the deeds state that the property is located in a PUD and that the owner owns a lot and 1/60 of the common area. The assessor's map corroborates this fact describing lots owned as separate interests. Sondra Carter from KBK Insurance also stated that The Glen of PG is a PUD and any interior claims would be to that owner's insurance and not the Association's insurance. Lastly, Jill Miller at the City of PG planning department informed the Board that the area is zoned for PUDs not condominiums and that if any plumbing or electrical work was to be done in a unit, it would require a permit by owner not HOA.

Next, the Board carefully studied the division between Association and owner property. Davis-Stirling Statutes, Section 1364 states that the owner maintains his separate interest and appurtenances. These are the exclusive use common areas such as patios and fences [The Glen CC&Rs, Article II, Section 4 (C)]. The CC&Rs Article I, sections 4, 5 and 9 define the common area as Lot A, shown on the assessor's map, and any real property owned by the Association; a lot is any plot of land shown on the map but not including common area; and a unit is the structure on a lot. Therefore, the Association has a common area shown as The Glen property not including individual lots and their appurtenances. Those belong to the individual owners.

Finally, the Board detailed the division of maintenance responsibility between the Association and owner. CC&Rs Article V states that the Association shall maintain the common

area (Lot A and real property) and exterior surfaces SUBJECT TO ASSESSMENT; that is to paint, repair, replace and maintain roofs, gutters, downspouts and exterior building surfaces not including glass. Article VII states that walls shared by owners are the responsibility of the owners sharing those walls. Article VIII states that owners are required to maintain their units including performing any structural repairs and glass repairs but excepting any maintenance specifically assigned to the Association (which is to maintain, repair and paint roofs, gutters, downspouts and exterior building surfaces not including glass).

Management's research also shows that the governing documents describe The Glen of PG as a planned development and therefore recommends it adhere to the Davis-Stirling Statutes Section 1364 (b) (2) which states, "In a planned development as defined in Section 1351, unless a different maintenance scheme is provided in the declaration, each owner of a separate interest is responsible for the repair and maintenance of that separate interest as may be occasioned by the presence of wood-destroying pests or organisms..." Management suggests the Association only perform the maintenance specifically stated in the declaration and not any additional maintenance.

Therefore, based on the research, the Board felt that the Association does not have the authority to pay for the cost of termite treatment or the repairs occasioned by their presence unless the repairs are to the areas specifically assigned to the Association for maintenance. Mr. Field added that only through membership approval could that be changed. Mr. Grossman suggested polling the membership. But Mr. Field replied that any such poll should be at the request of a majority of the membership following the proper channels and then only if the poll included estimates for the increased assessments that would be required for the Association to cover such an expense.

M/S/C: Rugar/Field/Grossman abstained, to adopt a policy clearly stating the research this Board of Directors completed and the determination that the Association is not responsible to treat for termites or make repairs other than those repairs specified in the CC&Rs. Section 1 repairs to be completed by the Association shall be more specifically defined as those exterior repairs that the Association is responsible for in accordance with the CC&Rs.

M/S/C: Pollock/Grossman/Unanimous to specifically define Section 1 work to be completed by the Association as only exterior repairs and not any interior or structural repairs, needed on a unit. Those are owner responsibility.

The meeting was adjourned at 6:37 PM.

Respectfully submitted,



Etna Monsalve  
Recorder



Glen Grossman  
Secretary

Secretary's Note: The deadline for changing the gate code(s) was subsequently changed to April 15. All residents and owners will have notice via email and U.S. Postal Service about the new codes prior to the effective date of April 15