

SUGARLOAF HOMEOWNERS ASSOCIATION

Minutes of the Board of Directors Meeting

April 22, 2008

ORDER

The Meeting, which was held in the office of PML Management Corporation, was called to order at 5:40pm. Board Members Mark Brosche, Larry Connell, Miles Dooher and Bob Kiss and were in attendance. Deborah McGraw represented PML Management Corporation. Homeowners Chris Callegari, Katie Flynn, Hal Carter, and Bob Bernicchi attended the meeting.

OPEN FORUM

Hal Carter requested that the Board look into getting house address numbers re-painted in reflective paint on the curbs. Katie Flynn mentioned that there may be some specific requirements in terms of allowable paints, given environmental concerns about hazardous materials getting into the sewer systems. Miles Dooher volunteered to inquire with the city of San Mateo as to any specific requirements. Once that information is obtained, the Board can further discuss the suggestion. But, in general, the Board members saw value in having the house numbers painted on the curbs.

AGENDA & CALENDAR REVIEW

On a motion duly made, seconded and unanimously approved, the Board agreed to move the Unfinished Business Items Large Tree Pruning, Firebreak and Landscape Contract to be discussed under Landscape Reports. Also, the Board and Mr. Callegari agreed to move the Painting Compliance Hearing to be heard after the Agenda Approval of Previous Meeting Minutes.

APPROVAL OF PREVIOUS MEETING MINUTES

On a motion duly made and seconded, the Board unanimously approved the Minutes of the March 25, 2008 Board of Directors Meeting, as amended.

PAINTING COMPLIANCE HEARING

Chris Callegari, owner of 1505 De Anza Blvd., attended the meeting in order to discuss the issue of exterior painting non-compliance and agreed to hold the hearing during the open meeting and thus declined his right to have the topic discussed in Executive Session. Bob Kiss gave a brief chronology of events which previously occurred prior to this meeting, including the fact that Mr. Callegari had requested to paint his home in a color scheme that was not based on the original 1980s colors nor on the 2002 revised color schemes offered to all owners. Because the proposed color scheme was not in compliance with the allowed color choices, the Architectural Control Committee denied Mr. Callegari's proposal. After receiving the denial of the proposal, Mr. Callegari painted his home in an unapproved color scheme. Mr. Callegari then stated that he had painted the stucco of his home in an approvable paint color and chose to paint all the exterior trim in white to match the white vinyl windows. He then stated that other owners have painted their window trim white and didn't understand why he was not allowed to do the same. Mr. Callegari then displayed a signed petition from various neighbors stating that they did not disagree with his color choices. He acknowledged non-compliance with regard to the Association's requirements and stated that he believes he has been singled out for selective enforcement of the governing documents. The Board then thanked Mr. Callegari for attending the hearing and stated that they will convene in Executive Session to discuss their decision on the subject.

REPORTS

Treasurer – Larry Connell reported he met with Greg Fox and Karen Hahn, CPA, to discuss the current draft Audit for the year ended December 31, 2007, and stated that it was brought to his attention that some of the accruals during the year were made incorrectly. It was agreed, during the Audit meeting, that Greg Fox would make the recommended Audit adjustments as requested. Mr. Connell then discussed the Association's two CD accounts with Franklin and recommended moving the accounts into four separate CD account with Oppenheimer. The Board agreed and also requested Mr. Connell to close the First Bank account and move the money into the US Bank Money Market account.

Mr. Connell then reviewed the financial statement for the period ending 2/29/08 as follows:

	Month	Y-T-D	Budget	Variance
Total Revenue	(1,155)	143,424	25,018	(118,406)
Total Maint. & Repairs	6,818	7,212	12,486	(5,274)
Total Utilities	14	387	2,384	(1,997)
Total Admin. Expenses	10,210	7,548	7,286	262
Total Reserve Expenses	4,718	4,718	0	4,718
Total Assets		335,023		
Total Liabilities		31,052		
Total Fund Balances		303,971		

Landscape Committee – PML reported that the backflow assemblies have been inspected and certified by Jim Cozzolino. It was also reported that during the inspection it was found that one backflow device could not be certified due to repairs which need to be performed prior to the certification. Upon inspection by Roto Rooter, it was determined that both of the stems to the backflow device have been cut off. Roto Rooter will submit a proposal specifying the repair and total cost including the certification fee.

PML then stated that the landscape maintenance proposal requests have been sent to the following vendors: Gachina Landscape Management, Loral Landscaping, Inc., Lee's Gardening Service, J. Cozzolino Landscape Services, Jim Lord Landscaping, Greener Landscape Management, Valley Crest Landscaping, and Eddie's Gardening Service. A bidders meeting has been arranged for May 12, 2008, in order to review the contract with all the bidders on site.

Landscape Committee Chairman, Miles Dooher, stated that the firebreak clearing of brush is currently being completed by Lee's Gardening Service at no extra charge to the Association. However, there may be a charge for the removal of the accumulated debris. The Board then reviewed and discussed the large tree pruning specifications as prepared by Landscape Committee member, Bob Bernicchi, which had been based on discussions the Landscape Committee had with the San Mateo Fire Marshall's office. It was noted that the original project scope had been based on a thirty foot zone of attention to large trees. Bids had been received based on that original scope. The more recent discussions with the Fire Marshall's office led the committee to revise the scope to be based on a 100 foot zone of attention (the original 30 foot zone plus an additional 70 foot zone in which fuels also would be reduced). Based on the revised specifications, Mr. Dooher stated that one of the original bidders was prepared to modify their initial proposal and that the project cost would be increased to approximately \$100,000. Treasurer Larry Connell noted that this was significantly more money than allotted based on the Reserve Study and also significantly in excess of funds available through the 2008 operating budget. Discussion continued and it was noted that the revised cost estimate was not based on a detailed examination of the additional areas in question, so that there may be room for negotiation of the costs. Additionally, it was also noted that the Fire Marshall's office had not walked the properties to identify which areas were truly in need of additional tree pruning (it was noted that significant pruning was performed during the last major fire break project to include tree pruning, a few years ago). Therefore, the Board felt that there was too much uncertainty surrounding the current project scope and estimated cost to determine a path forward with any specific vendors. The Landscape Committee was then instructed to 1) contact the Fire Marshall's office to arrange for a followup meeting to better define the specific tree pruning requirements relevant to Sugarloaf common properties, probably to include a walk-through of the properties and 2) prepare to be ready to solicit re-bids as soon as possible, as warranted, to keep the project moving once the final scope of work was clarified with the Fire Marshall's office. Mr. Dooher stated that he would contact Mr. Tom Ames, Fire Marshall representative, as soon as possible to arrange the followup meeting.

Architectural Control Committee – Bob Kiss reviewed the following projects which were approved since the last meeting:

<u>Date Received</u>	<u>Address</u>	<u>Description of Work</u>	<u>Status</u>
3/22/08	1673 Toyon Court	Re-roof the home using Monier Life Tiles, Casa Grande 1VICS	Approval letter sent 4/16/08

		6169 Blent C/T	
4/1/08	1920 Parkwood Dr.	To repaint the stucco in Camel Tan, the trim in Loam and the downspouts the color of the structure behind them.	Approval letter sent 4/16/08
2/08/08	3405 Douglas Court	To replace the windows with the Andersen Brand in Sandstone trim as well as paint the home in the approved color Scheme F (taupe)	Approval letter sent 4/16/08
4/20/08	3520 Broadview	To repaint the stucco in Oyster and trim in Loam	To be approved since this is a re-submittal of an earlier signed form, but with corrected color scheme.

UNFINISHED BUSINESS

Large Tree Pruning – see Landscape Committee report.

Firebreak - see Landscape Committee report.

Landscape Contract Final Review – see Landscape Committee report.

NEW BUSINESS

Appointment of Director – Bob Kiss stated that the Board is accepting applicants for the Board Director position vacated by Frank O'Neill. The Board will continue to work to identify a replacement.

Public Safety Committee Status (Appointment of Committee Chair) – On a motion duly made, seconded, and unanimously approved Larry Connell was elected as Chair of the Public Safety Committee.

Property Management Contract Renewal – PML was requested to contact the Board with a few choices of dates in June in order to perform a review meeting.

ADJOURNMENT

The next Board of Directors Meeting was scheduled for Tuesday, May 27, 2008. There being no further business before the Board, the Meeting was adjourned into Executive Session at 8:25pm.

Respectfully Submitted,

Deborah McGraw
PML Management Corporation