

**THE MINUTES OF THE GENERAL MEETING
OF THE
BOARD OF DIRECTORS
OF THE
SORRENTO HOMEOWNERS ASSOCIATION**

December 10, 2009

CALL TO ORDER

The following are the Minutes of the General Meeting of the Board of Directors of the **Sorrento Homeowners Association** held December 10, 2009 at the Sierra Canyon Upper Campus, 20801 Rinaldi Street in Chatsworth, California. A **Quorum** was noted and the meeting was called to order at 7:03 p.m.

BOARD MEMBERS PRESENT

Melissa Centeno, President; Pat Pope, Vice President (Departed at 8:50 p.m.); Victor Florian (Departed at 8:47 p.m.), Treasurer; Phillip Minton, Member at Large (Arrived at 7:10 p.m.) and Mary Cooley-Lopez, Secretary.

BOARD MEMBERS ABSENT

None.

OTHERS PRESENT

Guest Speakers ISS Grounds Control, Inc.; Guest Speaker Water2Save; Bill Wallace of Centurion Security; Marinel Agbunag of Ross Morgan and Company (RMC) (Departed at 8:30 p.m.); Lisa Holtke of Recording Secretaries, Inc. (RSI) and several homeowners were present.

APPROVAL OF MINUTES

Mary Cooley-Lopez moved to approve Minutes of the Executive and General Meetings of November 19, 2009, provided the following changes are made to Minutes of the General Meeting: *strike* Marc Bratman and *replace with* "Maureen Bratman" (**Committee Changes/Appointments**, page 3) and *strike* the entire **Delinquencies** paragraph (page 5). Pat Pope seconded the motion, which carried unanimously. .

PRESIDENT'S REPORT

Committee Changes/Appointments – Melissa Centeno announced the appointment of a new Security Committee Chairperson, Bob Berg.

Melissa Centeno announced that Marc Bratman has resigned as Chairperson of the Finance Committee. She extended her appreciation for his contributions to the Committee and Association.

COMMITTEE REPORTS

Architecture/Landscape Committee and Newsletter/Website Committee - Liaison

Mary Cooley-Lopez – Mary Cooley-Lopez introduced ISS Grounds Control, Inc. guest speakers. The President/Owner introduced his company, colleagues and their Valencia-based ground control company. The Sorrento proposal was presented in hard copy to Board members in attendance. The speaker highlighted pages 23-24 “Pricing”, supplies and services included without additional charge (e.g. snail abatement, fertilizer and 120 flats of annuals for gate beautification). ISS Grounds Control, Inc. explained their irrigation control, monitoring, and add-on improvement expertise and introduced Water2Save, a separate company with whom they have an irrigation control relationship.

Board members and homeowners asked questions regarding sprinkler head repair costs, irrigation system review/maintenance, monthly reporting and communication with the Board. ISS replied that pricing is listed on pages 15-16, irrigation systems are reviewed each four to six weeks (in their entirety), monthly reporting includes work performed and month ahead forecasting and the company will prepare special monthly communications or attend Board meetings, as required.

Mary Cooley-Lopez moved to accept the ISS Grounds Control, Inc. Proposal and instruct Management to provide the current vendor, M&R, thirty day cancellation notice on February 1, 2010. Pat Pope seconded the motion, which carried with Minton opposed and Florian abstaining from the vote.

Leah of Water2Save explained a water savings “guarantee”: Water2Save issues quarterly savings reports and if net savings (cost reductions) in water use are not realized, Water2Save will credit their customer the difference. The LADWP and Water2Save calculate water usage prior to installation based on five years of records; Water2Save selects meter/controller/stations for a guaranteed cost savings (e.g. Water2Save customers save 30% water on *high water use existing controllers*, of which there are approximately 15 at Sorrento. They do **not** replace low water use controllers). She also explained rebate offers that may be available to Sorrento through existing Corporate and government programs.

Mary Cooley-Lopez moved to allow Water2Save to reserve Honeywell “Save a Buck” rebates for controllers likely to be installed (no commitment is required) and to perform or complete a water use audit for Sorrento (Water2Save provides the audit free of cost if Associations contract with them and charges \$750 for the audit service if they do not contract with Water2Save – a one page hard copy “Letter of Understanding” was submitted for the record/Minutes). Pat Pope seconded the motion, which carried. Minton opposed. Florian abstained.

Mary Cooley-Lopez moved to approve a one-time gate beautification project to be performed by ISS Grounds Control, Inc. during the current month, in the amount of \$10,000, to be billed in December 2009 and paid from the 2009 Budget. Pat Pope seconded the motion, which carried. Florian and Minton opposed.

COMMITTEE REPORTS (Cont.)

Security Committee/Rules Committee - Liaison Pat Pope – Pat Pope moved to approve installation of four speed humps: one double hump on Sorrento west of Lugona Way, one at Bergamo Way west of the pool, one on Revenna Lane north of Pesaro and one on Lugano Way Northeast of Como Lane – at a cost of \$6,000 (two bid have been obtained and a third is being submitted). Mary Cooley-Lopez, Melissa Centeno and Victor Florian seconded the motion, which carried with Minton opposed.

Pat Pope moved to purchase holiday gift Certificates for Centurion Security guards (fourteen @ \$10 each) and one in the amount of \$50 for Marinel Agbunag of Ross Morgan Company (RMC), with total expense not to exceed \$200. Mary Cooley-Lopez seconded the motion, which carried. Minton and Florian abstained.

Treasurer/Finance Committee - Liaison Victor Florian –

Victor Florian moved to approve Association insurance with Farmer's which will involve a change of vendors and maintain or improve existing coverage; the renewal date is December 29, 2009 - Victor Florian will be out of the area at that time - Dominic Little will serve as Finance Committee Chairperson to receive Farmers' final bid, approve the bid and circulate the bid/renewal to Board members. Pat Pope seconded the motion, which carried unanimously.

Victor Florian moved that prior to entering an agreement with a vendor all Board members disclose if they have had any prior relationship, personal or professional, with that supplier, or vendor at the beginning of the member's term, and annually thereafter. Phillip Minton seconded the motion, which carried unanimously.

Victor Florian moved to request new committee members present credential, experience and educational background. Phillip Minton seconded the motion, which failed. Cooley-Lopez, Pope and Centeno opposed.

Hospitality Committee/Pool Committee – Liaison Melissa Centeno – Melissa Centeno announced a "Toys for Tots" event at the Meadows Pool, Sunday, December 13, 2009 – an unwrapped gift valued at ten dollars is recommended – U.S. Marines and Santa Claus will be present.

The holiday lighting contest will be judged December 17, 2009.

Pools Committee – Melissa Centeno reports that pumps are currently being bid.

NEW BUSINESS

Approval of 2010 Reserve Study – Tabled.

Discussion regarding RMC charges for Overtime – Board members questioned Management overtime charges for meeting attendance. RMC allows two hours per month for representative attendance at Association meetings with any/all additional evening meeting attendance billable at overtime rate. Board members and the President discussed the matter and suggest that Management be dismissed from future Board meetings at the conclusion of two hours of attendance, when practical.

Phillip Minton Motions – Phillip Minton moved to research cost associated with Board/HOA Roberts Rules education. Victor Florian seconded the motion, which carried unanimously.

Motion to suspend certain vendors for/from doing business with the HOA – Tabled.

Phillip Minton moved to change management companies (may involve an early termination penalty). Victor Florian seconded the motion, which failed with Cooley-Lopez, Pope and Centeno opposed.

Phillip Minton moved to change attorneys (based on Pat Pope's familiarity with Shapiro of Wolf, Rifkin, Shapiro, Schulman & Rabkin, LLP). Victor Florian seconded the motion, which failed with Cooley-Lopez, Pope and Centeno opposed.

Phillip Minton moved to adopt a new distressed home policy (a three step process is being developed but has not been finalized for presentation). Victor Florian seconded the motion, which failed with Cooley-Lopez and Centeno opposed.

DELINQUENCIES – Tabled.

OPEN FORUM

Dominic – Requested Attorney-Board correspondence regarding the Siegle matter. The Board explained the reason why such correspondence is not presently being disclosed to homeowner's.

The homeowner also asked to be permitted to submit a list of suggested questions and points of inquiry to the Special Investigative Committee (Bob Siegle matter). The Board encouraged the homeowner to submit those suggestions to the Board via e-mail and they will in turn make them available to the Committee.

Mike – Stated that Execute Meeting Minutes are privileged.

ADJOURNMENT

The General Meeting was adjourned at 9:01 p.m.

