

SURFSIDE COLONY BOARD OF DIRECTORS  
MONTHLY MEETING MINUTES  
JULY 11, 2011

Present: Dave Evans, KC Coultrup, Sandy Redding, Darlene Cahoon and Steve Wiles

Guests present: Pete McKinley, A71, Paul Mesmer, B96 and Chressa Lockhart

The meeting was called to order at 6:25 pm.

Motion by: Steve Wiles to approve the minutes of the June 14, 2011 Surfside Colony Board of Directors meeting as submitted.

Second by: Dave Evans

Vote: all in favor

Motion carried

Community Input:

Mr. Mesmer indicated he was interested in being nominated for the Surfside Board of Directors.

Mr. McKinley pointed out that contractors have been coming into the colony and starting work at 7am when the rules state contractors cannot make noise until 8am.

Front Gate report by Dave Evans:

Mr. Evans indicated the project is moving along well. He and Mr. Coultrup are very involved in the day to day operations. He indicated the curbs are to be poured the next day. He said they are making every effort to complete the project by Labor Day. Most of the underground work has been done. Currently the electrical wiring is being done for the Security shack. The electrical arm operator motors have been chosen. Todd Healy will maintain them.

Drainage Plan report by Dave Evans:

Mr. Evans indicated the budget for the drainage plan, needs to be finalized. He pointed out there will be a lot of water laying around the front gate this winter if the drainage system is not done. He proposed moving forward with the project this fall and using the Colony reserves to pay for it along with the Storm Water Tax District funds. Mr. Coultrup told the Board he would work on finishing the Capital Budget for the 2011-2012 Capital Projects.

Shareholder Parties:

A discussion then ensued regarding the Colony liability when shareholders have social events on Colony property. Mr. Wiles indicated the Colony is covered for special events and the volleyball courts. There was a discussion regarding changing the ByLaws to include the requirement of Shareholders having insurance for all special events and holding the Colony harmless.

Architectural Guidelines:

The Board then discussed how the Architectural Guidelines could be enforced. The A Row deck leases require certain guidelines. Coordinating with the City of Seal Beach was discussed. Options were discussed for dealing with Shareholders who do not adhere to the Architectural Guidelines.

Financial Report by KC Coultrup:

The 2010-2011-budget year is completed. The net income is \$203,570 when \$154,708 was budgeted. The \$40,000 engineering expense in the budget was not used. The Shareholder assessment billing went out today. The Board reviewed the budget for the 2011-2012. The Capital Budget will be separate and include the remainder of the Front Gate construction and the Drainage Project.

Speed Bumps:

The Board then discussed the speed bumps in the Colony. They considered different options. Mr. Wiles indicated he would do some research and report back to the Board on the possible traffic calming devices.

Leased Parking Spaces:

Mrs. Lockhart indicated that parking spaces 0 and 1 have been eliminated in the Front Gate construction. A handicap parking space had to be added to meet City Code requirements.

Professional Fees:

The fees paid to the Accountant were then discussed.

Motion by: Darlene Cahoon that the Colony requires the Accountant to provide back up documentation for the hours worked.

Second by: Steve Wiles

Vote for: 3 votes

Vote Against: 2 votes

Motion Carried

Annual Shareholder Meeting:

The Board then discussed the upcoming Annual Shareholder Meeting. It was agreed that the Colony would hire Keven Loza to assist with set up and break down. There was some discussion about the election of Board Members. Currently there are 6 individuals interested in running.

The Drainage project will be discussed at the meeting. Mr. Evans will give a presentation to the Shareholders of how the projects can be paid for using Colony and Tax District Reserves.

Street Addresses:

Mrs. Redding indicated she would like to work with the City of Seal Beach to develop street addresses for Surfside Colony. She will contact the City and report back to the Board.

As no further business came before the Board the meeting was adjourned at 8:00 pm.

Respectfully Submitted by,

Sandra Redding, Board Secretary

A handwritten signature in black ink, appearing to read 'Sandra Redding', is written over the printed name. The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.