

SURFSIDE III

March 2006 NEWSLETTER

NEXT BOARD MEETING

The next Open Board Meeting is scheduled for Wednesday, March 22nd at 7 pm in the clubhouse. The Open Board Meetings are on the 4th Wednesday of each month.

MANAGEMENT COMPANY

The Board received four bids and decided on Lordon Management. Lordon has been in business since 1966, and manages more than 185 condominium complexes. Their monthly fee is \$9.00 per unit per month, or \$2,781.00 per month. In addition, the Board has decided to hire a Maintenance Supervisor to manage all of the work orders and follow-up on contractor repairs. This person will be on-site at Surfside and will be dedicated to property maintenance. Lordon has placed an ad for this position. They will work 24 hours per week, three 8-hour days. The rate per hour is expected to be between \$18.00-\$20.00. This person will start in April.

SPECIAL ASSESSMENT

The Board is preparing a letter to be sent to all owners for a vote on the special assessment. We are breaking the special assessment into phases. The Board has been trying to get full funding from a financial institution. At this point, several banks are telling us that the best they will do is 50% funding. We have had some recent referrals from association members and we have asked those companies for full funding. We are going to wait for their response before sending out the letter.

NEW BOARD MEMBERS

The Board interviewed seven candidates to fill two vacancies. The Board has appointed Karl Twyman and Joe Dehorty to fill the unexpired terms.

OPEN RESPONSE TO JOYCELN OBRIEN'S OPEN LETTER TO THE BOARD

Joycelyn,

I am the President of Surfside III condominium association, and I would like to respond to your letter of February 25. Also, we will post this response on the association web site so all owners have a clear understanding of our direction.

I agree with much of what you said in your letter. Let me try to respond by breaking it down in the major points.

Management – They are gone as of March 31. We have hired a new company. We contacted four references for this company. They have been told that communication is our number #1 concern. If they don't perform, they will be gone.

Communication – The web site at www.surfsideiii.com is the main vehicle for the latest information. We are posting regular updates, financial reports, and the newsletter there. We are also emailing updates and newsletters to any owner who registers through the web site or otherwise provides their email address. Email is faster and more adaptive, so we plan to use it regularly.

I have plans to implement an interactive meeting process where owners will ask questions and get answers at each meeting. I haven't finalized the details yet but expect changes at the next meeting.

We will be giving an update at each Board meeting as part of the President's report. This update will be more detailed than in the past and will define strategy and plans for not only moving forward with the special assessment but also improving the regular maintenance program.

Special Assessment – We are formulating plans and an approach that breaks the special assessment into phases. We will deal with what hurts the most first - the drain lines and water pipes. After they are fixed we will decide on the other repairs. While the place isn't failing down, the plumbing infrastructure is failing. It will cost all of us. I have children in college and no equity in my unit since I bought in late 2004, so it will be a hardship for me as well. The biggest problems are the drain lines and water pipes. Since those items are not reserved for because they are supposed to last the life of the building the only way to fund it is through a special assessment. So, a special assessment is on the horizon, but it will be more focused and will not be \$57,000 per unit.

Please attend the next Board meeting. In the meantime, if you would like to discuss this further you can email me or my cell phone number is 925-918-0489.

Bill Betts