

May 2010

SURFSIDE III NEWSLETTER Daniel Kessner - Editor



FROM THE BOARD OF DIRECTORS AND ON-SITE OFFICE

IT'S DONE

The special assessment plumbing re-pipe is finished. All drain lines in the condo buildings have been replaced. All supply lines have been epoxy coated in both the townhouses and condos and the condo building elevators have been renovated. While this work has been underway the Board has been planning for the next phase of capital repairs. Please read below for an update.

CAPITAL REPLACEMENT REPAIRS

The next item to be repaired will be building envelopes. This will involve the following:

Balcony posts and beams: A replacement and repair protocol has been developed by a construction management firm, a structural engineer and an architect. This protocol will be translated into specifications for a scope of work for contractors to bid in early summer.

False chimney chases: These will be examined for removal from the condo buildings. Originally intended as chimney chases for fireplaces, evidence indicates they are not used for that purpose.

Metal roof and flashing components: Replace where required.

T-111 siding. Replace with cedar shake composite material on condo and townhouse buildings. Repair protocol has been developed by construction management firm.

Wood trim and fascia: Replace as needed.

Wrought iron railings: After examining numerous types of replacements for the existing wrought railings the Board has decided to replace the existing wrought iron railings with a heavy duty wrought iron that will be dipped in zinc, and powder coated rather than painted. Also, the new railings will have a heavier gauge bottom rail with weep holes to allow moisture to escape, the top rail will be solid, and the pickets will be solid. They will be face mounted to reinforced deck fascia. Specs are being developed for bidding.

Drip edge: Replace if needed.

Stucco: Rejuvenate with a stucco coating product which will have color embedded in the mix. Dunn Edwards and Benjamin Moore offer free digital color consulting. We have engaged them to recommend color palettes for all buildings.

Garage flat roofs: These will be replaced on all townhouse units.

We expect to go to bid this summer on the above items. It will take approximately 8-10 months to complete the work.

BICYCLES—NOTICE!!!

Over the past two weeks, the bikes in the bike room not claimed by their owners were all removed. The Board of Directors made a decision at the April Board meeting that this final notice will serve as the official decision to donate the unclaimed bikes to a charitable organization.

This will serve as a final notice. Thanks in advance for your cooperation. If you have any questions, please contact the on-site office at (805) 488-8484.

PETS – IMPORTANT INFORMATION

There has been a recent outbreak of PARVO at Surfside III. This is a highly contagious and dangerous virus caused by dogs who have not received ALL of their immunization shots. PARVO is also a result of scenting feces which are not picked up by pet owners. If you have a tenant living at the complex, please remind them to take that extra step and make certain that their pet(s) have ALL immunization shots, and to pick up after their pets. The on-site office has posted signs throughout the complex as well as posting flyers on each door; unfortunately, our efforts are sometimes ignored. Thank you!

All pet owners are personally responsible for immediate clean-up after their pets, should they foul the grounds of the common area with feces. Likewise they are responsible for keeping their patios/balconies free of urine and feces. Anyone violating this rule will be subject to the initial fine without the benefit of a warning for special circumstances of \$100.

TO ALL RESIDENTS

Please crush all boxes as best you can before putting them in the recycle bin. Crushing or collapsing them allows more room for others to dispose of their recyclable items.

Please remember that it is against the rules and regulations to put debris in the common area. This includes sweepings, plant clippings, leaves from your patios, etc.

FROM THE EDITOR

Please send all newsletter submissions to me at <u>dkessner@csun.edu</u>. Please avoid any special formatting and use Arial 10-point font if you have it. The deadline is the 10th of each month for the following month's issue. Owners and renters should be aware that the Newsletter is always available on the website: <u>www.surfsideiii.com</u>. This includes back issues.

The City of Port Hueneme now has a free electronic newsletter with information on various city-related matters and events. To sign up to receive it, visit the city website: www.ci.port-hueneme.ca.us, then in the column at the far left, click on "Sign Up for E-News."

OWNERS' CORNER

The Owners' Corner is a place in the newsletter for owners to voice their observations and suggestions about the association operations or make announcements about any Surfside III social event or activity. While the newsletter Editor and the Board do review these submissions, the opinions and content only represent the author and not the association. We will refuse and return to the author for rewriting any material that is not factual or is in bad taste or denigrates any individual. We are not perfect and apologize in advance if you find the content of anything in this section offensive.

The Surfside III Condominium Association ("association") is not responsible for the content and accuracy of any information provided by owners or third parties. The association and its Board of Directors will not accept any liability for any direct, indirect, incidental, special or consequential damages that result from or are related to material submitted by the owners or other third parties. By submitting any material for publication in this newsletter, all individuals agree to indemnify, defend and hold the association, its officers, directors, members, representatives, managers and agents harmless to the fullest extent permitted by California Law, from any and all claims,

I could not believe my eyes when I read the letter from Larry and Lynne Navis regarding the crime free program. All I could think of is ARE YOU KIDDING ME!! If this program was already in effect I probably would not have a drug dealer living in my building. You should see all of the unsavory people he attracts. Also maybe the owner of a TWO bedroom, ONE bathroom unit would have checked out his renters a little better and found out that he may have leased it to a man and his wife but in actuality there are FOUR adults and TWO to THREE children living in that little unit who also attract a lot of unsavory people. Then we come to another neighbor who has several arrests and convictions for drugs. She is also a dumpster diver and a hoarder. The smells that came from that dump are unbelievable and I am not able to stay out on my balcony nor can I keep my slider open for very long due to the odors. How fair is that to me?

You might be very diligent in who you rent to and I applaud you for that, however, in these trying times it seems that most owners just want to make sure that rent money keeps coming in each month and to hell with any of the neighbors this might effect. Especially if the owners are off site.

We have owned here almost eight years and have lived here full time almost seven years and have watched this place go down hill. Now that we are in the midst of bringing Surfside III back to being worthy of beach front property, I would hope the type of renters will improve. If this sounds snobbish then so be it, but we are retiring and would like to sell. I have been told by two realtors not to even put our condo on the market until this individual is gone because no one will even show our place due to the mess this individual has created.

I say YES to the crime free program.

Lynda Prill, Condo Owner

CONTACT INFORMATION

MAINTENANCE/RESIDENT SUPPORT (PHONE NUMBERS AND E-MAILS BELOW):

Contact Lordon Management, Jennifer Critchfield; for e-mails always copy Donalea Bauer

Include your phone number(s) and/or e-mail for response before end of next business day. If you get her voice mail, but would like to speak with her directly, hit zero and talk to the operator.

If more urgent, call Donalea Bauer.

Surfside III On-site Property Manager's Office: 600 Sunfish Way, Port Hueneme, CA 93041

Phone: 805-488-8484

Please note that calls regarding maintenance or billing should be directed to Lordon Management.

Surfside III Direct Contact:

Surfside III COA 600 Sunfish Way Port Hueneme, CA 93041 http://www.surfsideiii.com manager@surfsideiii.com Phone: 805-488-8484

Scott Walker, On-site Property Manager Carol Short, Assistant On-site Property Manager <u>Management Company:</u> Lordon Property Management

1275 Center Court Drive Covina, CA 91724 Phone: 800-729-5673 **Donalea Bauer, Vice President, community manager** Email: <u>donaleabauer@lordonmanagement.com</u> Phone: 800-729-5673 x 3342

Jennifer M. Critchfield, assistant community manager Email: jcritchfield@lordonmanagement.com Phone: 800-729-5673 x 3380

Our Board:

 Bill Betts - President
 bill.betts@surfsideiii.com

 Ira Green - Vice-president
 ira.green@surfsidediii.com

 Skip Perry - Treasurer
 skip.perry@surfsideiii.com

 Michael Madrigal - Secretary
 michael.madrigal@surfsideiii.com

LORDON MANAGEMENT: OTHER DEPARTMENT EXTENSIONS

All escrow matters: Kasey Lane, ext. 3339; <u>klane@lordonmanagement.com</u> All insurance and collections: Patty Bosch-Barrios, ext. 3337; <u>pbarrios@lordonmanagement.com</u> Your account, billing address, etc: Liz Lopez, ext. 3319; <u>llopez@lordonmanagement.com</u> Liens, legal issues: Donalea Bauer (see above



For California's Community Associations

March 28 and April 18, 2010

PROBLEM LEGISLATION WILL INCREASE FORECLOSURES

On April 5, Assemblywoman Julia Brownley changed an existing bill on summary judgments to one that restricts the collection of delinquent assessments. The <u>modified bill</u> raises the threshold for foreclosure from \$1,800/12 months to \$3,600/18 months.

Good Intentions. Ms. Brownley undoubtedly has good intentions--protecting financially stressed owners from foreclosure. Unfortunately, she is doing so at the expense of everyone else. If associations cannot collect delinquent assessments, their budgets will fall short. To compensate for the drop in revenues, boards have only two options, (i) delay much-needed repairs or (ii) raise dues to make up for lost revenue.

Law of Unintended Consequences. Boards already face threats of litigation from owners impacted by deferred maintenance. If they cut back on maintenance to avoid raising dues, damage from increased roof leaks and plumbing backups will result in expensive litigation and higher insurance premiums. If boards raise dues to pay for higher legal/insurance expenses or alternatively raise dues to avoid litigation, they risk pushing more owners into foreclosure/bankruptcy. Ms. Brownley's good intentions will have the unintended consequence of actually increasing foreclosures.

Embarrassing Owners. Ms. Brownley did two more things I find troubling. She requires that payment plans for financially stressed owners be (i) negotiated with the entire board rather and (ii) approved in open session. Requiring a meeting with the full board instead of a representative will delay approval of plans since boards meet monthly and not everyone is always available. Moreover, the already embarrassed owner must explain to a panel of five or more neighbors (depending on the size of the board) why they cannot pay their bills. Finally, the payment plan must then be approved by the board in open session in front of even more neighbors. The embarrassment of the process may deter owners from seeking payment plans, thereby increasing foreclosures.

RECOMMENDATION. There are better ways to deal with this problem than pushing even more owners over a financial cliff and increasing the litigation risk to associations. I recommend contacting Assemblywoman <u>Julia Brownley</u> and politely asking her to withdraw AB 2502. In addition, use CLAC's <u>sample letter</u> on your own letterhead and fax it to Assembly Housing Committee members, by close of business Tuesday (April 20) if you want to be listed as an opponent.

For those with an interest in this and other association legislation, subscribe to the California Legislative Action Committee <u>newsletter</u>



QUESTION: We have owners in default. One of my fellow board members is so frustrated that he wants to suspend an owner's parking privileges. Our attorney told us that his parking space is recorded as part of his unit so we cannot do that. Part of each member's dues goes to support operation of garage. Why can't we pass a rule stating if you are delinquent you lose your parking privileges?

ANSWER: Your attorney is right. If your delinquent member owns the parking space, you cannot suspend rights to that space. <u>Civil Code 1361.5</u>. However, you can suspend their guest parking privileges.

ATTACKS AGAINST BOARDS

Attacks Against Boards. I'm so frustrated by the continued attacks on board members, most of whom are trying to do their best! Owners need to pull their weight. It is so easy for owners to sit back and make demands of their boards, but often these owners don't stop to think that they are as much involved in their association as the board members.

Don't expect a few volunteer owners to be able to support the entire community. If owners are unhappy they should stand up and be counted, put some energy into the community. There are times when litigation may be inevitable, but owners who can't get their own way and then sue are suing themselves and their neighbors. There are many other ways to resolve a problem, litigation should be the last resort. -Diana S.



RESPONSE: I agree. Owners who are unhappy should run for the board, not file lawsuits. Lawsuits are ugly, unpredictable and expensive. It's like setting yourself on fire so you can see in the dark while you search for the truth. –Adrian

AMENDING CC&Rs VIA THE COURTS

QUESTION: Our CC&Rs require 75% approval to make any changes. The Davis-Stirling Act requires 50% + 1. Does that override the CC&Rs? If so, what are the procedures for changes based on the Act?

ANSWER: The provision in the Davis-Stirling Act you refer to may be used if you amend/restate your CC&Rs and cannot reach the 75% approval required by your CC&Rs. If more than 50% of the membership approve the changes and you meet <u>other conditions</u> required by the statute, your association's attorney can file a petition with the court for judicial approval. Although no attorney can guarantee an outcome, it has been our experience that most petitions are granted.

REQUIRING OWNERS TO CARRY INSURANCE



QUESTION: Can owners be made to purchase H06 policies? Can docs be amended to include this requirement?

ANSWER: Yes, CC&Rs can be amended to require owners to carry insurance. The requirement can extend to tenants as well.

Renter's Policy. Renters can be required to carry an HO4 policy which protects a tenant's personal property against loss and limits exposure to personal liability claims. Protecting the tenant against loss protects the association.

Owner's Policy. Owners should be required to carry an HO6 policy ("Homeowners 6" or "Condominium Unit Owner Policy"). Without it, they are exposed to loss and are more likely to sue the association. Moreover, the secondary mortgage market is now requiring protection for owners. Owners' insurance should cover the following:

- 1. *Personal Property Coverage* that insures unit contents such as clothing and furniture.
- 2. *Personal Liability Protection* which pays for bodily injury and property damage.

3. *Loss of Use Protection* that pays for extra expenses (hotel, restaurants, etc.) while the owner's home is uninhabitable because of damage.

4. *Loss Assessment Coverage* that covers the owner's portion of special assessments levied by the association resulting from insured losses.

5. *Real Property Coverage* that insures those portions of the premises not insured by the association's master policy.

RECOMMENDATION: Associations should amend their CC&Rs to require both owners and tenants to carry insurance. To avoid potential liability, the amendment should also relieve the association of enforcement requirements related to the amendment. In addition, boards should regularly publish reminders that owners and tenants need to carry their own insurance.

Thank you to Margot Crowl Brick of the Frank Crowl Co. and Timothy Cline, President of the Timothy Cline Insurance Agency for their input on this issue.