



October 2008

SURFSIDE III NEWSLETTER

Daniel Kessner - Editor



FROM THE BOARD OF DIRECTORS

EVERYONE IS INVITED!

SSIII will be holding *OKTOBERFEST* on Saturday, Oktober 11th, 2008 starting around 12:00 after the Annual Election/Board meeting. All SSIII residents are encouraged to participate and should bring their food, beverages, and chairs, maybe even dressed in their LEDERHOSEN, to the BBQs in the rear park. There'll be a local band providing a diverse mix of music for all tastes from one until five pm. Dancing's up to everyone!

Rules & Regulations To Be Discussed Before The Meeting On Saturday, October 11

Our next regularly scheduled Board meeting on the second Saturday of the month will be held at the Surfside III Clubhouse on Saturday, October 11. It will begin with the now usual continental breakfast. On this Saturday, Skip Perry will present to the Board for discussion, changes to the Rules & Regulations that the CC&Rs, Bylaws, Rules & Regulations Update Committee had previously collected. All are welcome to sit in. This presentation will start at 8:30 AM and be followed by a Q&A of the Board candidates. The Board will finalize the changes to the Rules & Regulations and then send them out for a 30 day comment period before voting on their adoption.

The Annual Meeting at which the ballots will be counted and the open Board Meeting will begin at 10:00 AM. The executive session will commence after the open and annual meetings are adjourned with the intent to be completed by the noon Oktoberfest. We plan on inviting a new onsite property manager to the Oktoberfest.

You Must Vote To Complete Our Quorum

As you have probably realized, in this Board election there are only five people who accepted the nomination for the Board by the deadline on August 22. Since there are five Board positions, what remains now to complete the election is a quorum. Please **sign** the mailing envelope, put the marked ballot in the small envelope and then put that in the mailing envelope. We cannot hold the election without a quorum.

There have been some problems with the ballot packages you have received in the mail. Some people received incorrect return envelopes. Most of these have been taken care of, but if you have lost your ballot or do not have the correct envelope, please let Ira Green know. He can be reached at (818) 981-6188 or ira.green@surfsideiii.com.

An Offer Has Been Made To A Candidate For Our Onsite Property Manager

The Board has been working to replace our onsite manager. A list of special questions was developed by the Board and some homeowners with experience in hiring employees. Some of the questions were given to the candidates in advance and required research, involving the Internet and our website and then a written answer, and some questions

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were asked directly of the candidate. The interviews occurred after the open meeting on September 13 and owners present were invited to stay and listen in. One of the candidates is currently in the hiring process and, assuming the process is completed successfully, we hope to have this complete by our annual meeting on October 11th so that you will have the opportunity to meet them at the annual meeting.

COMMITTEE BRIEFS

For more committee information visit <http://www.surfsideiii.com/docs/committee/committee.htm>

Please contact the committee chair to volunteer.

Neighborhood Watch Committee - Val Lameka; 805-986-2855 or v.lameka@yahoo.com

Neighborhood Watch report for 9-4-2008

We had a lively meeting attended by both owners and tenants. Maintenance issues with lights and gates were identified, and reported to Carol Short at the office. She is doing a nice job of following up on requests. Unleashed dogs continue to generate controversy as we struggle about how to solve the problem. After all, it is illegal in Port Hueneme to allow dogs off leashes, and that law applies within Surfside III also.

This problem led the discussion to discover that renters were not being given copies of the Rules & Regulations by owners. A short term fix may be to hang a copy on each door, while we try to educate the owners.

Next meeting is October 2 at 7 pm. Contact Valerie Lameka with questions and concerns: 805-986-2855

Landscape Committee - Dan Kessner; 818-274-6048; dkessner@csun.edu

The Landscape Committee meets on the Thursday before the Board meeting each month at 4:00 in the Clubhouse -- that is, the Thursday before the second Saturday of the month. Please be advised, though, that if you wish to meet with the committee, you should arrive promptly at 4:00, as we usually do our walking inspection of the grounds or other off-site business after a brief discussion in the Clubhouse.

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 re-writing 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, actions, and/or lawsuits, arising out of or related in any way to their material published in this newsletter.

Dear Homeowners,

We are writing to encourage you all to vote for all five candidates on the ballot for board of directors: Bill Betts, Ira Green, Inna Giler, Skip Perry and Michael Madrigal. It would be wonderful to reach a quorum of 155 owners!

Thank you for supporting the effort to get Surfside III through the renovation and beyond into a good steady state.

FROM THE EDITOR

Owners should be aware that the Newsletter is always available on the website: www.surfsideiii.com. This includes back issues.

Please send all newsletter submissions to me at dkessner@csun.edu. Please avoid any special formatting and use Arial 10-point font if you have it. The deadline for submissions is the 10th of the month for the following month's issue.

Thanks, Dan Kessner

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

**Carol Short, On-site Property Manager -- Acting
Ron Pierson, Construction Services Coordinator
Management Company:**

Lordon Property Management
1275 Center Court Drive
Covina, CA 91724
Phone: 800-729-5673
For after-hours emergencies, dial 5

Donalea Bauer, Vice President, community manager

Email: donaleabauer@lordonmanagement.com
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@surfsidedeiii.com
Ira Rubinson - Treasurer ira.rubinson@surfsideiii.com
Karl Twyman - Secretary karl.twyman@surfsideiii.com
Joe Dehorty - Director joe.dehorty@surfsideiii.com

LORDON MANAGEMENT: OTHER DEPARTMENT EXTENSIONS

All escrow issues: Chelia, ext. 3339; crubalcava@lordonmanagement.com
All insurance, lien, and other legal matters: Patty, ext. 3337; pbarrios@lordonmanagement.com
Your account, billing address, etc: Cara, ext. 3319; cwoellhof@lordonmanagement.com

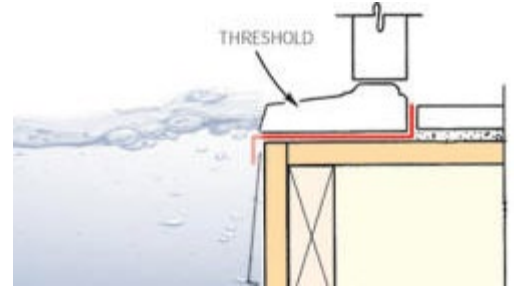
BALCONY TILE LEAKS

Boards should be aware that allowing owners to tile or carpet their balconies will cause water damage to the balcony, their unit, and the unit below.

Damage to Membrane. Tile and the grout used to install tile are porous; so is carpet. As a result, water will become trapped between these materials and the waterproofing membrane underneath. This will void the manufacturer's warranty of the waterproofing membrane on the deck and will accelerate the breakdown of the waterproofing materials. The resultant seepage of water into the balcony structure will lead to wood rot and will also attract termites. Frequently, this is undetectable. Sometimes, the first sign of trouble is when the owner walks onto the deck and his/her foot goes through the flooring material. The structural repairs that follow are quite costly.

Water Drainage. Another problem caused by tile is that it reduces the amount of space between the top of the deck surface and the threshold of the sliding glass door. That means a heavy rain that overwhelms balcony drains will quickly spill over the threshold into the owner's unit and the unit below.

Protection. Associations should amend their CC&Rs to clearly define maintenance responsibilities for balconies and decks. In addition, they should include [maintenance guidelines](#) in the rules. Finally, architectural guidelines need to be adopted prohibiting the installation of tile, carpet and other materials over the top of waterproofing membranes unless the owner is willing to sign and record a covenant taking responsibility for maintenance and damage, and indemnifying the association.



NO 10-YEAR WARRANTY FOR DEFECTS

QUESTION: Our building is nearly 10 years old. A previous board president said the builder had given our association a 10-year warranty on common area defects. What is the board's responsibility to perform due diligence on defects?

ANSWER: Although many believe that a 10-year builder warranty exists, there is no such thing. There is, however, a 10-year statute of repose. That means your association has a maximum of 10 years, unless the statute is [tolled](#), to make claims against the builder for [latent construction defects](#). [CCP 337.15](#). More importantly, there are other shorter statutes running at the same time that will extinguish an association's rights. Boards should immediately contact an attorney if their property is less than 10 years old and they suspect defects. If they wait, they may lose the right to seek damages against the developer.

Duty to Investigate. Directors have a [fiduciary duty](#) to act in the best interest of the association and with such reasonable inquiry as an ordinary prudent person would, in a like position, would use under similar circumstances. Therefore, if a board knows or suspects they have defects they have a duty to investigate.

Picking an Expert. In performing their duties, directors are entitled to rely on information and opinions from experts. Investigations can be performed by construction defect law firms using a forensic architect or general contractor. I prefer that it be done under the direction of a law firm so it will have the attorney-client privilege attach as an added protection for the association. Most construction defect law firms will perform this initial evaluation at no cost to the association.

**Thank you to defect specialist Chuck Fenton of Feinberg Grant Mayfield Kaneda & Litt, LLP for his input on this question. You can find his contact information in the [Service Directory](#).*

D&O INSURANCE REQUIRED

QUESTION: Our HOA has been paying \$2,669.00 per year for \$2 million D&O liability coverage. I recently read that volunteer officers cannot be sued for anything other than fraud. Our past 8 years of coverage has cost over \$16,000. Is this necessary?

ANSWER: You bet it's necessary. Directors can be sued at any time for any reason, or no reason at all. Homeowners

seem to sue their boards on a fairly regular basis for some of the silliest reasons. Even though the [business judgment rule](#) protects directors from personal liability for mistakes in judgment, they still need Directors & Officers (D&O) insurance to defend them when they are sued. Litigation is quite expensive and unless your association has a lot of extra money to spend on lawyers, you should buy insurance. Not only is it prudent but you may not have a choice since most CC&Rs require that associations carry D&O insurance.