

Meeting Minutes

Annual Meeting of the Members of the Rocky Ridge Properties Owners Association

Meeting Date: **September 5, 2020**

Location: Rocky Ridge Beach Clubhouse

Meeting Time: 11:00 a.m.

Notice of Meeting: Bill (Yates) Bauder confirmed that the property owners received notice of the September 5, 2020 annual meeting of members as follows: (i) Yates posted the notice and agenda for the meeting on the message board at the Rocky Ridge Road entrance gate; and (ii) Yates deposited into the US mail (for delivery to all other property owners, addressed to the mailing addresses that said owners have provided to the Association, and with first class postage affixed) the notice and agenda for the meeting. All of these steps were taken more than 30 days before the meeting of the members.

Zoom Meeting: Given the ongoing pandemic, the board determined to hold the meeting through a zoom internet connection (rather than through an in-person meeting, as has been the case in prior years). 28 members (including the 7 board members) attended the meeting by patching into the Zoom call. Yates and by Ray O'Neal also attended the meeting through the Zoom mechanic.

Quorum: President Steve Dohrmann called the meeting to order at 11:09 am.

1. **Approval of Minutes of August 31, 2019 Meeting.** The minutes of the August 31, 2019 meeting, in the form posted upon the Association's website prior to the September 5, 2020 meeting, were approved unanimously by acclamation.
2. **Election of Directors to the Board of the Association.** Steve asked Ray O'Neal, as inspector of the 2020 board of director election, to announce the election results. Ray announced that there were only 3 candidates for 3 board seats, so the 3 candidates were elected by acclamation (in accordance with the Association's governing documents). The 3 elected directors are Stephen Dohrmann, Robert Schuchardt and Nick Farwell. Each will serve through the homeowners meeting over Labor Day weekend in 2022.
3. **Reports from the President and the Property Manager.** President Steve Dohrmann next provided a general report as to the status of the Association and its properties. President Dohrmann reported that both the Association and its properties are in good shape, and President Dohrmann noted in particular the following:
 - The Association has spent much of its focus during 2020 in dealing with Coronavirus complications. Generally speaking, the board has endeavored to provide notice of material orders and guidelines from governmental authorities, but to avoid layering additional "Coronavirus" rules upon use of Rocky Ridge (while encouraging homeowners to consult appropriate websites and to educate themselves as to governmental rules, and to attempt to comply with those rules).
 - Steve and Yates both reminded homeowners that 2020 has been a particularly challenging year for bears at Rocky Ridge. Yates implored homeowners to comply with the instructions for latching the garbage dumpsters; simply put, **IMPROPER LATCHING OF THE DUMPSTERS** is attracting bears and causing garbage to be spread around the development, which in turn attracts further bears. **Homeowners also should inform their renters and guests that proper latching of the dumpsters is imperative.**
 - Yates noted that kayaks, paddle boards and the like should be removed from the kayak racks at the beach by October 15, 2020.

- Steve reminded homeowners that dogs should be on a leash at all times when within Rocky Ridge common areas, and that dog owners must pick up and dispose of dog waste. The rules are borne from safety, hygiene and courtesy concerns.
- Yates reported that the painting team for 2020 has arrived and is hard at work. Yates will try to schedule work around Owner visits, but Owners are advised that they must accommodate the painting team if the painting is to be completed before winter. Section 3.10 of the CC&R's authorizes the Association to access units for maintenance and safety concerns. To facilitate access, **Homeowners should provide Yates with a key to their unit.** If a unit owner fails to provide a key, then the Association may use its self-help rights for access, at the expense of the unit owner.
- Yates described generally the plan to install a new fence and gate at the beach for a cost in materials of approximately \$2,000.
- Steve noted that the board believes that Yates continues to do a very good job in managing and maintaining the properties of the Association.
- Bob noted that there are no new TRPA regulations to be particularly concerned about since last year's meeting.

4. **Amendment to CC&R's; Certain Insurance Issues.** Steve asked Curt to describe briefly the ongoing review and revision to the Association's CC&R's:

- Curt noted that homeowners should anticipate receiving, during the fall of 2020, documentation which the board proposes for adoption in order to implement certain revisions to our Association's CC&R's. The primary changes to be effected through these amendments will be (i) to correct some inconsistencies in the manner in which the costs of repairs to buildings and other improvements (and the premiums for insurance procured to protect against such repair costs) are allocated among the condominium owners, on the one hand, and the single family lot owners, on the other hand, and (ii) to modernize the manner in which the Association's CC&R's would operate if the project ever were to suffer a major damage event. The board recommends adoption of the first set of changes in order to provide for coherent and fair expense allocations (by cleaning up internally inconsistent language in the current CC&R's that is applicable to these cost allocations), and the board recommends adoption of the latter set of changes in order to permit our CC&R's to benefit generally from lessons learned from other homeowner associations during the California fires of recent years. Once finalized, the amendments to the CC&R's will be presented to the members of the Association (i.e., the homeowners) for approval.
- Bruce also described briefly the manner in which the Association currently procures casualty insurance, and the types of insurance that homeowners should procure to provide an intelligent meshing with the Association's casualty insurance. Briefly, the board encouraged homeowners to consult with their insurance advisors to make sure that they have procured both (i) an appropriate "H-06" policy (which generally would cover damages to the "walls in" (i.e., furniture, fixtures, appliances, art work, and the inside portion of the walls) and (ii) appropriate "loss assessment" coverage to cover the owner's share of additional assessments that might be imposed by the Association should the Association's coverage provide coverage proceeds less than the costs of damage/repair).

5. **Financial Report.** Treasurer Laura Bertone reported as follows:

- Laura reported that the Association's finances are in good order, but that insurance costs continue to rise at a painful rate. Insurance now comprises 27% of the Association's budget, and it threatens to go higher in 2021.

- The members unanimously agreed that to the extent that there is any excess assessment income from 2020, such excess should be applied to cover the Association's 2021 expenses. [This resolution is required under California law in order to so apply such excess of 2020 assessment income.]

6. **2020-2021 Schedule for Board Meetings.** Steve noted to the members that the board has adopted the following schedule for board of director meetings in 2020:

- October 20, 2020 at noon (Location: Zoom Internet Meeting).
- November 17, 2020 at 9:00 am CA time (Location: Zoom internet meeting)
- February 9, 2021 at 9:00 am CA time (Location: Zoom internet meeting)
- April 6, 2021 at 9:00 am CA time (Location: Zoom internet meeting)
- May 18, 2021 at 9:00 am CA time (Location: Zoom internet meeting)
- July 13, 2021 at 9:00 am CA time (Location: Zoom internet meeting)
- September 4, 2021 at 9:00 am CA time (Location: Zoom internet meeting)

7. **Questions from Homeowners:** Homeowners asked the following questions at the end of the meeting in a time reserved for homeowner questions and comments

- One owner asked the board to review the costs allocated to owners that use buoys in the Rocky Ridge buoy field during the summer months.
- Another owner recommended that homeowners consider the "Foremost" insurance company for issuance of H-06 policies. Bruce noted that the board is hopeful that the insurance consultant that the board employs to assist in procuring 2021 insurance also will be able to provide greater guidance to Rocky Ridge homeowners on the appropriate terms for their individual H-06 policies.
- Another homeowner asked if the board had considered the costs that would be incurred were there to be a total loss casualty event, and how this amount relates to the Association's level of casualty insurance. The board responded that Yates had looked at reconstruction costs together with our insurance consultant, and had concluded that the costs to repair a total loss event would be approximately \$75,000,000 (excluding "walls in" damages and any costs associated with reconstruction or repair of the two single family homes, which are separately insured by the owners of those homes). This compares to approximately \$53,000,000 in casualty insurance currently procured by the Association to cover the Association's share of such losses (note: the current insurance also calls for a \$250,000 deductible). The board concluded that the Association could not procure greater casualty insurance at an acceptable rate for 2020.
- Another homeowner asked about the manner in which water utility charges are borne at Rocky Ridge. Yates explained that Rocky Ridge essentially works with a "single meter" for the project (including both for water used within units and for external water uses, such as landscaping), and that the water costs are split evenly amongst the different property owners. Yates also explained that given the location of the water meters and the piping for water delivery to the units, it would be very expensive to install the infrastructure to switch to unit by unit metering.

President Dohrmann adjourned the meeting at 12:37 p.m.