

COWELL HOMEOWNERS ASSOCIATION, INC.

Open Session Board of Directors Meeting • Thursday, April 27th, 2023

BOARD MEETING MINUTES

Board Members Present	Mike Kindorf	President
	Ken Dixon	Vice President
	Edward Baluta	Treasurer
	Brian Beckon	Secretary
	Rebecca D'Lima	Director at Large
	Jason Moore	Director at Large
	Sandeep Singh	Director at Large

Others in Attendance Bill Mazza of Common Interest Management Services

Meeting Location Cowell Homeowners Association, Inc. Business Office

CALL TO ORDER

The meeting was called to order at 7:00pm. It was determined that a quorum was present.

HOMEOWNER'S OPEN FORUM

The Homeowner's Open Forum was held for those in attendance.

APPROVAL OF MINUTES

A motion was made and seconded to approve the minutes from the March 23rd, 2023 Board of Directors Meeting. **The motion carried.** Director Moore abstained as he was not present for this February meeting.

COMMITTEE REPORTS

The Board was provided the General Manager's report detailing ongoing projects and any noteworthy property updates.

TREASURER'S REPORT & FINANCIAL REVIEW

Item: Treasurer's Report

The Treasurer's Report was provided to the Board.

Item: Financials as of March 2023

The Board received and reviewed the Association's financials dated March 31, 2023.

Item: Operating Account Balance

Director Baluta informed the Board that the Association's operating account balance frequently exceeded the FDIC insurance limit of \$250,000. A motion was made and seconded to delegate authority to transfer up to \$100,000 from the Association's operating account to a fully insured account to Director Baluta. **The motion carried unanimously.**

NEW BUSINESS / ACTION & DISCUSSION ITEMS

Item: 2023 Board Election – Annual Meeting Date

A motion was made and seconded to approve an Annual Meeting date of September 28th, 2023 for the 2023 Board of Directors Election. **The motion carried unanimously.**

Item: 2023 Board Election – Inspector of Elections Selection

A motion was made and seconded to appoint the law firm of O'Toole Rogers, LLP as the Inspector of Elections for the 2023 Board of Directors election. **The motion carried unanimously.**

Item: Ratify Main Pool Gas Line Repair

A motion was made and seconded to ratify the proposal from Diablo Plumbing to provide a new 3” underground gas main for the Main Pool in the amount of \$60,748.00. **The motion carried unanimously.**

Item: Clubhouse Reservation Request – 4420 Black Walnut Ct

The Board reviewed a request from a homeowner at 4420 Black Walnut Ct to reserve the Clubhouse for a private event. This homeowner rents their unit, and as such requires Board approval to reserve the Clubhouse.

A motion was made and seconded to approve the request from the owner of 4420 Black Walnut Ct to reserve the Clubhouse for a private event on May 27th, 2023, subject to existing Clubhouse Reservation Policy. **The motion carried unanimously.**

Item: Clubhouse Reservations – Insurance for Vendors

The Board discussed insurance requirements for vendors of residents who are reserving the Clubhouses for a private event. Residents are required to obtain one-day event insurance for their reservations, but these policies typically do not insure vendors or independent contractors. After a consideration of the options available and their relative risk levels, the Board directed the General Manager to create an updated draft of the Clubhouse Reservation Policy stating that insurance is not required for vendors during Clubhouse reservations, but to recommend that residents obtain insurance as vendors and independent contractors are typically not covered by the standard one-day event insurance policies. A motion was made and seconded to delegate approval authority of this updated Clubhouse Reservation Policy to Directors Beckon and Singh. **The motion carried.** Director Singh abstained.

Item: 2023 Common Area Grass & Watering Discussion

The Board discussed its preferences and expectations for watering and the condition of the common area grass going into 2023, considering the increasingly dry or drought-like conditions and the rising cost of water.

The Board directed management to instruct the landscape company that the goal for 2023 is to reduce water use to a reasonable degree and allow the grass to lightly brown, so long as the grass is recoverable and not permanently damaged. The Board would also like to minimize the use of district water and emphasize the use of well water in the central greenbelt area, meaning the eastern and western portions of the greenbelt may dry out more than the central area, which is irrigated using a combination of well and district water. The Board also asked the Architectural Committee Chairman to instruct the Committee members that, during inspections, the Association’s maintenance standards for homeowner lawns should not exceed those approved by the Board for the common area grass, unless the Association is told by a government entity that it must cut water use further.

Item: Common Area Tree Damage Policy (Revised)

The Board reviewed a revised draft of the Common Area Tree Damage policy, which was reviewed and revised by the Association’s legal counsel. A motion was made and seconded to approve the *Common Area Tree Damage Policy*. **The motion carried unanimously.** The full policy has been appended to these minutes.

Item: Common Area Tree Replanting

The Board discussed a plan to replant a number of trees in the Common Areas before the start of this year’s summer weather. A motion was made and seconded to delegate the authority to approve a plan for Common Area tree replanting with a budget of \$20,000.00 to Director Dixon. **The motion carried unanimously.**

Item: June & July Board Meetings

The Board discussed its meeting schedule given the General Manager’s upcoming paternity leave,

scheduled for May and June. The Board directed the General Manager to plan for a May Board meeting via Zoom, and to discuss a possible June Board meeting with the manager who will be covering during the General Manager's absence.

STANDING ITEMS

Item: Rental Requests

No action taken.

Item: Association Committees

No action taken.

Item: Late Fee Waiver Requests

No action taken.

Item: Good of the Order / Director's Comments

The Good of the Order / Director's Comments portion of the meeting was held for those in attendance.

MOTION TO ADJOURN

There being no further business and no objections, a motion was unanimously carried to adjourn the meeting at 8:29pm.

EXECUTIVE SESSION SUMMARY

Per Civil Code § 4935(e), any matter which was discussed in Executive Session must be generally noted in the minutes of the immediately following open Board meeting.

The Board of Directors met in Executive Session on April 27th, 2023 to discuss the 2024-2026 Preschool Lease Agreement as well as a service rate increase requested by Sun Pointe Services.

BOARD CERTIFICATION

I do hereby certify that the foregoing is a true and correct copy of the Minutes of the Cowell Homeowners Association Board of Directors meeting as approved by the attending Directors.

M. KINDORF

Director's Name

BOARD PRESIDENT

Office / Position

M. Kindorf

Signature

7-17-2023

Date

Association Policy: Common Area Tree Damage

Approved at the April 27th, 2023 Board Meeting

BACKGROUND

The Association is responsible for maintaining hundreds of mature trees throughout the Common Areas, many of which are located close to residences, parked cars, and walkways. The intent of this document is to provide guidance to homeowners on the recommended process to be followed in the event a resident's personal property is damaged by a Common Area tree or tree branch.

STEP ONE – DOCUMENTING THE DAMAGE

In the event that a resident's personal property is damaged by any portion of a tree located on Association property, the resident should immediately contact the General Manager to make the Association aware of the situation. Please note the tree tag number affixed to the tree for reference. The resident should take multiple pictures of the damaged property, including the portion of the tree causing the damage and (if able) a picture of the approximate area from which the branch or limb broke off.

STEP TWO – TENDER A CLAIM THROUGH HOMEOWNER PROPERTY INSURANCE

The next step is to tender a claim through the insurance policy covering the property that was damaged. **When the property damaged is a homeowner's personal property, including for example, the roof, fence, or yard, a claim is to be tendered to the homeowner's individual property insurance.** If a vehicle was damaged, a claim is to be tendered through the car owner's auto insurance policy. Policies like these are the first line of defense for damage done to personal property.

STEP THREE – OBTAIN A QUOTE FOR REPAIRS

In most situations, insurance carriers will request that you obtain one or more quotes from vendors to repair the damage. If you require assistance finding a vendor to provide a quote, the General Manager may be able to suggest several vendors who have performed work for other homeowners in the past.

STEP FOUR – WHEN TO INVOLVE THE HOA

The Association maintains liability insurance that would provide coverage in certain situations where someone was hurt on Association property, or if personal property was damaged and the Association was determined to be at fault. That being said, claims should first be tendered through the insurance policy covering the property that was damaged. In the event that an insurance carrier believes another party is at fault (i.e., the owner of the property that *caused* the damage), they will typically reach out to the property owner to try to recoup costs (also known as subrogation).

For example, if a tree branch damages a car, and the owner of the car files a claim through their auto insurance, that insurance carrier will likely reach out to the owner of the property that caused the damage to determine if they might be liable for the damage, especially if the carrier believes some negligence might be involved. In that specific case, both insurance carriers would discuss the situation and come to an agreement over who is responsible for the costs.

Unless your situation is unique or extraordinary, owners should follow the process laid out above before involving the Association.

FAQS - SITUATIONS NOT COVERED ABOVE

This policy is meant to cover a broad range of situations but may not be appropriate for every incident. We understand that some events may fall outside of the guidelines listed above. Below you will find some Frequently Asked Questions (FAQs) that we hope provide additional clarification:

I don't want to go through insurance – can't the HOA just reimburse me directly?

Homeowners will not be able to request reimbursement directly from the Association for damage done to their property by a tree located on Common Area unless there are special or extenuating circumstances. The Association carries insurance for a reason – so it doesn't have to pay out of pocket for damage like this. If you believe your situation merits consideration for direct reimbursement from the Association, reach out to the General Manager, who will make a determination as to the best next steps.

The total expenses for repairs are less than the deductible on my individual insurance policy, what should I do now?

Sometimes, the costs associated with a tree damage event can be lower than the deductible required to be paid for personal homeowner insurance. For example, your deductible may be \$500, and the total cost to repair the damage from a fallen branch may only be \$490. In the event this is the case, you may reach out to the General Manager and together with the Board, an evaluation and decision will be made whether the particular tree damage event warrants tendering a claim to the Association's insurance or other potential reimbursement.

What if the damage was caused during work by an HOA vendor?

Sometimes, tree damage can be caused by a vendor hired by the Association – like the landscaper or a tree care company. In that instance, please follow the steps listed in this Policy, but also reach out to the General Manager immediately when the damage is done/noticed to describe the situation, and an assessment can be made to determine responsibility for any required repairs together with the vendor that may potentially carry liability.

My situation doesn't fit any of the examples above – what do I do?

Contact the General Manager.