

**HAMILTON COVE HOMEOWNERS ASSOCIATION
MINUTES
MEETING OF THE BOARD OF DIRECTORS
BY ZOOM
September 28, 2024
9:00 AM**

The meeting called to order at 9:10 AM by President Norris Bishton. The following directors were present by Zoom:

Norris J. Bishton, Jr.
Martin Curtin
Bart Glass
Richard Kirschner
Mike Owens

Approximately 25 Owners were present by Zoom, the number varying during the meeting,

APPROVAL OF MINUTES

The minutes of the Board meeting of June 29, 2024, were approved with correction of minor typographical errors.

EXECUTIVE SESSIONS

Mr. Bishton reported that the Board met in Executive Session since the last meeting to discuss litigation matters.

PRESIDENT REPORT

Mr. Bishton reported that because of the unprecedented rainfall in the last two years the freshwater table has risen so that water used to flush toilets pumped from the salt water well located at the beach has little salinity. An Owner contacted the City of Avalon to “report” the Association for using fresh water purchased from Edison to flush toilets. The City has nothing to do with what water is used to flush toilets. The Association advised the City of the true state of affairs—that no fresh water purchased from Edison was being used to flush toilets.

INSURANCE UPDATE

Mr. Bishton reported that the California Fair Plan was moving towards increasing the amount of property insurance available to condo associations from \$20 million to \$100 million but that it had not yet finally approved the change or set rates. Based upon the announced timetable, the change would not be in place before the Association's insurance becomes due March 22, 2025.

The proposed Fair Plan insurance would be Actual Cash Value (ACV) insurance. ACV is the amount of money an insurance company will pay to replace or repair damaged property, minus any depreciation in value. Depreciation is a decrease in value due to age, wear and tear, or other factors. ACV insurance would not cover replacement costs.

The Association's current property insurance provides full replacement cost coverage. Additionally, the proposed Fair Plan insurance would not cover other conditions such as wind, rain etc. which are currently covered. This would require a Difference in Coverage (DIC) policy.

The Board will closely monitor developments. However, budgeting for 2025 will be based upon the current property insurance situation. Any Owner with experience regarding property insurance should contact the President to serve on an insurance task force.

DECK INSPECTIONS

Mandatory deck inspections will take place 9/30-10/4 in accordance with the notice previously sent to all Owners. **See Appendix.** The inspection team consists of four people. They will conduct the inspections starting in Building One and proceed from building to building in numerical order. If your Unit is adjacent to an open deck, for example most of Buildings One and Two, the inspectors do not need to enter your Unit.

It is impossible to schedule the inspection of the 63 Private Decks in advance. At the end of each day, the Association will email an update and progress report, indicating what Building(s) will be inspected the following day. If you or your representative is present at HC, make contact with the inspectors and see if they can accommodate your inspection out of turn.

NEW BUSINESS

A. COMMON BALCONY BARRIERS

There are two types of balconies: 1) Enclosed Balconies that are only accessible from a single Unit and 2) Common Balconies which are accessible to more than one Unit. Buildings 10 and 11 have only Enclosed Balconies. All of the remaining buildings have Common Balconies. Common balconies provide a mandated second fire exit and cannot be blocked to prevent access to any portion. Some Owners have erected barriers particularly in those buildings where the common balconies have arches. Pictures of such barriers were shown to the meeting. With the exception of the barrier between 13-40 and 13-41 none of the barriers have been approved by the Architectural Committee. The Board and the Architectural Committee have been provided with the CC&R and Rule provisions applicable to balconies. **See Appendix.**

After a discussion the following resolution was made, seconded and unanimously adopted:

RESOLVED. that the Architectural Committee investigate the common balconies for blockages or barriers not in accordance with the CC&Rs and Rules and advise Owners not in compliance to remove the blockages or barriers unless approved by the Committee and

FURTHER RESOLVED, that the Architectural Committee report violations to the Board and make recommendations with regard to such violations.

B. MASTER KEY

SECTION 6.02 of the CC&Rs provides in relevant part:

In order to facilitate entry of a Unit as provided herein, each Owner shall provide the Association with a key to the Unit if the Unit cannot be opened by the Master Key maintained by the Association.

In preparing for the deck inspections, it was determined that many Owners have changed the locks to their Units without complying with Section 6.02.

Upon a motion duly made and seconded the following resolution was unanimously adopted:

RESOLVED, that a thorough inspection and review be conducted to determine who is not in compliance with Section 6.02 which information will then be reported to the Board for further action.

C. STARLINK INTERNET CONNECTION

It was noted that the internet service provided by Catalina Broadband is often less than adequate. For this reason, the Association has resorted to Starlink Satellite Service which involves installing an antenna in the Common Area. Any such antenna must be approved by the Architectural Committee which will review the Rules to determine if any additional rules are required to apply to such antenna.

D. MCCORMICK VIEW DISPUTE

Ms. McCormick (13-41) disputes the barrier erected in the archway between her Unit and Unit 13-40 which has been approved by the Architectural Committee. This dispute has been referred to the Association's General Counsel for assistance in resolving it in accordance with the CC&Rs and the Rules. Ms. McCormick demanded Internal Dispute Resolution (IDR) in accordance with the Rules. The Association's counsel tried to arrange for IDR which was rejected by Ms. McCormick. Upon advice of counsel, the following resolution was made, seconded and unanimously adopted:

RESOLVED that Ms. McCormick having rejected IDR, that her complaint regarding the barrier between Units 13-40 and 13-41 be treated as a View Dispute to be determined by the Architectural Committee in accordance with Section 8.09 of the CC&Rs. That determination may be appealed by either Owner involved to the Board.

F. UPCOMING ELECTION

Because of pending litigation regarding the last election of directors, the Association's general counsel has been retained to and is overseeing all aspects of the upcoming election including the preparation and distribution of all notices and election material. Proposals from professional inspector of

election services are being solicited. The Association's counsel will determine how to proceed. [Subsequent to the meeting, the Association's counsel interviewed Stu Baron, currently appointed as Inspector of Election and reviewed the cost involved in having a professional service present at the meeting on the Island. Association's counsel determined that the cost for a professional service was unwarranted, and that Mr. Baron was qualified to serve as Inspector.]

OWNERS COMMENTS

All Owners who wished to comment were permitted to do so. During the comments, the Board agreed to include a review of the Rule regarding electric bikes on the agenda for the next meeting.

MEETING ADJOURNED

EXECUTIVE SESSION

The Board met in Executive Session to discuss contract and litigation matters.

September 28, 2024

Martin Curtin, Secretary

APPENDIX

MANDATORY DECK INSPECTIONS 9/30/2024-10/4/2024

ALL OWNERS:

Civil Code section 5551 requires that balconies, walkways, patios and other exterior structural elements that the association has an obligation to maintain ("Decks") be inspected by "a licensed structural engineer or architect". The

inspections must be completed by January 1, 2025, and then every nine (9) years thereafter.

In compliance with the State of California requirement, Deck inspections have been scheduled beginning the week of Monday, Sept. 30, 2024 through Thursday Oct. 4, 2024 during normal business hours.

Section 6.02 of the CC&Rs provides in relevant part:

Rights of Entry. The Board of Directors shall have limited right of entry in and upon the Common Areas and the interior of all Condominiums for the purpose of inspecting the Project and taking whatever corrective action may be deemed necessary or proper by the Board of Directors, consistent with the provisions of this Restated CC&Rs.

Heavy clutter, plants and rugs should be removed from all Decks. A BBQ or table and chairs need not be removed.

Balconies, walkways and patios accessible from stairways (“Open Decks”) will be inspected without any involvement of Owners of adjacent Units. There are 92 Open Decks. Barriers between Units having Open Decks must be movable or removed.

Inspectors will need to have access to all Decks, including those reachable only by going through a Unit (“Private Decks”). There are 63 Private Decks listed in the attached pdf. Thirty six (36) of the Private Decks can be accessed by the Association using the Master Key. Twenty Seven (27) of the Units have changed their locks and as a result are not accessible using the Master Key.

There are two options with regard to Private Decks:

1) You or your representative may be present to provide access or must be present if the Unit is not accessible using the Master Key; or

2) If the Unit is accessible using the Master Key, the Master Key will be used to provide access if you or your representative is not present.

If you or your representative will be present, email the Association the date and times you or your representative will be present. It is your obligation to notify Short Term Renters if they will be present on those dates.

For those who have Private Decks, the inspector will enter the Unit accompanied by a Hamilton Cove Employee. The inspections will take approximately 30 minutes per Deck.

The inspection is required by the State of California. It is not optional. Full cooperation by all Owners is required.

Board of Directors

HCHOA BALCONIES

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CC&R PROVISIONS APPLICABLE TO BALCONIES

Section 1.18. Common Areas or Common Property. "Common Areas" or "Common Property" shall mean all areas on the Project, except the Condominiums and Single Family Residential Lots and Residences. Common Areas shall include, without limitation, for maintenance purposes of the Association, but not necessarily by way of fee title, all gas, water and waste pipes, all sewers, all ducts, chutes, conduits, wires and other utility installations of the Project Improvements wherever located (except the outlets thereof when located within the Condominiums), the land upon which the Project Improvements are located, the airspace above the Project Improvements, private streets or driveways, walkways, common stairways, parking areas, **and landscaping on those areas of the Project which are not defined as a part of the Condominiums.**

Section 8.07. Inside and Outside Installations. **No outside installation of any type, including but not limited to clotheslines, shall be constructed, erected or maintained on any Residence, except as may be installed by, or with the prior consent of, the Architectural Committee.** No balcony or patio covers, wiring, or installation of air conditioning, water softeners, or other machines shall be installed on the exterior of the buildings of the Project or be allowed to protrude through the walls or roofs of the buildings (with the exception of those items installed during the original construction of the Project), unless the prior written approval of the Architectural Committee is secured. **Outdoor patio or lounge furniture, plants and barbecue equipment may be maintained pursuant to the Rules and Regulations.** The type and color of all exposed window coverings shall be subject to the prior written approval of the Architectural Committee. **Notwithstanding the specificity of the foregoing, no exterior addition, change or alteration to any Condominium or Residence shall be commenced without the prior written approval of the Architectural Committee.** Nothing shall be done in any Condominium or in, on or to the Common Areas which will or may tend to impair the structural integrity of

any building in the Project or which would structurally alter any such building except as otherwise expressly provided herein. There shall be no alteration, repair or replacement of wall coverings within Condominiums that may diminish the effectiveness of the sound control engineering within the buildings in the Project. No Owner shall cause or permit any mechanic's lien to be filed against any portion of the Project for labor or materials alleged to have been furnished or delivered to the Project or any Condominium for such Owner, and any Owner who does so shall immediately cause the lien to be discharged within five (5) days after notice to the Owner from the Board. If any Owner fails to remove such mechanic's lien, the Board may discharge the lien and charge the Owner a Special Assessment for such cost of discharge.

Section 8.09. View Obstructions. No vegetation or **other obstruction** shall be planted or maintained upon any patio or balcony in such location or of such height as to **unreasonably** obstruct the view from any other Residence in the vicinity thereof. **If there is a dispute between Owners concerning the obstruction of a view from a Residence, the dispute shall be submitted to the Architectural Committee, whose decision in such matters shall be binding.** Any such obstruction shall, upon request of the Architectural Committee, be removed, or otherwise altered to the satisfaction of the Architectural Committee, by the Owner of the Residence upon which the obstruction is located. **Any item or vegetation maintained upon any patio or balcony, which item or vegetation is exposed to the view of any owner, shall be removed or otherwise altered to the satisfaction of the Architectural Committee, if such Committee determines that the maintenance of such item or vegetation in its then existing state is contrary to the purposes or provisions of this Restated CC&Rs.** The Architectural Committee shall ensure that the vegetation on the Common Property maintained by the Association is cut frequently, so that the view of any Owner is not unreasonably obstructed. No activity or improvement on the Project shall be carried out or constructed at or to a level or height wholly or in part higher than the natural ridgeline dividing Descanso Canyon from the Property. Without limiting the generality of the foregoing, no structure shall be built on the Property so as to be visible to individuals in Descanso Canyon.

Section 8.15. Common Area Balconies and Stairways. Each **balcony in the Common Areas** and the stairways providing access to such balcony are reserved for the exclusive use of the Owners of the

Condominiums served by such balcony and stairways. Such Owners shall be responsible for keeping such balcony and stairways free from debris, clean, and otherwise in a safe and orderly condition.

RULES APPLICABLE TO BALCONIES

8. Common Balconies. Common Balconies are balconies that are accessible from two or more Units. Common Balconies exist primarily to provide a second exit from a Unit in case of fire or other emergency and for use by the Fire Department and emergency personnel. Any blockage whether by furniture or otherwise that would impair access in the case of an emergency is a serious violation of the Rules. If an Owner is advised in writing by the Association that he or she is blocking access on a Common Balcony, the blockage must be immediately removed. If not removed the Owner is subject to a Predetermined Fine--\$300. Common Balconies are also for the enjoyment of the occupants of the Units on that level, and each Unit shall be accorded privacy. These balconies are not to be used for general access or for crossing to neighboring Units or balconies.

23. Obstructions. Obstruction of common balconies, walkways and entrance ways is prohibited. Predetermined Fine after Notice—\$300. Please notify the Association Office of any move-ins or any other situations which may partially block access of walkways or entrance ways.

26. Owner's Planters and Furniture. All plants in individual planter boxes and self-owned patio furniture must remain within the associated Unit's patio area and may not block access for emergency evacuation. All plants must be properly maintained, and all dead plants must be removed. All planters or pots that may block a Common Area must be on rollers. Plants shall be contained within each associated Unit's patio airspace. Do not put plants on the balcony rails. The Architectural Committee has approved the use of pots consistent with the architecture of Hamilton Cove. All others must be submitted to the committee for approval. Failure to abide by this rule will result in damage to the balconies. The offending Owners shall be assessed all costs associated with the repair of such damage. Predetermined Fine after notice—\$300.