

**DRAFT MINUTES OF  
THE BOARD MEETING OF THE  
555 ESPLANADE CONDOMINIUM OWNERS ASSOCIATION**

**July 18, 2011**

**CALL TO ORDER**

The following are the Minutes of the Meeting of the Board of Directors of the Casa Bahia Condominium Owners Association, held on Monday, July 18, 2011, in the 535 Building Lobby, 535 Esplanade, Redondo Beach, California 90277. A quorum of Board Members was established and Joe Engle called the meeting to order at 6:35 PM.

**BOARD MEMBERS PRESENT**

Joe Engle, President; Betty Schneider, Treasurer; Joe Jetsyn Tache, Member-at-Large.

**BOARD MEMBERS ABSENT**

Dianne Merzel, Secretary; Frank Parker, Vice President.

**MANAGEMENT COMPANY REPRESENTATIVE(S) PRESENT**

Ellona Hess of Scott Management Company (SMC)

**HOMEOWNER FINANCIAL COMMITTEE – REPORT BY MEMBER OF COMMITTEE**

On behalf of the Financial Committee, Mr. John St. Rock, Co-Chair, reported on the progress of the Financial Committee by summarizing the minutes of the Committee's recent meeting, held on June 27, 2011. Please see the attached copy of the minutes for this meeting, prepared and submitted by the HFC.

Ms. Coe reported on her meeting with a representative of Public Works and a representative of Athens Services. Ms. Coe presented to the Board an option to be provided by Athens at no extra cost – to replace the current recycle bins with larger ones. Ms. Coe also noted that the Association could save \$50.00, per side, per week, if one less extra pick up was ordered. Mr. Tache volunteered to monitor how full the trash bins are when they are picked up Monday, Wednesday, Friday so as to be able to determine if lessening the amount of pick up days is a feasible option. Ms. Hess will request flyers and documentation from Athens Services regarding their recycling program, so that a campaign to get residents to recycle more can take place.

**APPROVAL OF MEETING MINUTES**

Ms. Schneider made a motion to approve the June 20, 2011 minutes as presented. Mr. Tache made a second to the motion. The motion carried with all in favor. Discussion took place regarding the font size of the hard copy distributed minutes. The font size for mailed copies will be reduced to font size 12, however, the font size for emailed minutes will be 14. Ms. Schneider made a motion to approve the July 7, 2011 minutes. Mr. Tache made a second to the motion. The motion carried with all in favor. Copies of the approved minutes will be emailed and/or mailed to Homeowners.

**TREASURERS REPORT**

Ms. Schneider reported that the expenses for the month were under budget by about

\$1,800.00. Year to date, the expenses are under budget by approximately \$4,800.00. \$6,500.00 of these monies is for once a year items. Under budget items include contingency and water, over budget items include fire system and roof repairs. The delinquencies remain very low. Ms. Schneider made a motion to accept the financial report as presented. Mr. Tache made a second to the motion. The motion carried with all in favor.

### **HOMEOWNERS FORUM**

- Unit #302 – Dot Lee: Ms. Lee questioned if Ms. Hess found out what two Units were currently up for lease. Ms. Lee noted that the cable boxes were recently damaged. Ms. Lee requested resident assistance in shooing away the heron birds that visit the spa 3<sup>rd</sup> floor deck.
- Unit #110 – Ed Schneider: Mr. Schneider reported that a new page has been added to the website, titled Letters. Information that Owners/Residents wish to share with their neighbors could be posted in this area (after the content is reviewed and deemed appropriate).
- Unit #304 – John St. Rock: Mr. St. Rock advised that Bert Meli Plumbing will be at his Unit on Wednesday morning to investigate a plumbing leak that appeared in the garage this morning. As there was no evidence of a water leak in his Unit, Mr. St. Rock stated that this may be a common area problem.

### **OLD BUSINESS**

- Balcony Inspections (of Sliding Glass Doors, Flashings, Door Pans, etc.) – Review Proposal(s): As a follow up to the presentation made at the June meeting, CMS submitted an estimate to perform an inspection of the sliding glass door(s) and transitional flashing metal(s) at each Unit. The cost, per man hour, for this inspection is \$65.00. CMS advised that they would be able to figure out what the cost for each inspection was and credit the inspection cost towards the work performed at each particular balcony deck. The Board would like a second estimate for a similar type of inspection. Unit #313 reported loose railings on their balcony. The Board authorized an immediate inspection by CMS to take place.
- Building FHA Approval – Status Update: At the May 2011 meeting, the Board reviewed the list of “Outstanding Conditions for FHA Approval.” The Board requested to have a more clear explanation on the items mentioned in this list. The Board approved a total spending amount of \$200.00 towards fulfilling this list. Ms. Hess is to contact the Board if the expenses will exceed the \$200.00 budgeted amount. Ms. Hess reported that the items on the list that involved insurance matters were forwarded to the Association’s current insurance agent for handling. The agent reported back that he updated the property’s insurance certificate so as to be in compliance with all of the FHA requirements. Ms. Hess advised that she continues to work with the new representative assigned to this case to complete this approval process. Mr. St. Rock volunteered to assist Ms. Hess with seeing this project through.
- Circuit Breakers – Review Proposal(s) for Replacements: An inspection of the property was conducted by a representative for the Association’s new general

liability insurance carrier. The inspector noted that the currently installed circuit breakers are obsolete and pose a fire hazard. An official report has not yet been submitted by the inspector on behalf of the insurance carrier. A quote for the replacement of the breakers was submitted by Moffitt Electric. Additional quotes are pending.

- Cost Saving Pilot Program, Letter to Homeowners re Email Address – Review Survey Responses: To date, 30 Homeowners returned their survey form. A second letter will be sent out to the 24 Homeowners who did not yet send theirs in.  
Earthquake Insurance Policy Renewal – Status Update/Vote: Mr. Engle reported that 30 Homeowners returned their Earthquake Insurance Survey Form. 20 Homeowners voted in favor of maintaining the coverage, 10 voted against it. Ms. Schneider made a motion to accept the earthquake insurance premium estimate with a 25% deductible (as suggested by the HFC Committee) with the new limits for the building. Mr. Tache made a second to the motion. The motion carried with two in favor and one against (Mr. Tache). Mr. Engle mentioned that he would like to work towards putting together an Earthquake Preparedness Program as well as plans on how the building would be re-built, should it be destroyed in an earthquake.
- Garage Driveway Entrance/Exit Repairs – Status Update: Mr. Schneider reported that the re-pour of the sidewalk will take place, as scheduled on July 21<sup>st</sup>. There will be no access into or out of the garage from 9 Am – 4 PM. The City inspector will be at the property before the re-pour takes place.
- Gas Connectors – Replacement Of – Status Update: A letter was sent to each Owner calling the safety concern regarding old gas connectors to their attention, mandating that they replace their gas connector within a certain time period (60 days), or if the Unit Owner already had their gas connector replaced, the letter stated that they will need to submit some sort of proof/certification, proving such.
- Hallway Renovation Project – Update/Recommendation from Committee:  
AUGUST MEETING: An update on this project will be given by the Committee at the August meeting.
- Jacuzzi Leak – Status update/Review Proposal(s) for Repairs: Mr. Schneider stated that the report from the leak detection company is still pending. Ms. Hess will contact the spa service vendor, who arranged for the leak detection to take place, and will request a copy of the report.
- Maintenance Responsibility Matrix – Review Ideas: This project is in progress.
- Roof Access Doors, Emergency Doors, and Beach Side Doors- Review Estimate(s) for Replacements: Proposals have been submitted to replace the roof access doors (2), beach side doors (2), and emergency exit doors (2). To date, five proposals have been submitted. A vote on the proposals did not take place as there are still questions on the proposals that need to be answered by the bidding contractors. The Board requested the HFC's assistance on this project with filling in the missing pieces of information and an evaluation on the proposals. The HFC agreed to help. Ms. Schneider will forward Mr. St. Rock a copy of the file put together for this project.
- Street Side Retaining Wall Replacement – Status Update: One bid has been

submitted to date for the replacement of the street-side retaining wall. Bids, and more research/information, for the replacement of the street side retaining wall are forthcoming. The replacement of the wall will follow the Water Intrusion Projects (discussed later on in the Meeting).

- Sump Pump for Water Intrusion into G2 – Review Information/Quotes/Recommendation by Committee: The project has been tabled at this time but will continue to remain on the agenda.
- Unit #319 – Interior Repairs – Status Update: Ms. Hess provided the following update on the interior repairs for this Unit:
  - All damaged kitchen cabinetry was disposed of by ServPro.
  - All appliances throughout the Unit were wrapped in polyethylene sheeting and stored in the living room by PW Stephens.
  - Asbestos abatement was completed by PW Stephens and the mold remediation was completed by ServPro.
  - The closet doors and tracks were left inside one of the bedrooms and will be reset by PW Stephens once the flooring work is complete.
  - The plantation shutters were left inside the Unit and will be evaluated by PW Stephens.
  - The exposed concrete floors were decontaminated due to the possibility of mold by PW Stephens.
  - PW Stephens sent in a check, for the agreed upon amount \$5,289.75, to be applied towards the flooring work in the Unit. Now that the check has been received, Assured Quality Woodcraft will be contacted.
  - ServPro submitted a proposal to complete the pending drywall repairs. Ms. Schneider made a motion to accept the proposal as submitted. Mr. Tache made a second to the motion. The motion carried with all in favor.
- Unit #517 Deck/Drain/Flashing Repairs; Interior Repairs to Units – Status Update: To date, Ewell Construction has completed repairs to two out of the three identified problem areas. Ewell Construction was waiting to obtain access from Unit #517, so that they can work on 517's deck. Mr. Engle reported that the work will begin within the next two weeks and should be completed before the August meeting.
- Water Intrusion into G4 – Review Information/Recommendations and Proposals: Mr. Schneider reviewed the report that he made at the June meeting regarding this project, which was: "that he presented his Management Plan to the City Hall for this pending project. Coastal Commission does not need to get involved, but the Association will need to obtain a permit from OSHA and will also need a shoring plan and a soil analysis completed. Mr. Schneider advised that he reviewed this project with a couple of engineering firms and they approximated that the City fees will cost about \$1,500.00, the Shoring Plan, \$2,000.00, the Soil Analysis, \$500.00 - \$1,000.00, and the Trench Permit, \$100.00. In order to obtain the trench permit, a very comprehensive application will need to be filled out." Dr. Parker has gotten involved and has requested Homeowner Larry Carpenter's assistance with this project. Mr. Schneider mentioned an alternative – to go back to the other bidding contractors, who would be able to provide their own shoring plans.

- Unit #s 520 and 620 – Review Proposal for Water Test: The Board reviewed the water test proposal submitted by Ewell Construction to identify the source(s) of water intrusion into Unit #520. Ms. Schneider made a motion to accept the proposal as submitted. Mr. Tache made a second to the motion. The motion carried with all in favor.
- Garage Ceiling Repairs: It was noted that ceiling repairs in G2 – in three different areas – are still pending. Mr. Tache will work on obtaining proposals for these repairs with Ms. Hess.

## **NEW BUSINESS**

- 2012 Reserve Study Update – Review Proposal: The Board reviewed the proposal submitted by Association Reserves. Mr. Tache made a motion to accept the 3 year annual update plan. Ms. Schneider made a second to the motion. The motion carried with all in favor.
- Unit #315 Plumbing Repair – Review Proposal: The Board reviewed the proposal submitted by Bert Meli Plumbing to replace the kitchen drain line between Units 315 and 215. The proposal noted that during the last round of hydro jetting, Bert Meli had problems with this kitchen drain line. Bert Meli suspects that the line is degrading inside. The Board would like a second estimate obtained from Stephens Plumbing.

## **NEXT MONTHLY MEETING**

Monday, August 15, 2011, 6:30 PM.

## **ADJOURNMENT**

Meeting was adjourned at 8:00 PM.

Submitted by: Ellona Hess

## **EXECUTIVE SESSION**

The Board of Directors held an executive session to discuss pending violations and a legal matter.

**PLEASE NOTE:** Any grievance or clarification on issues can be addressed by: (1) Airing the issue at the next scheduled Public Board meeting, or (2) contacting Ellona Hess at Scott Management Company (Phone: 310-370-2696 ext. 211; Email: [Ellona@scottmgmt.com](mailto:Ellona@scottmgmt.com); Mail: Scott Management Company, PO Box 3159, Torrance CA 90510-3159). Calls/correspondence should reference 555 Esplanade/Casa Bahia.