

**HAMILTON COVE HOMEOWNERS ASSOCIATION
MINUTES
MEETING OF THE BOARD OF DIRECTORS
BY ZOOM
June 29, 2024
9:00 AM**

The meeting called to order at 9:15 PM by President Norris Bishton. The following directors were present by Zoom:

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

Approximately 35 Owners were present by Zoom, the number varying during the meeting, The meeting is a meeting of the Board, not a meeting of the membership.

APPROVAL OF MINUTES

The minutes of the Board meeting of March 17, 2024, were approved.

EXECUTIVE SESSIONS

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

INSURANCE REPORT

Subsequent to the 3/17/2024 Board of Directors meeting, the Association was able to obtain all of the insurance it is required by the CC&Rs to have in place including full replacement cost casualty insurance. This permitted two owners/buyers to obtain loans. Two more loan applications are pending. One lender turned down a loan, claiming the amount of replacement cost insurance was inadequate. Financing units remains a challenge. Litigation brought by Owners against the Association makes financing more difficult.

LITIGATION UPDATE

As previously reported, the Association won the lawsuit brought by the Forbushes concerning major alterations to two Units using Common Area to create additional bedrooms. The Forbushes have filed a notice of appeal.

A lawsuit brought by Patricia McCormick challenging the last election is set for a new trial.

A lawsuit brought by Georges McCormick was won by the Association. The Court ruled:

Based on the evidence presented at trial in form of testimony and the written evidence presented by plaintiff and defendant HOA, the Court finds no violation of the Civil Code regarding notice of meetings, agendas being supplied for meetings, minutes of meetings being provided or exclusion of HOA members from meetings.

A second lawsuit brought by Patricia McCormick was won by the Association. The Court ruled:

The Court finds no basis for an award of the civil penalty of up to \$500 for the denial of a written request to inspect the defendant HOA's records. The evidence demonstrates to the Court that defendant HOA has responded and offered to make the records it is required to produce pursuant Civil Code Section 5200 available for inspection. *** Based upon the evidence presented the Court finds that the defendant HOA restrictions on inspection of the requested documents were reasonable.

A lawsuit by Mr. and Mrs. McClintock disputing a \$900 fine has been continued.

STAFF

The Association has been able to bring its staff up to better level using part time employees. Hiring is only going to get worse. Staff has

been mistreated by both Owners and Short Term Renters. This makes retaining staff members even harder. Owner are required to disposed of furniture, large items and trash no suitable for trash cans on their own., not pile it up for the Staff to handle. The Staff sees such actions as disrespectful.

REPAIR STATUS

With the addition of Staff, the Association has been able to catch up to some degree with repairs. Still a long way to go.

ROAD REPAIR

The road from the gate to the hairpin turn, which is the responsibility of the Association, developed cracks caused by the heavy concrete trucks going to the ongoing construction on the Remaining Land. The Island Company/Developer sought to have the Association fix the road. Martin Curtin dealt with this request and the Island Company/Developer repaired the road.

APPRAISAL

Section 9.08 of the CC&Rs provides as follows:

Annual Insurance Review. The Board shall Review the insurance carried by or on behalf of the Association at least annually, for the purpose of determining the amount of the casualty and fire insurance referred to in Section 9.01 above. If economically feasible, the Board shall obtain a current appraisal of the full replacement cost of the Improvements on the Property, except for foundations and footings, without deduction for depreciation, from a qualified independent insurance appraiser, prior to each such annual review.

In that past it has been determined that obtaining such an appraisal annually is not “economically feasible”. This matter will be investigated further.

BALCONY AND DECK INSPECTION

Civil Code section 5551 adds a requirement for associations to perform inspections of balconies and other exterior structural elements that the association has an obligation to maintain. The inspections must be complete by January 1, 2025, and then every nine (9) years thereafter. The Architectural Committee has been designated to deal with this matter. One inspection firm has come to the Island, preliminarily inspected HC and made a proposal. Additional proposals will be sought. The best proposal as recommended by the Committee will be accepted. Inspectors will need access to all balconies including those reachable only through a Unit. Everyone's cooperation will be required.

COMPUTER MANAGEMENT SYSTEM TASK FORCE

It has been proposed again that the Association put in place a computer management system to handle Short Term Renting, entry at the Gate, personnel matters and mooring reservations. Such a system was determined unfeasible in the past because of the inability to hire computer literate people to manage the system. The President was authorized to set up a task force to again explore feasibility.

INSURANCE TASK FORCE

Due to the worsening casualty insurance situation the President was authorized to set up a task force for the purpose of finding a solution if there is one.

BUFFER AREA BLDG 10

Much of the lawn in front of Building 10 is part of a Public Access Easement under the control of the Coastal Commission. As was explained in a email to all Owners the 40 foot buffer area and prohibition of weddings on the lawn came about because of a major problem. This was discussed by an Owner in a recent email to the Association:

Sorry to be so late in responding to the emails regarding the lawn at building 10. I had dinner last dinner with Fred

Bogenschutz who used to own the condo on the lawn. I asked him what it was like when he lived there. That was about maybe 15 years ago. He said it was a nightmare. He would come home and find people were using his chairs, lounges, had brought the bbq out on the grass, having a good ole time. He said many times people came to the windows peering in at all hours. Also the wedding planners were free roaming everywhere. They took the bridal party to the golf course and went everywhere, high heels and all. So yes I agree that we need rules and regs for the lawn.

EXECUTIVE SESSION

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

June 29, 2024

Martin Curtin, Secretary