

2020 Sonoran Sea SC Board Meeting Notes:

1/4/21: SC Board Meeting (1st Qtr 2021) – via telecon

SC Attendees: Ron Lilischkies, Dave Foley, Tina Elliot, Howard Tolchinsky, Karen Matson, Paul Sala

SC Absent: Mike Sheffield, Steve Suhre, Steve Schwab

AC & HOA Mgmt Attendees: Kristian Osuna

MEETING AGENDA:

The agenda for the meeting will be as follows:

1. Review & Discuss Mex lawyer opinion on Sea CC&R Article #18 (see yahoo email thread attachment)
 - Formulate & come to consensus on Sea Arch. Policy for outdoor tiles based on Mex lawyer opinion (see Sea CC&R doc attachment)
2. Review outdoor tile cost estimate from Rodrigo-ground floor & premium patios that serve as roofs for lower condos (see 3 cost est. attachments)
 - Discuss whether or not the HOA should be paying for all ground floor condos outside patios tile replacement & premium patios that serve as roofs for lower condos
 - If agreed to, add to reserve study as a periodic expense
 - promotes conformity of product and aesthetic look and adheres to CC&R article 18
 - promotes goodwill to ground floor condo owners due to their non-use of elevators and non-existent patio railings
 - ground floor condo owners have paid and will be paying for the resort wide railing maintenance and replacements when it comes due (approx \$400k cost) and they also have paid for the elevator refurbishment project
 - promotes good will to premium patio owners whose outdoor tiles are roofs for lower condos and whose HOA dues have risen considerably (added to the indivisible portion used to calculate HOA dues) due to patios being considered living spaces
3. Architectural Guidelines Review Form & Required Changes (Karen & Tina's work-ANY UPDATES ON THIS?)
 - Changes required to form for interior work requests due to CC&R's Article 18

The following are the highlights of the discussion on each of the 6 agenda items shown above. If appropriate, Action Items (AI's) will be defined and delegated to the appropriate parties with a due date.

1. **Review Mex lawyer opinion on CC&R Article #18**
 - a. Kristian discussed with the SC board his conversation with Regalio at length regarding the Spanish to English interpretation of article #18 with special

emphasis on the English interpretation of "...that they do not match the rest of the building or that they damage the general aesthetic image of the building"

- b. The results of the discussion was that there was only one word that should've been interpreted in English to mean "nor" instead of "or" in all of article #18, which is minor by nature. Therefore all SC members agreed that the literal English translation from Spanish is correct as shown and stated in the CC&R's.

2. Review Outdoor tile cost estimate for ground floor and premium patio condos

- a. Kristian presented the costs (material & labor) for replacing the tiles on the ground floor units and the upper premium patios. The total costs were approximately (in pesos & USD):

1st Floor Units East & West:

- Materials Cost: \$86,170.69
- Installation Cost: \$190,837
- Total: \$277,007.69 pesos or approx \$13,850 USD @ 20 pesos/\$

Premium Patios:

- Material Cost: \$114,997
- Installation Cost: \$270,868
- Total: \$385,865 pesos or approx \$19,293 USD @ 20 pesos/\$

- b. **Ground Floor outdoor patios:** Much discussion ensued around if the HOA should pay for these ground floor outdoor tile remodel costs to meet CC&R article #18 intent for the ground floor condos regarding "general aesthetic image of the building"

- Also discussed ground floor complaints that they pay for elevators and railings and don't use or have them, but they bought into the resort knowing that fact.
- SC board members felt at this time that the cost was too high to commit all other owners via the HOA to paying outright for the ground floor condos outdoor tiles and grout. Instead for now, with Tina's comment that the original tiles can still be bought at Mirsa tile, the SC members voted 6-0 that the HOA will pay to replace the original tiles and grout that is damaged. Basically the HOA will pay to maintain the ground floor tiles as is.

1. Was suggested that this could be brought up to all of the owners at a GOM and voted on as the final decision on this topic, to decide if the HOA should fully pay for ALL ground floor tile remodels and if agreed to, could be put into the reserve study as a periodic maintenance expense item.

- In conjunction the SC members agreed to come up with a “documented tile guidelines” that specifies/defines tile format, size, color family, etc. so that if an owner wants to upgrade their outdoor tiles they could do so at their own cost with a credit from the HOA office of fixing (maintaining) the damaged original tiles and grout back to their original specifications, which then meets the intent of article #18 of the CC&R’s.

AI: SC to produce Tile Guideline document as a long-term solution for ground floor condos, floors 2-10 and for the premium patios whereby the strictest policy is for ground floor condos and less so as you go up in floors, due to CC&R article #18 requirements regarding building visual aesthetics.

- Then going forward the HOA would pay to maintain these new tiles and grout on the ground floor condo patios.

c. **Premium patios :** Also much discussion around if the HOA should pay for these premium patio tile and grout remodel costs since all 8 of them are essentially “roofs” for condo units below them and issues with water leaking into the condo below has already happened, refer to Duke’s condo premium patio leaking into the condo below them.

- It was mentioned by Karen that Russell, the old HOA president, told them that the tiles are the responsibility of the HOA but no documentation of that HOA policy has been found yet.
- Also the increased dues adjustment for the premium patios owners took into account the patios as livable space, which they are not.
- Before the SC board members voted, Paul, Karen & Tina recused themselves due to a conflict of interest to voting on this matter as they are premium patio owners and left the meeting. The discussion then continued with the 3 remaining board members, Ron, Dave and Howard.
- The 3 remaining SC board members felt at this time that the cost was too high to commit all the other owners via the HOA to paying outright for the complete replacement of all tiles and grout on their premium patios. For now, same as what was decided on for the ground floor patios, the 3 remaining SC members voted 3-0 that the HOA will pay to replace the damaged original tiles and grout to their originals specifications to prevent water from leaking into any condos below. Basically the HOA will pay to maintain the premium patio tiles as is.

1. Was suggested that this could be brought up to all of the owners at a GOM and voted on as the final decision on this topic, to decide if the HOA should fully pay for ALL premium patio tile remodels and if agreed to, could be put into the reserve study as a periodic maintenance expense item.

- Same as with the ground floor patios, if a premium patio owner wants to upgrade their outdoor tiles to some other kind of tile that meets the tile guidelines, they could do so at their own cost with a credit from the HOA of fixing (maintaining) the damaged original tiles and grout back to original specifications.
- Then going forward the HOA would pay to maintain these new tiles and grout on the premium patio condos.

3. Architectural Guideline Review Form Progress

- a. Not much progress has been achieved on updating the form itself to date. Need to get this form done soon as the SC is reviewing owner remodel requests and the new form will be very beneficial in protecting the interests of all owners.
- b. Discussion focused on what should be included or the format of the form itself as follows:
 - Include notification to HOA in the form for interior cosmetic changes, whereby no SC approval required. Can be considered a heads up to HOA that contractors are coming on-property to do work. An example would be painting the interior of an owner’s condo or replacing faucets, etc.
 - For extensive interior & exterior remodels that are more than “decorative” in nature, SC approval will be required and the form needs to ask the owner specifically if they are doing any Mechanical, Electrical, Plumbing or Structural (MEPS) changes. Will also need architectural drawings to accompany those changes for review and approval of the SC.
 1. If an owner says they are not doing any MEPS changes in the form and later the SC or HOA finds out they did because of some issue that was later identified as a MEPS change, then the owner will be fined and held personally responsible for all damages caused to other condo owner’s property and the common area property.
 - For owner’s exterior cosmetic changes, the majority of SC members expressed their desire to not have owner cosmetic exterior remodels require SC approval. If an exterior cosmetic remodel is done out of bad taste, like painting an exterior wall a bright color like pink or purple, etc. and therefore doesn’t meet the intent of Article #18 and the requirement “to not damage the general aesthetic image of the building”. Then if there are complaints fielded by the HOA regarding the exterior cosmetic remodel, the SC reserves the right to ask the owner to remove the offending exterior cosmetic remodel to what it was before or to some other SC acceptable implementation per Article #18 of the CC&R’s. This effectively makes this policy reactive and not pro-active in regards to

condo owner's exterior cosmetic remodels.

4. Additional Items discussed but not on agenda: E1006 & W301 architectural remodel requests discussion

- a. SC reviewed the Roman's E1006 remodel request and Paul Sala took an action item to provide a response to the E1006 remodel request. The following was sent to the Romans from Paul Sala via email.
 - ***The SC appreciates your submission regarding the replacement of the countertop and backsplash on the extended patio for Unit 1006 E. The work that you are doing is decorative in nature. Article 18 of the CC&R's does not provide for or require SC approval for decorative changes to exterior portions of Exclusive Property. Instead, Article 18 requires that decorative changes must not damage the general aesthetic of the building. Paul Sala, the owner representative for Unit 1006 W (the only condo that can see the proposed work), has stated his support for your project. As the only unit affected by your decorative change supports your request, the SC has determined that the proposed countertop and backsplash do not damage the aesthetic of the building.***
- b. SC reviewed the owner of W301 remodel request. It lacked all of the necessary information (detail) of what the owner was trying to accomplish with their remodel and thus the SC gave an **AI:** to Kristen to request the appropriate additional info from the owner of W301 and resubmit to SC for review and approval.