

SAN ELIJO HILLS HOMEOWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS'
ANNUAL MEETING MEETING MINUTES
JUNE 26, 2019

The scheduled Annual Meeting of the San Elijo Hills Homeowners Association, Inc. was held on June 26, 2019 at the Lomas Santa Fe Executive Golf Course pursuant to the posted notice.

Present: President Ayers, Vice President Basore, Treasurer Costello, Secretary Bissierier and Directors Fleming, Dunn and Llovera

Also Present: Board Candidates Chris Allen and Phil Kline, Recording Secretary Quay and approximately 70 Association Members

- I. The meeting was called to order at 5:30 p.m.
- II. Establish Quorum: A quorum for the meeting was established.
- III. Presentation by the Sheriff's Department Crime Prevention Unit. Two officers talked about home, neighborhood and vehicle crimes, crime statistics for Solana Beach and prevention recommendations. The officers encouraged everyone to lock their homes and cars even if they are gone for a few minutes.
- IV. Presentation by Lesa Heebner: Mrs. Heebner specifically spoke about California pending legislation and how it negatively affects homeowners. She explained SB 50, SB 330 and SB 592 and encouraged residents to send a letter to the California Legislature to specifically oppose SB592 (Housing Accountability Act). Ms. Heebner distributed information about the bills and contact information for California representatives currently considering the bill and the Governor. In regards to the potential sale of the Lomas Santa Fe Executive Golf Course, she didn't have any specific information that she could share with the homeowners at this time. Ms. Heebner then discussed the City's plans for adding pedestrian and bicycle lanes along the Lomas Santa Fe Road corridor (no roundabouts.)
- V. Approval of the Minutes: The Regular Board Meeting Minutes and Executive Session minutes of May 22, 2019 were approved.
- VI. Member Input: A member asked if the Board can take a political stance. President Ayers explained that the current policy is not to but, if it is in the best interest of the HOA, he would bring it up for discussion at a Board meeting. Many of the members in attendance encouraged the Board to strongly support the community against the proposed bills as presented by Mrs. Heebner. The community also asked the Board to use members' emails for notifications. Vice President Basore noted that the HOA only has a small fraction of its members' email addresses.
- VII. Committee Reports:
 - a. Architecture and Planning Board: Improvement requests submitted, decided and closed. The committee has processed 28 requests for architecture improvements since the 2018 Annual Meeting. There were four projects completed since the May meeting: landscaping at 1456 Santa Marta, solar at 1543 Sana Elena, a remodel on 1435 Santa Marta and hardscape at 1259 Santa Luisa. One resubmittal was approved.
 - b. Slopes Committee:

1. Sandy Punch and Phil Kline received loud applause for their volunteer work on maintaining and enhancing the landscaping. Ms. Punch reported that they have rezoned all the slopes into 13 different areas and irrigation was replaced/relocated and/or repaired in four zones. The arborist reviewed half of the property this year and noted which trees should be cut down and replaced or trimmed. She also reported that 11 trees have been removed, 10 new trees planted, 45 trees trimmed/cleaned up, and 100 flats of ground cover planted. She requested the Board authorize \$485.00 to treat several trees that have beetles. **President Ayers made a motion to approve \$485.00 to treat the trees for beetles. The motion was seconded by Secretary Bisserier and the motion passed unanimously.**
 2. Slope enhancement form: Sandy Punch said that if members are interested in planting a slope, they can complete a "Slope Enhancement Form" and she will be in touch
 - C. Covenants Committee: The Committee is working on violation letter templates. President Ayers said that he believes in contacting the members personally via phone/email before sending a letter. Letters will not be sent out unless the Board has discussed the issue first.
 - D. Program and Social Committee report: The Board thanked Secretary Bisserier for arranging the speakers today. Ms. Bisserier announced that the Deputy Mayor of Solana Beach, Jewel Edson, will attend the July Board meeting.
 - E. Membership Committee Report: Vice President Basore thanked Sharon Costello and Jim Llovera for maintaining the website and posting the agendas and signs about the meetings. He said that most of the HOA documents are on the website and some of those documents will be improved this coming fiscal year. He also announced that 98 signed ballots were received which constitutes a quorum.
- VIII. Financial Report: Treasurer Costello reported that the HOA is above budget for revenue because several past due accounts have paid. The fees will be raised by 7% this year which will help pay for more landscaping and provide enough water if there is a drought this year. The budget will increase by \$20,400 yearly and \$5,000 will be allocated for water and the balance allocated to slopes/landscaping. President Ayers thanked Treasurer Costello for being dedicated and thorough.
- IX. New Business:
- a. President Ayers explained that normally legal matters are handled in Executive Session but, in this case, the Board wants the members to know that if we lose the Knapp lawsuit, there is liability and the homeowners may be assessed. He added that none of the current Board members or anyone on the Architectural Committee is directly involved in the litigation. Past Board members have given testimony and can't talk about the lawsuit. The insurance company is covering the cost of defense and the case is on appeal so nothing has been determined but there will be further discussion with the insurance company if the appeal is unsuccessful. The Board will keep the members informed. At this point, the Board read a statement which has been transcribed word-for-word in these minutes.

STATEMENT REGARDING THE STATUS OF THE KNAPP LITIGATION

In 2015, Miles Katz and his wife, owners of 544 San Mario Drive, modified the windows on the northern side of their home, which is subject to an easement with the Knapps' property. The

Knapps filed a lawsuit against the Katzes and the HOA. The Knapps alleged the window modifications were in violation of the Policy Manual and must be removed. The Knapps further alleged the HOA was obligated to enforce the Manual against the Katzes

The trial court granted judgment in favor of the Knapps holding that the Katzes must return the windows to their original configuration and the HOA must enforce the terms of the Policy Manual against the Katzes. Because the case is on appeal the trial court's injunction is "stayed," meaning the Katzes do not have to begin re-construction until the appeal between the parties has been resolved. It will likely take a year, approximately, for the appeal to be resolved. Once the appeal is resolved the case will be returned to the trial level to decide who may owe who attorney's fees.

The papers filed by the parties and the court's decision are a matter of public record with the California Superior Court for the County of San Diego. The case number is 37-2016-00036176-CU-BC-NC.

- b. **Announce newly elected members of the Board of Directors:** The following members have received the highest number of votes and were elected to serve one year on the Board of Directors effective July 1, 2019: Chris Allen, Ken Ayers, Paul Basore, Chris Costello, Bobbi Bissierier, Tristan Fleming and Phil Kline. **On a motion by Director Basore and seconded by Director Fleming, the current Board Officers will continue to act as interim officers until the July 24, 2019 Board Meeting.** President Ayers thanked past Directors Mike Dunn and Jim Llovera for volunteering to serve their community. Members Percy and Marilyn Zelnick and Recording Secretary Daria Quay were also thanked for their help counting ballots.
- X. **Adjournment:** The Board motioned to adjourn the meeting at 7:45 p.m. The next Board Meeting will be held at the Lomas Santa Fe Golf Club at 6:30 p.m. on Wednesday, July 24, 2019.