

WILDWOOD WEST ROAD ASSOCIATION CORPORATION
BOARD MEETING MINUTES – May 13, 2021

Meeting held at the Gebhart residence and called to order at 5:02 pm. The board members present:

Chair – Danny Estin

Vice Chair – Al Gebhart

Treasurer – Jason Sawatzky (via phone conference call)

Road Director – John Pomeroy (Unable to attend)

Secretary – Lori Herrera

- Motion: Danny Estin

Appoint Lori Herrera to serve Bob Browne's remaining commitment of one year.

- Second: Al Gebhart

All in Favor with no exceptions. Motion Carried.

Guest – Bob Bell

Donna Gebhart

Members present that will hold future positions if elected included:

Chair – Steve Zoch

Treasurer – Bob Spier

Road Director – Jesse Ettlin

Officer Reports:

Secretary – Board members read the combined and revised meeting minutes from Jan. 19, and April 6, 2021:

Motion: Al Gebhart

Approved the minutes with no exceptions.

Second: Jason Sawatzky

All in Favor with no exceptions. Motion Carried.

Treasurer – Jason Sawatzky

Checking Account balance as of statement date May 13, 2021 = \$12,607.65

Delinquent Assessments = 1

Accounts payable = \$4,000 Retainer for legal assistance with By-Laws

Chair – Danny Estin and **Vice Chair** – Al Gebhart

Discussed the coordination and conversations they had with varying agencies to clarify what legal steps need to be taken to insure our By-Laws are legal. Board members voted 4-0 to hire a lawyer to bring our By-law's up to legally acceptable standards. Road director deferred to the groups decision. Bids for legal services are included as attachments for further clarification.

Road Director – Al Gebhart reported on John Pomeroy's behalf.

Baldoni maintenance quotes:

- Reseal Calkins to Salyers = \$11,500
- Reseal by Mailbox, Parsons, and Gebharts = \$8,500
- If we seal in one year, gain 7 years
- Willing to discount work if a yearly schedule is contracted

- Work must be done between May – September due to weather conflicts

Next Board Meeting: Annual Association General Meeting 5:00 pm, June 13, 2021 @ Gebhart residence. Ballots will be mailed out for the election of new board members:

- Chairman – Steve Zoch
- Secretary – Lori Herrera
- Treasurer – Bob Spier
- Road Director – Jesse Ettlin

Members should bring their ballot with them to the meeting, mail them to the WWRA, P.O. Box 1095, Penn Valley, CA 95946, or proxy vote.

Motion: Al Gebhart

Adjourn meeting at 6:03 pm

Second: Jason Sawatzky

All in Favor with no exceptions. Motion carried.

Prepared by Secretary: Lori Herrera

Safety is a major concern on our road to protect people, pets and property. Please control your speed, and remind your visitors to do the same.

SAVE THE DATE: Sunday June 13, 2021 Annual Association General Meeting

Re: Wildwood West Road Association

Haley's
Proposal

From: Danny Estin (danniestin@gmail.com)

To: ashaley@lawhb.com

Cc: al_gebhart@pacbell.net

Date: Thursday, April 8, 2021, 10:57 AM PDT

Hello Mr. Haley. Our board met after receiving your letter and has directed my to move forward with your suggestions. Please advise what we need to do next.

On Thu, Apr 1, 2021 at 4:28 PM Danny Estin <danniestin@gmail.com> wrote:

Thanks for the update, Allen. I will forward this to my board for review and will get back to you soon

On Thu, Apr 1, 2021 at 3:04 PM Allan S. Haley <ashaley@lawhb.com> wrote:

Danny, thank you for the follow-up by phone yesterday. It's been unusually busy here.

I reviewed the CC&Rs, By-laws and the 2016 amendments you left with me -- not in great detail, but enough to determine their nature.

In my view, the latter documents (bylaws and amendments) are both not consistent with the CC&Rs, nor with the requirements of the Davis-Sterling Act, which applies to planned developments like Wildwood West. In particular, the creation of different categories of voting membership is not permitted by the Act, and so the division into "burdened" and "non-burdened" parcels for voting on certain matters will not withstand legal challenge. (I note that a similar distinction was in the Bylaws before the 2016 amendments, so the problem is one of long standing.)

To propose revisions to your bylaws could be a fairly extensive project. If the Board votes to engage us, my time will be billed at \$400 per hour, and we would require an initial retainer of \$4000.00 to hold in trust against future billing. I will be able to give a better estimate of the total time required after I have spent a few hours going through the bylaws in detail to determine just what changes would be required.

Your Board could, if it wished, seek another estimate from a law firm that specializes in these matters. They are located in Los Angeles, but they have an office in Sacramento (at 770 L Street, Suite 950; telephone [800] 464-2817), and deal with homeowners associations all over California. They also maintain a pretty extensive Website to explain all aspects of the Davis-Sterling Act.

I am not sure how expensive they might be -- I just am letting you know about them as an alternative.

If your Board decides to proceed with us, let me know, and I will have our paralegal forward you a contract for signature.

Best wishes,

Allan Haley

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Respectfully,
Danny Estin

Chairman Wildwood West Road Association

--

Respectfully,
Danny

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Allan Haley

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Respectfully,
Danny Estin

Chairman Wildwood West Road Association

--

Respectfully,
Danny



ADAMS | STIRLING

LEGAL SERVICES PROPOSAL

Prepared Exclusively For:

**THE WILDWOOD WEST ROAD
ASSOCIATION CORPORATION**

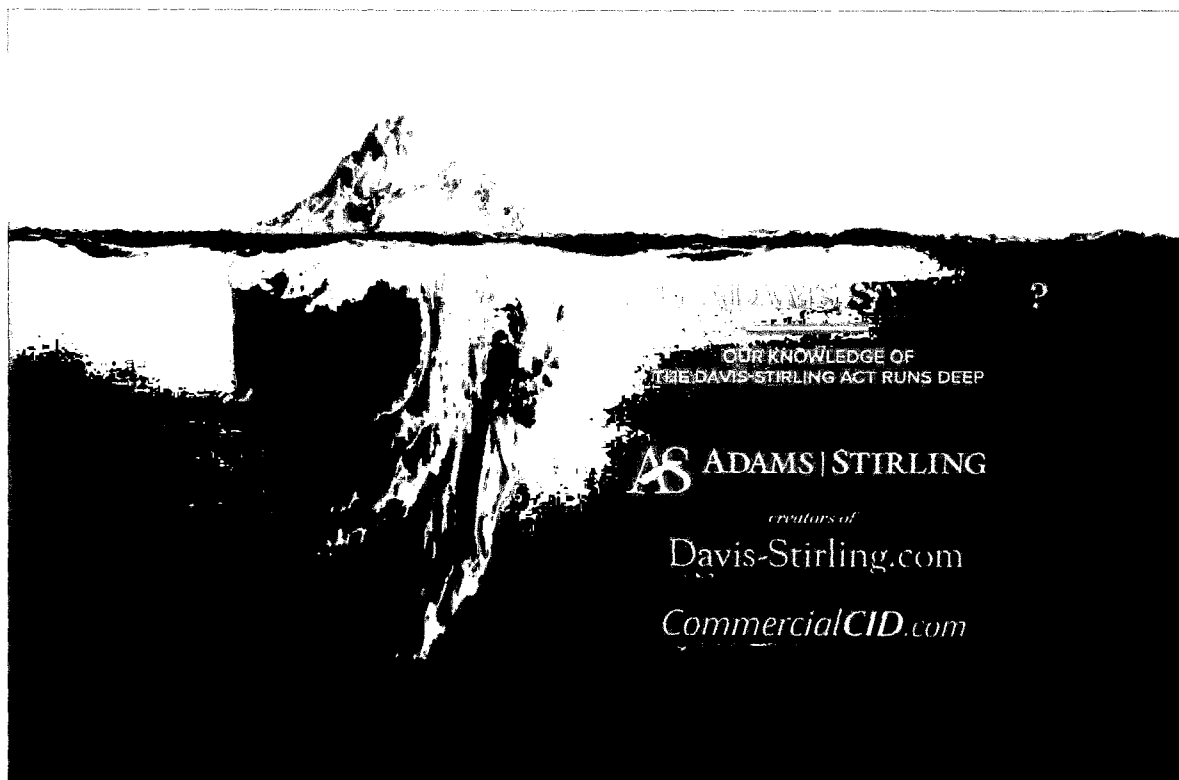
May 6, 2021

About Our Firm

Mission Statement

"To better the lives of association members through integrated educational and legal services"

Since 2000, ADAMS | STIRLING has advised boards of directors in the effective governance of associations and advised on the implementation of strategic plans that reduce their liability risks. Our attorneys are well-versed in the laws that govern homeowners' associations. In addition to the Davis-Stirling Act, our attorneys' practice, as they relate to common interest development, corporate law, employment law, Federal law, ADA/FHA, HUD, HOPA, real estate law and new developments.



Our Services

Practice Areas

- | | |
|-----------------------------|----------------------------|
| ▢ Legal Counsel | ▢ Governing Documents |
| ▢ Litigation Services | ▢ Commercial/Industrial |
| ▢ Employment Law | ▢ Appellate Services |
| ▢ Disability & Fair Housing | ▢ Contract Law |
| ▢ Senior Communities | ▢ Environmental & Land Use |
| ▢ Maintenance & Mold | ▢ Real Estate |

Part of what differentiates ADAMS | STIRLING from its competitors is our commitment to education. We accomplish this by providing a myriad of resources including: Davis-Stirling.com, CommercialCID.com and the Adams|Stirling Newsletter.

Our firm also offers clients personalized board trainings and seminar programs. We have a variety of topics to meet your association's needs or can develop a program to meet your specific requests. We also provide courses that meet the criteria for continuing education credits with CAI or CACM.

Hourly Rates

	Standard Rate	Reduced Rate
▢ Partners	\$325-450	\$305-430
▢ Senior Attorneys	\$300-365	\$280-345
▢ Attorneys	\$265-335	\$245-315
▢ Paralegals	\$150-200	\$140-190

Our Partners



Adrian J. Adams

Founder & Managing Partner
Experience: 30 Years

Adrian is one of the leading attorneys in California specializing in common interest development law. He is the founder and managing partner for the firm and also editor of the Davis-Stirling.com website and newsletter. In addition, Adrian serves as an expert witness for standards of care issues involving association Boards and managers.



Hon. Lawrence W. Stirling (ret.)

Senior Partner - Author of the Davis-Stirling Act
Experience: 40 Years

While Serving in the California Legislature, then Assembly Member Larry Stirling authored the Davis-Stirling Act, a bill sponsored by Professor Katherine Rosenberry. Judge Stirling served in the US Army and his public service includes City Council, State Assembly, and State Senate positions.



Nathan R. McGuire

Partner in Charge of Northern California
Experience: 16 Years

With a legal career solely dedicated to common interest developments, Nathan has amassed extensive experience providing general counsel services to residential and commercial associations. With a commitment to education, Nathan regularly speaks statewide at various CAI educational events and serves as the Chair of CAI's California Legislative Action Committee (CLAC).



Laurie S. Poole, CCAL

Partner in Charge of San Diego, Inland Empire, & Desert Offices
Experience: 27 Years

Since 1993, Laurie has been a community association attorney and has extensive experience representing common interest developments. Laurie is a fellow of the prestigious College of Community Association Lawyers (CCAL) and is the current President-Elect for 2021, and will serve as President in 2022. Laurie currently serves on CCAL's Amicus Review Committee. She is also a frequent speaker at industry and management events in San Diego.

Client Advantage Program

For an annual fee of \$950.00, associations receive discounted legal services & additional benefits.

- 1 ☒ Unlimited Phone Calls
- 2 ☒ Ninety (90) minute Board Meeting Orientation
- 3 ☒ Davis - Stirling Legislative Update
- 4 ☒ Reduced Hourly Billing Rates of Attorneys/Paralegals

1 Unlimited Phone Calls

The program includes unlimited "brief" telephone calls with your attorney. Brief is defined as "up to six (6) minutes." This allows you to speak to your attorney about basic issues that may arise and does not require a review of documents or additional research. This benefit is limited to phone calls and does not include emails.

2 Ninety (90) Minute Board Training

This program is geared towards educating board members on their duties and responsibilities. It includes the attorney's attendance for a ninety (90) minute at any meeting (regular or executive session, town hall, board orientation or annual meeting). Any time over the allotted ninety (90) minutes will be billed at the reduced hourly rate outlined in the Fee Schedule.

3 Davis-Stirling Legislative Update

The Davis-Stirling Act is the set of laws that govern common-interest developments in the state of California. Every year new laws are enacted through our legislature and through case law. In the last quarter of the year, we will provide each board member with a legislative update summarizing the new laws that have been enacted by the California legislature as well as case law that has been decided by the courts throughout the entire year.

4 Reduced Hourly Billing Rates

When legal issues arise and your attorney must act, the association will benefit from a \$20.00 per hour reduction on the attorney's standard hourly rate. Paralegal rates receive a discount of \$10.00 per hour.

Restatements

ADAMS | STIRLING offers a fixed-fee package to streamline the process and allow boards to budget for the project. Our Restatement package includes Covenants, Conditions & Restrictions (CC&Rs), Bylaws, and new Election Rules and Collection Policy applying current laws and the association's needs based upon a submitted questionnaire.

PLEASE NOTE THAT YOUR ASSOCIATION MUST QUALIFY FOR THE FIXED-FEE PACKAGE PRICING.

If an association does not qualify, an estimated quote based on hourly rates will be provided.

NOTE: All documents drafted by our firm are new documents, not a "redline" version of the current documents. All documents will be sent as searchable "pdf" documents. We do NOT provide editable (i.e., Word) versions of the documents. Election Rules and Collection Policies are prepared to be consistent with the restated CC&Rs and Bylaws. Preparation of Election Rules/Collection Policy based on the CURRENT CC&Rs and Bylaws is NOT included in the Restatement fixed fee.

FIXED FEE RESTATEMENT PACKAGE - \$7,500

- ☑ Detailed Restatement Questionnaire for Board to complete.
- ☑ Preparation of an initial draft of restated CC&Rs and Bylaws.
- ☑ Preparation of a Maintenance Responsibility Chart as an exhibit to the restated CC&Rs, setting forth the maintenance, repair and replacement obligations of the Association members.
- ☑ Preparation of a Comparison Table showing significant changes to the current CC&Rs and Bylaws.
- ☑ Meeting with an attorney and the Board or committee, meeting up to two (2) hours to discuss initial draft revisions. The meeting will take place at our office or an alternate location. Round trip travel to alternate location will be charged at attorney's hourly rate from the closest Adams|Stirling office. In lieu of an in-person meeting, a conference call or web meeting is an option.
- ☑ Preparation and delivery of a second draft of documents, setting forth the changes to the first draft discussed during the initial meeting.
- ☑ Preparation and delivery of the final draft of restated documents for final board approval, incorporating minor changes from the second draft. This final draft can be presented to the membership prior to a town hall meeting or for vote (if no town hall meeting is held). Attendance by an attorney at a town hall meeting, up to 1.5 hours (round trip travel time will be charged at attorney's hourly rate from the closest Adams|Stirling office).
- ☑ Preparation and delivery of a ballot, voting instructions, cover letter to membership, along with the approved final draft of restated CC&Rs and Bylaws, updated Election Rules and updated Collection Policy. Delivery of membership approved CC&Rs to the county recorder's office (excluding recording costs).
- ☑ Delivery of recorded CC&Rs to association manager for their records

Assessment Collection Services



Adams Stirling offers full collection services through its affiliate company, **Witkin & Neal, Inc.** Attorney Richard Witkin is Of Counsel to the firm and assists clients with their collection inquiries and needs. All pre-lien and non-judicial foreclosure processes are handled by Witkin and Neal, an independent foreclosure trustee company headed by Audrey L. Neal and Richard G. Witkin, Esq. We have found this to be a cost-effective way of handling collections for associations. Generally, law firms charge more for these services.

1. **Superior Court Money Judgment:** The firm will file a complaint for a money judgment against the delinquent owner. If a money judgment is entered, in appropriate circumstances it may be used to levy the delinquent owner's bank accounts, force the sale of the delinquent owner's personal property, garnish the delinquent owner's wages, or to levy against the delinquent owner's rental income. Additionally, a judgment lien may be recorded against real property assets owned by the delinquent owner.
2. **Judicial Foreclosure:** The firm would handle judicial foreclosure action and obtain a deficiency judgment if there is insufficient equity in the unit to satisfy the delinquency. The deficiency judgment would allow the association to attempt to collect the difference by levying against the delinquent owner's bank accounts, forcing the sale of his/her personal property, or garnishing his/her wages, etc.
3. **Non-Judicial Foreclosure:** **Witkin & Neal, Inc.**, a foreclosure trustee, will handle non-judicial foreclosures from start to finish. Non-judicial foreclosures are done outside of court. Most foreclosures in California are non-judicial.

Sacramento Regional Team



Nathan R. McGuire

Partner in Charge of Northern California

Experience: 16 Years

Nate has extensive experience providing general counsel services for common interest developments, regularly assisting residential and commercial associations in the interpretation and enforcement of governing documents, amending and restating these governing documents, and counseling boards in keeping compliance with applicable laws. Nathan graduated with distinction from St. Mary's College of California and earned his Juris Doctor from the University of California, Davis School of Law.



Reginald "Reggie" Schubert

Senior Attorney

Experience: 17 Years

Reggie serves as general counsel to a wide range of common interest developments. He advises boards of directors on matters such as governing document analysis, legal opinions, contract negotiations, Board governance, governing document restatements, and pre-litigation issues. Reggie has experience representing developer and corporate clients with an emphasis on real estate, finance, strategic planning and execution of business transactions. Reggie worked as in-house counsel to a developer of multi-family housing and master planned communities. Before going in-house with a developer, Reggie worked in a law firm that handled environmental litigation where he gained extensive experience representing defendants and plaintiffs in lawsuits arising under CERCLA, RCRA, as well as state environmental and nuisance statutes.



Megan Hall

Attorney

Experience: 8 Years

Prior to joining ADAMS | STIRLING, Megan represented a diverse client base from San Joaquin County to individuals in business. She dealt with employment issues, personal injury, CEQA, unlawful detainer and probate matters. Megan has extensive experience litigating matters for clients. In addition to mediations and arbitrations, she handled depositions, motions, summary judgments, trials, and settlements. Megan serves as corporate and litigation counsel to boards of directors of common interest developments throughout California. She counsels boards on managing conflict, director duties and responsibilities, meetings, elections, and corporate governance, as well compliance with the Davis-Stirling Act, document interpretation and enforcement.



Alex Sohal

Attorney
Experience: 6 Years

Alex serves as corporate counsel to common interest developments throughout California. He has developed experience working with Stock Cooperatives, large condominium projects, mixed-use, and Highrise developments. Alex counsels boards of directors on compliance matters, handles contract review, amends and restates governing documents, and provides legal opinions on general liability issues involving maintenance and insurance matters.



Allyson Calvird

Attorney
Experience: 6 Years

With a broad range of professional experience, Allyson Calvird joined the Adams | Stirling team after working several years as an attorney with the Social Security Administration. Prior to her role at the Social Security Administration, Allyson advocated for injured workers seeking Workers' Compensation benefits, including litigating claims and negotiating settlements with insurance companies. She also previously worked for the Department of Child Support Services and the Human Services Agency, where she assisted clients in understanding and navigating the processes for modifying court orders for support and applying for benefits. This experience has provided Allyson with a unique perspective and variety of skills, which bring valuable benefit to clients of Adams Stirling. As corporate counsel to common interest developments, Allyson drafts and amends governing documents and advises boards of directors on matters of compliance, duties and responsibilities, and conflict management.



Miranda Ward, CMCA*

Client Relations Director

Miranda comes to us after 5+ years as a Community Manager in the Northern California region with previous employment accolades in the Title and Escrow industry. With a true commitment to continuing education, Miranda serves on the Education Committee as well as the Board of Directors for Community Association Institute – California North Chapter. In 2006, Miranda earned her Bachelor of Arts in Psychology from Chico State University. In addition, she has held the Certified Manager of Community Associations designation since 2013.

Sacramento Rates

<i>Name</i>	<i>Title</i>	<i>Standard Rate</i>	<i>Reduced rate</i>
<i>Nathan McGuire</i>	Partner	\$375	\$355
<i>Reginald Schubert</i>	Attorney	\$300	\$280
<i>Megan Hall</i>	Attorney	\$295	\$275
<i>Alex Sohal</i>	Attorney	\$280	\$260
<i>Allyson Calvird</i>	Attorney	\$280	\$260

Please send inquiries to:

Miranda Ward

mward@adamsstirling.com

770 "L" Street, Suite 950

Sacramento, CA 95814

(800) 464-2817

MEMBER & SUPPORTERS OF



2021 LEGAL UPDATE & PROPOSAL

October 23, 2020

2020 has been another unprecedented year in regard to legislation, primarily due to the passage of one problematic bill. In spite of our best efforts to support the significant opposition to the bill, Assembly Bill 3182 (Ting) passed out of the legislature, was signed by the Governor, and will become effective on January 1, 2021. AB 3182 has significant implications related to rentals for all community associations throughout California.

This Legal Update and Proposal will let you know what you need to know about AB 3182, how it could impact your community association, and provide the opportunity to take advantage of our assistance to address AB 3182. **Please note, depending on your community's current restrictions related to rentals, AB 3182 requires an amendment to your governing documents to "conform" to the law; the failure to take action may result in significant legal consequences, including subjecting the association to damages and monetary penalties (up to \$1,000 per instance), and cause the association to be out of compliance with applicable law.** We recommend that every community association in California complete a governing document review to ensure compliance with AB 3182 and determine whether any changes need to be made.

And finally, you may also wish to take advantage of some of our other services unrelated to AB 3182 at this time. The costs and scope of work of each recommendation are listed on pages 5-8.

INSTRUCTIONS: Existing clients may simply fill in the Association's name on page 5, check the boxes to indicate the requested services, and return a copy to us, or otherwise authorize us to proceed in writing. New clients will also need a fee agreement in place, which will be provided upon request.

AB 3182 Legal Update and Recommendation

On September 28, 2020, Governor Newsom signed AB 3182, which goes into effect January 1, 2021. In spite of being advertised as a solution to California's affordability issues, it will likely have the opposite effect. It will drive up costs by encouraging investors to enter the market in greater numbers, increasing the number of renters in community associations. It also means that rules enforcement problems, deferred maintenance, and lower property values will inevitably follow.

The bill does the following:

- Renders unenforceable any governing document provision which "prohibits, has the effect of prohibiting, or unreasonably restricts the rental or leasing of any of the separate interests, accessory dwelling units, or junior accessory dwelling units." This could

include a variety of types of provisions, some of which are specifically addressed in the bill (and others which are not).

- Rental caps of less than 25% are no longer permitted. There are no exceptions for lower percentage caps.
- Minimum rental periods of 30 days or less are permitted. Longer minimum rental periods may be permitted under certain limited circumstances, if determined not to constitute an “unreasonable restriction,” but since the bill carves out 30 days as a safe harbor, anything longer than 30 days will be subject to challenge.
- Mandates all associations amend their governing documents “to conform” to the bill’s requirements no later than December 31, 2021. If an association’s documents do not have any provisions in conflict with AB 3182, no amendment is necessary.
- Imposes a penalty of up to \$1,000 on associations, in addition to actual damages, that “willfully violate” any of these requirements, including the mandate to amend.
- While AB 3182 does not specifically address mandatory waiting periods before leasing (i.e., the owner has to live in the separate interest for a period of time before renting), we think these provisions are most likely unenforceable.
- **NOTE:** Some law firms have apparently taken the position that the failure to amend governing documents prior to December 31, 2020 (even though the bill says associations have until December 31, 2021) may render the provisions void. If true, that would have important consequences, including that existing restrictions could not be enforced as of January 1, 2021 until an amendment were adopted and that amendments adopted during 2021 would not retroactively apply to any existing owners. In contrast, we believe associations may continue to enforce existing provisions to the extent they comply with AB 3182 and the amendments adopted in 2021. For example, we believe an association with a 20% rental cap can start enforcing the cap at 25% starting on January 1, 2021, and can amend anytime in 2021 to conform the 20% to 25%, and such change will relate back to the existing requirements and apply to the same group of owners. That said, because the law is poorly written, any association which wishes to take the most conservative approach, may wish to consider amending the governing documents prior to December 31, 2020.

AB 3182 RECOMMENDATION:

- If authorized, we will review the Association’s governing documents to determine if any provisions are in conflict with AB 3182’s requirements.
- Based on our analysis, we will provide options for the board’s consideration, which may include:
 - No Action Needed – if we determine the association’s governing documents are not in conflict with AB 3182, no changes will be required. However, the board may choose to implement new requirements as discussed below.
 - Board-Approved CC&R Amendment – if we determine that an amendment to the CC&Rs is recommended, the board may consider adopting the amendment without a member vote. In many cases, this is permitted under the governing documents (including those drafted by Adams Stirling). Even if not expressly

addressed under the terms of the CC&Rs, there may be circumstances where the board may still choose to do so. This option will only be permitted if the board wishes to make no discretionary changes (only those strictly required by law).

- Member-Approved CC&R Amendment – if we determine that an amendment to the CC&Rs should be considered, the board could seek approval of the members for an amendment. This will be the only option to amend the CC&Rs if the board would like to make discretionary changes beyond those strictly required in order to conform to AB 3182's requirements.
- Rental Restrictions Rule – if we determine changes are required as a result of AB 3182, the board may consider adopting a rule instead of a CC&R amendment (or while a member vote to amend CC&Rs is underway). While a CC&R amendment is certainly preferable, this may be a good option under certain circumstances.
- Consultation – if we determine certain provisions of the existing governing documents are in the gray area (i.e., may not be in conformity with AB 3182, but not expressly in conflict either), we will advise the board on how best to address the issues.

Other Recommendations

Please consider the following additional options, which may be of interest to the Association. Additional information regarding these options, including the legislative background, is available upon request. Also, our attorneys are available to consult with the Association on an hourly basis to answer questions and assist in determining which options may be beneficial to the Association.

- **Restated Election Rules** – required for ALL associations starting in 2020 pursuant to SB 323. All associations must adopt or change their election rules to conform to the changed laws. Any election conducted without compliant election rules will make any election subject to legal challenge and may result in monetary penalties and an award of attorney fees. If your association did not amend its election rules in 2020 to comply with SB 323 this should be done now.
- **Restated Bylaws** – this is recommended for all associations in order to comply with SB 323 and establish consistency with the mandatory revised Election Rules. Amending the association's Bylaws at the same time as the Election Rules will ensure consistency and avoid member confusion and mistakes.
- **Electronic Communications (Membership List) Policy** – this is recommended for all associations which communicate or intend to communicate with members by e-mail. SB 323 now makes member e-mail addresses part of the association's membership list which is available to all members upon request. All associations should at the very least make members aware that, as of 1/1/2020, their e-mail addresses are subject to disclosure to other members.

- **ADU Policy** – this is recommended for all associations with garages or 500 square feet or more of space in which an accessory dwelling unit (ADU) or junior accessory dwelling unit (JADU) could be constructed. AB 670, which became effective January 1, 2020, bars an association from prohibiting ADUs and JADUs, but allows reasonable restrictions. This Policy can be added to existing design guidelines or operate as a stand-alone policy.
- **Anti-Harassment Policy** – this is recommended for all associations as a result of the adoption of new DFEH Regulations, which became effective January 1, 2020. The changes add new requirements for associations to investigate and take action on claims by protected classes of people for hostile environments.
- **Employee/Independent Contractor Analysis** – this is recommended for all associations utilizing independent contractors in order to determine whether they may meet the ABC Test for being classified as an employee or dual employee. AB 5, effective January 1, 2020 (as amended by AB 2257, which took effect on September 4, 2020) implements sweeping changes to who qualifies as an employee and codified the ABC Test from the *Dynamex* case as the way to determine this classification.
- **Elevated Structures Inspection Policy** – this is recommended for all condominium projects with exterior balconies and other elevated structures, as a result of SB 326, which took effect January 1, 2020. However, the law does not require these inspections until 2025, so it is not time sensitive. SB 326 imposes various inspection and repair requirements on balconies and other types of elevated walkways and structures. This Policy can be added to existing design guidelines or operate as a stand-alone policy.
- **Governing Document Rewrite/Restatement** – If the association has not updated its governing documents within the last 10 years, it is usually more cost effective and beneficial to do a full restatement, including the CC&Rs. In some cases, this is better since the certain recommended provisions can be included in the CC&Rs instead of the Bylaws or Rules. Please let us know if you would like to request a proposal for a governing document restatement.
- **Electric Vehicle Charging Station Policy** – We recommend an EV Policy for any association with common area parking spaces in which an owner might wish to install an electric vehicle charging station. The legal landscape has changed significantly in the last few years and electric vehicles are becoming more and more common in California.
- **Solar Policy** – this Policy sets forth requirements for individual owners' installation of solar energy systems. The Solar Policy is recommended for all condominium associations planned developments where the association is responsible to maintain, repair and replace the roofs.
- **Communication Policy** – this Policy includes procedures for handling member/resident communications and helps to alleviate the inefficiencies associated with handling

requests from difficult members/residents who unreasonably and disproportionately utilize the association's time and resources.

- **Disability Accommodation Request Policy** – this Policy includes procedures for handling disability accommodation requests and forms for responding to such requests. Disability requests have become more common in the last several years and will likely be more frequent as a result of the revised DFEH Regulations.

Cost and Scope of Recommended Services

Name of Association: _____.

Check the boxes of all services your community would like to request and return these pages, or otherwise confirm your selections in writing:

- ☐ **AB 3182 Compliance Package.** Includes:
- **STEP 1** – Analysis and Recommendations (\$300 fixed fee). We will review the association's existing CC&Rs and Rules to determine if any provisions conflict with AB 3182's requirements and issue our written findings and recommendations.
 - **STEP 2** – Recommendations to address AB 3182's requirements may include:
 - No Action Needed (\$0 additional)
 - Board-Approved CC&R Amendment (\$900 additional) – includes first draft of amendment and written board resolution. Does not include verifying legal description or recording fees and costs.
 - Member-Approved CC&R Amendment (\$1,100 additional) – includes first draft of amendment, pre-ballot notice, ballot, voting instructions and cover letter to the membership. Does not include lender approval (if required), verifying legal description, recording fees and costs.
 - Rental Restrictions Rule (\$500 additional) – includes a first draft to conform the association's governing documents to the requirements of AB 3182 and cover letter to the members explaining the purpose and effect of the rule change. DISCOUNT: If combined with a CC&R amendment, the Rental Restrictions Rule will be discounted to \$300.
 - Consultation (hourly) – consultation with the association regarding the above options is on an hourly basis.
 - Additional Drafts (hourly) – the documents discussed above will be final and ready for adoption. However, if the board requests additional or discretionary changes following the delivery of such documents, the additional work/drafts will be on an hourly basis.

☐ **New Election Rules Package (REQUIRED BY SB 323) – \$750**

Please Provide Estimated Annual Election Date: _____

- Includes:
 - first draft of Election Rules to comply with SB 323 and customized to mirror the association's existing election procedures (based on our review of current Election Rules and Bylaws).
 - first draft of cover letter to the members that includes the purpose and effect of the new Election Rules.
 - an Election Procedures Guide which provides a timeline and specific election procedures and answers commonly asked questions. This will be useful to provide to an election inspector, since the association's existing manager, accountant, etc., can no longer be used as election inspector.
- Consulting on other specific requests or additional drafts is NOT included in the fixed fee and will be performed at our standard hourly rates. Additionally, associations with delegate voting structures or associations which choose to have us amend their existing Election Rules do not qualify for a fixed fee and will be handled on an hourly basis.
- ☐ **OPTIONAL – For an additional \$350, we will prepare a cheat sheet indicating the provisions of the association's Bylaws which are out of compliance with SB 323. This will be a useful tool for navigating conflicts between the Election Rules and Bylaws, especially if the association chooses to use homeowners as election inspectors, who will be charged with making complicated determinations to ensure the fairness of the election.**

☐ **Restated Bylaws – \$1,750**

- Includes:
 - A questionnaire for the board to provide feedback on requests to include in the restated Bylaws.
 - A first draft of the proposed Bylaws based on the board's responses to the questionnaire.
 - A 1-hour telephone call for the board with legal counsel to answer questions and provide the board's feedback for counsel to prepare a second draft of the proposed Bylaws.
 - A second draft of the proposed Bylaws.
- Questions beyond the 1-hour telephone call, or changes beyond the second draft, will be billed at our standard hourly rate.
- Optional: Election packet (including secret ballot, voting instructions, and cover letter to owners) is an additional \$350.

- **Electronic Communications (Membership List Request) Policy - \$500**
 - Includes initial draft of Policy and Opt-Out Forms.
 - Upon receipt of the Policy, the association will need to choose between two options:
 - 1 – Purge the existing electronic database of e-mail addresses provided by owners for official communications and start over. Or,
 - 2 – Notify owners of the option to opt-out of being included on the membership list (which will include e-mail addresses in addition to mailing addresses).
- **Accessory Dwelling Unit (ADU) Policy/Amendment – Varies**
 - Includes:
 - Review of governing documents and consulting or providing a recommendation to determine the best path forward, at our standard hourly rates. The considerations will include issues like garage conversions, parking restrictions, etc.
 - Depending on the recommendation, we can create an initial draft policy or CC&R amendment requiring an owner wishing to construct an ADU to comply with specific application and approval conditions, in addition to complying with applicable local laws and requirements.
 - Note our preference in most cases would be to amend the CC&Rs to add ADU provisions. In many cases, the legal fees are around the same, but CC&Rs are usually more difficult to amend because they require a member vote.
- **Employee/Independent Contractor Analysis – Hourly.**
 - Includes review and analysis of utilization of independent contractors in order to determine whether they may meet the ABC Test for being classified as an employee.
- **Anti-Harassment Policy – \$500**
 - Includes initial draft of harassment reporting and investigation policy.
- **Electric Vehicle Charging Station Policy – \$400**
 - Includes initial draft of policy requiring owners to comply with specific application, construction, and insurance requirements designed to protect the association from future liability.
 - Optional: Template maintenance covenant (to be recorded) for owners who install EV stations in common areas – \$350
- **Solar Policy – \$500**
 - Includes initial draft of Policy governing procedures and requirements for solar energy system installations.
 - Optional: Initial draft of sample maintenance covenant for owners who install solar systems in common areas – \$350

- **Communication Policy – \$350**
 - Includes initial draft of Policy outlining communication protocols and penalties regarding member communications to board members, management, and at meetings.
- **Disability Accommodation Request Policy – \$750**
 - Includes initial draft of protocol for handling disability requests, including template letters and forms.
- **Consulting to Make Specific Recommendations – Hourly**
 - We would be happy to consult with the association to review and discuss these recommendations and develop a customized strategy to comply with recent laws and regulatory changes.
- **Full Governing Document Restatement – Varies**
 - Some associations may qualify for our fixed-fee restatement program. Otherwise, we can perform a restatement on an hourly basis. A restatement would include many of the recommendations described above. A separate proposal will be provided, upon request.

Conclusion

We are happy to further discuss any questions your community may have regarding the above recommendations and recent changes to the laws. Please feel free to circle or otherwise check the policies and documents your board would like to proceed with so we can get to work on the documents.