

Serrano Sand Castle HOA
Message from Board of Directors
2-10-2023

As a follow up to our 1-26-23 general meeting that included in person and zoom attendees, below are some important clarifications and updates, summarized as follows: first, the 12-14-22 election was conducted in a lawful manner per the Davis-Stirling Act and the California Corporations Code that governs HOA election (as further detailed in item # 1 below), and second, the February 15, 2023 general meeting of the HOA, the HOA's board of directors is planning to discuss stopping the re-pipe project (as further detailed in item # 2 below).

1. In response to claims by some homeowners that the 12-14-22 re-pipe vote was improperly administered, the election did in fact adhere to all legal requirements for establishing quorum, collection of ballots and counting of ballots; an independent election official attended the election, conducted the proceedings and tabulated the votes, all per California law.

To clarify HOA election requirements, which may have been misunderstood by some, and as explained at the January 26th general meeting, Civil Code Section 5115(c)(2) provides that "The [ballot return] envelope may be mailed or delivered by hand to a location specified by the inspector or inspectors of election." Note that it does not require that the voting member himself or herself mail or deliver the envelope by hand. The unopened envelopes were counted by the election official to determine quorum status BEFORE any ballot envelopes were opened. The *California Election Code*, which was cited by some homeowners, applies to *governmental* elections (e.g., presidential, legislator, school board, water board, city council, etc.) NOT HOA elections. HOA elections are governed by the Davis-Stirling Act and the California Corporations Code, and the 12-14-22 election adhered to the requirements in those governing laws. Note that the HOA's board of directors interprets our CC&R's based on input from outside legal counsel.

2. Due to input from a substantial number of homeowners at the January 26, 2023 general meeting the HOA's board of directors is planning to discuss stopping the re-pipe project.

We appreciate all input we have received from Serrano Sandcastle homeowners regarding re-pipe considerations. Thank you.

The Serrano Sand Castle Board of Directors