



RRPOA Newsletter #44 May 2020



The Rocky Ridge Properties Owners Association Newsletter is published periodically to keep “members” (aka homeowners) informed of happenings around the property and actions of the board of directors. Comments or questions may be directed to William “Yates” Bauder, Property Manager, at rrpoa@sbcglobal.net or 530-583-1736. Newsletters are archived on the RRPOA web site at <http://www.rr-tahoe.com>. (if you click on the “Owners” page, you will see a tab on the left side of the page for “Newsletters”).

Insurance Update: As noted in prior communications, the board has spent material time over the last year attempting to line up favorable property damage insurance in a difficult insurance market. The wildfires of the last few years have reduced both the number of interested insurers and their respective appetites for potential wildfire risks. Those insurers still participating in the market are both increasing the level of the premiums for their policies and adversely adjusting (from the standpoint of the insureds) some of the other policy terms, such as deductibles.

This week the board confirmed extension of the Association’s property damage and general liability coverage from May 15, 2020 through May 14, 2021. The coverage provides approximately \$53,000,000 of property damage insurance coverage and approximately \$11,000,000 in general liability coverage. Note, however, that as a condition to the extension, the insurer group required that the deductible for wildfire damage be increased to \$250,000.

Although the risk of a major fire continues to be remote (particularly given the clearing work undertaken in our surrounding forest by the State Parks System, and the clearing work performed by Yates and his crew around the Rocky Ridge buildings), the higher deductible that now applies for wildfire damage inherently increases the chances that, should there be a major wildfire, the Association might be required to make a special assessment upon the homeowners to cover the deductible amount. Given this risk, the board asked our insurance broker to make recommendations as to the type of insurance that homeowners should consider procuring with respect to their individual units, with an eye towards best meshing their individual coverage with the insurance obtained by the Association (remember: each homeowner is responsible for property damage for the “walls in” with respect to its unit; the Association’s responsibility only applies for, essentially, the shell of the buildings and common areas). Here are the substantive suggestions that our insurance broker provided in response to this request:

“The RRPOA Board of Directors has procured insurance coverage covering the townhomes, service buildings and common areas (the coverage does not cover property damage to the 2 single-family homes within the Association).

Townhome owners should keep in mind that each owner is responsible for damage to their own personal contents (e.g., personal property and internal townhome improvements, such as fixtures), personal liability claims arising out of their respective townhome, and assessments that might be made to cover deductibles under the Association’s broader insurance coverage.

To best insure such potential costs and losses, individual townhome owners should obtain a “Condominium Unit Owners” property/liability policy (commonly referred to as “HO-6” coverage). The HO-6 coverage should include:

- Personal Liability coverage;

- Contents coverage for personal property;
- “Loss Assessment” coverage (each homeowner probably should procure at least \$2,500 of such coverage, so as to match its approximate share of the \$250,000 wildfire deductible in the Association’s policy); and
- Building coverage for the interior of the townhome, including fixtures, appliances, cabinets, countertops, floor coverings, ceiling coverings, wall coverings, installations, alterations or additions, which comprise part of the building when situated within a portion of the premises used exclusively by the individual townhome owner.
- If an owner rents its townhome to other parties, the owner should consider procuring, in addition to the above, landlord’s liability coverage and loss of rent coverage.”

Please note that while the board of directors is providing the above information to assist homeowners in procuring effective insurance for their townhomes, ***neither the board of directors nor the Association purports to be an expert in insurance coverage issues.*** Determining the attributes of an insurance package involves both risk tolerance judgments and practical nuts and bolts insurance expertise; for example, some insurance consultants in the Tahoe area recommend much higher “loss assessment” coverage (e.g., \$50,000) than the \$2,500 recommended above. In determining his or her own insurance package, each homeowner should consider (i) his or her own risk comfort level and (ii) seeking input from his or her own independent insurance consultants as to the optimal structure for the insurance package.

In the year ahead, the board intends to continue to assess the insurance markets and to look for opportunities to reduce the Association’s overall insurance expenditures.

Coronavirus Issues: As we all are aware, the coronavirus is threatening our public health and our national, state and local economies, and it poses many challenges for all of us. We thought we would circulate this newsletter to bring to your attention certain implications for our homeowners Association and use of the Rocky Ridge facilities and common areas. This information is intended to supplement information provided in the March 2020 Newsletter.

“Stay at Home” and Other Orders. The “stay at home” order issued by the State of California on March 19th continues in effect, but the Governor and other State and local officials are updating the order on a serial basis. We encourage you to review and consult these orders so you are aware of the limitations which they impose.

Note that on May 12th Placer County was given the green light by the State to begin moving further into “Stage 2” of the 4 “re-opening stages” outlined by Governor Newsom. We understand this means that certain business sectors (including retail stores and some restaurants) within Placer County now will be allowed to resume operations, subject to satisfaction of certain pre-opening conditions and operational protections. ***We also note that Placer County continues to require that people comply with many of the previously applying coronavirus protection standards, including wearing a face mask, maintaining six-foot distancing whenever possible, staying home when sick, and employing sanitation measures like washing hands frequently.*** Accordingly, before making a trip to Rocky Ridge, or visiting retail stores, restaurants or other normally public places, we recommend that you both review the applicable governmental regulations and perhaps touch base with any commercial enterprise that you hope to visit so you can be sure to not encounter unexpected obstacles.

Practical Use Limitations at Rocky Ridge. While our Association is not taking responsibility for enforcing the various governmental limitations, the pertinent authorities nonetheless will expect our Association, and all visitors to Rocky Ridge, to comply. In this vein, the board has established the following specific policies to apply until further notice:

- Use of Rocky Ridge facilities and common areas is subject to all restrictions imposed by State or local law on account of the coronavirus pandemic, including in particular applicable restrictions with respect to wearing

masks and social distancing. ***Use of the facilities and common areas is at the risk of the user.*** Please consider whether it may be appropriate to disinfect a surface within a common area before using it.

- Owners, renters and guests should comply with all State and local rules pertinent to using masks in public areas.
- Both the lower and upper pool and hot tub areas will stay closed this Spring and Summer until the Association's Property Manager concludes that State regulations permit the use of common area pools. Homeowners should not enter or use these areas until this restriction is lifted.
- Although the Association will put up the nets on the tennis courts, owners and other visitors only should use the tennis courts and the basketball court in accordance with pertinent limitations under the applicable governmental restrictions, including requirements for social distancing.
- For the time being, the front gate to the beach area will remain locked, but homeowners and their guests may enter the beach area through the side gate on Sierra Terrace (the side gate is located a couple of hundred yards down Sierra Terrace, permitting entrance near the rear of the beach clubhouse). Remember: Use of the beach area by homeowners, renters and guests is subject to limitations in the general Rocky Ridge common area rules. Should you enter or exit the beach property from the side gate, please be sure to close the gate behind you.
- The beach clubhouse will stay closed until further notice, but Yates and his crew will put out furniture within the open-air beach area. The dock will be open for use. The volleyball nets will stay down until the Association's property manager concludes that the State's social distancing restrictions no longer are applicable.
- Please apply common sense in your use of all common areas; failure to do so may trigger a governmental response which could more tightly limit the use of these areas by any of us.

While Yates and his team will try to allow for the most satisfying use of our common areas during this trying time, please note that it is not their duty to police all behavior in our common areas. Nonetheless, should Yates or another member of his team, such as a pier attendant, provide directions with respect to any such matters, the board of directors asks and expects that homeowners, renters and guests will politely respect and follow such directions.

Update re: Short Term Rental ("STR") Ordinance: As previously noted, Placer County has adopted an ordinance conditioning the rental of residential properties for less than 30 days upon the owner possessing a short-term rental permit. Owners renting properties on a short-term basis also are required to obtain a transient occupant tax ("TOT") certificate and to pay TOT as it accrues.

The ordinance initially was to be applicable from and after April 1, 2020; the effective date has been postponed to July 31, 2020 on account of the coronavirus complications.

The board recommends that each owner, before renting its unit after July 31st, first reviews the County's STR ordinance.

The new STR ordinance permits an exemption from the permit requirement (but not the TOT payment obligation) for properties within residential homeowner associations (each, an "HOA"), so long as certain requirements are met, including provision by the HOA of a letter confirming certain matters regarding the HOA's restrictions pertaining to noise, parking, and trash/bear issues. Further, note that our Association has prepared a letter (approved in concept by the County) that can be provided with respect to your unit to demonstrate how our Association may comply with the HOA prong of the STR permit exemption requirements. The County has approved the form letter. If you would like the Association to provide this letter to the County with respect to your unit, please contact Yates. Note, however, that while the Association is willing to provide such letters, the Association expresses no opinion as to whether the County will conclude that our Association meets the "HOA" test, the availability of STR permit exemptions, or the manner in which the County will apply the STR ordinance.

Reminder: 2020 Election for Board of Directors: Three seats are up for election in September. In order to run as a candidate, a homeowner must inform Yates to such effect, in writing or by email (rrpoa@sbcglobal.net), by 5:00 pm on June 2nd. Candidate statements (350 words or less) then are due by 5:00 pm on June 9th. Please see the previously circulated notice for further details regarding the election. A copy of the notice is available on the website.

BEARS, BEARS, BEARS! Please maintain focus on the bear issue – the bears have been quite visible this Spring, and they visit the Rocky Ridge grounds virtually every night. Success turns upon proper trash disposal – sloppy disposal and/or failure of dumpsters to be properly latched brings the bears to the Ridge! Please read the latching instructions atop each dumpster. It is ***very important*** that all owners and guests ***keep the dumpsters properly latched at all times.*** **And remember -- remove ALL food, trash and other attractive items (e.g., gum, snacks, suntan lotion) from cars!**

Web login reminder: Access to the “Owners” section of the website requires a login. Username is your email address, password is “rr-XX” where XX is your unit number (if your unit number is a single digit number, then the “XX” should be completed as “0X”, with X being your unit number). The hyphen in the password is required. The “rr” must be lower case. Your email address needs to be entered in all lower case.

**PLEASE STAY SAFE THROUGH THIS CORONAVIRUS SCARE!
WE LOOK FORWARD TO SEEING YOU THIS SUMMER
AT ROCKY RIDGE.**