2012 CACM Vision Award Winners

The following is a selection of nomination stories for a few of the 2012 Vision Award winners. Learn more about the CACM Vision Awards at www.cacm.org.

Communications Management: Level I
Jessica Wroten, CCAM

Jessica Wroten, CCAM, has been in the community association management industry for almost 5 years, and she manages the most sensitive tasks with care and transparency to her clients. This past year, she brought experts to her Board, implemented a financial solution, and developed, executed and completed a plumbing pipe coating program within a 9 month timeframe. Coordinating and attending meetings, communicating to each individual homeowner, and ensuring that all contractors involved were completing scheduled tasks timely were significant to the ultimate success of this project.

One of Jessica’s accounts had been experiencing a slow increase of pinhole leaks in the plumbing over a course of 4 years. In fall 2011, she recommended that the board interview pipe coating experts to educate themselves on the process, as she saw that her client spent more than $90,000 in repairs in the first quarter of their fiscal year! She informed the board immediately, provided them financial reports related only to plumbing repairs, and advised them that there was a need to further discuss coating the pipes or re-piping the community. Another round of expert interviews was scheduled and through this collaborative research, it was determined that coating the pipes for all 149 units of the property was necessary.

Each homeowner had to be educated on the problem and be provided a resolution. Jessica coordinated notification for a Townhall Meeting to be held in September 2011, in order to apprise the membership of the escalating frequency of slab leaks and the impact of resulting repair costs on the financial health of the association. After the meeting was held, updated communication was sent informing the members the various options that were made available for consideration, and the consensus was that epoxy coating of the pipes was the best choice for cost and minimizing homeowner disruption.

Knowing this was a large expense, she reviewed the budget and looked into several financial options: raising the assessments by 20%, levying an emergency special assessment, or applying for a bank loan. Jessica quickly scheduled a meeting with the association’s general counsel to confirm the board’s legal obligation and choices. She then coordinated interviews with several financial institutions to educate the board on bank loans. It was established that the assessments would need to be increased by 11% and depending on the outcome of the vote of the membership, the association would either levy an emergency special assessment or opt for a bank loan.
First, notification was sent to the membership for the assessment increase in November 1, 2011 for an effective date of December 1, 2011. Thereafter, notification was sent indicating that an emergency special assessment of $601 would be imposed; however if the members authorized the board to obtain a bank loan, the special assessment would be cancelled and the alternative option would be to make a one-time payment of $7,211 or a monthly payment of $82 over the course of 10 years. Timing of this was imperative as the contractor had been selected and hired and the plan was being developed for implementation.

By December 15, 2011, the membership had voted to borrow $750,000 to epoxy coat the water lines. During the past 3 months, an additional $17,000 worth of plumbing expenses had incurred. Coordinating of the repairs had to commence immediately!

Communication to each homeowner was integral as she wanted to add a personal touch to the execution of the plan. Homeowners were mailed a schedule of the epoxy coating project and general information about the process. One week prior to the assigned date of work, specific information was mailed to the homeowner. Two days after the mailing, a personal phone call was made to the homeowner not only confirming receipt of the paperwork, but also to answer questions and alleviate concerns. The goal was to provide a comfort level to the homeowner and ease them into the few days of “disruption”. After work was completed in the unit, another call was made to ensure the homeowner’s satisfaction of the work performed by the contractor and the crew’s professional conduct during that time. There were approximately 5 units that experienced additional damage from the repair, and repairs to these damages were completed within 2-3 days thereafter.

Jessica organized and led an enormous community plumbing project, while communicating to everyone affected throughout the process. Her communication outline and execution for the project were key to its successful completion, and her method is now a valuable example for other industry professionals.

Communications Management: Level II
Erika Sosa, CCAM

Erika Sosa was placed on-site at a 40 year old community with 440 units and a 9 member board. Prior to contract, the community had always been self-managed. There had been 7 managers spanning a 4 year period, with the board President serving as the onsite manager for the previous 8 months. On the first day, Erika learned that there were 4 legal actions against the HOA, three serious water intrusion issues, and a work order log with over 150 requests; some dating back two years. The fiscal year end was less than six weeks away, and the association was due for their reserve study. The HOA board Treasurer had died three months earlier, and only two sets of financial statements had been accepted by the board in the past year. The HOA was in the process of bidding out their landscape and the board had internal conflict.
The HOA boasted reserve funding of 70%, and had not increased assessments in three years. Over 40 years, the assessment had never increased more than 3% at any given time. Ordering a reserve study was amongst the first actions, and when it arrived Erika realized that the study had a maintenance/restoration program built in to it from earlier years of operation, (when the HOA had 10 maintenance staff, of which they now had one) and of which nothing other than patch work had been accomplished in many years. Phase 1 of a 7 phase drainage/landscape renovation was in progress, of which Phase I had already exceeded $500K. The total funds allocated per the reserve study were $12,000.

The reserve study came back and under the current funding plan, there was a deficit balance of close to $9 million dollars within the first five years. Erika sat down with the board and explained the deficit and a need for immediate action, which at a minimum required a 20% assessment increase, which equated to $65 per unit, per month. She further explained to the board that the overall deferred maintenance far exceeded the correctness of the information contained in the study and convinced them of the need to contract for a global inspection of the entire community in order to get better numbers and put together a long term plan in addressing the excessive amount of deferred maintenance. A Town Hall meeting was called and over 100 members attended. Through a power point presentation, and sheer determination, Erika took the membership though the study and explained the need to move forward in a proactive manner. While some members were adverse to the information, she received a standing ovation and built immediate trust and support.

Fast forward one year later; the community has now received comprehensive information regarding roofs, buildings, water systems, drainage/landscape and private streets. While overwhelming in scope, the board has hired a project manager who is working with their financial institution and reserve profession in putting together a long term plan. In the meantime, maintenance is being accomplished through a “triage” system, and all members are informed up front, of what will/will not be done while the comprehensive restoration plan is being put together. This has saved the association close to $200K in band-aid type fixes, and the savings are being funneled into the reserves.

Throughout this process, Erika has held several Town Hall meetings, incorporated weekly updates through designing an e-mail data base, a Facebook page, and updates to the Website. She also has incorporated an immediate alert system through “Call em All” that gets emergency or important information out to all owners within a matter of minutes. Daily communications have gone from frustrated screaming and in-fighting to one of mutual respect. There is actually laughter at board meetings. Each day, gratitude is offered from those who did not understand that there was a better way of doing “things”.
Creative Solutions for Problem Solving: Level I
Francesca Lasorsa, CCAM

In today’s world, we often take the simple things for granted. We frequently pursue the sensational or the breathtaking and forget to appreciate the simple things. This is especially true when it comes to creating sustainable solutions that not only are “green” but that are also cost efficient for associations. Some communities are very imaginative when it comes to being green: some permit compost piles, cisterns, vegetable gardens or rain barrels. Francesca Lasorsa managed to save her community significant funds, while also being eco-friendly by simply questioning water bills.

In the quest for sustainability, sometimes we overlook the little things that can make a big difference. Recently, there was a fire hydrant that was damaged in the community. As Francesca contacted the fire department to make the repairs, she considered how much water the HOA wasted. That spurred her on to work with the landscaper to reduce the amount of water used for the community.

After making all irrigation repairs and adjustments, she noticed that the community’s water bills were still quite high. After scrutinizing the water bills closely, she saw that the square footage of landscape shown by the water company seemed a lot lower than she thought it should be. Francesca set up a meeting with the water department and landscaper to meet on site to re-measure the square footage. The end result was that the square footage was wrong on all three of the common area meters and a refund of $43,972.38 was issued to the association!

So, a simple thing such as questioning water bills and digging deeper resulted in a great cost savings for the Association, and helped in their efforts to be more eco-friendly.

Creative Solutions for Problem Solving: Level II
Dennis Javens, CCAM

Dennis Javens recognized that the community desperately needed something done about the brush, dead trees and fuel that existed within and around the community. The community is located in an extremely high fire zone of the state and is surrounded by cattle ranches with large grazing areas. The community has been in existence for over 40 years with little to no effort ever being made to reduce the fire risk to the owners. Realizing that the association did not have the funds available to them to do the necessary work due to the economy and delinquency rate, Dennis started looking around for the right partner to help the community gain access to some kind of funding.

Dennis spent almost a year investigating were the association could get the funds necessary to pay for this huge project. Working with various levels of the local fire authority, Cal Fire and the Fire Safe Counsel of San Luis Obispo County, he was able to identify the proper people to assist in getting support for a fire grant. Not being
experienced in getting grants, he started looking around for someone to assist him in writing a grant.

Upon finding the right person the process of writing a grant began. Prior to writing any grants, Dennis contacted California State Polytechnic University and spoke with the department head for the Natural Resources Department and convinced them to do a complete study of the community. The department did a complete Fuel Reduction Plan that encompasses all aspects needed to protect the community. This information was then used to develop a fuel management program for the community. If the community had paid for this study it would have cost at least $30,000 in consulting fees.

Dennis was able to identify the correct partner for accessing funds for a fuel reduction project, assembled a committee of volunteers from the community to form a Fire Safe Group to oversee the project, convinced the board of directors that the project was necessary and get a grant written with the result being that the community was able to get $28,000 to begin the work on its fuel reduction program. Building on the strong relationships that now exist with Cal Fire and the Fire Safe Counsel, the community was able to get another grant of $31,000 that will be used in 2012/2013. Since the community is located in an extremely high fire hazard area of the state, cleaning up these areas seemed very important. Access in and out of the community is accomplished by a single two lane road. Since the community is located in an extremely fire hazard area of the state and on any given holiday weekend it can see as many as 3,000 to 4,000 owners, guests and renters, it is important that the residents and guests can have a quality road available to them in case of an evacuation. The community also needed to create several lines of defense in case a fire was approaching the community. This project dealt with clearing the main road and making it a possible escape route and building defendable areas within the community allowing the fire crews the ability to better protect the homes within the community.

Acquiring two grants back-to-back in less than then a year as well as getting Cal Fire to provide inmate crews to perform additional work under a Federal Grant (Hazardous Fire Treatment) worth another $20,000, demonstrates how effective this CCAM is in getting things done. All total the community has realized almost $80,000 in project fund via grants. Prior to starting the program, aerial photos were taken of the community in order to compare what existed prior to the work being done. The staff will be taking photos of the progress of the fuel reduction program and which will be compared to the aerial photos. The long term outcome of this program will be that the association will be able to sustain this quality of work on a long term basis with existing budget commitments.

Physical Management: Level I
Bonnie Brose, CCAM

Bonnie Brose was brought on board to take over an account that was in major turmoil. After spending time with the board listening to their concerns and getting to know the property, she decided that she needed to provide a fresh vision and approach for the
community. Bonnie addressed three major areas which included vendor audits, reorganization of the staff, and the reevaluation of maintenance and operating procedures.

She started by completing a comprehensive audit of all contracts and vendors to evaluate the services that were being provided and at what cost. Below is a synopsis of the contracts that she researched, negotiated and revised.

Janitorial Services
She started with one of the most expensive contracts which for this association turned out to be janitorial services. She performed an audit of the services and found that the janitorial staff members were not in compliance with current labor laws. The staff members were working nine to five, which included their meal period. They were not clocking time of arrival or departure or completing time cards, and not reporting absences and/or time off. Correcting the misuse of paid time resulted in the association saving more than $24,000 annually.

She diligently worked with the existing vendor to address and correct areas of concern, and ultimately, the contract was terminated and a new vendor was brought on board. As a major improvement, the new vendor provides leadership, proactive hands-on supervision, training (including ‘green training’), equipment and tools. They proactively provide and review the daily, weekly and monthly matrixes to best serve the community’s needs.

Internet Company Audit
When reviewing the contract for internet services, Bonnie found that the community was paying for two different companies; unnecessarily doubling the service and payments. After renegotiating the contracts and eliminating one service, she saved the association over $4,200 in annual payments.

Front Desk Services Audit
Next, Bonnie audited the front desk staff. Policies and standards had slipped or had been abandoned entirely. She developed new policies and, subsequently, hired a new vendor for front desk staffing service. This change resulted in an annual savings of more than $21,000 as well as a more professional and “polished” front desk. New staff services included a courteous greeting of residents by name, professional uniforms that sported white shirts, silk ties and name tags. Residents have responded favorably with compliments for the changes.

Window Washing / Garage Doors
Next, she tackled the garage doors services. Changing that vendor resulted in savings of more than $3,300 each year as well as a revised window washing contract saving more than $1,800 annually.

Onsite Administration and Engineering Staffing Savings
Bonnie reorganized and reallocated time for the onsite administration and engineering staff which came in under budget, saving nearly $24,000.

Redefining the Concierge Services
The next order of business was to work with the board members to elevate the level of concierge services. She researched and developed a concierge job description and redefined their services. New office standards were implemented along with the concierge office being scrubbed, cleaned and refurbished; all bringing the ‘ship’ into order.

Updating Systems
After the auditing process and creating a shining new association environment, she looked at overdue services that were sorely needed. A dryer duct cleaning, she discovered, had never been performed and the main line jetting was overdue by five years. She completed community sensitive tasks such as replanting a missing tree, upgrading the dish service for HD and hired experts to investigate and repair an ongoing water intrusion problem for a homeowner. She also initiated the implementation of new technology and systems to enhance communications, expedite package delivery notification and work orders. At last, she changed the community website to become more interactive with residents.

After assuming responsibility for this property and acting as a proper steward of the ship, the bottom line savings amounted to more than $100,000. Yet more importantly, the improvement of vendor services, staff professionalism, and an overhaul of the look and feel of the building provided the community with a sense of home - what property management should be all about.

Physical Management: Level II
Denise Gibbs, CCAM

Faced with an uphill battle so to speak, Denise Gibbs dauntingly took on the task of slope remediation in a newer community that was abandoned by the developers. She worked with numerous consultants, civil and geotechnical engineers, plant and soil laboratories and contractors to remediate a relentless soil erosion problem. During this process, this manager kept the community members abreast of the investigations along the way with regular email blasts, reminder postcards, newsletters and arranged to have consultants present during the board meetings to address any homeowners concerns and questions.

This particular slope varied in height from 20 to 30 feet at a steep 1.5:1 grade, at toe of slope a small 12-inch v-ditch with 3-inch area drain which feeds to the private street and then backs up to the homeowners’ wrought iron fences and backyards. These however were not your typical backyards; these are backyards of multi-million dollar homes with extensive renovations including elaborate pools, high-end and imported hardscape with lush landscaping.
Every winter storm, the association would find itself in the position of reimbursing homeowners for pool cleaning, hardscape repairs, and plant material replacements due to soil erosion into their backyards upwards of $3,000 to each homeowner.

Because of the proximity of the Pacific Ocean, the salinity in the air, the steep grade and terrible soil conditions, the City mandated California native plant material could not thrive on this slope but not for lack of trying. The board tried California native hydroseed at a cost of $8,500, a landscape architect was hired for $3,500 to design a plan to allow $15,000 of plant material to grow on the steep slope since the hydro-seed never grew in. This on top of continually reimbursing homeowners during the winter storms for soil erosion.

Enough was enough. With Denise’s many years of experience as a project manager with large builders and developers, she put her relationships into play. She contacted a civil engineer and asked for help. She then contacted a geotechnical engineer and a contractor to aide in the effort. Not only did she bring in the dream team, she and the consultants worked with the board of directors to finally solve the problem once and for all. Knowing that these conditions were not typical, they put their plan into play.

Step 1, flush the existing drain lines and maintain sediment control in ditch and drains with regular maintenance schedule and control devices.

Step 2, clear and grub the existing slope by removing any loose vegetation, and old erosion control, while protecting the large shrubs, trees and irrigation.

Step 3, hydro-seed/hydro-mulch the entire slope with a mix which contains a stabilized mulch matrix.

Step 4, install an erosion control blanket over the entire hydro-seeded slope, anchor and overlap per the manufactures specifications.

Step 5, install a rock rip rap at the toe of slope and back of the v-ditch for sediment control.

Step 6, maintain irrigation and allow hydro-seed plants to propagate and establish.

Finally, the regular maintenance program for the slope and drain lines was added to the Association’s annual calendar in order to preserve the slope. The erosion control blanket is continuing to biodegrade and will continue until after all the shrubs and plant material have established.

The total cost of the project came to $75,000. Adding in a bit of creative solutions for problem solving, the manager had anticipated the large expense to resolve the predicament and worked with the Board to creatively budget for this expense. No
special assessments were necessary and the operating and reserve accounts are healthy as ever.

The best measurement of success: this past winter, not one phone call or e-mail from a homeowner reporting that their backyard was invaded by the dreaded mud! Yea!!