

# CONDO HOA

## MANAGEMENT MAGAZINE

### Cover Story

Beaten path to success

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CALIFORNIA EDITION



A number of great articles come out every year in *CondoManagement*, helping to educate and idea-share throughout the community management industry. Often the biggest item on the budget along with the greatest area of concern is related to the common-area landscape. A healthy and maintained landscape can increase property value and improve the

# BEATEN PATH TO SUCCESS

quality of life within the association. However, landscapes in decline can promote poor home values and general discontent from homeowners. In this economy it is important to make every dollar count and avoid deferred maintenance. The inevitable transition toward smart products and outside-the-box thinking has become vital due to rising energy, labor and water costs throughout the state. This article will highlight a success story that presents a beaten path for other industry professionals to follow.

*All the water that will ever be, is right now. –National Geographic*

According to the Department of Water Resources, water is widely considered the single most significant natural resource affecting the growth of our state. California's population of 37 million is expected to nearly double by 2040. Our expanding population and shrinking water supply is forcing Californians to make some necessary changes to ensure our demands of today don't prevent us from meeting the needs of tomorrow.

*Necessity, the mother to invention. –Plato*

Similar to any other problem, we need to work collectively toward the solution. Community managers, board members and vendors have the opportunity to lead the charge in implementing best practices throughout the thousands of communities made up in the membership. Let's look at five practical ways to lead the charge.

- »» **Be the voice.** Sixty percent of the water consumed each year is done outside the home or office. Contractors want to make managers happy. Let them know that water smart ideas (e.g., reducing runoff, creating efficiencies, etc.) make you happy. You will see results.
- »» **Build a team.** Board members, contractors, water managers, water agencies and any



By Matt Davenport

other group or individual that will further the cause toward stewardship will make a great part of the team. These teams are the keys to success.

- »» **Create a vision.** With the help of the team, establish a quantifiable goal that will challenge and inspire the community. For example, "ABC Estates will reduce water usage by 30 percent through technology, best practices and accountability."
- »» **Make a plan.** Hire a water manager and/or auditor to complete a water and landscape assessment. The information provided will help identify and showcase numerous areas that will help the community achieve the water savings goal.
- »» **Implement.** Complete suggested improvements to irrigation systems and planting materials. In addition, provide residents



Left to right Matt Davenport, president of Monarch Environmental; Jennifer Stonebarger, board president; Laurisa Quella, community manager; Steven Schinhofen, president of Harvest Landscape

information on how they can help. Newsletters, community websites and “town hall” meetings are a few ways to get everybody involved.

### A case study – Oso Valley Greenbelt

Oso Valley Greenbelt in Mission Viejo, Calif., is a master community consisting of 2,617 homes covering more than 150 landscaped acres. Oso Valley is 35 years old and was facing numerous challenges including a poor performing irrigation system as well as overgrown and tired plant material. Recently, I sat down with Laurisa Quella of PCM to ask how the above-mentioned plan was implemented and what were the results.

**As a community manager, what does “being the voice” mean to you?**

**Laurisa:** Establishing good communication with the board and its contractors is imperative. The board of directors makes decisions based on the recommendations of its experts, and it is important to ensure that the lines of communication are open. Communicating effective ways to manage our landscape resources with community management allowed for the information to be passed directly to the board for consideration. It was also important for the board members to remember that they are the voice of their membership as well.

**How did you go about building a team?**

**Laurisa:** Building a team begins with the board. As representatives of the membership, the elected board members need to first be aware of their fiduciary responsibilities, and working with management was key in creating this understanding. With the assistance of management, the OVGA board interviewed a number of highly qualified landscape contractors before selecting one. In addition, the board interviewed and appointed a landscape committee consisting of representatives from each of the eight increments in the community. Hearing the homeowners’ perspective is key due to the unique plant material and terrain of the different increments within the association. Finally, it was important for the board and its hired team of experts to understand that the members were also part of the team and should be taken into consideration when creating the vision and establishing and implementing the plan.

**Who established the vision, and how was it established?**

**Laurisa:** The board met with a professional landscape company on numerous occasions to discuss the needs of the community. The team worked with the board and met regularly to determine an overall vision for the community. This vision was turned into an implementable plan, taking into consideration the aged irrigation, established plant material and limited budget.

**What was the plan for the team and the community?**

**Laurisa:** Once the vision was established and all team members were in harmony, the board adopted a five-year plan. The first two years of the master plan involved removal of tons of dead and dying plant material as well as lowering overgrown ground cover to allow for better sprinkler efficiency and performance. In addition, the board invested in irrigation controllers while simultaneously repairing and upgrading the irrigation system community-wide. The next two years of the plan include replanting with appropriate water-thrifty plant material in phases, with focal points in the community being selected as the first planting areas.

**How was the plan implemented into action?**

**Laurisa:** When the five-year master plan was complete and approved, communication to the membership was the next step. Because the first two years of the plan



involved removal or cutback of a majority of the plant material on the slopes, the appearance of the community would be dramatically affected. The association's website was a vital tool in this communication. The team of experts established a schedule for review by the members to ensure they were aware of the work taking place near their residences. The irrigation repairs and controller replacements were completed in phases, and the budget for the association was set up accordingly. The completed repairs were reviewed and discussed at length at the monthly board meetings for both the board's understanding as well as those members in attendance. The landscape committee met on a weekly basis, at times with the landscape contractor and consultant in attendance, to determine the focal points within the community for the first planting phases. The committee worked in conjunction with the team to establish a proposed plant palette of drought-resistant plant material for board consideration, as well as a proposed budget for the proposed planting.



#### What have been the results?

**Laurisa:** The irrigation renovation has provided significant results in both decreased water consumption and cost savings. The association was able to reduce their water consumption from 114 million gallons in 2008 to 53 million gallons in 2009. In addition, the association spent approximately \$266,000 in water usage in 2008, which was reduced to \$125,000 in 2009. This is only the beginning! The association has yet to realize the full benefits of this project, as the planting is now being completed and the association will continue to decrease cost and water consumption, while at the same time significantly increasing the curb appeal provided by the landscaped areas within the community.

#### What's the key to success for associations facing the same challenges?

**Laurisa:** Communication, teamwork and development of a cohesive plan are the most important steps in creating similar success in other communities. If everyone involved shares the same vision and works collectively toward implementing the same plan, all the while communicating with the members to obtain their support as well, success is the only option!

As the board at Oso Valley Greenbelt and PCM has shown, great results require a great team. A team of people working toward a common goal and enabling that group to implement the established vision will lead to similar results for your clients. As Vance Havner said, the vision must be followed by the venture. It is not enough to stare up the steps – we must step up the stairs.

Matt Davenport is the president of Monarch Environmental Inc. in Mission Viejo, Calif.

natural gas is trading lower as more and more new drilling projects in the United States are successfully finding abundant amounts of natural gas. Many of these drilling projects are finding very wet natural gas that contains much larger than normal quantities of propane. It is very likely that propane's price will be extremely competitive with other energy sources such as electricity in the coming years.

Knowing the factors that affect the price of propane can help an association board buy it effectively. Of course, it is tough to know whether prices for commodities are on the rise or fall, but it is good to have all of the information that is available. One such tool found on the Internet, tracks prevailing propane wholesale prices at hubs throughout North America. Some larger buyers will ask their suppliers to bid on delivering propane as a function of the prevailing price at a nearby terminal. For instance, a supplier may bid Selkirk, New York, the prevailing price plus 50 cents per gallon on the day of delivery. You will be able to arrive at a fair pricing plan that moves up and down with the market and know what you are spending for propane without waiting for the bill. The website also provides analysis of what is affecting prices both short term and long term.

A clean-burning, efficient fuel, propane is one you should consider for many applications in your condominiums and homeowner associations. With the desire for green energy, cost savings, curb appeal and efficiency, there are many benefits to be derived from propane. Knowing the prices and the factors affecting them can help you purchase it effectively. More information on propane can be found at [www.usepropane.com](http://www.usepropane.com).

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