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PALOS VERDES ESTATES

Judge orders mediation in association board election

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Challengers in the hotly disputed Palos Verdes Homes Association board election captured the top four slots among nine candidates — but that doesn't mean they'll get to take a seat at the dais.

A Los Angeles Superior Court judge last week ordered the association and a group of activists to engage in mediation to work out a settlement of a lawsuit filed last May contesting association rules for board elections. The Residents for Open Board Elections and resident L. Ried Schott filed the suit in an effort to lower the required number of votes for an election to be considered valid.

Ballots are not tallied unless at least 50 percent of the 5,400 eligible households cast votes for board members — a requirement that hasn't been met since 2009. Each time the quorum isn't met, board members usually reappoint themselves.

After an extended election period still did not yield enough votes to qualify, Judge Ruth Kwan in late February ordered the homes association to unofficially count the ballots cast. At a court hearing last week, the lawyer representing the homes association, Brant Dveirin, objected to disclosing the vote count for the court record, but it was revealed that the four ROBE challengers were the top vote-getters for the five board seats.

"They're angry, they don't want the results out there," said Jeff Lewis, the attorney representing Schott and ROBE.

While the president of the board of directors, Philip Frengs, said the two parties agreed to keep the count confidential while a settlement is worked out, Lewis said that agreement was only meant for the week before the court hearing.

"That's not helping us reach a settlement," Frengs said.

"There are bigger things getting in the way of this settlement than more information getting out there," Lewis said. "I don't understand how letting people know more information is impeding it."

The biggest barrier, Lewis said, is that the homes association wants to roll in the ROBE settlement with another lawsuit in which he also represents the plaintiffs. The Parklands lawsuit was filed in 2013 over a complicated land swap that ultimately transferred public parklands to a wealthy couple for private development. He said that because the Parklands suit involves many different entities, it wouldn't make sense to settle them together.

Lewis argued in court that the homes association needs a new board in place soon because its appeal to the California Supreme Court in the Parklands case suggests the association may be facing bankruptcy.

While the petition for high court review indeed makes several references to potential bankruptcy as a result of losing the Parklands case, Frengs denied that the association is in such dire straits.

"The board of directors has to pursue any and all actions associated with this litigation because we have that financial responsibility, but in no way is the association on the verge of bankruptcy," Frengs said.

The two sides must work out a settlement by the next court hearing on May 1 or the judge will need to rule on the case.