Payment Schedule – "Described as a Signed Payment Schedule" and posted in the GRS Repository

Would You Sign This Contract?

A review of the July 1, 2025 "Contract" between Sierra Del Mar and Five Star Sealing & Paving

1. It is NOT a fully executed contract.

There is no Sierra Del Mar signature.
A contract without both parties' signatures is **not binding** unless other explicit acceptance evidence exists. Here, it does not.

****Key Deficiencies**

(Each one framed as a question a reasonable homeowner or property manager should ask)****

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1 Missing HOA Authorization Signature

Would you sign a contract where only the vendor signed it?
There is **no Board member or authorized agent signature**, yet it is posted as a "signed contract."
This alone renders it **invalid** under normal business and contract practices.

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2 No Attached Proposal — Yet the Contract Depends on It

Would you sign a contract that says "as outlined in proposal" without attaching the proposal?
The contract refers to a proposal dated **06/28/2025**, but does **not attach it**.
That means:

- No details of scope
- No materials or quantities
- No specifications
- No drawings
- No guarantee of what "work" actually includes

This is a major deficiency.

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3 Warranty Only 1 Year

Would you sign a $179,305 contract with only a 1-year warranty?
This is **far below industry standard** for asphalt paving.
Typical: **2–3 years**, sometimes more.

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4 Payment Schedule Favors the Contractor

Would you pay almost all the money before the work is proven to be satisfactory?
Payment structure:

- 10% deposit
- $43,550 after milling
- $99,894 after paving
- Final 10% after permit close-out

This means they receive **over 89% of the money before final inspection**.

This is **contractor-advantaged**, not HOA-protected.

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5 Permits Excluded

Would you sign a contract that excludes the cost of legally required permits?
Permits are "billed after completion," with no cost estimate and no max cap.
The contractor could charge **any number they want**.

This is extremely unusual and **not acceptable commercial practice**.

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6 No Deadlines, Start Dates, or Completion Schedule

Would you sign a contract with no required timeframe?
This means:

- The contractor can delay indefinitely
- The HOA has **no legal recourse** for slow or incomplete work

This is a serious omission.

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7 No Penalty or Accountability Provisions

Would you sign a high-value contract with no penalties for delays or defects?
There is **no liquidated damages clause**, no completion guarantees, and no inspection requirements.

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8 No Insurance or Bond Documentation

Would you hire a contractor without proof of insurance or bonding?
A valid contract **must** include:

- Certificate of liability insurance
- Workers comp proof

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- Contractor license numbers
- Proof of bond (for a project this size, often required)

Only county license numbers appear — no insurance.

9️⃣ No Detailed Specs for Materials or Thickness

Would you sign a contract without knowing the asphalt thickness or materials being used?
Nothing in the "contract" specifies:

- Asphalt type
- Thickness (critical for durability)
- Base layer work
- Drainage
- Striping
- Repairs
- Special conditions

A paving contract **requires** these details.

🔟 No Attorney Review or Addendum from the HOA

Would you sign a six-figure contract drafted entirely by the contractor, without legal review?
This is highly unusual for any HOA or corporate entity.

1️⃣1️⃣ No Clarification About Speed Bumps or Traffic-Calming Devices

Would you sign a contract that doesn't mention whether speed bumps are removed or replaced?
The contract does not state:

- Whether bumps remain
- Whether they will be rebuilt
- Who decides

Given the controversy, this is a glaring omission.

1️⃣2️⃣ Contractor Retains Right to Bill "Approved Extras" Without Defining Them

Would you sign a contract allowing undefined extra charges billed later?
The phrase "plus approved extras" has **no definition**.
This is a loophole, and it favors the vendor.

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Summary: Is This a Valid Contract?

Legally?

No.
A contract without the HOA signature **is not fully executed**.

From a business-practice perspective?

This is not a professionally constructed or balanced contract.
It is missing:

- Key definitions
- Schedule
- Insurance
- Scope of work
- Material specifications
- Execution signatures

Who does it favor?

Heavily in favor of the contractor.

The HOA is exposed to:

- Undefined costs
- Undefined scope
- Undefined timelines
- Minimal warranty
- No accountability
- No protections

Bottom Line

This would **never** be accepted by a competent commercial property manager, attorney, or Board that understands fiduciary duty.

A neutral summary for residents:

This is not a valid, executed contract. It is incomplete, lacks Board approval signatures, shifts nearly all risk onto the HOA, and provides minimal protection or accountability. No homeowner would sign a contract written this way for their own home, and Sierra Del Mar should not either.

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