

Hiller Highlands II Association

1860 Grandview Drive, Oakland, California 94618

Rich Banks-President • Scott Gale-Vice-President • Ed Loss-Treasurer • Tracey Perkins-Secretary • Judy Barmack-Landscape Chairman

HH-II Board Meeting May 1, 2017

Present: Ed Loss, Rich Banks, Judy Barmack, Scott Gale, Tracey Perkins, Fred Perkins, Gerard Burnett, Susan Boyers, Jean Parekh

The meeting came to order at 7:05 PM.

Security Presentation by Jean Pareck

Jean is a neighbor on Upper Grand View. She is interested in hiring a security patrol company for our area. At the present time she has signed up 20 homeowners outside of HH-II.

Pros:

- Deter burglaries, casing of homes, crime reduction, piece of mind
- While on patrol they can respond to an alarm faster than OPD
- Homeowners can call the patrol car.
- Patrol company would approach unidentified cars
- Patrol will know the Beat Officer and have a direct line to him

Cons:

Cost prohibitive for Phase II at the present time. To make it affordable, a total of 80 homeowners are needed to sign-up for just only eight hours of patrol service per day, \$50 per month, per household for a total cost of \$25,200 per year.

We need to consider our budget priorities. Homeowners' assessments are increasing due to sewer laterals, landscaping needs, water expenditures. What are our priorities -- security? HH-II has a very limited budget. Gerard and Judy both agree that they are not convinced that a security patrol would be of benefit to Phase II. We have many retired homeowners who look after each other.

Recommendation: It was recommended that Jean get together and discuss with the Hiller Highlands President Council regarding her proposal for security patrol service, perhaps Rich can help her to do so. The Board agreed we would consider having a security patrol system at a later date.

Sewer Laterals – Susan Boyers, Fred Perkins, and Gerard Burnett

Susan spoke with Phase I and IV Presidents. Phase I was concerned that if they waited until 2021, that there would be a huge supply and demand issue and that the cost would go up. Their roads already needed to be repaired and they wanted to coordinate the work. They had the money in their reserves. The total cost for Phase I was approximately \$130,000. They have 34 units and 70 percent needed to be replaced, which is 21 sewer laterals. They replaced their 21 and received their 20 year certification for all 34 units. Their advice to us was to think carefully about phasing the work out versus doing it all at once because of cost issue. They also recommended getting multiple bids and use a separate company for road repair.

Phase IV had their inspections done and they only had two or three sewer laterals that needed to be replaced. They had them done and all homes were certified for 7 or 20 years. Susan will verify whether or not all their homes are certified for 7 or 20 years.

In 2012 Rich received a proposal from Ortiz. He made a cost estimate based on Ortiz's report: What line items would cost, i.e. if they had to replace a lateral it would cost so much, the cost would vary based on each home, if they would have to do clean-out, etc. He inflated that cost estimate starting in 2012 a 2 ½ percent increase per year until work to be done in 2020 and he came up with \$360,000.

Fred spoke with Phase IV and they used Plumbing Ministry. Plumbing Ministry was very straight forward. They did not charge us for the inspection. Their proposal for all 42 homes was approximately \$130,000. Significantly lower than Ortiz's estimate. Permits, asphalt, connecting to the main sewer line are all included in their proposal. Phase IV was impressed with Plumbing Ministry and all their homes received certification. Plumbing Ministry stated they could do the work in approximately 21 days.

Phase I used a company called Trenchless. They did an inspection on all our 42 homes, but two. All three companies use a process called pipe bursting. Majority of the cost for Phase I was that the PG&E's lines were so close to the sewer laterals that it had to be done by hand. Fred shared Ortiz's report with Trenchless so that they would not have to charge us for the inspection. He is waiting for their proposal.

Fred has a listing in Ridgmont. He asked Plumbing Ministry for a bid for sewer laterals and they quoted \$5,100. He then asked Trenchless and their quote was over \$10,000 due to the uncertainty of utility, etc.

Conclusion: Fred, Susan, and Gerard are leaning heavily towards Plumbing Ministry. They have given us two reports. One is the written inspection and the other is how they came up with their

quote of \$135,000. Susan and Fred will get a third quote from Ortiz and have them bid on the project.

Plumbing Ministry's quote of \$135,000 includes fixing and patching the holes. Rich does not feel a company who is not a paving contractor will not do an adequate job. He has received a quote from a paving contractor to do the work on Treasurer for of \$40,000.

Susan stated that Phase IV is going back to their homeowners and telling them that they have completed all the sewer lateral work, and will change their CC&R's and state that it will be the responsibility of the homeowners to have any future sewer lateral work done. Susan recommends once all our sewer laterals are complete, she recommends that the Board change our CC&R's to do the same so that this will not be an issue for the association going forward..

After Susan, Fred, and Gerard receive the bids, they will present to the Board which company they recommend to do the work. Currently, we have approximately \$160,000 in the reserve. The Board feels we should keep a certain amount in the reserve. Susan is looking at, if we take out \$100,000 out of the reserve, plan on \$40,000 for the street, \$130,000 for sewer laterals that gives us \$70,000 in assessments or get a loan. If we do an assessment it is approximately \$1,500 per homeowner, give or take. The Board feels it is do able. Judy asked if there is a minimum amount we must retain in the reserve? The answer is no, and it was agreed by board that we need to be prudent and have a significant amount in the reserve.

PG&E used plastic pipes in Phase IV for gas lines and are replacing them with cast iron. PG&E agreed to redo all their streets. Susan went to PG&E asked them when Phase II was going to be done and according to them, we are not on their schedule. Apparently when Phase II was built, they used cast iron.

Susan and Ed will work on the finance piece for sewer laterals. Susan will talk to the bank for a possible street and road loan quote. Phase I highly recommends their paving contractor and she will talk to them.

A special meeting has been set for June 19th. Susan, Fred, and Gerard will present to the Board their recommendation on who will do Phase II's sewer laterals. Scott requested that as soon as they receive an inspection report from any of the three companies, send copies to the Board. He would like to see the company's work before making a decision.

Landscaping

1873 Grand View Drive's landscaping has been neglected by Trimacs. There was a tall bush/tree overhanging on the roof with dead limbs, which could possibly cause roof and gutter damage. A few months ago, Trimacs trimmed the limbs about four inches from the roof line and has since grown

back, and at that time they did not even trim back the obvious dead bushes and branches. In order for the gardeners to clean up and beautify the garden, they had to trim back dead limbs, bushes, etc., to clean and weed. The gardeners have left several bushes and limbs for Trimacs to trim, cutdown, and remove. The trees and bushes in question were planted by the association. The previous homeowner beautified her garden by adding some plants which needed to be maintained – hence bringing in private gardeners. The Board denied reimbursement of private gardeners in the amount of \$320.

16 Treasure Hill – Joel Spivak would like the path by his house covered with ground cover. Judy has contacted Jeff of Trimacs to plant new cover. Judy has only been around six days in April and has not been able to follow up. (The path may be caused by deer/animals.) When she recently checked, the whole field of daisies is not doing well. She felt they needed water and irrigation has not been turned on. Ed reported that normally the irrigation is turned on April 1, but Trimacs is regulating when irrigation is to be turned on. We are losing a lot of plants due to no watering. The Board agreed that Trimacs should not be in charge of when to turn on the water. Judy will call Jeff and make sure the irrigation is turned on.

Last year the vegetation abatement was \$10,000. Trimacs needs to maintain that area. It's a huge area, and Judy pointed out that they will not have time to work around the houses. We will have to pay another \$10,000 if it is not maintained. It appears Trimacs is not spending enough time each week to maintain our area.

Ed stated that with the huge amount of rainfall this year, we are still not under the water budget. He checked EBMUD's website and as of July 1st rates will go up 9 ¼ percent because usage has gone down. In addition, EBMUD is raising the rates again on July 1st, 2018, with another increase of 9%. Phase II spends a lot of money on water and we will probably be over budget. Gerard recommended in the next three to five years, we may possibly look into installing individual water meters for each home. Ed asked if we have dollars in the reserve study to replace the current irrigation system. Right now we have spray. If we use drip, we could save a lot of money.

20 Yankee Hill Tree – A new 10-year old, Oregon Lacey Maple was planted a few weeks ago. Gerard is "babying" the tree. Judy stated that we have several trees and bushes that need attention. We have a reserve for tree maintenance in the amount of \$3,000 per year for five years. Judy said she had one of the Trimacs employees trim some trees and they did a hack job and would not have them touch any of our trees. Gerard will send Judy the name of his arborist.

Oakland Fire Department Payment Demand – We received a letter from the City a notice of lien hearing for vegetation management from 2012. They want us to pay \$1,909 for inspection and abatement fee. This is for the oleanders and Oaks on Hiller. Trimacs did what they were asked to do and then an inspector came out and said it was inadequate. Raylene met with the inspector and they did exactly what the inspector said to do, trim bushes and trees. In November 2014 we

received another invoice for \$1,784. Rich did not pay the original fine. Vegetative management is not responsive to his letters. To resolve this, Rich will either meet before the 11th or go to a legal proceeding to plead our case. The lien is against the HOA.

FINANCIAL REPORT

2016 Tax Returns – Two returns need to be filed by May 15. Ed will take care of it.

IRS rescinded and repaid the \$4,300 penalty that is shown on the March financial report and should be removed in the next report. Water is 34 percent of our budget.

Status: Correction of problems identified in 2016 Annual Inspection

Back deck on 1852 Grand View Drive – needs to repair deck

5 Treasure Hill Windows have failed

Gerard will add an additional third floor in the near future.

Other business:

Karma Roberts - 9 Treasure Hill – drainage ditch needs to be cleaned

1873 Grand View – v-ditch grate needs to be cleaned, dead limbs and bushes removed.

New Board Members – Need new blood to serve on the Board.

The meeting was adjourned at 9:16 PM.
