

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

Annual Homeowners Meeting Minutes Thursday, February 16, 2017

Present: Jim and Betsy Fergusson, John Weiss, Edie Kaplan, Susan Boyers, Estelle Hausman, Reg Gomes, Scott Gale, Nina Nygaard, Gerard and Mary Burnett, Sally and Joel Spivack, Jim Fousekis, Richard Banks, Annette Baron, Walt Bussey, Fred and Tracey Perkins, Ed Loss, Terry Lee

At the meet and greet we were treated to wine and Zachary's Pizzas by Rich Banks and Annette Barron. Also, Annette made two of her "out-of-this world" desserts. Thanks to Kass Cazier and Tracey Perkins we had some comfort desserts – Rice Krispies bars and chocolate-chip, peanut butter cookies. And to top it all off, the buffet table had two beautiful flower arrangements made by Ed Loss. Thank you, all!

The meeting was called to order by President Rich Banks at 7:18 PM.

PRESIDENT – Rich Banks

Rich welcomed everyone to the meeting and introduced new homeowners:

Sally and Joel Spivack
Jim Fousekis

Rich requested a motion to approve the minutes of the February 15, 2016 Annual Homeowners Meeting minutes. Jim Fergusson approved the minutes and Edie Kaplan seconded.

2017 Election of Officers – No one came forward to volunteer for a board position. We have an opening for Landscape Chair as Judy Barmack will no longer be able to fulfill her duties as she will be busy with new grandchildren in Southern California. In 2018 we will be losing two board members, the President and Secretary. Anyone interested in volunteering please let the Board know.

A question was brought up if we will go out for competitive bids for a new landscaping company. Rich advised we will remain with Trimacs. Other companies' bids were more than \$8,000 per year than Trimacs. Our landscaping took a hit due to the drought for the past few years. Judy has been working with Trimacs and landscaping has been improving.

FINANCIAL REPORT – Ed Loss

Summarizing 2017 Budget along with the Reserve Studies, our quarterly assessments increased \$100, from \$700 to \$800.

Higher Assessments are due to:

- Water – EBMUD unit cost up 39% since 2013. Forty percent of our budget is water.
 - Build Reserve
 - PSL replacement in 2022 (\$300,000)
- Landscape improvement & tree maintenance and replacement
- Rebuild operating account contingency
- Repaying Loan from the reserve

\$11,000 Borrowed from the Reserve in 2016

- Water costs higher than budgeted
- Unbudgeted - OFD required brush removal (net \$4,800)
- Must be paid back to reserve in 2017

Paid off \$49,000 SBA Loan Balance

- Loan balance was \$49,000
- Saved \$4,000 over the remaining life of the loan
- Interest: 4% on loan versus 0.1% for cash reserves
- It does not have to be paid back to the reserve
- \$1,466/month saved will be used to reduce assessments and build reserve

Options for Paying for PSL Replacement & Repaving Projects

- Original PSL Plan – Build reserve with escalating assessments through 2022
- Maintain assessments at \$800
 - \$150,000 HOA loan in 2022
 - For a 7 year and 5% loan - \$2,120/month & \$28,100 Interest
 - \$3,500 special assessment in 2022
- Increase assessments to \$1,000 quarter 2018 – 2022

Susan Boyers, Gerard Burnett, and Fred Perkins will form a committee to look at other alternative plans for PSL replacements. Their concern is the cost of repair may be higher in 2022. Susan stated loan costs may be higher in 2022 and may be more feasible to take out a \$150,000 loan now. Gerard suggested perhaps we make repairs in three stages: 2018 Treasure Hill, 2019 Grand View, and 2020 Yankee Hill. Currently we have \$150,000 in reserves for sewer laterals. Gerard will check with Phase I as their PSL replacements have been made. Fred Perkins volunteered to get more bids. A plan must be in place for PSL replacement by 2021 to EBMUD. The committee will get together before the next board meeting in April and make a report to the board.

Rich Banks should be commended on his countless hours of reviewing with a contractor all 42 dwellings and time spent planning. Thank you, Rich!

Surprise from the IRS

- \$4,300 penalty for late return
- Working to get it reduced or eliminated

CORE – Terry Lee

Terry reminded everyone to be prepared for a disaster whether it is fire or an earthquake. He sent out some emergency preparedness cards. Please open the attachments and read each card so that you will be informed. In case of a disaster, he recommended that everyone turn your car around in the garage, and meet at the emergency box located at the corner of Yankee Hill and 1864 Grand View (Walt and Anne Bussey's house). The combination to the lock is 911. Inside the box is emergency equipment: Fire hoses, sledge hammers, shovels, port-a-potty, walkie talkies, etc.

As a survivor from the fire, Jim Fergusson said the traffic was terrible, and recommended that you don't save anything, get out, go to a hotel and wait for instructions.

Terry recommended that you have "GO-Bags":

EMERGENCY SUPPLIES

CORE TUESDAY TIP OF THE WEEK

Emergency supply kits "GO-Bags" are vital in a response



- Store separate Go-Bags at your home, work, and car.
- Vital documents- photos, bills, licenses, medical records, ID.
- Spare eyeglasses, whistle flashlight/light stick, cash, keys.
- Hard soled shoes, work gloves, poncho, cap, dust mask.
- First aid kit, toilet paper, soap, mylar blanket, street map.

LANDSCAPING – Rich Banks

At the end of Treasure Hill and Yankee Hill the failed and dying rosemary bushes have been removed and replaced by a combination of boulders and drought resistant ground cover. These two projects came under budget.

MISCELLAENOUS

CC&R Renters Affidavit

The Board will create a rule and from consistent with the CC&Rs requiring homeowners are to have their renters sign an affidavit that they have received a copy of the CC&Rs.

Architectural Change

The board will revise the request for architectural change policy for repainting. Homeowners do not have to wait for an open board meeting to get their plans approved. If the paint color is same/same, no problem, but if it is a paint color change, the homeowner will need one or two board members' approval.

Treasure Hill Storm Drain

Treasure Hill's catch basin overflowed during the last big storm. It is probably partially filled with soil and gravel that has washed into the basin. It will probably need to be cleaned out. Rich received a bid of \$3,400, and will pursue other options.

CC&Rs

CC&Rs are meant to be followed. Individuals are encouraged to review the CC&Rs or contact the board before they take an action that may violate the CC&Rs. Homeowners violating CC&Rs could be subject to financial penalties. Homeowners should have a copy of the governing documents. If not, they can be found on our website: HH-II.org

Utility Box on Treasure Hill

Sally Spivack reported that the utility door fell off next to her house. Dr. Scott Gale will make the repairs.

Street lights on Treasure and Yankee

Two street lights on Treasure Hill and Yankee Hill have failed. They will be converted to "soft" LED lights.

Property Values

Fred Perkins reported that property values in Hiller are up. Two properties have gone over the asking price. On 18 Starview they had 17 offers and a smaller property on Windward Hill is pending at \$1,350,000.

The meeting was adjourned at 8:45 PM.

Minutes submitted by:

Tracey Perkins
HH-II Secretary
