

**FOREST HILL ASSOCIATION
BOARD OF DIRECTORS MEETING
March 5, 2012**

Board Members present: Diane Wara, Kathe Farrell, Sally Kipper, Katie Balestreri, Dan McHugh, Paul Cooper, Warren Krauss.

Others in Attendance: John Balestreri, Steve Halpern, Harold Wright, Rigo Cabezas, Walt Farrell, Eric Buonassisi, Dottie McHugh, Steve Cohen, Mark Elias, Walt Farrell, Barney Deasy, Bernard Roazen.

Diane Wara called the meeting to order. The meeting began at 7:00 pm.

Minutes: The draft minutes of the previous meeting, February 6, 2012, were approved. The next Board Meeting is planned for Monday, April 2, 2012.

President's Comments:

Diane Wara (in lieu of Inspector or Elections Bruce Deming and Election Advisor John Palmer who were both absent) reported on the upcoming Board Election. 7 candidates have submitted Candidate Statements within the published deadline and expressed their intent to run for the Board: Eric Buonassisi, Paul Cooper, Kathe Farrell, Sally Kipper, Warren Krauss, Dan McHugh, and Diane Wara. All candidates are FHA members in good standing; the list of candidates was certified by the Board, and all candidates were approved. A candidate forum will be held on 3/19/12 at 7 pm at the Clubhouse.

The election will take place at the next Board Meeting on 4/2/12. For the agenda, Diane Wara suggested that instead of the traditional speech by Supervisor Sean Elsbernd, a summary of the current state of the Clubhouse Remodeling Project should be presented by Paul Cooper. Paul will explain the just completed Master Plan by Carey&Co. and present the different possible remodeling scenarios as planned and priced by the architects. He will also point out possible financing strategies for the remodel.

Diane then proceeded to discuss the current contract for alarm and monitoring services with the ADT company. She explained that FHA has been locked into a five-year contract that will expire in July of 2012 so that changes and/or a partial cancellation should now be considered. Currently the contract contains three features: burglar alarm (monitoring and maintenance contract); fire alarm (monitoring); and CCTV (maintenance contract only; the equipment is owned by FHA; no monitoring services). There was a general consensus among Board Members and the audience that the maintenance contracts are unnecessary and should be canceled as soon as possible, and also, that fire alarm monitoring is necessary and should be continued. Regarding the remaining aspects of the current contract, Jutta Lammerts will explore alternative offers both from the current alarm company, ADT, and from competitors; and Jutta and Diane Wara will meet with representatives for an on-site explanation of alternative cheaper solutions. In this context it should also be explored whether the current number of phone lines (four) could possibly be reduced once a simpler alarm monitoring system has been installed. This would further reduce the cost, both for the alarm monitoring and for the telephone services.

Treasurer's Report:

Sally Kipper presented the current financial situation.

On the revenue side, the income from Clubhouse rentals exceeds the annual budget by 15%. This is partly due to an improved online presence (e.g. the yelp website) of the Clubhouse as a rental venue.

Regarding annual assessments, second notice letters have been mailed to the 70 households that had not paid as of February 29. This has already generated a flurry of payments. Sally expects total revenues to exceed the budgeted amount by ca. \$ 6,000 to 7,000 by the end of this Fiscal Year.

On the expenditure side, Sally reported that the fraudulent charge of a check issued by FHA in June 2011 to an Event Manager that had cleared the bank in that same month and that cleared a different bank again, inexplicably, in January 2012 had been brought to the attention of Bank of America and that the double-charged

amount has meanwhile been credited back to the FHA account. Given the relatively minor amount of the check - \$220 - Bank of America has not further pursued an investigation.

In the Landscaping budget, funds had been earmarked for two irrigation projects, one of which has been completed (the Mesa/Mendosa median irrigation project with a cost of \$ 3,000 for irrigation repairs and \$ 1,700 for planting/improvements). The second project that had been planned and budgeted for in this Fiscal Year – improvement of the San Marcos/Santa Rita median area – has been postponed indefinitely pending further review. The Valley Crest company had advised that unless a very costly irrigation system was installed first, the planned plantings in the San Marcos/Santa Rita median strip would be bound to fail. A reassessment of possibilities for this area is now necessary. Also, the planned replanting of lower Alton Avenue has not happened due to lack of interest from the adjacent property owners. Lastly, the tree replanting project has not yet been completed so that some more costs are to be expected. Summarizing, the overall cost for Landscaping will stay well under budget.

Lastly, the Professional Services position will exceed the originally budgeted amount due to overruns for Accounting (as explained in previous Board Meetings) and Architectural Services. The contract with Carey&Co. has been fulfilled and paid; the Master Plan document has been completed. However, overall, the Professional Services budget should be under budget.

Sally expects that despite the sizable one-time payments for the Carey&Co contract and for ARA services this Fiscal Year will conclude with revenues exceeding expenditures by \$10,000 to 15,000.

The Board approved the Treasurer's Report.

Advisory Committee Reports.

Architectural Review Committee / Steve Halpern:

Steve reported that FHA member Paul Bessieres had complained to FHA because a neighbor of his across the street (Rachel Kornblau, 52 Sotelo Avenue) is keeping 3 chickens in her backyard. He had invited Ms. Kornblau to tonight's Board Meeting; she sent Harold Wright to attend and explain her position. From the description given by Harold, the animals are very quiet and do not cause any disturbance in the immediate neighborhood. The backyard where they are being kept is cleaned daily by the property owner.

Steve explained that the keeping of small animals is regulated by San Francisco Public Health Code, section 37, which allows up to four birds in a coop located outside and at least 20 ft removed from buildings used for human habitation. FHA does not have any regulations regarding the keeping of animals on member property. A lively discussion between the Board and the audience ensued about the question whether FHA should or should not impose their own rules or even stricter rules than those mandated by the City and whether FHA should help to enforce City Health Codes. The unanimous consent of all present was that 1.) FHA should neither impose their own rules nor help enforce City codes, and that 2.) a member taking offense at a neighbor's keeping of animals should first seek direct contact with that neighbor without involving FHA in that dispute; and that, if no agreement could be reached between these neighbors, the offended party still has the recourse of notifying the City Department of Animal Care and Control. Diane Wara will explain the position of the FHA regarding this matter in a letter to Paul Bessieres.

Clubhouse / Paul Cooper:

Paul gave a short summary on the progress of Clubhouse Remodeling plans since the beginning of this Fiscal Year.

A Clubhouse Renovation Committee had been formed whose 10-12 members met regularly once a month. An architect was hired to develop plans including cost estimates, resulting in the just finished 117 page Master Plan Report by Carey&Co. It includes an appendix of cost estimates for different versions of remodeling ranging from \$ 380,000 to \$ 800,000. Two Community Meetings had been held and written surveys had been administered to the neighborhood to gain Community input. The overriding objectives for Clubhouse remodeling have been defined as life safety and structural upgrades; system upgrades (electrical, furnace); accessibility (ADA compatible bathrooms, ground floor office); and modernization of the kitchen. The

projected cost will range at ca. \$ 500,000 with 20% earmarked for so-called soft cost (e.g. permits, architects' fees). The Master Plan as it has now been published does not contain any binding terms but only outlines possible courses of further action. If the Board approves the Master Plan, this opens the way for hiring a contractor in the coming Fiscal Year, and for starting construction.

Questions from the Community centered on financing options. A preliminary inquiry with one financial institution (First Republic Bank) had resulted in an estimated debt service of \$ 35,000 annually for a 15 year \$ 500,000 loan. Sally Kipper explained that given an expected annual surplus of \$ 25,000, FHA would have to pay \$ 10,000 out of the existing reserve fund (which is currently holding ca. \$ 135,000).

Fundraising was suggested as an additional financing option. Harold Wright pointed out that FHA currently has 501 C-4 status (which, given the nature of the organization, cannot be changed) and that under these circumstances any donations toward FHA are not tax-deductible. In order to allow tax deduction, FHA would have to create another new entity of 501 C-3 status which would then be permitted to receive tax-deductible donations on behalf of FHA. A spirited discussion ensued on whether the effort and cost of such procedure would be warranted for the amount of donations to be expected. A written survey among FHA members about their general willingness to support Clubhouse Remodeling with a donation – either tax-deductible or not – may help to decide this question.

Lastly, it was again suggested to sell the garage lots to help finance the Clubhouse Remodeling project. One aspect to be considered is the dilapidated state of the garages which may even become a safety hazard and possible liability issue. Removing or repairing the garages may become necessary and entail additional costs. On the other hand, the presence of the garages now forms a buffer zone between the Clubhouse and the next adjacent neighbor. The issue will be further explored by the just-formed Clubhouse Financing Committee under the leadership of Sally Kipper.

Diane Wara officially thanked Paul Cooper for his efforts on behalf of the Clubhouse Remodeling project. The Board then approved the Master Plan for the Clubhouse renovation.

Activities and Communications:

Katie Balestreri reported about the celebration of Lunar New Year on the last Sunday of February. Kenny Chin and Kim Glenchur chaired and organized the event. Students from West Portal School performed a Dragon Dance, and traditional Asian food was served. While the event was not quite as well attended as last year, it was still a great success. Kim Glenchur put together a detailed report on every aspect of the organization of the event which will facilitate the work of future Event Chairs. Diane Wara officially thanked the organizers, especially Kim Glenchur, for their efforts.

The next upcoming event is the Easter Egg Hunt on Saturday, April 7, organized by Mira Foster. This event will also be supported out of the FHA Community Event budget.

Diane Wara officially thanked outgoing Board Member and Activities Committee Chair Katie Balestreri for all her hard work in organizing Community Events.

Kathe Farrell suggested to prepare an early Newsletter issue to be published soon after the Board Election on April 2 to immediately inform the Forest Hill Community about the outcome of the election. She asked for contributions of articles to that issue. Harold Wright volunteered to contribute an article about FHA members' tree care for their own backyard trees.

Infrastructure:

Dan McHugh reported that the City has recently installed handrails on the median steps at the intersection of Pacheco and Alton. Another flight of steps in the middle of the 300 block of Pacheco Street is still in need of a handrail, especially as it is very steep but is frequently used by the adjacent homeowners. The possibility of FHA installing a handrail was discussed; it was cautioned that this might place FHA in a position of liability. – A neighbor at the Pacheco Street location, Ms. Bonnie Rutter, will join the Infrastructure Committee and has expressed interest in specifically addressing this issue.

Dan McHugh had nothing new to report regarding the planned AT&T installations. Both AT&T and the San Francisco Beautiful organization (which is suing AT&T over this issue) are still awaiting the decision of the judge on this case.

Warren further reported that the City has still not named a successor to the appointed liaison for the Traffic Calming Committee, Nick Carr, and that therefore no progress has been made in regard to traffic calming measures in the neighborhood.

Kathe Farrell suggested to ask the Boy Scouts for increased involvement in neighborhood projects. She brought up the issue of having them do the overdue cleaning of traffic signs in the neighborhood.

Legal and Governance:

Warren Krauss had nothing to report.

Landscape and Trees:

Diane Wara reported that the Winter Pruning has nearly been completed. Irrigation throughout the neighborhood is in working order again. She announced plans for replanting the urns at the Pacheco/Ninth Avenue gate and at the Pacheco Triangle.

WTPCC Report:

Walt Farrell reported that WTPCC has decided to back a ballot measure for necessary repairs to Coit Tower. This measure proposes that the City should use all income generated by Coit Tower concessions exclusively for the upkeep of Coit Tower.

Walt further reported that the City district boundaries will be redrawn in order to more equally balance the number of inhabitants across the districts, and that this process has proven to be a highly contentious issue; it is still in flux.

Neighbor complaints have resulted in traffic calming measures on Sloat Boulevard; the original six traffic lanes have been reduced to four, making room for a bike lane, and the speed limit has been reduced from 40 to 35 mph.

Garden Club:

Sally Kipper reported about special Garden Club events.

At the meeting on March 5, FHA member Arden Bucklin-Sporer of the SF Green Schoolyard Alliance and neighbor Amy Mack of the Dewey Circle Beautification Project who is in charge of the school garden at West Portal School, gave a presentation of their work. Meanwhile school gardens have been installed in no less than 88 Elementary Schools throughout the City. The presentation was followed by an on-site demonstration at nearby West Portal School.

Katie Balestreri announced a fundraising event with silent auction in support of the School Garden project, to be held at West Portal School on March 18.

On March 16, the Garden Club will host their Annual Spring Party, this year themed as a St. Patrick's Day dinner. The event is all-inclusive, adults only. Everyone is invited (also non-members and guests); tickets are \$30; please contact Dan and Dottie McHugh.

Adjournment: There being no further business, the meeting was adjourned at 8:45 pm.

Respectfully submitted,
Jutta Lammerts