

**FOREST HILL ASSOCIATION  
BOARD OF DIRECTORS MEETING  
September 10, 2012**

**Board Members present:** Kathe Farrell, Sally Kipper, Paul Cooper, Dan McHugh, Eric Buonassisi, Warren Krauss

**Others in Attendance:** Walt Farrell, Barney Deasy, James Earhart, Donna Earhart.

**In the absence of President Diane Wara, Vice President Kathe Farrell called the meeting to order.** The meeting began at 7:05 pm.

**Minutes:** The draft minutes of the previous meeting, August 6, 2012, were approved. The next Board Meeting is planned for Monday, October 1, 2012.

**Vice President's Comments**

Kathe Farrell thanked John Balestreri and Rigo Cabezas for their volunteer work, repairing and painting the Pacheco Triangle urn and benches. John and Rigo have saved the Association several thousand dollars through their work.- Kathe further discussed the current gopher infestation of the Pacheco Triangle and Clubhouse front lawn. The issue had been brought up by a concerned FHA member, and the Board was following up on it. Jutta Lammerts had received an estimate from Clark Pest Control Company in the amount of \$280 for the first month and \$150 for every subsequent month of gopher control measures (inserting poisoned bait into the gopher holes). Several Board Members voiced concerns regarding the possible environmental impact of using poison and of the chances of success in the long term. The Board agreed NOT to pursue the issue any further at this point but to observe the gopher problem throughout the Fall/Winter season.

**Treasurer's Report:**

Sally Kipper began her report with the revenues: Only four households – aside from the approved installment payers and liened properties - with unpaid dues remain; for two of these four properties collection of unpaid dues is to be expected through sale or refinancing. Currently 9 properties are liened; one lien was satisfied through the sale of the property. Income from Clubhouse rentals has reached 47% of the budgeted amount with only 42% of the fiscal year elapsed; Sally thanked Jutta Lammerts for her efforts in renting out the Clubhouse.

Expenditures: Under "Landscaping," two invoices for a total of \$ 5,300 had to be paid in August; one for the removal of a big Monterey Pine tree in the Pacheco median close to house no. 375, and the other for various storm cleanup throughout the neighborhood. For Architectural Services, an invoice for Carey & Co. came due, covering their preparation of the Clubhouse Community Meeting and permit research.

The Board unanimously approved the Treasurer's Report.

## **Advisory Committees**

### **Activities Committee:**

Dan McHugh reported that the Annual Fall Picnic on August 19 was a huge success despite inclement weather, especially the performance of the “Bubble Lady” for the children. Since at the previous picnic food had run out too fast with a higher-than-expected attendance, more food had been ordered this year, but this increased amount had also been completely consumed at the end of the event. Overall costs exceeded those of last year by ca. \$ 200. Dan McHugh requested reimbursement for his expenses for the event in the amount of \$ 656.29, and the Board unanimously approved. Dan thanked the Boy Scouts for their help and active involvement in the event and John and Katie Balestreri, who had been in charge in the previous year, for their detailed report which had proved very helpful for this year’s preparations. Dan himself has prepared a report covering this year’s event.

The next Community Events planned are the Children’s Halloween Party on October 28, 4-6 pm, which will be organized by FHA Member Tessa O’Leary. Dan requested an advance to her for her expected expenses in the amount of \$ 400 and a check payable to the DJ contracted in the amount of \$500. The Board approved of both requests.

After the Halloween Party, the following Community Events remain in the current fiscal year: the Children’s Holiday Party, Lunar New Year Celebration on 3/10/13 from 12 -2 pm, and Egg Hunt on 3/23/13 from 10-12. Out of a total budget of \$7,500 for Community Events, only \$2,500 has been spent so far.

### **Communication:**

Kathe Farrell reminded everyone that the submission deadline for the next Newsletter issue is 9/15 and asked for contributions. Paul Cooper will write an announcement that Steve Halpern, the Chairman of the Architectural Review Committee, has stepped down for health reasons, and that Paul Bessieres has graciously taken over his duties on a temporary basis. The Board is actively seeking an FHA member with a background in architecture or engineering, or with extensive experience in permit law and in dealings with City Planning Code, to succeed Steve Halpern. – For a future Newsletter Paul announced an article about the increasing practice of parking in the sidewalk, blocking it to pedestrians, especially those that are wheelchair-bound.

### **WTPCC:**

Walt Farrell had nothing to report, except that a Supervisor Candidate Panel for the 7<sup>th</sup> District Supervisor has been scheduled for Saturday, September 22<sup>nd</sup>.

### **Trees and Landscape:**

In the absence of Diane Wara, Kathe Farrell reported that this year’s pruning has been completed, and that the new 2-week response period for homeowners for input to the Pruning Plan has worked out well.

**Finance Committee:**

Eric Buonassisi reported that the outside accounting firm – Levy, Erlanger & Co. – that offered to provide an informal review of FHA accounting has so far not responded to the FHA approval of their contract.

**Clubhouse Finance Committee:**

Eric Buonassisi reported that financing negotiations have been initiated with a total of four financial institutions: Bank of America, First Bank, First Republic Bank, and Wells-Fargo. First Bank appears to be the most promising contact; Wells-Fargo has been unresponsive for the longest time; First Republic Bank requests a more detailed renovation plan with pricing before going into any further detail; and Bank of America has offered a maximal loan of \$ 200,000 for a maximal project cost of \$ 400,000. Details of the First Bank offer are: a loan based on the ability of FHA to raise a special assessment for the renovation and upon FHA willingness to save \$ 6,000 monthly into a special reserve fund. Under these conditions, First Bank would offer a loan amount up to \$ 600,000, but would expect FHA to move all assets from Bank of America to First Bank in the process.

**Clubhouse Renovation:**

Paul Cooper first reviewed past developments: at the August Board Meeting, the Board had approved the program for the building and the fees for Carey & Co. Now the Board needs to decide about the four prepared “alternates” to the base plan, and about the choice of a cost estimator or contractor pre-construction services for the cost projection of the plan.

At the November Board Meeting, Paul hopes to present to the Board priced construction drawings for Board approval, which could then be finalized and go to bid in February of 2013.

Paul also explained that the Board has now obtained a so-called “3-R” report (Report of Residential Building Record) from the City which does not show a leasable apartment in the Clubhouse. The Clubhouse is currently listed as a “one-family dwelling.” From Paul’s understanding, FHA does not have any obligation to maintain a leasable apartment at the Clubhouse. In order to clarify the situation before construction plans are finalized, Paul intends to speak to the City Planning Commission. From a legal standpoint, Warren Krauss cautioned that this should only happen after legal advice from a specialized lawyer has been gathered as the consequences of the Clubhouse classification as a single-family dwelling and those of trying to change the apartment situation are unclear and unforeseeable.

The Board then entered into a discussion about the preference for either a cost estimator or a contractor to provide a cost estimate for the construction plans. Paul pointed out that while the cost for both approaches would be the same (approx. \$ 4,000), the approach of cost estimators is more abstract and the approach of contractors (as “pre-construction services”) more practical. Kathe Farrell and Sally Kipper were leaning more towards choosing a contractor. The Board called for an estimate for a contractor to do pre-construction services, and moved unanimously to approve this plan.

Paul then led the discussion towards the “alternates” to the base plan that have to be decided. These four alternates are as follows:

- 1.) Restroom deduction: this alternate would reduce the construction cost through removing one bathroom; it would mean that the Clubhouse would lose one bathroom “fixture” out of the four currently available.
- 2.) Move staircase to apartment to make room for storage
- 3.) Reconfigure second floor – this does not require a decision for or against apartment conservation but only pertains to construction cost on the second floor
- 4.) Seismic upgrades beyond those in the base plan – the base plan calls for steel reinforcement of the currently un-reinforced brick wall along the main entrance and side door. The alternate includes bolting down of walls, installing metal straps on the outer walls (with removal and reapplication of stucco) and especially reinforcement of the chimney.

The Board entered into an in-depth discussion of these options and decided as follows:

Alternate (1.) is rejected. The Board approved this motion unanimously.

Alternates (2.) and (3.) should be incorporated in the base plan; no decision is made at this point on whether to keep or give up a leasable apartment space. Paul Cooper will request a quote from Carey & Co. to include both alternates in the base plan. Carey & Co. will at this point be commissioned for design work only. Once the quote from Carey & Co. has been received, the Board will vote on it via email vote. The Board approved this motion with Warren Krauss opposed.

Alternate (4.): the Board requests a cost break-out of the chimney reinforcement; Paul Cooper will report back to the Board at the October meeting, and the Board will then decide.

In connection with this discussion, Sally Kipper pointed out the high cost of having the construction drawings prepared by Carey & Co. Paul Cooper explained that he had been able to negotiate Carey & Co.’s original price and have it substantially reduced to now \$96,000. He also reported that his inquiries with senior architects about the expected pricing yielded estimates between \$ 70,000 and \$ 100,000, placing Carey & Co. in the upper price range. Changing architects now would, in Paul’s opinion, not lower total cost for the construction drawings, as the new architectural firm would have to put time and research effort into areas already covered by Carey & Co.’s previous work on the Clubhouse plans. Paul assured the Board that included in the \$ 96,000 fee for construction plans would be new, additional solutions for Clubhouse layout, following the Board’s decisions about the alternates.

#### **Community input:**

FHA Member James Earhart voiced concerns about the safety of the FHA data storage and back-up system currently in use and suggested to distribute information about these procedures to more community members in addition to Yen Bachmeier, for security reasons. Vice President Kathe Farrell suggested to postpone this problem until the return of Board President Diane Wara.

**Adjournment:** There being no further business, the meeting was adjourned at 9:00 pm.

Respectfully submitted,  
Jutta Lammerts