

# PBHOA Board Meeting Minutes September 10<sup>th</sup>, 2015

Attendees: Weston Nelson - Director/President  
Shubha Joshi - Director  
Steve Roth - Director  
Marilyn Capello - Landscape Committee Chairperson  
Dick Capello – Acting Secretary/Webmaster

Not in attendance: Jennifer Bingham – Treasurer (on vacation)

Meeting called to order at 7:05 PM

## **Treasurer's Report**

Jennifer Bingham's report was submitted by Dick Capello (attached).

Decision made to add item related to Backflow Testing income/payment:

**Action item for Jennifer when she returns from vacation.**

Decision was made to maintain a reserve of \$40,000 minimum for unforeseen problems.

## **Landscape Committee**

Trees on Mitchell Street: Removal of all the cedar and pear trees along Mitchell St, the damaged maple tree in the greenspace and diseased maple near Kaiser was approved. Pacific Landscape Management will do the removal ASAP (probably early October). Marilyn will ask Pacific Landscape for a couple of alternate replacement plans for the trees to add more conifers, eliminate some of the deciduous trees and modify the areas affected to achieve more drought and heat tolerance. The plan will also eliminate some turf and replace it with more drought tolerant plants. The alternate plan is to be within the current \$8975 replacement budget. Board will reconvene to evaluate the alternate plan when submitted by Pacific Landscape.

## **Architectural Committee**

Roofing materials: The specification for roofing materials in Parc Bethany is too restrictive, limiting replacement to a BRAND rather than to a TYPE or TYPES. **Weston Nelson action item to research modifying specification to broaden choices.**

New fences: Armstrong request for fence replacement using steel posts inside support beams is approved.

External painting: **Action item for Weston Nelson to modify external painting criteria to allow broader selection of motifs.**

## **Officer Compensation**

In an effort to encourage greater participation by residents in management of the HOA, the Board has decided to compensate officers (Secretary and Treasurer) for their service. Compensation will be \$250.00 per year, pro-rated for partial years' service. This decision was taken after consultation with our HOA attorney. The highlights of the consultation are attached).

There was discussion regarding the compensation of the Architectural and Landscape Committee Chairs since these are also time-consuming jobs. A decision regarding committee chair compensation was deferred.

**Secretary Election**

Dick Capello was elected by the Board as the PBHOA Secretary/Webmaster effective immediately.

**Other Items**

A discussion about rapid response to arising situations (approvals, notifications, etc.) led to a commitment to use conference calls to expedite decision-making.

Board Member Shubha will be away from mid-October to mid-November.

Meeting was adjourned at 8:15 PM

9/1/2015

EXPENSE TO BUDGET

Historical Budget - 2015

4/1/2015 through 12/31/2015 Using Annual Budget

YTD TOTAL 2015

Category	Actual	Budget	Difference
<b>INCOME</b>			
HOA Income	38,359.17	40,870.36	-2,511.19
Homeowner Assessment	36,500.00	36,500.00	0.00
Interest	6.17	20.04	-13.87
Late Fee	90.00	270.00	-180.00
Misc	100.00	166.64	-66.64
Reimbursed Expenses	1,463.00	3,413.64	-1,950.64
Transfer Fee	200.00	500.04	-300.04
<b>EXPENSES</b>			
HOA Expenses	30,062.37	33,206.96	3,144.59
Advertisement	0.00	99.96	99.96
Computer & Internet Expense	41.94	99.96	58.02
Entertainment	44.95	99.96	55.01
Insurance	0.00	1,607.00	1,607.00
Landscaping	15,471.00	24,999.96	9,528.96
Licenses & Permits	0.00	50.04	50.04
Office Supplies	191.44	200.04	8.60
Postage	168.96	300.00	131.04
Printing & Reproduction	0.00	300.00	300.00
Professional Fees	0.00	500.04	500.04
Rent Expense	0.00	99.96	99.96
Repairs & Maintenance	9,545.18	200.04	-9,345.14
Taxes	50.00	150.00	100.00
State Taxes	50.00	150.00	100.00
Utilities	3,092.90	4,500.00	1,407.10
Electrical	380.58	500.04	119.46
Water	2,712.32	3,999.96	1,287.64
<b>Net Difference:</b>	<b>8,296.80</b>	<b>7,663.40</b>	<b>633.40</b>

INCOME / EXPENSE

Bank Balance 9/1/15 \$ 59,108.94

REMAINING BUDGETED EXPENSES  
=> 4 x \$ 2621/mo  
(MOSTLY LANDSCAPE)

Two companies estimated both the partial removal and full removal of the pear trees. The third company did not understand that I wanted both partial and complete removal. However, of those people that replied to the notice we sent regarding the pear tree removals, most said do it all at one time. I have attached the bids from everyone and also summarized the information below

Company	Remove all pear trees and all cypress, 1 maple	Remove 4 pear trees, 8 cypress, 1 maples and prune 13 pear trees	Any additional notes
Pacific Landscape Management	\$7540.	\$4820	Includes wood/brush removal. Look at only the top portion of the bid for comparison.
Mark McArthur Westside Tree Company	\$7690	\$4225	The partial bid is very hard to follow but is approximately correct. He came back a second time for the full bid and thus the full bid is more accurate. Bid includes brush and wood removal.
All Around Tree company	\$7400	They didn't understand to make this estimate	<b>This bid does not include wood removal, but does include brush removal which is only included in the terms and conditions not on the quote. Wood is cut into 16-18 inch rounds and left on site.</b>

I recommend we go with the complete removal of all pear and cypress trees.

Given that the estimates are very close and the low estimate does not include wood removal (he never asked, so I assumed it was included), I recommend we go with Pacific Landscape for the project. There is a possibility of broken sprinkler lines due to grinding. Since Pacific has more knowledge about where our sprinkler lines are, they will be more careful about damage. Since we have a relationship with Pacific I also believe they have a stronger vested interest in doing an excellent job.

I also recommend strongly that we go with Pacific for the planting of the replacement items for the following reasons:

- Pacific has a vested interest in our area. In the greenspace they planted a small tree that died, at no charge they replaced it twice, the second time with a different variety although no one understands why the first ones did not work.
- Pacific developed the plan for replacement including shrubs and fewer trees provide less crowding in some places. They are also adding grass seed as necessary at no charge.
- Since Pacific created the plans for replacement it is unfair to share with other companies, they would need to develop their own plans and then comparing the plans can then be a difficult job and in my view not worth the effort.
- Pacific has always done high quality work and has an excellent reputation with clients.
- Pacific did not increase our monthly charges for many years because we have them do additional work during the year. This is a benefit to us because we then have more control over the budget by selecting enhancements rather than increased monthly fees.

Summary of discussion with Lawyer (Kyle Grant @ VF Law):  
8/10/2015

- Directors (Board Members) cannot be paid for their service as Board Members
- Directors may serve as Officers
- Officers can be compensated for their service
- Direct exemption from HOA Annual Dues is not a good idea. Compensation should be in the form of a check to the Officer.
- HOA President and all Directors must be Homeowners. Secretary and Treasurer (if defined) need not be a Homeowner.
- Director/Officer compensation can be done. Compensation is for service as Officer.
- Notification of decision to compensate Officers should be at an open Board Meeting.