

# Hiller Highlands III Association Minutes of 1996 Annual Homeowners' Meeting

The Annual Homeowners' Meeting of Hiller Highlands III Association was held at the Highlands Country Club. Charlene Koger, Vice President of Hiller Highlands III Association, called the meeting to order as a quorum of the membership was present. Twenty members of the Association were represented in person, and eleven members were represented by proxy.

The Vice President opened the meeting by introducing the members of the Board of Directors and the chairman of each of the standing committees. Additionally, Charlene introduced a new member of the Association—Robert Delsol (12 Marlin Cove).

Robert Skolaski, Secretary/Treasurer of Hiller Highlands III Association, asked for a motion to suppress the reading of the minutes of the last annual meeting, as the minutes were previously distributed to each homeowner. The motion was made, seconded, and carried. The Secretary/Treasurer further asked for a motion to approve the minutes as written; the motion was made, seconded, and carried.

The Secretary/Treasurer asked for a motion to suppress the reading of the minutes of the October Board of Directors' meeting. The motion was not made, and the minutes were read aloud. Upon concluding the reading of the minutes, Kathi Campbell (23 Binnacle Hill) indicated that Robert Skolaski was unable to continue maintaining the Association's books if he was not going to continue to serve on the Board of Directors. She cited a 1991 state law which requires that the Association's books be physically located at the premises of an officer. The Board of Directors voted in October to appoint Robert Skolaski to continue maintaining the Association's books, but did not authorize Robert to actually write checks and direct the payment of obligations. Further, it was not the Board's mandate that Robert physically possess the Association's documents. The Secretary/Treasurer asked for a motion to approve the minutes as read; the motion was made, seconded, and carried.

*[It is not my intention to jeopardize or compromise any position of the Association, and most certainly to not provide an avenue for potential legal contest. Therefore, I must respectfully decline the Board of Directors' appointment. Further, I have printed all financial information and documents to pass forward to successive Boards, and deleted all computer data files and documents I have maintained on my personal computer system. Likewise, this document will be deleted upon rendering a final hard copy. rjs]*

The Secretary/Treasurer read aloud the minutes of the November Board of Directors' meeting. The Secretary/Treasurer asked for a motion to approve the minutes as read; the motion was made, seconded, and carried.

The President engaged the membership in a discussion with regard to the restructuring of the Association's reserve funds. He reiterated the current position of the funds, and briefly reviewed the voluminous information that was presented over the past few Board of Directors' meetings and various mailings. A motion was made and seconded to table any further discussion with regard to restructuring the reserve funds. The membership represented at the meeting voted 11 to 18, with the majority opposed to tabling the discussion. Another motion was made and seconded to continue investigating options available to restructure the reserve funds. The membership represented at the meeting voted 24 to 5 in favor of continued investigation.

The Secretary/Treasurer briefly reviewed the new budget for 1997 and the actual revenues and expenses for the current year. He called for a vote of the membership to adjust the Association dues assessed to each homeowner, as the dues for 1997 would vary by approximately one dollar per month for most units. The membership represented at the meeting voted unanimously to adjust the dues according to the current 1997 calculations.

The President called for any unfinished business. Doris Bianchi (11 Marlin Cove) asked for discussion with regard to the CORE box and the procedure for securing supplies. Ethel King, Chairman CORE Committee,

**Hiller Highlands III Association**  
**Minutes: Board of Directors' Meeting (November 1997)**

The monthly meeting of the Board of Directors was held on 3 November 1997 at the Highlands Country Club. The President of Hiller Highlands III Association called the meeting to order as a quorum of the Board of Directors was present. The following Board members and homeowners attended the meeting:

Doris Bianchi (11 Marlin Cove)  
Kathi Campbell (23 Binnacle Hill)  
Jean Dennis (8 Binnacle Hill)  
Billie and Bob George (37 Binnacle Hill)  
Anita Jones (29 Binnacle Hill)  
Ethel King (6 Binnacle Hill)

Wes and Florence Lim (33 Binnacle Hill)  
Walt Lindquist (5 Binnacle Hill)  
John and Rosemary Merchant (32 Binnacle Hill)  
Betty Shelley (38 Binnacle Hill)  
Ginny Patterson (39 Binnacle Hill)  
Philippa Zuckerman (31 Binnacle Hill)

**Finance/Insurance:** As of 3 November 1997, the Association's operating account had a balance of \$11,543. Please note a correction to the Operating Account Financial Statement covering 1 January - 15 October 1997 (distributed with the October meeting minutes). The insurance subtotal should have been \$16,497, making the account balance \$13,264.

On 1 November, the Board received a letter of cancellation from Gryphon and Frontier Insurance Companies, which provide the Association's earthquake insurance. Fortunately, the companies had made a mistake and have since issued confirmation that Hiller Highlands III Association is insured as before.

**Other Business:**

The Board is proceeding with plans to install a \$95 sign (which will cite the parking restrictions) at the entrance to Binnacle Hill.

The Board contacted the Association's attorney, Jeffrey Barnett, for legal advice on how best to enforce the bylaws & CC&Rs. In order to execute due process, the Association should inform all owners/residents of the rules and the penalties. Following a citation, the cited individual would have an opportunity to appear before the Board and plead his/her case. The Board would then decide whether to levy a fine.

**Annual Meeting:**

**HHIII's Annual Meeting will be held on Monday, the 1st of December 1997. Please plan to attend to elect the 1998 Board of Directors.** In order for this meeting to be official, the Association needs at least 51 % participation, so **if you are not able to attend in person, please fill out a proxy and give it to the Treasurer** at 31 Binnacle Hill. Further information is attached.

The Board Members conducted a telephone survey of homeowners to gauge interest in serving on the 1998 Board of Directors and in engaging a professional property manager. Please see attached Annual Meeting information regarding nominees for the 1998 Board of Directors.

TO: Members, Hiller Highlands III Association  
FR: Board of Directors, Hiller Highlands III Association  
DA: 11/10/97  
SU: Annual Homeowners' Meeting

This year's annual homeowners' meeting is scheduled for Monday, 1 December 1997 at 7 p.m. in the Fireside Room of Highlands Country Club. The Board of Directors will use the annual meeting to review the past year, conduct any new business pertinent to the Association and elect a new Board of Directors.

In accordance with the Bylaws and Covenants, Conditions and Restrictions, a quorum of the association membership must be present, either in person or by proxy, to hold the annual meeting and to elect a new Board. The Board of Directors would like to encourage the participation of all homeowners. If you are unable to attend the annual meeting, you may designate a proxy by completing the attached Revocable Proxy statement and delivering such to the Secretary of the Association at the address below. All proxies must be received by the Secretary not less than twenty-four hours prior to the annual meeting. Should you submit a proxy to the Secretary and later choose to attend the annual meeting, please be sure to inform the Secretary upon your arrival at the meeting.

Philippa Zuckerman  
Secretary/Treasurer  
Hiller Highlands III Association  
31 Binnacle Hill  
Oakland, CA 94618

Please find several attached documents for your review prior to the annual meeting. We look forward to seeing you at the meeting!

Attachments

**HILLER HIGHLANDS III ASSOCIATION**  
**Annual Homeowners' Meeting**  
**1 December 1997**

**AGENDA**

Member Sign-In and Verification of Quorum

Call to Order

Introductions:

Board of Directors, Committee Chairs, New Association Members

Approval of Minutes of 1996 Annual Meeting

Annual Report for 1997

Plans for 1998

New Issues

Election of New Board of Directors

**1998 Slate of Candidates  
for election to  
The Board of Directors  
Hiller Highlands III Association**

The Board of Directors and Nominating Committee is pleased to present the following candidates for election to the 1998 Board of Directors:

Clarence Hampton	10 Marlin Cove
Walter Lindquist	5 Binnacle Hill
John Merchant	32 Binnacle Hill

The Board of Directors consists of three members of the Association. You may vote for not more than three of the candidates presented. The three candidates receiving the most number of votes from a quorum of the membership of the Association shall be duly elected to the Board of Directors. The term of the new Board of Directors will commence on the first day of January 1998 and expire on the last day of December 1998. The newly-elected Board of Directors shall have, as its first order of business, the determination of position of each elected director. However, regardless of position, each elected director will have a single and equal vote as any other elected director.

**Revocable Proxy  
HILLER HIGHLANDS III ASSOCIATION**

The undersigned Member(s) ("Member") of Hiller Highlands III Association ("Association") hereby revoke(s) all previous proxies, and acknowledge(s) notice of the annual homeowners' meeting to be held 1 December 1997 at 7 p.m. at the Highlands Country Club, and all materials accompanying such notice, and appoint(s): (Please check one of the boxes below.)

a) Board of Directors

b) Individual (please specify):

as proxy ("Proxy holder") of the Member. By proxy, this Proxy holder shall have the power to use this proxy and otherwise represent the Member at said meeting and any adjournment thereof in the manner set below. Any act the Proxy holder shall take pursuant to this proxy shall have the same effect as if the Member were present and so acting. By submitting this proxy the Member consents to its use for the establishment of a quorum.

This proxy shall expire on the following date: \_\_\_\_\_. However, no proxy may exceed three years from its execution. Should no expiration date be specified, this proxy shall expire on the third anniversary of the execution date.

The Member must sign this proxy exactly as the Member holds title to the Member's lot. Date the proxy and return it to the Secretary of the Association not later than 26 November 1997 at the address shown below:

Philippa Zuckerman  
Secretary/Treasurer  
Hiller Highlands III Association  
31 Binnacle Hill  
Oakland, CA 94618

Proxies received after 26 November 1997 will not be honored for the 1997 Annual Meeting.

Member (print name): \_\_\_\_\_ Member's Signature: \_\_\_\_\_

Joint Owner (print name): \_\_\_\_\_ Joint Owner's Signature: \_\_\_\_\_

Address: \_\_\_\_\_ Date: \_\_\_\_\_

Note: When signing as an attorney, executor, administrator, trustee, guardian, or other representative capacity, please specify your title. Joint owners must each sign this proxy statement.

***This is a revocable proxy which a Member may revoke by attending the Annual Homeowners' meeting. Should the member decide to attend the annual meeting after executing this proxy, the Member must notify the Secretary upon arrival at the meeting.***

**HILLER HIGHLANDS III ASSOCIATION**  
**Notes to Forecast of Revenues, Expenses, and Changes in Fund Balances**  
For the Year Ending 31 December 1998

**NOTE 1: The Association**

Hiller Highlands III Homeowners' Association (the Association) represents a common interest real estate subdivision located in Oakland, California. The Association consists of forty residences and related common area property. The Association was organized in 1972 as a non-profit mutual benefit association to provide management and maintenance of the common area property.

**NOTE 2: Basis of Presentation**

The Forecast of Revenues, Expenses, and Changes in Fund Balances is presented on accrual basis of accounting and represents estimates, based on assumptions of the Board of Directors, of Operating Fund and Replacement Fund revenue and expense activity for the year ending 31 December 1998. Some assumptions will not materialize as anticipated, and unexpected events and circumstances may occur subsequent to the date of this forecast. Accordingly, actual results during the period may vary, and may vary materially, from the forecast.

**NOTE 3: Assumptions**

**Revenues:** Regular monthly assessments (dues) include a component for insurance expense which varies between \$41 and \$67 per month based upon the insured value of each unit; and a component for operating expenses which is expected to be \$71 per month per unit. Accordingly, monthly dues vary between \$112 and \$138 per unit per month. It is anticipated that an assessment for the Replacement Fund will be unnecessary.

Interest income is forecast based on earnings from Operating Fund and Replacement Fund cash balances. Effective interest rates are estimated to range from 1.0% to 2.0%.

**Replacement Fund Balance:** The Board of Directors anticipates that the reserves for major component replacement will be fully funded as of the beginning of the year. It is assumed that interest earned on the fully funded reserves will equal or exceed the related underlying cost increases of the components. Accordingly, no assessments have been forecast for the Replacement Fund.

**Major Component Replacement:** The Board of Directors has determined that the Association is obligated to provide for the following major components over a 28-year cycle.

Component	Useful Life	Remaining Life	Replacement Life	Replacement Frequency	Reserve
Audit/Reviews	N/A	N/A	\$2,205	9	\$19,845
Irrigation System	28 years	25 years	\$78,750	1	\$78,750
Landscaping	28 years	25 years	\$10,500	1	\$10,500
Roadway:					
Slurry Coat	5 years	2 years	\$2,625	5	\$13,125
Resurface	28 years	25 years	\$31,500	1	\$31,500
Street Lighting	28 years	25 years	\$21,000	1	\$21,000
Total Reserves					\$174,720

Replacement cost represents estimated current replacement cost in 1997 dollars (base value in 1995 dollars plus 2.5% per year thereafter for inflation). This cost includes estimated costs of removal or preparation to facilitate repair or replacement of the use component.

The useful life represents an estimate of the average life of a component. Estimated useful lives were determined by the Board of Directors.

**HILLER HIGHLANDS III ASSOCIATION**  
**Forecast of Revenues, Expenses, and Changes in Operating Fund Balances**  
**For the Year Ending 31 December 1998**

<b>Description</b>	<b>1998 Operating Fund</b>	<b>Replacement Funds</b>	<b>Total Funds</b>
<b>REVENUES</b>			
Dues Income	\$58,188		\$58,188
Interest Income	\$120	\$7,000	
<b>Total Revenues</b>	<b>\$58,308</b>	<b>\$7,000</b>	<b>\$58,308</b>
<b>EXPENSES</b>			
Major Component Replacement: None Planned	\$0	\$0	\$0
Landscape Services: Maintenance \$15,480 Planting \$1,500 Irrigation Maintenance \$2,400	\$19,380		\$19,380
Utilities - Water	\$5,900		\$5,900
Utilities - Electricity	\$2,520		\$2,520
Insurance: Earthquake: \$18,000 Common Area: \$3,700 Directors & Officers: \$1,600 Fire: \$9,500	\$32,800		\$32,800
Professional Fees	\$1,400		\$1,400
Administrative Supplies & Misc.	\$700		\$700
<b>Total Expenses</b>	<b>\$62,700</b>	<b>\$0</b>	<b>\$62,700</b>
<b>Net Revenues (Expenses)</b>	<b>(\$4,392)</b>	<b>\$7,000</b>	<b>\$2,608</b>
<b>FUND BALANCES</b>			
Beginning of Year	\$12,000	\$195,000	\$207,000
End of Year	\$7,608	\$202,000	\$209,608

See Accompanying Notes and Compilation Report

**Highlands Highlands III Association Projected Cash Flow Analysis - 1998**

1998	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>INCOME</b>	4,859	4,859	4,859	4,859	4,859	4,859	4,859	4,859	4,859	4,859	4,859	4,859	58,308
<b>EXPENSES</b>	2,108	1,958	20,408	2,938	6,208	2,598	2,108	4,748	2,109	2,994	12,009	2,514	62,700
<b>BALANCE</b>	14,751	17,652	2,103	4,024	2,675	4,936	7,687	7,798	10,548	12,413	5,263	7,608	

Balance End '97: \$12,000

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>EXPENSES</b>	<b>2,108</b>	<b>1,958</b>	<b>20,408</b>	<b>2,938</b>	<b>6,208</b>	<b>2,598</b>	<b>2,108</b>	<b>4,748</b>	<b>2,109</b>	<b>2,994</b>	<b>12,009</b>	<b>2,514</b>	62700
Landscape Care	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	15480
Landscape Planting			300	400	400						400		1500
Land./Irrigation Maintenance	400		400		400		400		400		400		2400
Water		400		480		1,040		1,590		1,435		955	5900
PG&E	210	210	210	210	210	210	210	210	210	210	210	210	2520
Insurance		Earthquake	18,000	* Comm.	3,700		D&O	1,600		Fire	9,500		32800
Taxes, Legal, Consultants	150		150	500	150		150		150		150		1400
Copies, Postage, Misc.	58	58	58	58	58	58	58	58	59	59	59	59	700

\* Common Area Insurance

**HILLER HIGHLANDS III ASSOCIATION**  
Insurance Fact Sheet (as of 10 November 1997)

Property and Casualty (Fire Insurance)	Carrier:	Aetna Life and Casualty
	Policy Information:	\$10.091 million property loss \$1000 dollar deductible \$2.0 million general liability aggregate, \$1 million per occurrence \$200,000 fidelity bond with \$1,000 deductible
	Policy Term:	1-year
	Renewal:	11/22/1998
	Premium:	\$9,688
	Broker:	Bay Area Insurance Co.
Difference in Conditions (DIC) (Earthquake Insurance)	Carrier:	Gryphon/Associated International Insurance Co.
	Policy Information:	\$5.0 million, part of \$7.5 million 12.5% deductible per building value per claim; minimum deductible \$25,000 per occurrence
	Policy Term:	1 year
	Renewal:	3/12/98
	Premium:	\$11,100
	Broker:	Grand Central Insurance Services
Difference in Conditions (DIC) (Earthquake Insurance)	Carrier:	Frontier Pacific Insurance Company
	Policy Information:	\$2.5 million stop-loss, part of \$7.5 million 12.5% deductible per building value per claim; minimum deductible \$25,000 per occurrence
	Policy Term:	1 year
	Renewal:	3/12/98
	Premium:	\$5,600
	Broker:	Grand Central Insurance Services
Directors and Officers (D&O)	Carrier:	Chubb Group
	Policy Information:	\$3.0 million liability
	Policy Term:	1-year (must renew to protect directors and officers during rebuild as result of 1991 firestorm)
	Renewal:	8/14/98
	Premium:	\$1,600
	Broker:	Grand Central Insurance Services
Common Area Replacement	Carrier:	Lloyds of London
	Policy Information:	\$350,000 blanket irrigation and landscape \$150,000 blanket roadway and walks \$2,500 deductible
	Policy Term:	1 year
	Renewal:	5/29/98
	Premium:	\$3,723
	Broker:	Grand Central Insurance Services

# HILLER HIGHLANDS, PHASE ONE ASSOCIATION

## ANNUAL HOMEOWNERS' MEETING MARCH 25, 1996

### MINUTES

#### I. Attendance

#1 Ned and Mary Flanders; #3 Vida Ribnikar; #5 James and Phyllis McCarty proxy assigned to Jim and Doreen Douglas; #7 Tricia Swift; #9 Doreen and Jim Douglas; #11 Sue Naylor proxy assigned to Fred Booker; #20 Dave Bent; #22 Mildred Hughes; #24 Lyle and Margaret Byers; #26 Mackenzie and Norma Cantin; #28 Philip and Mimi Martin; #29 Robert Heymann and Mark Seeba proxy assigned to Mildred Hughes; #30 absent; #31 Diane Wattenburg; #33 absent; #35 Lloyd Cobbleddick proxy assigned to Steven Cobbleddick; #38 absent; #40 Evan Delegeane; #41 Fred Booker and Blythe Mickelson; #Ruggero Stefanini proxy assigned to Fred Booker; #43 Sonja Woodham proxy assigned to Fred Booker; #44 absent; #45 Mark and Basha Hanner; #46 Evelyn Pavone; #47 Joe Hunt; #48 Ann and John Mulligan; #51 Lloyd Reed proxy assigned to Schiff; #53 Avice Saint; #55 Chuck Scurich; #57 Bob and Ann Schiff; #59 Ed and Rosalind Ono; #60 Elizabeth Scurich proxy assigned to Chuck Scurich; #61 Patrick and Judy Geoghegan; #62 Elizabeth Scurich proxy assigned to Chuck Scurich.

A quorum was present: 30 votes present which is 88% of a total of 34 possible.

#### II. Meeting Called to Order.

Hiller Highlands Phase One Association President Bob Schiff called to order the meeting at 7:30 p.m. with the following board member present:

Bob Schiff, President  
Judy Geoghegan, Vice President  
Fred Booker, Treasurer  
Chuck Scurich, Secretary

#### III. Approval of Previous Annual Minutes

Minutes from the 1995 Annual Meeting had been distributed in March 1996. It was M/S/P (Moved, Seconded, and Passed) to approve the minutes of the March 31, 1995 Annual Meeting as submitted.

#### IV. President's Remarks

Bob Schiff announced that the Higgins residence (#44) was sold and that we now have a new member of our association: Michelle Meaux. Bob also announced that we have another new resident in #33: Evelyn Mickleson.

Bob reported that the condition of the street warranted repair. He said that O.C. Jones will repair the damaged portions of the street near the entry of Spyglass Hill and Hiller Drive. He also let the Homeowners know that sometime this year the street would be seal-coated. It will be necessary to have everyone's cooperation during this procedure. Residents may need

to park their cars off of Spyglass Hill for a 24 hour period depending on the weather. The next Board will give adequate notice of the procedure and timing.

Bob Schiff gave thanks to Ed Ono and all who assisted him with the CORE (Citizens of Oakland Respond to Emergencies) Project activities. Ed was elected treasurer of that organization and represents our association.

Bob reported that the decision that this year's annual meeting would be a "business" meeting without the traditional dinner was made by the present Board of Directors in order to cut costs. This does not mean that in the future we cannot have dinner meetings.

#### **V. Treasurer's Report**

Fred Booker presented his report to the Homeowners. A copy of the 1996 budget was distributed to all present. Fred explained that this copy was a bit different from the copy that was previously distributed a few weeks ago.

Fred announced that two CDS of \$40,000 each were purchased bearing an interest rate of 5.28%.

He discussed the hiring of a company to do a reserve study to determine how much money we should set aside to cover any future expenses due to maintenance items such as street paving, painting, lighting. The outcome of this study may be a dues increase. It was also announced that we recently found out that we as a homeowner association are legally required to have a reserve study done.

There were questions taken from the floor. Requests for clarification of various items were asked, such as Ned Flanders's question regarding the income tax refund. Steven Cobbledick asked why there was no money set aside for CORE materials. The explanation given was that the Board needed to get more information from the CORE group about what materials would be needed first before we would appropriate a money amount.

There was no further discussion. It was M/S/P (Moved, Seconded, and Passed) to approve the 1996 budget.

#### **VI. Insurance Report by Jim Douglas**

President Bob Schiff first thanked Jim Douglas for all the work he did to assure that our association was adequately insured. He then introduced Jim Douglas who took the floor.

Jim handed out to the Homeowners a written summary of our present insurance policies and explained the coverages. He discussed deductibles and Homeowner responsibilities of items that are not covered by our association's policy. The Homeowner could be responsible for the deductibles. There was discussion from the floor regarding individual loss assessment coverage and the amount of coverage. Jim also brought up improvement coverage and additional living coverage during rebuilding that covers rent and furniture rental for about one year. He also discussed liability coverage and personal property coverage.

#### **VII. New Board of Directors**

Bob Schiff presented nominations for the next Board and asked for any other nominations of which there were none. It was M/S/P (Moved, Seconded, and Passed) to approve the slate of new officers of the Board of Directors of the Hiller Highlands Phase One Association as follows:

Fred Booker

Chuck Scurich

Rosalind Ono

Evan Delegeane

## **VII. Questions and Answers**

President Bob Schiff initiated a question and answer session from the floor. There were several questions brought up by members present.

Mackenzie Cantin asked if there was any way to contact W.L. Butler for things that were still their responsibility. One contact mentioned was Mike Newland.

Phil Martin initiated discussion regarding a day to be set aside where homeowners could volunteer to do landscaping and/or planting of attractive bushes across from units 1,3,5, and 7. More discussion followed. The new Board may entertain such a plan and a Landscape Committee may be formed in the future. Ned Flanders brought up a landscaping item regarding a dead tree near his home. Diane Wattenburg also asked for clarification of the responsibilities of the maintenance men. Fred explained them to her.

Avice Saint made an announcement regarding an inspection to be made by the Fire Department in April and her concern of some dried sticks behind her home.

Phil Martin announced that he is the liaison person representing our association to Highland Country Club. He expressed the importance of increasing the membership of the Club. Presently the club has 460 members and would like to have 550.

Anyone who has blueprints of his unit, please give them to Bob Schiff as he is storing all plans off-site. This off-site storage decreases our insurance costs significantly.

Thanks were given to the out-going members of the Board of Directors.

## **IX. Adjournment.**

There being no further business, the meeting was adjourned at 8:30 p.m.

**Respectfully Submitted,**



Chuck Scurich, Secretary

Hiller Highlands I Association  
Oakland, California  
California Summary

Report Date	January 11, 1997	Parameters:	
Version	005	Inflation	3.00%
Account Number	1	Annual Contribution Increase	5.00%
Budget Year Beginning	4/ 1/97	Investment Yield	5.00%
Ending	4/ 1/98	Taxes on Yield	30.00%
Total Units Included	34	Contingency	15.00%
Phase Development	1 of 1	Accumulated Reserve Balance as of	
		4/ 1/97:	\$82,889.00

Phase Increment Detail/Age

Unless otherwise indicated in this report, we have used January 1994, as the basis for aging all of the original components examined in this analysis. There are the following types of units:

Condominiums - 14 units; and  
Planned Development - 20 units.

The last RDA field inspection was completed on April 15, 1996.

This report was prepared by Fred Booker, President, HHPI Association using software developed by Reserve Data Analysis, Inc..

RDA Summary of Calculations

Monthly Contribution to Reserves Required:	\$287.26
( \$8.45 per unit per month)	
Average Net Monthly Interest Contribution This Year:	\$250.33
Net Monthly Allocation to Reserves 4/ 1/97 to 4/ 1/98:	\$537.59
( 15.81 per unit per month)	

**Hiller Highlands I Association  
California Summary**

REPORT DATE: January 11, 1997  
 VERSION: 005  
 ACCOUNT NUMBER: 1

DESCRIPTION	USE/REM LIFE	CURRENT COST	IDEAL RESERVES	ASSIGNED RESERVES	ANNUAL CONTRIBUTN
Concrete - Stairs/Pads/Prkng/Drive	99/95	0	0	0	0
Streets - Asphalt Overlay	20/16	30,714	5,185	5,185	1,317
Streets - Asphalt Repairs	12/13	5,505	1,101	3,886	90
Streets - Asphalt Sand Slurry	8/ 2	6,043	4,376	6,043	0
Streets - Asphalt Wet Slurry	8/ 7	4,532	302	4,532	0
*** CATEGORY SUMMARY:		46,794	10,964	19,646	1,407
Paint - Ext, Entry Monument Walls	10/ 6	112	39	112	0
Paint - Ext, Stucco, Bldgs C1/C2	10/ 6	1,830	643	1,830	0
Paint - Ext, Stucco, Bldgs E1/E2	10/ 6	526	185	526	0
Paint - Ext, Wood, Mailbox Kiosks	5/ 1	103	79	103	0
Paint - Int, Garages, Bldgs C1/C2	10/ 6	1,046	367	1,046	0
Seal - Wood Walkway, Bldgs D1/D2	5/ 1	2,572	1,967	2,572	0
*** CATEGORY SUMMARY:		6,189	3,280	6,189	0
Fencing - Wood, Crprt, G3, Unit 30	16/12	498	106	498	0
Walls - Retaining, Repairs	50/29	36,993	18,887	18,887	367
Walls - Stucco, Repairs	25/21	0	0	0	0
*** CATEGORY SUMMARY:		37,491	18,993	19,384	367
Railing - Garage, Bldgs C1/C2, Repl	25/21	3,155	423	423	101
*** CATEGORY SUMMARY:		3,155	423	423	101
Lighting - Ext, Assoc Entry Walls	12/ 8	300	87	300	0
Lighting - Ext, Domed Path Lights	12/ 8	12,530	3,620	12,530	0
Lighting - Ext, Street Lights	22/18	7,488	1,145	1,145	284
*** CATEGORY SUMMARY:		20,318	4,852	13,975	284
Bench/Wall - Wood, Spyglass, Repl	16/12	1,281	273	1,281	0
*** CATEGORY SUMMARY:		1,281	273	1,281	0
Copy & FAX Machines - Repl	10/ 6	1,059	372	1,059	0
*** CATEGORY SUMMARY:		1,059	372	1,059	0
Walkway - Wood, Bldgs D1/D2, Repl	20/16	10,265	1,733	1,733	440
*** CATEGORY SUMMARY:		10,265	1,733	1,733	440
Doors - Storage, Bldgs C1/C2	18/14	2,320	437	437	114
Doors - Storage, Bldgs E1/E2	18/14	1,740	328	328	85
*** CATEGORY SUMMARY:		4,060	765	765	199
Irrigation - Controllers, Repl	12/ 8	6,303	1,821	6,303	0

**Hiller Highlands I Association  
California Summary**

DESCRIPTION	USE/REM LIFE	CURRENT COST	IDEAL RESERVES	ASSIGNED RESERVES	ANNUAL CONTBTN
*** CATEGORY SUMMARY:		6,303	1,821	6,303	0
Mailboxes/Wood Structures - Repl	18/14	4,067	766	766	200
*** CATEGORY SUMMARY:		4,067	766	766	200
Sign - Wood, Painted	12/ 8	553	160	553	0
*** CATEGORY SUMMARY:		553	160	553	0
<b>TOTAL ASSET SUMMARY:</b>		<b>141,535</b>	<b>44,402</b>	<b>72,077</b>	<b>2,997</b>
<b>CONTINGENCY @ 15.00%:</b>			<b>6,660</b>	<b>10,812</b>	<b>450</b>
<b>GRAND TOTAL:</b>			<b>51,062</b>	<b>82,889</b>	<b>3,447</b>

**Percent Ideally Funded: 162.33%**

# *Spyglass Hill*

Hiller Highland's Phase One Association  
Oakland, California  
Meeting Minutes January 12, 1997

Members Present: Fred Booker, Rosalind Ono, Chuck Scurich, Evan Delegeane

## **I) Review of Blueprints for Upgrading of Unit # 48**

The Board reviewed the official construction blueprints regarding the addition of a loft and entryway window in Unit#48. It was M/S/P to approve the plans. A letter will be sent along with a copy of the minutes to the City of Oakland.

## **II) Landscaping**

The Board decided to go ahead with plans to reseed the eastern hillslope with rye grass and wildflower mix. The flower mix will consist of perennials. Cost: \$540 including labor. The Board discussed purchasing 1 gal. shrubs to be planted above the lower V ditch at the front entrance. These plants will replace previously planted shrubs that have died. Homeowners will be asked to participate in a workday to plant these new shrubs rather than paying the gardening service to do the work. The cost of a 1 gallon plant, fertilizer and soil amendment is approximately \$5.00. Additional plantings will be paid for by State Farm Insurance (claim settlement) will be used to fill in bare areas below the V ditch at the front entrance.

It was M/S/P to spend up to \$1,000.00 on landscape improvements.

## **III) Reserve Fund**

The reserve fund computer model created by Reserve Data Analysis Inc. for Phase I was run by Fred Booker in preparation for the annual meeting. Using a planned approach for future maintenance allows the Association to establish a financing plan to pay for this future maintenance. In order to meet our maintenance goals a monthly contribution of \$8.45 per homeowner will required as part of the monthly dues.

## **IV) Annual Meeting**

The annual meeting will be held on March 7, 1997, at 7:30 PM at the Highlands Country Club.

Chuck Scurich presented the proposed budget to be voted on at the annual meeting. It was M/S/P to submit the budget to homeowners.

Board members will ask homeowners to volunteer for the 1997 Board as Fred Booker and Evan Delegeane are stepping down.

It was M/S/P to adjourn the meeting at 2:00 P.M.

# *Spyglass Hill*

Hiller Highlands Phase I Association  
Annual Homeowners' Meeting  
Highlands Country Club  
March 7, 1997

## I) Attendance:

#1 - Ned and Mary Flanders, proxy assigned to Vida Ribnikar; #3 - Vida Ribnikar; #5- Helen Weir; #7 - Tricia Swift; #9 - Doreen Douglas; #22 - Mildred Hughes; #24 - Lyle & Margaret Byers; #28 - Phil Martin; #29 - Robert Heymann, proxy assigned to Mildred Hughes; #30 - Georgia Wieland, proxy assigned to Fred Booker; #31 - Diane Reilly & Bill Wattenberg; #35 - Steve Cobbledick; #38 - Nabil Abo-Khatwa, proxy assigned to Roger Baron; #40 - Evan Delegeane; #41 - Fred Booker and Blythe Mickelson; #42 - Ruggero Steffanini, proxy assigned to Fred Booker; #45 - Basha & Mark Hanner; #47 - Joe Hunt; #48 - John Mulligan; #49 - Evelyn Pavone; #51 - Lloyd Reed, proxy held by Chuck Scurich; #53 - Avic Saint; #55 - Chuck Scurich; #57 - Bob and Ann Schiff; #59 - Rosalind and Ed Ono, proxy held by Bob Schiff; #60 - Betty Scurich, proxy held by Chuck Scurich; #61 - Pat and Judy Geohegan, proxy held by Bob Schiff; #62 - Betty Scurich, proxy held by Chuck Scurich.

A total of twenty eight (28) members present either in person or represented by proxy, representing 82% of all homeowners.

Board Members Present: Fred Booker, President; Chuck Scurich, Treasurer; Evan Delegeane, Secretary.

## II) Meeting Called to Order

Meeting was called to order at 7:30 PM. by Fred Booker, 28 members present.  
A quorum was determined to be present.

## III) Approval of Previous Annual Minutes

Bob Schiff Motioned to approve the minutes of the March 25, 1996 meeting.  
It was M/S/P to approve minutes of March 25, 1996 minutes

## IV) Acknowledgments

The Board acknowledged several homeowners for volunteer work that benefitted Spyglass Hill and Hiller Highlands in general: Jim Douglas for his involvement in securing insurance bids; Bob Schiff for his vigilance in keeping our street and walkways lit; Ed Ono for his involvement in CORE; Sue Naylor, Sonja Woodham, Ann Mulligan and Judy Geohegan for their work in securing first aid supplies for the Hiller Highlands CORE project.

## V) Community Association Institute (CAI)

Fred reviewed our association with the CAI. The Community Associations Institute is a

insured for all perils with \$12,000,000 of coverage. In June, 1996, Farmers reduced the Associations earthquake coverage to \$5,000,000 and instituted a blanket \$1,400,000 deductible all the while raising Association premiums from approximately \$27,000 to \$51,000. The Association with Jim Douglas's help has secured an earthquake policy through Crause and Associates. The Board decided that the Association should be insured as close to full coverage as possible for the following reasons: when the Board handed out an insurance survey last year, less than half the homeowners responded to the survey; of those homeowners who responded to the survey, only 5 carried the \$50,000 loss assessment coverage that all Boards since the fire have mandated as the minimum coverage homeowners should carry; Fred also noted that it was his belief that at least five homeowners carried no insurance at all. The general conclusion from the survey was that homeowners were under-insured and could not be counted on to have the necessary funds to rebuild the street in the case of major earthquake damage. For these reasons the Board felt it was necessary for the Association to carry a \$10,000,000 policy. Fred noted that the cost of earthquake insurance over thirty years is approximately 18% of the value of one's home, not an excessive amount to protect what is probably every homeowners single largest investment. The deductible for the earthquake policy has been reduced to approximately \$50,000 (12.5%) per building. Jack Graham of Farmers is still our agent for all policies held by the Association.

#### IX) Treasurer's Report

Chuck Scurich presented his treasurer's report to the Homeowners. A copy of the 1997 Budget was previously sent to the homeowners. Chuck used an overhead projector to explain to the Homeowners what the budget for 1997 consisted of. Chuck explained why there was a deficit spending during the last year. The deficit amounted to \$20,534. The major cause was due to the increased insurance costs. He also explained that rather than raise dues immediately, the Board decided to use up excess operating funds before instituting a dues increase.

Our anticipated operating balance ending 3/31/97 will be \$12,479.

The amount budgeted for water for 1997 is \$7,800. A considerable decrease in the cost of water is anticipated when a separate meter to handle the irrigation is installed. \$12,000 will be borrowed from the reserve fund to pay the cost of installing the irrigation meter. Any savings derived from the installation of the irrigation meter will be put back into the reserve fund to pay for the new meter. This money is reflected in the reserve contribution line item in the expenses column. It is anticipated that the new meter will pay for itself in five years.

Chuck explained that the two CD's of approximately \$82,000 represented the Reserve Fund. Funds will be removed from the CD's and put into a savings account as they are needed. The monthly dues that are collected for the reserve fund will also be placed into this savings account to be transferred to the CD's when they come due.

Questions were taken from the floor:

Mark Hanner asked for a clarification of the Budget Report regarding the Line item: Reserve Transfer since it was listed as "Income." Chuck explained that this was just an artifact to balance the one page budget as reserve fund expenditures for the water meter were included in the expense column.

Chuck remarked that this year we had to pay taxes where last year we received a tax refund. The refund for 1996 was due to an overpayment in 1995. All in all, other than insurance, expenses have been reduced across the board.

X) Budget Approval

Chuck Scurich explained that a dues increase of \$50.00/month was recommended by the current Board in order for the Association to meet its insurance/maintenance goals. This would bring the Homeowners' monthly dues to \$230.00/month effective April 1<sup>st</sup>, 1997.

Ann Schiff motioned to accept the budget as outlined. Tricia Swift seconded the motion.

A general discussion regarding the budget took place.

It was M/S/P to approve and pass the budget by members present.

XI) Introduction of the new slate of officers for the 1997 fiscal year

Mary Flanders; Rosalind Ono; Chuck Scurich; Ann Schiff; Diane Riley;

Nominations were asked from the floor, none were given.

Phil Martin moved that the nominations be closed.

It was M/S/P to approve the new slate.

XII) Further Business

A speeding issue on Spyglass Hill was discussed. Fred requested that we all reduce our speed on Spyglass Hill.

Chuck Scurich and Phil Martin acknowledged Fred's contribution to our street.

XIII) Adjournment

It was M/S/P to adjourn the meeting at 8:45 P.M.

Faithfully submitted:



Evan Delegeane, Secretary

# *SPYGLASS HILL*

Hiller Highlands Phase I Association  
Annual Homeowners' Meeting  
Highlands Country Club  
March 7, 1997

## **I) Attendance**

#1 - Ned and Mary Flanders, proxy assigned to Vida Ribnikar; #3 - Vida Ribnikar; #5 - Helen Wehr; #7 - Tricia Swift; #9 - Doreen Douglas; #22 - Mildred Hughes; #24 - Lyle & Margaret Byers; #28 - Phil Martin; #29 - Robert Heymann, proxy assigned to Mildred Hughes; #30 - Georgia Wieland, proxy assigned to Fred Booker; #31 - Diane Reilly & Bill Wattenburg; #35 - Steve Cobbledick; #38 - Nabil Abo-Khatwa, proxy assigned to Roger Baron; #40 - Evan Delegeane; #41 - Fred Booker and Blythe Mickelson; #42 - Ruggero Steffanini, proxy assigned to Fred Booker; #45 - Basha & Mark Hanner; #47 - Joe Hunt; #48 - John Mulligan; #49 - Evelyn Pavone; #51 - Lloyd Reed, proxy held by Chuck Scurich; #53 - Avice Saint; #55 - Chuck Scurich; #57 - Bob and Ann Schiff; #59 - Rosalind and Ed Ono, proxy held by Bob Schiff; #60 - Betty Scurich, proxy held by Chuck Scurich; #61 - Pat and Judy Geohegan, proxy held by Bob Schiff; #62 - Betty Scurich, proxy held by Chuck Scurich.

A total of twenty eight (28) members present either in person or represented by proxy, representing 82% of all homeowners.

Board Members Present: Fred Booker, President; Chuck Scurich, Treasurer; Evan Delegeane, Secretary.

## **II) Meeting Called to Order**

Meeting was called to order at 7:30 PM by Fred Booker; 28 members present. A quorum was determined to be present.

## **III) Approval of Previous Annual Meeting Minutes**

Bob Schiff motioned to approve the minutes of the March 25, 1996 meeting. It was M/S/P to approve minutes of March 25, 1996 meeting.

## **IV) Acknowledgments**

The Board acknowledged several homeowners for volunteer work that benefited Spyglass Hill and Hiller Highlands in general: Jim Douglas for his involvement in securing insurance bids; Bob Schiff for his vigilance in keeping our street and walkways lit; Ed Ono for his involvement in CORE; Sue Naylor, Sonja Woodham, Ann Mulligan and Judy Geohegan for their work in securing first aid supplies for the Hiller Highlands CORE project.

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Fred Booker reviewed our association with the CAI. The Community Associations Institute is a group that represents and promotes Community Associations. They are a source of information regarding homeowner rights, Community Association laws, insurance, maintenance, and anything else that can affect the orderly running of a community of homeowners. The Association purchased a library of books and pamphlets to assist homeowners and future Boards in making informed decisions. Lists of titles were made available to homeowners in the evening's handouts.

## **VI) Landscaping**

The Board informed homeowners that in the past year Phase I came to an agreement with Highlands Country Club for water used by units 1-11. Phase I will pay the Club for water used at the Club's water rate. Meters to be read jointly by the Club and Phase I.

The Board President announced that a representative of W. L. Butler, Inc. told him that W. L. Butler agrees that units 1-11 were incorrectly hooked up to the Club's water meter, and they agreed to rectify the problem.

The Board is in the process of investigating installation of a 1" meter for irrigation water. The Board currently estimates the water meter will cost the Association approximately \$12,000.00 to install, but will bring in savings of about \$2,400.00 a year, as the Association currently pays sewage and waste water charges for irrigation water. With a separate meter for irrigation the Association will no longer be assessed fees for services that are not used.

Highlands Country Club now has the funds to landscape the bowl above the upper field. The Board President said that a representative of Highlands Country Club told him that the club does not have funds to landscape their property along our entrance way, but will provide a water hook up so that Spyglass Hill can landscape the area. The Board President indicated that Phase I will be expected to pay all costs for planting the west side of the street from the entrance to the concrete sidewalk in front of #5 Spyglass Hill.

The Board acknowledged homeowners who spent their own money to landscape and improve the common area: Georgia Wieland, Ann Mulligan, Evan Delegeane and Evelyn Pavone, and especially Pat and Judy Geohegan.

## **VII) Reserve Funds**

Fred, using an overhead projector, reviewed the Reserve Study prepared by Reserve Data Analysis for Phase I. A copy of the reserve study Summary had been handed out to all homeowners prior to the annual meeting. Fred explained that the study is required by law so that homeowners are aware of Association maintenance responsibilities and the projected costs. The purpose of the study is to determine the monthly assessment necessary to fund future maintenance projects and by law needs to be done every three years. All Association maintenance requirements mandated by the CC&R's have been entered into a software program. The software uses five (5) parameters to determine the appropriate reserve fund and monthly assessment: inflation; annual contribution increase; investment yield; taxes on yield; and a contingency. The study indicated that an \$8.45 monthly homeowner contribution to the reserve fund is needed for the 1997 fiscal year. Fred explained that the original study by RDA was modified by the Board to reflect expenses incurred by the Association since the completion of the original study. The RDA study had underestimated the cost of treating the wood deck servicing the two D units and the cost of slurry sealing the street. In light of the underestimation by RDA, the Board decided to compensate for a potential shortfall by increasing the contingency parameter of the reserve study from 5% to 15%.

## **VIII) Insurance**

Fred reviewed Association insurance history. Until June of 1996, the Association was insured for all perils with \$12,000,000 of coverage. In June 1996, Farmers Insurance Company reduced the Association's earthquake coverage to \$5,000,000 and instituted a blanket \$1,400,000 deductible, all the while raising Association premiums from approximately \$27,000 to \$51,000. The Association, with the help of Jim Douglas, has

secured an earthquake policy through Crause and Associates. The Board decided that the Association should be insured as close to full coverage as possible for the following reasons: when the Board handed out an insurance survey last year, less than half the homeowners responded to the survey; of those homeowners who responded to the survey, only five carried the \$50,000 loss assessment coverage that all Boards since the fire have mandated as the minimum coverage homeowners should carry; Fred also noted that it was his belief that at least five homeowners carried no insurance at all. The general conclusion from the survey was that homeowners were under-insured and could not be counted on to have the necessary funds to rebuild the street in the case of major earthquake damage. For these reasons the Board felt it was necessary for the Association to carry a \$10,000,000 policy. Fred noted that the cost of earthquake insurance over thirty years is approximately 18% of the value of one's home, not an excessive amount to protect what is probably every homeowners single largest investment. The deductible for the earthquake policy has been reduced to approximately \$50,000.00 (12.5%) per building. Jack Graham of Farmers Insurance is still our agent for all policies held by the Association.

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Chuck Scurich presented his Treasurer's report to the homeowners. A copy of the 1997 Budget was previously sent to the homeowners. Chuck used an overhead projector to explain to the homeowners what the budget for 1997 consisted of. Chuck explained why there was a deficit spending during the last year. The deficit amounted to \$20,534. The major cause was due to the increased insurance costs. He also explained that rather than raise dues immediately, the Board decided to use up excess operating funds before instituting a dues increase.

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Chuck Scurich explained that a dues increase of \$50.00/month was recommended by the current Board in order for the Association to meet its insurance/maintenance goals. This would bring the homeowners' monthly dues to \$230.00/month, effective April 1, 1997.

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A general discussion regarding the Budget took place.

It was M/S/P to approve and pass the Budget by members present.

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Mary Flanders; Rosalind Ono; Chuck Scurich; Ann Schiff; Diane Reilly.

Nominations were asked from the floor, none were given.

Phil Martin moved that the nominations be closed.

It was M/S/P to approve the new slate.

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It was M/S/P to adjourn the meeting at 8:45 PM.

Faithfully submitted:

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Evan Delegeane

# *SPYGLASS HILL*

Hiller Highlands Phase I Association  
Annual Homeowners' Meeting  
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Mary Flanders; Rosalind Ono; Chuck Scurich; Ann Schiff; Diane Reilly.

Nominations were asked from the floor, none were given.

Phil Martin moved that the nominations be closed.

It was M/S/P to approve the new slate.

**XII) Further Business**

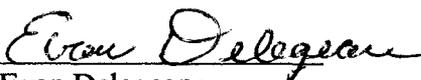
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Chuck Scurich and Phil Martin acknowledged Fred's contribution to our street.

**XIII) Adjournment**

It was M/S/P to adjourn the meeting at 8:45 PM.

Faithfully submitted:

  
Evan Delegeane

# *Spyglass Hill*

*Hiller Highlands Phase One Association  
Oakland, CA 94618*

**Board of Director's Meeting  
March 29, 1997 - Chuck Scurich's home**

## **I) Call Meeting to Order**

Hiller Highlands Phase One Association newly elected board members met at 9:00 a.m.. Ann Schiff called the meeting to order. The first order of business was to briefly bring new board members up-to-date on how the board functions and issues that the board takes care of on an ongoing basis, and to determine the duties of each officer. The new board will serve as follows:

Ann Schiff, President  
Rosalind Ono, Vice President  
Chuck Scurich, Treasurer  
Diane Reilly, Secretary  
Mary Flanders, At Large

It was M/S/P that the aforementioned board members serve in these positions as Hiller Highlands Phase One board members for the 1997-1998 term.

In addition, Rosalind Ono agreed to serve as the board member who will be responsible for all homeowner calls (questions, concerns, suggestions, comments, etc.). Mary Flanders agreed to serve as the board member responsible for landscape, and will take all homeowner calls related to the landscape.

## **II) Reserve Funds**

Fred Booker has generously offered his time and expertise to the association by preparing the yearly reserve fund update.

## **III) CORE Discussion**

It was M/S/P to process the distribution of the remaining \$1,000.00 contribution to the Hiller Highlands CORE.

#### **IV) Landscape Issues**

Fred Booker has graciously offered to continue to fix the irrigation pipes on an emergency basis. In addition, he will assist in the annual water meeting reading and coordinate with EBMUD to prepare the annual water usage estimate in August.

It was M/S/P to give Bob Schiff the authority to contact W. L. Butler to pursue correcting a problem with the original installation of a light fixture at unit 9 (Jim and Doreen Douglas' home). It appears the fixture was incorrectly installed in such a way that it is impossible to change the light bulb.

It was M/S/P that a January 16, 1997 letter request from Ned Flanders regarding two dead trees behind his unit 1 be added to the Landscape "To Do" list.

#### **V) Assets**

Chuck Scurich, Treasurer, gave the Treasurer's report. On March 25, 1997, two Certificates of Deposit matured. Seventy thousand dollars was rolled over into a one-year Certificate of Deposit and the remaining seventeen thousand dollars was put into a savings account.

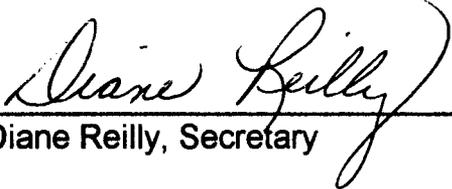
It was M/S/P that the Phase I Homeowners Association copy machine and fax machine be kept at the home of Vice President, Rosalind Ono, and the library be kept at the home of the Secretary, Diane Reilly.

#### **VI) Other Issues**

The new board members signed signature cards in case banking needs to be done by any one of the members.

It was M/S/P that President, Ann Schiff, research, prepare and distribute to all homeowners, a letter outlining insurance deductible responsibilities of individual homeowners and again recommending Loss Assessment Insurance.

**It was M/S/P to adjourn the meeting at 10:45 a.m..**

  
\_\_\_\_\_  
Diane Reilly, Secretary

*SPYGLASS HILL*  
*Hiller Highlands Phase One Association*  
*Oakland, CA 94618*

**Board of Director's Meeting**  
**April 26, 1997 - Mary Flanders' home**

**I) Call Meeting to Order**

Board President, Ann Schiff, called the meeting to order at 9:00 am. with all board members present.

**II) President's Report**

Ann advised that both the homeowner letter introducing the new board of directors and the newly revised homeowner roster were distributed.

Ann has suggested that all board members reread the Hiller Highlands Phase I CC&R's so that we are familiar with the contents.

**III) Treasurer's Report**

Chuck Scurich presented an account balance, transaction, and cash flow report. As of April 26, 1997, our assets include a World Savings CD in the amount of \$70,986.42, a Golden West savings account of \$17,000.00, a Golden West Money Market of \$3,052.19 and a Golden West checking account of \$6,607.45. Each month money is taken out of the GW money market and placed into the checking account to pay monthly bills. During the period April 1-26, 1997, a \$1,000 contribution to the Hiller Highlands CORE was paid out and a refund of \$1,620.82 for overpayment of 1995 California state tax was received.

The board would like to acknowledge and thank **all** homeowners for paying their April association dues on time. Your continued cooperation will be appreciated.

#### **IV) Secretary's Report**

It was M/S/P to approve the minutes of the March 29,1997 board of directors meeting.

#### **V) Landscape Report**

Mary Flanders met with Richard Applebaum of East Bay Landscaping for a familiarization tour of the Phase I landscaping.

A gardener, hired by a homeowner (#7), accidentally exposed irrigation lines and cut through a coaxial cable while working at her house. TCI Cable was called and asked if any homeowners in the area had reported trouble with TV cable reception and it appears that the damage to the cable did not interfere with TCI cable operations. It could not be determined if this cable was of any specific use. The decision was made to bury the cable and a notation was made on the landscape plans. Inspection and testing of the irrigation system revealed no damage.

The board would like to remind homeowners that **all costs** associated with inspecting and repairing damage done to cables or the irrigation system, whether the damage was done by the homeowner or someone hired by the homeowner, **are the responsibility of the individual homeowner.**

Mary discussed the landscape survey conducted by the previous board. (Homeowners were asked their opinion on what landscape issues were of most concern.) Among many items, several homeowners expressed a desire to improve the entrance to Spyglass Hill and the strip of land that runs along the west side of the street to where our sidewalk begins. This strip of land is the property of the Highlands Country Club. It was M/S/P to authorize Mary to attend the Highlands Country Club board of directors meeting on May 8 to pursue this issue and attempt to solicit a commitment from the club to cooperate with HHPI to prepare the strip for planting and to provide irrigation lines and water for this strip of land.

The board is aware of other landscape concerns along our street and the hill behind the east side of the street. Priorities for landscape expenditures will be established by the board, with input from homeowner request forms (8/15/95), homeowner survey responses (4/29/96), and ongoing homeowner letters and calls. (In fact, this is loosely the "to do" list

referenced in the 3/29/97 minutes, to which the homeowners' at #1 request was added.) The board hopes to consolidate these requests and compile a more formal "to do" list. We will then consider these items suggested by homeowners, as well as items the board feels will benefit the Association as a whole. Limited funds will certainly be a large factor in such decisions.

## **VI) Old Business**

Chuck has been in contact with W. L. Butler regarding completion of the shed door replacement and painting. This project should be completed by the middle of May.

The board discussed the fact that the paint was fading on several stucco homes on the street. W. L. Butler, who did the actual painting, contacted the paint manufacturer and the paint supplier. The manufacturer conducted an inspection and provided a report which the board is reviewing.

Jim Douglas has generously volunteered to be our official keeper of Association insurance records. He has copies of our insurance policies, all correspondence regarding insurance and all declaration pages. The board acknowledges and thanks Jim for his ongoing assistance.

## **VII) New Business**

Homeowners at #59 and #61 have reported security problems in the Hiller area and on Spyglass Hill, ranging from break-ins to the emergency supply boxes to vagrants rummaging through garbage and recycle bins. The board would like to remind homeowners to be alert for any suspicious activity on Spyglass.

It was M/S/P to approve the homeowners' at #61 request for the addition of three large rocks to the landscape adjacent to their home, at their expense. Thanks again to these homeowners for their beautification of Spyglass.

The subject of advertising on the bus bench at the entrance to Spyglass Hill was raised and the board agreed that it was not a board issue.

A homeowner (#46) requested that the board look into repairing the lid on a garbage shed. This item is no longer covered under the W. L. Butler

warranty. According to the HHPI CC&R's, maintenance of sheds is not assigned to the Association and, therefore, is a homeowner responsibility.

The issue of placement of the green waste cans has been brought to the attention of the board. We are working on a solution. If you would be willing to help out with this issue, please contact a board member.

Chuck has proposed that a Hiller Highlands Phase I mailbox, similar to the Phase IV mailbox on Starview, be installed for delivery of all mail pertaining to Phase I. This will eliminate the need to change addresses with service companies every time a new board of directors is installed, and will make it more accessible to all board members should one or another be out of town. Chuck will gather additional information on mailbox type and placement options.

#### **VIII) Adjournment**

It was M/S/P to adjourn the meeting at 11:00 a.m.. The next meeting of the Hiller Highlands Phase I board of directors will be May 20, 1997 at 7:00 p.m. at Ann Schiff's home.

  
\_\_\_\_\_  
Diane Reilly, Secretary

*SPYGLASS HILL  
HILLER HIGHLANDS PHASE ONE ASSOCIATION  
OAKLAND, CA 94618*

**Board of Director's Meeting  
May 20, 1997 - Ann Schiff's home**

**I. Call Meeting to Order**

Board President, Ann Schiff, called the meeting to order at 7:00 p.m., with all board members present.

**II. President's Report**

Ann reported that a letter, dated May 5, 1997, regarding improvements and loss assessment insurance was distributed to all homeowners.

On May 6, 1997, the yearly EBMUD discharge permit was submitted. This permit allows the Association a lower rate for the discharge of water associated with the landscaping. The board would like to thank Fred Booker for his time in preparing this permit.

Times and dates for future Hiller Highlands Phase One Association board meetings were scheduled as follows:

Saturday, June 28, 1997	9:00 a.m.	Diane's home (#31)
Saturday, July 26, 1997	9:00 a.m.	Rosalind's home (#59)
Saturday, August 23, 1997	9:00 a.m.	Chuck's home (#55)
Saturday, October 4, 1997	9:00 a.m.	Mary's home (#1)

Homeowners are always welcome to attend board meetings and place items on the agenda. If you have an item you would like the board to address at one of its' meetings, please advise Ann Schiff.

**III. Treasurer's Report**

Chuck submitted the monthly Account Balances, Cash Flow, and Transactions Reports.

The car accident landscape damage (behind #55 and #57) insurance payment of \$1,569.00 was received. The majority of these proceeds were allocated, by the previous board, to new plants on the entrance hill.

A memorandum of understanding between Highlands Country Club (HCC) and Hiller Highlands Phase One (HHPI), dated September 19, 1996, was reviewed by the board. This agreement confirms that HHPI will deduct the cost of water used by six homes, billed to the HCC, from the monies owed to HHPI by HCC. Each meter will be read annually in September by a representative of HHPI and HCC, and the payment calculated. The Treasurer will keep a record of the loan repayment.

The board would like to congratulate homeowners and thank you all for paying homeowner dues on time for the second month in a row. The board sincerely appreciates your cooperation.

#### **IV. Secretary's Report**

Diane reported that the minutes of the March 29, 1997 board meeting were distributed. It was M/S/P to approve the minutes of the April 26, 1997 board meeting.

For your information, a binder of all board meeting minutes is kept at the secretary's home office. Should anyone like to review the minutes or obtain a copy of the minutes of any particular month please contact Diane.

#### **V. Landscape Report**

The board discussed the issue of placement and administration of the green waste bins. The board is attempting to work out a solution with East Bay Landscaping for management of the green bins.

Mary Flanders attended the Highlands Country Club board of directors meeting on May 8, 1997, and presented the issue of improving the strip of land along the west side of Spyglass Hill from the entrance to where the sidewalk begins. (This strip is owned by HCC.) Mary was advised that since the entire HCC board of directors was not present, a decision could not be made at this time. The issue will be revisited when the full HCC board meets again.

#### **VI. Old Business**

##### **Shed Painting**

Chuck reported that he walked the property several weeks ago with a representative of W. L. Butler and found that, of a three page list of work to be done, twenty-eight items had not been completed. As of this board meeting, that

list of twenty-eight items has been reduced to only four uncompleted tasks. Chuck requested that W. L. Butler provide touch-up paint kits to each individual homeowner. He will follow-up to insure that all tasks are completed.

### **Request for Shed Replacement**

The board received a second request from the homeowner of #46 regarding the issue of replacing or repairing the lid on the homeowner's garbage shed. The board again reviewed the request. It was M/S/P to reaffirm the board's April 26, 1997 decision.

### **House Painting**

It was M/S/P to approve that Ann Schiff write a letter to W. L. Butler outlining board members' comments on the paint report prepared by Morwear. These comments were requested by W. L. Butler.

### **Installation of Earthquake Gas Shut-Off Meters**

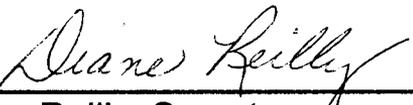
The issue of installing earthquake gas shut-off meters on all the Phase I houses was addressed by the board. Rosalind reported that Phase VI association installed gas shut-off meters on all houses in that phase at a cost of \$305 per house. The board will prepare and distribute a questionnaire to all homeowners to determine the level of interest in installing these gas shut-off meters. Ann Schiff will call Farmers Insurance to see if installation of these meters would qualify for any rate reductions.

## **VII. New Business**

The board received a request from the homeowners at #55 to cap an irrigation line and lay concrete in their entrance yard area. It was M/S/P to approve this request.

The next board meeting will be held at 9:00 a.m., Saturday, June 28, 1997, at Diane Reilly's home (#31).

**It was M/S/P to adjourn the meeting at 9:30 p.m..**

  
\_\_\_\_\_  
Diane Reilly, Secretary

HOMEOWNERS' MEETING  
JUNE 14, 1997

1. Thief on the street.
  - A. Ann Mulligan had her flower basket stolen from their front porch while they were away.
2. . Ann Mulligan would like the tree pruned. This tree is near their deck and is also blocking part of her view.
  - . Rosalind Ono has a tree in her front that she too would like to be pruned. This tree was not supposed be placed in this area. Per our purchase agreement with the Meads. This tree was to be replaced and a lower placed in the spot. I have requested that this tree that is blocking my dining room window view be pruned since I moved into the house. The branches are wild and blocking our view.
3. . Gardening situation. Weeds, planting, new gardeners issues?
4. Shut Off Value issues. The memo did not go out to the homeowners. Sample of letter is attached.
  - A. Georgia Wieland introduced a **GASP Low Pressure Excess Flow Valve @\$49.95**. This value appears to be attached to your **Water Heater**. 25 year warranty. Plumber must install. Homeowner reset. No PGE. Other Phases has also installed this value-ie. Phase 5.
  - B. The value we had install and the value I purpose is attached to your meter **outside** your house. A plumber must install the value and the cost is \$305. This value is has a 30 year warranty. This value may be reset by the homeowner and for gas appliances. Phase VI has installed this value.
5. Painting of houses issue. This is opening Pandora's Box. Many home are looking weather beaten. The stucco homes are looking poorly. The wood homes do not show the wear and tear as much. However, was the same paint used? Why is it that the wood houses are not looking weathered? If we paint only the stucco what about the woodhouses? Uniformity of the street? How does the association address painting of homes? The homes on the left hand side face out (coming into Spyglass) yet the homes on the right do not appear to be as weathered? What about these homeowners? When must they paint their homes? Blyth, Fred and Sonya's house is the worse. New complaint is from Vida, whose house is stucco.

***SPYGLASS HILL***  
*Hiller Highlands Phase One Association*  
*Oakland, CA 94618*

**Board of Director's Meeting**  
**June 28, 1997 - Diane Reilly's Home**

**I. Call Meeting to Order**

Board president, Ann Schiff, called the meeting to order at 9:00 a.m., with all board members present.

**II. Guest - Richard Applebaum**

Mr. Richard Applebaum of East Bay Landscaping Co., Inc., attended the board meeting to discuss landscape maintenance issues.

The board asked Mr. Applebaum to specifically address the issues of planting and maintenance of the back hill area on the south side of the street, debris removal and use of the green cans, and the maintenance and annual check of our irrigation system. Mr. Applebaum presented suggestions to the board on ways to enhance the entry to Spyglass Hill and the entry hill slope, as well as advised the board of long-term and near-term budgetary requirements for upkeep and/or improvement of our site.

The board requested that both Spyglass hillsides that abut Hiller Drive be weed whacked prior to the July 4th holiday every year in order to help prevent a fire. Mr. Applebaum showed the board a computer generated blueprint of our irrigation system his landscape crews use to insure that the irrigation system is working correctly. The system is completely checked once a year.

**III. President's Report**

Ann confirmed the board will meet again on July 26th at Rosalind Ono's home, then August 23rd at Chuck Scurich's home, and October 4th at the home of Mary Flanders.

A new roster was distributed to all homeowners on June 9, 1997.

The board would like to thank all homeowners for their participation in making Spyglass Hill a desirable place to live. Special thanks goes to Bob Schiff for his ongoing work to insure the lighting along the street is operating properly; Fred Booker for being available to take care of irrigation problems; and, Ed Ono for keeping us up-to-date on CORE activities.

The board would like to remind homeowners that prior to any exterior modifications of their residence they must seek board approval.

The Association's reserve study will be re-done in 1999. Fred Booker has volunteered to run the program for the board.

As we have reported in the past, we are experiencing security problems on the street. Ed Ono advised that the CORE box was broken into and items were stolen on June 11, 1997. The thieves also stole plants from the porch of one of our neighbors. It was reported to the police, but since the theft was less than \$1,000, no insurance claim was filed. The board extends its thanks to Chuck Scurich for retro-fitting the security box.

#### **IV. Treasurer's Report**

Chuck Scurich presented the account balance, transaction, and cash flow report. As of June 28, 1997, the overall balance is \$102,825.07.

A summary of the water costs for the six Spyglass Hill homes billed to the Highlands Country Club and the deductions made from the Association's loan to the club was prepared by Fred Booker and a copy sent to Tim Palmer at Highlands Country Club. The board thanks Fred for preparing this report.

Regarding fire insurance, the Association received an approximate 5% contractual cost of living increase from Farmer's Insurance.

#### **V. Secretary's Report**

Diane Reilly reported that the March 29, 1997 minutes were distributed to homeowners and residents of Spyglass Hill.

It was M/S/P to approve the minutes of the April 26, 1997 board of directors meeting.

## **VI. Landscape Report**

At a recent meeting of the Highlands Country Club board of directors, Mary Flanders was advised to prepare a proposal for improving the strip of land along Spyglass Hill owned by the club. This proposal will be presented to their board in November and voted on in January.

Mary is working closely with the landscape company to prepare a weekly agenda of work to be completed along the street.

## **VII. New Business**

The board received a letter request from our neighbors at #26 to locate a small satellite dish on the roof of their home. Their request included a statement of consent signed by all neighbors whose view might possibly be obstructed by the dish. It was M/S/P to approve the location of the satellite dish.

Association historical files now stored at the Hanner residence will be relocated to the home of Diane Reilly.

A homeowner has expressed concern about speeding on Spyglass Hill. The board would like to remind all homeowners that there is a 15 mile per hour speed limit on the street. We have people who walk in the street, and children and pets who could dart into the path of a car. This is a very dangerous situation which could present the Association and homeowners with a liability should there be an accident. The board appreciates your cooperation in observing the speed limit.

A homeowner reported a "bubble" in the asphalt between homes #11 and #29. It was determined that this was most probably caused by a gasoline spill. The asphalt company suggested that an absorbent material, such as kitty litter, be spread over the area. The board would like to thank Bob Schiff for taking care of this matter.

## **VIII. Old Business**

On May 21, 1997, Ann Schiff sent a letter to W. L. Butler regarding the paint report. On June 24, 1997, W. L. Butler representative, Rick Hill, told Ann Schiff, "W. L. Butler will take care of repainting the street." The board has received a copy of a letter that W. L. Butler's attorney has written to the paint supplier, San Carlos Paint, requesting resolution of the issue.

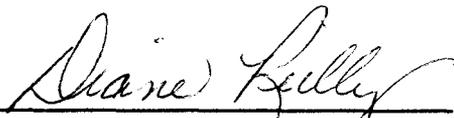
Chuck Scurich reported that W. L. Butler is still working on resolving the few remaining items on the punch list for shed door painting and making arrangements for providing paint to homeowners.

The board is still looking into the matter of installation of automatic earthquake gas shut-off valves. Ann Schiff contacted Farmers Insurance and was informed that, at this time, no discounts are being offered to policy holders who install these valves. A homeowner suggested a type of earthquake valve attached to the water heater and installed inside the home. If the board proceeds with installation of an earthquake valve, the board decided to consider only an outside valve.

It was M/S/P to approve the purchase of a mailbox for delivery of all mail pertaining to Hiller Highlands Phase I. A common area location for installation will be determined.

#### **IX. Adjournment**

It was M/S/P to adjourn the meeting at 12:15 p.m.. The next meeting of the Hiller Highlands Phase I board of directors will meet June 26, 1997 at the home of Rosalind Ono.

  
\_\_\_\_\_  
Diane Reilly, Secretary

Hiller Highlands I Association  
Board of Directors Meeting  
June 28, 1997 - Diane's home 9 am  
Agenda

REVISED 6/28/97

GUEST: Richard Applebaum - 30 minute discussion of 3 pending maintenance issues (weed wacking of the back hill, green cans/debris removal, annual irrigation check) and new contract (generic; fee increase request). Mr. Applebaum will discuss future plans a subsequent meeting.

>President's Report

- next meetings: 9 am - 7/26 Rosalind's, 8/23 Chuck's, 10/4 Mary's
- new roster distributed 6/9/97
- thanks to Bob Schiff (lites), Fred Booker (irrigation fixes), Ed Ono (CORE updates)
- RDA letter: re-do reserve study in 1999; F. Booker will run program for us
- security: CORE box and plant robbery 6/11/97 (E. Ono reported to police; thanks to C. Scurich for retro-fitting the security box; less than \$1000, so no insurance claim)

>Treasurer's Report

- HHC/HHPI loan status report
- insurance increased \$70/mo. (contractual)

>Secretary's Report

- 4/26/97 minutes distributed
- approve 5/20/97 minutes and distribute

>Landscape Report

- alternative gardener search report
- request contract revisions?
- fee increase approval?
- review copies of the landscaper's "weekly agenda"
- landscape N end: HCC update

>Old Business

- WLB paint report: sent WLB letter 5/21; San Carlos inspection 5/30; Vida letter 6/1; AMS discussion with Rick Hill 6/24
- WLB punch list for shed painting/repair status; paint samples

>New Business

- Taio 5/27 letter - satellite dish approval request
- Booker 5/21 letter - landscape
- Hanner boxes - storage
- Flanders 6/26 letter - CCRs
- Wieland 6/27 call - speeding on Spyglass

>Pending (on agenda time permitting)

- EQ gas valves: insurance company response - no rate impact; HO questionnaire status
- HHP1 Association mailbox: approval? installation?
- 6 house water meter issue - Fred presentation to board; Chuck conversations
- new irrigation meter: discuss/approve expenditure for engineering report on 1" v. 3"?
- review revised Annual meeting minutes
- Landscape:
  - green waste bins update: gardeners administer
  - debris removal cost details
  - annual irrigation inspection status
  - weeds on back hill #51-61?
  - compile landscape "to do" list? prioritize?
  - compile landscape feeding / weeding schedule

*A* - *Applebaum future visit*

Hiller Highlands I Association  
Board of Directors Meeting  
July 26, 1997 - Rosalind's home 9 am  
Agenda

>President's Report

- next meetings: 9 am - 8/23 Chuck's, 10/4 Mary's (change date?)
- schedule next meetings: bring calendars
- set date: Applebaum "future" presentation

SAT - APPLEBAUM

10/5 SUN 9:00 AM

SUN NOV 9 9 AM ANN'S

SUN 9 AM DEC 14 DIANE

SUN 9:00 AM JAN 18 ROSALIND

>Treasurer's Report

>Secretary's Report

- 5/20/97 minutes distributed
- approve 6/28/97 minutes and distribute
- review revised Annual meeting minutes

>New Business

- Stefanini WLB letter (AMS old WLB to check status: per M. Newland, in process)
- 7/4 fire on south hill: Levin letter, 7/4/98 plans in TIC file
- Mickelson (#41) landscape request (phone call 7/24/97)
- allocate landscape line item funds in Reserve Account

>Old Business

- street "bubble/ooze" report: Ann (Bob Schiff)
- WLB punch list for shed painting/repair done; paint samples due 8/15: Chuck
- HHP1 Association mailbox: approve location and installation costs: Chuck
- EQ gas valves: HO questionnaire status: Rosalind

>Landscape Report

- contract amendment: Spyglass specifics
- fee increase approval - details on 3 levels of contractual service (hours/costs)
- review copies of the landscaper's "weekly agenda": 8 weeks beginning 7/3
- updated irrigation charts / inspection report

>Pending (on agenda time permitting)

- 6 house water meter issue - Fred presentation to board; Chuck conversations
- new irrigation meter: discuss/approve expenditure for engineering report on 1" v. 3"?
- WLB exterior paint resolution status
- Landscape:
  - compile landscape "to do" list? prioritize?
  - green waste bins update: gardeners administer
  - HCC N. end landscape request for 11/97 submission to HCC budget process

*SPYGLASS HILL*  
*Hiller Highlands Phase One Association*  
*Oakland, CA 94618*

**Board of Director's Meeting**  
**July 26, 1997 - Rosalind Ono's Home**

**I. Call Meeting to Order**

Board President, Ann Schiff, called the meeting to order at 9:00 a.m., with all board members present.

**II. President's Report**

One change and several additional dates were selected for future Hiller Highlands Phase One Association board meetings. Board meetings have been scheduled as follows:

Saturday, August 23, 1997	9:00 a.m.	Chuck Scurich's home
Sunday, October 5, 1997	9:00 a.m.	Mary Flanders' home
Sunday, November 9, 1997	9:00 a.m.	Ann Schiff's home
Sunday, December 14, 1997	9:00 a.m.	Diane Reilly's home
Sunday, January 18, 1998	9:00 a.m.	Rosalind Ono's home

Richard Applebaum of East Bay Landscaping Co., Inc., has been invited to the Saturday, August 23, 1997 meeting to again discuss landscape issues.

**III. Treasurer's Report**

Chuck Scurich presented the account balance, transaction, and cash flow report. As of July 26, 1997, the overall balance is \$102,301.88.

Starting this month, the contribution to the Reserve Fund will be made on a monthly basis rather than annually, and shown as such on the treasurer's reports.

**IV. Secretary's Report**

Diane Reilly reported that the May 20, 1997 minutes were distributed to homeowners and residents of Spyglass Hill.

It was M/S/P to approve the minutes of the June 28, 1997 board of directors meeting.

## **V. New Business**

The board was copied on a letter from the homeowner at #42 to W. L. Butler, regarding replacing tiles that had fallen off his kitchen countertop. This matter has gone unresolved for over two years. Board president, Ann Schiff, was assured by Mike Newland, of W. L. Butler, that the problem will be resolved.

On the evening of July 4, 1997, a person shot off fireworks and started a fire on the downside slope of the south end of Spyglass Hill. Phase One board of directors received a copy of a letter to the Phase Five board of directors from Jean Levin, wherein it was suggested that security guards should be hired to patrol the areas along Hiller Drive next July 4th. It was M/S/P that Ann Schiff will respond to Jean Levin's letter saying that next July 4th Phase One will be actively engaged in surveillance of the hillside. Next year, a homeowner notice will be sent out two weeks prior to July 4th. In addition, on the 4th, yellow tape will be put up along the Hiller Drive hillsides, rain birds will be turned on, and a homeowner patrol will be established. Also, the board will call the Oakland police, reminding them of this year's incident and request that they patrol our neighborhood on the 4th.

The board received a request from the homeowners at #41 regarding landscape changes to the area surrounding their home. It was M/S/P to approve the request for landscape changes at #41 which will be completed at the homeowner's expense. We thank the homeowners for their beautification of Spyglass Hill.

The issue of allocating landscape line item funds in the Reserve Account was addressed by the board. The board will establish a line item in the Reserve Account for landscape plantings and irrigation replacement. The funding for that item will come either from the current surplus cash flow and/or the contingency fund in the current Reserve Account.

## **VI. Old Business**

Chuck Scurich advised that the "punch list" for shed painting and repair has been completed by W. L. Butler. The paint samples are due to be distributed to homeowners by August 15, 1997.

It was M/S/P to place the association mailbox at #36 in the common area. John Mulligan has volunteered to install the mailbox in concrete. The association thanks him for his efforts.

## **VII. Landscape Report**

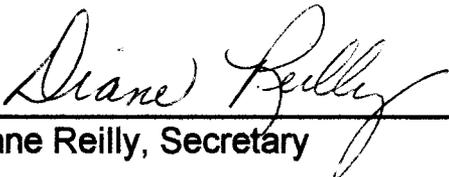
The annual check of the irrigation system was conducted by East Bay Landscaping, Inc., and five items were found to be in need of repair. Fred Booker and Ned Flanders have generously volunteered their time and expertise to fix four of these five items. The expenditure for the remaining repair, a leak behind #41, has been approved by the board and will be done by East Bay Landscaping, Inc., under the supervision of Fred and Ned.

After consultation with East Bay Landscaping and Fred Booker, the board has decided not to seed the hillside with wild grasses, but to allow nature to take its course through this winter. This will keep the grass roots in the ground to help with erosion. Chemical weed killer will not be applied, but any wild grass growth will be weed whacked next Spring.

A new contract was signed with East Bay Landscaping (\$1,540/month), reflecting a 3% cost of living increase.

## **VII. Adjournment**

It was M/S/P to adjourn the meeting at 12 noon. The next meeting of the Hiller Highlands Phase I board of directors will be August 23, 1997 at the home of Chuck Scurich.

  
\_\_\_\_\_  
Diane Reilly, Secretary

*SPYGLASS HILL*  
*Hiller Highlands Phase One Association*  
*36 Spyglass Hill*  
*Oakland, CA 94618*

**Board of Directors Meeting**  
**August 23, 1997 - Chuck Scurich's Home**

**I.) Call Meeting to Order**

Board President, Ann Schiff, called the meeting to order at 9:00 a.m., with all board members, except Rosalind Ono, present.

**II.) Guest - Richard Applebaum**

Mr. Richard Applebaum of East Bay Landscaping Co., Inc., attended the board meeting to discuss landscape maintenance issues.

**III.) President's Report**

Ann confirmed dates of future board meetings – 9:00 A.M. October 5, Mary Flander's home; November 9, Ann Schiff's home; December 14, Diane Reilly's home; January 18, Rosalind Ono's home.

An agreement between homeowners was formalized and made a part of the Association files regarding elevator maintenance for units #51 and #53. This agreement is applicable to future owners of either unit. The board thanks these homeowners for their attention to this matter.

The new Hiller Highlands Phase One Association mailbox was installed in the common area at #36 Spyglass Hill. This mailbox will serve as the official mailing address for the Association, and will relieve each future new board of the cumbersome task of many annual change of address notices. **Effective immediately, all Association dues payments, correspondence and communication should be placed in this mailbox or mailed to this address.** The board would like to again thank Chuck Scurich and John Mulligan for installing this mailbox.

The Oakland Police Department Animal Control was called regarding a dead cat deposited on the hillside from Hiller Drive behind units #55 and #57. The dumping problem on this hillside is getting worse.

#### **IV.) Treasurer's Report**

Chuck Scurich reported that the following businesses were advised of the Hiller Highlands Phase I change of address: Jack Graham, Farmers Insurance; Prematic Service; Great Western Bank; World Savings Bank; EBMUD, PG&E, Truck Insurance; East Bay Landscaping Co. Inc.; Countryman (Tax); State of California (Tax); IRS (Federal Tax); Community Association Institute; Barber Backflow; W. L. Butler; non-resident Phase I homeowners.

Chuck presented the account balance, transaction, and cash flow report. As of August 22, 1997, the overall balance is \$100,167.97.

In implementing the July 26, 1997 board decision to make the reserve fund contribution on a monthly basis rather than annually, it was discovered that the 1997-98 budget approved at the annual meeting overstated the reserve account required homeowner dues contribution. There are two parts to the reserve contribution. One part is funds received from the monthly homeowner dues, and the other is interest earned on Association bank accounts. Together this totals the \$6,766.00 annual reserve contribution itemized in the approved 1997-98 budget. However, Version 5 of the Reserve Analysis Report Summary, approved at the annual meeting, requires a homeowner dues contribution of only \$3,447.00 per year (\$287.00/month). Chuck prepared and presented a Hiller Highlands Phase I Association Budget Update, reflecting the corrected reserve contribution of \$287.00 per month.

As discussed at the July 26, 1997 board meeting, the board is establishing and funding a line item in the reserve account for landscape. The board M/S/P an increase in the monthly reserve contribution from \$287 to \$320, effective September 1, 1997. This \$320 monthly contribution level will be known as Version 6, and reflects a 3% contingency factor (reduced from 15%).

#### **V.) Secretary's Report**

Diane Reilly reported that the June 28, 1997 minutes were distributed to homeowners and residents of Spyglass Hill. A memo informing all homeowners about the new Phase I Association address (36 Spyglass Hill) and mailbox was distributed.

It was M/S/P to approve the minutes of the July 26, 1997 board of directors meeting.

## **VI.) New Business**

It was M/S/P to approve placement of an exterior garage light at #59.

The board received a letter from homeowners at #57 requesting replacement of plants on the berm abutting the Hiller Drive sidewalk which were destroyed last October when a car came over the berm. It was M/S/P to replace plants on the berm behind #55, #57, and #59 with a maximum expenditure of \$1,500.00, which is the amount of the reimbursement from the insurance company.

## **VII.) Old Business**

**Exterior Paint** - We were copied on a letter from W. L. Butler's attorneys to San Carlos Paint and Morwear. W. L. Butler is requesting a conference with all parties to resolve the exterior paint problem. "It is W. L. Butler's position that the paint that was supplied to this project was not an equivalent to that specified by W. L. Butler. As such, it has failed prematurely and has resulted in this claim by the HOA."

**Shed Paint** - We are still waiting to receive the shed door touch-up paint.

## **VIII.) Landscape Report**

Mary Flanders reported that all irrigation repairs have been made by East Bay Landscaping, Ned Flanders and Fred Booker.

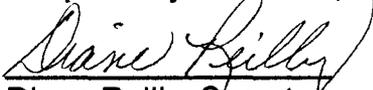
The browning of the cotoneaster along the north and south Hiller Drive sidewalks will be investigated by Mr. Applebaum of East Bay Landscaping.

The eighty-one plants that were planted in April of 1997, below the lower "v" ditch, have been checked and are doing fine.

## **IX.) Adjournment**

It was M/S/P to adjourn the meeting at 1:00 p.m. The next meeting of the Hiller Highlands Phase I board of directors will be Sunday, October 5, 1997, at the home of Mary Flanders.

Respectfully submitted,

  
Diane Reilly, Secretary

Hiller Highlands I Association  
Board of Directors Meeting  
August 23, 1997 - Chuck's home 9 am  
Agenda

GUEST: Richard Applebaum - 30 minute presentation of future plant replacement strategies.

>President's Report

- next meetings: 9 am - 10/5 Mary's, 11/9 Ann's, 12/14 Diane's, 1/18 Rosalind's
- #51/53 elevator maintenance agreement in file
- mailbox is installed at #36; again, thanks to C. Scurich and J. Mulligan
- 2 informal complaints from #30: speeding, smell (not in minutes; fyi only)
- OPD Animal Control called re: dead cat tossed over hill #55-57
- allocate landscape line item funds in Reserve Account -new \$ or reallocate contingency?  
MSP monthly contribution \$x (not \$287 V.5, as voted at annual meeting)

>Treasurer's Report

- corrected reserve account totals (at \$287/mo, V.5 ), monthly cash flow and budget

>Secretary's Report

- 6/28/97 minutes distributed
- approve 7/26/97 minutes and distribute
- review revised Annual meeting minutes

>New Business

- #59 garage exterior light (neighbor approvals?)
- #57 post-accident re-planting on berm at Hiller Drive: HO written request

>Old Business

- WLB exterior paint resolution status: 8/13 WLB letter
- WLB shed paint samples due 8/15
- EQ gas valves: Phase IV/V process; legal authority/responsibility

>Landscape Report

- 5 irrigation inspection defaults fixed: 4 Fred/Ned; 1 Applebaum (\$45/hr at #41 ?)
- water shortage in cotoneaster along N/S Hiller Drive sidewalks
- status of 81 plants installed 4/97 (still alive?)
- review copies of the landscaper's "weekly agenda": 8 weeks beginning 7/3

>Pending (on agenda time permitting)

- 6 house water meter issue - Fred presentation to board; Chuck conversations
- new irrigation meter: discuss/approve expenditure for engineering report on 1" v. 3"?
- Landscape: compile landscape "to do" list? prioritize?; green waste bins update:  
gardeners administer; HCC N. end landscape request for 11/97 submission to  
HCC budget process

*SPYGLASS HILL*  
*Hiller Highlands Phase One Association*  
*36 Spyglass Hill*  
*Oakland, CA 94618*

**Board of Directors Meeting**  
**August 23, 1997 - Chuck Scurich's Home**

**I.) Call Meeting to Order**

Board President, Ann Schiff, called the meeting to order at 9:00 a.m., with all board members, except Rosalind Ono, present.

**II.) Guest - Richard Applebaum**

Mr. Richard Applebaum of East Bay Landscaping Co., Inc., attended the board meeting to discuss landscape maintenance issues.

**III.) President's Report**

Ann confirmed dates of future board meetings -- 9:00 A.M. October 5, Mary Flander's home; November 9, Ann Schiff's home; December 14, Diane Reilly's home; January 18, Rosalind Ono's home.

An agreement between homeowners was formalized and made a part of the Association files regarding elevator maintenance for units #51 and #53. This agreement is applicable to future owners of either unit. The board thanks these homeowners for their attention to this matter.

The new Hiller Highlands Phase One Association mailbox was installed in the common area at #36 Spyglass Hill. This mailbox will serve as the official mailing address for the Association, and will relieve each future new board of the cumbersome task of many annual change of address notices. **Effective immediately, all Association dues payments, correspondence and communication should be placed in this mailbox or mailed to this address.** The board would like to again thank Chuck Scurich and John Mulligan for installing this mailbox.

The Oakland Police Department Animal Control was called regarding a dead cat deposited on the hillside from Hiller Drive behind units #55 and #57. The dumping problem on this hillside is getting worse.

#### **IV.) Treasurer's Report**

Chuck Scurich reported that the following businesses were advised of the Hiller Highlands Phase I change of address: Jack Graham, Farmers Insurance; Prematic Service; Great Western Bank; World Savings Bank; EBMUD, PG&E, Truck Insurance; East Bay Landscaping Co. Inc.; Countryman (Tax); State of California (Tax); IRS (Federal Tax); Community Association Institute; Barber Backflow; W. L. Butler; non-resident Phase I homeowners.

Chuck presented the account balance, transaction, and cash flow report. As of August 22, 1997, the overall balance is \$100,167.97.

In implementing the July 26, 1997 board decision to make the reserve fund contribution on a monthly basis rather than annually, it was discovered that the 1997-98 budget approved at the annual meeting overstated the reserve account required homeowner dues contribution. There are two parts to the reserve contribution. One part is funds received from the monthly homeowner dues, and the other is interest earned on Association bank accounts. Together this totals the \$6,766.00 annual reserve contribution itemized in the approved 1997-98 budget. However, Version 5 of the Reserve Analysis Report Summary, approved at the annual meeting, requires a homeowner dues contribution of only \$3,447.00 per year (\$287.00/month). Chuck prepared and presented a Hiller Highlands Phase I Association Budget Update, reflecting the corrected reserve contribution of \$287.00 per month.

As discussed at the July 26, 1997 board meeting, the board is establishing and funding a line item in the reserve account for landscape. The board M/S/P an increase in the monthly reserve contribution from \$287 to \$320, effective September 1, 1997. This \$320 monthly contribution level will be known as Version 6, and reflects a 3% contingency factor (reduced from 15%).

#### **V.) Secretary's Report**

Diane Reilly reported that the June 28, 1997 minutes were distributed to homeowners and residents of Spyglass Hill. A memo informing all homeowners about the new Phase I Association address (36 Spyglass Hill) and mailbox was distributed.

It was M/S/P to approve the minutes of the July 26, 1997 board of directors meeting.

## **VI.) New Business**

It was M/S/P to approve placement of an exterior garage light at #59.

The board received a letter from homeowners at #57 requesting replacement of plants on the berm abutting the Hiller Drive sidewalk which were destroyed last October when a car came over the berm. It was M/S/P to replace plants on the berm behind #55, #57, and #59 with a maximum expenditure of \$1,500.00, which is the amount of the reimbursement from the insurance company.

## **VII.) Old Business**

**Exterior Paint** - We were copied on a letter from W. L. Butler's attorneys to San Carlos Paint and Morwear. W. L. Butler is requesting a conference with all parties to resolve the exterior paint problem. "It is W. L. Butler's position that the paint that was supplied to this project was not an equivalent to that specified by W. L. Butler. As such, it has failed prematurely and has resulted in this claim by the HOA."

**Shed Paint** - We are still waiting to receive the shed door touch-up paint.

## **VIII.) Landscape Report**

Mary Flanders reported that all irrigation repairs have been made by East Bay Landscaping, Ned Flanders and Fred Booker.

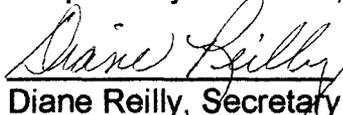
The browning of the cotoneaster along the north and south Hiller Drive sidewalks will be investigated by Mr. Applebaum of East Bay Landscaping.

The eighty-one plants that were planted in April of 1997, below the lower "v" ditch, have been checked and are doing fine.

## **IX.) Adjournment**

It was M/S/P to adjourn the meeting at 1:00 p.m. The next meeting of the Hiller Highlands Phase I board of directors will be Sunday, October 5, 1997, at the home of Mary Flanders.

Respectfully submitted,

  
Diane Reilly, Secretary

*SPYGLASS HILL*  
*Hiller Highlands Phase One Association*  
*36 Spyglass Hill*  
*Oakland, CA 94618*

**Board of Directors Meeting**  
**October 5, 1997 - Mary Flander's Home**

**I.) Call Meeting to Order**

Board President, Ann Schiff, called the meeting to order at 9:00 a.m., with all board members present.

**II.) President's Report**

Ann confirmed dates of future board meetings, all at 9:00 a.m., -- November 9, Ann Schiff's home; December 14, Diane Reilly's home; January 18, Rosalind Ono's home.

On the 8th of September, W. L. Butler delivered the shed touch up paint to Ann Schiff. The paint is being stored in the common area in the garage between #33 and #35. A key list, associating the colors of the paint with the various shed, utility and crawl space doors, is kept in the board president's file currently in Ann Schiff's possession.

Ann reported that on August 27, Mary Flanders sent a formal budget request to the Highlands Country Club regarding the landscaping on the club's property at the north end of Spyglass Hill. This formal budget was requested by the club's board of directors so that they can take it into consideration when preparing their 1998 budget. Phase I is asking that HCC budget monies to prepare the strip along Spyglass Hill for planting.

Ed Ono, our CORE representative, advised us of a disaster drill on Sunday, October 26, 1997, 9 a.m., at the Highlands Country Club clubhouse. There will be fire fighting drills using hoses and equipment. Ed will prepare a flyer notifying the homeowners.

**III.) Treasurer's Report**

Chuck Scurich presented the account balance, transaction, and cash flow report. As of October 5, 1997, the overall balance is \$101,891.66.

**IV.) Secretary's Report**

Diane Reilly reported that the July 26, 1997 minutes were distributed to homeowners and residents of Spyglass Hill. It was M/S/P to approve the minutes of the August 23, 1997 board of directors meeting.

## **V.) Old Business**

**Exterior Paint** - Ann Schiff received a letter, dated September 19, 1997, from W. L. Butler's attorney, wherein they stated they would like to schedule a site inspection of the buildings on Spyglass Hill by W. L. Butler representatives and representatives of the painting subcontractor. Ann will respond, give access approval, and set up a mutually agreeable time for the inspection. She will arrange for a board member to be present and request a copy of the final report.

**Earthquake Gas Shut-Off Valves** - The board reviewed the question of installing earthquake gas valves on the exteriors of the homes in Phase I. The questionnaires came back with mixed opinions from the homeowners. In order for the board to consider paying for these valves, we would have to have 100% of the homeowners agree to have these installed; and, as the Association does not have the funds to pay for this project, it would require a \$320 assessment per homeowner for installation. The board still believes that it is a very good idea to install these earthquake gas valves as a preventive measure against fire due to earthquake; however, the board will not be paying for installation of these valves. If you are interested in installing one of these valves on your own, the cost is approximately \$320 per valve installed. Rosalind Ono can provide you with names of qualified, certified installation contractors.

**Water Meters** - Steve Cobbledick has taken on the task of reading water meters each month. The board appreciates and thanks Steve for his efforts.

## **VI.) Landscape Report**

Mary Flanders received a letter from Richard Applebaum of East Bay Landscaping Co., Inc., wherein he provided the following information:

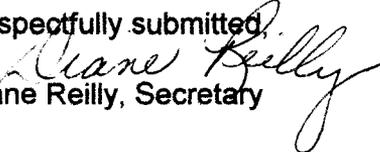
- 1) The irrigation system was checked and he believes it to be fine-tuned and functioning properly.
- 2) He believes the problems with the Catoneaster plants along both the north and south ends of Hiller Drive are caused by animal excrement. He has fertilized the plants and increased the water so as to wash away the animal excrement. He believes the plants are looking better.
- 3) There were some irrigation leaks which, with the assistance of Fred Booker and Ned Flanders, have been detected and fixed.

Mary reported that she has submitted a landscape budget request to the Highlands Country Club, asking that they budget monies to prepare the strip along Spyglass Hill for planting.

## **VII.) Adjournment**

It was M/S/P to adjourn the meeting at 12 noon. The next meeting of the Hiller Highlands Phase I board of directors will be 9 a.m., Sunday, November 9, 1997 at the home of Ann Schiff.

Respectfully submitted,

  
Diane Reilly, Secretary

Hiller Highlands I Association  
Board of Directors Meeting  
October 5, 1997 - Mary's home 9 am  
Agenda

>President's Report

- next meetings: 9 am - 11/9 Ann's, 12/14 Diane's, 1/18 Rosalind's
- WLB shed paint recv'd 9/8; stored at #33-35 common area garage, key list in file
- HCC N. end landscape request for 1998 HCC budget: Mary sent 8/27
- Cantin sale questionnaire: no fee 'cuz no docs, only questions

>Treasurer's Report

- verify (not in minutes):
  - \* \$320 reserve account contribution effective 9/1/97
  - \* \$50 Barron fee - transaction sheet income

>Secretary's Report

- 7/26/97 minutes and mailbox note distributed
- approve 8/23/97 minutes and distribute
- review revised Annual meeting minutes

>New Business

- Lyman letter #33 porch (fyi only - not in minutes)
- cc Scurich letter to WLB re: exterior paint #60-62 (fyi only - not in minutes)

>Landscape Report

- irrigation/springs fine tuning
- cotoneaster along N/S Hiller Drive sidewalks
- irrigation leak (Fred water analysis)
- Hiller Drive (#55-59) plantings: pin flags placed; will plant 10/6; \$70 additional for 6 cotoneaster on berm for continuity .
- "aesthetic priorities list" from Applebaum

>Old Business

- WLB exterior paint resolution status: 9/19 WLB atty letter w/ inspection access request (recvd 9/29); AMS w/ call with approval for access, requesting date notification, very thorough inspection and copy of final report.
- EQ gas valves: Phase IV/V process; legal authority/responsibility

>Pending

- 6 house water meter issue: Chuck conversations? Fred presentation?
- irrigation meter: discuss/approve expenditure for engineering report on 1" v. 3"

# DRAFT

Board Members,  
Additions? Comments?  
Please let me know by 11/4.  
thanks-

AMS

10/25

Hiller Highlands I Association  
Board of Directors Meeting  
November 9, 1997 - Ann's home 9 am  
Agenda

>President's Report

- next meetings: 9 am - 12/14 Diane's, 1/18 Rosalind's
- 10/23/97 distribution of CORE emergency phone tree (thanks Ed Ono)

>Treasurer's Report

- verify (not in minutes): reserve transfers (\$287/\$320), \$50 Barron fee - other income

>Secretary's Report

- 8/23/97 minutes distributed
- approve 10/5/97 minutes and distribute
- Evan signature on annual meeting minutes
- select annual meeting date; reserve Club

>Old Business

- WLB exterior paint resolution status: 10/16 inspection (thanks Mary); report pending
- Booker landscape letters (10/4, 10/7, 10/8) and email (10/8, 10/15)

>New Business

- CORE 1998 budget request

>Landscape Report

- S. Hiller 33 plants installed \$1100; \$70 ( 6 cotoneaster) pending
- entrance bougainvillea planted - thanks G. Wieland
- Board discussion of priorities/budget for presentation at Annual Meeting

>Pending

- 6 house water meter issue: Chuck conversations? Fred request board presentation?
- irrigation meter: discuss/approve expenditure for engineering report on 1" v. 3"

*SPYGLASS HILL*  
*Hiller Highlands Phase One Association*  
*36 Spyglass Hill*  
*Oakland, CA 94618*

**Board of Directors Meeting**  
**November 9, 1997 - Ann Schiff's Home**

**I.) Call Meeting To Order**

Board President, Ann Schiff, called the meeting to order at 9:00 a.m., with all board members present.

**II.) President's Report**

Ann confirmed dates of the next two board meetings, both at 9:00 a.m., December 14, Diane Reilly's home; January 18, Rosalind Ono's home.

The board would like to thank Ed Ono for preparing and distributing the CORE Emergency Phone Tree List on October 23, 1997.

**III.) Treasurer's Report**

Chuck Scurich presented the account balance, transaction, and cash flow report. As of November 9, 1997, the overall balance is \$101,517.96.

**IV.) Secretary's Report**

Diane Reilly reported that the August 23, 1997 minutes were distributed to homeowners and residents of Spyglass Hill. It was M/S/P to approve the minutes of the October 5, 1997 board of directors meeting.

The board reviewed the 1997 Annual Meeting minutes in preparation for distribution prior to the **1998 Annual Meeting** which is scheduled for **Friday, March 13, 1998**.

The board has asked Ned Flanders to serve as chairman of the nominating committee and prepare a slate of officers for the 1998-99 term. Any homeowner who would like to serve on the 1998-99 Phase One Board of Directors please call Ned or any current board member.

**V.) Old Business**

**Exterior Paint** - On October 16, 1997, Mary Flanders, a representative from W. L. Butler, W. L. Butler's attorney (Robert Gagliasso), a representative from both the paint supplier and the paint manufacturer, Justin (the W. L. Butler paint chemist), and Justin's immediate supervisor conducted an onsite

inspection. Mary provided cans of paint from houses #60, #28, #20 and #1, and paint chips from several houses were collected. The inspection took approximately three hours. On October 20th and 28th, Justin (the W. L. Butler paint chemist) was on the street to perform additional testing and review of the paint. In addition to gathering more paint chips, he told Ann that Fred Booker gave him three more cans of paint. Justin assured Ann that all houses and all sides, both wood and stucco, were being reviewed. A report is being prepared and Ann has requested a copy when it is finished.

The board would like to thank Mary for overseeing the paint inspection.

**CORE Drill** - The CORE Drill was held on Spyglass Hill on October 26.

**VI.) New Business**

**CORE 1998 Budget Request** - The Association has received a request for a 1998 CORE contribution of \$510 (\$15 per household). The board is reviewing inclusion of this contribution in the 1998-99 budget.

**VII.) Landscape Report**

The board would like to thank Georgia Wieland for donating the bougainvillea plant to beautify the entrance to Spyglass Hill.

Mary reported that 33 plants were installed at the south end of the property along Hiller Drive at a total cost of \$1100. For the record, when the board approved this expenditure at the August 23, 1997 meeting, the President abstained from the vote.

The board is in the process of preparing a list of landscape priorities and a budget for presentation at the annual meeting. The landscape chairperson will prepare a letter to homeowners outlining the current status of landscape issues on Spyglass Hill.

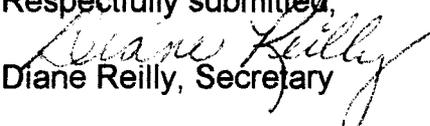
Mary confirmed with Richard Applebaum of East Bay Landscaping, Inc., that there is a one year warranty on any new plants that he has planted or will plant. The board will keep an eye on new plantings for the first year and request replanting, if needed.

The board received a response from Highlands Country Club regarding "the strip" along Spyglass Hill. They have offered \$200 or bark for the strip. The board is reviewing this offer.

**VIII.) Adjournment**

It was M/S/P to adjourn the meeting at 11:40 a.m.

Respectfully submitted,

  
Diane Reilly, Secretary

***SPYGLASS HILL***  
*Hiller Highlands Phase I Association*  
*36 Spyglass Hill*  
*Oakland, CA 94618*

December 4, 1997

MEMO TO: Evan Delegeane, Secretary  
Hiller Highlands Phase I  
1996 Board of Directors

FROM: Hiller Highlands Phase I  
1997 Board of Directors

Dear Evan:

The board has reviewed the 1997 Annual Meeting Minutes in preparation for distribution at the 1998 Annual Meeting. Attached you will find five suggested clarifications.

Because these minutes were prepared by you and will be sent out under your signature, please review the attached and, if you are in agreement, return them to us with your signature.

The minutes were retyped rather than try to convert or transfer them from Macintosh to Windows.

Thanks for your help.

cc: Fred Booker  
Rosalind Ono  
Chuck Scurich

Proposed Changes to Hiller Highlands Phase I  
Annual Meeting Minutes dated March 7, 1997

**VI) Landscaping**

**Page 2**

**2nd Paragraph, 1st & 2nd Sentence:**

**Was:** The Board announced that W. L. Butler Inc., has finally agreed that units 1-11 were incorrectly hooked up to the Club's water meter. W. L. Butler agreed to rectify the problem.

**Change to:** *The Board President announced that a representative of W. L. Butler, Inc. told him that W. L. Butler agrees that units 1-11 were incorrectly hooked up to the Club's water meter, and they agreed to rectify the problem.*

**3rd Paragraph, 1st & 2nd Sentence:**

**Was:** The Board is in the process of contracting with EBMUD to install a 1" meter for our irrigation water. This will cost the Association approximately \$12,000 to install, .....

**Change to:** The Board is in the process of *investigating installation of* a 1" meter for irrigation water. *The Board currently estimates the water meter will cost the Association approximately \$12,000 to install, .....*

**4th Paragraph, 2nd Sentence:**

**Was:** Highlands Country Club does not have funds to landscape their property along our entrance way, but will provide.....

**Change to:** *The Board President said that a representative of Highlands Country Club told him that the club does not have funds to landscape their property along our entrance way, but will provide.....*

**4th Paragraph, Last Sentence:**

**Was:** Phase I will be expected to pay all costs for landscaping the west side of the street.....

**Change to:** *The Board President indicated that Phase I will be expected to pay all costs for **planting** the west side of the street.....*

**Page 3**

**IX) Treasurer's Report**

**3rd Paragraph, 2nd Sentence:**

**Was:** A considerable decrease in the cost of water is anticipated when a separate meter to handle the irrigation is installed.

**Change to:** A considerable decrease in the cost of water is anticipated *if* a separate meter to handle the irrigation is installed.

# *Spyglass Hill*

Hiller Highlands Phase I Association  
Annual Homeowners' Meeting  
Highlands Country Club  
March 7, 1997

*Judy Geohegan*

## I) Attendance:

#1 - Ned and Mary Flanders, proxy assigned to Vida Ribnikar; #3 - Vida Ribnikar; #5 - Helen Weir; #7 - Tricia Swift; #9 - Doreen Douglas; #22 - Mildred Hughes; #24 - Lyle & Margaret Byers; #28 - Phil Martin; #29 - Robert Heymann, proxy assigned to Mildred Hughes; #30 - Georgia Wieland, proxy assigned to Fred Booker; #31 - Diane Reilly & Bill Wattenberg; #35 - Steve Cobbedick; #38 - Nabil Abo-Khatwa, proxy assigned to Roger Baron; #40 - Evan Delegeane; #41 - Fred Booker and Blythe Mickelson; #42 - Ruggero Steffanini, proxy assigned to Fred Booker; #45 - Basha & Mark Hanner; #47 - Joe Hunt; #48 - John Mulligan; #49 - Evelyn Pavone; #51 - Lloyd Reed, proxy held by Chuck Scurich; #53 - Avice Saint; #55 - Chuck Scurich; #57 - Bob and Ann Schiff; #59 - Rosalind and Ed Ono, proxy held by Bob Schiff; #60 - Betty Scurich, proxy held by Chuck Scurich; #61 - Pat and Judy Geohegan, proxy held by Bob Schiff; #62 - Betty Scurich, proxy held by Chuck Scurich.

A total of twenty eight (28) members present either in person or represented by proxy, representing 82% of all homeowners.

Board Members Present: Fred Booker, President; Chuck Scurich, Treasurer; Evan Delegeane, Secretary.

## II) Meeting Called to Order

Meeting was called to order at 7:30 PM. by Fred Booker, 28 members present.  
A quorum was determined to be present.

## III) Approval of Previous Annual Minutes

Bob Schiff Motioned to approve the minutes of the March 25, 1996 meeting.  
It was M/S/P to approve minutes of March 25, 1996 minutes

## IV) Acknowledgments

The Board acknowledged several homeowners for volunteer work that benefitted Spyglass Hill and Hiller Highlands in general: Jim Douglas for his involvement in securing insurance bids; Bob Schiff for his vigilance in keeping our street and walkways lit; Ed Ono for his involvement in CORE; Sue Naylor, Sonja Woodham, Ann Mulligan and Judy Geohegan for their work in securing first aid supplies for the Hiller Highlands CORE project.

## V) Community Association Institute (CAI)

Fred reviewed our association with the CAI. The Community Associations Institute is a

group that represents and promotes Community Associations. They are a source of information regarding homeowner rights, Community Association laws, insurance, maintenance, and anything else that can effect the orderly running of a community of homeowners. The Association purchased a library of books and pamphlets to assist homeowners and future boards in making informed decisions . Lists of titles were made available to homeowners in the evening's handouts.

#### VI) Landscaping

The Board informed homeowners that in the past year Phase I came to an agreement with Highlands Country Club for water used by units 1-11. Phase I will pay the Club for water used at the Club's water rate. Meters to be read jointly by the Club and Phase I.

The Board announced that W.L. Butler Inc., has finally agreed that unit 1-11 were incorrectly hooked up to the Club's water meter. W.L. Butler has agreed to rectify the problem.

The Board is in the process of contracting with EBMUD to install a 1" meter for our irrigation water. This will cost the Association approximately \$12,000 to install, but will bring in savings of about \$2,400 a year, as the Association currently pays sewage and waste water charges for irrigation water. With a separate meter for irrigation the Association will no longer be assessed fees for services that are not used.

Highlands Country Club now has the funds to landscape the bowl above the upper field. Highlands Club does not have funds to landscape their property along our entrance way, but will provide a water hook up so that Spyglass Hill can landscape the area . Phase I will be expected to pay all costs for landscaping the west side of the street from the entrance to the concrete sidewalk in front of #5 Spyglass Hill.

The Board acknowledged homeowners who spent their own money to landscape and improve the common area: Georgia Wieland, Ann Mulligan, Evan Delegeane and Evelyn Pavone, and especially Pat and Judy Geohegan.

#### VII) Reserve Funds

Fred using an overhead projector reviewed the Reserve Study prepared by Reserve Data Analysis for Phase I. A copy of the reserve study Summary had been handed out to all homeowners prior to the annual meeting. Fred explained that the study is required by law so that homeowners are aware of Association maintenance responsibilities and the projected costs. The purpose of the study is to determine the monthly assessment necessary to fund future maintenance projects and by law needs to be done every three years. All Association maintenance requirements mandated by the CC&R's have been entered into a software program. The software uses five (5) parameters to determine the appropriate reserve fund and monthly assessment: inflation; annual contribution increase; investment yield; taxes on yield; and a contingency. The study indicated that an \$8.45 monthly homeowner contribution to the reserve fund is needed for the 1997 fiscal year. Fred explained that the original study by RDA was modified by the Board to reflect expenses incurred by the Association since the completion of the original study. The RDA study had underestimated the cost of treating the wood deck servicing the two D units and the cost of slurry sealing the street. In light of the underestimation by RDA, the Board decided to compensate for a potential shortfall by increasing the contingency parameter of the reserve study from 5% to 15%.

#### VIII) Insurance

Fred reviewed Association insurance history. Until June of 1996, The Association was

insured for all perils with \$12,000,000 of coverage. In June, 1996, Farmers reduced the Associations earthquake coverage to \$5,000,000 and instituted a blanket \$1,400,000 deductible all the while raising Association premiums from approximately \$27,000 to \$51,000. The Association with Jim Douglas's help has secured an earthquake policy through Crause and Associates. The Board decided that the Association should be insured as close to full coverage as possible for the following reasons: when the Board handed out an insurance survey last year, less than half the homeowners responded to the survey; of those homeowners who responded to the survey, only 5 carried the \$50,000 loss assessment coverage that all Boards since the fire have mandated as the minimum coverage homeowners should carry; Fred also noted that it was his belief that at least five homeowners carried no insurance at all. The general conclusion from the survey was that homeowners were under-insured and could not be counted on to have the necessary funds to rebuild the street in the case of major earthquake damage. For these reasons the Board felt it was necessary for the Association to carry a \$10,000,000 policy. Fred noted that the cost of earthquake insurance over thirty years is approximately 18% of the value of one's home, not an excessive amount to protect what is probably every homeowners single largest investment. The deductible for the earthquake policy has been reduced to approximately \$50,000 (12.5%) per building. Jack Graham of Farmers is still our agent for all policies held by the Association.

#### IX) Treasurer's Report

Chuck Scurich presented his treasurer's report to the Homeowners. A copy of the 1997 Budget was previously sent to the homeowners. Chuck used an overhead projector to explain to the Homeowners what the budget for 1997 consisted of. Chuck explained why there was a deficit spending during the last year. The deficit amounted to \$20,534. The major cause was due to the increased insurance costs. He also explained that rather than raise dues immediately, the Board decided to use up excess operating funds before instituting a dues increase.

Our anticipated operating balance ending 3/31/97 will be \$12,479.

The amount budgeted for water for 1997 is \$7,800. A considerable decrease in the cost of water is anticipated when a separate meter to handle the irrigation is installed. \$12,000 will be borrowed from the reserve fund to pay the cost of installing the irrigation meter. Any savings derived from the installation of the irrigation meter will be put back into the reserve fund to pay for the new meter. This money is reflected in the reserve contribution line item in the expenses column. It is anticipated that the new meter will pay for itself in five years.

Chuck explained that the two CD's of approximately \$82,000 represented the Reserve Fund. Funds will be removed from the CD's and put into a savings account as they are needed. The monthly dues that are collected for the reserve fund will also be placed into this savings account to be transferred to the CD's when they come due.

Questions were taken from the floor:

Mark Hanner asked for a clarification of the Budget Report regarding the Line item: Reserve Transfer since it was listed as "Income." Chuck explained that this was just an artifact to balance the one page budget as reserve fund expenditures for the water meter were included in the expense column.

Chuck remarked that this year we had to pay taxes where last year we received a tax refund. The refund for 1996 was due to an overpayment in 1995. All in all, other than insurance, expenses have been reduced across the board.

X) Budget Approval

Chuck Scurich explained that a dues increase of \$50.00/month was recommended by the current Board in order for the Association to meet its insurance/maintenance goals. This would bring the Homeowners' monthly dues to \$230.00/month effective April 1<sup>st</sup>, 1997.

Ann Schiff motioned to accept the budget as outlined. Tricia Swift seconded the motion.

A general discussion regarding the budget took place.

It was M/S/P to approve and pass the budget by members present.

XI) Introduction of the new slate of officers for the 1997 fiscal year

Mary Flanders; Rosalind Ono; Chuck Scurich; Ann Schiff; Diane Riley;

Nominations were asked from the floor, none were given.

Phil Martin moved that the nominations be closed.

It was M/S/P to approve the new slate.

XII) Further Business

A speeding issue on Spyglass Hill was discussed. Fred requested that we all reduce our speed on Spyglass Hill.

Chuck Scurich and Phil Martin acknowledged Fred's contribution to our street.

XIII) Adjournment

It was M/S/P to adjourn the meeting at 8:45 P.M.

Faithfully submitted:

  
Evan Delegeane, Secretary

Hiller Highlands I Association  
Board of Directors Meeting  
December 14, 1997 - Diane's home 9 am  
Agenda

>President's Report

- next meetings: 9 am - 1/18 Rosalind's; schedule February (Chuck) 2/22?
- Stefanini landscape changes 11/11/97
- EQ renewal 12/9/97: \$7800 premium decrease and smaller deductible (thank Jim D.)

>Treasurer's Report

>Secretary's Report

- 10/5/97 minutes distributed
- approve 11/9/97 minutes and distribute

>Old Business

- WLB exterior paint resolution status: 11/18/97 letter; report pending.
- Annual Meeting update: agenda (Ann); nominations due 1/6/98 (Ned F.); budget (Chuck); 3/13/98 date - HCC reservation (Diane); 1997 annual meeting minutes (Diane) -if problem getting prior board approval, just send out minutes in 1/13/98 HO package as originally received from Evan with this board's proposed changes - then, call for vote at 3/13/98 meeting; proxy forms (Diane); 1/13/98 package for distribution (Diane): to Board 1/5/97 for review.
- CORE 1998 budget request pending

>New Business

>Landscape Report

- S. Hiller \$70 ( 4 large, not 6 small cotoneaster) installed when plants are available
- review HO landscape survey (1996); send out new one?
- HCC offer response: bark, details, interim only (letter to HCC)
- Board discussion of priorities/budget for Annual Meeting (AMS straw dog)
- HO landscape update letter sent 11/21/97: responses (keep log); Booker 11/25/97 letter

>Pending

- 6 house water meter issue: Chuck conversations? Fred request board presentation?
- irrigation meter: discuss/approve expenditure for engineering report on 1" v. 3"

*SPYGLASS HILL*  
*Hillier Highlands Phase One Association*  
*36 Spyglass Hill*  
*Oakland, CA 94618*

**Board of Directors Meeting**  
**December 14, 1997 - Diane Reilly's Home**

**I.) Call Meeting To Order**

Board President, Ann Schiff, called the meeting to order at 9:15 a.m., with all board members present.

**II.) President's Report**

Ann confirmed dates of the next two board meetings, both at 9:00 a.m., January 18, 1998, Rosalind Ono's home; February 22, 1998, Chuck Scurich's home.

On November 11, 1997, the homeowner at #42 removed and replaced the landscape in the common area in front of his residence, at his own cost. At today's meeting, the board M/S/P to approve those changes. The board would like to thank the homeowner for the improvement to the common area fronting on Spyglass Hill.

On December 9, 1997, the Association's earthquake insurance policy was renewed. Both the premium and the deductible went down, resulting in a savings of approximately \$7,800 per year. Thanks again to Jim Douglas for shepherding us through our insurance matters.

**III.) Treasurer's Report**

Chuck Scurich presented the account balance, transaction, and cash flow report. As of December 14, 1997, the overall balance is \$107,444.48.

**IV.) Secretary's Report**

Diane Reilly reported that the October 5, 1997 minutes were distributed to homeowners and residents of Spyglass Hill. It was M/S/P to approve the minutes of the November 9, 1997 board of directors meeting.

**V.) Old Business**

**Exterior Paint Resolution Status** - On November 18, 1997 Ann received a letter from W. L. Butler's attorney. In part, the letter states:

"It is our intention to fund the cost for the repainting of your project. We will base the funding on the actual bid prepared by Ekim Painting. We will then prepare the appropriate drafts to the Homeowners Association. The Homeowners Association can then contract with Ekim Painting to paint the project. We will ask the Homeowners Association to execute a release and waiver of any future painting claims only against W. L. Butler in exchange for this money."

The report is still pending and details of the contract will be forthcoming from W. L. Butler.

**VI.) Landscape Report**

Mary Flanders reported that on December 12, the remaining six small Catoneaster plants were installed on the street side of the berm along Phase One property on South Hiller Drive.

Due to the recent storms and high winds, four trees in the common area were damaged. Ann checked with Farmers; this type of wind damage to the landscape is not covered by our insurance policy. These trees were pruned and repaired during the regularly scheduled landscape maintenance day, Friday, December 12. Richard Applebaum's approach will be to prune trees to allow the wind to go through them to prevent future damage.

Mary responded to the Highlands Country Club on December 6, 1997, accepting their offer of bark as an interim solution to the "strip" and mentioned that we hope the new club board considers suitable planting for this club property. Any Phase One residents who are members of the Highlands Country Club are encouraged to call the club board of directors to let them know how you feel about their responsibility to landscape the "strip", and to appear at the HHCC Annual Meeting on January 24, 1998, at 10 a.m. at the Clubhouse.

On November 21, 1997, a landscape letter was distributed to all homeowners. The landscape chairperson heard from only four people regarding their thoughts on common area landscape. Again, if anyone has any thoughts or concerns for future planning please let Mary know.

The board would like to remind all homeowners that major changes to the common area landscape (plant removal and/or additions) must be approved by the board **in advance**.

**VII.) Adjournment**

It was M/S/P to adjourn the meeting at 12:30 p.m..

Respectfully submitted,  
Diane Reilly, Secretary

