

**Telegraph Landing
Board of Directors Meeting
Tuesday, January 27, 2009**

DRAFT MINUTES

BOARD MEMBERS PRESENT: President: Kathi Barnes
Vice President: Karen Hartquist
Treasurer: Patricia Johnson
Secretary: Jasper Schad
Member-at-Large: Kevin Gross

PROPERTY MANAGER: Mark Moreno: CitiScape Management

1. CALL MEETING TO ORDER & ESTABLISH A QUORUM

President Kathi Barnes called the meeting to order at 7:00 PM and noted that a quorum was present.

2. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Jasper Schad moved to accept the Minutes from the November Board of Directors meeting, as amended. Patricia Johnson seconded and the motion passed 4-0.

3. OPENING HOMEOWNERS' INPUT

A homeowner had contractor Hetherington do some duct work to keep hot air from blowing into his unit, and reported that it was very expensive.

A homeowner called CitiScape several times to just find out if her payment had been paid. She asked whether CitiScape could accept checks and issue receipts from the on-site office. Mark will look into that possibility but believes there are liability issues that would prohibit the practice.

In response to a question concerning last weekend's Fire Panel problem, Mark said that the floor wardens and security were notified on Friday of the failure of the fire alarm system, which was caused by a contractor (Siemens) error. Extra security was hired at the contractor's expense. The panel was repaired on Monday morning. Mark acknowledged that management should have done more to keep residents informed. A homeowner encouraged the Board to institute measures so that this does not happen again.

4. TREASURER'S REPORT

Patricia Johnson presented a year-to-date financial report. Overall spending remains under budget for almost all lines. Overages have occurred only in administrative costs (resulting primarily from water damages) and utility costs.

Patricia has not received the December numbers from CFM, but expects them by the end of this week. She will make a complete 2009 budget report next month.

Kathi Barnes noted that CitiScape paid for the second payment books that were mistakenly sent to homeowners and that anyone who uses the wrong book will not be penalized.

5. COMMITTEE REPORTS

- a. **Landscape Committee:** The Committee recommends that the Board contract with the Gardeners' Guild, effective March 1. The company is employee owned and has practiced sustainable horticulture for over 30 years. In addition to a high retention rate, all employees go through an in-house training program. An account manager will make monthly visits. The Gardeners' Guild's fees are about \$200 less per month than the current contractor.
- b. **Litigation Committee:** Kevin Gross reported that the Association's insurance company has assumed responsibility for the suit. Telegraph Landing will have no responsibility beyond the fees to retain an attorney to deal with the insurance company.

Mediation with a retired judge was unsuccessful. The plaintiff had originally asked for upwards of \$300,000, then lowered the amount to \$230,000, a figure the plaintiff explained as an assessment of \$1,200 per unit. The plaintiff has been deposing former Board members as well as the previous property Manager Adele Laurence.

In a second legal matter, the Service Employees International Union has petitioned the United States District Court to compel CitiScape to enter into mediation in connection with the maintenance contract. CitiScape has notified the Litigation Committee regarding its contract language with the Association as it applies to this matter, and Kevin believes that CitiScape will formally ask the Board to indemnify them in the matter. The Committee asked the Board to retain an attorney to represent its interests. The costs may be between \$4,000 and \$5,000. Kathi Barnes moved to authorize the Legal Committee to take the matter to outside counsel for no more than \$5,000, Karen Hartquist seconded, and the motion passed 5-0.

6. PROPERTY MANAGER'S REPORT

- a. The courtyard facing Lombard Street was power washed. Two new bicycle racks in the garage will accommodate 12 more bicycles. Mark noted that management has been notifying residents whose bicycles are currently parked in unauthorized spaces. Although management prefers not to cut off expensive locks and confiscate unauthorized bikes unless absolutely necessary, it will remove locks or bikes in someone else's space after 30 days.

- b. Work on elevator 6, in building 3 is complete, and a state inspection is scheduled for next week. There were delays with this elevator, but the future elevators should not experience such long delays. The project is still scheduled to be completed on time. Work on the high-rise elevators will begin in late March or early April.
- c. There was a small water intrusion problem in building 2, when a catch-drain was loosened by a contractor. Two units were affected. Remediation expenses will be paid by the contractor.
- d. On February 10, from 7:00 PM to 10:00 PM, there will be a Reserve Study seminar designed to enable homeowners to read and better understand the study.
- e. Management is coordinating the lawsuit plaintiffs' move back into their unit. Mark asked the Board for a dispensation to allow a Saturday delivery just in case the move cannot be completed by Friday. Kevin noted that the plaintiff agreed to move back in the unit by the end of the month, which would end charges the Association now pays. Karen moved to allow a Saturday, January 31, delivery, between 9:00 AM and 1:00 PM, Jasper seconded, and the motion passed 5-0.

7. NEW BUSINESS

- a. Mark also reviewed the landscaping bids. The Gardners' Guild bid at \$1,985 per month, offered more hours at a better price than other bidders. CitiScape firmly supports Gardners' Guild, particularly as relations with DiGrande have deteriorated of late. Jasper moved to accept the Gardners' Guild bid, Karen seconded, and the motion passed 5-0. A homeowner thanked the Committee for their professionalism and their example of how to give back to the Association. The Landscape Committee members are: Marilyn Benioff, Patricia Johnson, Joanne Finberg, Richard Knight and Beverly Sutton.
- b. The emergency generator services contract with Electro-Motion is up for renewal. Management recommends renewing the contract at the standard level. A longer contract term could lock in a lower price, but an Association may not engage in service contracts that exceed one year. Kevin moved to accept the proposal from Electro-Motion, Pat seconded, and the motion passed 5-0.
- c. Wells Fargo presented two insurance renewal options: the first offered a one-year comprehensive renewal of last year's policy for \$62,244.70 (about \$2,500 over last year); and the second offered more coverage for about \$1,300 more a year. Management recommends the first option. Kevin asked that in the future the Board be given insurance information well in advance as it is very complex. Kevin moved to approve the first option, Jasper seconded, and the motion passed 5-0.

- d. Facilities Director Terri Quile introduced the owners of BRS, a waterproofing company. Terri noted that she has worked with them for many years. They waterproofed the Caldecott Tunnel and the TransBay tube. Mark explained that the chemical and molecular properties of their product form a strong waterproof seal. Mark believes BRS can resolve most membrane leaks. At the outset of the project, X-ray's would determine the area's to be sealed. A homeowner pointed out that unless the entire membrane is replaced, concrete will continue to get wet, which can cause corrosion of the rebar and eventual cracking. The BRS process, however, will definitely ameliorate the current leaks in the garage and defer membrane replacement. Mark Moreno emphasized that management is only beginning to explore options and wanted to introduce BRS as one option. Jasper voiced the sense of the Board that it encourages Mark and Terri to continue to work on this issue. Teri will schedule a Board should walk-through to familiarize members with Terri tof the problem.
- e. Kathi announced that William Halperin has been nominated for the Board, and Jasper nominated Kathi Barnes. Hearing no further nominations, Kathi closed the nominations. She will work with Mark to set up a candidates' night.

8. OLD BUSINESS

- a. Terri reported on her review of what would be required to reactivate the waterfall at the entrance. Three of four pumps are burned out, and filter membranes need to be replaced. Ozone sterilizers also need to be replaced (requiring a city permit), and there may be other problems. At minimum, Terri estimates the cost at \$6,000. Jasper suggested that before proceeding the Board should determine what the membership thinks about this issue. Mark will put it on the March agenda. A homeowner suggested that some individual homeowners may be willing to donate to get the waterfall running again.
- b. Building engineer, Paul Amaya, has assumed day-to-day building engineering duties. Teri will cut her hours at Telegraph Landing to back to 16 per week, but will put in more time if needed. Mark thanked Teri for all her work.
- c. Trash Compactor proposal and Window Replacement report were tabled due to lack of time.
- d. Kathi Barnes reported that that the nominees for the Ad Hoc Elevator Cab Committee were randomly chosen. Board member Karen Hartquist, representing building 2, is committee chair; Eileen McCarrol, building 3; Kathy Daly, building 4; Bennett Woll and Marilyn Benioff, building 1.
- e. Mark Moreno read two lien notices for delinquent homeowner assessments that were presented to the Board for authorization.

9. DECISIONS BY THE BOARD BY UNANIMOUS WRITTEN CONSENT SINCE THE LAST REGULAR MEETING

Approval of the 2009 service contract renewals for security (Guardsmark) and maintenance (Superclean) contractors.

10. ADDITIONAL INPUTS FROM MEMBERS

There were no additional input from members.

11. NEXT BOARD OF DIRECTOR'S MEETING

The next Board of Directors meeting is scheduled for 7:00 PM, Tuesday, February 24, in the Club Room.

12. ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 9:05 p.m.

Respectfully submitted by CitiScape Management:

Approved by the Board

Date