

## University Terrace Homeowners Association Board of Directors Meeting Minutes – January 20, 2021

Board Members Present: Eric Gillet – President, Ben Tucker – Vice President, Lewis Ames – Treasurer, Grace O’Connell – Secretary, Sarah Reynolds– Director, Alexandra Saum-Pascual – Director

Board Members Absent: None.

Others Present: Dina Varellas – Willis Management Group, Inc (WMG)

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### Call to Order

Meeting called to order at 6:00 p.m. via Zoom Video Conference.

### Open Forum

Owners present discussed the following matters: assigned storage in the basement area of building 9, request for residents to dump bottles during a select timeframe, landscape company blowing leaves from property frontage and sidewalks and into the street without picking the leaves up, UC Real Estate department announcement on expanding the number of units at UT for rental housing.

### Minutes

The regular meeting minutes of October 21, 2020 were approved as amended.

### Management Report

The Board reviewed the January report and calendar of events.

### Financial / Collections

1. November 2020 Financial Reports – The balance in the operating account is \$231,586.18 and reserves is \$505,770.61. The Board verified that WMG distributed the September, October, and November 2020 reports to each member of the Board and the reports included:
  - (a) Balance sheet;
  - (b) Budget comparison report (a/k/a income and expense report) reflecting the current year's actual operating revenues and expenses compared to the current year's budget;
  - (c) An income and expenses for the Association's operating and reserve accounts;
  - (d) Accounts receivable reflecting delinquent assessments and other fees and/or costs owed to the Association;
  - (e) Accounts payable;
  - (f) Check register;
  - (g) Pre-paid assessments;
  - (h) General ledger (monthly and year-to-date);
  - (i) Bank statements for operating and reserve accounts along with reconciliation of each.
2. 2021/2022 Budget Discussion – The Board started the discussion for the upcoming fiscal year budget and the anticipated number of cost increases. WMG to have first draft of budget by mid-February.
3. Electronic Invoice Payment and Reserve Funding Authorization – The Board authorizes WMG and/or its third-party to electronically pay for all Association budgeted operating and reserve expenses and to electronically fund budgeted or additional reserves provisions. Further, the Board authorizes WMG to electronically fund reserve investments and to electronically transfer funds between operating and reserve accounts.

### Old Business

1. Earthquake Insurance – The Board unanimously denied purchasing earthquake coverage due to the high costs related to the premium and deductible. Per the Associations insurance agent, Maria Fajardo with Socher Insurance, for full limits of \$28,750,181 with a 15% per-unit of insurance deductible the annual premium would be approximately \$165,000 plus taxes/fees and for a 20% per-unit of insurance deductible, the cost would be approximately \$137,500 plus taxes/fees. Note: the per-unit deductible does not mean a residential unit. Rather a unit of insurance meaning a structure/building. Coverage is provided for the residential buildings (interior and exterior up to original construction) and common area property (such as fences, walkways, paved surfaces, sprinkler systems, and signs.) The

earthquake insurance policy is not intended to cover any improvement/upgrades or personal property damaged by an earthquake occurrence. Each unit owner would be responsible for determining and obtaining coverage to replace all improvements/upgrades made to their unit and all personal property located within it. Per the proposed policy, the Association would be responsible for the deductible as a whole and for rebuilding above and beyond the Earthquake limits if they are insufficient.

2. Compliance with Civil Code §5551 – The Board reviewed the opinion letter from Hanh Pham with Hughes Gill Cochrane Tinetti. In addition, the Board reviewed the following estimates, as submitted by Richard Avelar & Associates and Axis Construction Consulting. Said estimates support and comply with SB326 (California Civil Code Section 5551) and the City of Berkeley’s Exterior Elevated Elements Inspection Guidelines for Tier One screening for the evaluation of elevated private balcony decks, and stairways at the Association. WMG recommends the Association’s legal counsel review the estimates and provide recommendation and comment. The Board directed WMG obtain a timeline as to when the architects would require approval to schedule both the inspections and needed repair work in 2021. In addition, the Board directed WMG request a breakdown and further clarification of costs associated with the destructive testing portion of the estimate, as submitted by Axis Construction Consulting in comparison to the estimate submitted by Richard Avelar & Associates.
3. Solar and Heating Study / Committee / Fair Use of Roof & Liability for Owner – Gillet suggested Ames form a solar committee to assist in the project; Ames and Board agreed to said suggestion. Ames noted that those unit owners that elected to purchase and install solar would not use the entire roof and only a portion, leaving additional space. The Board discussed the potential of subsidies related to the installation of EV charging station. Ames to have a solar draft report by next meeting.
4. Landscape Maintenance / Contract Review / Use of Blowers – Ames spoke to Bill Reed, owner of Bay Area Landscapes and confirmed the crew is using an electric blower. The Board directed WMG to request Reed increase the current scope of work from two days a month to three days a month. The Board nominated the garden committee to evaluate the maintenance when service days are increased. In addition, the Board directed WMG to contact the landscape company and request that the crew stop blowing leaves from the property frontage and sidewalks and into the street without picking the leaves up and disposing of them appropriately.

### **New Business**

1. Pest Control / Monthly Maintenance Contract – The Board tabled the following estimates: Clark Pest Control – \$205 per month, plus \$1,600 initial set-up fee; includes 40 bait stations and Advanced IPM – initial set-up cost of \$725 (includes first month service – \$240 + bait stations – 18 @ \$22 each = \$396 + bait station installation labor – \$89). The Board directed WMG obtain a cost from the pest control company Patricia Baquedano-López is using to trap rodents in and near unit. In addition, the Board directed WMG request if companies would offer a discount to owners who elected to service their units and private patios and what the discounted price per unit would be and the number of units required to participate to obtain discount and for the rodent control to have an impact and be effective. In addition, the Board decided to implement a homeowners survey regarding rats to get a better understanding of the extent of the problem.
2. Reminder to Residents to Wear Masks – This matter is no longer an issue and no further action will be taken by the Board at this time.
3. UC Rental Proposal – The Board approved the letter, as draft by Saum-Pascual, to Ms. De Guzman Director, Real Estate - Capital Strategies A&E Building, requesting the University schedule a meeting with the owners and Board.
4. Boiler / Building 9 – Berkeley Plumbing and Cal Hydronics to review the boiler and related equipment on January 21st and provide an estimate for replacement. No action taken by the Board at this time.
5. Governing Document Revision / Committee – The Board agreed to form a committee and request someone from the UC to assist in the committee as well.
6. Purchase of LED Bulbs for Common Area Lighting – The Board approved the purchase of replacement LEB bulbs for common area lighting. WMG to notify John Smail (lighting committee) and request he purchase bulbs and seek reimbursement from Association.

There being no further business to discuss, the meeting adjourned at 8:35 p.m.