

**VISTA TASSAJARA HOMEOWNERS ASSOCIATION
REGULAR BOARD MEETING MINUTES
April 27, 2017**

1) CALL TO ORDER

The Regular Board meeting of the Vista Tassajara Board of Directors was held on April 27, 2017 at the Veterans Memorial Building, located at 400 Hartz Avenue in Danville. The meeting was called to order at 7:00 P.M. by President, Alex Pfund.

Board Members Present President, Alex Pfund; Vice President, Peter Langley;
Treasurer, Barbara Michel; Secretary, Ann Marie Nugent;
and Member at Large, Julie Hall

Board Members Absent: NONE

Management Present: Tim Morgan, Mark Morgan and Delice Ferguson

Others Present: Jeff Hebel, Emergency Services Manager, Town of
Danville; Ken Ferrone, President, Stevens, Ferrone &
Bailey Engineering Co. Inc.; Randy Paul, Berding & Weil,
Attorneys at Law

2) TIM MORGAN – PM&A - OPENING COMMENTS

- Brief overview of the landslide situation, synopsis of funding possibilities, and introduction of Guest Speakers.
- It was explained that the Association needed a motion created at this meeting to apply for a Bank Loan and allow for processing time. There will be application costs, and conditions to meet. Loan will need to fund in summer. Work would begin approximately in June, with Homeowner payments necessary in July, August and September. Work to be complete by October 1st. Special assessment to be adjusted if costs come in lower.

3) PROFESSIONAL PANEL: DISCUSSION POINTS

Jeff Hebel, Emergency Services Manager, Town of Danville

- Reported that while working diligently with Cal OES and FEMA to find relief for Danville residents effected by storm damage, the result was that the county damage is too low for any assistance.
- On April 25, after a heated meeting about whether or not Vista Tassajara would qualify to apply for a RFP (Request for Public Assistance) with said agencies, he received an application by email for Vista Tassajara Association to fill out with a deadline by 5:00 P.M. same day. PM&A met the deadline, and received confirmation of receipt.

- FEMA application filed is a longshot – we don't know their timeline – 2 years would not be unusual

Ken Ferrone, President, Stevens, Ferrone & Bailey Engineering Co. Inc.

- Completed topography map, did borings with samples and is awaiting lab results.
- The model Slope Stability Analysis will determine best course of action for repair by revealing the cause of slide, strength properties of soil – then we look at how deep and how high we have to go. Possibility of having to install caissons to protect upper property.
- What is unique to Hillview Drive landslide is that there is active spring activity, all water not being picked up by sub drains. May need to do boring between slides.

Randy Paul, Berding & Weil, Attorneys at Law

- Doesn't know a single HOA with landslide insurance, the premiums and deductibles are so high.
- Moving forward, Vista Tassajara can set up a funding mechanism to budget for doing surveys.
- Builder has 10-year statute of repose, no liability – Work done correctly at inception
- Advised to avoid future litigation by doing repair *correctly*. If not, Association liable.
- The landslide is considered an active nuisance, and the Association could be sued just for having it

4) HOMEOWNER QUESTIONS & COMMENTS - MAIN DISCUSSION POINTS

- Hardship for some Homeowners to pay one-time special assessment- give options to pay in full without interest, and Bank Loan, with interest. Other solution ideas included an option of paying with half assessment and half loan
- Special assessment will be adjusted if costs come in lower
- If special assessments are not paid, accounts will be subject to late fees, liens, and collections
- Concern there could be additional liabilities and how they'd be funded.
- Unease with geological study not complete, could costs rise?
- Scale back on future expenditures -- pool re-plaster was done before it became a County Health & Safety issue
- Unease about integrity and quality of the company to which the contract will be awarded. *Ken Farrone will be observing the construction process/overseeing project. Testing as project moves for quality assurance.*
- Was suggested to review local contractors from outside of our area like Sacramento and Stockton. The focus will be to find the most qualified, least expensive vendor *Noted that travel costs, etc. may or may not affect the pricing from out of area companies*
- Question asked if adjacent property owner could be liable – *The fact there is a spring does not make adjacent homeowner liable, virtually impossible to prove.*

- Ken sees no evidence during this investigation – natural phenomenon – if there was any inclination to the contrary from an expert, it would have been explored*
- Question about using an alternative solution instead of conventional earthwork solution. *Plate Pile Slope Stabilization can be used in shallow soils if less than 5' deep. Doesn't work for us in 20'. Will probably have to go down 25'-30'. Other option is stitch pile. Drill holes 50', 60', and 70' - 3'-4' diameter. Steel beams and concrete with unstable soils, could still slide and put home at risk. 3-4 times more expensive. Earthwork is solution.*
 - During construction there will be earthmovers in vicinity for approximately 3 months. Dust is common, water trucks spraying to control
 - If the Hillview Drive slope had trees and shrubs, would the root systems have provided stability? *If there had been vegetation the roots would not be deep enough to extend to the depth of the problem to prevent slide. Make sure V ditches are functioning properly so water drains properly.*
 - Next year Reserves will build up, can we allocate future assessments- \$36,000.00 from Reserves for this special assessment? *Law requires HOA to set aside reserve funding for specific components. The law protects future Homeowners.*
 - For an October 1st deadline, can a penalty clause be included in contract? *Ken responded he had never seen one. He can ask, but it will cost more*
 - Is special assessment tax deductible for Homeowner- considering Federal Disaster Area? *Possibly, check with your tax advisor.*

5) NEW BUSINESS

Landslide Funding

SPECIAL ASSESSMENT MOTION

A MOTION WAS MADE BY ALEX PFUND AND SECONDED BY JULIE HALL TO:

LEVY A SPECIAL ASSESSMENT TO FUND THE REPAIR OF THE HILLVIEW DRIVE LANDSLIDES IN THE AMOUNT OF \$1,900,000.00 TO BE FUNDED THROUGH:

Funding of Slide Repairs and Collection of Special Assessment

PM&A TO APPLY FOR A LOAN (\$950,000, 3-YEAR TERM, 4.83% INTEREST OR THEN CURRENT RATE) WITH ALLIANCE ASSOCIATED BANK PER THE LOAN TERMS IN THE BANK'S APRIL 4, 2017 LETTER;

A \$950,000 SPECIAL ASSESSMENT TO BE COLLECTED IN THREE PAYMENTS OF \$1522.44 DUE ON JULY 1, AUGUST 1, AND SEPTEMBER 1, 2017.

THE THREE YEAR BANK LOAN IN THE AMOUNT OF \$950,000 WITH AN ESTIMATED PER QUARTER SPECIAL ASSESSMENT OF \$409.61 PER LOT FOR THREE YEARS. THE \$409.61 WILL BE COLLECTED QUARTERLY STARTING OCTOBER 1, 2017 AND END THREE YEARS LATER AFTER 12 QUARTERLY PAYMENTS HAVE BEEN MADE.

DUE TO THE TIMING OF THE REPAIRS, THE TIGHT TIMELINE CONSIDERING THAT THE LAB TESTS AND REPAIR CONSTRUCTION DOCUMENTS ARE CURRENTLY BEING PREPARED, AND AS SOON AS WE HAVE SUBMITTED THE CONSTRUCTION DOCUMENTS FOR THE REPAIR TO FIVE OR SO REPUTABLE CONTRACTORS , WE MAY ADJUST TOTAL PROJECT COSTS AND THIS \$1.9 MILLION IS THE WORST CASE POSSIBLE.

THE AMOUNT OF THE SPECIAL ASSESSMENT WILL BE ADJUSTED DEPENDING ON THE ACTUAL COST OF THE BID SELECTED FOR THE REPAIR WORK. MOTION CARRIED WITH ALL PRESENT BOARD MEMBERS IN FAVOR.

Disaster Assistance Funds

A MOTION WAS MADE BY ALEX AND SECONDED BY JULIE TO APPROVE THE RESOLUTION “DESIGNATION OF APPLICANT’S AGENT RESOLUTION FOR NON-STATE AGENCIES” TO AUTHORIZE TIM MORGAN AND MARK MORGAN OF PM&A, INC. TO APPLY FOR AND REPRESENT THE ASSOCIATION AS ITS AGENTS FOR PURPOSES OF OBTAINING FEDERAL AND/OR STATE DISASTER FINANCIAL ASSISTANCE AND TO REPRESENT THE ASSOCIATION IN PURSUING ANY OTHER DISASTER FUNDS WHICH MAY BE AVAILABLE. MOTION CARRIED WITH ALL PRESENT BOARD MEMBERS IN FAVOR.

6) ADOPTION OR MODIFICATION OF MINUTES

A MOTION WAS MADE BY PETER AND SECONDED BY JULIE TO APPROVE THE REGULAR BOARD MEETING MINUTES OF FEBRUARY 16, 2017. MOTION CARRIED WITH ALL PRESENT BOARD MEMBERS IN FAVOR.

7) OLD BUSINESS/TABLED

Installing lights in park

Discussion about whether to install one light on the tree or lighting lower to illuminate pathway only, along with a \$4200 cost to prepare for future path lights was tabled.

8) ADJOURNMENT

A MOTION WAS MADE BY ALEX AND SECONDED BY JULIE TO ADJOURN THE MEETING AT 9:35 PM. MOTION CARRIED WITH ALL PRESENT BOARD IN FAVOR.

THE UNDERSIGNED APPROVED THE ABOVE MINUTES
