

WILLAMETTE TOWERS CONDOMINIUM

Minutes of the Meeting of the Board of Directors

July 11, 2001

Introduction of Board Members:

Douglas Cochrane-President
Joanne Gulsvig-Vice President
Marge Catha-Treasurer
Carol McCarthy-Member
David Goth-Member

Also attending were:

Uldine Summers—Unit 501
Bob Huntley—Unit 204
John Agnew—Unit 503
Emylou Lloyd—Unit 1006

Acceptance of minutes of May 9, 2001 meeting:

Douglas Cochrane asked the board to accept the minutes of May 9 meeting into the record. Joanne Gulsvig made a motion to accept. Carol seconded the motion. The board voted to accept the minutes into the record.

Financial:

Joanne Gulsvig made comments, and had some questions regarding the preparation of the budget. Carol McCarthy explained how the budget has been prepared and clarified Eric Peterman's system.

There was discussion about who is liable for the plumbing damage Skipping Stones sustained on June 27, 2001.

Discussion of amounts budgeted for various repairs and maintenance followed.

Carol McCarthy made comments regarding the e-mail that Mr. Cochrane sent out. She pointed out that he was in error when he said that *"It (the budget) also did not include funds for a standpipe inspection, a replacement of the Entraguard system, upgrades to the elevators, carpet cleaning, emergency plumbing repairs, and other needs of the building that the board has had to face. Most of these expenses could have been anticipated given sufficient planning."* (See attached letter). She explained that all but the standpipe inspection and the Entraguard replacement (which was a result of vandalism) were in the budget, and explained where each of the line items included which expenses.

Entraguard

Diana will find out if there are any residents who are not programmed in the Entraguard.

We should not have to pay for Smeed's last visit since they came to correct a mistake they made when they left us the instructions for a unit we do not have.

Puppies

The puppies are now gone. There are still some stains on the carpets in the halls.

Backflow inspection

Completed on June 20, 2001

Carpet Cleaning

The carpet cleaners will complete the work on Sunday, July 15. There are still a couple of private units that hope to have theirs done too.

Fire Sprinkler Inspection

There are still 15 units I have not been able to contact. Diana will keep trying. Will send letter to owners. Four have been painted over, and one has a structure built around it.

Incorporation

Carol reported that they (our attorney?) have spoken to our accountant and getting all the papers together and updated and filed.

Laundry Room

Harvey and Price completed work on the Laundry Room on June 4. EWEB gave us \$1,200 toward this expense.

John Agnew made comments about the big dryers. John suggests we contact Coin Op to see if they can fix dryer 6 (the newer large drier) so that the laundry does not tumble to the door. Coin Op will be contacted for this repair.

John suggests we put a barrier in front of the new pipes to protect them from the shopping carts. Also, a clothes rack should be provided. I have been advised that there is a \$300 limit to provide a barrier and rack.

Reserve Study

Douglas has a referral of a financial advisor in Albany. Douglas thinks that a good reserve plan is “worth its weight in gold”. He shared reasons for his point of view. He said we must balance the needs of the building with the amount of money we are collecting from the owners.

There was further discussion about having someone from out of town—can we find one here in Eugene? Douglas has asked David Goth if he may know someone. Joanne says she will try to get a referral as well. Don Brudvic is advisor Douglas has heard about.

Douglas asked if the board wanted to go forward with reserve study. Carol agrees we should get something going, but to remember we have a unique building—and that we are the strongest condominium in Eugene.

Marge agrees we should check into it, but it should not be a huge expense.

Douglas asks that if the board can get referrals in this area, to have that information available for the next meeting. This will be added to the next meeting’s agenda.

Security

Joanne reported that the police would not be using our lounge as a substation. RFI wanted \$26,000 to set us up with a digital camera system. This project has been postponed for now. New information will be collected for a later date.

Joanne feels it might not be the time to move forward with this expensive project. The board will continue to collect information and see how things go. The building has quieted down lately. Electronic security devices may be brought up again at a later date.

Refurbishing the lobby and adjoining areas

Douglas spoke to Dan Touchee about a reserve study. He’s a local real estate developer. Although Mr. Touchee is not available to do a reserve study for us, he did point out that if we upgrade the general appearance of the building, we would upgrade the general caliber of the people who live here.

Marge concurred. Carol agrees that we should “spruce up” the place. Marge thinks we should contact property managers to be sure they are careful about the people they rent to. Douglas thinks that if there are security/vandalism issues, that Diana should contact property owners to let them know that a fee will be assessed. David concurred. Diana suggests we uphold the by-laws that owners must provide us with a lease of at least one year.

John Agnew is embarrassed to bring guests in the building. He thinks the elevators need improvement. He is loath to spend a lot of money, but would like it to be spruced up.

Joanne suggests we have a designer look the building over. She mentioned Carolyn Kranzler who she has made an appointment with this Friday at 1:15. She has also priced some panels to put up in elevators that Otis has @ \$4,000 per elevator. David agrees a consultant is in order—we should get several ideas.

Douglas proposes that we give \$300 to \$400 toward having consultants look over the downstairs and elevators and give their ideas.

Carol made a motion to allow Joanne a budget of \$400 for a consultant’s opinion.

Marge seconded the motion.

Motion was carried unanimously.

Parking Structure Maintenance

John Agnew suggests we have the cracks filled with an elastomeric product to keep the inner structure protected. He suggests we do it now, before rain keeps us from doing it until next year. He projects that we should do this type of project every three or four years instead of replacing the surface on the whole upper structure.

John Agnew and David Goth think that replacing the whole surface will cost upwards of \$100,000. Maintaining what we have is more cost effective, but will not get rid of the pools and dips.

Carol wanted clarification that this would be as affective as replacing the whole surface of the upper structure in terms of protecting the structural integrity of the structure. John felt that this would be the case.

Marge thinks they should clean the whole structure. Carol asks that John find out. Douglas suggests we authorize up to \$5,000 to accomplish this maintenance project.

Joanne made a motion to move forward with parking structure maintenance with a budget of \$5,000.

David seconded the motion.

The motion passed unanimously.

Plumbing Problems

Diana Drake described the plumbing problems we experienced on June 24, and the subsequent problems that happened as a result of shutting the water off in the building.

Lee of Right Way Plumbing said that because of the type of plumbing we have (galvanized steel) and the age of the building, that the above subsequent problems are bound to happen. If there is any part of the plumbing that is “edgy,” the pressure of shutting the water off and on will stress the weak spot—and sometimes cause these very problems. Our water (in the whole building) was shut off twice.

There has been some discussion about having all of the valves checked and possibly updated so that we will not need to shut the whole building off again. Lee does not feel that this is a good idea. He said if they do not work, he would be back to the very same job he did Monday on the first one—replacing the “gate stoppers” with “ball stoppers” and building a new configuration of pipes. He said the price would be astronomical when you consider there are over 50 valves in the building that would need to be checked over and/or updated. He feels that it is best to continue to repair what goes wrong when it goes wrong. “If it is not broken, don’t fix it.” were his words.

Members of the board of directors concurred.

Elevator

The anti-egress project is due to be completed this month. Ken, our Otis elevator repairman suggests we should use the mechanical anti-egress device. He feels that it is the better choice for long-term reliability. The electronic unit is more sensitive and will probably require more maintenance. The board of directors authorized Diana to go forward with the less expensive mechanical unit for a cost of \$3,758.

Building manual

Bobbye Sorrels has offered to put together a building manual detailing the many intricacies and general information she has gathered over the years, if the board appoints her to do so. She would like to have Diana assist her in this endeavor when Diana is available.

All board members agree that a manual would be a valuable resource, and were happy to ask Ms. Sorrels to get it started. They approved giving her Diana's services as stated above.

David made a motion to appoint Ms. Sorrels to begin work on the manual.

Carol seconded the motion. It was approved unanimously.

Douglas proposed giving Ms Sorrels a budget of \$300 to cover expenses. The board would like up to ten copies of the completed work.

Cable television contract

Joanne has been in contact with AT&T Broadband regarding our cable television contract. For the last year it has been \$13.53 a unit for a total of \$1,254 plus a 5.26% monthly franchise fee which goes to the city of Eugene for a total of \$1,320 a month. This makes the annual fee for cable television \$15,844.

As we renew it this year \$16.25 per month per unit at \$1,495 with a franchise fee of \$78.69 for a monthly total of \$1,574 and an annual fee of \$18,688. The annual increase in cost was \$3,044.

We paid six months of our budget year at the old fee for a total of \$7,922, and the last six months of this year will be paid at the new rate for a total of \$9,442. The grand total for 2001 will be \$17,364. It was budgeted at \$15,000 so we are about \$2,311 over the budget.

On the open market the fee for expanded basic is about \$31. This makes it a great deal for those who use cable, and an unnecessary expense for those who don't use it.

Joanne thought these figures should be included in the record. The rest of the board agreed. This will come up for further discussion at a later date.

Since the increase is a substantial amount, and will continue to increase each year, input from the ownership will be appreciated.

Distribution of Minutes and Financials to owners

Douglas thinks that minutes of the meetings and financial statements should go out each month to the ownership.

Joanne thinks that if we can get e-mail addresses for as many of the owners as have them, and leave the printed minutes/financials on the doors of those owners who live here and do not have e-mail, it would cut the costs.

Douglas will prepare a letter of instructions for owners to get on the list, and how to download information from it. Diana will make note of this discussion in the minutes to let owners know that they can get on the list—and stay on to get information or unsubscribe if they do not want updates.

Off the agenda—regarding unit 206—owned by the homeowners association

An impromptu discussion was held regarding the association's rental unit 206. . Joanne asked if we can sell it. She notes that there is probably \$70,000 tied up there. It is being rented now for \$550 a month. With maintenance expenses the costs may not justify keeping it. David thinks it may be better to invest the money. He thinks we could draw \$3,500 a year without any hassle. The tax consequences should be investigated. Douglas thinks if we use the money on the building, there will not be tax consequences. David notes that if we sell it, the new owner will be paying homeowners dues, and we have increased owner occupancy by one.

The board agreed that there should be further discussion of this issue.

Douglas will call his CPA to ask about the tax ramifications of this issue.

Meeting dates

The board made a meeting schedule for the rest of the year. They are proposed as follows:

Monday, August 13—7:00 pm

Monday, September 10—7:00 pm

Monday, October 22—7:00 pm

Wednesday, November 14—7:00 pm

Monday, December 17—7:00 pm

Monday, January 14—7:00 pm

ANNUAL MEETING

Monday, February 18—7:00 pm

Executive Session

Closed session.

Respectfully submitted,

Board of Directors Member

Prepared by

Diana Drake,
Assistant to the Board of Directors