

Willamette Towers HOA Board of Directors Board Meeting

Monday, 23 March, 2015

6:00 PM, Willamette Towers Office

Board Members Present:

Jeff Ryder, Chair
Jean Kern, Secretary
Luther Greulich
Paula Rogers

BMC:

Diane Sollinger

Present:

Douglas Beauchamp
Oliver Thornton
John Rose
Phyllis Fisher
Peggy Manis
Giny Landgreen
Esther Konop
Dan Hardt

INTRODUCTIONS: Peggy Manis introduced herself as the owner of three rental units in Willamette Towers. She paid the \$200.00 move in fee for one of her tenants 13 December, 2014. Over the course of the next ninety days the renter was repeatedly accused of smoking. The renter proved through doctor's statements verified via testing that she was not smoking. When the smoking accusations continued, the renter broke the lease and moved out 27 February, 2015. Diane Sollinger asked Peggy Manis to forward the emails between the renter, herself and WT's Admin officer to Diane, promising that she would look into it.

ELECTION OF TREASURER: Mr. Beauchamp wanted to be appointed treasurer without being a member of the HOA Board. Oliver Thornton stated that WTowers' bylaws are in disagreement with Oregon Condominium law; OR Condo laws stating that an HOA Treasurer must be a member of the HOA BOD. A motion to appoint Douglas Beauchamp treasurer was seconded by Paula Rogers and passed by the Board.

TREASURER'S REPORT: In a brief update to the Board, Mr. Beauchamp noted that the Reserve Study task group, consisting of Rick Lowen, John Rose and himself, met 18 March. The 2015 Budget allocates up to \$3000.00 for an updated professional Reserve Study. The task group (TG) set a goal of completion and approval by the WT Board no later than September 2015. To accomplish the Reserve Study, the following plan is outlined with Resource Building Consultants (RBC)

- * by mid-April: TG, including Diane, will review progress and formulate a report to the Board for its (late) April meeting. Approval to contract with RBC will be requested.
- * About 01 May: As coordinated by Diane, RBC will commence a reserve study based on material provided by WT.
- * July: TG will review RBC Reserve study.
- * August: The Reserve Study and TG's Report to the Board for review and adoption as a Reserve 30-year Plan effective 01 January, 2016.
- * September: WT HOA BOD approves Reserve Plan and necessary assessments and expenditures to be incorporated into the 2016 budget planning.
- * September – October: Planning will begin for any 2016 Reserve projects.
- * November: WT Board will adopt WT's 2016 Budget and approve the 2016 Dues Assessment schedule.

TG notes:

- * The current reserve balance is insufficient to financially support major projects for the short term with a special assessment. This is due in part to an earlier-than-anticipated boiler replacement.
- * A small amount was tapped from Reserve fund to pay an immediate and higher-than-expected insurance deposit. Technically, this is not an allowed use. It seems likely this will right itself by year's end.
- * WT is currently not well-positioned financially to deal with a major emergency should it prove to be costly.

Mr. Beauchamp is working at comparing the annual budget to monthly performance to the adopted budget. The

second week of every month WT's HOA BOD receives from BMC an update on expenditures and income for the month. The technical side of the inherited budget format is very good but Mr. Beauchamp is also looking for a way for it to better show the obligations side of the budget; i.e. summary control. Jeff Ryder offered the assistance of a close friend with CPS/ IRS background as a second pair of eyes to look at the paperwork. Mr. Beauchamp stated that was not needed. There is \$100,000.00 in reserves but about \$50,000.00 of the \$100,000.00 is obligated. In answer to Luther Greulich's request regarding how many accounts WT has, Douglas Beauchamp answered that the balance sheet shows total assets, a cash account, a Morgan Stanley Money Market account and a Certificate of Deposit.

WEBSITE CHANGE: In January Douglas Beauchamp, John Rose, Jeff Ryder, Jeanne-marie Moore plus Diane Sollinger met to discuss ways to insure usability at a less expensive cost; \$600.00 annually with a start-up of \$1,000.00 for design, software, launch services. The web site includes policies, bylaws, action grams; one that's usable, seamless, fully tested be adopted by mid-summer. The templates require no up-front cost. John Rose will present it to Celina (about 20 minutes) so she can edit, update with ease, with the goal to implement it in May. Jeff Ryder tasked the Website Working Group to come back to the WT HOA BOD in May for the money to implement. Luther Greulich's motion for the committee to proceed was seconded by Paula Rogers and passed unanimously by the Board. The plan is to terminate the relationship with Bravo. It was stated that in three years we will get our investment money back; what we're getting with this change is a better site for the same amount of money.

Dan Hardt requested that the Policy Committee members have access to action grams. Jeff Ryder will consider the request.

COMMITTEE REPORTS: Chair Ryder stated that before WT's comes up with a policy where everybody is punished because of a few, that policies need to be reasonable, effective, efficient. He believes the bicycle policy fails both tests; the windows policy fails the second test; he questions the move-in/ move-out policy and feels the \$25 fee for FOBS is a money grab.

Oliver Thornton reminded the Board that Oregon Condominium law states that building policies are in place to insure peaceful enjoyment of the common elements.

Giny Landgreen spoke about the Move-in/Move-out policy: that it takes a lot of office staff time to coordinate these in a mindful way that helps eliminate the wear and tear on the building. The policy provides a needed bridge between owner/ residents and rental agencies for use of WT office staff's time and effort.

Phyllis Fisher noted that Billy of Abee Glass showed her how the windows' lubrication, applied during last year's building-wide inspection, is drying out and needs reapplying after one year. John Rose noted that the policy forces the hiring of a contractor and would rather have window inspection/ lubrication detail be added to Tom Weaverling's building duties. Phyllis Fisher underscored that the building is responsible for windows.

Luther Greulich noted that shut offs under sinks and toilets is also closely related to common elements; that a most realistic approach is to have WT maintenance take over shut offs and windows. Also Move-ins and home inspections, urged Easter Konop.

BMC REPORT: \$22,000.00 is continuing to be retained until OTIS completes the Elevator punch list.

707 continues to have emergency issues. BMC has had fairly successful communication with the bank owner in getting pest, window and mold issues dealt with. Plumbing invoices have been paid. The bank has to get HUD approval to pay \$18,000 for pest control, \$300.00 for mold test, \$300.00 for plumbing. Currently the windows are taped in. Tom says we should handle this in the next 2 weeks.

202 previous reimbursement request: plumbing repair happened after shut down. \$93 pressure balancing, clogged with rust. Jeff approved the reimbursement.

705 is requesting as waiver of the late fee.

Mia Bella is asking for a rent credit for both days: Board approved unanimously. It is noted that Mia Bella is expecting 30 days *WRITTEN* notice for all future water shut offs.

Action gram request for fine reimbursement presents a complex situation: he received 5 notices prior to being fined. The WT HOA BOD is open to forgiving ½ the remaining fines.

INFORMATION UPDATE- UNIT RECORDS AND OFFICE: Celina is happy with the physical change in the office. She is ready to go with the last version of the agreed upon language for beginning folder reviews.

LAWSUIT EXPLANATION: Chair Ryder has one more insurance person to speak with. He has had a long conversation with Liability and a short conversation with Property insurance persons. Property offered \$17,000.00 in insurance to reimburse costs. Expensive materials and providers had been used so a \$50,000.00 bill for renovations had been presented for reimbursement. Our insurance company recognized the claim with \$10,000.00 deductible. Arbitration would have been more expensive than a law suit costing \$15,000.00 up front plus paying the time for each of a 3 member deposition team. The Liability Adjuster is to write a letter to shorten the painful payment period. Debra Valour is the WT lawyer on this thing. The outcome is that the pipes are cleaned out.

NEW BUSINESS: The Board requested to know the birthday dates of Celina Lawrence and Tom Weaverling; asked for synchronized email address updates with Celina.

Luther Greulich, regarding the fire alarm going off recently, called the emergency list; Guermo, then Tom. Diane instructed us to call Tom first.

Luther Greulich suggested that someone in the building have keys to an in-house key holder to make the premises more workable. Also, because it was a false alarm, it was no big deal that not everyone left the building; however, a reminder about everyone getting out when the alarm sounds, is a better idea.

NEXT MEETING DATES: WT HOA BOD Planning Meeting: Monday, 20 April, 2015 - 4:PM

WT HOA BOD Board Meeting: Wednesday, 22 April, 2015 - 6:PM

ADJOURN: 7:49 PM

EXECUTIVE SESSION