

## **Highlands Condominium Association Minutes of Bi-monthly meeting 12/10/14**

Board members present: Phil Abbott (Chair), Pat Lynd (Secretary), Mike Ireland, Marga Larson

Excused: Tiffany Mellow (Treasurer)

Guests: Mark Campbell (Property Manager)

Units present: 117, 104, 210, 313, 314, 315, 405, 420, and 421

Call to order: 6:36 PM - roll call - unit owners sign in.

**Approval of Previous Minutes:** Chair asks for a motion to approve June, August and October Minutes. Patrick Lynd moves to approve. Marga Larsen seconds. Board unanimously approves the June, August and October meeting minutes.

### **Announcements:**

#### **Annual Meeting will be February 11, 2015**

The addenda indicated the annual meeting would be February 14. This was a typo; accordingly, the board agreed that the annual meeting will be held on February 11, 2015. Mark Campbell checked the bylaws and stated that the annual meeting is supposed to be held on the last Thursday in February. The board agreed to circulate a resolution confirming that the 2015 annual meeting will be on February 11.

#### **Proxies will go out in December / Importance**

Proxies will be circulated by the end of December. The chair pointed out the importance of getting the proxies signed and returned well before the annual meeting. Bringing your proxy to the meeting is too late and defeats the purpose of the proxy. We need them before the meeting.

#### **- Renter's Fee Eliminated Effective 12/1/2014**

The chair discussed the history of the renters' fee. The chair explained that it was the consensus of the board that it was fairer to assess fees on an as-incurred basis rather than of flat fee for all renters. The chair pointed out that many renters cause no problem whatsoever. The chair opened the floor to comments for and against the elimination of the renter's fee. There was no significant opposition. The chair moved to ratify removal of the renter's fee. Patrick Lynd seconded the motion. The motion passed by unanimous vote.

**Fireplace Policy** now allows modest amounts of wood burning. Owners who wish to burn must provide the

HOA with evidence of a current (less than 2 years old) certificate of inspection. The chair explained that we had located the manufacturer and documentation for the Hearilator Mark 123, manufactured by Hearth and Home Technologies Inc. Lakeville Minnesota. and the fireplaces were indeed designed for burning modest amounts of wood. Inspections are necessary to identify/prevent accumulation of creosote and damage from improper use. The original warranty of the unit was for twenty-years, however the manufacturer stated that as long as all components are sound (via periodic inspection) the units are safe to use well beyond the original warranty period.

**Slippery Winter Conditions / Non Skid** if you want non-skid material on your stairs or catwalk, contact Mark Campbell at 541 484-9700 or at Highlands97405@gmail.com We are using roofing material for non skid. A member warned that the roofing can ice over. Members suggested salt, but it is too corrosive. Another option is sand (but marks up floors when tracked inside). Members suggested: be careful, use Yak Trak overshoes to add traction to your existing shoes, use walking sticks. It was suggested that a bag of non-salt de-icer be added to each electrical room.

**There has been a rise in car Break-ins** We believe they are coming via the Ridgeline Trial.

A Flyer prepared by an owner warning of three smash and grabs within one month was distributed via email to the membership by Mark Campbell. There have also been reports of gas siphoning on Treehill Loop. There was a discussion of various lighting and motion sensor cameras. Several owners have installed motion sensors lights for their front entrance lights.

**Financial Report** Tiffany Mellow was absent so the Chair gave the financial report. October Financials look like a loss but when subtracting out Special Assessment / Capital Imp. items, a double payment for cable in October and the bulk of the plumbing expenses generated by the September water break, we had a positive Net Operating Income of approximately \$6,878.45 This is short of our desired goal of \$10,000/mo. savings to be applied to reserves. This was due mainly to greater than normal maintenance expenses (contracts, materials and staff hours and the September water line break.).

### **Building Committee Report**

- Painting: We missed our target of painting two buildings this season. Building 4 was completed. Building 12 had extensive siding repair and was ready

to paint but the painting contractor wasn't ready to go before the weather turned. The siding bill for both buildings was approximately \$11,000. Building 12 will be painted in the spring for \$14,000.

- Progress on Stonewood Buildings: We have permit ready plans for Building 15. We spent approximately \$20,000 on the plans. This is less than half of design expensed for Woodcutter. We have two contractors bidding on the plans. Both are willing to do scheduled payments. The earliest start this spring if approved by the Board.

- Two catwalks were repaired by Dorman Construction on an urgent basis at a cost of \$3,257.57 for the Breezeway deck at Bldg.4 and \$2,625.06 for a large staircase at Bldg 13. Both were done for less than their Time and Materials estimate.

-Another urgent repair will be done to the front entrance to unit 416 in the coming weeks for an estimated cost of \$5,600.

-Building 15 will need a new French drain after the repair. Inspection by one of the contractors reveals that it was it is not working effectively.

#### **Old Business:**

-A new bulkhead on Stonewood Drive near the Rec. Center was completed in November. The new retaining wall built by Ram Jack (there was none before) came in under budget at \$14,800. (The original bid was \$16,800) We applied the balance of our credit with Ram Jack of \$10,500 towards this bill. (We previously used \$1,500 for test boring under buildings 14 and 15). We now have a zero balance on the credit.

-Balcony Repairs: Are continuing on a "triage" basis. Several bad railings have been completely replaced since the last major repair. We are doing the railing replacements in house. If you are concerned about your balcony or railing, please call or email Highlands and arrange an inspection.

-Paving: Paving of the area where the new bulkhead was installed was done in November shortly after the Bulkhead was completed. A larger area than was originally planned was done since we had a weather window. Cost was \$4,937.00 more paving is planned for spring.

**New Business:** - The 2015 Operating Budget calls for a 7 to 10 percent increase in monthly HOA fee. Seven

percent leaves no cushion for contingencies such as the September water line break.

-We included a \$1/hr raise and vehicle allowance for Kenneth our primary maintenance person.

-The board entertained a suggestion for a five-year plan from the floor. (We do have a 5 year plan, but it will need to be updated once the costs for Building 15 are known in the next few weeks.)

-Discussion of cost of living plus needed increase for repair and maintenance.

-The board does not think we will need a special assessment if the increase is ten percent.

-Patrick Lynd made a motion to approve the 2015 with a ten percent increase in HOA fees, and Mike Ireland seconded the motion. Unanimous approval of 2015 budget with a ten (10%) percent fee increase

- Garage Purchase the Association has an opportunity to purchase a garage on very favorable terms. The garage can be purchased in exchange for a \$5,000 credit to the owner to be applied to that owners future assessments. It's a no interest and no money down for the HOA. Patrick Lynd made a motion to approve the garage purchase and Mike Ireland seconded... The board voted unanimously to approve the garage purchase and will circulate a resolution approving the purchase.

The Chair discussed the future need (and cost) for the following:

- Blocking and shear wall improvements for all buildings
- Foundation Repairs on Buildings 15 and 14
- Replacement of shutoff valves for all buildings.

- Professional Management - The Chair recommended to the Board and the Membership that the Highlands consider Professional Management. A selection committee of two was formed at the meeting (Phil Abbott 312 and Rick Olson 405). If you wish to participate in this committee, Please contact Phil Abbott via the Highlands email.

-Property Manager's report – Mark reported he had nothing further to add.

-Call to Public - No further items.

Meeting adjourned at 8:26 p.m.