

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE VAUX CONDOMINIUMS OWNERS' ASSOCIATION HELD AT 6:00 P.M. DECEMBER 1, 2008 AT HOLIDAY INN EXPRESS, 2333 NW VAUGHN STREET, PORTLAND, OR 97210.

PRESENT: Larry Emery, Chair
Stanley Townsend, Vice Chair
Sara Burton, Secretary
Kevin Kutcher, Director

OWNERS: Thirteen owners attended (no sign-in sheet)

OWNERS' FORUM

Secretary Burton reported that she had heard that a washer overflowed in the Savier Building when left unattended, causing some damage to the unit below.

I. CALL TO ORDER

Chair Emery called the meeting to order at 6:05 PM.

Several more items were brought up by owners after the meeting was called to order:

1. Elizabeth Ku, unit 306, sent the Board a message commenting on the number of shoes and other personal items in the hallways. Chair Emery said nothing is allowed in the hallways and a reminder will be posted. Owner Joan Ryan remarked that this was mentioned in the last newsletter (which was posted on the Association Website, but not fully distributed), also.

2. Owner Ron Kinley, unit 106, reported that the garage entry door, repaired quickly last time, has not been opening evenly recently, with the left slide opening quickly and the right side opening very slowly.

3. Owner Devon Flynn, unit 234, said she noticed screws were loose on the garbage shoot on the second floor of the Savier Building.

Chair Emery reminded residents to call CMI to report maintenance issues. Everyone should have CMI's number. Secretary Burton mentioned that CMI's phone number is also posted on the bulletin boards in the garage-level elevator lobbies for the convenience of residents.

4. When asked if the previously reported light timer and cleaning issues in the storage and bike rooms had been resolved, **owner Grant Shaffer, unit 326,** said the lights went out again while he was in his garage storage unit about a week ago. He immediately placed a call to CMI. The lights are now timed to stay on longer in Grant's garage storage room – he doesn't know about others.

Vice Chair Townsend mentioned that he has been working on having the storage rooms cleaned more often.

5. Owner Hal Barwood, unit 237, had a lobby door etiquette question about people trying to slip in when he enters the building. Secretary Burton said she tries to engage people in friendly conversation if she doesn't know them. It was agreed that it's awkward when people scoot in, but it's crucial to security to not let strangers in. It was suggested that CMI post a reminder.

6. Owner Grant Shaffer, unit 326, suggested posting more information on bulletin boards to keep residents informed. Chair Emery said documents are available electronically and sharing them electronically is the goal. CMI now has a distribution list with more than 100 Vaux email addresses. Several owners felt that the email list is not being used as often as it could be used for effective communication.

Approved BOD Meeting minutes are being posted on the Association Website in a timely manner. Chair Emery suggested that residents send specific complaints and comments regarding the website to CMI. Some information on the website is not up to date.

Chair Emery reminded owners that they should be familiar with the Vaux's monthly financial statements which are posted on the website.

II. MAINTENANCE COORDINATOR'S REPORT

There will be no report tonight. Dave Berg is working on the Annual Report.

III. APPROVAL OF MINUTES

Vice Chair Townsend moved to approve the minutes of the October 27, 2008 meeting as presented. The motion was seconded. The motion carried.

IV. ACTION ITEMS

A. Clearwire Internet Systems Proposal. The Vaux received an unsolicited proposal from Clearwire, a company that is currently installing a blanket high-speed wireless internet service in the greater Portland area, possibly bundling their service with DirecTV. They are proposing installation of equipment on the roof (probably both roofs) of the Vaux, leasing a 7 x 7 square foot footprint. Clearwire is offering \$2,500 upfront, then \$1,500 per month paid to the Vaux. They would like a 30-year lease, but they will accept a 2-year renewable lease. Another building Nancy LaVoie manages is currently renting roof space to Clearwire. There was enthusiasm among owners for the possible revenue stream this agreement would provide.

Chair Emery wondered if the amount offered is reasonable and if more concessions might be possible. The lease term should include a CPI adjustment rather than remaining a flat amount.

An owner asked about electrical power needed for the equipment. According to Vice Chair Townsend, they would be on a separate meter.

Vice Chair Townsend expressed concern about aesthetics and would like to see a better description or example of what the equipment would look like.

Chair Emery previously authorized a site visit by Clearwire with Dave Berg present. Clearwire is interested in moving quickly, planning to have sites constructed and on air by early 2009. Other buildings may be in the running, so there is a need to move quickly.

AGREED

The Clearwire proposal will be seriously considered and will be on the agenda of the upcoming Special BOD Meeting this month. Chair Emery asked Director Kutcher to take the lead on this and communicate with CMI. Director Kutcher will gather more information, including more on the aesthetics of the proposed roof equipment, will negotiate the best deal possible and will bring it to the Board.

B. 2009 Association Budget.

The 2009 budget will not be discussed tonight. Chair Emery and Vice Chair Townsend are working with CMI on the budget. They will meet with Nancy again before the special meeting to be scheduled soon. Issues with the budget include the correction of the base and some confusion about the adequacy of the capital reserve budget for 2009.

RDH has been contracted to do an update of the maintenance manual, now including all systems, including pumps, HVAC electrical systems, etc. RDH will also prepare a new reserve study. A number for budget purposes will need to be picked before the end of December when this will be available.

Chair Emery advised that to protect the Vaux HOA from possible special capital assessments, it is likely HOA fees will need to be raised, possibly about 10%. They are currently artificially low, as is common in new buildings.

Chair Emery reported that the conclusion of negotiations with CMI over the 2009 contract is getting close. Piece meal cost items (e.g. photo copies of documents) that cannot easily be verified have been moved into the management fee at a fixed annual cost in the new contract. Chair Emery and Vice Chair Townsend said they want a document that clearly describes what CMI does and clarifies mutual expectations and a document that protects our interests as well as theirs.

Secretary Burton asked about the status of electronic check signing, a requirement of the 2009 contract. The new system being proposed by CMI is not ideal but it's an improvement. An email message with attachments will be sent to a board member to review and authorize payments. Payments then will be made by CMI electronically eliminating paper checks.

V. COMMUNITY MANAGER'S STATUS REPORT

A. Clearwire Internet Systems Proposal.

See Action Item A. above.

B. 2009 Association Budget.

See Action Item B. above.

VI. DISCUSSION ITEMS

A. FSG access control project status. FSG is not finished with their work on fob access. The Board has not been given a revised estimated completion date from CMI.

B. Status of rental threshold. We are at 24.3% now, still below the rental threshold of 30%.

VII. COMMITTEE REPORTS

A. Landscape. Chair Emery remarked that owner, and professional Landscape Architect, Dirk Jongejan has done a tremendous job on the Landscape Committee. He is currently negotiating a 2009 contract with Seven Dees. The current contract will expire in March 2009.

Dirk has submitted a plant replacement proposal, including a list of plants. Due to overcrowding in some areas, a few existing plants will be relocated. Additional screening for the Qwest equipment area on Raleigh is also part of the proposal. The Vaux will purchase plants. Seven Dees and the Vaux will share the cost of installation. The price for plants and labor will be \$1,523.38.

AGREED

Director Kutcher moved to approve the \$1,532.38 proposal for plant replacement. The motion was seconded. All were in favor.

B. Architectural Review. Vice Chair Townsend has submitted a request. Normally Chair Emery and Vice Chair Townsend would review proposals, but because the two of them comprise the Architectural Review Committee, this request was brought to the Board to avoid a conflict of interest.

Vice Chair Townsend, unit 201, presented the three parts of his request:

1. Move the J-box in the dining area to center it over their dining room table. Chair Townsend said he would use the same specifications and the same company to do the work as the Bernsteins in unit 200 who applied to do exactly the same j box move previously that was approved.
2. Install track lighting over the kitchen island using the existing J-box. Hanging the track will involve 2 penetrations into the ceiling. Both will be within the $\frac{3}{4}$ " allowable maximum penetration.
3. Replace carpet with hardwood flooring in the hallway in front of the laundry closet using the company who installed the original hardwood floors.

AGREED

Director Kutcher moved to approve Vice Chair Townsend's Architectural Review request. The motion was seconded and carried. Vice Chair Townsend abstained.

Owners were reminded that the Bylaws state that an architectural review request must be submitted for any alteration to a unit.

Vice Chair Townsend said that this is important for insurance purposes, also.

C. Bike Rooms. The Bike Committee is waiting for fob access to the Bike Rooms to be activated. Several bike owners have taken their bikes out of the Bike Rooms until then and the rooms are looking relatively empty.

D. Social. Nothing to report, no social events are being planned at this time.

E. Communications. No report.

VIII. CONFIRM NEXT MEETING DATE

The next regular meeting will be held Monday, January 26, 2009, 6:00 PM. The location will be Holiday Inn Express, if the room is available. The special meeting to discuss the 2009 budget will take place sometime before December 21, 2008.

Chair Emery reminded owners that the position of Treasurer is still vacant on the Board. He reminded everyone that he had only agreed to serve one more year and that he will not serve after March 2009. We currently have one vacancy on the board and the Treasurer position is vacant. Chair Emery and Vice Chair Townsend have been filling the gap, but we need other community owners to step up to the plate. Chair Emery stated that beginning next year the Board work will be much easier with the new CMI contract, solid budget, and warranty review work finished.

Note to all owners: please volunteer your time and talents to serve your either on the Board of Directors or its committees so that the VAUX can continue to be the first class community that we expected when we all purchased our homes here.

IX. ADJOURNMENT

The meeting was adjourned at 7:00 PM.