

**THE VAUX CONDOMINIUM
BOARD OF DIRECTORS MEETING
May 9, 2012
PAGE 1 OF 4**

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE VAUX CONDOMINIUMS OWNERS' ASSOCIATION HELD AT 6:00 PM, WEDNESDAY, MAY 9, 2012, AT THE FRIENDLY HOUSE 1737 NW 26TH AVENUE (EAST ROOM), PORTLAND, OR 97210.

PRESENT:

Larry Emery, Chair
William Meyer, Treasurer
Michael Martin, Director
Sasha Welford, Director

BY INVITATION:

Steve Russell
Landye Bennett Blumstein Attorneys LLP
David Berg, Maintenance Coordinator
COMMUNITY MANAGEMENT INC, AAMC

OWNERS:

Owners as reflected on the sign in sheet.

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I. CALL TO ORDER

The meeting was called to order at 6:00 PM.

II. OWNERS' FORUM

No issues were raised.

III. BUILDING MAINTENANCE COORDINATOR'S REPORT

- A. Bore Scope Inspection of Laundry Exhaust Lines – It was reported that an inspection of the central vent lines revealed a buildup of debris. CMI proposed conducting a full inspection of the 4 inch ducting to take photos of conditions, using a bore scope. Six randomly selected upper floor units will be selected to determine whether or not a full cleaning operation should be conducted. This will also involve a two-man crew removing the washer and dryer, if needed to enable inspection. At the same time these lines will be cleaned at a unit cost of \$65.00, which will be billed back to unit owners. Cost of the inspection and report is bid at \$540.00. Larry Emery moved to approve the project and Sasha Welford seconded the motion. Motion was approved unanimously.
- B. MPD Fire Systems Inspection – David Berg reported that MPD has proposed a revision to their service contract to provide for automatic renewal annually with the annual inflation rate capped at 3% per annum. David explained that the contract terms will provide for severance to avoid the increase each year at the option of the Board with 30 day advance notice to MPD. With that escape provision, Larry Emery moved to approve the change. The motion was seconded by Sasha Welford and was approved unanimously.
- C. West Coast Finishers -- It was pointed out that the metal caps to the gate columns on the courtyard entrances was in need of painting and David Berg was instructed to direct them to be included when West Coast Finishers return to finish their project that was interrupted because of weather issues.

IV. MANAGER'S REPORT -- NONE

V. APPROVAL OF PREVIOUS MINUTES -- NONE

VI. GENERAL REPORTS

- I. Treasurer's Report – Bill Meyer reported that as previously directed by the Board, \$50,000 in the working capital reserve and \$50,000 in replacement reserves should be maintained in cash at the bank. Current cash balances

**THE VAUX CONDOMINIUM
BOARD OF DIRECTORS MEETING
May 9, 2012
PAGE 2 OF 4**

for these reserves are \$55,192.23 and \$57,127.82 respectively. The remainder of reserve funds is invested in laddered CDs at three commercial banks with no bank holding more than the FDIC insured amount of \$250,000.00. Total so invested is \$729,000.00. Longer-term investments are on hold pending a revised capital expenditure budget and more attractive longer-term rates that are currently available in the market.

Current operating expenditures are running \$17,000.00 under budget in

total.

II.

Landscape Committee Report – None

III.

Architectural Review Committee Report – Sasha Welford reported that she is continuing to work with Dirk Jongejan to finalize ARC reporting policies and procedures.

IV.

Building and Grounds Committee Report

i. Parklex -- Larry Emery reported that, as previously authorized by the Board, he, Dirk Jongejan and Steve Russell participated in a conference call on May 4 with TCR's attorney Eric Grassberger, Sue O'Bannon, and Sam Rodriguez to discuss the current state of play for the planned replacement of the discolored Parklex panels. He also once again reinforced that all agree that there is no structural integrity issues with the panels, but there is a significant architectural issue because of the extent of discoloration. He then introduced Steve Russell, who briefed the board as follows: that while that had been agreement on key items, TCR has taken the step to file a lawsuit against Parklex to replace the non-performing panels. The lawsuit is in local circuit court for hearing in July, but it is anticipated that Parklex will seek an extension, which is routinely extended by the court. We anticipate that a trial date will fall no later than November 2012. TCR's attorney is working with the attorney for Parklex in an attempt to settle the issues in advance of any trial. Steve Russell will develop a draft agreement between The Vaux and TCR to nail down their commitment to us. Things will remain uncertain until TCR reaches a settlement with Parklex or the trial proceeds.

ii. Management of Maintenance Program Activities -- Larry Emery explained that he is concerned about the inefficiencies associated with execution of the maintenance plan for routine maintenance items related to the need to bring all transactions to the board for approval. He proposed that the board authorize the Chair (and his absence the Vice Chair) to proceed with routine maintenance activities including purchases and contracts as needed, as long as the items are within budget and routine up to a dollar threshold to be set by the board. After extensive discussion, a motion was made and seconded that the Buildings and Grounds Committee chaired by Larry Emery be delegated the authority to approve routine maintenance actions without further action of the Board up to a limit of \$5,000.00 per action, as long as the budget is sufficient. Further that the Buildings and Grounds committee shall report such actions to the board so that it may monitor exercise of this authority. The motion was approved; Larry Emery abstained from the vote.

**THE VAUX CONDOMINIUM
BOARD OF DIRECTORS MEETING
May 9, 2012
PAGE 3 OF 4**

iii. Trip Hazards in Garage – As was informally reported to board members earlier, someone unknown took it upon himself or herself to aggressively paint in fluorescent pink the stop in parking space 227. Michael Martin subsequently removed the paint. Larry Emery expressed his concern that the incident was probably motivated by a resident concerned about the stop being a trip hazard as it is in direct line with the entry door to the Savier elevator lobby. After discussion, Larry Emery moved that three such stops – 208, 227, and 228 be painted caution yellow. Sasha Welford seconded the motion and it was approved unanimously.

- V. Bicycle Committee Report – Grant Shaffer reported by email that there are no issues. Current waiting list is 10 bikes and he expects that 5 brackets to open up shortly.
- VI. Social Committee Report – Barbara Barwood reported that the spring fling was scheduled for the Savvier lobby on June 14.
- VII. Communications Committee Report – Hal Barwood reported that the website is still evolving and he is looking for news stories and ideas to stimulate more use of the site by residents.
- VIII. UNFINISHED BUSINESS – NONE
- IX. NEW BUSINESS

- A. Unit 302 Request for Variance to the \$200.00 Move-Out Fee – The owners report that they have never lived in the unit and have only moved in appliances on a piece meal basis. They have stayed in the unit for brief overnight stops. They also requested that their new tenant not be required to pay any move in fee because she had already moved in and since she did not have much to move in at that time it was not necessary for them to request the elevator be padded at all.

The Board considered this request and agreed to waive the move-out fee for the owners and the move-in fee for the new tenant as long as it is only personal belongs and no furniture items. The Board directed that CMI confirm the rental status and assure us that the Owner and Tenant Information Forms were properly prepared and in hand.

- B. Unit #230 Requests for Variances to the \$200.00 Move-in/Move-Out Fees -- This unit is currently a rental. The owner advises that the tenant will move out on May 31.

The Board found the letter submitted to be confusing, concluded that there were two requests:

The first is to allow "a friend" to use the unit as a vacation spot during the months of June and July. Our bylaws (section 7.), governs occupation and use of units and prohibits use for transient purposes. However section 7.1 defines transient or hotel use as renting for any period less then 30 days.

**THE VAUX CONDOMINIUM
BOARD OF DIRECTORS MEETING
May 9, 2012
PAGE 4 OF 4**

Based on the confirmation that the "friend" will occupy the unit for two months and CMI receives a copy of the written agreement and related Owner and Tenant Information forms, the Board decided that such use is permitted.

The second request is for the Board to waive move-in and move-out fees as no furnishings will be moved in or out. What is confusing is the owner also states that the new tenant expected in August will pay the move-in fee, as required. So what happens to the furniture currently in the unit? If that furniture is moved out, the owner will have to schedule the move in advance and pay the move-out fee.

- X. SET NEXT MEETING DATE – Date was not set.
- XI. ADJOURN -- The meeting was adjourned at 8 PM.