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**Millridge Homeowners Association  
Meeting Minutes  
Board of Directors Meeting  
December 5, 2019**

**I. Call to order.**

A regular monthly meeting of the Board of Directors of the Millridge Homeowners Association was held at 1610 ½ NW 143<sup>rd</sup> Avenue, Portland, OR 97229 on December 5, 2019. The meeting was called to order by Tom Messecar at 6:30 pm.

**II. Introductions and Director attendance.**

Introductions proceeded throughout the room.

**Board member attendance:**

*DIRECTORS PRESENT:*      **Tom Messecar** (Vice-President)  
   **Laura Holgate** (Secretary)  
   **Jim Bauer** (Director at Large)  
   **Sue Seaver** (Treasurer)

**III. Approve / modify agenda.** Laura Holgate moved to approve the draft agenda with additions. Motion was seconded and agenda was adopted.

**IV. Approve / modify minutes of 11/07/19 monthly board meeting and minutes of 11/18/19 special board meeting.** [Draft of minutes were distributed to board members for review prior to meeting.] Sue Seaver moved that both sets of minutes be approved as drafted. The motion was seconded and unanimously carried. The minutes of the 11/07/19 and 11/18/19 meetings were approved and adopted.

**V. Director needed.** A call was made to fill the vacancy on the board of directors. There were no interested volunteers in attendance and no new director appointed.

**VI. Committee Reports.**

**a. Treasurer's Report.** Sue Seaver, Treasurer, reported. YTD as of the 10/31/19 financial statement, the HOA has assessed \$208,000 in operating income, which is .2% above anticipated; has contributed \$55,000 to reserves; and collected \$31,000 in Serial Special Assessments. Accounts receivable is at \$20,000, which is up \$3000 from last month. There is a total of \$221,000 in reserve assets, which includes operating contingency and replacement reserves. Year to date, the association has spent \$59,000 from the replacement reserves account and \$0 from the serial special assessment account, which is the account that's exclusively for the garage roof coating project which has been completed. Ms. Seaver further reported that one of the collection accounts is scheduled to be paid tomorrow. The payment is being processed through the HOA collections attorney and the net amount, including late fees but less attorney fees and costs, is estimated to be approximately \$5000. General and administrative expenses are below budget year to date. The financial statement incorrectly reports that irrigation repairs and landscape miscellaneous is over budget; CMI has been asked to correct the accounting error by moving certain expenses out of the landscape miscellaneous category and into the correct expense category. Overall YTD operating expenses are running 1.5% under budget, with total operating income exceeding total operating

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expense by \$3464. Ms. Seaver reminded owners that there are still two months to go from the date of the financial statement so the amount is expected to change. If the total income for the year exceeds the total operating expenses at year-end, the difference will be transferred to the replacement reserves account. It is anticipated that there should be only a slight difference because of the careful work put into the budgeting process by Tim Jackson and Dave Edwards, members of the budget committee.

- b. **Landscape Committee.** Betty Lukins, landscape committee member, read the written report prepared by Christine Morris, landscape committee chairperson. A copy of the report is attached as an exhibit to these minutes.
- c. **Architecture Committee.** Jim Bauer, ACC chairperson, reported. The two current projects are the carriage lights at 1632 and 1654, both are end units and wired differently than other units. Electrician came out to replace the light at 1632 as previously approved, but discovered that many large rocks, bricks, broken concrete, and construction debris were piled on top of the underground line. To comply with electrical code, a new connection has to be put in and the line run through conduit to the post, which would require digging up and removing all the heavy materials that were piled on top of it after construction. The electrician mentioned the option of using an above ground all-weather type line, but said it wouldn't comply with code, wouldn't last long, and he wouldn't recommend it. The bid to dig everything up is \$1100, which would be in addition to the previously approved bid. The repair of the light at 1654 is underway. It is controlled by a switch located on the owner's property that also controls that property's patio lights. The owner agreed to remove the bulbs from his patio lights since he doesn't use his patio, so the carriage light switch could be left in the "on" position and controlled by light-sensing photocells like all the other carriage lights in the community. Mr. Bauer reported that when he checked with the owner about whether the light went off with the morning light as it should, the owner told him he turned it off manually at 10 pm. The electrician explained that every time the light is turned off manually, the photocell has to be reset. Owner has been asked not to turn off the light as it provides necessary safety lighting to the common area, but it would continue to be in the owner's (and all future owner's) control. As an alternative, the light could be hardwired and controlled only by the photocell. The bid for that is \$300 and ACC recommends it be accepted.
- d. **Maintenance – Status Report.** **There is currently no maintenance committee separate from the ACC; in absence of a committee, maintenance items are under the control of the ACC and tasked to various board members and other volunteers on a project by project basis.** Deb Messecar, volunteer, prepared a report on approved projects pending completion and new requests submitted; Laura Holgate, Secretary, read the report aloud. A copy of the report is attached as an exhibit to these minutes.
- e. **Clubhouse Committee.** Sue Seaver, clubhouse committee, reported that there is only one reservation in December and one in January. She urged homeowners to make their reservations now for holiday gatherings.
- f. **Neighborhood Watch.** Shirley Carlson, Neighborhood Watch committee, reported that there were two cars parked in the fire lane the other day and all the garages were closed; she said that Tim told her whose they were but she doesn't remember and it wasn't reported to the board. Also,

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someone was working on [Rich's?] old unit and didn't want to park in the garage. Ms. Carlson said she had no authority over it so it stayed in alley.

**VII. Owners Forum.** Owners were given time to make comments and suggestions.

- a. Tom Messecar read fire department's recommendations that were passed on to him by Glen Beckley, an owner not attending the meeting: to avoid false alarms that can be caused by moisture, vapors, and exhaust fumes, smoke alarms should not be placed in kitchens, bathrooms, garages or unheated areas. A personal note from Mr. Beckley was added: he has a smoke alarm in his garage and has never had a false alarm but feels better that it's there.
- b. Marlo Rocci expressed dissatisfaction with the quality of work on the recently installed fence caps on end-unit fences and suggested the contractor be called back to fix them. Jim Bauer explained that they couldn't be as straight and neat as we would like because the wood top rails are not straight, which meant the metal had to be bent and pieced together and overlapped in some instances in order to cover it fully. Mr. Bauer also stated that the contractor did come out and re-do two that were not done as well as they should have been. Painting of the new metal fence caps will be completed when weather permits, likely in the spring or early summer.

Mr. Rocci had complaints about CMI's response to questions he's asked about accounting methods and figures and about what he believes are discrepancies between the general ledger and the information on the financial statement. He reported that CMI is trying to pass him off to the CPA instead of answering his questions about accounting done by CMI and further, requested that changes be made to amounts in certain expense categories that he believes are incorrect. Laura Holgate stated that an audit is done by the HOA's CPA, which is independent from CMI, on an annual basis. She suggested that forwarding the specific questions and doubts to the CPA to be reviewed as part of the annual audit may be the best way to get answers and a determination on whether there is reason to doubt the figures or accounting methods. Ms. Holgate agreed to forward his written questions and concerns to Schwindt & Co. with a request they be reviewed as part of the annual audit. Sue Seaver informed Mr. Rocci that if he wanted the work done by the CPA separate from the annual audit, he would need to pay for that work himself since the board of directors has authorized only an annual audit.

- c. Irene Hruzd and Ursula Locke both told of problems they encountered with CMI's new ACH provider, "ClickPay." Ms. Hruzd reported that late fees were charged that she believed should not have been charged. Ms. Locke reported that she paid through CMI's ACH system prior to CMI's switch to ClickPay, but when the switch to ClickPay was announced, she decided instead to use her bank's bill pay service. She was unhappy and concerned when she learned that she was automatically enrolled for ClickPay ACH withdrawals without having signed up for it herself. Further discussion about payment options and ClickPay ensued and several owners had questions. Laura Holgate agreed to get clarification and answers to those questions from CMI and get it out to owners.

Ms. Hruzd expressed dissatisfaction with CMI, not just with ClickPay. She believes they are not providing the service they should be to the association and that the HOA should not continue to use them as the community management company, which led to discussion about CMI services and

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whether to search for alternatives. Background of the issue was discussed: Tim Jackson volunteered and was appointed to lead an ad hoc committee earlier in the year to research and compare other community management companies, but Mr. Jackson ultimately declined the task and no further action was taken. Directors continue to think it may be worthwhile to research alternatives, but are also aware that there are limited options and that similar and worse complaints about other companies are widespread among local HOAs. Ms. Hruzd indicated an interest in serving on an ad hoc committee to look into alternatives if one is established and if there will be good notice of when meetings will be held.

**VIII. OLD BUSINESS.**

**a. Informational meeting regarding HOA insurance (Larry Thompson, American Family Insurance).**

Directors agreed on setting an evening meeting on any weekday, except Friday, that will work for Larry Thompson. Deb Messecar volunteered and was appointed to schedule the meeting. The standard three-day notice of meeting will apply.

**b. Carriage Lights at 1632 and 1654. *Unforeseen conditions require work above and beyond what was approved at last month's meeting.***

- i. **Light in front of 1632.** Sue Seaver moved that the new estimate from Smiley Electric for repairing the lights be approved. The motion was seconded and discussed. Discussion confirmed that in addition to the initial service call (invoiced at \$85), Smiley Electric has put in a couple hours doing work included in the bid approved at the last meeting, including: rewiring the post, installing new connection from post to new light fixture and installing new light fixture on top of post. The new bid of \$1100 is for the additional work of digging up and removing all the heavy material piled on top of the line that runs underground from the unit to the post so that the new line can be run through conduit and underground as required by code. The \$1100 bid amount is in addition to the amount previously approved, and separate from work already completed.

Laura Holgate made a new motion, as follows: 1) instruct Smiley Electric to hold off on doing any more work until further notice and to submit an invoice for all work done to date, excluding initial service call for which an invoice has already been submitted; 2) postpone the decision about additional work until next month to allow time to obtain at least one other bid. The motion was seconded and unanimously carried. Jim Bauer committed to communicating the instructions to Smiley Electric and requesting a bid from Jarmer Electric and one other company.

- ii. **Light in front of 1654.** Laura Holgate moved to approve the bid from Smiley Electric to hardwire light so that it is controlled by photocell and not from owner's property for the cost of \$300. The motion was seconded and unanimously carried.

**c. Updated 2020 budget approved at special board of directors meeting. *Information only – no action needed.* Sue Seaver informed owners in attendance that the special meeting held on 11/18/19 was to rescind approval of the budget agreed upon at the last regular board meeting in order to approve a revised version that changed the fee increase from 1.7% to 1.8% because the CPI rate, on which the increase was based, was set at 1.8%. The additional net income resulting from the slightly higher fee increase will all flow to the replacement reserve account.**

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**IX. NEW BUSINESS**

- a. **1612 – Request to repair end unit fence damage.** Tom Messecar moved to postpone this item, along with IX(b) and (c) until the February meeting to allow time to have a merry Christmas and then to get bids, possibly combining these three projects with other pending painting projects to be done when weather permits. The motion was seconded and unanimously carried. *This item postponed to February meeting.*
- b. **1610 – Request for power washing of end unit fence.** *Postponed to February meeting (see above).*
- c. **1656 – Paint problems near gutter downspout.** *Postponed to February meeting (see IX(a), above).*
- d. **Tree behind building 14 (on Terra Linda side of fence between communities).** Sue Seaver moved that NOTICE be given to Terra Linda Condo Association that Scott Failla, a certified arborist and qualified tree risk assessor with NW Tree Specialists, recommends that the trees along the fence between Millridge Townhouses and Terra Linda Condominiums be given a maintenance-type pruning to clear the branches from the fence line. The motion was seconded and unanimously carried.
- e. **Reimburse Jim Bauer for two carriage lights (\$82.20) and a toilet seat for clubhouse (\$28.82).** Sue Seaver moved that Jim Bauer be reimbursed the total amount of \$111.02 by the HOA for his purchase of the two carriage lights and a toilet seat. The motion was seconded and unanimously carried.
- f. **1648 – Request to put 3-tier plant stand on ground in front of chimney.** Sue Seaver moved to approve the owner’s request to put a 3-tier plant stand on common ground through January, 2020. Motion was seconded and unanimously carried.
- g. **CMI’s intent to pass the new Corporate Activity Tax to the HOA.** Laura Holgate made a motion that she be authorized to ask attorney for opinion on whether this new tax is the type of tax that CMI can charge to the HOA per the terms of the CMI contract, and if so, how the amount charged to HOA should be calculated since it appears to apply to ONLY commercial activity in excess of \$1 million, with no CAT on the first \$1 million of commercial activity. The motion was seconded and discussed. Laura Holgate read the relevant portion of the CMI contract into the record:  
*“In the event local, state, or federal governmental agencies and/or taxing bodies implement **service and sales type taxes on services, materials and supplies provided by CM to the Association...**the Association will be responsible for reimbursing CM for the cost of these taxes/fees, liability or for additional services that may be required as a result of a change in statutes.”*  
Laura Holgate then read a description of the new Corporate Activity Tax (“CAT”) into the record (from oregon.gov/DOR):  
*“The new Corporate Activity Tax (CAT) is imposed on businesses for the privilege of doing business in this state. **The CAT is not a transactional tax, such as a retail sales tax or an income tax.** Oregon’s CAT is measured on a business’s commercial activity - the total amount a business realizes from transactions and activity in Oregon...The CAT is **applied to Oregon taxable commercial activity in excess of \$1 million...**”*  
After discussion, the motion was unanimously carried.

- h. Tim Jackson's request to be appointed as Treasurer.** Tim Jackson was given opportunity to speak in support of his request. He explained that he was requesting to be appointed as Treasurer, but not to serve on the board of directors. He gave a summary of his work history and his reasons for seeking the appointment. When asked about the statement on his written request that he would meet with contractors and obtain bids, he clarified that his willingness to do so was dependent on his being appointed as Treasurer. No motion was made on Mr. Jackson's request for appointment; no action taken.
- i. Secretary's request to appoint assistant to cover secretary's duties in absence of secretary.** Laura Holgate made a motion to appoint Deb Messecar as Assistant Secretary. The motion was seconded and discussed. This Assistant Secretary position wouldn't be a directorship, so it wouldn't include voting privileges on board decisions or be counted for purposes of meeting quorum requirements at board meetings. The role of Assistant Secretary would be to perform the duties of the secretary for meetings that the secretary is unable to attend; including taking meeting minutes, preparing board packets, ensuring copies of meeting documents get distributed to owners, and other duties related to the meeting that would ordinarily be done by the secretary. Additional tasks may be performed by Assistant Secretary from time to time by agreement. After discussion, the motion was unanimously carried and Deb Messecar accepted the appointment.
- j. Reimburse Carol for Christmas bows for carriage lights (\$12).** Sue Seaver moved that Carol Parker be reimbursed \$12 for purchase of new red bows to decorate the carriage lights for the holidays. The motion was seconded and unanimously carried.
- k. Owner's vehicle repeatedly or continuously parked in visitor space in front of the front pool.** A car with the license plate WHF 286, believed to belong to an owner, has been repeatedly parking the visitor space in front of the pool. It was agreed that a first violation notice be sent and fines assessed in accordance with 2018 Fines Resolution.
- X. Next meeting date.** Tom Messecar moved that **the next meeting will be held on 1-9-2020 at 6 pm.** The motion was seconded and unanimously carried.

EXHIBIT TO 12/5/19 MINUTES - from VI(b)

**Landscape report for 12/5/19 HOA meeting**

Nov 30 at 10:39 AM

[PrintRaw message](#)

**Christine Morris** <cgmorris48@gmail.com>

To: Laura Holgate <lauraabsherholgate@gmail.com>,SUE

SEAVER <dmeandsls@msn.com>,bonbau100@yahoo.com,tommesseca@yahoo.com

Cc: Christine Morris <cgmorris48@gmail.com>,Barbara Getty <ellyfont@frontier.com>,Carol

Parker <gistigram12@gmail.com>,Kathleen Noss <kathleen.noss@live.com>,Ann

Bauer <annie6417@aol.com>[more...](#)

The landscape committee met on 11/21/19. We had no homeowner requests to consider. We talked about possible projects for 2020. For the 12/5/19 HOA agenda....decision on whether to add north alley tree to 12/19/19 work. Tree is growing on Terra Linda side of north fence behind 1742..cost \$300 plus additional \$100 for hauling wood away.

The sprinklers haven been turned off for the winter. NW Trees is coming to Millridge on 12/19 to prune trees at 1584, 1598 and 1600 for the HOA in addition to several courtyard trees (homeowner expense).

The landscape committee will not meet in December. We will meet again on Thursday, 1/16/20, at 6:30 pm in the clubhouse.

Maintenance Report December 2019:

Approved items pending completion:

1. Pending: Carriage Lights: Approved bid from Smiley Electric to repair and replace the post lamps @1632 & 1654 for: \$85.00 for the service call and testing already completed additional \$450.00 to rewire 2 new lamps plus the cost of the lamps (\$40 each) – UPDATE needing all new conduit & wiring from under the unit out to the carriage light. Asking for a revised bid but electrician is estimating an additional \$1,100
2. Gutter cleaning approved bid for 2019-2020 Jon's Gutters (\$4390) – Scheduled for early January 2020.

Submitted requests:

Siding or Cap Repairs

1. Nail holes behind gutter downspout not repaired on Building 15 by Curt Gallagher and Glen Beckley. (completed)
2. Repair end unit fence 1612 (see request) – repair – no bids obtained yet.

Painting issues

3. Paint issues on Unit 1656 (see photo obtained by Curt), 1612 End unit Fence Unit (see homeowner request); 1610 (see request to power wash to see if appearance improved)