

MINUTES

Minutes of the Board of Directors Meeting for the Murrayhill Woods Condominium Owners Association held at 6:30pm on January 25, 2016 in the clubhouse at 9450 SW 146th Terrace, Beaverton, OR 97007

The meeting was called to order by chair Bev Hovley at 6:30pm.

Quorum Present: Yes

Board Members in attendance: Bev Hovley, Chair
Mark Vandervest, Treasurer
Kathy Leonetti, Director
Geri Masters, Director
Mike Helmuth, Director

Board Members absent: Aaron Dent, Director
Lynsi Sitton-Kneiling, Secretary

Guests in attendance: John Harthan

Others in attendance by invitation: Tim Miller, Portfolio Manager, PREM Group
Todd Marella, Assistant Property Manager, PREM Group
Jimmy Songvilay, Property Manager, PREM Group
Larry Jackson, General Manager, PREM Group

Welcome & Introductions: Bev opened the meeting by welcoming everyone. Bev stated that the Board would be taking the official minutes for the meeting. Mark Vandervest agreed to take the minutes for the meeting.

Proof of Notice: 72 hours notice for the meeting was posted on www.MyMurrayhillWoods.com, as well as public bulletin locations throughout the MHW condominium community.

Owners Forum: There were no comments from the Owner(s) in attendance.

Approval of Agenda: A motion was made by Mark Vandervest to approve the Agenda as written. The motion was seconded by Kathy Leonetti and unanimously approved.

Approval of Minutes: A motion was made by Bev Hovley to approve the minutes as modified for the Board of Directors meeting held on 12/21/15. The motion was seconded by Kathy Leonetti and approved by majority.

The approval for the minutes of the Board of Directors meeting held on 11/30/15 was tabled until the February meeting.

Manager's Report:

1. Tim reported that a bid for the pool pump repairs was received Classic Pool Spa & Hearth. Todd reported that he attempted to call several places for additional bids but received no response. Tim reported that Classic Pool is familiar with the property and that the pump for the jets needs to be replaced. Classic Pool also found that the heater was locked off and auto-chemical balancing was disabled. Geri suggested PREM check records to identify the former pool service from last

summer for an additional bid and recommendations. Kathy recommended that if pool services were presented with an opportunity for the annual maintenance of the pool there may be better response. PREM will follow up accordingly.

2. Tim presented a bid from Harbro in the amount of \$2,775.00 for the replacement of the stair stringer exhibiting areas of rot on unit E-8. The Board requested PREM obtain two additional bids, including an option for replacing the second stringer at the same time while the concrete steps are removed. Kathy suggested that the cost of the wood stringer material should be relatively inexpensive. Kathy recommended that PREM contact York & Curtis for one of the additional bids. Bev questioned whether all stringers needed to be evaluated. Tim suggested a comprehensive evaluation may have a cost associated with it. Todd added that the stringer may not be pressure treated and that is why it is exhibiting rot where others are not. PREM will obtain additional bids and deliver to the Board for review.
3. Management sent a violation letter to the Owner, Tenant, and Property management company for U-3 regarding the extension cord running from the unit to the trailer. The cord was removed during the property visit on 1/21/16.
4. Todd reported that Great Garden is scheduled to perform pruning of the evergreen tree near building T. Great Garden will look at buildings F & G at this time as well.
5. Tim distributed a collection status report to the Board. Mark asked about the status of several unit owners who were more than \$1,000 delinquent in assessment payments, and specifically unit F-7 which was showing \$4,885.41 delinquent and was not reported in VF collections report. Tim referred to the collection status report dated 01/21/15. The explanation in the status report indicated that the account was not 90 days past due. Tim will follow up with Jeremiah at PREM to determine accuracy of collection status report.

OLD Business:

1. Todd reported that new concrete bases would need to be formed and poured around several light poles. PREM will obtain bids and report back to the Board for review.
2. A brief discussion was had regarding the paving bids. Mark commented that his conversation with Coast suggested that often 4 inches of compacted asphalt is typically needed where garbage trucks travel. Coast recommended a probe of the current driveway base to determine if 3 inches or 4 inches are needed. Coast reported that if they were awarded the contract, they would perform the probe at no additional cost. However, it was recommended and agreed that a decision needs to be made on the storm sewer repairs before any paving work was performed.
3. Tim and Todd reported on the lack of cooperation and follow up with Lovett and Mr. Rooter regarding the repairs that were completed in 2015 in front of buildings B & D. It was reported that Mr. Rooter couldn't find the job in their system. Mark suggested that after Mr. Rooter performed the repair there should have been a camera report showing condition of the balance of the storm sewer line. Kathy suggested that a more aggressive approach for response is needed, including going to the contractor's office to obtain the needed information. Tim said he would continue to follow up. Mark asked to be present when or if PREM could get the contractors onsite to be inform specifically what repairs were made and if camera recordings were taken of the completed projects.
4. Photocell replacement bids were discussed. since there were dramatic differences between the lowest (offsite) bid and other bids, the Board requested PREM to make sure the contractor had seen the property and that the bid was accurate. Approval of proposals was postponed until further information was obtained.
5. The gutter cleaning bids were reviewed. Bev motioned to approved the bid from Action Northwest in the amount of \$2,995. Kathy seconded the motion and the bid was approved unanimously.
6. In lieu of going through the PREM Follow-up Items list, it was decided that PREM would provide a report over the next week of the outstanding items shown on the report to the Board for review.

NEW Business:

1. Bev asked PREM to check on the status of a CD scheduled to renew later in the week. Tim will follow up.
2. Adding Earthquake coverage to the MHW insurance policy was discussed. A policy upgrade and additional information was provided by Danial Taylor of American Family insurance. The quote was unclear of whether the premium was for each building or all 23 buildings, and whether the premium of \$1,742.00 was monthly or annually. PREM could not clarify. The matter was tabled until further information is obtained.
3. Larry Jackson provided a brief report of the management turnover status. Larry reported that PREM would be willing to turn over management by 2/1/16 for a prepayment amount equal to 4 months management fees, otherwise they were not inclined to walk away from the current contract. The Board reported that they are following the guidance of legal counsel and dismissed PREM representatives from the balance of the meeting. Mike motioned to excuse PREM from the balance of the meeting and Kathy seconded the motion. The vote was approved unanimously. The open meeting continued after PREM representatives left the meeting.
4. A brief discussion was had about retaining Community Association Law Group to represent MHW moving forward. Mike motioned to retain Community Association Law Group to represent MHW. Kathy seconded the motion. The vote was approved unanimously.
5. A brief discussion was had about moving all future collection accounts to Community Association Law Group and keep all previous accounts in collection with Vial Fotheringham. Kathy motioned to have Community Association Law Group process all future delinquent collections for MHW and keep all previous collection accounts with Vial Fotheringham. Bev seconded the motion. The vote was approved unanimously.
6. A brief discussion was had about the need for a new Treasurer given that Mark Vandervest would be taking on the role as Property Manager in the near future. Mike Helmuth agreed to temporarily take the position of Treasurer until other arrangements could be made. Kathy motioned to have Mike Helmuth replace Mark Vandervest as interim Treasurer. Bev seconded the motion. The vote was approved unanimously.
7. A brief discussion was had about PREM's management contract. Upon review of legal counsel's advice, the Board agreed to proceed under legal counsel's opinion that PREM's management contract is voidable and unenforceable. The Board would stand firm by their letter of Termination delivered to PREM on 12/21/15 giving PREM 90 days written notice to terminate.
8. A discussion was had about the new management agreement with FRESH START Real Estate, Inc. Bev motioned to execute the new management agreement with FRESH START Real Estate, Inc., which will begin on March 1, 2016. Geri seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote. Bev Hovley and Mark Vandervest executed the new management agreement on 1/25/16, which will become effective on 3/1/16.
9. Kathy motioned to pay the setup fee defined in the new management agreement in the amount of \$1,500 to FRESH START Real Estate, Inc. on or before March 1, 2016. Geri seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote.
10. Mike motioned to instruct PREM to issue a check in the amount of \$5,000 payable to Murrayhill Woods Condominium Association out of the current operating funds for the purpose of establishing a new operating account at Banner Bank Murray-Scholls in the name of Murrayhill Woods Condominium Association. PREM shall deliver said check to FRESH START Real Estate, Inc. on or before 2/1/16. Signors to the Banner Bank Operating Funds Account shall be the chair (Bev Hovley) and secretary (Lynsi Sitton-Knieling) of the Murrayhill Woods COA and officers of FRESH START Real Estate, Inc., including Mark Vandervest and Cindy Vandervest. Geri seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote.
11. Mike motioned to instruct PREM to issue a check in the amount of \$5,000 payable to Murrayhill Woods Condominium Association out of the current reserve funds account for the purpose of

establishing a new reserve funds account at Banner Bank Murray-Scholls in the name of Murrayhill Woods Condominium Association. PREM shall deliver said check to FRESH START Real Estate, Inc. on or before 2/1/16. Signors to the Banner Bank Reserve Funds Account shall be the chair (Bev Hovley) and secretary (Lynsi Sitton-Knieling) of the Murrayhill Woods COA and officers of FRESH START Real Estate, Inc., including Mark Vandervest and Cindy Vandervest. Geri seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote.

12. Mike motioned to instruct PREM to issue a check from the operating funds account in the amount of all remaining available funds, payable to Murrayhill Woods Condominium Association for the purpose of transferring the operating funds to the established MHW Banner Bank Operating Funds Account. Said check shall be delivered to FRESH START Real Estate, Inc on or before 3/21/16. Geri seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote.
13. Bev motioned to instruct PREM to issue a check from the reserve funds account in the amount of all remaining available funds, payable to Murrayhill Woods Condominium Association for the purpose of transferring the reserve funds to the established MHW Banner Bank Reserve Funds Account. Said check shall be delivered to FRESH START Real Estate, Inc on or before 3/21/16. Kathy seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote.
14. A brief discussion was had about the transfer of keys to FRESH START Real Estate, Inc. Kathy motioned for PREM to deliver all keys in their possession to FRESH START Real Estate, Inc. on or before 3/1/16. Mike seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote.
15. A brief discussion was had about the transfer of all records to FRESH START Real Estate, Inc. Kathy motioned for PREM to deliver all records in their possession to FRESH START Real Estate, Inc. on or before 3/1/16. Mike seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote.
16. A brief discussion was had about Owner notification of management change to FRESH START Real Estate, Inc. Kathy motioned for PREM to deliver written notice of management change to all Owners in the Association, including the contact information for FRESH START Real Estate, Inc., on or before 2/16/16. Additionally, FRESH START Real Estate, Inc. will send out an introduction letter with temporary payment coupons to all Owners on or about the same date. Geri seconded the motion. The vote was approved by majority with Mark Vandervest recusing himself from the vote.

Schedule Next Meeting:

The next meeting for the MHW Board of Directors is scheduled for 6:30pm on February 22nd, 2016 at the MHW Clubhouse.

Adjournment:

The meeting adjourned at 8:54pm.

Submitted by:

Mark Vandervest, Director
Murrayhill Woods Condominium Owners Association