

Board of Directors Meeting Minutes
September 18, 2017
Arbor Terrace HOA
Board of Directors Meeting Minutes

Minutes of the Board of Directors meeting of the Arbor Terrace HOA held on September 18, 2017 at the Sherwood Fire Station, 15440 SW Oregon Street, Sherwood, OR 97140 at 6:30 pm.

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| Present: | Amy Boyle Rhonda Diestel Amanda McMillian Jean Payne David Baehler | President & Treasurer Secretary Director Director Director |
| By Invitation: | Crystal Drake | Century 21 Turner Properties |

Owners present as indicated on sign-in sheet.

Call To Order:

- The meeting was called to order at 6:30 pm by Board Treasurer & President, Amy Boyle and quorum was established as per meeting guidelines.

Meeting Minutes:

- Meeting Minutes can be found on the HOA's website: www.arborterracehoa.org

President's Report:

- This summer's fence replacement project is still ongoing as there have been many delays. Completion of the fence project, to include staining of all areas visible from the streets, is expected by the end of October.
- Compliance monitoring and collection efforts continue. Opt C Special Assessments continue to be paid off as properties sell.
- A preliminary meeting with Morrison Hershfield was held and a proposal has been presented to the Board for our annual Reserve Study. This upcoming Reserve Study will include some updates. Morrison Hershfield has a long history with the HOA and an understanding of our specific capital expenditures as they have partnered with us during the HOA's lawsuit as well as a class action lawsuit filed by many of our single-family homes. The specialist engaged in the study was involved with the Association in 2008 with the Rowhouse construction defects and completed the interior rowhouse attic walks. The full reserve review this year will include roof inspections on the rowhouses. Changes expected in the Reserve Study will be in the fence allocation as well as the inclusion of a plan to cover all landscaping capital considerations.

Treasurer's Report:

- The transition of the HOA's financial statements from QuickBooks to Caliber software has taken place. Additionally, the transfer of the HOA's operating and reserve accounts from Northwest Bank to Alliance Bank has also been begun. Layout changes are continuing to take place to make the formatting of the Caliber produced financial statements more similar to the prior QuickBooks versions for ease of comparison. With no activity in the checking account that remains open at Northwest Bank, the plan is to finalize closeout of this account near end of October.
- All accounts have healthy balances. This summer's fence project is expected to cost between \$75,000 - \$85,000, fully funded from our Reserves; which will reduce the Tamarack's Reserve balance to negative however; there are no upcoming capital expenses for the Tamarack's and renewal funding will be taken into account in the Reserve Study.
- Tax return extensions have been filed with the IRS and State and expected preparation costs will be around \$500. The board discussed continued partnership with Tammy at Foster and Associates for our annual financial review. After leaving Verity, Foster and Associates was recommended by Century 21 Turner Properties as they are used for all of their other clients. Their cost for financial reviews is similar to Verity with a high-end of \$8000 for up to a full audit but this will be a first-time review and may require as much time. The board approved to move forward with the reviews under Foster and Associates.

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Secretary's Report:

- Nothing to report.

Committee Reports:

Architecture Review Committee (ARC)

- Many ARCs were submitted, reviewed and approved by the Board over the summer via Email.
- An ARC Request was submitted for approval to remove front patio and install pavers to raise patio above grade and was approved by the Board.
- An ARC Request for landscape rock installation needs to be submitted to the Board with neighbor's approval. Our landscaper with Grounds NW expressed concern for his edging equipment being damaged by the rock so the Board will request that the rock be pulled back from the grass edge. Concerns also exist that neighborhood children will chose to use these as projectiles and there may be potential damage.

Landscape Committee

- After having reviewed bids for new landscape contracts at the last Board meeting, the Board decided to continue with Grounds NW for six more months. An additional bid was received recently by the Board from Crowley Landscape. This bid is most comparable to what we have now. Grounds Northwest has struggled to complete the regular maintenance required by the HOA so additional projects previously discussed and approved were not an option for them to complete this summer. Grounds NW does recognize the HOA has some serious landscaping needs that will require outsourcing for completion. Amy noted that the HOA will not get the same level of attention with a larger company if a decision is made to change landscapers. Any change to landscapers, however, will be effective January 1st, 2018 so the Board has time to still consider options.
- Amy prepared pictures of these landscaping issues the neighborhood is facing in preparation of a comprehensive proposal to address the neighborhood's significant landscaping needs. To begin, Amy will be meeting with Pro Grass to discuss a massive landscape and irrigation overhaul on Harvester to address some of the following standard landscape concerns. This capital expense will be worked into the reserve study to accommodate a three to five-year plan for completion.

Types of Concerns:

1. *Aging irrigation infrastructure*: The issues are the multiple fractures of main lines and that many irrigation heads that are no longer functional and cannot be replaced. This is due to the growth of tree roots around the original system. The removal of 100+ trees would require sidewalk replacement and the approval of the City of Sherwood, since they have a say in keeping those trees in place so this is not a good option. Amy is expecting that next summer, even more functionality will be lost, especially down Harvester.

2. *Dead and Dying Grass areas*: The issues are poor head placement for installed landscape such that now many of the heads are not in the right place after 12 years of growth. Animal urine on unwatered panels has killed grass over the years as well in certain areas. There is a need is for either a massive turf replacement or alternative solution.

3. *Sunken turf panels*: This is where the ground has settled below sidewalks and driveways. Irrigation heads have fallen in these panels and these are considered trip hazards for insurance purposes as well as causing an increased level difficulty for maintenance of the landscaping.

4. *Overgrown and dying shrubs and trees*: Many plants have either overgrown their space or are suffering from some pest/disease damage or inadequate soil drainage. These plants and trees need to be addressed and a plan put in place for replacement or removal.

- Main Areas of Concern:
 - Harvester Lane – sunken panels, tree growth in small street panels
 - Holland Lane – tree and shrub growth is dense
 - Tamaracks with metal fences
 - Century Dr, - large turf panels in the front
 - Baler Way – yard is close to street
 - Silo Ter – small front yards

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- Community space – large turf areas
 - Century Dr
 - Langer Dr
 - Community Park

Current System:

The current system has 69 battery powered irrigation controllers that control over 100 zones that run off eight back flows, which do require annual testing but this is not a significant expense. The controllers were mostly replaced several years ago but many of them had to be replaced again this summer. These run between \$150-200 a piece. The way in which the zones are all linked together will cause problems for some areas when certain zones will have to be shut down. Tree roots are a main cause of problems with current system.

Options:

A short-term fix could be to completely overhaul the irrigation system to bring it under a single electric powered unit but this, when explored several years ago, was a huge project that would come at an exorbitant expense to the HOA.

Another solution that will be explored with Pro Grass is turning over the irrigation to individual single-family homeowners and reducing the watering requirements of the neighborhood overall by following the concept of zero-scaping on many of the panels where the irrigation system is beyond repair. Every home would get its own back flow that would be tied into the owner's water such that, through the CC&Rs, there would be minimum watering requirements for the neighborhood. This would allow the HOA to utilize the existing back flows for the irrigation needs of the community spaces and rowhomes. The proposed plan would include the removal of grass so there is no longer the need for watering on many of the current turf panels. This complete overhaul would include selecting replacement shrubs and trees that are better suited for the various needs of the different areas and the use of dry beds, landscaping rocks and native plants and grasses throughout.

This initial presentation to the Board of the new landscape proposal concepts will be formalized to present to all homeowners. The HOA will have at least one bid for consideration of the cost of this proposal but recognizes a great deal could be saved using the HOA wholesale account for all plants. The timeline is to complete within this budget year. Overall, this outcome would be a reduced annual cost of water and landscape maintenance to the HOA.

Old Business:

- Approximately 12,000 sq.ft of the new fencing will need to be stained. The total material cost is estimated to be about \$200 per 1000 sq. ft. Amy and Chuck will complete staining, and expected completion will be by the end of October.
- Adding bark chips to the playground has been considered an annual event but may need to be filled again this fall rather than waiting until next spring. The Board would appreciate a community member to serve as the park representative to help the Board with maintenance and upkeep needs.

New Business:

- The renter ratio needs to be more accurately assessed. The Board will be considering a rental cap because it affects insurance rates. Over 50% rental is where the insurance rates move from single-family ownership to apartment style rates. The issue of accurately documenting renters will be further addressed by making it a requirement to let Century 21 know if a unit is owner occupied or not so that, as the HOA progresses toward putting in place a rental cap, those currently with renters can be grandfathered in. Proposal by Board is to draft a letter to homeowners to express in detail these concerns and the reason for the rental cap change to come.
- The checking account will be closed at the end of October with Northwest Bank.
- Fibersphere outages stemmed from issues with Frontier and Frontier's poor customer service. If there are additional concerns, the Board encourages homeowners reach out to Fibersphere directly. They can even assist to ensure homeowners' router and system are set up correctly to work the best with Fibersphere.

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- Homeless people and squatters behind Target has become an issue again. Homeowners can reach out to Target or to the police if there are disturbances. The Board asked that it is also notified so we can follow up and make sure that any problem has been remedied.
- The Board will get rid of the green boxes next to the mailboxes.

Open forum:

- Notices for the board meeting are posted on website and emails should have been sent out 10 days in advance. This months' notice was a couple of days late.
- Trees along walkway behind Silo Ter., as well as doggy wastebasket, are the responsibility of Sun Field Lakes. Concerns should be communicated to Century 21 Turner Properties.
- Issues with smoking by neighbors can be addressed with a nuisance violation if necessary.

Next Meeting Date:

- The next Board Meeting is Wednesday, November 29th at 6:30 pm at the Sherwood Fire Station. There will be two Board seats up for renewal at the November election.

Adjournment:

- The Board meeting was adjourned at 8:24 pm.