

FOREST HEIGHTS HOMEOWNERS ASSOCIATION, INC.

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BOARD OF DIRECTORS MEETING MINUTES

Tuesday, September 8, 2009

Tualatin Valley Fire Station #60 (off Cornell Road)

Attendance:

Board Members:

Present: Eric Butterfield, Jayne Calkins, Pam Cavagnaro, Sherrill Corbett, Michael Fletcher, and Stuart Roberts

Absent: Joseph Schutz

Association Counsel: Stuart Cohen

Association Management Present: Stephen Herr, General Manager
Sharõn Aiger, Office Administrator

Committee Chairs: None

Owners: Richard Eckman, Michael Ellis, Mary Shuhert

Guests: None

CALL TO ORDER

The Forest Heights Homeowners Association (FHHOA, Association) Board of Directors (Board) meeting was called to order at 6:02 pm by President Fletcher.

OPEN FORUM

Resident Michael Ellis addressed the Board, reading from a written statement that he requested to be entered into the Board minutes.

"The ability of the board of directors to make necessary changes to business practices is an understandable power vested with the board.

The ability to reduce the number of directors who represent the membership is a decision that should be left to the membership. It is disturbing to think that the board can reduce it's own number without the consent of those they are intended to govern. What is to prevent a future board from reducing the board of directors to a single person?

I understand the argument that it is difficult to find qualified and willing people to serve, however, just because something is difficult does not negate it worth or importance.

Regardless of the fact the board appears to have the ability to make this change, I would urge the board to exercise restraint and maintain the board representation as a nine member body."

Michael Ellis
2442 NW Burnett Street
Portland Oregon

CONSENT AGENDA

3 b. Approve Second Amendment to the First Amended and Restated Bylaws of FHHOA.

President Fletcher removed Second Amendment from the Consent Agenda because modifications were made after Board review.

3. a. Approve Minutes of August 11, 2009 Board Meeting.

Director Sherrill Corbett moves to amend August 11, 2009 minutes Mill Pond Brief section's last sentence to indicate that Manager Herr's chronology will be finalized for *possible* publication. Additionally, the Management Report section should contain a clarifying statement regarding the proposed B & F "Budget Process" guidelines.

**Motion by Director Corbett to approve amended minutes, second by President Fletcher.
Motion passed unanimously.**

MANAGEMENT REPORT

Board Correspondence from the Community:

None to report.

Committee Status Report:

Safety, Streetscape and Transportation Committee:

Revised committee guidelines forthcoming for Board ratification from the re-constituted Safety, Streetscape and Transportation Committee; their next meeting is Wednesday September 9th at noon in the association office. A new priority list will be established at that meeting and presented to the Board for approval.

ARC: It was brought to the committee's attention by a resident adjacent to a vacant lot, that vacant lot owners have broadly applied herbicides to kill all vegetation on their lots causing overspray, erosion and creating an unsightly brown lot. The ARC discussed this issue and proposes the following guideline changes (**in red**) – **Application of herbicides Section 8 page 46 Notice to Lot Owners**

8. Vacant lots require ongoing maintenance to maintain weeds, grass, litter, and erosion control. The City of Portland ordinance requires vacant lots to be mowed when the maximum height reaches ten inches (10"). The Association does not permit nuisance weeds on a lot that create problems on neighboring properties, including landscaped yards. **Spot application of herbicides is allowed for removal of nuisance weeds. Broad application of herbicides to eliminate all vegetation is prohibited; variances require ARC approval and plans for replanting the vacant lot must accompany such a request. ARC approved broad herbicide applications must be performed by a "qualified professional".** Failure to maintain proper erosion control can result in notification and fines by the City of Portland and the Forest Heights HOA, plus the potential liability of paying for damage to neighboring properties. Neighboring properties (vacant lots or common areas) cannot be utilized for storage of equipment, materials or debris.

The ARC has approved artificial turf for backyard installation, here are the guidelines:

Artificial Turf – The ARC will review each application for artificial turf on a case by case basis. Currently only applications for installation of turf have been approved for backyards (typically not seen from the street).

Manufactures products will be evaluated and compared to Tiger Express Landscape Turf, Natural Blend (color), face weight 67 oz., pile height 1.75 in.

Two applications have been approved to date. One installation is complete and the yard looks great.

Action Item: The Board needs to ratify these guideline changes.

Budget & Finance Committee:

Budget Process – Final review of the new “Budget Process” will be completed by the Budget and Finance Committee at their next regularly scheduled meeting September 21st, (there was no committee meeting August 17th as previously reported). The Budget and Finance Committee will not be requesting that FHHA committees forecast expenditures for their possible projects that have not been approved by the board. Instead funds will be requested by committees on a per-project basis as that project is brought before the board for approval through the “AFR” (Association Fund Request) form. The B & F Committee will preview all AFR requests for funds, verifying accuracy of each request and identify funding source for Board.

Accounts Receivable – As of 8/30/09 the total A/R (netting out A/R credits) equals \$164,607. Five (5) accounts paying under an arranged payment plan, twenty seven (27) in collections totaling \$64,250, twelve (12) accounts in foreclosure totaling \$5,330 and one hundred and ninety-three (193) over 60 days, representing approximately 12% of the membership in receivables.

Before we posted the second bi-annual assessment effective 7/1/09 we compared our A/R 6/30/09 to 6/30/08. The 2008 A/R total was \$41,637 compared to 2009 totaling \$70,787 an increase of \$29,150. Then we compared YTD 2009 to 2008; 2008 YTD \$97,323 compared to 2009 increased by \$67,284 representing a 69% total dollar increase.

Late notices have been mailed (penalty and interest fees included) and final notices will be mailed later this month. Bad debts write off YTD \$3,559 with a total bad debt allowance budgeted at \$26,000 (\$11,000 allowance with \$15,000 expensed as bad debt). The Association should anticipate exceeding the total bad debt allowance of \$26,000; by how much is not know yet. On 9/2 management authorized Landye Bennett Blumstein to proceed with four additional lawsuits to advance the collection process against these resident delinquencies.

G2 Committee: Community projects discussed at the September 2nd G2 meeting:

- 1) Community garden & greenhouse (including memorial)
- 2) Natural habitat restoration
- 3) Plastics and recycling center
- 4) Harvest Share (scheduled for Saturday, September 19th, 9:00 AM FPE School)
- 5) Sustainability fair/education/classes (grants) – October classes at FPE School starting 10/5 – 10/26
- 6) Rooftop solar policies
- 7) Community carbon footprint assessment
- 8) Vendor sustainability audit/tracking and landscape contract
- 9) Trailhead extensions
- 10) Earth Day

The Committee is prioritizing 3 projects of a sizeable nature that the committee can work on this year, as well as choosing 3 projects that are easily accomplished and don't require a lot of effort.

The G2 Committee focuses on sustainability and believes that maintaining our community's amenities (i.e. Mill Pond) and not deferring any more maintenance is part of sustainability. Specifically G2 recommends and supports the restoration of all Mill Pond components (pond, weir, aerators and habitat), and as part of this sustainability the Association should look into up stream components of the watershed including retention ponds and future neighborhood development.

The Committee is also concerned about "trail safety" and plans to experiment on how to correct loose gravel on sloped trails.

G2 is also working with Willamette Landscape on their chemical applications and fertilization practices, including solicitations on alternative green products. A cost benefit analysis will be reviewed. These alternative will be part of the landscape RFP (request for proposal) this fall.

G2 Meeting Notes - Meeting with Portland Water Bureau – August 25, 2009

Attendees:

- a. Portland Water Bureau – Conservation – Sarah, Judy
- b. FHHOA – Steve Herr, Larry Heald, Devidas Gupta
- c. Willamette – several including Randy McManus and Jesse Stegman

Notes:

- Operations requested help from PWB Conservation to manage the peak demand within the GreenLeaf Service Area, of which Forest Heights is part. While it is unclear as to the exact percentage of GreenLeaf Service Area that is Forest Heights, it does seem to be 80% or higher.
- This service area is served by a series of 3 tanks. Water is pumped three times to reach this height. This is one of the very few areas within Portland that requires pumping, and is probably the largest area that requires water to be pumped. Most of Portland is gravity fed. The water supplied to Forest Heights has the largest carbon footprint due to the need to pump the water
- Pumps run as hard as they can between 3 a.m. and 5 to 7 a.m.
 - o Demand spikes to 3500 gals/min during this period. These peaks are hard to maintain.
 - o If there is an emergency demand during this period, service may be affected.
 - o In 5 years, the plan is to develop additional infrastructure that will completely take care of this issue.
 - o Pretty sure that most of the demand is coming from irrigation.
 - o Think that 21% of the demand comes from the irrigation needs of the FHHOA.
 - o Water bureau goal is to bring the spike down from 3500 gpm to 2000 gpm
- Forest Heights
 - o 1940 doors in the neighborhood
 - o Of these, approx. 700 doors are in sub-associations (13 sub-associations)
 - o 600 acres of total common area
 - 11 acres is irrigated landscape
 - 200 acres rest in natural habitat
 - o Two-thirds of the sub-associations are managed by Willamette

- Need to develop an estimate of what effect, if any, changing HOA irrigation timings will have.
 - o Willamette will work with the bureau to not water a couple of days.
 - o Bureau will monitor the water demands during these days.
 - o Goal is to develop an estimate of the demand reduction we can expect to see.
 - o Once we have the estimates, we will regroup and develop a go-forward plan.
- Financial incentives from the bureau will be limited this year.
 - o We will work with the bureau and bureau may be able to budget something for next year. HOA goal is to seek funding of a few ET controllers and other equipment to reduce water consumption this mutually benefitting both parties.
 - o Bureau can make available technical services at any time to help Forest Heights achieve its sustainability goals.
- Bureau has already noticed what seems to be an issue with the fountain at top of Miller and Thompson. Seems like the fountain has a significant leak. The meter serving the fountain is the second largest consumer of water amongst our irrigation meters. Bureau will make their technical services available to provide assessment/input on the fountain.
- Bureau can help with education classes for our residents. Bureau also gives away low-flow shower-heads and other water reduction devices.
- On a separate track the G2 committee will establish a relationship with the Bureau (Sarah is the point of contact) to help our residents with water conservation. They will touch base with us and hopefully we can work something into this fall to have a spring message to the community on residential irrigation. Bureau can also help with the sustainability class in October.

Community Activities Committee:

Annual “**Fall Food Festival**” Saturday September 12th Mill Pond Park from 4:30 PM to 8:00 PM. Board members are encouraged to staff the FFHOA Tent during the event. Name tags will be available.

Next event **Fall Garage Sale** October 10th 8:00 AM to 2:00 PM.

The committee is working on the events budget for 2010 and expanding the 4th of July event.

Project Update:

1) Mill Pond Park – Drainage project for lawn areas K & L schedule beginning October 5th. The project will take two weeks to complete, so part of the large lawn area will be closed each week until completion by October 16th.

2) Review of Slurry Seal/Seal Coat Work – Manager’s Project Summary:

Slurry Seal - Blackline Inc., Contractor

Blackline Construction started August 17th and completed their contract on August 18th for slurry sealing of all private streets. Both days Blackline worked after hours to complete their scheduled streets. Realistically Blackline should have anticipated equipment breakdowns, delays due to the large volume of hand work and the logistics of the Forest Heights hills. The work schedule should have been over three days vs. two. Several issues arose over product application (spills and marks) and residents’ misunderstanding of slurry sealing. Next time as part of the RFP all driveways will be taped off to establish a straight edge along concrete surfaces, thus creating a uniform edge and

eliminating black slurry seal marks. As time goes by surface irregularity and seams will dissipate. Below is the update letter Manager Herr e-mailed to the private street residents:

Dear Private Street Resident:

The sealing product is called “slurry seal” which is a substantially different product from seal coatings. The specifications for our project are in accordance with “International Slurry Surfacing Association (ISSA) A-105, a Type II Emulsified Asphalt Slurry Seal”, with a quick set emulsion. This thin asphalt overlay contains aggregate (crushed rock), emulsified asphalt and filler providing a ¼ inch minimum wearing surface vs. painting the pavement with a seal coat, which only preserves the integrity of the asphalt. This slurry seal will preserve the asphalt and provide a friction-resistant surface texture to the pavement of our hilly streets.

Principles of Slurry Seal –

- *Slurry seal is oil based product.*
- *The surface is irregular, rough and application lines will be visible. These lines will eventually dissipate depending on traffic.*
- *Slurry seal may take up to one month (maybe longer depending on weather) to completely cure.*
- *Oil rich areas may appear, becoming tacky on hotter days and then will dry up (cure).*
- *The surface will show tire tracks when first applied and aggregate (small pieces of stone/gravel) will wear off. This is now the surface normally wears. Please avoid turning your vehicular tires when not in motion. Scuffing will occur and based upon traffic will disappear.*

Slurry seal splatters and spots can be removed with WD-40 or lanolin hand cleaner.

Any additional questions please contact the FHHA Association Office.

We appreciate your cooperation in this matter.

Sincerely,

Forest Heights Management

Seal Coating – Pavement Maintenance Contractor

Seal coating originally scheduled for Tuesday August 25th for Mill Pond and Skyline Pathways was delayed until Monday August 31st due to weather. Due to weather on 8/31 only half of the contracted pavement was sealed. The remainder was re-scheduled for Wednesday September 9/9, primarily the Skyline pathway. In two to three years, possibly before then, the pathways around Mill Pond will need resurfacing. There are numerous areas with uneven surfaces due to root intrusion and deterioration of asphalt. Along Skyline Drive there are many voids where the road and pathway do not meet or overlay, causing pedestrian safety issues, as well as maintenance problems. It was frustrating to observe how community members did not respect the closure of Mill Pond Park pathways during the sealing process, causing issues and being disrespectful to the job.

Personnel & Staff Update:

Manager Herr on vacation from 9/13 to 9/29; decision making authority will be delegated to President Fletcher, in his absence to VP Eric Butterfield. Manager Herr will be out of the country.

Other Topics:

Snow Plow Truck – At the January 6, 2009 Board meeting the Board approved the creation of a “Winter/Snow Preparedness Plan”. Approval of this plan included the purchased of a 4 x 4 ¾ ton plow truck to be used by the Association for snow removal and as a service vehicle. The Reserve Study of

2009 scheduled the replacement of the 2003 company truck in 2011, allocating \$32,448 towards that purchase. Advancing the purchase into this year will not reduce the threshold amount established in the fund below \$155,000. Manager Herr, as directed, has started the bid process for a new 2010, 4 x 4 ¾ ton trucks, with an 8' Western Plow blade. Final bids will be approved by the Treasurer and President. I recommend that we keep the old 2003 company truck as a backup service vehicle and work truck for Juan (currently Juan uses his personal vehicle on a daily basis). The maintenance and insurance costs are nominal compared to the benefit of another vehicle for Association usage.

Emergency Preparedness Plan – Winter Preparedness Plan - Report scheduled for November Board Meeting.

Board Calendar – Please review page two of the Board Agenda for additional Community Events.

MOTIONS RELATING TO MANAGERS REPORT

Motion by Secretary Calkins to ratify ARC Guideline Section 8 page 46 Notice to Lot Owners as stated in the Management Report, second by Director Butterfield.

Motion passed unanimously.

DISCUSSION RELATING TO MANAGERS REPORT

ARC Guideline change: Board requested that the ARC Guideline change be published in the FHHA newsletter and website as well as sent to all current vacant lot owners.

Mill Pond Update: Manager Herr reported that a meeting will be held on Wednesday, October 7th at 10am beginning at the FHHA office then proceeding to Mill Pond Park. This meeting will include representatives from the City of Portland, OTAK (Mike Peebles) and the West Multnomah Soil & Water Conservation District (Mary Logalbo) and serve as an informative learning session. This meeting is open to all Board and Committee Members.

Snow Plow Truck: The Board ratified the January Board decision to approve the purchase of an additional service vehicle/snow plow truck and authorized Manager Herr to obtain three bids and proceed with the order/purchase of a new vehicle based on his expertise.

Budget Process – Two corrections were made to the draft of the B & F Budget Process. The following sentences were removed:

Page 4 – AFR – Delete “The Budget and Finance Chair, Treasurer and Manager will make recommendations to the Board”.

Page 6 – Last paragraph to read “AFR’s with supporting documentation will be submitted to the Budget & Finance Committee for its review, and then submitted to the General Manager, who will analyze the AFR, and then final submission to the Board for approval or non-approval.”

AMENDMENT TO BYLAWS

The Board of Directors of the Association pursuant to Article XVII of the Bylaws has the power and authority to amend the Bylaws.

The Board of Directors further desires to amend the Bylaws to: (1) set a date for the Annual Meeting of the Association; (2) adopt procedures pursuant to ORS 94.652 for electronic notices to owners of meetings; (3) adopt procedures pursuant to ORS 94.661 for the use of electronic ballots; (4) reduce the number of directors from nine (9) to seven (7); and (5) to set forth the terms of directors.

AMENDMENTS

1. In Article IV, Section 2, the following sentences shall replace the entire Section 2:
Section 2. Annual Meeting and Meeting to Elect Directors. The annual meeting of the Owners of the Association shall be held on the first Tuesday in May of each year, or at such other date as the Board of Directors may elect. Those directors whose seats are up for election shall be filled at the annual meeting.
2. In Article IV, Section 3, the following sentence shall be added at the end of the paragraph:
Except where expressly prohibited by law or upon the written election of an owner to opt out, the Association may provide notices to an owner by electronic mail, facsimile or other form of electronic communication.
3. In Article IV, Section 4, the following sentences shall be added at the end of the paragraph:
Directors shall be elected by a plurality and not a majority. Owners may vote in any election by electronic ballot. Once cast, an electronic ballot may not be revoked. Electronic ballots are not secret ballots.
4. In Article V, Section 2, the second sentence, change the word “nine” to “seven”.
5. Article V, Section 4 is replaced in its entirety with the following:
Section 4. Terms of Directors
 - 4.1 Each director shall be elected to a three year term.
 - 4.2 There shall be two directors elected in 2010, three directors in 2011, two directors in 2012, two directors in 2013, three directors in 2014, two directors in 2015, and this 2-3-2-2-3-2 election pattern shall continue.
 - 4.3 Any director may serve more than one term.

All other terms and conditions of the First Amended and Restated Bylaws of the Forest Heights Homeowners' Association shall remain in full force and effect.

Motion by Secretary Calkins to approve the Second Amendment to the First Amended and Restated Bylaws of Forest Heights Homeowners Association, second by Director Corbett. Motion passed unanimously.

OLD BUSINESS

Safety Committee Project Update & Revised Guidelines: Director Butterfield reported that the committee will be meeting the following day (9/9/09). New guidelines and priorities for that committee will be reported back to the Board at the October Meeting.

NEW BUSINESS

Board Code of Ethics and Conduct: Director Calkins and Director Corbett requested feedback from the distributed "Board Code of Ethics and Conduct" and based upon those modifications the Board may ratify this document at the October 13th Board meeting.

Director Calkins agreed to revise the election/campaign rules with help from Director Schutz. Director Calkins also agreed to develop a Board of Director job description to provide prospective Board candidates with a background of responsibilities as a director.

Board Meeting Agenda: President Fletcher requested that a draft of the agenda is sent to the Board one week prior to a Board meeting and that a final agenda is sent out by the Thursday prior to the Board meeting for timely review.

Policy for Non-FHHOA owned property improvement: President Fletcher reported that he will create an Administrative Resolution for Non-FHHOA owned property improvements for Board approval.

Parks and Recreation Committee Chair: Director Cavagnaro requested that President Fletcher appoint a chair of the Parks and Recreation Committee. President Fletcher agreed to appoint a chair prior to the next Board meeting.

Sidewalk Installation: Director Calkins inquired about FHHOA's ability to draft a policy regarding the requirement of a vacant lot owner to install a sidewalk or a graveled path within a certain time period. Director Calkins is concerned about the safety of residents who must walk in the street because a connecting sidewalk has not been installed by vacant lot owners. Association Counsel Cohen informed the Board that a 75% vote of the community will be necessary to draft such a policy.

ADJOURNMENT

The meeting was adjourned by President Michael Fletcher at 7:27 p.m.

Respectfully submitted,

[/Jayne Calkins/](#)
FHHOA Board of Director, Secretary

[/October 13, 2009/](#)
Date