

The FYI

A Private Residential Community

Newsletter for the Edgewood Townhouse Association

MESSAGE FROM THE BOARD

Preserve • Restore • Maintain

Paul Turpin

President, Edgewood Townhouse Association etapresident@email.com

- The Reserve Study to determine our capital maintenance needs is moving forward.
- The Board will be working to engage homeowners about our financial situation.
- The next couple of months will be the time to think about and discuss how to address our situation.
- A bright spot: the threat of Covid seems to be easing.

~~ Pool opening policy will be set at a special May 25 Board meeting ~~

Assessing our needs will be the theme of the next couple of months. Frank Gaddini's inspections of our buildings, including residence courtyards, will help considerably in getting an accurate picture of our capital maintenance needs for the Reserve Study.

The Board will be working with a variety of means to engage homeowners in thinking about our financial situation, including a Zoom Town Hall meeting on June 22. We are also starting to look into "block parties" in late June. People who share driveways will be invited to meet each other, get informed, and discuss what they think about our situation. Out of these processes we hope that alternative approaches to our impending shortages can be developed, especially for roofs and painting. The goal will be to find a solution that will generate wide enough support to pass a vote of the homeowners.

With a finer-grained understanding of our needs from the Reserve Study and engagement from the homeowners, we stand a good chance of being able to come up with a set of clear alternatives for action, in detail, with the costs *and consequences* laid out for each alternative, so that we can make a clear, informed decision about our future.

The news about vaccine efficacy continues to be good. Let's hope it can mean a return to normal interactions soon!

SPECIAL NOTICE

Homeowner Dues are due on the first of each month.

All meetings are by videoconference unless otherwise stated.

UPCOMING EVENTS

ETA Board Special Business:

Tuesday, May 25, 2021
at 6:30 PM

Next Regular Board of Directors Business:

Tuesday, June 8, 2021 at
6:30 PM

ETA Open Forum Townhall:

Tuesday, June 22, 2021
at 7 PM

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EDGEWOOD TOWNEHOUSE ASSOCIATION VIDEOCONFERENCE: QUARTERLY MEETING

Preserve – Restore – Maintain

April 27, 2021

Nine Board members, the ETA Director of Facilities and Operations, and 18 homeowners attended the videoconference.

Board President Paul Turpin opened the meeting at 7:03 PM. Paul put a copy of the current year Financial Statement through March YTD on the screen. He reviewed the difference between the Operations and Capital Maintenance budgets, Operations being anything that lasts less than one year and/or happens every year and Capital Maintenance being work that lasts longer than one year, sometimes much longer. The changes in our bookkeeping system were done to align it more fully with the CC&Rs. He explained that ETA has been in a position for some years to use special assessments to do capital repair and maintenance and that the deferrals of maintenance over many years are catching up with us.

Paul showed the format of the Reserve Study which is currently being revised and updated and is expected to be in usable shape in 5-6 weeks. Frank Gaddini, ETA Director of Facilities and Operations, will be inspecting inner courtyards as a part of the Reserve Study process. Frank will contact homeowners to make appointments for these inspections. Paul said that a preliminary estimate of the costs for the next five years, FYs 2022-2026, including 88 roofs (two have already been done) and all exterior painting, will total about \$16,000/household. Paul then turned the floor over to attendees for questions and comments. The discussion is summarized below.

Is ETA Still Looking at a Line of Credit? This has been discussed by the Board in the past and could be more palatable to homeowners than continuous special assessments, potentially even stretching costs out. On the other hand, getting a loan would be more costly to homeowners able to come up with the estimated \$16,000. Those who could not might investigate taking out a first, second, or reverse mortgage instead. Perhaps a loan could be for certain expenses only, such as roofs and painting. There's a kind of fairness to that, spreading it out so that not only present but future residents would share the cost of their roofs. This is a topic that will need much more research and discussion. A homeowner with banking experience (117 WW) volunteered to gather some preliminary numbers for the association to consider.

What Costs Are Included in the \$16,000 Figure? These are *very* round numbers. Road/driveway repair is not included, nor are sidewalks. Some patio walls have been included, but Frank's inspections may reveal unknown problems. It's also important to remember that some "patio walls" interface with other structures.

The CC&Rs (Covenants, Conditions & Restrictions) Affect ETA's Flexibility to Cover Costs. The CC&Rs require a 2/3 (66.7%) vote to pass a special assessment. In FY 2020, for example, a proposal receiving nearly 60% of the vote still failed and the proposal had to be reduced to ultimately secure passage. If the Board is going to continue using special assessments to raise monies, changing the 2/3 requirements is a way to move forward. Other CC&R

changes could also be considered such as allowing for multi-year, not just single-year, special assessments and raising the 4.0% limit on dues increases. Any of these changes, however, would require a 3/4 (75%) vote of the members. If we can't raise money, what are our options? We go on an emergency footing where expenditures are for emergencies only, and we are faced with determining where the "bone" is if we have to cut drastically.

ETA Is at a Critical Juncture. This seems to be a fork in the road for ETA. This situation affects everybody's property value and must be solved. Otherwise, the problems will continue to get worse. What we're experiencing is a crisis because we haven't thought about it long term. But it's not all doom and gloom. The new bookkeeping system and the revised and updated Reserve Study will provide the information we need to make good decisions. Paul added that he's hopeful that when people get the big picture and see where their money fits, it will help address resistance.

How Can We Engage More Homeowners in the Discussion?

"Safety Circles," which are organized by driveway, might be one good way to start discussions among neighbors. Now that the weather is improving, homeowners could meet in their driveways for an exchange of ideas and socializing. Larger outdoor gatherings could be considered as well. We need to find multiple ways to reach people and involve them in the discussion. Once we come up with different ideas, Paul is thinking about proposing a couple of rounds of rank preference voting in order to let all the arguments be heard. Then we can hopefully get down to something we can vote on in the fall.

About Our Homeowner Association (HOA). Homeowners may forget or not fully realize what an HOA is. There is a shared responsibility when one buys into an HOA. We are not 90 individual homes. Each of us at ETA owns 1/90 of the common property, and we are jointly responsible for its maintenance and repair. ETA is a unique development and it deserves our energy and care.

When Will the Pool Open This Summer? There is high interest in reopening the pool. Paul said that homeowners offered many good ideas on how to do that during an informal Zoom meeting of homeowners and a few Board members on April 21, 2021. The ideas to come out of this meeting, along with brainstorming ideas suggested by Frank during the April Board business meeting, will be discussed at the next regularly scheduled Board meeting on May 11, 2021.

The meeting was adjourned at 8:49 PM.

JoAnn Wilson, Secretary, Email: etasecretary@email.com

EDGEWOOD TOWNEHOUSE ASSOCIATION VIDEOCONFERENCE: BOARD OF DIRECTORS MONTHLY BUSINESS MEETING

Preserve – Restore – Maintain

May 11, 2021

Call to Order: Board President Paul Turpin called the meeting to order at 6:32 PM. The meeting was held by videoconference due to the COVID-19 pandemic. Board members present were: Paul Turpin, Darell Bidstrup, Dan Goodlett, Merryn Gregory,

Sharon Kimble, Michael Maulding, and JoAnn Wilson. Board members Sheila Dorsey and Larry Kenton were excused. Also present was Frank Gaddini, ETA Director of Facilities and Operations. Fourteen homeowners attended.

Approval of Minutes: The minutes of April 13, 2021, were unanimously approved.

Financial Report: Submitted. Copies of the ETA Summary Financial Statements YTD March 31, 2021, were discussed in detail. Electronic copies were sent to the Board and ETA homeowners prior to the meeting.

ETA Safety Committee Report: None submitted.

Coordinator Reports:

- **Technology Coordinator:** Dan Goodlett reported that ETA has upgraded its version of Microsoft Office to Microsoft Office 365. We will all be working with the same software now and it should make it easier for our bookkeeper to produce her reports. Dan previewed the new ETA website which looks very user friendly and informative. Dan expects to finalize the update in about one month. At Dan's request, Board members suggested questions for the FAQ section currently under development.
- **Swimming Pool:** Closed.
- **Clubhouse Coordinator:** Closed.
- **Welcome Coordinator:** No report submitted.

Facility Report: Submitted.

Educational Minute: Frank Gaddini spoke about the five traits of most successful teams as identified by Google in a five-year study. Briefly, the traits are: 1) psychological safety; 2) dependability; 3) structure and clarity; 4) meaning; and 5) impact.

Old Business:

1. **Reserve Study:** Paul Turpin said that he and Frank have developed a good system for collecting information for the Reserve Study that should be fairly easy to maintain once it is set up.
2. **FY 2021 Construction Project Update:** Frank reported that by the end of this week, the groundwater project at 140-160 WW will be complete and the foundation repair at 139 WW will be starting. The project will start on Monday, May 17. These two projects are being funded by the FY 2021 Special Assessment. Chimney repairs are starting at 61 WW and 71 WW, paid out of monies designated for chimneys in the FY 2019 Special Assessment. Work on the patio walls at 121 WW, 147 WW and 113 WW will begin in June. These patio walls are also FY 2021 Special Assessment projects.
3. **Board Retreat:** The Board Retreat will be held in June. It will be off site, no ETA business will be discussed, and there will be no cost to the association. The purpose of the retreat is to help the Board work better as a team. The date is pending.
4. **Pool Opening:** Paul began the discussion by taking a straw poll of the Board, asking the members for a show of hands whether they thought the pool should open this year. All members seemed to favor opening the pool but some had

serious reservations. Initial thoughts and questions included the following:

- a) The pool must stay closed if we have to hire any supervision or we can't resolve the liability issues.
 - b) It should be a safe/comfortable environment and we want to avoid conflict among pool users.
 - c) We cannot guarantee safety. It's a question of what the risks are. People should assess the risks and decide what they want to do.
 - d) We don't want homeowners to be in the position of monitoring.
 - e) How is the use coordinated? Is there a way people can figure it out among themselves?
 - f) The main issue is coming up with a formula, how many can use the pool/pool deck at any one time?
 - g) Will use be limited to current residents?
 - h) We need to base our decisions on public health rules and guidelines.
 - i) We have to have a way for people to reserve the pool. How far in advance? How could reservations be made? (Software scheduling is available.) If we do go from open access to reservation, that creates another layer of groups of homeowners and grandparents.
 - j) Maybe we should do the opposite and use the honor system. We don't want to get bogged down in pool management with all the financial planning we need to do.
 - k) In the past it's been an honor system but this year because of the pandemic we need to set a maximum. We can engineer solutions with signs, etc.
 - l) The fewer things we have to coordinate/monitor, the better. No need to keep the showers/bathrooms open. Use a sign-up sheet with time slots instead of on-line scheduling.
 - m) If grandparents have children there, the restrooms would need to be open.
 - n) If there's controversy, how do we handle it?
 - o) Let's not punish people who want to use the pool by closing it due to the bad behavior of others. Another way could be found.
 - p) Limit the number in the pool, observe social distancing, and limit time in the pool.
 - q) According to Frank, in normal times our pool is licensed for no more than 30 occupants, total. That includes pool and pool deck.
 - r) Have several tables and chairs outside the pool area to allow people to wait comfortably before they can access the pool.
- The Board agreed that it would like to see the pool open on the traditional date of June 15. The Board set a special meeting by videoconference for Tuesday, May 25, 2021, at 6:30 PM, during which the Board will establish the rules for opening. This will permit time to prepare the signage, update the pool contract, and notify homeowners. Any rules which are adopted can be modified during pool season depending upon public health rules and guidelines.
5. **Clubhouse Reopening:** The Board agreed by consensus that the Clubhouse will remain closed until public health conditions change.
 6. **HOA Master Policy Proposals:** ETA received two proposals in addition to that received from American Family, our current insurance carrier. Frank will arrange for the

respective agents to present their proposals in a Zoom meeting. The format will be two 30-minute presentations, each followed by a 15-minute period for questions from Board members and homeowners. The presentations will take place on either June 10, 2021, or June 24, 2021, depending upon the availability of the agents.

7. **Decorative Lighting on Common Property:** This agenda item was included because of the interest of a homeowner to place lights on common property to lift spirits and build community during a difficult period. It was agreed that small white lights would be a welcome addition in the Clubhouse area but that year-round lights should not be displayed elsewhere on common property.

New Business

1. **Parking Waivers:** None submitted.
2. **Proposal to Consolidate Money Market Accounts into One Account:** Given the structure of our revised financial statements, having multiple money market accounts just adds work for our bookkeeper. ETA Finance Committee members were asked earlier if they had any objection and there was none. Treasurer Dan Goodlett said he would make the change with a consensus of the Board. Paul polled the Board which agreed unanimously.
3. **The Future of Edgewood: Informing and Involving Homeowners:** Paul opened the discussion saying it will take several months to develop and begin to implement a plan to inform homeowners about the current financial crisis and get homeowner ideas about how best to address this challenge. At April's Quarterly meeting, one homeowner suggested that we build upon the structure of the Safety Circles, organizing gatherings by driveway for neighbors to discuss the issue. Board members agree we should pursue this. Ideas for implementing the driveway gatherings include meeting on Zoom first with the leaders of each gathering to strategize and develop a broad agenda/list of talking points. There could be one or two driveway meetings, perhaps the first to broach the subject and a second meeting to get ideas for solutions. Other ideas put forth by Board members included inserting a small survey in the FYI which homeowners could complete and put into the Clubhouse mail slot or doing an online survey. Frank noted that once the Board identifies what it is really looking for, that becomes the theme. Activities to achieve the goal could occur weekly and include a Zoom meeting, an open-air meeting in front of the Clubhouse, the driveway meeting(s), extra articles in the FYI, etc. The bottom line, Frank added, is that the nine people on the Board are the leadership and they have fiducial responsibility. Paul wrapped up the discussion by saying that he feels there is still room to reach people and pass fund-raising resolutions. If not, we go to a financial emergency mode. Frank noted that if ETA doesn't succeed in securing appropriate funding, the result may be dissolution, something he has seen in other homeowner associations. The Board will continue this discussion during the May 25 special Board business meeting.
4. **Landscape Planning:** Paul suggested that a landscape committee might be useful. It could research things for the Board to consider such as what to plant along the creek.

Linda Sage, co-chair of the Safety Committee, has put together a report on native and fire resistant plants. Board member Darell Bidstrup said that he was interested in landscape planning, not just having a landscape committee to organize work parties. Darell said he would be willing to chair such a committee.

5. **ETA Directory Update:** Board Secretary JoAnn Wilson said that the time for homeowners to report any changes in their contact information for the FY 2021 *ETA Directory* will be extended from May 15 to May 31, 2021. An email will go out to all homeowners reminding them to update their information, if necessary, no later than this date.
6. **New Ideas and Questions:** This is a new agenda item to allow Board members to raise any questions or comments they may have. Dan said he would like to have shorter meetings. Paul suggested that all of the reports up to Old Business could be provided in written form and distributed for the Board to review prior to the meeting. Another idea was to allocate a set period of time for each agenda item. Several Board members said that the long, detailed presentations of financial data should be shortened.

Announcements:

1. ETA Special Board Business Meeting on Pool Opening and Edgewood's Future--Informing and Involving Homeowners: Tuesday, May 25, 2021, 6:30 PM, by videoconference.
2. The next regularly scheduled Board of Directors Business Meeting: Tuesday, June 8, 2021, 6:30 PM, by videoconference.
3. ETA Open-Forum Meeting: Tuesday, June 22, 2021, 7:00 PM, by videoconference.

Adjournment: The meeting was adjourned at 10:00 PM.

JoAnn Wilson, Secretary, Email: etasecretary@email.com

Looking Back Over April 2021 Facilities and Operations Report

Frank L. Gaddini, etadirector@email.com

Looking back over the month of April, Edgewood Townhouses grounds can be described as "dry - very dry." April, the fourth month of the year, is often considered the second month of spring in the northern hemisphere. The name *April* is rooted in the Latin *Aprilis* which is derived from the Latin *aperire* meaning "to open" which could be a reference to the opening or blossoming of flowers and trees, a common occurrence throughout the month of April, especially at Edgewood Townhouses.

Lack of rain did not slow down our maintenance though. We recorded and completed 74 maintenance and repair jobs in April. One of our main themes during the month was Fire Risk Reduction along the Brae Burn Creek bank. A team from Northwest Youth Corp spent four days clearing the bank of dead limbs, invasive blackberry, poison oak, as well as pruning back trees and shrubs. Their work was funded by a grant from the Oregon Department of Forestry.

During the month we managed several Capital Maintenance improvement projects. We replaced four sets of gutters and downspouts at 118, 124, 128, and 198 Brae Burn. Four passageway doors, between the garage and patio, were replaced at 113 and 169 Westbrook Way as well as at 118 and 132 Brae Burn Drive. Another Capital Maintenance job we managed during the month was at 110 Westbrook Way, where we re-roofed the entire east elevation of the roof. Three of our outdoor lighting photo controls were not performing as expected, and we replaced these three with new improved photo electric sensors. And, our last investment during the month for Capital Improvement focused on restoring the softscape and hardscape surfaces along 140, 150, and 160 Westbrook Way.

Our routine maintenance focused on replanting trees and shrubs and the replacement of several lamps that operate our Outdoor Lighting. Of course our lawns and weeds were growing at an astoundingly fast pace during the month, and our crew of three student contract laborers and our professional landscapers could barely keep up with mowing, clearing our rough areas along the creek, weed-eating, and mowing our cultivated lawns. The explosion of rapid growth of the flora kept us very busy.

As we move into the month of May's routine maintenance, we will be focusing on activating our irrigation systems and the adjustment of many of our 3,000 sprinklers that have been dormant throughout the winter. We also plan to begin our re-striping of the designated parking stall lines. Our facilities are well maintained, and our investment supporting our maintenance is well managed. Edgewood Townhouses are a great investment and a great place to live.

In the meantime, funding these repairs over that decade relied on an unsustainable model that nearly exhausted the Association's reserves *but did address the most serious maintenance deferments*. A series of meetings and brain-storming sessions among homeowners gave rise to a new model of facility management. Under the leadership of Board President Christine Donahue, the Board redesigned the Association's funding into two discreet budgets to track and account for expenses: first an Operations Budget, and second a Special Assessment Budget for Planned Projects.

The purpose of the Operations Budget was to ensure that the day-to-day bills and obligations would be met. The Operations Budget typically paid for insurance, vendors, contractors, employees, postage, utilities, waste removal, etc. The purpose of the Special Assessment Budget for Planned Projects was to fund major repairs and upgrades to all common property. Special Assessment Budgets for Planned Projects included sidewalk replacement, roadway and driveway maintenance, groundwater drainage upgrades, flat and gable roof replacements, bridge and boardwalk replacements, exterior chimney improvements, foundation repair projects, exterior painting, and similar common property improvements. The Special Assessment Budget for Planned Projects required the identification of prioritized projects that were reviewed and then approved annually by a super majority of the membership consenting to those special assessment projects and funding.

The Association managed and funded major repairs and restorations under this paradigm for the past two years. A Five-Year Facility Maintenance Plan was the basis for the Special Assessment for Planned Projects Budget. A Five-Year Facility Maintenance Plan was reviewed, updated, and prioritized each year to identify projects to be completed in the upcoming year.

This funding model is now proving to be precarious and uncertain in meeting the needs of the future. The Special Assessment model to fund next year's capital improvement projects is an exhausting annual exercise for the Board and homeowners alike. It is a time-consuming effort that monopolizes the Board's and homeowners' participation to pass special funding for projects that need to be addressed – and the anticipated outcome is very, very uncertain. It may pass, or it may be defeated – not a very reliable way to manage a not-for-profit business.

Currently, the Board is pursuing a different way to assure funding facility and grounds capital improvements to our grounds and facilities. Our budget model now categorizes maintenance routine cyclical events that reoccur annually, and improvements that last longer than one years as capital improvement projects. We will use our Reserve Study to determine our capital maintenance needs. Our Reserve Study is underway, and we will be well served as it is completed.

For the past fifty-one years and into the future, our Association is just a great place to live. Your support is what makes this investment a great opportunity!

Looking Back in Time and into the Future at Edgewood Townhouses

The Edgewood Townhouse Association is celebrating fifty years of serving homeowners in a safe, park-like environment. The facilities were well designed and constructed with a timeless inherent beauty. For many of the early years, our facilities, by their design, weathered very well with little or no need for expensive investments in upkeep but like all things built with wood, steel, and concrete, the inescapable passing of time had its effect.

During the last years of the twentieth century, though, minimal investment was applied to the upkeep of our facilities. As the new millennium began, key leaders in the community began to identify needs to ensure the longevity of these elegant unique townhomes. As the first decade ended, with the leadership of a long-term resident Board President Robert "Bruce" Trafton, and with the Board of Directors, they began a decade-long investment in maintenance and repair. A program to improve overhead garage doors, driveway repaving, safety fencing along Brae Burn, concrete walkways, wall siding, patio party walls, groundwater drainage, irrigation upgrade, large tree maintenance, outdoor lighting, security, safety and a myriad of facility and grounds details began to be addressed.