

Tanglewood Homeowners Association
Board of Directors Meeting Minutes
February 26, 2009
Held at Mt. Park Rec Center

Call to Order:

Board Secretary Miller called the meeting to order at 7:01 pm.

Roll Call:

Board Members Present: Peter Miller (Secretary), Jane Scrutton, Joe Grandy (Treasurer), and Lauranell Scarfo (Chair—arrived later).

Approval of Minutes:

Minutes of the January 22, 2009 Board of Directors meeting was printed, distributed to, and read by the Board members in advance of the meeting.

MOTION: By director Scrutton: Approval of January minutes as presented. Seconded by director Dearden. Vote: motion passed.

Approval of Financial Report:

Financial statements for period ending Dec. 31, 2008 and Jan. 31, 2009 were presented.

MOTION: By director Miller: Approval of financial statements as presented (with the proviso that management reclassify homeowner expenses). Seconded by director Grandy. Vote: motion passed.

Resolution about homeowner responsibilities with respect to construction project:

MOTION: By director Director Dearden, that we adopt the following resolution:

**TANGLWOOD HILLS CONDOMINIUM ASSOCIATION
Resolution of The Board of Directors
Post Litigation Unit Owner Responsibility**

WHEREAS, “Declaration” is the *Condominium Declaration for Tanglewood Hills Condominium and supplements thereto*, “Bylaws” are the *Bylaws of Tanglewood Hills Condominium*, and “Act” is the *Oregon Condominium Act, ORS Chapter 100*, and “Association” is *Tanglewood Hills Condominium Association*;

WHEREAS the Association requested and received from most every owner a Ratification and Assignment of Claims which provided that

WHEREAS, the Association, pursuant to authority granted in the Declaration, Bylaws, Act and the Ratifications and Assignments of rights executed by owners has prosecuted and concluded extensive “Litigation” consisting of Tanglewood

Hills Condominium Owners Association v. Tanglewood Associates, LLC, et al, case number CV05100865, filed in the Circuit Court for Clackamas County, Oregon; Shawn Benson v. Tanglewood Associates, LLC, et al, case number CV07010598, filed in the Circuit Court for Clackamas County, Oregon; Heidi Jones v Tanglewood Associates, LLC, et al, case number CV07010017, filed in the Circuit Court for Clackamas County, Oregon; Tanglewood Hills Condo Assn. v. Tanglewood Associates, et al., Court of Appeals Case No. A135363; Farmers Insurance Exchange, et al. v. Tanglewood Associates, LLC, et al, Clackamas County Circuit Court case no. CV08080745.

WHEREAS, the Association entered confidential settlement agreements in compromise of the claims and defenses raised in the Litigation, and such settlement agreements call for the Association to provide defense and indemnity to the settling defendants in exchange for payment of money;

WHEREAS, a contractor for making repairs to the buildings has been hired and the contractor will be posting construction schedules of the work, the location, and requesting certain unit access or removal of personal items in advance of repairs; cooperation of each member, their relatives, guests, tenants or other occupants, "owner," is essential to keeping to the schedule and avoiding any such delays and costs and change orders due to delays;

WHEREAS, ORS 100.417 and Article IV Section 4.2 of the Bylaws vest the Board of Directors with the power to exercise, for the Association, all of the powers and duties necessary for the administration of the affairs of the Association; and ORS 100.405(4)(b) and Article IV Section 4.3.8 of the Bylaws empower the Board of Directors to adopt rules and regulations:

WHEREAS, ORS 100.405(4)(k) and Article IV Section 4.3.8 of the Bylaws provide that the Board of Directors may levy reasonable fines for violations of the Declaration, Bylaws, and rules and regulations of the Association and ORS 100.450(5) provides that fees, late charges, fines, and interest imposed, pursuant to ORS 100.405(4)(k), are enforceable as assessments.

WHEREAS, Article 6.8.3 of the Declaration provides that an owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common elements and/or facility that was damaged through such owner's fault and that is not otherwise covered by insurance policies carried by the owner or the Association;"

NOW, THEREFORE, IT IS RESOLVED, the Board hereby establishes a fine in the amount of \$100 (one hundred dollars) per day to be levied against any member of

the Association that either causes or permits others (including relatives, guests and tenants) to cause delay, obstruction, hindrance, or other interference with any of the repairs. Such fine shall continue to accrue daily until the delay, obstruction, hindrance or other interference is ceased.

NOW, BE IT FURTHER RESOLVED, that in addition to the above daily fine, if the Board determines that an owner's act or failure to act has resulted in any delay, obstruction, hindrance, or other interference with the construction activities, and has resulted in any common expense or increased construction costs, charges or other penalty, then the full cost, charge or the penalty shall be assessed against that owner's lot.

NOW, BE IT FURTHER RESOLVED, that Article 6.8.3 of the Declaration shall be interpreted to mean that any additional expenditures or change orders which arise during the construction and repair of common elements which are determined to be, in the sole determination of the Board of Directors on advice of its construction consultants, caused by the fault of an owner, such costs and expenditures shall be assessed against that unit owner after notice and an opportunity to be heard.

The motion was seconded by Director Grandy.. Vote: motion passed..

Transfer of Settlement Funds:

Management requested permission to transfer settlement funds from the trust account to the operational account as necessary to keep a monthly balance of \$150,000 to cover expenses as they arise.

MOTION: By director Scarfo: Grant management authority to transfer settlement funds from the trust fund to the operational account as necessary to maintain a monthly balance. Seconded by director Grandy. Vote: motion passed.

Foundation Repairs:

Management presented two bids for foundation repair/sealing in buildings B,C, and E.

MOTION: By director Miller: that we accept the bid from Advanced Plumbing for \$33,700. Seconded by director Grandy. Vote: motion passed.

Adjournment:

MOTION: Director Miller moved that the meeting adjourn. Vote: motion passed.

Meeting adjourned at 8:22 pm.

Respectfully Submitted,

Secretary

Date: