

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE ELIZABETH LOFTS CONDOMINIUMS HELD ON MONDAY, AUGUST 10, 2015 AT 5:00 PM IN THE COMMUNITY ROOM LOCATED AT 333 NW 9th AVENUE, PORTLAND, OREGON, 97209.

PRESENT: Rod Brokenshire, Chairman
Andreas Anderson, Director
Jill McAlpine-Andre, Director
Paul Roelofs, Director
Tina Tsai, Commercial Director

ABSENT: Jim Kennedy, Treasurer
Paul Mollomo, Secretary

BY INVITATION: Tom La Voie, CMCA CAMP, Community Manager
Aadrial Phillips, Community Administrator
Troy Bellis, Building Maintenance Coordinator
COMMUNITY MANAGEMENT, INC., AAMC

OWNERS: As indicated on the original sign-in sheet.

I. CALL TO ORDER

Chairman Rod Brokenshire called the meeting to order at 5:09 PM.

II. APPROVAL OF AGENDA

AGREED: The Board approved the agenda by consensus.

III. APPROVAL OF PREVIOUS MINUTES (July 13, 2015)

AGREED: Paul Roelofs moved to approve the minutes of the July 13, 2015 meeting as previously circulated. Andreas Anderson seconded the motion, which carried without objection.

IV. REPORT OF THE BUILDING MAINTENANCE COORDINATOR

Troy Bellis presented the Building Maintenance Coordinator's report.

Recent Victaulic Leak Update: Troy Bellis reported on the water leak that occurred on August 3, originating in the demising wall at unit 703, due to a failed Victaulic coupling in a 2" cold water supply line. This was a catastrophic failure resulting in water intrusion into ten units and some common areas. Bellis was on site with three plumbers from Portland Mechanical, who were completing previously scheduled work on the building's water system. The leak was reported by unit 602, and Bellis found no evidence of water in 702, but could hear what he described as a freight train inside the walls. The crew started by turning off the water to the 7th floor but it was not effective in quelling the noise, so they turned off the water to the entire building. When they entered unit 703, they found water cascading from the bathroom wall. The water shut off affected the HVAC condenser loop as well, as there was no water in the make-up system. The repairs continued until 9:45 pm, when water was restored. Brokenshire added that if Bellis and the plumbers had not been on site, the damage would have been

much more severe. This incident will count as the first leak under the Victaulic settlement, which states that if there are 10 leaks in the Pressfit system in 12 years, Victaulic will replace the domestic hot water system. Association attorney Dan Webert will work with Victaulic to get a quick resolution. Rod reported that a letter has gone out to all of the units affected, stating the process and the protocol for moving forward. Residents in five units will need to secure temporary lodging due to the need to replace flooring. The letter asked that all of the affected owners notify their insurance carrier in the event that they need to file a claim for lodging, and the building insurance has been put on notice. The CAU adjuster will tour the affected units tomorrow. Brokenshire emphasized that the Board is continuing to work with Victaulic on a professional level to take full responsibility in compliance with the settlement agreement.

Brokenshire stated that since the owners have been asked to invoke their policies, he is requesting the Board to consider reimbursing the homeowners for their deductible, up to a maximum \$1,000. The owners would need to pay out of pocket for relocation, up to their deductible level, and Victaulic will not reimburse for loss of use. La Voie explained that in a non-Victaulic water loss, the association would have to repair, and the owners would still need to invoke their policies for relocation expenses, and would have to pay their deductible out of pocket.

Several owners had questions regarding the document from Charter that requires homeowner signature before work can commence. Charter stated that the documents are required by the State Construction Contractors Board. The owners are uncomfortable with signing the documents as it looks like they will be responsible for full payment of their repairs. Owner Stacie Hill was adamant that the Board invoke the Association's insurance policy so that the individual owners would not be placed in this awkward position. Brokenshire responded that this will be covered tomorrow with the adjuster. It was reiterated that during this transitional period between mitigation and repairs, the best point of contact will be the management team at CMI, Tom La Voie and Aadrial Phillips.

Agreed: Rod Brokenshire moved that the Board reimburse the deductible amount, up to \$1,000, for those owners who will need to file a claim for relocation during the replacement of flooring. Andreas Anderson seconded the motion, which passed without opposition.

Several owners asked that the Board consider doing moisture testing in the adjacent units that did not display any noticeable water intrusion.

Elevator Tile Installation: Bellis presented three proposals for replacing the carpet in the elevators with tile. The proposals included removal of existing carpet and subfloor, and installing the new tile that would be provided by others. The proposals ranged from \$4,000 to \$5,600. The Board asked Bellis to verify with Wiley at the Stone Center that his bid took into account the quantity needed to install the offset pattern, and whether the Stone Center can order the product at cost without markup, or whether the Association should order directly from Ann Sacks.

Smoke Detector Replacement: Bellis also presented a sign-up sheet for smoke detector replacements. Hughes Electric is offering a group rate base cost of \$119. Standard smoke detectors are each an additional \$29, combination smoke/carbon monoxide detectors are an additional \$64. Owners can sign up for the program at the Concierge Desk. Hughes Electric would require payment by the owner at time of install.

V. REPORT OF THE COMMUNITY MANAGER

Noise Situation: La Voie reported on a noise situation between two units that had escalated over the past several months. The downstairs neighbor has been complaining about the upstairs neighbor for many months, and recently supplied the Board with copies of the email correspondence. CMI contacted the upstairs neighbor who explained that they have a toddler, and it is difficult to curtail his activities. They have added carpets and runners and they feel that there is nothing more they can do, so they have decided that they will sell their unit and move from the Elizabeth. Although the downstairs neighbor is very happy with this news, the Board expressed disappointment that the issue could not have been resolved without such a drastic result.

Security: La Voie stated that there have been several incidents around the Pearl that needed to be brought before the Board. Georgia Hughes reported that a car was broken into on the corner of 9th and Flanders. Hughes noted that Paul the porter had cleaned up the glass from the street. Troy Bellis reported that there had also been a break in at the Mackenzie this past week. Bellis emphasized that those exiting the parking garage be aware of their surroundings as they exit. He stated that you can use the storefront windows across the street as a mirror to check for people who might be lurking around the garage waiting for a chance to slip in unnoticed. Jill McAlpine-Andre asked if a stop sign on the gates would be helpful, and Andreas Anderson suggested that that striping be installed to help people know where to stop when approaching the gate. In any event, notices will be sent to all residents as a reminder to remain vigilant when exiting.

VI. REPORT OF THE TREASURER

Manager La Voie reviewed the June Year End Financial Statement, noting that the Association was under budget almost \$10,000 in July, and ended the year \$17,000 under budget, which equates to 1.9% of the annual budget.

VII. COMMITTEE REPORTS

COMMERCIAL DIRECTOR: Tina Tsai reported that Anita Sande, owner of Spectacular Design, the new tenant in the commercial unit at 9th and Flanders, held an open house for Elizabeth owners, that was well attended.

ARCHITECTURAL REVIEW: Paul Roelofs reported that there are no open application at this time, but he has been alerted that unit 1307 will be submitting an application in the near future.

COMMUNITY AND COMMUNICATIONS COMMITTEE:

Barbecue: Jill McAlpine-Andre reported that the Annual Barbecue was quite successful and well attended. The weather even cooperated, and the rain held off until 6:30 PM.

Flooring Project: McAlpine-Andre reported that the tile has been selected and will be ordered in the near future. The carpet order is pending finalization, as two penthouse owners have stated that their carpet should not be replaced at this time. Brokenshire suggested that the cost of doing these two floors separately at some time in the future would be more expensive than doing them now with the

APPROVED

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rest of the building. McAlpine-Andre stated that she will investigate if other colors are available in the same pattern that could be used for the penthouse floors.

VIII. CONFIRMATION OF NEXT MEETING DATE

The next meeting of the Board of Directors is currently scheduled for Monday, September 14, 2015 at 5:00 PM in the Elizabeth Lofts Community Room.

IX. ADJOURNMENT

There being no further business, the meeting was adjourned at 7:15 PM.