

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE ELIZABETH LOFTS CONDOMINIUMS HELD ON TUESDAY, JANUARY 7, 2020 AT 5:00 PM IN THE COMMUNITY ROOM LOCATED AT 333 NW 9th AVENUE, PORTLAND, OREGON, 97209.

- PRESENT:** Paul Mollomo, Secretary
Brenda Peterson, Director
Steve Rose, Director
Robert Steele, Director
- ABSENT:** Jim Kennedy, Chairman
Andreas Anderson, Director
Tina Tsai, Commercial Director
- BY INVITATION:** Tom La Voie, CMCA, CCM, PCAM, Community Manager
Brian Case, Facilities Asset Management Project Coordinator
COMMUNITY MANAGEMENT, INC., AAMC
- OWNERS:** As indicated on the original sign-in sheet.

I. CALL TO ORDER

The meeting was called to order by Secretary Paul Mollomo at 5:03 PM.

II. INSURANCE MASTER POLICY RENEWAL

Insurance Agent Vern Newcomb presented the renewal options for the Master Policy for the upcoming year. Newcomb prefaced his remarks by reporting that large losses in the past three months have resulted in increases in the earthquake policy premium. The proposal from The Hartford with like coverage increased from \$150,893 to \$291,301. The proposal also included an increase in deductible from \$10,000 to \$25,000. A second option was offered from AmTrust, with an annual premium at \$238,300 but without any flood coverage. Newcomb explained that The Elizabeth is not in a flood zone, and that the governing documents do not require flood insurance. The Board inquired about claims history with AmTrust and Newcomb stated that they are as easy to work with as The Hartford. The Board inquired about adding flood coverage to the AmTrust proposal and Newcomb stated that he will provide flood quotes in the next couple of days.

AGREED: Brenda Peterson moved to accept the insurance proposal from AmTrust, adding terrorism and flood insurance (depending on price) and capping the premium at \$290,000, after verification of the premium by Vern Newcomb. Steve Rose seconded the motion, which passed without opposition.

After Newcomb provides the final numbers, the Board will confirm by email and ratify at the February meeting.

III. APPROVAL/AMENDMENT OF AGENDA

AGREED: The agenda as previously circulated was approved by consensus.

IV. APPROVAL OF MEETING MINUTES (December 3, 2019)

AGREED: Brenda Peterson moved to approve the minutes, as previously circulated, from the December 3, 2019 organizational meeting held after the annual meeting. Paul Mollomo seconded the motion, which passed without opposition.

AGREED: Brenda Peterson moved to approve the draft minutes from the December 3, 2019 Annual Meeting for posting, with the understanding that the minutes will be approved by the ownership at the 2020 Annual Meeting. Paul Mollomo seconded the motion, which passed without opposition.

V. FACILITIES ASSET MANAGEMENT (FAM) REPORT

Brian Case discussed the previously circulated Board report and provided updates on the following items:

Hot Water Tank: Case reported that there is a leak in the sidewall of the 500-gallon hot water storage tank in the mechanical penthouse on the roof. Temporary repairs are in place, but replacement is necessary. Proposals were presented from Portland Mechanical (PMC) (\$74,700) and from Charter Mechanical (\$100,000). PMC included an option for an inspection hatch for \$995.00. La Voie added that the reserve study has an allowance of \$350,000 for replacement of the various hot water distribution components.

AGREED: Brenda Peterson moved to accept the proposal from Portland Mechanical to replace the hot water storage tank, including the installation of an access hatch, at a total cost of \$75,695. Paul Mollomo seconded the motion, which passed without opposition.

American Heating: After the recent preventive maintenance visit, American Heating has submitted a proposal to replace the motor bearings and install a shaft grounding kit on a pump that is part of the condenser water loop servicing the HVAC units throughout the building. The grounding kit will prolong the life of the motor bearings. Total cost of the proposal is \$2,798.00.

AGREED: Paul Mollomo moved to accept the proposal from American Heating to replace the pump motor bearings and install a shaft grounding kit, at a total cost of \$2,798. Steve Rose seconded the motion, which passed without opposition.

Metro: Case provided a proposal from Metro Access Control to replace the power supply board for the main entry automatic opener, at a total cost of \$995.00.

AGREED: Brenda Peterson moved to accept the proposal from Metro Access Control to replace the main entry automatic opening power supply board at a total cost of \$995.00. Steve Rose seconded the motion which, passed without opposition.

Otis: Peterson inquired about an elevator service call event noted in the report the day after monthly service was performed. Case replied that an invoice has not yet been received, and it is likely that the event will be covered by the service contract.

Electric Vehicle Charging Stations: Case reported that there are three EVCS applications in process, and it has been clarified with Jarmer Electric, the preferred vendor, that the owners are to be billed directly for the installation. The Association will take on the task of allotting monthly usage fees.

Call Box Static Issues: Following many service calls for the static issues with the main entry call box, Case stated that he is in process of itemizing the invoices and will ask Metro to reverse the charges for the service calls where no action was taken.

Access System: Case reported that the fobs and remotes have arrived at CMI and that he is working on designing a process for programming and distribution of the devices, with two fobs per unit and one remote per parking space provided at no cost to the owners. Owners will be allowed to order an additional three fobs per unit and one additional remote per parking space at cost. Peterson asked that a target date for rolling out the new devices be set; the Board agreed on April 15. CMI will draft a letter to owners outlining the decision to replace all existing fobs and remotes.

Security at Community Room and Garbage Room: Peterson asked to have a proposal to install ornamental spikes on the tops of the gates outside the Community Room and the Garbage Room to prevent people from jumping over the gates and hiding in the alcoves between the building.

Architectural Review Process: Case explained that he would be backup to the management team for more complicated ARC applications. Bob Steele asked if it was necessary to submit an ARC application to replace his HVAC unit, and all agreed that it was a necessary submittal, but approval would be automatic as long as there was nothing out of the ordinary.

VI. COMMUNITY MANAGER'S REPORT

Financial Statement: La Voie reviewed the November financial statement with the Board. Expenses for November were \$2,439.42 under budget; year-to-date expenses are \$4,404.14 (1.0%) under budget. Actual expenses year-to-date exceed actual income by \$4,789.45 (1.1%). Cash Reserves total \$247,268.35; Working Capital Funds are up to \$120,854.72; Reserve Fund totals \$1,672,440.79.

Isabel: La Voie provided a brief update: Beneficial Bank continues their attempt to foreclose on the property so that it can be auctioned to satisfy the outstanding debts of the owners. Another hearing has been set for January 23rd, and attorney Pat Foran will represent the Elizabeth's interest in this matter.

VII. BOARD MEMBER REPORTS

Vice-Chairman: Paul Mollomo commended CMI for their efforts in getting the Bylaws Amendment passed. La Voie stated that the next step would be getting the document notarized by Jim Kennedy and Paul Mollomo so that attorney Steve Russell can file the amendment with the County. At that time, the 90-day minimum rental term will become effective.

VIII. COMMITTEE REPORTS

Elizabeth Lofts Emergency Committee (ELEC): It was announced that Larry Rosenblum and Gordon Wilfong have joined the ELEC Committee.

EQ Newsletter: Michelle Heckman and Christine Steele filmed the recent presentation given by Paul Roelofs on Ansel Adams. The presentation was well received, and the link will be added to the website. The next issue of the newsletter will be January 13 and will feature an interview with owner Ezra Rabie.

IX. ADJOURNMENT

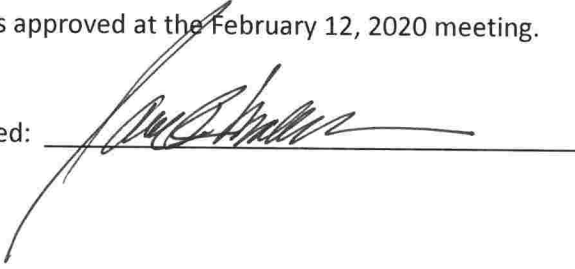
There being no further business, the meeting was adjourned at 7:18 PM. The next meeting will be held on Wednesday, February 12 at 5:00 PM in the Community Room. With the exception of February and November, all meetings in 2020 will be held on the first Tuesday of each month at 5:00 PM. The November meeting will be held on November 10.

APPROVED

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Minutes approved at the February 12, 2020 meeting.

Approved: _____

A handwritten signature in black ink is written over a horizontal line. The signature is cursive and appears to be "C. S. Miller".

