

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE ELIZABETH LOFTS CONDOMINIUMS HELD ON WEDNESDAY, FEBRUARY 12, 2020 AT 5:00 PM IN THE COMMUNITY ROOM LOCATED AT 333 NW 9th AVENUE, PORTLAND, OREGON, 97209.

PRESENT: Jim Kennedy, Chairman
Paul Mollomo, Secretary
Andreas Anderson, Director
Tina Tsai, Commercial Director
Robert Steele, Director

ABSENT: Brenda Peterson, Director
Steve Rose, 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 Chair Jim Kennedy at 5:03 PM.

II. APPROVAL/AMENDMENT OF AGENDA

AGREED: Andreas Anderson moved to approve the agenda as previously circulated. Paul Mollomo seconded the motion, which passed without opposition.

III. APPROVAL OF MEETING MINUTES (January 7, 2020)

AGREED: Andreas Anderson moved to approve the minutes, as previously circulated, from the January 7, 2020 Board meeting. Paul Mollomo seconded the motion, which passed without opposition.

IV. FACILITIES ASSET MANAGEMENT (FAM) REPORT

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

Bartlett Tree Proposal: Case presented a proposal from Bartlett Tree Service to prune the three Zelkova trees in the courtyard and two Robur Oak trees located on Flanders for a total cost of \$1,782. The pruning is part of the five-year plan that Bartlett had provided in 2018. Concern was voiced that the work take place immediately before the trees begin to bud out.

AGREED: Andreas Anderson moved to approve the proposal from Bartlett Tree Experts to prune a total of five trees for \$1,782.00, if the work can be scheduled immediately. Paul Mollomo seconded the motion, which passed without opposition.

Hot Water Tank: Case reported that the installation of the new 500-gallon hot water storage tank is on hold until the tank has been fabricated and shipped to Portland. Portland Mechanical (PMC) is proposing that the installation take place on a Saturday with work beginning at 6:00 am. They estimate that the hot water will be shut off for approximately 12 hours. A crane will be installed to lift the tank to the roof, and PMC has suggested that it be located on Everett in front of the garage gate. CMI has objected to the location and has asked PMC to find a more appropriate location for the crane that will not disrupt the

ingress and egress of the residents. Case added that the work will be scheduled with plenty of notice to the residents.

Otis: Case is waiting for Otis to schedule the door skin replacement on elevator #1. In the meantime, an additional issue with graffiti on the floor display has been identified. Case stated that the display is one part and that the plastic lens cannot be replaced on its own. He is investigating other ways to remove the graffiti scratched into the plastic.

Planters: Several options were presented from Container Gardens for replacing the four planters currently stationed outside the main entry doors on 9th and the courtyard. The bamboo and the bushes are in bad shape and need to be replaced with appropriate foliage. The two planter options were fiberglass (\$8,000) and fabricated steel (\$10,000). Michelle Heckman stated that the shape of the planters is important as the original planters were tapered and people pushed them over and they broke. Kennedy suggested that precast concrete might be an appropriate option. Case will investigate further options.

Access Control: Case briefly reported that the access control project is on track to be placed on-line in April. New fobs and remotes will be packaged for each unit and made available at the Concierge desk to be signed for as a delivery. Owners will be notified and asked if they intend to purchase additional devices in advance, with the intent that they would also be delivered along with the devices provided by the Association.

Emergency Egress: Teresa Jankus of the ELEC asked Case to weigh in on the committee's discussion regarding emergency egress. When the power goes out, access control continues as normal as long as the generator is operational. In the event that the generator runs out of fuel, the current system defaults to the entry doors being unlocked. The Committee would like them to default to the locked position as that provides the most security. South stairwell users are able to exit the building onto 9th, but those using the north stairs would end up in the lobby. Case suggested that those residents be encouraged to exit the building by way of the back corridor through the garbage area into the courtyard. Case will do further research to determine what is necessary to lock the main entry doors if power is lost, and also ensure that the south stairwell exit door is keyed appropriately to the common area key residents already have.

Electric Vehicle Charging Stations: Case reported that one of the EVCS applications has been withdrawn due to the cost involved with running conduit to the owner's parking space. Anderson asked that CMI contact the other two owners to inform them that their applications have been approved and that they may proceed with the installations.

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

V. COMMUNITY MANAGER'S REPORT

Financial Statement: La Voie reviewed the December financial statement with the Board. Expenses for December were \$5,630.53 over budget; year-to-date expenses are \$1,226.39 (0.2%) over budget. Actual expenses year-to-date exceed actual income by \$10,574.19 (2.0%). Cash Reserves total \$205,015.95; Working Capital Funds are up to \$122,784.64; Reserve Fund totals \$1,685,542.43.

Insurance Ratification: After the last Board meeting, agent Vern Newcomb provided updated numbers for the Board to consider regarding flood insurance options for the Association. The Board determined that flood insurance was not a viable option at this time due to the increased premium for full earthquake coverage. By email vote, the Board agreed to switch carriers to AmTrust, with a \$25,000 deductible, full earthquake coverage with a 5% deductible, and no added flood insurance. La Voie noted that the Elizabeth is not located in a flood plain and that flood insurance is not required by the governing documents. Tina Tsai requested that the commercial owners be informed that there is no longer flood coverage provided by the Association. Premiums will increase from \$150,000 to \$238,000 annually. Notification of the changes has been sent to all owners. La Voie asked that the Board ratify the coverage changes.

AGREED: Paul Mollomo moved to ratify the decision to move the Association's insurance policy to AmTrust, including: a \$25,000 deductible; full earthquake coverage with a 5% deductible; no flood coverage; and with annual premiums increasing from \$150,000 to \$238,000. Andreas Anderson seconded the motion, which passed without opposition.

Insurance Resolution: La Voie stated that the insurance resolution adopted by the Board in 2016 is no longer in agreement with the actual policy coverage; he offered a revised resolution for adoption. Anderson stated that the resolution in another association requires owners to provide evidence of homeowner insurance, and that a hefty fine is in place for those owners who do not provide the required documentation. Anderson will provide a copy of the resolution for all to review, and the Board will consider adoption at the March meeting.

Isabel: La Voie provided a brief update: the judge in the case continues to block Beneficial's attempts to foreclose and auction the property. Pat Foran of Landye Bennett continues to represent the Elizabeth's interest in this matter.

Rental Cap Report: La Voie stated that currently there are 46 units on the approved rental list, which is 22%. Of that amount, 11 units are either vacant or on the market. La Voie stated that several units that were previously rented have been purchase by owners intending to live there.

Employees Living in the Elizabeth: Anderson asked La Voie if CMI intended to adopt a policy whereby employees who work in a CMI building not be allowed to live in that building. La Voie stated that the company had strongly warned the former employee that it was not a good practice to live in the building where they were working but did not have the legal power to restrict an employee's living arrangements.

AGREED: Andreas Anderson moved that the Board adopt a policy of not allowing employees of the current management company that work in the building to be a resident in the building. Jim Kennedy seconded the motion, which passed without opposition.

VI. BOARD MEMBER REPORTS

Chair's Report: Jim Kennedy stated that the Board continues its practice of Safety First. He reported that other buildings continue to have issues with intruders: The Elizabeth has not had the number of attempts to gain entry that are being reported by others. La Voie stated that the number of garage gate infractions has been greatly reduced, with most weeks reporting no violations, or one at most.

Commercial Director Report: Tina Tsai reported that she would like to bring all of the Commercial owners together for a meeting to discuss safety concerns, as there have been several issues in the commercial

units. La Voie suggested that we invite a member of the Community Policing team to address the retail staff to give pointers on preventing theft and how to deal with difficult customers.

VII. COMMITTEE REPORTS

Elizabeth Lofts Emergency Committee (ELEC): The Committee is planning a Volunteer Appreciation on March 12. All Floor Captains have received their manuals. The Committee is now looking at security access is during a catastrophic event when generator power is no longer available. The Committee has been active with the PDNA table top discussions. They will be extrapolating data from the City and the PDNA as it relates to the Elizabeth, including what amount of debris can be expected around the building, what is the average amount of water and food to have on hand, and what is the estimated amount of injuries. They are also scheduling a second drill for Floor Captains.

EQ Newsletter: Ezra Rabie will be presenting a follow-up presentation to the interview that was published in EQ on February 13. The Committee would like to gain access to the website so that they can post the newsletters and other pertinent information. Anderson advised that they contact Stacie at Musimack to get the proper administrative access. ELEC members also would like to know how many people are accessing the information online; Anderson again suggested that Stacie at Musimack would be the person to ask.

VIII. OWNERS' FORUM

Bob Steele had several items:

The camera system is currently operating on Windows 7 and needs to be replaced.

A light fixture in his bathroom (Unit 612) has corroded and has been replaced. He suggested this could be an issue in other units as well.

He reminded the Board that they will need to amend the House Rules to provide for enforcement of the new 90-day rental term limit.

Steele has purchased unit 1004 and will be swapping parking spaces. He asked that there be a process in place to track ownership of parking spaces and storage units, as the governing documents prohibit ownership of these units without ownership of a primary unit.

Steele informed the Board that he will retain ownership of unit 612, which he intends to rent at some time in the future.

Teresa Jankus asked about the status of the washing machine supply hose installation. La Voie stated that CMISD is bidding the project and it should be announced soon.

IX. ADJOURNMENT

There being no further business, the meeting was adjourned at 7:19 PM. The next meeting will be held on Tuesday, March 3 at 5:00 PM in the Community Room.

Minutes approved at the March 3, 2020 meeting.

Approved:  _____

