

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE ELIZABETH LOFTS CONDOMINIUMS HELD ON TUESDAY, OCTOBER 5, 2021, AT 5:00 PM VIA ZOOM ELECTRONIC VIDEO CONFERENCING FORMAT

**PRESENT:** Brenda Peterson, Chair  
Jim Kennedy, Treasurer  
Paul Mollomo, Secretary  
Paula McGee, Director  
Steve Rose, Director  
Bob Steele, Director

**ABSENT:** Tina Tsai, Director

**BY INVITATION:** Karina Haley, CCM, CMCA, AMS, Community Manager  
Brian Case, Project Coordinator, Facilities Asset Management  
**Community Management, INC., AAMC**

**OWNERS:** Sharon Durant, Leila Falk, Bob Garsha, Jeff Ghitelman, Forrest Gist, Georgia Hughes, Michelle Heckman, Lucy Karter, Roberta Margolis, Mark Pauley, Carole Rhoadarmer, Larry Rosenblum, Barbara Shimek, Stu Stark, and Christine Steele

**I. CALL TO ORDER**

Chair Brenda Peterson called the meeting to order at 5:02 PM.

**II. APPROVAL/AMENDMENT OF THE AGENDA**

Brenda Peterson noted that the Board would be discussing two additional items under New Business: a security incident on October 3 and an unscheduled move on October 2.

**AGREED:** The agenda was approved as amended by unanimous consent.

**III. APPROVAL OF MEETING MINUTES**

**AGREED:** Paula McGee moved to approve the September 15, 2021 meeting minutes. Paul Mollomo seconded the motion, which carried unanimously.

**IV. BUILDING COMMITTEE REPORT**

Bob Steele reported on behalf of the Building Committee.

Completed Projects:

- The pavers have been cleaned and re-sealed, but some sand needs to be added.
- The garage gate openers have been replaced.
- The 3<sup>rd</sup> floor water leak that was a result of a leak in a copper joint in the recirculation system has been resolved. There are still drywall repairs in the trash rooms on the 4<sup>th</sup> & 7<sup>th</sup> floors.
- The clean and seal project is largely complete with the exception of the following: the perimeter sealant joints, the roof parapet coupling (out for bid), and the curtain wall mullion covers, which are dented and will be repaired in the Spring.

Updates:

- There have been some issues with the fire panel throwing error codes and those appear to be related to cellular service as the towers switch over to 5G.

- The callbox update is scheduled for October 12. The wiring is being replaced so the gates/doors will be open. Security guards will be posted.
- The exterior lighting has been ordered from Hughes; the contract still needs to be signed.
- The hallway HVAC compressor proposal was approved; the contract still needs to be signed.
- Dryer vent cleaning has stalled as there has been no response from '03' residents.
- Video camera repairs have been ordered from Hughes, but the replacement video recorder has been stalled.
- The creation of an emergency shut-down team has stalled as Bob is still considering legal ramifications.
- Brian is going to get a recommendation from Metro regarding front door maintenance on the actuator as there is an allowance in the reserve for this work. It hasn't acted up yet, but it would be prudent to check it.
- Bob has shared the reserve items scheduled for 2021 with the Board and there are still 45 items on the schedule totaling around \$300,000 (excluding 30 inspections in the maintenance plan that do not show an associated cost and the 275 annual inspections recommended by RDH). Brian is working on a contract reconciliation to ensure that the RDH recommended items are included in existing contracts, so they aren't missed. Also, Brian is requesting a report from vendors to confirm the RDH listed inspections are accurate and necessary.
- The Building Committee is going to have a meeting with Kathleen at RDH to discuss the annual reserve item completion process to determine how to track the 400+ reserve items. Also, up for discussion are the scheduled items between 2045-2050 that total \$12,000,000. The current reserve funding contribution rate will not be adequate to cover those costs. As a result, the Committee wishes to better understand those items and whether the projections are accurate. For example, does all glazing need to be replaced at once or should it be monitored and replaced as needed? Do all windows need to be replaced at once or should there be an allowance for periodic replacement of individual panes?
- Still waiting on sliding door maintenance recommendations and still need to confer with Association attorney about who is responsible for the maintenance.
- Shut-off valve replacement project on hold.
- Window washing has been scheduled now that the clean and seal project is complete.
- Brian is obtaining a second bid for the anchor roof inspection; hopefully, the second bid will come in lower than the \$10,000 original bid.
- Trash chute cleaning – We will be obtaining multiple bids and will then determine if this is needed.
- Ozone generator is still under review. The device was installed but there has been some controversy about its effectiveness and how often it should operate.
- Committee will work on signage as recommended by ELEC regarding safety/evacuation procedures for elevators and stairwells. This will be brought back to the Board for final approval.
- Unit 1204 closet completion by Charter Construction has been delayed. The leak happened around April 30, and the closet repairs are still wrapping up.

Report from Brian Case:

- Perimeter sealant is part of the retainage in the D&R contract so that will be paid upon completion (caulking from sidewalk to corner of building).
- Window washing is also included in the clean and seal completion.

- Association attorney Pat Foran has provided some initial advice on sliding door repairs in terms of which parts are the Association's responsibility. Brian will provide the attorney with a diagram of the parts at issue to clarify responsibility. This diagram will be packaged with maintenance instructions and posted to the web portal upon completion.
- Brian will follow up with Charter Construction about the closet project in unit 1204.
- The reserve maintenance plan represents a large number of tasks, but a high percentage are covered by existing maintenance contracts. In the end, there are probably only 3-4 items that are not included or are reviewed but not checked off the list.
- The monthly maintenance report to the Board included two proposals: one from Snyder Roofing for preventive maintenance and one from Portland Mechanical associated with the 3<sup>rd</sup> floor leak. The Building Committee has not had an opportunity to review the Snyder agreement, and Brian is recommending that the Board defer action on that contract at this meeting. Brian is recommending that the Board take action on the Portland Mechanical (PMC) contract.
- There have been significant supply chain issues, particularly with regard to metal or items requiring complex assembly. During the recent leak into the parking garage, there were just enough fittings to complete the repair. Because copper parts are being rationed, a future leak could result in a delayed repair while parts are sourced. Brian has requested that PMC create a packet of copper parts to keep on hand in the event of additional leaks.

**AGREED:** Paula McGee moved to approve the bid from Portland Mechanical in the amount of \$1,275 to obtain replacement copper plumbing parts to keep on hand. Bob Steele seconded the motion, which carried unanimously.

#### V. REPORT FROM THE COMMUNITY MANAGER

##### a. Financial Statement

Karina Haley reported that, in the month of August, expenses exceeded income by \$13,597. The month to date variance to budget is \$12,388 (4.8% over budget YTD). The bulk of this variance is related to expenses associated with the Facilities Asset Management (FAM) department. Checking account balance is \$126,068; working capital balance is \$123,279; and the replacement reserve balance is \$1,874,227. The Board requested an analysis of the overages for the FAM department. Steve Rose requested clarification regarding the insurance loan paydown. Haley explained that the balance cannot be tracked by relying on the 1130 account (owed from operating) because many items pass through that account. It is better to follow the balance through the reduction in the prepaid insurance allocation (account 1265 on the asset sheet in the financial statement). Jim Kennedy noted that the utility overages can be largely attributed to more people being at home due to the pandemic.

##### b. Architectural Review Applications

Brenda Peterson reported that all architectural review applications have been approved with the exception of a request to install a Ring video peephole. Brenda noted that three concerns have been raised about this application: (1) The existing House Rules probably prohibit this device because it would alter the appearance of the exterior door. (2) Some residents may be uncomfortable being on video in the residential hallways. (3) Additional legal issues would be presented if audio is captured. Residents would need to opt out of that feature or post a sign notifying others that their conversations are being recorded. Bob Steele reported that the door would not have to be physically modified but agreed that the appearance of the peephole on the outer door would differ from the existing peepholes. Paula McGee said she shared some of the privacy concerns that had been raised and questioned whether this device is necessary since most people who enter the building as visitors will be accessing the building via the callbox

or the Concierge. Bob Steele and Paul Mollomo pointed out that a person cannot have an expectation of privacy in a common area hallway.

**AGREED:** Paul Mollomo moved to deny the architectural application for installation of a Ring video peephole. Paula McGee, Jim Kennedy, Brenda Peterson, and Steve Rose voted in favor of the motion. Bob Steele voted against the motion. The motion carried with a vote of 5-1.

#### VI. REPORT OF THE DIRECTORS' SUBCOMMITTEE ON BYLAWS REVIEW

Steve Rose reported that the Committee had met again with Association attorney Pat Foran and agreed to make some minor modifications to Bylaw Section 3.73 to clarify the notice requirements for regular and special board meetings. The Committee also discussed how and when to notify owners of the proposed changes and decided that Mr. Foran would draft a notice to the owners to be distributed via email on October 22, 2021. That notice will inform owners of the upcoming vote and will include both a clean and a redlined version of the changes. The vote will begin on November 1 and run until November 24. The Amended and Restated Bylaws must be approved by a majority of the ownership. If sufficient votes are not received to approve or disapprove of the changes, the voting period may be extended. If an extension is necessary, Bob Steele suggested leaving the vote open a few days past the annual meeting in order to provide an explanation and an additional call for votes at the meeting.

#### VII. REPORT OF THE CHAIR

Brenda reported that she would have some comments about building security later in the meeting.

#### VIII. REPORT OF THE TREASURER

Jim Kennedy noted that the Board should identify the authorized signers for the Association's bank accounts since the officers of the Association have changed recently.

**AGREED:** Jim Kennedy moved to appoint officers Brenda Peterson, Jim Kennedy, and Paul Mollomo as authorized signers on all bank accounts for The Elizabeth Lofts. Paula McGee seconded the motion, which carried unanimously.

#### IX. REPORT OF THE COMMERCIAL DIRECTOR

Tina Tsai was absent; no report was provided.

#### X. COMMITTEE REPORTS

##### a. House Rules

Brenda Peterson reported on behalf of the Committee. There has been an uptick in noise complaints at The Elizabeth. The existing House Rules do not clearly spell out the quiet hours to be observed at The Elizabeth. The proposed rule change would provide that quiet hours begin at 10:00 PM Sunday through Thursday and at 11:00 PM on Fridays and Saturdays. The question for the Board is whether quiet hours should end at 7:00 AM to be consistent with the City of Portland or should end at 8:00 AM to be more consistent with other Elizabeth House Rules.

**AGREED:** Steve Rose moved to approve quiet hours from 10:00 PM to 8:00 AM on Sunday through Thursday and from 11:00 PM to 8:00 AM Friday and Saturday. Paul Mollomo seconded the motion, which carried unanimously.

**b. ELEC**

Larry Rosenbaum reported on behalf of the Committee.

- One mega-mover gurney and one mega-mover chair have been purchased. Another gurney will be purchased if the one on order is satisfactory. These facilitate the evacuation of people with limited or restricted mobility.
- During the recent evacuation drill, the enunciators did not work as expected so another test is tentatively scheduled for October 7 in the parking garage at 4:00 PM. This will allow the Committee to test the loudspeaker capabilities.
- Also, during the recent evacuation drill, some residents had difficulty identifying floor captains. A vendor has been identified to provide lettering at a cost of \$6 per hat (with 24 hats the total cost will be \$168). The Board agreed the Committee may proceed with ordering the lettering.
- The text alert system is in place but there is very limited participation from the commercial entities. Larry will reach out to Tina with more information in the event the commercial units wish to participate.
- ELEC has discussed putting signs or maps up that will aid EMTs/first responders in the event of an emergency. The Board would like to review any proposed signage prior to purchase.

**c. EQ Newsletter**

The 9<sup>th</sup> issue of the EQ newsletter will be released on October 15. Bob Garsha reported on some of the articles that will be featured. He also said that the Committee is working on an effort to hear more from the readers.

**XI. UNFINISHED BUSINESS****a. Update on Audit Findings**

Two audit findings require follow up from the Board: (1) creating a formal asset capitalization policy and (2) preparing a resolution regarding the borrowing of reserves. CMI has requested a copy of a sample asset capitalization policy from Schwindt for the Board's review. Steve noted that attorney Pat Foran has prepared a Resolution entitled Borrowing of Reserves for Operating Expenses.

**AGREED:** Steve Rose moved to approve the Resolution authorizing borrowing from the reserve fund and setting forth a plan to repay the amount of \$55,535. Paul Mollomo seconded the motion, which carried unanimously.

**b. Resolution: Minimum Insurance Limits for Commercial Owners**

Steve Rose reported that Bylaw Section 9.5.2 regarding insurance provides that liability insurance limits should be reasonably set by the Board "no more often than every three years" and allows the Association to set higher limits for commercial owners. There is an existing resolution dating back to 2016 that states that "each owner shall carry a policy of insurance with a liability limit of no less than \$1,000,000 per occurrence with a deductible of \$10,000." Steve contacted agent Vern Newcomb with American Benefits and inquired as to whether these amounts should be changed. Vern confirmed that the limit of \$1,000,000 is sufficient. Based on this information, Steve recommended that the Board take no further action; the existing resolution is adequate.

**c. Owner Survey: Earthquake Insurance**

Due to the recent spike in earthquake insurance premiums, the Board is developing a survey to poll owners regarding the future purchase of earthquake insurance. The Board discussed the language of the survey and ultimately decided to invite insurance agent Vern Newcomb to the next meeting to discuss some key issues before finalizing the survey language.

**XII. NEW BUSINESS****a. Security Incidents**

On the night of September 15 and early morning hours of September 16, an intruder gained access to the building by following a resident into the building. The resident does not appear to have taken any further action regarding the intrusion. Another resident spotted the intruder in the lobby and called the police. Another security-related incident occurred on October 3, when a resident was again followed into the building. The resident asked the individual to produce a fob to prove that they lived in the building, but the individual refused to do so. It was later determined that the individual who piggybacked his way into the building was, in fact, a resident.

The Board discussed whether warning or violation letters should be sent regarding these incidents.

**AGREED:** Paula McGee moved to approve issuance of a rules enforcement letter to unit 1316 (including a fine) for allowing an intruder to access the building on September 15 without taking any further action. Brenda Peterson seconded the motion. Jim Kennedy also voted in favor of the motion. Steve Rose and Paul Mollomo voted against the motion. Bob Steele abstained from voting. The motion carried with a vote of 3-2.

**AGREED:** Steve Rose moved to approve issuance of a warning letter to unit 617 (no fine) informing the unit owner of the piggybacking violation and the resident's failure to display a fob upon request. Paul Mollomo seconded the motion, which carried unanimously.

**b. Unscheduled Moves**

Georgia Hughes informed the Board that two unscheduled moves have taken place recently. Unit 1214 had an orientation session but did not schedule a move that took place on October 2. It ended up taking several hours to unload a truck, and the porter ended up helping with the move. The second unit (1009) showed up to move in and claimed that they were unaware of the move notification requirement because they had not yet had their orientation session. (The Board was not provided with any information before the Board meeting regarding this second unscheduled move). Georgia suggested creating a "4x6" card that can be pre-printed and kept at the Concierge desk that can be handed out if the Concierge hears someone discussing a move.

**AGREED:** Steve Rose moved to approve the issuance of a violation letter, including a fine, for the unscheduled move by unit 1214. Brenda Peterson seconded the motion, which carried unanimously.

**c. Garage Gate Auto Damage**

A resident reported damage to his vehicle as a result of having the garage gates close on his vehicle. The resident acknowledged that he did not use his fob to open the gates but instead tried to exit the garage after another car had entered. The Board denied the request for damages because the damage was not due to a gate malfunction: It was due to the resident's attempt to exit the garage without using his fob to open the gates as they were closing.

**XIII. SAFETY & SECURITY****a. Pacific Patrol**

The Board has received a copy of the contract with Pacific Patrol. Steve Rose pointed out that there is a 30-day termination clause. Board members agreed that they would not want to terminate the agreement with Pacific Patrol until an RFP process has been followed and a new service is in place. Paula McGee inquired as to whether the HOA realized a cost savings during the period of reduced service by Pacific Patrol. Karina informed the Board that the rates were reduced. The invoices will be researched and additional detail will be provided to the Board. Further action on this topic was deferred.

APPROVED

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**b. Surveillance Cameras**

Attorney Pat Foran has suggested that the Board consider adopting a resolution regarding the surveillance cameras in use at The Elizabeth. More work needs to be done on this, including determining how long data is kept. Further action on this topic was deferred.

**XIV. OWNERS' FORUM**

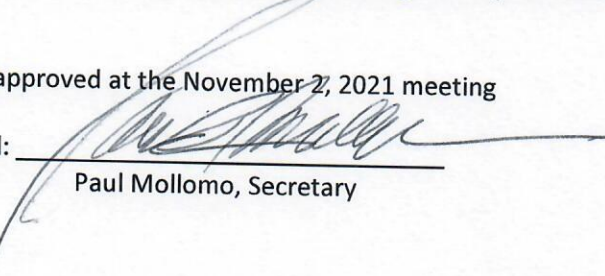
Georgia Hughes thanked the Board and CMI for taking action to remove the vines that were encroaching on the HVAC equipment on the Life of Riley roof.

**XV. ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:20 PM.

Minutes approved at the November 2, 2021 meeting

Approved: \_\_\_\_\_

  
Paul Mollomo, Secretary