

APPROVED

THE ELIZABETH LOFTS CONDOMINIUMS
BOARD OF DIRECTORS MEETING
OCTOBER 4, 2022
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MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE ELIZABETH LOFTS CONDOMINIUMS HELD ON TUESDAY, OCTOBER 4, 2022, AT 5:00 PM VIA ZOOM ELECTRONIC VIDEO CONFERENCING FORMAT

PRESENT: Brenda Peterson, Chair
Forrest Gist, Secretary
Steve Rose, Director
Bob Steele, Director
Otto Riesenber, Director
Tina Tsai, Commercial Director [joined meeting at 5:48 PM]

ABSENT: Jim Kennedy, Treasurer

BY INVITATION: Karina Haley, CCM, CMCA, AMS, Community Manager
Brian Case, Project Coordinator, Facilities Asset Management
Community Management, Inc., AAMC
Auditor Timberly Weaver, Schwindt Co.

OWNERS: Denise Ambrosio, Rick Baumann, Dianne Derse, Lucy Karter, Barbara Shimek,
Cathy Tuttle

I. CALL TO ORDER

Brenda Peterson called the meeting to order at 5:04 PM with four directors present. Two additional directors joined the meeting after it was called to order.

II. APPROVAL OR AMENDMENT OF THE AGENDA

AGREED: The agenda was accepted unanimously as presented.

III. APPROVAL OF MINUTES

AGREED: Steve Rose moved to approve the minutes from the meetings held September 6, 2022, and September 20, 2022. Forrest Gist seconded the motion, which carried unanimously.

IV. REPORT FROM THE AUDITOR

Timberly Weaver, an auditor for Schwindt Co., presented the 2021 audit to the Board. She reported that, in the auditors' opinion, the audited financial statements "present fairly, in all material respects, the financial position of Elizabeth Lofts Condominiums Owners' Association as of June 30, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America." She also noted that, since the last audit, the Board had adopted a formal policy to expense all personal property acquisitions of \$8,000 or less. In past years, the auditors had recommended that the Board adopt a formal capitalization policy. She further noted that RDH (the reserve study consultant hired by the Board) currently is projecting a special assessment in the year 2050 to replace all of the windows in the building. The auditors recommended that the Board examine RDH's projection and take measures to accumulate reserve funds to avoid such an assessment.

In order to finalize the audit report, the Treasurer (Jim Kennedy) needs to complete the board questionnaire, sign the bank confirmations, and, along with the President, sign the adjusted journal entries.

V. MAINTENANCE REPORT

Bob Steele reported on behalf of the Maintenance Committee:

- Otto Riesenberg, the newest member of the Maintenance Committee, had an orientation meeting with Bob that went well. Otto has a lot of relevant experience due to his field of work and past Board and condominium experience.
- The bid has come in for the backflow replacement project for approximately \$36,000.
- The angle stop project has been approved, and the deposit to the plumber has been issued. CMI will have to help coordinate access to the units. The project will start with kitchens in non-corner units on floors 4-13.
- There are still a few items related to the clean and seal project that are outstanding and in need of completion.
- The balcony door/window project has begun with inspections complete in units 715, 1013, 1401, and 1502.
- There are some dented and scratched metal panels on the 15th floor terraces that are in need of repair. A claim is being filed through ProClean's insurance.
- The new Concierge computer has had the software installed but new monitors and graphics cards are still needed. This expense is accounted for in the reserve fund.
- There are reserve funds to pay for maintenance of the trash compactor.
- A complaint has been received from unit 404 regarding water temperatures. This is being monitored.
- Unit 1406 has reported rubber fragments appearing in their sink.

AGREED: Bob Steele moved to approve that \$950 be spent to purchase two monitors, stands, cables, and graphics cards for the concierge computer. Forrest Gist seconded the motion, which carried unanimously.

AGREED: Steve Rose moved to approve the backflow replacement proposal from Charter Mechanical at a cost of \$35,893. Bob Steele seconded the motion, which carried unanimously.

Tina Tsai arrived at the meeting after the motion was adopted. She reported that her remodel project is currently being held up by the City's requirement that the building replace the backflow valve.

CMI has drafted a letter to the City, at the City's request, that spells out the actions and commitments The Elizabeth will be taking to comply with the City's backflow valve requirements. Brenda will make a few changes to the letter and will sign it. She also recommended that CMI attach the signed proposal from Charter Mechanical to show that the Board had approved it.

Brian Case reported:

- He is still working with D&R Masonry to get on the calendar for this year. They walked the site two weeks ago to review outstanding items.
- The balcony door and window project is underway and South Town Glass has reviewed a sampling of units to begin to understand the issues the building is experiencing.
 - Unit 715 – There was hardware interfering with the operation of a window but with an adjustment it is now operating within normal tolerances.
 - Unit 1013 – Has a window that wasn't closing and it appears to have been manufactured with the wrong operator. The closers on the awning windows are off specification as they don't match what was used in other units.
 - Unit 1401 – Missing a mullion bar and needs a fix for sagging in-swing windows.
 - Unit 1502 – The balcony door hyper-extended during a large wind gust and the hinge is failing. This is not an Association expense.

- There is damage to the sheet metal panels on the 15th floor. Proclean has accepted responsibility and has tendered a claim to their insurance company. The insurance company wants CMI to arrange for the sheet metal company to come out and assess the damage and provide a proposal for repair or replacement.
- The trash compactor maintenance agreement with Wessco has expired and a renewal agreement has been presented to the Board.

AGREED: Bob Steele moved to approve the Wessco preventative maintenance contract at a cost of \$675 annually. Steve Rose seconded the motion, which carried unanimously.

- Unit 404's water temperature issue could be related to the heat traces which were installed to stop pipes from breaking in cold temperatures. They can be unplugged but, if the problem persists, this might be related to a crossflow issue and a fixture may need to be replaced.
- Units 1404 and 1304 both have window/door issues that are in need of inspection. South Town Glass will be returning to the building for repairs so Brian will coordinate that visit and include an inspection at the same time. The insulated glass unit has fogged over in unit 1406.

VI. ARCHITECTURAL REVIEW APPLICATIONS AND PROCESS

- Brenda Peterson reported that five applications have been approved since the last meeting: a room divider in unit 610, painting in unit 803, window shades in 809, new HVAC in unit 1010, and lighting in unit 1113. There are also two pending applications. One of those involves Tina Tsai's remodel application for 115. Tina plans to install four new sinks; Bob Steele would like to hold off on formal approval of the application until x-raying or mapping of the floor is done to identify the location of the metal so drilling can be done in the appropriate locations. The Board agreed with Bob's recommendation. The other pending application is an HVAC replacement in Unit 804. The Board unanimously agreed to approve that application.
- The owner of unit 402 has requested an exception to the parking rules and would like to park a pedicab in their parking space in the garage. They do not own another vehicle. The Board had no objection and granted the exception.
- Before the meeting, Brenda distributed an email to the Board with suggested changes to the Architectural Review Application process. She asked for Board approval of the following changes:
 - [1] Currently, the entire Board reviews all architectural review applications. Sometimes there are delays in the approval process because at least four Board members must approve an application. Brenda suggested a more streamlined process — a three-person team, which would include the two Building Committee members and perhaps the Board Chair or another Board member, with two members of this team being enough to approve an application. After discussion, it was agreed that applications would be sent to the Building Committee and Board Secretary Forrest Gist. Applications for electric vehicle charging stations will continue to include Steve Rose.
 - [2] The Board further agreed that modifications to units that will interrupt the function of the fire sprinkler system or require a water shut-off must have approval from both the Board Architectural Review Committee and CMI.
 - [3] The Board further agreed that all Architectural Review Applications must include a Certificate of Liability Insurance for any contractor involved in a project.
 - [4] Finally, the Board agreed with the remainder of a few minor suggested edits to the Architectural Review materials. Brenda will get the final changes to Michelle Heckman to incorporate into the new Orientation Manual that she is putting together.

VII. REPORT OF THE COMMUNITY MANAGER

Karina Haley reported that expenses were \$16,227.53 over projection in August. Total income exceeds expense year-to-date by \$8,217.49; the Association is over budget by 6.8%. The Association's checking account balance is \$94,440.96; the working capital balance is \$14,065.12; and the replacement reserve balance is \$1,802,664.94. At the last meeting Brenda inquired as to why the janitorial supply line item was over budget. Karina discussed this with the service division supervisor and the cost of supplies is up in all areas, particularly due to supply chain issues and the increased cost of fuel.

VIII. REPORT OF THE TREASURER

Jim Kennedy was not present, so no report was given.

IX. REPORT OF THE CHAIR

- The November Board meeting will be held via Zoom.
- Special thanks to the Community Committee for organizing the annual summer party. It was a fun event that was very well attended.

X. REPORT OF THE COMMERCIAL DIRECTOR

Tina Tsai reported there have recently been two break-ins — one at Gallo Nero and one at the accounting firm.

XI. COMMITTEE REPORTS

No committee reports were given.

XII. UNFINISHED BUSINESS

a. Victaulic

Unit 1406 reported finding rubber particles coming out of a sink fixture. Follow-up on this report is needed.

b. Isabel

Nothing new to report.

c. CMI Contract

The Board met in Executive Session on September 20, 2022, to discuss contract terms. Brenda, Jim, and Steve subsequently met with CMI President Denise Bower to continue discussions. There is still more work to be done on the contract; the new contract will not take effect until July 1, 2023. The Board will take the matter back up at the February Board meeting.

XIII. NEW BUSINESS

a. Annual Meeting Update

The Annual Meeting will be held December 20, 2022 — in person — at the EcoTrust building. Materials will be distributed to owners in November.

b. Security


No additional report.

XIV. OWNERS' FORUM

- Bob Steele reported that it appears the ElizabethLofts.org site has been hacked or attacked as there are 20,000 pending memberships. CMI will reach out to Musimack to see what they might be able to do to assist.
- Tina Tsai reported a smash and grab burglary. Please be vigilant of your surroundings.
- Dianne Derse inquired about the outstanding air intake issue on the 13th floor. CMI confirmed that a work order has been issued to USA Mechanical to investigate and repair.
- Forrest noted that the Everett Street camera is still out and in need of repair. Life of Riley was pressure washing to clean vents at 1:00 AM. They may need a friendly reminder regarding neighborly etiquette.
- Steve Rose will email Sara Eanni at American Benefits to find out the result of an insurance claim related to a vehicle that was damaged by the garage gates.

XV. ADJOURNMENT

There being no further business, the meeting was adjourned at 7:02 PM.

APPROVED BY:  FORREST GIST, SECRETARY

DATE: DEC. 15. 2022