

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE ELIZABETH LOFTS CONDOMINIUMS  
HELD ON TUESDAY, MAY 2, 2023, AT 4:30 PM VIA ZOOM ELECTRONIC VIDEO CONFERENCING FORMAT.**

**PRESENT:** Brenda Peterson, Chair  
Bob Steele, Vice-Chair  
Jim Kennedy, Treasurer  
Steve Rose, Director  
Otto Riesenber, Director  
Jay Sickler, Commercial Director

**ABSENT:** Forrest Gist, Secretary

**BY INVITATION:** Karina Haley, CCM, CMCA, AMS, Community Manager  
Tim Simmons, Project Coordinator, Facilities Asset Management  
Community Management, Inc., AAMC

**OWNERS:** Richard Baumann, Bob Garsha, Jeff Ghitelman, Michelle Heckman, Georgia Hughes, Marjorie Myers, Larry Rosenblum, Barbara Shimek, Ashley Spear, Stu Stark, Christine Steele

**I. CALL TO ORDER**

Chair Brenda Peterson called the meeting to order at 4:39 PM.

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

The agenda was accepted by consensus as presented. Brenda noted that the Board's discussion of the 2023-2024 budget would begin at 5:30 PM.

**III. APPROVAL OF MINUTES**

**AGREED:** Jay Sickler moved to approve the minutes of the Board meeting held April 4, 2023. Otto Riesenberg seconded the motion, which carried unanimously.

**IV. MAINTENANCE REPORT**

Tim Simmons reported:

- The parts have been received for the front door and back door automatic operators and now the vendor is looking for a date to schedule the installation.
- Tim and Bob Steele are working with Bob Gagliasso to get a bid and schedule for phase three of the angle stop project.

- All the parts are in for the backflow replacement project. The next step is to coordinate a date with the city for the water shut-off.
- The window leaks in unit 1503 have been resolved.
- Tim is working to identify a solution to protect the metal panels for future window cleaning.
- The outstanding tasks from the clean and seal project have been waiting for warm weather. As that is quickly approaching, Tim will move forward with getting on the schedule with D&R Masonry.
- Balcony doors and window repairs remain outstanding while a date is coordinated with South Town Glass.
- There have been water temperature fluctuations in the 04-06 stacks. This issue appears to be the result of a crossflow issue where hot and cold water bleed into the other line. Tim has obtained a proposal from Charter Mechanical to replace 12 Kohler shower valve cartridges (\$7,098). Bob Steele noted that this is somewhat of a gray area as the fixtures are not common elements, but the failure of the cartridges is costing the Association money to heat the water or run it until it is cool enough to use.

**AGREED: Bob Steele moved to approve the bid from Charter Mechanical at a cost of \$7,098 to replace the shower valve cartridges in the 04 and 06 stacks. Steve Rose seconded the motion, which carried unanimously.**

- Oregon Door Consultants came out to inspect the front doors. They determined that one of the doors has sustained a structural crack at the top of the hinge, which cannot be repaired and will require replacement of the door. One additional vendor is coming to inspect the doors to provide a second opinion, but Tim is moving forward with obtaining bids for replacing the doors if that is necessary. Benson Industries has agreed to take on the installation of the pneumatic tubing.
- Tim and Bob are aware of needed plaza maintenance, and an alternative method of mitigating growth is being researched. The vendor has suggested the application of an anti-fungal, which is expensive, but it may be necessary to make a difference and protect the pavers.
- Isabel graffiti – CMISD did its best to resolve this issue, but the brick is porous and didn't allow full removal of the graffiti without damaging the brick.
- The heat exchanger is being worked on May 5, 2023, from 7:30 AM to 1:00 PM, and it is recommended that residents turn off their heat/HVAC units before the work begins. A reminder notice will be sent out on Thursday about this.
- There is a question about the basement plumbing and whether commercial units should be reimbursed for expenses incurred as a result of clogs in the common lines. Tim suggested a lateral inspection of the main sewer line be completed.

**AGREED: Bob Steele moved to reimburse Cogence Group and Gallo Nero for out-of-pocket expenses related to plumbing issues. Steve Rose seconded the motion, which carried by a vote of 5-1. Jay Sickler abstained from voting on the motion.**

**AGREED: Brenda Peterson moved to approve the SavaTree proposal at a cost of \$6,599. Bob Steele seconded the motion, which carried unanimously.**

Tree permits and parking permits must be obtained from the City of Portland before the work can begin.

Brenda acknowledged that the Board has recently seen a difference in productivity and forward movement on the building maintenance projects.

#### V. ARCHITECTURAL REVIEW APPLICATIONS

There have been a few applications approved since the last meeting. Most of them have involved minor issues, such as the installation of new appliances.

#### VI. REVIEW & APPROVE CMI CONTRACT

Brenda recommended that the Board approve a new contract for a one-year term with CMI. The one-year term will allow the Board the opportunity to review and discuss any issues prior to signing again. There is an option to terminate the contract with 90 days' notice without any termination penalty. The new contract clarifies the services being received. Tim will participate in Board meetings without additional cost to the Association. Concierge staff hours in the new contract have been reduced to one shift per day on the weekends. CMI has had difficulty finding people to work the weekend shifts, and reduced activity on Sunday doesn't warrant two shifts at this time. Bob Steele thanked Brenda for her efforts in the negotiation on behalf of the Association. Brenda thanked Denise and Karina for their help and patience throughout the negotiation and editing process.

**AGREED: Bob Steele moved to approve the CMI contract for the 2023/2024 fiscal year. Otto Riesenberg seconded the motion, which carried unanimously.**

#### VII. REPORT OF THE COMMERCIAL DIRECTOR

##### a. Discuss House Rules 14.1 and 14.2 (loading and unloading spaces)

Jay Sickler has been approached by commercial units about parking in the loading zones. There are two loading zones at either end of the breezeway that are designated for short-term loading/unloading. In the fall of 2021, the House Rules were modified to allow parking during some moves and to authorize four-hour reservations for vendors and service providers who are moving items into and out of the building. Jay noted that it had been brought to his attention that, on one recent occasion, a guest of an owner was allowed to park in a loading zone space rather than parking on the street. Jay suggested that the rules and procedures may need to make it more clear that parking in these zones is limited to moves and to other loading/unloading situations. The commercial owners are concerned about those that use the spaces for convenience parking. Clarification of the rules will be brought to the next meeting.

##### b. New Commercial Tenant

Jay announced that there is a new commercial tenant called DS PDX Annex in the space across from Life of Riley. They are part of an organization called Don't Shoot Portland that focuses on art and education supporting social justice.

**VIII. 2023-2024 BUDGET**

Prior to the meeting, Brenda sent out a detailed memo to all owners regarding the budget and explaining the larger changes. A large portion of the Association's budget is made up of a few items: staffing, insurance, and utilities. The Board held a budget work session in April and reviewed each budget line item.

- Having onsite staff (concierge and porter staff) is the largest item in the budget, but these individuals keep the building running smoothly. The proposed budget includes raises for both the porter and concierge staff members, but the overall concierge costs will decrease slightly in the current budget due to a reduction in hours.
- Utilities, including garbage, gas, electricity, water, sewer, and telephone, are projected to increase \$47,000 over last year's budget, mostly because of rate increases that the Association cannot control.
- Insurance, another key budget item, is renewed in February, midway through the budget cycle.
- Building maintenance costs include both expenses for CMI to oversee and help coordinate maintenance projects and expenses for other vendors to perform maintenance work. Last year, the Board reduced the CMI project coordinator's budget from 80 hours per month to 40 hours per month due to concerns about the service being received. This portion of the budget has been restored now that there has been a change in staffing and a renewed focus on outstanding projects.
- The CMI management fee, per the CMI contract, will increase 6%, which is equal to the CPI (as of February 2023).
- The operating contingency fund was eliminated in past budgets based on budget concerns, but the Board would like to begin restoring that fund in this budget. For the past two years, the mid-year insurance renewal has required the Association to borrow from the reserves to cover the insurance premium. Having a contingency fund would help cover at least some of these costs. The Board was hoping to fund the contingency fund with \$100,000 but that would have driven HOA fees over 10%. As a result, the Board has decided to aim for an amount between \$50,000 to \$60,000.
- Bob noted that CPI is around 7%, and RDH's suggested increase to the reserve contribution is 6%.
- In response to a question about interest, Jim noted that the Board is always looking to safely maximize interest returns on reserve funds, but said that those returns are not used to offset the operating budget.

**Note:** During the budget discussion, a number of owners reported that there was an issue with the Zoom link provided for this meeting. The link in the meeting agenda worked but the link in the meeting notice did not. Brenda said the Board would answer any additional budget questions from owners by email and at the next Board meeting.

**MOVED:** Steve Rose moved to approve the budget with a 6.71% overall increase, including a \$60,000 contribution to the operating contingency fund. Jim Kennedy seconded the motion. Discussion ensued.

**AGREED:** Steve Rose moved to approve the 2023-2024 budget with a 6.71% increase, including a \$60,000 contribution to the operating contingency fund, an increase to the commercial garbage rate

from \$35 to \$40 per month, and an increase to \$61.80 per month for Buddha Building parking. Jay Sickler seconded the motion, which carried unanimously.

**Note:** Jim Kennedy and Jay Sickler left the meeting after the vote on the budget.

#### IX. REPORT OF THE COMMUNITY MANAGER

Karina noted that CMI continues to receive noise complaints that are difficult to pinpoint.

#### X. REPORT OF THE CHAIR

NW Community Conservancy (NWCC) plans to attend the July Board meeting to make a brief (10-minute) presentation. This does not mean that the Board will participate in the program.

Brenda is still hoping to refresh the website before the end of the year.

#### XI. COMMITTEE REPORTS

##### a. ELEC

Larry Rosenblum reported that sudden cardiac arrest occurs approximately 350,000 times a year with a 10% survival rate with CPR only. The survival rate goes up to 40% with an AED. The committee has identified two AED units that will work for the building, but is recommending the Zoll Plus unit. That unit is regularly \$2,100, including the cabinet, but is on sale through the end of June for \$1,600. There are no requirements that condominium buildings have AEDs onsite, but it can help in emergency situations. Mt. Hood Ski Patrol has agreed to train a number of people in how to use the device (minimum class size is four people, maximum size is six). ELEC plans to offer two classes at a cost of \$55 per person, which is half the cost of the Red Cross class. The goal is to place the device in the lobby, to the left of the annunciator room door. It will take twelve weeks for the device to arrive.

**AGREED: Bob Steele moved to approve the purchase of the Zoll Plus AED device and to provide training through the Mt. Hood Ski Patrol at a cost of \$2,260. Brenda Peterson seconded the motion, which carried unanimously.**

The Committee has released Tip 13, which is financial preparation for emergencies.

Larry has spoken with Bill Melcher, and they plan to place materials related to emergency preparedness in the library. There will also be past issues of EQ in the Community Room.

##### b. Community

- Bob Garsha reported that the Geezer Gallery has placed new art up on the walls. There is another First Thursday event taking place that will have multiple guest speakers. The food and wine are provided by Geezer Gallery.
- On June 3, the Committee is organizing an outdoor party to celebrate the beginning of summer. This is the first of two planned parties; a second event is being planned for September.

- On May 20, a haiku event will be held in the Community Room.
- Recently, a tea ceremony and self-defense class were held, and another yoga class is coming up.
- Other ideas being considered include a walking club/group and a knitting group.
- Bob also noted that EQ has now been in circulation for four years. He thanked all the volunteers that support its production for their help.

**XII. UNFINISHED BUSINESS**

**a. Isabel's**

Graffiti popped up on Isabel's and the City contacted the Association requesting that it be removed. The Association's legal counsel reached out to Isabel's and gave them a timeline to remove the graffiti and further advised them that, if it was not removed, the Association would remove it and charge Isabel's for the removal. Isabel's did not remove the graffiti. CMI attempted to remove the graffiti, but the porous nature of the brick made some of the graffiti difficult to remove.

**b. Victaulic**

Brenda informed owners that now that work on the CMI contract and budget are complete, she plans to focus on working with the Association's attorney to determine the status of the Victaulic settlement agreement.

**XIII. NEW BUSINESS**

**a. High Pipe**

Bob Steele informed the Board that the Henry Condominiums has reached out to him about whether The Elizabeth is willing to share the agreement they have in place with High Pipe internet. The Board agreed to share the agreement provided there is no confidentiality clause in the agreement.

**XIV. OWNERS' FORUM**

- Larry Rosenblum suggested adjusting the term of the Association's insurance coverage to match the fiscal year.
- Georgia Hughes said that she is an original owner in The Elizabeth and has worked in 22 other buildings in the neighborhood. She noted that Brenda had thanked the Association's partners (CMI, Tim Simmons, Karina Haley) during the meeting, but Georgia would like to thank Brenda and the Board for their efforts on behalf of the Association. She appreciates having a Board that works well together and conducts business efficiently. She also has appreciated CMI's timely response to issues.

**XV. ADJOURNMENT**

There being no further business, the meeting was adjourned at 6:46 PM.

APPROVED

THE ELIZABETH LOFTS CONDOMINIUMS  
BOARD OF DIRECTORS MEETING  
MAY 2, 2023  
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Minutes approved at the June 6, 2023, Board Meeting.

APPROVED: Brenda J. Peterson  
Board Member