

***NORTH SHORE TERRACE
CONDOMINIUM ASSOCIATION
Special Owners Meeting
June 6, 1998***

Chairman Don Gestson called the Special Meeting of the NSTCA to order shortly after 1:00 p.m. This meeting was held at the Hatfield Marine Science Center in South Beach.

The board of directors was introduced and roll call taken. Eighteen owners were present. This established a quorum.

Background

NSTCA responsibilities were identified. They include:

1. Repair and maintenance of exterior of structures.
2. Insuring the building exterior structure.
3. Maintaining common areas, which include landscape, asphalt, site lighting and mailboxes.

Owners were reminded that bylaws require certification from each owner of homeowners insurance for the interior of their respective unit. Please send it to Susan Stanley.

Don explained there are three ways to pay for NSTCA expenses. They are:

1. Monthly Maintenance Dues - used to pay for expenses incurred by NSTCA such as, exterior lighting electric use, postage, painting, landscaping, gutter cleaning, parking lot cleaning, etc.
2. Monthly Reserve Dues - restricted use by state statute to replace items with a life expectancy of more than three years such as roofing, siding, windows and doors. This does not include painting however. By statute the owners cannot change the monthly contribution to the Reserve Fund until the general meeting in 1999.
3. Assessment – special and equal payments made by each owner.

The current shortfall in the Maintenance Fund occurred because current monthly dues are inadequate to build a adequate Fund. The cost of repainting buildings exceeds NSTCA's ability to pay.

Review of Costs Prior to Association Transfer

All costs were documented and appropriate.

NSTCA insurance costs for the current fiscal year are \$1,000.00 less than the previous year due to changing insurance companies, currently with State Farm. They are currently \$4,000.00/year.

Rat poisoning cost NSTCA \$1,000.00 last year, however no new sightings have been reported this year. Other options will be attempted if there are further occurrences.

The insurance company will increase the insurance deductible from \$250.00 to \$500.00 next year. Our agent advises this is a new standard being adopted by insurance companies.

A light pole and mailbox support was repaired. Several garage door panels will be replaced soon. These were items where some relief from insurance was received.

Maintenance Budget

A financial report was presented to those attending, explaining NSTCA's financial status. There was \$7,166.00 as of April 1, 1998.

A biyearly pest inspection of buildings will be conducted. Owners of units in Phases I, II, III and VI (Buildings 86, 66, 76 and 85 respectively) will need to locate the trap door to the crawl space in their respective unit as the inspector will need to inspect the crawl space of each unit. You will be notified for scheduling when this occurs.

L-P Siding

L-P siding is installed on Phase I, II and III. There are indications of failure on Phase I, or Building 86.

A complaint was filed with the L-P class action group on April 3, 1998 and an inspector is due for an on-sight inspection by July 22, 1998. A determination will be made at that time of the amount of damage to all three buildings. Compensation entitlement will then be computed and for the first time, we will have an idea of the cost of replacement.

Planned Major Maintenance

- 1) Asphalt sealing to cost approximately \$6,000.00. A line item will be created and \$1,000.00 set back each year to fund this necessary action. The sealing may be completed in phases as well.
- 2) Paint buildings
 - a) Phase I (86) to be painted in 1999 and will be 7 ½ years old then.
 - b) Phase II (66) to be painted in 2000 and will be 8 years old then.
 - c) Phase III (76) to be painted in 2001 and will be 8 ¼ years old then.
- 3) Cost per building based upon bid received - \$13,000.00.

The \$35.00 dues increase will allow NSTCA to catch up to where it should have been to meet the maintenance needs in 3 ½ years.

Site Improvements

- 1) Mailbox rain protection – A motion to build a \$2,500.00 mailbox shelter was defeated by a unanimous vote of the owners. Instead, owners wishing to have weather stripping affixed to their mailbox door need to contact Don.
- 2) Entry Island – Many owners expressed a desire to clean up the island. Bill Mishey agreed to attempt to obtain permission from the City of Newport.
- 3) Speed signs – Dennis Dotson displayed a couple of examples of speed signs of which the owners expressed approval. Two sign companies estimated the cost of two signs at approximately \$160.00, not including installation. Other suggestions included painting the curbs a reflective color to increase visibility at night. The curbs belong to the City of Newport and would require their permission.
- 4) Site lighting – Central Lincoln PUD's plan and bid were unacceptable as was LH Morris's bid of \$7,900.00. The owners did not request any further action on this improvement.

Annual Meeting

The owners unanimously approved the annual meeting being moved from January to June. The next NSTCA Owner's Annual Meeting will be held at 1:00 p.m. on June 5, 1999 at the Hatfield Marine Science Center.

E-mail Addresses

If owners want to contact Chairman Don Gestson or Secretary Dennis Dotson, they may do so by e-mail.

Don's e-mail is mgestson@orednet.org

Dennis's e-mail is dotson@fbo.com

Owner's Participation Interest

Owners who would like to assist in the maintenance and managing of NSTCA may express that interest by completing the enclosed questionnaire and returning it to Don. The number of owners that participate and the amount of work the owners are willing to do will dictate the amount of expenditures to maintain the property.

If there are an insufficient number of owners willing to participate, there may be a need to increase dues in the future to pay for the tasks that need to be completed.

Please take the time to complete the enclosed questionnaire, which includes many different tasks and responsibilities. If you think of something that is not listed, please write it down and send or deliver it to Don.

The meeting was adjourned at 3:20 p.m.

Chairman Don called a special board meeting at the conclusion of the special meeting. The only order of business was to approve \$250.00 for the two speed signs and their installation. Directors present were Gestson, Carter, Roby, Reynolds and Dotson. The motion was approved and the meeting adjourned.

Message from the Chairman

The support and input from the owners attending this Special Meeting was very much appreciated. There were many helpful comments and suggestions put forth. The interest to participate in activities to minimize maintenance was encouraging. What was discouraging was the limited attendance (barely a quorum).

With these minutes, you will receive a new coupon book for added maintenance dues of \$35.00. These coupons are to be used in conjunction with your current book. We encourage a single check payment for the total \$70/month starting with the July 1998 payment. For those who have prepaid their dues, a single check can include any added dues payment.

Within the next six weeks, inspection of L-P siding is expected. Access to backyards will be needed for all units of Phases I, II & III (Buildings 86, 66 & 76 respectively). Also crawl space access through the inside of these units may be needed for pest inspection. Owners with unoccupied units are requested to contact Don Gestson soon so that arrangements for access can be made.

Welcome to Jim and Carol Ruggeri. They are the new owners of the 96C Unit.

The next Board of Directors meeting is July 18, 1998 at 9:00 a.m. at the Gestson's residence, 96F.

Sincerely,



Dennis L. Dotson
Secretary