

Minutes from the North Shore Terrace Condominium
Association Board meeting of September 4, 2005

Attendees: Madi Steffens, Tom Rudd, Velma Burkert, Bill Barbatt, Paul Amundson Missing: Rose Ebel, Theresa Frederickson

The meeting was convened at 2PM.

The results from the holdover Board member election from the annual meeting were tabulated and the current Board was reinstated for a second year.

Madi handed out a current a financial status report.

The latest Cordone letter (attached) was discussed.

Madi investigated the Replacement Insurance Level question (results attached). The Board voted to raise the insurance to \$110 per foot replacement cost and to go with \$2,000 deductible per occurrence.

Bill Barbatt investigated the Tsunami/Flood Insurance issue (results attached). The Board voted to not purchase the flood insurance (\$10,000 per year additional cost) because of the low risk of such an occurrence.

The current policy contains volcano and earthquake insurance.

Tom will be contacting Jeff Franz to make the changes. He will also ask Jeff to give us an overview of our insurance along with any changes he might recommend. (Tom Rudd and Paul Amundson met with Jeff Schrantz of State Farm and the \$110 per square foot replacement insurance was implemented as of September 15, 2005. The implementation of the \$2000 deductible was delayed until the end of September.)

Paul will write a Board letter to the Cordones when the actions have been finalized.

A faulty fascia board installation has permitted water from the gutters to penetrate the kitchen wall at 66A. This caused major damage and is being repaired by Michael Elkins. The 66 building fascia board installation all along the south side will be inspected. (The inspection was done on the 16th. No further damage was noted however the fascia boards will be cut off and that single piece of siding on each of the 66 and 76 units will be replaced.)

Other ongoing leaks and/or repairs include a gutter leak at 86D, a roof leak at 86E, a roof leak at 86F, a gutter leak at 85B, a sinking support post at 85A, leaking skylights at 96G, chimney enclosure dry rot at 86A, dry rot at 96D. Gerry Nieto and Mike Elkins are either doing the work or will be contracted with.

The renovation and painting of front decks of the 66 building and the rear decks of the 76 building, and deck touchup throughout the Association will be contracted for with Bob Smith. (Bob is evaluating the extent of the work and will be giving us an estimate.)

Carol Nelson has gotten married and is now Carol Sumner. Her new address is 1525 NW 14th St Corvallis, OR 97330 and phone # is 541-745-7275. Lincoln Development Company has a corrected address, 433 Coast Highway in Newport.

Bob Smith of All Structures Painting has completed the painting of the two 96 buildings. He did a great job.

The possibility of using dumpsters (from the annual meeting) vice individual garbage cans was discussed. We had difficulty finding a potential site for one. Other drawbacks included unauthorized use by others. For our part time residents, Madi suggested that they establish an account with Thompson Sanitary Services for on-demand garbage pickups. They also will do occasional pickups if a check for \$6.50 (amount approximate) is taped to the garbage can.

Tom Rudd is continuing to pursue a permanent fix for the entryway lighting.

The natural gas piping from the meter through the walls to the inside paint was added to the Association responsibilities. It was suggested that anyone with natural gas problems call the gas company first. They are the most experienced at handling these sorts of problems.

The issue of speeders once again came up. The Board voted to have a speed bump installed just inside our property line on the north end of the Association. No action has been taken as of yet.

The meeting was adjourned at 3PM. Thanks, Paul

September 26, 2005

Dear Deborah and Andrew,

Thank you for your letter recommending changes to the Association insurance policy.

The uniform replacement insurance of \$110 per square foot was implemented as of September 15, 2005.

Your recommendation to add flood insurance was evaluated. The cost would have been about ten thousand per year. The probability of a tsunami large enough to reach our elevation (85 feet) was checked out with two geologists (one who works for the city). They said the possibility of such an occurrence was highly unlikely for two reasons: 1. The largest earthquakes on record have produced tsunamis no higher than fifty-five feet. 2. And our Association is on a hilltop with Big Creek on the south and Little Creek on the north. The Board voted to not purchase flood insurance.

It was further noted that a Richter Scale nine earthquake might occur and damage from such a quake was possible. We have both earthquake and damage from volcanic action on our policy.

As a side note, the things we have done to preserve and improve the buildings in our Association benefit all of us. Of special interest, the worth of the 66 and 76 building units took a jump after the siding was replaced. And according to local real estate agents all smaller units in Newport are increasing in worth faster than larger units. Our focus on maintenance is paying off for all of us on a personal level.

Paul Amundson
North Shore Terrace Condominium Association President