

**NORTH SHORE TERRACE CONDOMINIUM**  
**Board Meeting, September 9, 2007**  
**2:00 PM, Unit 76E at North Shore Terrace**

**Directors Present:**

Madi Steffans	Lori Dayton
Joanna Rose	Andrew & Deborah Cordone
Rafael Miranda by speaker phone	

**Others Present:**

Lee Hardy, Yaquina Bay Property Management, Inc.

Rafael called the meeting to order at 2:07 PM. Five of seven directors were present, constituting a quorum.

**MINUTES OF JUNE ANNUAL AND BOARD MEETINGS:**

Andrew asked if the annual minutes should be reviewed and corrected, if needed, prior to being sent out to the membership. Lee said that she sends out the minutes to all of the members at the same time. Rafael said that the general membership has to have the opportunity to provide input regarding the minutes of the annual meeting, not just the board. Deborah said she thought the annual meeting minutes sent out after the meetings should be clearly labeled "draft" with a cover letter requesting feedback on the minutes prior to subsequent regular board meetings. A motion was made to mail a clearly labeled draft of minutes after each annual meeting with a letter requesting input for corrections to be offered within 30 days of the mailing of the draft. The motion was seconded and passed.

Deborah asked if Paul had delivered the minutes of the 2006 annual meeting. Andrew said he received copies of those minutes and produced them for directors present.

Andrew made a motion that the minutes of the June 2007 annual meeting be approved as delivered. The motion was seconded and passed without opposition.

Deborah made a motion that the minutes of the June 2007 board meeting be approved as delivered. The motion was seconded and passed without opposition.

**FINANCIAL REPORT:**

Lee reported that the balance of the maintenance account was \$8,478.32 as of the end of August 2007. The balance of the reserves account was \$24,358.41, and the balances of the CD's were \$21,553.42 and \$21,345.88, respectively. An additional installment payment was made to Guy Douglass on Sept. 7<sup>th</sup> in the amount of \$5,000.00, and the attorney's bill for the letter regarding new legislation was paid in the amount of \$243.00.

**MAINTENANCE UPDATE:**

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**LANDSCAPING PROGRESS:** Andrew noted that more work is needed at the entry of the complex by the 66 building. It has been cleaned around the meters, and more bark is needed. Rafael suggested that the board gather feedback regarding what has been missed so far. The landscaping committee can gather the feedback either directly or through Lee. Lori said that at one time bark was not wanted along the west side of the 66 building. Deborah said that she and Andrew maintain the west side of the 66 building because it is part of their entry to their unit. It was suggested that river rock could be laid near the water meters. Rafael said that, with the feedback received, the committee can get estimates. Carmelo has already said that the areas near the water meters would be ideal for river rock as ground cover.

**66 BUILDING ROOF:** Lori said the that the roofer, Guy Douglass, reported that the original roofing was installed crooked so he has to overlay the roof in the same way so the roof will lay right. He is about half done with the roof.

**96 BUILDING SIDING:** Lee said that Mike Elkins had indicated the siding work would start in about a week or so. There are other small tasks that can be done while his crew is on site which include replacing a bad fence post, missing vent screens, lattice, fixing the sign, among other things.

**SEWER LIFT STATION SERVICE:** The service was completed on the lift station, including having it pumped. It was noted that there was a lot of grease build up and that it had been three years since it was serviced last. The cost of the service was \$330.00: \$250.00 to pump it plus \$80.00 to check it out. The plumber also provided an estimate to replace the pump in the amount of \$1750.00. Lee has set aside a line item on the budget for the accumulation of the \$10.00 surcharge to the 96 building unit owners for the last year. Deborah said that the surcharge had been collected since July 1, 2004, so Lee said she would adjust the total accumulated. Rafael confirmed that the surcharge started in July 2004. Andrew asked if Newport Plumbing did a motor check when they did the service. Lee said the bill did not spell that out, but she could check.

**DECKS AND DOORS:** Lee reported that the painter said the deck paint was wearing normally for the grade of paint that is on the decks. Madi distributed a report from Bob Boyd regarding the expense of the deck maintenance. Lee distributed copies of the painter's quote for painting the doors and decks. She said he also said it would cost about \$10,000.00 to power wash the siding, which would postpone the need to paint for three to five years. Deborah said the north side of the 66 building is starting to grow algae, and the gutters are black. Power washing might be needed sooner than a year or two from now. Lee will get an estimate to power wash the north side of the 66 building and the gutters.

Lee said that, since the decks are determined to be the owners' responsibility, the board could pass along the painter's estimates to paint decks and handrails, broken down by building. Owners can make their own decisions as to how to proceed and whether or not to do the work themselves or hire it done.

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Estimate to paint all handrails and pickets where present: \$600.00/unit  
Estimate to bleach, powerwash and repaint 76 bldg. decks: \$300.00/unit  
Estimate to bleach, powerwash and repaint 86 bldg. decks: \$800.00/unit  
Estimate to bleach, powerwash and repaint 85 bldg. decks: \$800.00/unit  
Estimate to bleach, powerwash and repaint 96 bldg. decks: \$300.00/unit

The painter provided an estimate of \$175.00 per door to rust treat and paint the metal doors. Lee said he noted that all of the doors showing rust can be treated and painted and none really need replacement at this time.

**OTHER REPAIRS AND MAINTENANCE:**

Catch Basins: Lee said that Carmelo will be cleaning out the catch basins. Then any plugged downspouts can be located and cleared. We know 96A and G have plugged downspouts.

Gate Posts: There is a rotted gate post at 86D

Lattice: Lattice is damaged in places at 76G

Vent Screens: These are missing at 85C.

Damaged Fencing: Behind 66B the fence has been broken close to the ground.

Gate Latch: Temporary latches have been used on some gates instead of replacing the original. All of the original 86 building gate latches are broken.

Gutter Leaks: Gutters leak at 86C and D.

Hose Bibs: Repair to a hose bib is needed at 86C.

In response to a letter from William Barbat, Deborah said that it needs to be formally stated that decks are the responsibility of the unit owners. Until the year 2000, unit owners did maintain their own decks, and then the responsibility was switched to the association during a meeting. In the light of the attorney's recent opinion, the unit owners need to reassume that responsibility. A number of owners have expressed frustration at the changes in policy regarding the decks.

**ATTORNEY'S OPINION:**

**The association's attorney has reported that new legislation this year has changed the allocation of responsibility for windows and doors from the unit owners to the association, with the exception of any glass. The legislation leaves the responsibility for any glazing on the windows or doors with the unit owners.**

Deborah made a motion to survey the membership with a mail-in ballot to try to attain a consensus that, if an entire window or door is being replaced, the association will bear the expense of that entire cost including installation. The vote shall be a yes or no vote.

100% of the membership must agree in order to put this policy in place. The ballots shall be returned signed and dated by mail. Rafael said a paragraph could be added from the attorney's opinion as a precursor to the vote to illustrate where this issue came from. The motion was seconded and passed without opposition.

Deborah asked about the need for uniformity in color for decks. Should visible decks be of a consistent color? Rafael suggested that, if someone wants to change the

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color of a deck, there could be a reasonable color selection offered. He noted that someone had recently replaced a garage door with a new one that was not the same color as the original ones. It is not that noticeable. Color alternatives could be selected that blend in. Andrew said that, if the desired color is not in the color selection offered, approval of the new color could be requested. Rafael added that choices of color from the pre-selected color choices would be the standard unless the component came pre-colored like some Trex decking and some garage doors do.

Andrew referred to a footnote on page 10 of the attorney's response to the questions earlier this year. He wondered whether the association could be held liable for the consequences if the association stood by a practice started by the developer and if said practice was inappropriate. Madi noted that the 66, 76 and 86 buildings were all about the same size, but the 85 and 96 buildings were larger. There has been concern expressed about the fact that all unit owners pay the same dues because it is possible that someone in the future may sue to force a reallocation of dues. Lee suggested the association could incorporate to limit liability and pointed out that the interest each owner has in the common area is the same undivided percentage for every owner.

**RESERVES STUDY:**

Decks will be removed from the reserves study and will not be included in the annual budget. Removing them from the reserves study will have a significant impact on financial planning. Andrew has updated the roofing section of the reserves study and will be updating the painting and lift station sections. We still need to determine a remaining life for the lift station.

**BUDGET APPROVAL:**

Andrew asked Lee if she could add a column to the financial/budget summary for the current month alongside the year to date column. Lee said she could rework the format. A motion was made to recalculate the budget allocation for the sewer lift station, splitting it between the maintenance and reserves account, to remove references to decks in both accounts and to increase miscellaneous expenses to \$3,000.00. With these changes, the budget can be approved. The motion was seconded and passed.

**OTHER BUSINESS:**

Lee said she has received inquiries about management services from a couple of unit owners. She said that she had told the board in place when she was hired that she would turn those down if the board saw a conflict of interest and asked if the current board saw any potential conflict. None of the board members present had a problem with Lee managing other units in addition to the one she has had under management for a while.

Madi said that Mishey's tenants in 66G park in front of their unit, which causes some constriction for other unit owners getting into and out of their garages. The driveway narrows down a lot between the 66 and 76 buildings near units F and G. Lee

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said she would talk to Woody Ouderkirk, the broker at Mishey Real Estate about the problem.

**NEXT BOARD MEETING:**

The next board meeting is scheduled for 2:00 PM, Sunday, January 13, 2008, at unit 76E. A motion was made, seconded and passed to adjourn the meeting. This meeting adjourned at 4:42 PM.

Lee Hardy  
September 16, 2007