

**NORTH SHORE TERRACE CONDOMINIUM HOMEOWNERS ASSOCIATION**  
**Emergency Board Meeting April 10, 2020**  
**5:15 PM, Via Conference Call**

**Directors Present:**

Al Gilhuly      Gillian Pack      Karen Eibner      Scott Nielsen      Rafael Miranda

**Other Members Present:**

76E Mari Kramer    76A Margarita Nilsen    76C Sheri Troftgruben    76D Rich & Carol Sumner

**Others Present:**

Jake Cook, Greentuitive Construction  
Lee Hardy, Yaquina Bay Property Management, Inc.

**Call to Order/Establishment of a Quorum:**

Rafael called the meeting to order at 5:15 PM. All directors were present, constituting a quorum.

**Purpose of Meeting:**

This meeting was called to discuss recent findings of extensive dry rot under the siding on 76G which appears to extend to 76F and likely beyond to the other units in the 76 building. The contractor was opening up the exterior wall on the south side to replace dry rotted and carpenter and infested framing and trim around and below a window. He found that the original LP siding, installed during original construction, had not been replaced with Hardi Plank but rather overlain with Hardi Plank. The window was not properly installed, had no flashing and had suffered damage to its flanges. The original intent was to open the wall up from the inside of the unit to determine the extent of any damage, but it was discovered that this would not reveal the framing due to a layer of gypsum board sheathing underlying the LP siding. The contractor also noted that there were existing butt joints in the siding directly above the windows which is improper for siding installation as that provides a possible channel for water intrusion that could damage the window headers, especially since there was no flashing.

On request the contractor provided a comprehensive repair proposal consisting of 3 optional approaches. The first option is to remove and replace all of the sheathing and siding on the lower half of the entire south side of the building, including removing the old LP siding, and removing and re-installing windows and slider doors with proper flashing. This would cost an estimated \$33,000.00 in labor and materials. The second option is to perform the work described in the first option but then to add a belly band at the junction between floors that would run the entire length of the building and would be properly flashed to protect the lower floor from leaks on the second floor resulting from improperly installed windows and siding. This option would cost an estimated \$38,000.00. The third option is to remove and replace all siding and sheathing on the entire south wall, both floors, remove and properly reinstall all windows and slider doors with proper flashing. This option would cost an estimated \$67,500.00. It is not possible to predict how much dry rotted framing would need to be replaced as the framing would not be visible until the siding was removed. The first option could leave the lower floor repairs vulnerable to new damage since a belly band would not be installed. The second option would protect the repair work done on the ground floor but not address any damage in the second floor walls.

Lee noted that the current amount of reserve funds available at the time of this meeting totals about \$87,200.00 and that an additional \$40,500.00 is expected to be collected over the remainder of this year.

Rafael opened the discussion and invited questions from directors and members present. He asked for clarification of what the moisture testing done previously showed. Lee said the focus of that testing was on possible plumbing leaks in the walls and did not focus on window leaks. A window leak was detected in 76G as the unit owner pointed out cracked and impaired caulking around that window. Rafael asked where the dry rot was located in the wall and what areas would be checked for dry rot. Jake said it

**NORTH SHORE TERRACE CONDOMINIUM HOMEOWNERS ASSOCIATION**  
**Emergency Board Meeting April 10, 2020**  
**5:15 PM, Via Conference Call**

was around the window and door openings in the old LP siding. He recommended removing all LP siding and existing sheathing. He recommended the second option for repair as the belly band would prevent leaks from the second floor, if any, from traveling down to the ground floor and damaging the lower floor framing. The extent of rot in the framing will not be known until it is uncovered. Rafael asked if additional testing could be performed on the second floor windows. Jake said that only destructive testing would reveal dry rot if it is present, and he said he was pretty sure the condition of the second floor is the same as the ground floor.

Al said he met with Jake and looked at what had been exposed. He felt the tops of the second floor windows were sheltered due to the short distance to the eaves. He said he felt there was not an emergency or need to do anything right now. Rafael noted that would be a failure to protect the building. Once dry rot is discovered, it has to be corrected. Scott agreed with Rafael and noted his unit had a window leak which caused damage to interior dry wall. Lee noted that an owner who was trying to sell his or her unit would be required to disclose that dry rot was present in the framing of the building and that repairs had not been immediately undertaken. Mari said there was a window in her unit replaced three years ago, and dry rot was discovered around that window that extended down to the sill plate. Sheri asked if the contractor who installed the Hardi Plank siding could be held responsible for the damage. Lee said that too much time had passed to act against that contractor due to the statute of ultimate repose.

Rafael reviewed the HOA's history with LP siding which goes back to the 90's. North Shore was offered a settlement, and the board decided to pursue one. But the company producing LP went bankrupt and ended all settlements. The HOA then levied an assessment to collect funds to pay for installing the Hardi Plank siding and took the low bid for that work. Now the HOA has to have the work done correctly. Gillian asked if 66 and 76 were the only buildings with LP siding. Rafael said all but the 85 building had the LP installed. Karen asked if any of the Hardi Plank currently in place can be re-used. Rafael said it could not be.

Rafael said the second option was a good option and asked if additional testing on the upper windows was needed as they appear to be sheltered. He asked if the upper windows appeared to be correctly installed. Jake said that all of the windows are incorrectly installed. Al recommended getting other bids. Scott said he thought that the third option was the best one but recommended starting to tear siding off one unit to see how bad it is. He asked why not do it all right the first time. Lee said she could call two other contractors to see how soon other bids could be obtained. Rafael asked if the bids would only be for the south side. Al said it would be only for the south side. Rafael suggested checking on the upper windows before jumping into the third option. Work can begin for the second option while looking at the upper windows.

Al asked Jake if he thought the north side of the 76 building had the same problems as the south side. Jake said he thought that was likely. Al noted that the entire 66 and 76 buildings might need to be repaired. Scott asked how effective the belly band is if the second option is done and the third option is done later. Jake said that flashing would be installed above the belly band. Scott asked how much more cost would be added to do the second option with the belly band and then do the third option. Jake said he had not analyzed staging the second option and then doing the third option in terms of cost. Al asked if Jake could take a look at the upper window on a 76 unit. Jake said he could but that he could not flash the window if he just takes off the Hardi Plank. He would be able to see the old LP siding but not the framing. Al asked what Jake would have to do to the upper windows to determine what conditions exist there. Rafael asked if the area around the windows could be opened up from inside the units. Jake said that would not work because the gypsum board would be in the way of viewing the framing. Al said he thought the end units would be worse and asked what it would cost to take a look at one side and the bottom of an upper window. Jake said it would be a day's work and would cost around \$800.00. Rafael

**NORTH SHORE TERRACE CONDOMINIUM HOMEOWNERS ASSOCIATION**  
**Emergency Board Meeting April 10, 2020**  
**5:15 PM, Via Conference Call**

asked if we would get enough information from that effort to support further discussion. He suggested a motion to approve the second option with the belly band and approve an investigation of the bottom of an upper window. If there is damaged framing found around the upper windows, the board can reconvene to consider approving the third option.

Karen asked if the belly band would be needed if all of the second floor siding is done. Al noted that approving the work does not automatically approve the contractor. Gillian said that seeking other contractors would delay finishing her unit. Al suggested waiting until there are findings from 76F before voting on a motion. Scott agreed and asked Jake how far out it would be for starting work on the whole south side of the building if his proposal was approved and whether the \$800.00 cost to check the upper window would be in addition to the third option estimate. Jake said that the investigation cost would then be only about \$500.00 because he would not have to put everything back right away. And work could start very soon.

The motion was restated to proceed with an investigation of an upper window and then reconvene to make a decision on which repair option to adopt. The motion was seconded and passed without opposition. The issues noted in the other motion were tabled pending receipt of more information.

**Next Board Meeting:**

The next board meeting is scheduled for 5:15 PM, Tuesday, April 14, 2020. It will be held via conference call. **(Dial 1-800-261-0546, when prompted enter 2784153#)**

**Adjournment:**

This meeting adjourned at 6:04 PM.

Lee Hardy  
April 11, 2020