

NORTH SHORE TERRACE CONDOMINIUM HOMEOWNERS ASSOCIATION
April 14, 2020 Continuation of Emergency Board Meeting Begun on April 10, 2020
5:15 PM, Via Conference Call

Directors Present:

Al Gilhuly Karen Eibner Gillian Pack Rafael Miranda Scott Nielsen

Other Members Present:

Sheri Troftgruben Mari Kramer Rich Sumner Margarita Nilsen

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 5:16 PM. All directors were present, constituting a quorum.

Purpose of Meeting:

This meeting is a continuation of the emergency board meeting held on April 10, 2020 regarding the discovery of LP siding under the Hardi Plank. Jake had been asked to examine a window area on the second floor of the south side of 76F to see if there was damage there similar to what was found on the ground floor of the south side of 76G. Jake reported that there was similar damage on the second floor for the same reasons it occurred on the ground floor: improper window installation.

Rafael noted the board could not rely on just one bid due to the responsibility the board has to provide for the best interests of the HOA, and he wanted to see if at least two other contractors would be willing to submit bids. He also noted that there are time constraints. A regular board meeting is scheduled for May 16th, and he proposed May 15th as a drop dead date for bid submission to the board. This way the board could make a final decision at the May 16 board meeting and then schedule the work as soon as it can be scheduled. He noted that a couple of units are now “open to the weather” with temporary finish as protection. Rafael asked for discussion from directors and members present.

Karen asked why Jake couldn't take off the upper floor siding of 76G and repair that area. Gillian said Jake told her the work to date is somewhat weatherproofed and can wait to be finished. He thought 76F could be weatherproofed as well. Scott expressed concern about losing Jake as a resource. Karen asked if the upper level of the south side could be done next year. Lee explained the nature and impact of ongoing water intrusion. Scott asked, if bids come in earlier than May 15th, can another emergency board meeting be called for an earlier decision? Al asked what Jake's availability will be in the future. Jake said he could schedule immediate work now but does not know what his schedule would be if there is a delay in the decision. Al asked if 76G is weatherproofed. Jake said the windows are flashed and tar paper is in place, but wind can tear the tar paper. Also there is water intrusion from the upper level that would impact the lower floor even with tar paper in place. Rafael reiterated that the board needs to try to get at least three bids.

Al asked what would happen if the reserves are significantly decreased by this work; would the HOA have the ability to take care of another emergency like leaking water lines? Rafael said the board would have to look at levying a special assessment. Jake noted that it is very possible additional cost will be incurred to pay for repair to dry rotted framing and if windows need to be replaced due to damaged flanges. Scott asked if framing repair would impact the interior of the units. Jake said there would be minimal impact on the interiors. Margarita asked if her west side window could leak since the west side is not being addressed at this time. Rafael said that window was repaired about 3 years ago.

Rafael made a motion to approve the scope of work in the third option, doing both floors on the entire south wall and to abide by the board's ethical requirement to seek at least three bids. When at least three bids are obtained, an emergency meeting can be called, or the board can wait until the May 16th board meeting to make a decision. If three bids are not available, a decision will still have to be made. Al seconded the motion. Karen asked if Jake will be allowed to finish 76G. Rafael said it will remain weatherproofed but not finished for the time being. Rich asked if the 76F windows will be patched. Jake said tar paper is in place at those windows now. A vote was taken, and the motion was passed without opposition.

Rafael said another issue has arisen that needs the board's immediate attention. The HOA's insurance agent reported that the company offering the current flood insurance package is not going to offer that coverage any longer and offered a quote from another company. The new quote is \$6,000.00 higher than the current policy cost. He noted we can keep the current earthquake coverage but asked directors present if we really need flood insurance since a catastrophic loss can make it impossible to rebuild. He recommended the board consider voting to cancel the flood insurance policy. Al asked if the flood insurance was for tsunami or river flooding. Rafael noted that North Shore's elevation is 90 feet. Directors present discussed actual experiences during a heavy rain and the minimal impact of rain flooding. A motion was made, seconded and passed to cancel the flood insurance now.

Adjournment:

This meeting adjourned at 5:49 PM.

Lee Hardy
April 16, 2020