

PACIFIC VIEW CONDOMINIUM ASSOCIATION
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SUBJECT: 2020 ANNUAL HOMEOWNER'S MEETING

AGENDA ITEMS:

- 1. Meeting called to order by Jim Andrews, President.**
- 2. Board Members present: Jim Andrews, Alice Chisholm, Roger Johnston, Dave Russell, Jim Thomas.**
- 3. Roll Call was taken by Alice Chisholm, secretary. Result was 19 owners present plus 3 additional proxies for a total of 22 owners represented. A quorum (majority of 14) being established the meeting is empowered make substantive decisions.**
- 4. The Minutes of Annual Meeting 2019 were presented and approved.**
 - a. It was requested that future minutes be provided as soon after the meeting as possible and the Board concurs with this request.
- 5. The Report on Gearhart by the Sea including the management report was presented by Dave Russell, Jim Andrews and Paul Tice. Points discussed included:**
 - a. The rental year was erratic due to the Corona virus disruptions but became very strong when things opened up. Many owners are using their units for extended periods.
 - b. Pool was shut down for a while, but is now open to owners. Pool must be monitored by homeowner using the pool. The Health Department has checked and approved we are abiding by the rules.
 - c. We understand that GBTS agrees that the associations control GBTS through the Board of Directors representation and that sharing some financial information with the associations is acceptable.
 - d. The three existing 300MB Wi-Fi units were replaced with three 1GB modems. Users should experience faster speed. Although installation has taken place these are not functioning properly. Repairs are in progress.
 - e. New rental software will be installed and should be in service in early 2021.
 - f. Replacing the GBTS office is being evaluated. A free standing office within the associations' property is one possibility. There are several years remaining on the current lease. Owners will need to approve a new office space prior to moving forward.
 - g. Reminder to owners that every unit must carry \$500,000 minimum liability policy.
 - h. We currently have 7 of 27 units in rental, with one unit renting only in summer.
- 6. The Treasurer's Report was presented by Jim Thomas with the following items discussed in detail:**
 - a. The 2019-2020 Balance Sheet and Income statement show significant cash reserves due primarily to Corona disruptions that prevented scheduled maintenance items being accomplished. The Association combined equity totals \$161,999.62 of which \$114,062.12 is the Reserve Fund position.

- b. Two significant projects that are in progress include the beam replacement for Unit 474 (estimate \$12,000) and painting the west side of the building (estimate \$16,000).
- c. No change of owners' fees is under consideration at this time.
- d. Insurance costs rose approximately 29% from the previous year and are projected to increase another 16% for current year. This is due to the age of the building and a limited number of underwriters serving our area.
- e. The budget item for water cost is expected to increase for the current year due to the installation of meters that read correctly.

7. Report on Repairs and Maintenance was presented by Jim Andrews and focused on the following items:

- a. Beam repair is an Association responsibility and the fourth phase of the east side repair project is postponed. Other Reserve Fund account obligations are more urgent.
- b. The west side beam replacement for Unit 474 is authorized and scheduled. It is noted that all decks must provide a waterproof surface (polyurethane, Gaco, or other) to protect beams. Specifications are available from Paul and are not optional.
- c. The chimneys for units that burn wood were last cleaned and inspected in 2016 and are scheduled to be done in 2020 or early 2021.
- d. Deck are the responsibility of owners but may impact units below and the soundness of supporting beams. Units that are showing problems include 472, 485 and 487. Please inspect your decks for the following indications of problems and ask Paul to suggest the correct action.
 - i. Soft spots that indicate deteriorating underlayment.
 - ii. Moss build up at the deck-wall interface that indicates inadequate drainage and may lead to siding rot.
 - iii. Deteriorated flashing and poor railing lag bolt sealing that may lead to beam rot.
- e. Doors are the responsibility of owners and when replaced we strongly recommend the use of fiberglass or another composite.
- f. The elevator, in the opinion of the Board and our service provider, has very nearly reached the end of its life expectancy and needs replacement. While we could replace individual components as they fail, the Board recommends that it will be less expensive and result in an overall shorter down time to do all of the necessary work at one time. These include the replacing the electronic controls and hydraulic cylinder (jack), corrosion mitigation of the car chase and car, and refurbishing the interior of the car. We have one estimate from Thyssen-Krupp (TK) and anticipate receiving another from Otis. Both companies claim to provide good service and will service the other's equipment. The first estimate from TK is for \$120,000 plus electrical work that may range from \$15,000 to \$25,000 plus jack housing mitigation (if any). On this last item we do not know whether the jack is installed in a sound conduit or possibly buried in sand and whether the sand may have been contaminated by oil. The cost of this item will not be known until the jack is exposed. Estimates of the final cost range from \$150,000 - \$170,000.
- g. Several owners commented that landscaping for the building is in poor condition. Members recommend the entire grounds keeping budget be used.
- h. Painting of the west side is authorized and waiting for good weather. At that time, our contractor will inspect and paint both wood and metal columns and brackets with special attention to signs of beam rot, siding deterioration and rust. Loose rust will be removed prior to painting.
- i. Plumbing items discussed include the need to inspect water heaters (useful life about 8 to 15 years) and P-traps beneath sinks. Turn off the water supply to ice makers at times of low/non-usage. Remove or ask GBTS to remove any remaining garbage disposal units (Unit 487), these can overload the septic system. Promptly address water drain or supply issues. Water damage to adjacent units is the responsibility of the unit owner of the defective unit.
- j. Inspect exterior roof downspouts for leakage.
- k. Steel columns on the west side need replacement and we have a local contractor who is preparing an estimate. We anticipate doing one column to determine the true cost before

contracting for the remaining eight columns. The concrete pedestals that support these columns are also in need of spawl repair and sealing.

8. The 2020-2021 Budget was presented by Jim Thomas. Significant issues include the insurance and maintenance items presented above including a lengthy discussion of the best approach to finance the elevator repair.

- a. Options proposed were 1) to take funds from the Association's operating and RF accounts, 2) assess each unit, or 3) a mix of using RF monies plus a loan. No increase in owner fees or RF assessments are proposed for this project.
- b. The discussion focused on the adequacy of funds on hand and the need to maintain emergency reserves. The conclusion was that the second or third approach were more desirable.
- c. A vote was taken between the latter two options with the third option being preferred by most. Further discussion focused on the recommended loan amount.
- d. A motion was offered and approved to borrow \$75,000 to allow this project to proceed without putting other projects in jeopardy. It was further agreed that if these funds are excessive that prepayment of the loan is desirable.
- e. It was further agreed to invite homeowners to submit loan offers to the Association for all or part of the above amount for a term of 5 years and a rate cap of 5%. This invitation will be sent out within the week with a specified response time.

9. Election of Board Members – No positions are up for election

- a. Alice Chisholm agreed to complete the term of Joyce Allen who recently sold her unit and the Association voted in favor of this appointment.

10. Other Old & New Business

- a. A discussion of the fire detection standards included the requirement of rental owners to have GBTS inspected extinguishers, smoke detectors and carbon monoxide sensors in place and operable at all times. This is recommended for all owners. In addition each unit is equipped with two heat sensors that are connected to an automatic alarm system. This system connects immediately to the fire department, the GBTS office and sets off an alarm system that is very loud.
- b. The rental split of 50/50 was questioned. It is under consideration. When all aspects are considered (services provided) it is not out of line.
- c. A revised owners list both by unit location and allowable contact was requested and promised.
- d. The stairway on the south end is slanting to an unacceptable degree. Paul will inspect and contact O'Brien for repair options.
- e. Len Kauffman (Unit 475) reports that the flashing between T1-11 siding sheets on the outside of his west side closet is deteriorated and allowing water to blow through. Paul will ask O'Brien to repair when they replace the beam for 474.
- f. ADA signs are up, showing access to elevator.
- g. Richard Bertellotti (Unit 474) and Mark Farrell (Unit 469) looked over By-Laws and recommended we hire an attorney to update. Jack Cooper (Unit 477) is an attorney and has experience with HOA By-Laws. He agrees to assist in updating our By-Laws. Tom Andrews attorney (Unit 493) also might assist.
- h. A warm welcome to new owners, Charley Jones & Marc Weaver (Unit 489) and Lillian Wilhelm (Unit 479).

11. Adjournment was agreed at about 10:00 PM

Submitted by Alice Chisholm, Secretary

