

Scott's home – F-302  
3 Dec 2013, 6:45 PM

Board members: Jill Berger, Scott Miller, Suzanne Reeve, Amy Soto, Janine Torres (till 7:30)  
Guest: Gabrielle Wilkerson  
Kappes Miller: Bryce Kennedy (joining at 7:30)

*Italics = action item*

1. Budget

- a. Review budget spreadsheet –
  - i. 2% increase next year in electricity, 4% sewer, 10% Metro sewer
  - ii. Water heater failures this year – extra maintenance expense
  - iii. Be proactive to avoid special assessments
- b. Make sense to raise dues 1.5-2% for these costs & cost of living? If there are smaller increases each year, increases are distributed more evenly over time
- c. COLA for 2013 = 1.5%

2. Water heater replacements – *review & decide on bids*

- a. McLeod Construction (phone bid – will get in writing soon): For 1<sup>st</sup> floor units with smaller closets: 18" units and power vents
  - i. \$2000-\$2500 including installation, equipment, and electrical; almost half the cost could be structural changes (KM responsible?)
  - ii. Price for units with larger closets will be less
  - iii. This uses 110V, so don't have to wire through the unit (for 220V)
  - iv. Approx 15% discount if 4-6 at a time
- b. Fast Water Heaters: Scott has this on his computer; rep who came out was late and rude
- c. Ballard Heating: \$2051.98 without electrical; approx. \$600 more for electrical
- d. How to encourage residents to replace their heaters –
  - i. Current bylaws make it difficult to force individual residents to pay cost of damage to other units if their heaters break

7:30 PM – Bryce arrives

1. Pass out agenda & copies of budget

- e. With 0% increase, we transfer \$75,100 to reserve account
- f. Reserve study says we'd be fully funded at \$79,000 (reserve account is at approx. \$300,000)
- g. Increase dues 1.5% - this would make us fully funded according to the reserve study; the extra dues will go to reserves
  - i. Motion made and seconded
  - ii. *1.5% increase is approved for 2014*
- h. What is "janitorial" line on the budget? Parking lot cleanup, light bulbs, carport cobwebs & gutters, cleaning broken glass & cleaning up things left out of dumpsters
  - i. We pay \$675/month; still seeing litter, entryways not cleaned; blowers just blowing leaves from one place to another
  - ii. Current provider = Building Management Services
  - iii. *Bryce will use Gabrielle's e-mail about deficiencies in janitorial as a starting point; review contract & discuss with BMS*
- i. Landscaping

- i. We will soon end agreement with C&R
      - ii. Shawn – was previously hired, but wasn't capable of doing larger-scale capital improvement
      - iii. Bryce will get three new bids
    - j. Bryce will find out when Metro Sewer fee goes away
    - k. Bryce will let us know exact current amount in reserve account
    - l. Bryce will schedule budget ratification meeting for week of Dec 16<sup>th</sup>
3. Continue conversation on water heater replacement & association responsibility
- e. Daybreak's master insurance policy is primary – would have to change this to going only up to the deductible if we want to limit association's responsibility
  - f. No risk amendment on our current declaration – should we add this?
    - i. Need 66% of owners to agree to a change; do we have accurate info on which units are rentals?
    - ii. Would be difficult to get the percentage we need because owners of rentals are less likely to vote for the change; persuasive argument would be that continuing to have association responsibility for damage causes HOA dues to rise
  - g. Decide how HOA should become involved in the hot water heater replacements:
    - i. Argument for: some units require structural modification, & to be up to code, etc. we want to organize replacements; BUT be minimally financially involved
    - ii. Argument against: homeowner gets estimate from licensed, bonded contractor & Board approves scope of work; homeowner proceeds with installation
  - h. Board can schedule an inspection of all units' electrical or other appliances and force replacement of equipment that needs it
    - i. Board gives owners information about replacement options – at a discount if they replace in \_\_\_\_\_ time period
    - ii. 6 months later, schedule the inspection and replace heaters that need it
    - iii. FYI - KM will inspect any foreclosed unit if we request that; 72 hours notice
    - iv. Have Remco Deacon do structural work to defray extra cost incurred for smaller units?
  - i. Next steps:
    - i. As soon as Scott gets McLeod bid in writing, he will get this to Bryce
    - ii. Bryce will have Remco Deacon bid on the same project
    - iii. Bryce will start drafting the letter to homeowners
    - iv. Compare Fast, Ballard, McLeod, and the work with Remco Deacon
4. Additional building maintenance
- a. Get bids for window washing – last time was 2009 or 2010
  - b. Get bids for building cleaning – entryways & pressure washing
    - i. according to Bryce - last time pressure washing cost \$17,000
    - ii. Bryce will get three bids for window washing & building cleaning
    - iii. Bryce will get someone out to do gutter cleaning
  - c. Next meeting: discuss replacing mailboxes
5. KM/board communication
- a. Bryce officially took our complex over last week
  - b. Still need to tighten up communication – website (promised since 2004), tickler system
    - i. Bryce can create a website for us this week
  - c. Expecting KM to be more proactive with our community

- d. Board will put this in a letter to KM
- e. Expectations for phone/e-mail communication & meetings –
  - i. managing agent receives 30-40 phone calls & 150 e-mails daily; physically impossible for managing agent to answer every call live
  - ii. board should have a focused point of communication to reduce demand on Bryce
    - 1. take Bryce off of intervening e-mails
    - 2. board should be decisive
  - iii. expected response times:
    - 1. phone call response – same day
    - 2. e-mail response – within 48 hours for direct action item
  - iv. board should meet monthly with Kappes; may also meet separately in advance to discuss upcoming issues
  - v. website should help reduce volume of e-mails

9:10 PM Adjourn