

Parkway Towers Board of Directors Meeting

Meeting Minutes

May 27, 2014

Present: Tim Campion (1503); Roger Radke (1501); Debra Hamon (906); Paul Giroux (1504); Jim McTiernan (1101); Homer Gallan, Jr. (1208); Kathy Cupp (308); David Auten (1201); John Schneider (1201); (804); Melvin S. Norton (1408); Flo Raitano (1005); Kathleen Benham (1008); John Thomas (1407); Victor Juarez (908); Carol Harlor (203); Joanna Sullivan (601); Phil O'Brien (1208) Scott Anderson (304)

Next meeting: June 24, 2014, 7 p.m., Parkway Towers Library Room

1. **Call to Order** – 7:00 p.m.

Present: Jill Hrobsky President, Robert Boczkiewicz Director at Large, Jeff Teter Secretary, Joseph Page Treasurer, Ricardo Lases Weststar, Cathe Mitchell Manager, Absent Aaron Shaffner Vice President

2. **Homeowners Open Forum**

Mr. Boczkiewicz began the meeting with a primer on the Conduct of (HOA) Meeting for tonight's attendees. He highlighted several specific rules and stated that it was available for all to view on the PWT portion of the Weststar Management website.

Tim Campion asked what that "tennis ball contraption" was in the corner of the lobby. Miss Mitchell said it was "a decoration", and Tim asked that it be removed. Mr. Radke echoed Tim's request and several other residents agreed that it should be removed. Cathe said after logging and photographing the "tennis ball contraption" that it would be sent off to Habitat for Humanity." Mr. Radke inquired about the financials and the 4/15 period end date listed on the agenda. Mr. Lases said that it was typo and that the financials in the board packet (and Weststar website) ended on April 30th, 2014. Miss Benham stated that the overflowing trash bin in the north parking should be emptied. It was placed there by the contractor who is completing the unit 104 remodel project. Mr. Campion stated that "everyone in the neighborhood" was filling the dumpster with their own trash. Paul Giroux was concerned that "high winds could blow trash all over the place"; Mr. Norton suggested to Joseph Page that he throw a tarp over the top of the dumpster. Ms. Hamon added that there might be "a body in it." Mr. Lases will contact Alpine Refuse and urge them to make a pick-up. JP asked Mr. Lases if the pool was now open. There were two leaks recently discovered in the pipes and that the vendor was waiting on a part to complete the repair. Mr. Radke added that he road in the elevator with the pool repairmen and he said that they said it would be ready by 5/29.

Mr. Auten asked to respond "to rumors going around the building" and to provide some "history" about the 2009 lobby remodel and supposed runaway costs. David was part of the board majority who voted for the lobby update. He stated that a decision to add \$17 thousand of tile in lieu of carpet caused a 4% overage v. the budget, but was quickly recouped during the flood of 2010 because the lobby tile floor was not impacted whereas carpet would have been. He further stated that beginning in 2007 he was part of a group of new residents who had a plan (vision) for what

PWT could be. He noted that in 2008, the financial health of PWT was not good and added that the operating account had a negative balance and that the then board was shifting money from the reserve account to the operating account to pay monthly bills. He stated that prior boards had failed to keep revenues in line with escalating operating expenses by eschewing annual dues increases. David decided to join the board to be a part of the solution.

President Hrobsky called out “kudos” to Dr. Flo Raitano for her suggestion to hire a professional facilitator to help PWT residents reach a consensus on the HVAC challenge. Flo provided the names and contact info for three individuals. This appreciation was followed by an intense round of applause.

Approval of Previous Minutes

Mr. Boczkiewicz asked for three minor edits: asked for edits of April Minutes to include the reason that the low bid was not taken for replacement of Pump #2.

Motion- Mr. Page **Second-** Miss Hrobsky **All in Favor-** 100%

4. Review of Current Financials

Account Balance Review

- Operating Acct a/o 05/27/2014 = \$46,997
- Reserve Acct Balance a/o 05/27/2014 = \$228,000
- Operating Account high balance on 5/7 = \$65,217
- Operating Account low balance on 5/20 = \$46,898

J Teter noted that the HOA collected around \$40 thousand in May and dispersed \$53 thousand. The outflow was influenced by 3 major non-reoccurring projects, replacement of sprinkler heads in the garage (fire suppression) at \$9,100 and the pool liner at \$8,500 and the demolition of the beauty salon and apartment remodel in unit 104, \$11,200. An awareness of our monthly cash flow and the need to be conservative over the next two or three fiscal periods might be in order.

A full set of financials for April/YTD (balance sheet, income statement, check register, YTD accruals, Actual v Plan Comparison) will be available for anyone to view on the PWT page of the Weststar website.

<http://www.weststarmanagement.com/hoa/hoalegals/prkwytws/prkwytws.html>

~ Motion to approve the financials

Motion: Joseph **Second:** Mr. Teter **All in Favor 100%**

5. Unfinished Business

a. Leak in garage ceiling pipe.

Electronically, the board communicated their approval for the repair of a leak in the garage by accepting Choice Mechanical’s proposal for \$1,892. The repair has been completed.

J Teter asked Mr. Lases about the difficulty attracting bidders to this process, since the same vendors seem to win because they offer competitive bids and perform at consistently high levels. Ricardo acknowledged that he is having a tough time getting bids from perspective vendors.

b. Steam Condensate Pump Replacement Proposal–

Motion to approve Choice Mechanicals bid for \$4,624 was approved by the board. A lower bid of \$4,508 was submitted by Colorado Heat, but the board felt that CM had a stronger knowledge around our systems and for the small difference; the board believed it was best to go with the more experienced vendor.

Motion: Jill Second: Robert All in Favor 100%

c. Meeting to Address the HVAC System

JP noted that a two hour long Community Forum lead by an outside facilitator would be held on Sunday, June 22nd at 4:00 p.m. in the 16th floor Library to help unit owners arrive at a consensus. It was agreed to include our legal counsel, Kim Porter and possibly Scott Lohr our engineer. Ms. Cupp suggested that a letter go out to all unit owners requesting their attendance or at least their questions. Mr. Lases will follow up. ***No vote will be taken at this meeting.***

6. New Business

a. Appliances for PWT owned Unit 104

Robert Guschewski in unit 1403 donated a series of gently used appliances for the new rental unit, saving the HOA thousands. He gave us a stove, refrigerator, dishwasher, and micro-wave. The appliances have been installed along with several light fixtures. Interior painting was completed over the past weekend. The unit is scheduled for final inspection on 6/2 by Mr. Lases. From there it will be listed on the rental market at an asking price of \$1,200 per month. Tim asked about an open house. The board agreed to host one sometime in the next week. Homer asked where the rent income would flow to. It will go to the rental income line in the operating account. Auten, David asked if the project was capitalized or expensed. It was expensed.

b. Construction Approval Request for Unit 304

Motion: Robert Second: Jill All in Favor 100%

c. Power Washing proposals for Parking Deck and Garage - Contract with Lighting Mobile Inc. approved for \$1,400

Motion: Jill Second: Robert All in Favor 100%

d. Reserve Study Update Proposals (required by Citywide Bank)

Three proposals were received. The board decided to accept the middle bid from McCaffery the incumbent vendor for \$2,100, since it was only \$150 more than the low bid. JP asked that prior to making this motion to accept their proposal; Ricardo must receive confirmation with Citywide Bank that McCaffery is a vendor in good standing. A motion will be made, electronically.

e. Current Condominium Sales Activity at PWT

There are currently two condominiums under contract and one for sale. Sellers are required by Colorado law to disclose to buyers the pending \$3 million-estimate for improvements to HVAC system recommended by engineer. Not doing so would put the seller at legal risk. J Teter asked the other board members and Mr. Lases if they/he had been contacted by perspective buyers. No board

member has been approached, but Mr. Lases has fielded several recent inquiries about the mechanical systems at PWT. He has been forthright in his responses, including citing the engineer's estimate. This week the board confirmed its' responsibilities, regarding disclosure, in writing through the Association's counsel, Kim Porter of Lansky, Weigler and Porter, P.C.

f. Additional Items from the Board

J Teter offered an additional way to fund the HVAC challenge beyond a special assessment. He suggested a substantial increase in dues over the current amount for the next two years, earmarked exclusively for the HVAC repairs, with a sunset provision. He compared current apartment rental rates in the area, \$850 to \$1,200 to the average home owner's monthly mortgage, taxes and insurance payments at around \$500 (or less), and suggested that virtually all of us are paying well below current market rates.

Mr. Teter sent a letter to the local HUD office (Housing and Urban Development) inquiring about Federal low interest loan guarantees. No response yet.

Victor Juarez who rents unit 908 asked where the HOA payment to him was. He received damage to his vehicle when his car exited the garage and was struck by the descending door. The board agreed to pay his insurance deductible. There was some he said he said by and towards Messrs. Lases and Juarez; JP said that he signed the check and that Mr. Juarez could take receipt at the meeting's end, which ended the discussion.

7. Manager's Report-

Carpet on the second floor will be installed, forthwith. Concrete repairs on most 14th and 15th floor units have been completed. John Thomas says the railing on his balcony is loose and requires two bolts. Mr. Lases will follow up with Maximum Leak. Flo asked if the pump that powers the air conditioning had been fixed. It has been fixed, and the a/c is scheduled to be switched on this May 30th.

Jill Hrobsky thanked everyone who attended and took part in tonight's monthly HOA meeting!

8. Correspondence - One "new owner" welcome letter was sent.

9. Adjournment 8:18 p.m.

10. Executive Session - None