

Parkway Towers Board of Directors Meeting

Minutes

June 28, 2016

Present: Owners [Dan VandeRiet, 203](#); [Kathleen Benham, 1008](#); [Joanna Sullivan, 601](#); [Jim McTiernan, 1101](#); [Robert Simon, 504](#); [Homer Gallan Jr., 1208](#); [Phil O'Brien, 1106 & 202](#); [Debra Hamon, 906](#); [Lisa Sullivan, 605-07](#); [Bob Aldrich, 502](#); [Glenn Mottau, 1501/407](#); [Marie Solzan, 1105-07, 204](#).

1. Call to Order -- 7:00 p.m. by Jill Hrobsky, president

Jeff Teter, treasurer; Robert Boczkiewicz, secretary; Joseph Page, vice president; Branislav Strizak, director at large. Ricardo Lases of Weststar Management Co., off-site manager assigned to PWT, participated by teleconference. Cathe Mitchell, on-site manager.

2. HVAC Project Report

Mr. Boczkiewicz stated that the Association's attorney today submitted to the Board recommendations for revisions in a proposed contract from EVStudio for engineering design of a possible project for additional renovation of the HVAC system. Ms. Hrobsky said she would forward the recommendations to project manager Michael Kern of Hammersmith Construction Services for presentation to EVStudio. Mr. Page requested that the attorney review a companion proposal from Lohr Design Group. Mr. Boczkiewicz stated that previous Board discussion included having Mr. Lohr serve as a consultant to the Board in addition to coordinating with EVStudio on the design project. The attorney will be informed to add the consultant role to Lohr's proposal. Mr. Boczkiewicz said that Mr. Kern had estimated the cost of the design work at between \$40,000 and \$80,000. There is not sufficient funds in the Association's Operating Account to pay for the design work so it will have to be paid from Reserves Account. In addition, at least \$30,000 will be taken from Reserves, as needed, to pay for the project manager. Mr. Boczkiewicz stated that for the past several years the goal has been to increase Reserves, rather than draw them down. Reserves are about \$700,000 short of the amount recommended in last year's Reserves Study. Despite those considerations, the Board consensus is that the engineering design and the work of the project manager is vital so that owners will have a more precise estimate of the cost of a possible project for additional HVAC renovation.

Ms. Hrobsky reported results of the most recent summary of the Survey of owners regarding their position on support of additional renovation of the HVAC system and on their position on paying their share of the cost. Mr. Lases reported that a letter from Pacific Premier Bank states that the bank is not willing at this time to make a loan to the Association to finance the possible renovation because of insufficient support from owners. Mr. Teter again reiterated that he thinks no bank will be willing to make a loan to the Association. Mr. Teter and Ms. Hrobsky said they will rely on the design engineers' recommendations in determining the scope of the possible

additional renovation. She said EVStudio engineers have been made aware of requests from owners about limiting scope of the project as a means of reducing its cost. Mr. Teter again reiterated that he thinks it will be necessary to use a special assessment and no bank loan to collect from owners 95% of the estimated cost of the possible project before it could be started. Mr. Boczkiewicz stated that not obtaining a bank loan will reduce the cost by thousands of dollars that otherwise would have to be paid to a bank.

3. Approval of May Minutes. They were approved previously by voting via email and the vote was ratified tonight.

4. Review of Current Financials

Treasurer Teter stated:

-- In May, monthly dues collected totaled about \$45,000, which was \$7,000 less than expenses. As of May 31, the balance in the Operating Account was about \$18,000. The balance in the Reserves Account was about \$285,000.

-- In view of recent leaks from a sewage pipe on 3rd and 2nd Floors and from a drain pipe near the Exercise Room, it might be prudent to have a plumber assess the condition of those types of pipes.

Mr. Boczkiewicz stated that those leaks were not from HVAC pipes. Mr. Mottau stated there still are leaks into the garage from the parking deck when there is rainfall. Mr. Lases said he would follow up with the Brown Bros. company that did the work. Mr. Boczkiewicz stated that the budget includes \$7,000 for parking deck maintenance and repairs, but that item in the budget is overspent by \$25,000 because that costs have been about \$32,000. That's a big, negative hit to the Association's finances. Costs that exceed the amount budgeted may required cutting back on other parts of the budget. The budget for the pool is \$5,500. So far, \$8,000 has been spent (including a \$4,000 contract to replace metal pipes with plastic pipes, in order to reduce leaks). A new bill tonight is \$1,145 to fix problems with the pool liner again this year, which makes the amount of overspending the amount budgeted even greater..

In addition, other unexpected negative hits to finances include a new charge of \$6,175 for plumbing repair of a sewage pipe that leaked Memorial Day weekend from the 3rd and 2nd Floors. There's another bill of \$1,905 from the company that did the clean up.

5. Unfinished Business

a. Additional Items:

None

6. New Business

a. Carpet for 15th Floor

Mr. Mottau said he is willing to buy new carpet and have it installed on the 15th Floor, where he lives. Mr. Lases said the Association's attorney suggests that the Association not be responsible if there is future damage during construction to Mr. Mottau's new carpeting. He said he is agreeable to that. Approved: Unanimously. He said the current carpet could be used someplace else in our building. No decision made.

He recommended that the Board adopt a Rule & Regulation requiring contractors to put down plywood on hallway carpets to prevent damage to them. Ms. Mitchell said she will include that recommendation among numerous other proposed changes to Rules & Regs. that she is compiling.

b. 2015 Draft of Financial Audit

Approved: Unanimously

c. Engineering Report & Contractor Proposal -- Exterior Side Panels

Mr. Lases reported that an engineering company, after further investigation, recommends that exterior panels on the south side of our building, outside Unit 1401, be replaced from the inside the unit. Proposed contract from Reconstruction Experts Inc., \$21,711 for the repairs. Mr. Lases said payment probably would have to be taken from Reserves Account and paid back to Reserves sometime in the future. He agreed that some big expenses and some unexpected expenses are having a big negative impact on Association finances. Approved: Unanimously.

d. Laundry Services Proposal

Mr. Lases presented a proposal from Clean Designs company to furnish washers and dryers to PWT. He said he will request a proposed contract from the company. Meanwhile, the Association is under contract with the existing company that furnishes washers and dryers to our building.

e. Additional Items from the Board

Mr. Teter stated that the Association's Minutes, Financial Reports and other documents seem no longer to be available for viewing on Weststar's website. Mr. Lases said he would look into it. Mr. Teter said he would contact Weststar's owners.

7. Homeowner Open Forum

Ms. Solzan asked the status of Ms. Mitchell obtaining licensing from the state of Colorado for being on-site manager of PWT. Ms. Hrobsky stated that Ms. Mitchell recently passed the second and final test and is in the process of obtaining her license. Ms. Sullivan asked if any Board members in addition to Mr. Boczkiewicz would be willing to fill in for her occasionally to clean lobby and elevators on days that the cleaning company is not here. Mr. Mottau stated that the pool liner is very stained. Mr. Lases said the pool maintenance company has applied chemicals to clean the liner and he will remind them tomorrow. Mr. Strizak said the liner was not properly cleaned before the pool was filled. Mr. Strizak said paint in front of the rooftop bathrooms is peeling. Mr. Lases, in response to Mr. Mottau, said the pool could be drained and refilled, but the stains might remain. In response to complaints about pool users not cleaning up when they leave the pool area, Mr. Strizak said a notice should be posted in elevators reminding pool users to

clean up after themselves. Mr. Strizak suggested that copper wires of Century Link telecom company, which provides land phone lines to PWT, be replaced with fiber optic. Mr. Teter stated that the Association's law firm collected \$11,300 from an owner whose PWT account was delinquent. He also stated that the law firm has filed a lien against another owner whose account is delinquent.

8. Manager's Report

Mr. Lases said washers on 10th and 11th Floors are still having issues and he has been in contact with the company that furnishes washers and dryers. He said the company has a contract with PWT that goes until 2018, but the Association's attorney can draft a letter to the company and try to end the contract. He said work on the grate at the top of the ramp into the garage has been redone. New tile has been installed in the room where the mailboxes are. Back flow testing was completed successfully.

9. Adjournment: 8:54 p.m.