

Marion Street Condominiums HOA  
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## Board of Directors Meeting Minutes October 11, 2017

### Board Members Present

Andrew Freeman

Celina Duran (voluntary resigned, effective Sept. 30th)

Vik Vad

Tom Davis

### Management Present

Shannon McCarthy

1. Call to Order – 6:05PM

2. Financial Report: Operating Account as of August 31, 2017 has a balance of \$12,281.85. Reserve account has a balance of \$18,110.72. The special assessment receivable balance is \$1864.00, and, is due to be received by Dec. 2017. All units are current with dues, except for one, which has not paid dues since Feb.

3. Old Business & Completed Projects:

a. Sealing, Caulking, Prep, Prime and Painting of Exterior of building – 5 bids were obtained, ranging from \$8,463 all the way to \$53,000. This project had been put off for 2 years, and the building badly needed it. The Board chose Singletrack painting as the best value for the money. Vik and Drew met with the owners and requested the longest lasting paint, Tom supervised the work. Started in late June, finished late July. Total cost \$10,925.

b. Prior to Painting, all bidders agreed that the windows in the back of the building (the trim) had to be addressed. Plus there were leaks in many units. 3 bids were obtained. Low bid of \$2375 was selected to do aluminum coil wrap. Job commenced and was completed. Tom pointed out it was only a temp solution. Vik agreed. All bidders pointed the same thing out – the back of the building addition was poorly constructed, and may require attention in the future. Drew and Vik suggested budgeting for this (and other “old building” reserves for the future).

c. In April, the hot water storage tank was found leaking at the bottom, and had to be replaced. Celina, Drew, Vik agreed to an emergency replacement – it was old, warm water was running low on weekday mornings, and basement flooding possibility had to be averted. Cost about \$5000.

d. Review of contract with Cap Hill Hoa Management – From an owner’s request, a review of HOA management was conducted, as well as 5 bids obtained from other companies. 2 didn’t do small Hoas, 2 were over 3x current price, and not considered, other one was slightly higher, but offered no

additional value add. Board considered self-management, but rejected this, as no owner has the time to run all affairs, accounting, dues collection, emergency repairs, etc. Board felt that current relationship with Shannon, Doug, and others at Cap Hill Hoa was good, service was satisfactory, and that owners/Board should participate a bit more, and have better communication with Management and vice versa. Contract renewal with Cap Hill was approved unanimously.

e. From owner's request – Junk in back of building needs to be addressed; mice in building. Board authorized removal of junk tires, etc., and extermination service in the Fall for common areas only – inside of units is owner's responsibility.

f. Vacancy of board seat – Tom Davis, who helped with painting, trash situation and other items offered to serve on the board. Reviewed and approved unanimously by 3 sitting members (Vik, Drew, Celina). There is still currently two more vacancies on the Board. This is a volunteer role, with some participation expected, for the betterment of our building. If you are interested please contact Shannon, who can forward the message to the Board, or talk to one of the board members directly.

4. Executive Positions – The following board members were nominated for the following positions: Vik Vad – President, Andrew Freeman – Vice President, Tom Davis – Treasurer. All passed unanimously.

#### 5. New Business

a. Trash / Dumpster situation – The City of Denver removed the alley dumpsters in August, resulting in a problem – nowhere to put our trash. A contract was signed with Waste Connections to put a private dumpster in the alley. It is to be seen whether this solution will last with the City, and the neighbors, who have both complained. It resulted in additional monthly expense to the HOA for the service, and mitigating illegal dumping in the alley. Discussion is still ongoing for a solution.

b. Budget for 2018 – in constructing next year's budget, the Board looked to the 2017 budget, and actual expenses incurred for guidance. Garbage service will need to be added. Repairs and maintenance for the building have exceeded budgeted estimates each year for the past few years, and this is a serious problem. A cycle in which budget shortfalls resulting in eventual special assessments has been occurring for the past 15 years. Furthermore, 10% going into reserves is just not enough to cover costs in a building as old as ours, and for unexpected events that arise. Also, when even one unit is delinquent, it has a huge impact on the whole budget. As costs have also risen (along with property values, and rents), and the last increase was back in 2011, a motion was made to increase the monthly HOA dues to \$350 per month. This reflects doubling the reserve amount to \$7200/year (some of which gets burned by emergency fixes and unexpected repairs), and an estimated total increase of \$200 a month for trash and other utilities. After much discussion and debate, a vote was taken with and the motion passed unanimously.

c. Large Expenditure Approval – Approval will be needed from the Board by the Management for any repairs in excess of \$1000, and, for projects anticipated to be over \$5000, at least 3 bids will need to be obtained. Motion was passed unanimously.

d. Thanks – A motion was made thanking Celina for over 10 years of service to the Board. We wish her well! Unanimous.

6. Next Meeting Date: Due to scheduling conflicts, and, with 2 units under contract, and, to give everyone plenty of notice, our next meeting will be an Owner's Meeting to be held Wednesday, February 22, 2018, for all owners of record as of January 1, 2018. An agenda, and proxy materials will be mailed by management at the beginning of January.

7. Adjournment.