

No 25 Downing Condominium Association Inc.

Board of Directors Meeting Minutes

May 11, 2021

Call to Order

The meeting was called to order at 4:35 p.m. Board members in attendance were Kathleen Duggan, Carol Rathe, Pierre Olney, Richard Berkman, and Ted Stolberg. Also in attendance were Gregg Westwood, Director of Operations and Services, Nancy Friday, accountant. The meeting was held in Ted's condo.

Open Forum

Linda Houser was present to discuss potentially holding yoga classes in the courtyard. The Board would like to inquire with the insurance agent and with legal counsel to ensure that this would not create any liability for the Association. If those parties do not present objections, Linda may proceed with yoga classes on a trial basis.

Guests

Buck Steed was present at the meeting and was later appointed to fill a board vacancy, as discussed below in New Business.

Minutes

The minutes from the October 21, 2020 meeting were approved as written. The minutes from the February 24, 2021 meeting were approved as amended to add the creation of the Finance Committee.

Financial Reports

The balance sheet, profit and loss statement, and reserve fund report from April 30, 2021 for the operating fund and the reserve fund were reviewed and accepted.

Director's Update

The Director provided an update of projects.

Ratification of Email Decisions

The Board ratified the following email decisions:

- Pay for the balance of the EVC from reserves, \$8,534.61.

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- Repair the elevator drive, \$10,500. The elevator drive was damaged due to fluctuations in electricity voltage. The spare drive was installed, and the damaged drive was rebuilt to be available as a spare. An electrician was used to assist the elevator techs at a cost of \$1,500; changes were made to prevent future damage.
- Move forward with landscape revitalization in the courtyard and near the front sign, \$5,000.

Old Business

- Elevator electrical issue, as discussed in above section.
- United Energy Trading contract for delivery of natural gas and discussion of large, unexpected invoice.
 - Decision: Pierre will research changing the natural gas provider to Xcel Energy so that gas costs are regulated by the PUC. This change will likely happen in late summer, as gas costs are low during the summer months and exposure should be limited. The large invoice will be paid in three installments, \$2,000 in June, \$2,000 in July, and \$1,951.86 in August.
- The EVC grant of \$9,000 has been received. It was deposited in the operating account and applied against the check cut to National Car Charging for \$17,534.61. The balance was paid from reserves, as discussed in the above section.
- Gregg has possibly found a vendor to install the Fire Pump Panel.
- There are some residents repeatedly parking in guest parking in the South lot. The Board wishes to draft a letter signed by the Board to remind these residents that this is inappropriate.
- There is a leak from the courtyard into the garage; the Board and Gregg discussed the leak and potential causes.
 - Decision: Gregg will hire Chris Rosepink and a contractor to investigate the cause of the leak and advise the Board of the results.
- The Finance Committee Charter is attached, to be made part of these minutes. The role of the Finance Committee follows. This is not a comprehensive list and the role can be changed to meet the needs of the Association.

- Meet monthly to discuss the prior month financial reports.
- Work with Jackie Jackson, the broker, to set asset allocation for the reserve fund investments.

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- Work with Jackie Jackson to open a separate checkbook from which to pay reserve expenditures. The reserve fund has already been moved to a separate account in Quickbooks to clarify accounting. The treasurer must be one of the signers on all disbursements issued from the reserve fund.
- The Finance Committee will create a form to assist in planning and funding future projects. The Board acknowledges that many reserve expenditures are for repairs that are not planned in advance, but would like to create a procedure for evaluating projects that can be planned.
- The Finance Committee wishes to create a process for reviewing contracts entered into by the Association.

New Business

- Carol Rathe resigned her board position for personal reasons. Carol served on the Board beginning in November, 2015, and as Board President beginning in January, 2019. The remaining Board commended Carol for her years of service and would like the minutes to reflect the major accomplishments during her tenure:
 - Remodel of the loggia, providing a more functional office space for the Director and more useful space for gatherings.
 - Remodel of the elevator cabs.
 - Installation of Electric Vehicle Charging stations in the North lot.
 - Passage of three new declarations: 30% rental cap, short-term rental ban, responsibility for heat pump maintenance transferred from homeowners to the

Association (floods caused by heat pumps used to cause tremendous damage to people's homes).

- Installation of security cameras.
 - A new investment advisor.
 - Update of mechanical systems, including water delivery system, HVAC boiler, and Building 2 domestic hot water boilers.
 - The Pella window and door replacement project.
 - North lot resurface.
 - Drainage system to alleviate water leakage in garage.
- As Carol's board position was not due to expire until November, 2021, Buck Steed was nominated by the Board to serve the remaining term. Pierre Olney was selected to serve as President, and Buck Steed will serve as Vice President. The other positions remain the same: Ted Stolberg, Treasurer, Richard Berkman, Secretary, Kathleen Duggan, Communications.

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- All remaining Board members were requested to commit to at least an additional three years of service, to allow the Board time to implement the current financial plan and help the Association navigate the rebuilding of the reserve fund.
- New carpet for the first floor hallways was discussed.
 - Decision: Kathleen, Pierre, and Gregg will review samples of carpet and costs and bring recommendations to the Board at the next meeting.
- The elevators in both buildings are now obsolete, and parts must be manufactured as they break. The elevator vendor has recommended replacing both elevators as follows:
 - Replace the elevator in Building Two by the end of 2021. The cost will be approximately \$100,000, and the elevator will be down for up to four weeks. The vendor is amenable to creating a payment plan, with some of the cost being paid in 2021 and some in 2022. The new elevators would have commonly available parts, whereas the old elevators are made using technology that is proprietary to Otis. By replacing this elevator in 2021, the Association would not

have to complete upgrades to the elevator required by the City of Denver to add text and video systems to the cab at a cost of approximately \$17,000. Parts from the old Building Two elevator would be saved to repair the elevator in Building One for a period of two to three years.

- Replace the elevator in Building One in 2023 or 2024. The cost will be approximately \$100,000, and the elevator will be down for up to six weeks. The Association will have to complete the upgrades required by the City of Denver in 2021, at a cost of approximately \$17,000.
 - It was discussed that the Reserve Study recommended replacing the elevators in 2030, and estimated the cost to be \$400,000.
 - Decision: no decision was reached at this time. This will be discussed further as more information is available. The Finance Committee will discuss how to finance this large expenditure.
- Nancy will create a spreadsheet using the replacement information from the McCaffrey Reserve Study so that the impact of changing timing and cost of projects can be projected.

Check Signing

- Checks were signed.

Adjournment

With no further business to discuss, the meeting was adjourned at 7:00 p.m.