

**Royal Arms HOA Meeting - Wednesday, September 9<sup>th</sup>, 2015 @ 6:30 in RA Lobby**

*RA HOA Board Members - Abby Smith, Brad Goodenough, Nancy Hillig, Tony Daguanno, & Jo Schilling*

*Unit Owners in attendance: 110, 507)*

*CAP Members - Cole Hamilton*

\*Meeting called to order @ 6:38pm - Quorum (4 owners present)

**AGENDA ITEMS:**

- ⊙ Approval of June 2015 Meeting Minutes - (Approved - Board Votes 5/0)
- ⊙ Verify Quorum of Board Members - All Present
- ⊙ Open Forum/Questions: none (closed at 6:45pm)
- ⊙ Approve or Amend the Agenda - (Approved - Board Votes 5/0)
- ⊙ Unfinished Business
  - Reserve Study - Cole introduced the 3<sup>rd</sup> version of the reserve study, and the reason for each item as it is scoped around RA needs.
- ⊙ Budget Committee
  - Brad notes that the budget looks as planned/expected for each month and as previously planned for the year.
  - Brad notes the only line item that is above estimated budget is garbage, however electricity is lower than estimated and the garbage overages compensate for this discrepancy in the budget.
    - Action Item - Garbage overages - Adjust line item for 2016 budget so we can plan for overages in following year.
- ⊙ House Committee
  - Change in committee chairman - Nancy will assume leadership role for this committee, since Maureen is no longer a RA owner.
  - Action Item - Discuss Rental Cap (RA is now at 60% rentals)
  - Action Item - Smoking Issue
- ⊙ Adjourn to Executive Session (7:05pm)

⇒ Reserve Study - Newest copy issued September 1<sup>st</sup>, 2015 is not updated as requested after meeting on August 10<sup>th</sup>. Abby notes that the following changes still need to be addressed in the reserve study. Cole will check in with Morrison Hershfield. Abby's notes we discussed are noted below:

**Questions to Discuss**

1. Balconies: News from the city inspection report? Is removal or refurbishment a requirement (legally)?
2. Fire Escape: Further information regarding the removal or decommissioning of the fire escapes. And progress on the selection of red or green option (140 Stairs, railings, decks, etc)
  - —No ladders, not considered a fire escape.
  - —Restore them as "maintenance" - clean the metal, a few components replacement and traffic coating and new deck surface (e.g. metal grates, plywood with traffic coating, metal & concrete).
  - Concrete is holding the water on the balconies that is the reason for corrosion.
  - \$65,000 to rehab balconies and \$6,000 oversight for project from MH

3. Plumbing: We would like to further investigate an engineer/specialist to research and assess the pipe health and evaluate necessary repairs.
  - A. In the budget, add plumbing repairs annually to pay for any big replacement/repair instead of large special assessment. If we don't use the annual allotment, then we keep the funding in the "plumbing repairs" line item.
    - Plumbing engineer looking at the piping.
    - Drop ceiling to house the piping
    - Brad is getting the building plan schematic from the city (he works right next to it)
    - Justin is estimating now around \$400k
4. Roof: Cole - let's look into having the roofer come out to fix the entrance to the roof. They did the work, so we should see if they will fix their mistake.
5. Fire: where did you get the information regarding the fire in the condo building around the 1970s?
6. Reduce the funding increase after year 10 (overfunded).

### Clarification Questions on the Document

1. Interest earned on the Reserve Account (p1): what is our current bank account interest rate? 0.45% is low.
2. Pre-study statistics Reserve Account Balance (p1): update figure to current.
  - Dec. 31, 2015 reserve total
3. # of units (p2): What 2 common rooms are you counting as residential units (says 67)? It is 65
4. Ideal year end reserve balance (p4): Where is this figure calculated from?
5. Specific Component Life & Cost Analysis Questions (p6-7)
  - Exterior paint (p6): is this exterior window frames? \$19,040
  - What does the yellow highlighted numbers mean (p6)?
6. Justin's useful life change. He takes the standard and then the yellow was his personal adjustment.
  - Fire Sprinkler System - Valve Repair #240: what does this entail? And why do you have it slated in 2019? \$69,000
  - Do this at the same time as waste piping instead.

### Reserve Study Funding Modeling (p6-7)

1. Remove brick consolidation treatment #120: \$110,250 (Monitor)
  - Monitor and may need to coat it with a preservation treatment in the future if it seems to deteriorate.
2. Rubber flooring #170: move up maybe 6-7 years. Cracking/bubbling in the flooring near the bike room exit. \$803
  - Move up
3. Carpeting & Interior Paint #170: push out 4-7 years and keep together. Not necessary in 5 years.
4. Elevators - Moderinzation #230: We just did this last year, why do you have it listed as being done in 1979?
  - moved out
5. Elevator - Cab Upgrade #230: push out to a later date. We don't feel that this is necessary in the next few years. It should still be done, but there are other items more important. \$10,000
6. Pull out plumbing #260: we need further information and expert analysis before putting this as a special assessment.
7. Electric base-board heaters #270: Push out the replacement of the heaters in 3 years. We need a better system to turn on/off the hallway heaters and don't need to replace these for at least 5-7 years. \$7,080
8. Project Specifications & Oversight #340: Pull this out of the reserve study and we will assess these items once we have determined next steps for plumbing #260. \$30,000 & \$72,000

- ◎ Board continued conversations regarding the reserve study notes and notes the following action items before the next meeting:
  - Action Item - Tony will contact Erik Lee's brother for building schematics and Nancy will talk with Erik Lee about the original plumbing plans from after the fire.
  - Action Item for next meeting - discuss and approve 2016 budget.
    - Increase water
    - Increase garbage
  - Next Board meeting is Wednesday, November 18<sup>th</sup>, 2015
  
- ◎ Return to Regular Board Meeting (7:25pm)
- ◎ Adjourn (7:26pm)

RA Board Action Items/To Do List	Cole Action Items/To Do List
Brad will contact lock box company to remove all lockboxes from front door/pipes and move to bar.	Contact Morrison Hershfield to update annual reserve study
Revisit key issue - when appropriate - moving slowly	Contact Plumbing Engineer for a Plumbing Study
Revisit Extending Lease Agreement	Update Rules/Regulations - Make front 2 exits emergency exits (stickers & rekeying)
House Committee - Update Rules & Regulations & revisit issues previously discussed: <ul style="list-style-type: none"> <li>- Smoking Issues</li> <li>- Rental Caps</li> </ul>	
2016 Budget - Increase Garbage Monthly dues to allow for overages	
November Agenda Items: <ul style="list-style-type: none"> <li>▪ 2016 Budget (discuss and approve)</li> <li>▪ Increase water</li> <li>▪ Increase garbage</li> </ul>	