

Red Canyon Townhomes Association
Board Meeting Minutes
Thursday, January 18, 2024, 6:00PM MT
Via Zoom

MEMBERS PRESENT VIA VIDEO CONFERENCE CALL: Mario Giarratano, Chad Roberts, Susan Flock, Deborah Hannon and Michael Lavery

MEMBERS NOT PRESENT: Skylar Hertzfeld and Daniel Milchev

ALSO PRESENT VIA VIDEO CONFERENCE CALL: Will Hymes, Managing Agent; Anna Giarratano (27 Christian Court), John Cona of Cona-Criterium Engineers; Brandi Resa, Bookkeeper; and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With five of seven Board members present via Zoom, a quorum was established. Will Hymes called the meeting to order at approximately 6:05PM.

- II. Roof Replacement Project Bid Sheet Presentation. Will Hymes introduced John Cona, the engineer who conducted a forensic inspection of the roofs last year and was hired to design the specifications of the roof replacement project and oversee the requests for proposal process. The RFP was sent to roofing contractors on October 20, 2024, and the bids were due on December 15th.

John Cona then addressed the Board and shared his bid spreadsheet.

Four roofing contractors bid on the project: Turner Morris, JK Roofing, DCPS (Denver Capital Projects Specialists) and Umbrella Roofing. DCPS and JK were the lowest bidders. John pointed out that the JK bid was missing many components and information. He recommended that the Board pursue the bid from DCPS (\$915,000, not including any contingency).

The Board held a detailed discussion regarding John's presentation. Discussion points included:

- Who will provide oversight of the project on a daily basis? Will Hymes noted that both he and Mike Skellion, maintenance manager can provide this type of oversight, on an hourly basis, up and above the roofing contract price. If any

problems are uncovered requiring a change order, the site superintendent for DCPS (Francis Ruestra) will contact management and John Cona.

- How much contingency for unforeseen conditions should be budgeted? John Cona recommended 15% for this type of project.
- Can John Cona get some further details on the DCPS bid? He offered to go back to DCPS and get more information. Michael Lavery would like to know the number of “squares” required to complete the project.
- What type of contract will be used? John Cona recommended the use of the AIA contract, noting that it is comprehensive and commonly used for reroof projects.
- Do all gutters and downspouts need to be replaced? It was noted that the cost to do so in the DCPS bid came to \$58,000 (about 6% of the bid price, for 5 inch gutters). Mario Giarratano thought that many of the existing gutters could be reused. It was duly noted that the existing gutters and downspouts (some of which are damaged) are 4 inches.
- Is there any option for a lower-priced DCPS proposal? Chad Roberts offered to contact the owner of DCPS, Dale Heims, with whom he has a good working relationship and request that the price be reduced somewhat, especially in light of the fact that there was a lower bid.

The Board thanked John Cona for his presentation, and he excused himself from the meeting at 6:56PM.

III. Manager’s Report. Will Hymes reviewed the capital spending plan with the Board. The estimated 2023 year-end balance in reserves is about \$765,000. With the cost of roof replacement targeted to be \$1,000,000 for all 76 units in 2024, this would require a special assessment of \$4000 per unit. The balance in reserves at the end of 2024 would then be about \$100,000. 2025 would be a re-building year for reserves in advance of a comprehensive exterior painting project, targeted to occur in 2026.

Some Directors were in favor of moving ahead with the roof replacement project in 2024; others thought that the project could be delayed for at least another year.

Susan Flock addressed the Board and explained that she believes it is its fiduciary responsibility to act in the best interest of all owners at Red Canyon. The roofs are original and are approximately 25 year old. Although there have been no leaks reported, the condition of the shingles continues to deteriorate, filling the gutters with granular matter. A favorable price has been garnered from a well-

respected contractor; there is no guarantee that this price will be available next year or the year after. She believes that costs for construction materials and labor will continue to increase.

Michael Lavery felt that the existing roofs still have some useful life left in them. He thought that the association could benefit from another year or two of contributing to reserves in advance of roof replacement and hopefully reduce the amount needed for the special assessment.

After further discussion, there was a MOTION: TO APPROVE THE 2024 DCPS BID AS PRESENTED IF THE DETAILS IDENTIFIED IN JOHN CONA'S SPREADSHEET ARE ALL WELL-DEFINED AND MEET THE SPECIFICATIONS IN THE RFP. The motion was seconded, and a vote was taken. Two Directors voted FOR the motion and three Directors voted AGAINST. The motion failed.

There was a MOTION: TO CONTACT DCPS FOR GREATER CLARIFICATION ON THEIR BID (INCLUDING THE NUMBER OF SQUARES REQUIRED) AND DETERMINE IF THE PRICE CAN BE REDUCED SOMEWHAT. The motion was seconded, and discussion continued. After the discussion the MOTION WAS AMENDED TO SAY THAT THE ABOVE-NOTED INFORMATION IS TO BE PROVIDED TO THE BOARD BY THE END OF THE DAY ON TUESDAY, JANUARY 23RD, 2024. The motion passed unanimously.

- IV. Other Business. Altitude Law provided management with a proposed Indemnification and Licensing Agreement to be used when owners modify the common elements at Red Canyon. It was forwarded to the Board for consideration in mid-December. Will Hymes asked the Board if there were any questions or proposed modifications to the Agreement. Several Board members had not reviewed the document yet, so a vote on its adoption was tabled until the next Board Meeting.

The parking permit redistribution project is pending. Management is awaiting the delivery of new permits from the supplier. There was a suggestion to add signage in four different areas of the community (at each end of Christian Court and Chelsea Court) that advises all that towing of unauthorized vehicles is permitted. If a vehicle is towed, it will be the responsibility of the vehicle owner to pay for the impound and towing fees.

The next Board Meeting was scheduled for Thursday, January 24, 2024, at 5:30PM MT. The meeting will be held just prior to the Annual Membership Meeting, and it will be held via Zoom.

- V. Adjournment. There being no further business to come before the Board, the meeting was adjourned at approximately 7:41PM.

Respectfully submitted,

Secretary to the Meeting