

Downtown I&II October Owner's Meeting Minutes
October 20, 2009
8:00 pm, 1203 G

Attending:

Board members: Guy Ben-Ari, Tom Wehr, Christina West

Owners: Ellyn Ambrose, Candice Autry, Kate Briscoe, Nick DiBlasio, Jeff Frenke, Danielle Koschil, Christian Koschil, Paul Mays,

I. Treasurer's Report

Tom presented the current Treasurer's Report.

Situation:

- The Board, by our by-laws, must pass a budget within 60 days before the new year and must provide owners notice within 30 days
- The Board has developed a proposed budget and is presenting it and soliciting comments/changes to it at this meeting

Roof:

- Year-to-date, we have spent ~\$12K over budget, largely due to roof-related repairs, and are projected to finish the year \$15K over
- The Board contracted with SEAL Engineering to provide an engineering analysis and recommendations for replacement of the roof
- Tilton-Bernstein Management, in consultation with SEAL Engineering, are soliciting bids for the replacement work
- Based on scheduling considerations, Fall 2010 is the earliest the roof replacement may take place

2010 Budget Summary:

- The budget presented today does not include a special assessment (which may or many not be necessary) for roof replacement
- In order to meet expected operating expense increases, the Board is proposing a 5% increase in fees. This translates into:
 - \$10.14/month increase for 1-bedroom units
 - \$13.78/month increase for 2-bedroom units
- Most accounts were maintained at or near current levels, except:
 - Increase in: Roof repairs, General Repairs
 - Decrease in: Cleaning (due to a negotiated reduction in cost for no reduction in service)
 - Addition of: dryer vent cleaning (as a safety precaution) and chimney inspections (as a safety precaution)
- As planned from last year's budget, \$40K will be contributed to the reserves

II. Discussion

- Jeff expressed concern about the lack of an estimate for the roof and asked that the bids and the firms submitting them be shared with the owners. *The Board agreed that it would share this information as soon as it is available.* The Board indicated that we expect to get a "rough ballpark estimate" of the replacement cost from SEAL Engineering within the next few weeks.

Jeff also questioned whether the current roof is up to code and, if not, what would be required to bring the new roof up to code. The Board will pose this question to SEAL Engineering.

- There was a discussion about the Dish satellites currently on the roof (and visible in the photos included in the engineering report) and whether those are permitted. According to our current condo docs, satellite dishes are not permitted. There was general agreement that this should be addressed in any revision to the condo docs, such that satellite dishes are permitted on the roof provided that they are properly attached and out of the line of site from the street, ally, courtyard or parking lot.
- Candice reminded owners that if you have not replaced your hot water heater, there is a good chance that your pressure valve is not up to code and may need to be replaced. Tom indicated that the cost to do this is approximately \$360.
- Nick raised the tree trimming and indicated that the tree in the DTII courtyard that brushes against the neighboring building was not sufficiently trimmed and the branches are scraping a hole in the neighbor's wall. The tree needs to be further trimmed back so that the branches are not as high. The Board will look into this.
- There were a number of comments and discussion about the services provided by Tilton Bernstein. Owners observed that Richard is not on the property sufficiently to notice when things have not been completed (such as the dryer vents on 1225 and 1227, the tree trimming, etc). There were also complaints that Richard does not sufficiently reply to email complaints in a professional manner.
- Tony (via Nick) asked about the 2008 audit. The Board indicated that it had just reviewed the audit and submitted the paperwork for it.
- There were a number of concerns expressed about the sub-par cleaning service as well as snow removal. Jeff indicated that the steps down to his unit are typically not cleared or salted and the landscapers routinely blow leaves into his patio (which is a health concern for him). There was also some discussion as to when the snow removal and salting is supposed to take place – at a set time or after the snow has stopped. The Board indicated that it will look into the terms of the cleaning, landscaping and snow removal contracts and will share those terms with the owners. The Board encouraged owners to let Richard and the Board know when these terms are not being met. The Board indicated that it is willing to terminate contracts if terms are not being met (a "three strikes and you're out policy").
- Nick strongly suggested establishing a checklist for the various regular contracts that would have to be completed before payment is rendered as an accountability tool and to avoid loopholes and cutting corners. He indicated that in his experience it is not unusual for this process to exist. Other owners did not see this as necessary. There was some concern that this might create more work than necessary for the Board. Guy suggested that owner's should speak up when they see things not being handled as they should. He also indicated that the Board was willing to withhold payment or terminate a contract if its terms are not being met without needing to resort to a checklist.

- Kate questioned whether it was a good use of the Board's time to pester them with these complaints rather than Richard. Tom replied that owners should alert Richard but copy the Board so they can follow up and make sure the issues are addressed.
- Attendees expressed a number of complaints with communications from Tilton Bernstein not being sufficiently satisfactory or professional. Paul questioned the level of service we receive for the fee we are paying TB.
- The Board responded that it will share these concerns with Richard and will look into ways to address them, such as a report from Richard when he visits the property (per the contract).
- There was a general discussion about the purpose and necessity of the reserves. Tom reminded owners that until we switched to TB as our property manager, we were contributing approximately \$12,000 per year to our reserves (our operating budget for the year is approximately \$100,000). This meant that reserve funds were dangerously low, a fact that affected the Association's ability to undertake special projects and may negatively influence potential buyers of condos in the Association. A key objective of this Board has been to remedy this situation. Currently, we have increased that contribution to \$40,000 per year. However, reserve funding is still not at a comfortable level (defined at about 2 or 3 times the annual operating budget). Tom also pointed out that if we were to use our reserves to pay for the entire roof replacement, we would be left with approximately \$2,000. There was general agreement that we should not do that and would need to levy an additional assessment for the roof replacement. Paul asked how the special assessment would work; the Board's intention is to spread that assessment over a longer period of time to lessen the burden for owners.
- Nick raised the recent security concerns related to the BP station, including a hate crimes attack a couple of weeks ago resulting in a severe beating. In addition, there has continued to be prostitution and drug dealing at the BP station. Ellyn reminded owners that this has been going on forever and is not indigenous to this particular block. Nick is interested in installing approximately 4 security cameras around the DT I&II property; the police indicated to him that this would be very helpful to them and would be an added deterrent. Jeff suggested contacting the Logan Circle Community Association to see if they might be able to help with security or the ongoing problems with the BP station. Nick will also raise this at the next ANC meeting.
 - Nick also notified owners that Ofcr. Kimberly Selby monitors our neighborhood and welcomes tips from neighbors. She can be reached (or texted) at 202-460-0918.
- Kate mentioned that the front door to 1203 does not automatically close all the way and asked that this be fixed. The Board will ask Richard to have it fixed – along with any other doors that have a similar problem.
- Ellyn asked Nick how long his Vespa will remain in the courtyard; he indicated he is going to sell it.
- Nick raised the ongoing mosquito problem and asked about including in the 2010 budget spraying for West Nile Virus. The Board responded that they had discussed this with Richard

who suggested that it wouldn't do that much because there are so many other places outside of DTI&II for them. There was general agreement with this view. Nick said that the city advised that we remove the bushes in the DTII courtyard. Danielle seconded this recommendation. Nick reported that the city has tested our development and we do have West Nile Virus.

- Nick indicated that he would try to activate beautification committee to look into this. Christina sent him the committee list. Nick said he would look into some non-traditional and low-cost options for mosquitoes.

II. Adjournment

The owner's meeting adjourned at 9.30 pm

III. Board meeting

After the owner's meeting, the board met separately and approved the proposed 2010 budget with a 5 percent increase in condo fees for 2010, subject to revision once we receive the roof estimate. There will likely be a special assessment levied for the roof replacement beginning in early 2010.