The Tate Homeowners Association Board of Directors Work Session
September 05, 2024
Minutes

Board of Directors Present:

Laurel Fisher Gallery — Nicki Maxwell, Chair; Lew Powell, Member at Large; Rose Nestor, Board Advisor; Mark Hudson, Secretary

A Quorum of the Board was present.

Bennett Management Company Representatives Present:

None

Homeowners and Guests Present:

Diana Gardener, Hallis, Anthony Hornof, Evelyn Johnson, David Kolb, Dean Kortge, Carolyn Kortge, Carolyn Kranzler, Carol Lavery, Len Lewandowski, Jim Maxwell, Margo Savell, Rhonda Smith, Marge Vinolus, Jim Weston

Call to Order:

Nicki Maxwell, Chair, called the meeting to order in the Laurel Fisher Gallery at 4:00 p.m.

Board Chair's Introduction:

Board Work Session
Thursday, September 5, 2024

The sole purpose of this work session is for the HOA Board to deliberate on a resolution for the issue created by condensate drainage in the garage from a heat pump installed in 207. I am going to provide everyone with background leading up to the situation which will be a review of what the Board has already considered. Following that there will be time for Board members as well as owners to share their positions on the matter. There will be a 5-minute time limit for all speakers.

Since the problem arose in January a lot of research has been done, and contacts made with local plumbers by TBC. Some fixes have been proposed by the heat pump installer, Alpine, for the single heat pump but none have been viable for a variety of reasons:

1. BDA has a heat pump but will not agree to have another heat pump drain into their system because they can't be certain their drain can handle an additional heat pump, and question whether it would meet code. They hold that it could devalue their property.
2. Drilling through the building envelope to drain outside was suggested but will not be allowed;

3. A collection vessel from the single heat pump would go into the storm drain. This alternative was cautioned against by two plumbers who stated there would likely be backflow whenever there is heavy rain.

A heat pump installed for the second and 3rd floors is located in the garage. Those installed on the fourth, 5th and 6th floors drain outside on the roof.

Original HVACs are approaching an age where owners will have need to replace them. At this time, owners on the second and 3rd floors are limited to only replacement with an HVAC.

While the proposed solution only directly applies to 2nd and 3rd floor units, it would be the use of HOA funds to equalize the situation for all residents who may wish to install Heat Pumps in the future.

Two bids for a solution have been submitted. One from Harvey and Price another from Twin Rivers. Both are in the neighborhood of $20K.

[The Harvey & Price bid is a more likely fit in the garage. The Twin Rivers bids involve drilling into the concrete flooring which is not seen as acceptable by TBC.]

The Board would recommend that if a majority of owners agree that a collective drainage vessel be installed the Asset Acquisition Fund would be used for that purpose. The current balance in that account is more than $36K. That fund was set up to cover unexpected costs not covered by the budget.

(as submitted by Nicki Maxwell, Chair)

Following the Chair's introduction, an open discussion of its subject matter ensued. Nicki Maxwell conducted the discussion during which all attendees were encouraged to express their questions, concerns and conclusions with respect to the subject matter at hand.

At the end of the open discussion, the Chair announced that Lew Powell, Director at Large, would be sending, via email, all homeowners a Ballot asking for their "Yes" or "No" vote regarding an expenditure of HOA Asset Acquisition Funds to pay for the collection and drainage system under consideration by the Board. A copy of the Ballot sent by Lew Powell to all Homeowners is shown below following the signed minutes.

The Meeting was adjourned by Nicki Maxwell, Chair, at 4:50 p.m.

The next Regular Meeting will be held in the Laurel Fisher Gallery and Via Zoom Video Conferencing on September 12, 2024 at 4:00 p.m.

Respectfully Submitted,

Mark Hudson

Secretary

TATE CONDOMINIUM

HOMEOWNER BALLOT

REGARDING THE EXPENDITURE OF HOA FUNDS

THIS BALLOT IS FOR HOMEOWNERS ONLY; RENTERS ARE NOT ELIGIBLE

September 5, 2024

The purpose of this ballot is to obtain homeowner approval for expenditure of HOA funds to pay for a solution to a Heat Pump drainage problem in the garage. The drainage from a single heat pump recently installed currently drains unimpeded into the garage and needs some means of collection. It is apparent that any future heat pump installation on the 2nd and 3rd floor would also require condensate collection. One proposed solution is to install a communal collection system to accommodate any future heat pump installation.

The estimated cost of this communal installation is $20,000 to be paid from the Asset Acquisition Fund which was established to cover unforeseen costs not in the budget. Current balance in this fund is $36,000.

This issue applies only to heat pump installation in units on the 2nd and 3rd floors whose AC units are in the garage. 4th, 5th, and 6th floor units are on the roof where drainage collection is not an issue. While this solution only directly applies to 2nd and 3rd floor units, it would be the common use of HOA funds to equalize the situation for all residents who may wish to install Heat Pumps in the future.

------------YES I approve of this expenditure of HOA funds

-----------NO I do NOT approve of this expenditure of HOA funds

Please return your decision by email to HOA Board Member Lew Powell at wmlp@aol.com by end of day Sunday September 8. One vote per unit. The results will be announced at the scheduled HOA Board Meeting on September 12, 2024

*Asset Acquisition Fund Guidance

The Asset Acquisition Fund was created in 2021 for the purpose of providing HOA funds for the acquisition of new tangible items which the residents of The Tate would like to purchase, in-common, and for which there were no existing and clearly appropriate funding sources. These are to be items not included in The Tate Maintenance Plan and Reserve Study. The rationale for this is to avoid one time special assessments for such items.

Items which qualify for purchase using these funds are resources with an expected life of greater than a year, such as equipment, building modifications and facility accessories. Note: An accounting adjustment for depreciation is made for fixed assets as they age. It allocates the cost of the asset over time. Depreciation may or may not reflect the fixed asset's loss of value.

PLACEMENT OF THE FUNDS

Owner contributions of $15.00 per month will be deposited into a simple purpose account marked exclusively for Asset Acquisition Funds.

CURRENT FUNDING PROCEDURE

Funds will accrue monthly. Each owner contributes $15.00 per month to the fund. The Asset Acquisition Fund is capped at $60,000. Once the $60,000 has accrued, the contributions will stop until the funds drop below the $60,000 cap. At that time the monthly contribution resumes until the cap is met again.

USE OF FUNDS

Requested funds are to be used for tangible items from which all residents, in-common, may benefit. Service fees charged by individuals and professional organizations should generally be paid using funds allocated for the Operating Budget.

TRANSFER OF UNUSED FUNDS IF THE ACCOUNT IS CLOSED

Should the Board of Directors elect to close the Asset Acquisition Fund Account, the unused funds will be immediately transferred into the Reserve Fund and used for building component maintenance and replacement purposes accordingly.

PROTOCOL FOR REQUESTING FUNDS FROM THE ASSET ACQUISITION ACCOUNT

Requests for the use of the Asset Acquisition Funds should be submitted in writing to The Tate Board of Directors. The request should clearly state how the funds will be used along with a statement of the purpose and justification for the new acquisition. When possible, this request should include complete cost quotations and contract details from two(2) or more providers.

COST LIMITS ON REQUESTS

Normally, requests should not exceed $10,000 in total cost. However, requests requiring funds greater than $10,000 may be submitted for special review and discussion.