

NORTH CANYON CONDOMINIUMS HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
January 31, 2024

Minutes of the Board of Directors Meeting of the North Canyon Condominiums Homeowners Association, Provo, UT, held over Zoom at 5:15 p.m. on the 31st of January.

I. CALL TO ORDER

Board member Jocelyn Soderstrom called the meeting to order at 5:30 PM.

II. ROLL CALL OF OFFICERS

Present: Jocelyn Soderstrom, Aaron Isom, McKennah Thomas, Greg McDavitt, Stephanie Magleby

Also Present: Corey Poole (TPM, Inc)

III. PREVIOUS MONTHLY MINUTES

Minutes were approved.

IV. MONTHLY FINANCIALS

Greg pointed out that he sees our vendors sending bills late. For example, Lowry sent out a bill that the date of service was July. He said that they had been called out once in November but that Greg had cancelled an appointment. He is concerned about the 12/18 charge because they have not been out in a while. Corey is going to verify that this charge was legitimate and not due to the cancelled appointment.

V. WATER

Greg was looking over the expense details and it said we had roughly \$2000 in water every single month. Greg thinks it would be more effective for all units to have individual water bills since it can vary based on individual consumption. He thinks that we could submeter each unit. It has an upfront cost but could be paid for in a year. It would be \$100-\$250 per unit to install the meter. We would bill back the actual consumption of water to each unit plus a small service fee (which pays for the data being pushed to a platform). Greg has also looked into the city doing it for us; they said that they do not do that for condos/HOAs. He has seen that this makes people more conscientious and puts the buy-in on the occupants' water usage. Once installed, it would not require more access. Stephanie brought up that this could be good for units who are sitting vacant to help them know if there is a leak. Greg will be getting more accurate pricing on the monthly fees and units and do a cost benefit analysis to look and see at what point we would be breaking even.

VI. LEAK IN STORAGE UNIT

Jocelyn asked about a leak that happened in McKennah's storage unit earlier in the month. McKennah said that she was able to place a sealant in the ceiling (after a quick board text vote) to prevent the leak from continuing. She thinks that it is due to a crack in the garage floor. An identical crack was found in the floor. She will be keeping an eye on it to make sure no more leaks happen. The board voted unanimously for McKennah to place more sealant in the floor of the garage if needed.

VII. GUTTERS UPDATE

Jocelyn asked Corey to give an update on the gutters. Corey said that Cesar had gone up and checked and they looked all clear and did not need to be cleaned. She also asked if the drain spout had been reattached and Corey replied that he was uncertain. Greg was pretty sure that it remained unattached. Corey will be having maintenance come and reattach it.

VIII. SMOKING COMPLAINTS

Jocelyn asked if there were any updates on the marijuana complaints that we had received. We were pretty certain it was coming from 303/304. Greg said that he had not smelled anything. He said there is someone on the third floor who frequently cooks stinky things and wondered if that could be related.

IX. HOA DUES INCREASE

We know that we need to raise dues and do some special assessment in order to fix the west elevator (it has been frequently down). Corey said that based on the preliminary budget he did we would need to raise it at least \$25 with inflation. Jocelyn recommended at least \$50 and to give a warning that it will be subject to change each year. Aaron recommended that we be very transparent with the owners that our finances require that we do these raises and assessments. The board discussed that a \$50 increase seems reasonable. An official vote will take place later.

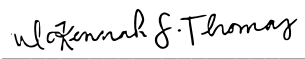
X. SPECIAL ASSESSMENT

Greg said that to replace the elevators it will be \$200k minimum to replace both of them. To make it more "future proof" and updated it would be \$300k. This equates to about \$6250 per unit. If we decide to go more upscale, it would be about \$500k. Aaron brought up the fact that most people are not going to be able to shell out over \$6k on a special assessment and asked about financing options. Greg said that there are three options: 1) go with Schindler and finance through them (we would work out a rate and term with them) 2) bank financing special assessment over term and make lump sum payments (gives you higher interest rate but pay it off faster) 3) bank financing spread out over 20 years. There will be the option to pay for the assessment upfront or do a loan via the method we determine. We will start charging owners sooner than we get the loan disbursement to protect the HOA from owners who may miss a payment. Aaron asked if we need to work out how this will work with real estate transactions. Greg said that in his experience it would be determined in the terms of the sale--the seller would have to pay off the loan or it would be transferred to the new owner with some fee. Aaron talked about how this is the first of several things that we need to assess for. All board members agree that it would be better to do it all in one go so that we are not having to come back to the owners year after year for more money. Additionally, if we do this we can get more savings as it will be a bigger job. If we tried to do it all at once, based on Greg's estimations, we would need to assess \$1M (around \$20k per unit owner). McKennah asked Greg what the interest rate for the loan would be and he said currently it is sitting at around 5.5%-6%. He would shop around for the best rate though. McKennah suggested that if we decide to be more aggressive and we got less than 50% of the vote, we should come back to the owners with a less aggressive option for another vote. Jocelyn also suggested that if we decided to do the full \$1M then we should spread the loan term out to 10 years which would keep the payment pretty similar.

XI. ANNOUNCING CHANGES TO OWNERS

Corey asked if we wanted to get dues increase announcement out to the owners first. Jocelyn suggested that we do the dues increase, the changes in water metering, and the assessment all at once. All board members agreed.

The board meeting adjourned at 6:33 PM.
These minutes were approved by the Board of Directors.



McKennah Thomas, Secretary

02/23/2023

Date