

**River Place East
Board of Directors Meeting
Wednesday, August 15, 2007**

Board Members Present:	Mr. Brian Fredericks	President
	Mr. Hiranya Maru	Secretary
	Ms. M.J. Schmelzer	OA Representative
	Mr. Jeff Walyus	Director
	Mr. Harry Lawrence	Director (arrived at 6:14 p.m.)
	Mr. Leo Sequeira	Director (arrived at 8:21 p.m.)

Board Members Absent:	Mr. Saleem Malik	Director
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Management:	Ms. Carol Brooke	Building Manager
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Others Present:	Edye Lewis	Recording Secretary Minute-By-Minute
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I. CALL TO ORDER:

The Board agreed **BY CONSENSUS** to move into an Executive Session at 6:04 p.m, at the beginning of the meeting.

Mr. Fredericks called the general meeting to order at 6:38 p.m.

II. SHAREHOLDER PARTICIPATION:

No shareholders were present.

III. APPROVAL OF THE AGENDA:

Mr. Fredericks reviewed the agenda for the Board of Director's meeting.

MOTION: Mr. Maru moved, Mr. Lawrence seconded, to approve the amended agenda adding Pest Extermination under Old Business and Signage under New Business. The motion passed unanimously (5-0-0).

IV. APPROVAL OF MINUTES:

MOTION: Ms. Schmelzer moved, Mr. Walyus seconded, to approve the minutes of the June 20, 2007 Board of Directors meeting as presented. The motion passed unanimously (5-0-0).

MOTION: Mr. Maru moved, Mr. Lawrence seconded, to approve the minutes of the July 18, 2007 Board of Directors meeting as presented. The motion passed (3-0-2) with Ms. Schmelzer and Mr. Walyus abstaining.

V. OFFICER'S REPORT:

Mr. Fredericks reported that the HVAC and elevators had repairs done this month. More information would be provided later on the elevators. The Association newsletter has been printed and distributed. Mr. Fredericks stated he has received compliments from residents who thanked the Board for their efforts on the newsletter. He also reported that the East Building is the only building with a newsletter. Mr. Fredericks has the Envirotech contract for the balcony repairs to be signed. The balcony projects have begun on the other buildings and they are on schedule. Mr. Fredericks stated that the work looks fine and he feels that the contractors will do a great job on the East building once they begin.

VI. TREASURER'S REPORT:

Ms. Brooke reviewed the variance report and asked the Board to let her know if they had any questions. The assessments were short by \$6,800.00 due to non-payment by two shareholders. Mr. Fredericks advised Ms. Brooke that he wanted to see the delinquency reports at each meeting. Mr. Fredericks asked about the reserves and stated that the Board did not make a contribution to the reserves. Ms. Brooke stated the Board is transferring funds between Capital Securities and Merrill Lynch. Ms. Brooke advised that currently there is \$537,000.00 in the reserves and Ms. Brooke will be depositing \$68,000.00 into the reserves. Mr. Fredericks asked why interest income is listed at the end of the report as he feels this should be at the beginning of the report under income interest. Ms. Brooke advised that it is a generally accepted accounting practice, but will make the change so that Interest Income will be shown in the beginning. Ms. Brooke stated that payment has been made to the Fidelity and Directors & Officers policies. Mr. Fredericks thanked Ms. Brooke for bringing the ninety (90) late payments current.

VII. OA REPORT:

Ms. Schmelzer reported on the status of the South Building regarding the cellular towers. The South building applied for a permit to remove the cell towers, but a historical group has requested, and been granted, permission to review the permit. The first phase of the parking project has been completed and is moving along very professionally. Mr. Fredericks advised Ms. Schmelzer that she represents the Board when working on the OA Board and to notify the Board of OA decisions that may affect the Board financially.

VIII. MANAGEMENT REPORT:

Ms. Brooke reviewed the Management report with the Board and provided a demonstration of the water-cleaning device being used and reported that it has greatly improved the cooling towers. Ms. Brooke advised of the air conditioning status and stated that she will obtain further proposals for the air conditioning. Mr. Fredericks asked about the fluctuating temperatures in the hallways and common areas and asked if the proposals will address this issue. Ms. Brooke stated Denzel Company has done work that will make improvements. Denzel Company also advised that the PVC valves may reduce the air flow. Mr. Fredericks stated that Management needs to maintain a task list to track repairs. Ms. Brooke stated that elevator #2 is working well. Ms. Fredericks addressed an issue of a contractor obtaining a rental space without Management's knowledge. The contractor is being charged for the back rent on this unit. Mr. Fredericks clarified to Ms. Brooke that the Board's guidelines regarding Association rental space is to not rent to non-residents and this could be placed in writing for future references. Proper documentation is to be provided before anyone is allowed to rent the space. This issue will be addressed further in Executive Session. The East Building will have the balcony repairs done after all the other buildings and it is hoped the repairs will be completed by the end of the year. Ms. Brooke updated the Board on the bedbug extermination. Ms. Brooke advised the Board of the water damage to the carpet in the unit due to a leak in the dishwasher hose. The landlord is requesting that the Board pay the cost of replacing the carpet. This matter will require further discussion. The Board discussed the letter that was received from a shareholder regarding noise issues with Unit E642.

IX. APPROVAL OF UNIT SALES:

Mr. Fredericks discussed the transfer of Units #323 and #946.

MOTION: Ms. Schmelzer moved, Mr. Maru seconded, to approve the sale of Units #323 and #946. The motion passed unanimously (5-0-0).

X. OLD BUSINESS:

Board Goals:

Nothing was discussed.

Penthouse Windows: Ms. Schmelzer discussed the penthouse windows and replacement of some of the windows. The reserve study has the building replacing windows in 2012. Ms. Schmelzer is to put together a committee of board members to discuss the penthouse windows and the funds they are contributing to the windows account.

Canopy Cleaning: Cleaning has been delayed until the North Building Manager completes the review of the budget. The canopy cleaning company, Executive Awning Care Company, is to provide a revised proposal.

Homecare Repairs:

This item is tabled for now.

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Elevator Redecorating Status: The installation of the elevator decoration will begin the first week of September 2007. Ms. Brooke will advise if elevator usage will be affected.

Verizon FIOS:

The FIOS installation is on schedule.

Signage: Ms. Brooke advised new signs are needed for the elevators and she has met with SMI Signs Systems for fresh and consistent signage for all floors. Ms. Brooke provided a sample of the signage and asked for guidance from the Board.

Lobby Redecoration Status: Ms. Brooke provided a final proposal and photographs of the lobby decorations. After reviewing the proposal, the Board decided to move on this item.

MOTION: Mr. Lawrence moved, Mr. Walyus seconded, to approve the Lobby Redecoration, at a cost not to exceed \$8,000.00, which covers the cost of the water photography artwork. This action is contingent upon the contract stating that the items may be returned if the Board is not satisfied with the furniture upon receipt. The motion passed unanimously (5-0-0).

XI. NEW BUSINESS:

New Board Member Candidates: The Board requested that Ms. Brooke advise any individuals who are interested in serving on the Board to attend the Board meetings.

Registration Fee Change: Ms. Brooke provided a registration fee comparison and advised that each building use different practices and rates and would like to have consistency in the fees for all buildings. After discussion, the Board decided to table this item for discussion next month.

Flex Connector Replacement Proposal: Ms. Brooke provided a proposal from Denzel Company to replace the Flex Connector on the air handling unit at a total cost of \$2,727.00. The current connector is dry rotted and aged. There will be a “downtime” during the repair and the Board feels this work should be done at night so that residents are not affected. The night hours will cost an additional \$855.00, which is included in the total amount of \$2,727.00.

MOTION: Ms. Schmelzer moved, Mr. Maru seconded, to approve the replacement of the Flex Connector handler at a cost not to exceed \$2,800.00. The motion passed unanimously (5-0-0).

Condensate Return Pump proposal: Ms. Brooke provided a proposal to repair leaks to two boilers. Due to a significant loss of water, Management feels these items require immediate attention.

MOTION: Ms. Schmelzer moved, Mr. Maru seconded, to approve the proposal to repair the leaks to the two boilers at a cost of \$2,000.00. The motion passed unanimously (5-0-0).

Condensate Leak Repairs Proposal: Ms. Brook provided a quote from Denzel Company to repair the leaks to boilers #1 and #2. The proposals are for the total amount of \$2,232.00.

MOTION: Ms. Schmelzer moved, Mr. Maru seconded, to approve the repair for the leaks for boilers #1 and #2 at a cost not to exceed \$2,300.00. The motion passed unanimously (5-0-0).

Window Cleaning Proposal: Ms. Brooke provided a proposal for the building's window cleaning. Mr. Fredericks stated that he did not recall seeing a line item for this expense. Ms. Brooke stated the price of the window cleaning will be the same as last year at \$2,600.00. The Board requested that Ms. Brooke have the contractors apply the "bird gel" during the window cleaning.

MOTION: Mr. Maru moved, Ms. Schmelzer seconded, to approve the window cleaning at a cost not to exceed of \$2,600.00 with the addendum that the contractors are requested to apply the "bird gel". The motion passed unanimously (5-0-0).

Ms. Brooke advised the window cleaning will begin in October 2007.

Insulation of the Heat Exchangers: After reviewing the proposal, the Board stated that more information is needed to further discuss the situation and make a decision on this item and therefore it is tabled for now.

Extermination of Ants: Ms. Schmelzer discussed an extermination plan with the Board and asked them to consider budgeting for this expense. She felt this expense should be indicated in the reserves. This item had been tabled when previously discussed. Mr. Fredericks stated that he had no problem looking at a proposal but they could not place it in the budget this year. The cost is unknown and he advised Ms. Schmelzer to obtain more information and the Board must agree with the warranty. The Board asked Ms. Brooke to contact Triple S for additional information on this item.

[Mr. Sequeira arrived the meeting at 8:21 p.m.]

XII. EXECUTIVE SESSION:

The Board agreed **BY CONSENSUS** to move into an Executive Session at 6:01 p.m, at the beginning of the meeting, as Mr. Zelloe was present.

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The Recording Secretary was excused.