

RIVER PLACE EAST HOUSING CORPORATION (RPEHC)
FINAL MINUTES FROM THE BOARD OF DIRECTORS MEETING
WEDNESDAY, JUNE 17, 2015 – 6:00 P.M.

In Attendance – Board of Directors

- Hiranya Maru, President
- Jeff Walyus, Treasurer
- Karin Banni, Director
- Cassondra Crawford, Director
- Brian Fredericks, Director
- Harry Lawrence, III, Director (arrived at 6:30 p.m.)

Regrets – Board of Directors

- M.J. Schmelzer, Director

In Attendance – Property Management

- Andre Baker, General Manager

I. Call to Order

The Board of Directors of the River Place East Housing Corporation held a meeting on Wednesday, June 17, 2015. Board President Hiranya Maru called the meeting to order at 6:18 p.m.

II. Shareholder Participation

Scott Yates, Unit 733: Mr. Yates noted that a family of five is living in the unit above his, and they frequently cause noise disturbances.

Response: Mr. Baker noted that the shareholder is working to resolve this matter through the Arlington County court system, as the unit is currently occupied by a greater number of renters than is permissible by the county.

Surya Jandhyala, Unit 1106: For the past few years, his unit has been experiencing water infiltration during periods of heavy rain that have caused flooring damage. Attempts to waterproof the unit have proven futile.

Response: Mr. Baker explained that, during periods of heavy rain, water from the exterior brickwork seeps into the crawl space between the 11th and 12th floors, and then into Unit 1106. The area directly above the unit has been sealed, and some internal sealing has also been done. However, the problem persists. Mr. Baker noted that the exterior tuck pointing project will soon be completed on Mr. Jandhyala's side of the building. It is hopeful that this work will alleviate the water infiltration issue.

Catherine Labib, Unit 1206: (1) Ms. Labib recommended that additional trash pickups be scheduled for the property, as the current schedule does not seem to adequately cover the amount of waste that accumulates throughout the week.

(2) What is being done to address smoking in the building's stairwells? (3) What is the status of the audit and procedures discussed during the Shareholders' Annual Meeting?

Responses: (1) Mr. Baker and the Board of Directors acknowledged the suggestion from Ms. Labib. (2) The two individuals who had been smoking in the stairwells have been identified and fined \$500 each. (3) Mr. Baker explained that the Goldklang Group CPAs is preparing to complete the corporation's latest audit. A revised engagement letter will be drafted to cover an audit of the corporation's fiscal and procedural status.

Robert Conkling, Unit 1208: Mr. Conkling noted that, according to Section 3.5 of the bylaws, the Board of Directors did not achieve a quorum for their two most recent meetings.

Response: Mr. Baker and the Board of Directors acknowledged the comments from Mr. Conkling.

Unidentified Resident: When will the resolutions concerning the audit be completed?

Response: Mr. Baker noted that the fiscal and procedural audits will be completed by July 31, 2015. Mr. Maru asked that shareholders give the Board of Directors additional time to solidify the resolutions.

III. Approval of Prior Meeting Minutes – April 15, 2015

Mr. Walys *moved* to approve the minutes from the April 15, 2015 Board of Directors meeting as presented. Mr. Maru *seconded*, and the motion carried unanimously.

(Director of the Board Harry Lawrence, III arrived at this juncture at 6:30 p.m.)

IV. Reports

A. Manager's Report: Mr. Baker orally reported on the following matters from the June 2015 Management Report:

1. The FOBs for the front entry system are expected to be delivered by June 30, 2015. The management and front desk staff will then undergo training for use of the programming system to be stationed at the front desk. All of the building's entry points will be incorporated into the FOB system, and the system transition will begin. A projection date of July 17, 2015 has been identified for full execution. Shareholders will receive FOBs for an equitable exchange of their existing building keys for a 30-day period. Thereafter, the FOBs will be sold at a cost of \$25.00 each.
2. The exterior brick and mortar repair project began on March 17, 2015, and is progressing favorably. There was a one-week work stoppage as a result of inclement weather. However, barring unforeseen circumstances, the project is still expected to finish on schedule.
3. The East Building has been in conversation with the River Place Owners Association about having the exterior brick and mortar of the sidewalks replaced. The OA has agreed to have the sidewalk work done for all River Place buildings.
4. Replacement of cooling coils in the main air handler is underway. However, the work was postponed as a result of recent consecutive days of high heat and humidity. After a review of the weather forecast, it is anticipated that the project can be completed during the week of June 22nd. The replacement will affect the availability of air conditioning for portions of a two-day period. Mr. Baker will work to have the project conducted during the weekday when a greater percentage of shareholders are not in the building. To improve the functionality and efficiency of the air conditioning system on warmer days, hallway air flow and chilled water circulation has been limited in order to redirect these elements to individual units for maximum operation.
5. Mr. Baker reminded Board members of the mailbox replacement quote from Top Notch Enterprise totaling approximately \$25,000.00 for the most expensive option (which would include a larger mailroom; larger mailboxes; and cosmetic improvements such as wall repairs, painting, new lighting and the installation of granite countertops).
6. The corporation's annual fiscal audit will be completed by the Goldklang Group CPAs. Mr. Baker has prepared and forwarded the requested documentation to the auditing firm. Goldklang will soon schedule days to visit the on-site offices of Zalco Realty, Inc. and River Place East.
7. An updated reserve study is needed. Mr. Baker has set a date of July 10, 2015 for Facilities Engineering Associates (FEA) to complete their first round of surveying on the property. A date will then be set for FEA to meet with a subcommittee comprised of Mr. Maru, Mr. Fredericks and Mr. Baker.
8. Mr. Baker briefly reported on the ongoing building maintenance tasks he has overseen since the last Board of Directors meeting.

9. Mr. Baker received a proposal totaling \$582,000.00 from Elevator Technologies, Inc. (ETI) – the same company that refurbished the elevators in the South Building – to refurbish the elevators in the East Building. Additional options were included in the proposal for an additional \$77,000.00. Bids are still anticipated from Elcon Enterprises, Inc. and Millennium Elevators. *Mr. Baker will follow up with Elcon and Millennium on Thursday, June 18th to obtain an update on the status of the anticipated proposals.*
 10. The owner-occupancy rate presently stands at 30% to 32%.
- B. President's Report: No President's Report was presented during the June 17, 2015 Board of Directors meeting.
 - C. Treasurer's Report: Mr. Walyus asked Board members to review the latest financial report for period ending May 31, 2015. He will review the report in detail with Mr. Baker, but has noted that the corporation is slightly over budget in its year-to-date "Utility" expenses, and is slightly over budget in its year-to-date "Personnel" expenses. Mr. Baker was pleased to report that, as of May 31, 2015, River Place East had no delinquencies.
 - D. OA Representative Report: No report was presented by the OA Representative during the June 17, 2015 Board of Directors meeting.
 - E. Engineer's Report: No Engineer's Report was presented during the June 17, 2015 Board of Directors meeting.
 - F. Incident Report: An Incident Report was not orally presented during the June 17, 2015 Board of Directors meeting.
 - G. Financials: The latest financial information was included in the June 2015 Board packet.

V. **Action Items**

Please see the action items noted in *bold italics* throughout these minutes.

VI. **New Business**

- A. Laundry Contract: The corporation's current laundry contract with Mac-Gray/CSC expires on August 31, 2015. Mr. Maru and Mr. Baker met with a representative from Caldwell Gregory to discuss possible engagement. Two other vendors were scheduled to participate in that site visit – including Mac-Gray/CSC and FMB – but were unable to attend. Both Caldwell Gregory and Mac-Gray/CSC submitted proposals for review, and Mr. Baker compiled a comprehensive chart to compare both bids. Mr. Baker and the Board of Directors reviewed the pros and cons of each proposal in detail. Mr. Baker recommended that the Board of Directors approve a laundry contract with Caldwell Gregory. Mr. Baker noted that, if a new vendor is selected, the contract must be signed effective no later than September 1, 2015 to ensure a smooth transition. *Mr. Maru and Mr. Baker will schedule a meeting with the representative from Caldwell Gregory for the week of June 22nd to finalize the terms and language of the laundry contract. The updated contract will then be forwarded to Board members for review and an electronic vote.*

VII. **Unit Transfers**

The Board of Directors approved the transfer of Unit E-240 from Shareholder Joelle Faure to Sohela Elaghdan *by unanimous consent*. The Board of Directors then ratified its electronic decisions to approve the transfers of Units E-318 (a name transfer) and E-220 (a resale) *by unanimous consent*.

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VIII. **Old Business**

- A. HVAC Cooling Coil Replacement: The Board of Directors ratified its electronic decision to approve replacement of the HVAC cooling coils *by unanimous consent*.
- B. Internal Audit: *This matter will be further discussed during the next Board of Directors meeting, and concerns the window replacement fund and Board procedures (the proprietary lease, bylaws and the resolution process).*

IX. **Adjournment**

With no other business brought forward, the June 17, 2015 Board of Directors meeting was officially adjourned at 7:12 p.m.

The next Board of Directors meeting is presently scheduled for Wednesday, July 15, 2015 at 6:00 p.m.

These minutes were respectfully drafted and submitted by:

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