

RIVER PLACE EAST HOUSING CORPORATION (RPEHC)
MINUTES FROM THE REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, AUGUST 17, 2016 – 6:30 P.M.

In Attendance – Board of Directors

- Williams Johns, President
- Carolyn Conkling, Secretary
- Cassondra Crawford, Treasurer
- Karim Benni
- M.J. Schmelzer

Regrets – Board of Directors

- Harry Lawrence, III, Vice President
- Brian Fredericks

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 regular meeting on Wednesday, August 17, 2016. The meeting was called to order at 6:44 p.m.

II. Shareholder Participation

Abla Shartar, E-1040: (1) Ms. Shartar relayed noise and smoking concerns regarding another 10th floor unit and mentioned that she finds the trash room a mess
(2) Ms. Shartar asked the Board to consider the establishment of a party/meeting space within the building, as well as ways to improve parking on the property.

Responses: (1) Mr. Baker responded that a letter was sent to the occupant of the 10th floor unit to relay the noted concerns. *Mr. Baker added that he will follow up.* (2) Mr. Johns responded that the Board of Directors previously discussed forming a committee to identify options for an on-site party room and suggested that Ms. Shartar work with Mr. Baker on this issue. Ms. Shartar noted she may be interested in serving on such a committee if it is established.

Frederick Seibold, E-1209 and E-1212: Mr. Seibold requested an update regarding the 12th floor window replacement project.

Response: Mr. Benni will present an update during the “Committee Updates” portion of the Board meeting.

Nancy Joyner, E-1203, E-1204 and E-1205: Dr. Joyner offered to present information concerning the Lutheran College lease.

Response: Mr. Johns responded that Messrs. Darui and Priest, who are working on the lease, were to have met on Monday, August 15th to discuss the Lutheran College lease. The Board of Directors has not yet received a draft lease. More on this matter will be discussed during the “Committee Updates” portion of the Board meeting.

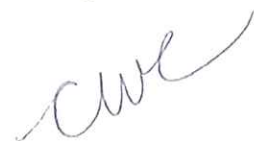
III. Approval of Prior Meeting Minutes (July 20, 2016)

Mr. Benni *moved* to dispense with the reading of the minutes from the July 20, 2016 Board of Directors meeting. Ms. Crawford *seconded*, and the motion carried unanimously (5-0-0). Mr. Benni then *moved* to approve the minutes from the July 20, 2016 Board of Directors meeting as presented. Ms. Schmelzer *seconded*, and the motion carried unanimously (5-0-0).

IV. Reports

A. President's Report: Mr. Johns presented the following information:

1. A Board training will be held on Saturday, September 17th at 8:00 a.m. inside the management office. *Mr. Johns will circulate an agenda to Board members in advance of the training.*



2. Mr. Johns contacted a firm about assisting with the basement entrance remodeling project (the areas from the garage door to the elevators, and between the loading dock and elevators, including two rooms). Emphasis will be on the floors but there might be an option for artists in the building to display their art. *Mr. Johns will have an update on how long the project will take, and who will be proposed to do it.* The goal is for the Board to vote on the matter during their next meeting.
- B. Manager's Report: In addition to the detailed management report included in the August 2016 Board packet, Mr. Baker verbally highlighted the following information.
1. Sinkhole: Mr. Baker reported the sinkhole was repaired at no cost to the association. Dominion took on the responsibility for the repair, and will be pursuing legal action against Arlington County. Mr. Baker is working with Zalco Realty to calculate the reimbursement due from the county. The goal is to have the reimbursement in place before books are closed in October on the 2016 fiscal year.
 2. Air Conditioning Outage: On Thursday, August 4th, the building's A/C service went down at approximately 11:00 a.m. Upon further inspection, it was discovered that the 480/radio line was out of service. The 480/radio line services the chiller, air handler and cooling tower. These items are on an independent service line to avoid surges along the main electrical supply. The line also services the A/C components for the South Building. The source of the interruption was due to construction in Northern Rosslyn. The service was disrupted for approximately 15 hours.
 3. Installation of Air Conditioning Units: A new air conditioning system was installed for Unit 1214 earlier during the day. Unit 1211 will receive a new air conditioning system beginning Monday, August 22nd.
 4. Roof Work: Replacement of the cooperative's roof will begin in March or April 2017.
 5. E-1301 Window Leaks: Mr. Benni reported that water intrusion is being experienced by Unit E-1301 and Unit 1213. Mr. Benni has spoken with both residents and they are being patient. Mr. Benni recommended that the windows and frames be changed in Unit 1301 during the course of the 12th floor window replacement project. The outcome of Board discussion was to ascertain whether these units could take priority in the upcoming windows project. Mr. Benni will know more after meeting with window consultants.
- C. Committee Updates:
1. 12th Floor Window Project: Mr. Benni explained that a few consultants have been identified for the 12th floor window project. Facilities Engineering Associations ("FEA") has already submitted a proposal. Falcon Engineering Group and WJE are expected to submit proposals next week. Mr. Benni noted the committee would also like the selected consultant to evaluate the exterior walls and façade as part of their work but that masonry work, if needed, would be separate from the windows. Goal is to have the window replacement work begin on May 1, 2017. The committee will meet in the coming few weeks to select a consultant. *Mr. Benni will ensure the consultant inspects windows in all of the 12th floor units.*
 2. Elevator Contract: Ms. Crawford relayed that Rees Broome, P.C. – the cooperative's legal counsel – reviewed the proposed elevator modernization contract submitted by ThyssenKrupp. Rees Broome has worked with ThyssenKrupp before. Rees Broome recommended specific revisions to the contract that will provide further protection to the cooperative. Rees Broome's analysis also addressed county requirements. Ms. Crawford noted that, as long as the contract is signed within ThyssenKrupp's current fiscal year, they will honor the bid price. Ms. Crawford also noted that Rees Broome recommends having an engineering firm provide oversight. *Ms. Crawford will ensure protection against price escalations is factored into the contract language; and will verify when ThyssenKrupp's current fiscal year ends.*
 3. Hiring of Engineer: Ms. Conkling *moved* to have Ms. Crawford consider multiple options for finding seasoned engineers as candidates to serve the cooperative by considering contractors and/or a full-time employee. The options will then be presented to the Board of Directors for review and discussion during their next meeting. Mr. Benni *seconded*, and the motion carried unanimously (5-0-0).

Cure

4. Board Social Activity: A Board dinner will be held on Wednesday, September 21st at 8:30 p.m. immediately following the Board meeting. *Ms. Schmelzer will send a reminder to all Board members.*
5. Commercial Lease: Management is working on commercial leases, the first of which involves Lutheran College. The Board considered leasing options, *and agreed by unanimous consent to vote on the matter during their next meeting.*

D. Treasurer's Report:

1. Ms. Crawford briefly presented highlights of the corporation's financial standing through July 31, 2016. The cooperative is in good fiscal condition year-to-date and reserves are now over \$2 million.
2. Mr. Johns is working to schedule a meeting with the Goldklang Group CPAs to discuss the cooperative's audits and financials.

E. Owners Association (OA) Representative's Report:

1. Ms. Schmelzer reported the OA has returned nearly \$1 million to the reserve accounts over the past two years. The OA has \$2.7 million in reserves today. Yet the same reserve projects have been listed for three years now and remain, for the most part, undone. Cosmetic improvements have been made and the repaving project is fairly well along. Mr. Johns noted RPEHC contributes a sizable amount (over \$20,000) per month to the OA.
2. Ms. Schmelzer reported on the projects being overseen by the OA – including cosmetic improvements; repaving; power washing; and resurfacing work.
3. *Mr. Johns will speak with OA President Robert Lesnick concerning work on the MP garage.*
4. It appears that all of the upholstery in the gym has been repaired. Lights are to be done next.
5. *Mr. Baker will send an email to Ms. Schmelzer requesting repair of the potholes in the loading dock. Ms. Schmelzer will then forward the request to OA Manager Bill Smith.*
6. *Ms. Schmelzer will forward a copy of the latest OA report to Board members.*

V. Action Items

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

VI. Unit Sales and Transfers

Ms. Crawford *moved* to approve the sale of Unit 506-E from Douglas Hamilton and Andrew Spell to Andrew Schmidt; the sale of Unit 720-E from David Napier to Andrew Warner; and the sale of Unit 726-E from Anthony Racham to Karim Kawakibi. Ms. Schmelzer *seconded*, and the motion carried unanimously (5-0-0).

VII. Old Business

No matters of "Old Business" were raised during the August 17, 2016 Board of Directors meeting.

VIII. New Business

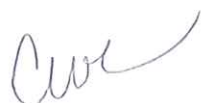
No matters of "New Business" were raised during the August 17, 2016 Board of Directors meeting.

IX. Adjournment to Executive Session

With no other business brought forward, the August 17, 2016 regular Board of Directors meeting was adjourned to Executive Session at 8:17 p.m. The Board then convened an Executive Session to discuss confidential matters.

X. Executive Session

Matters discussed included concerns about the OA, leasing and insurance issues, and meeting attendance. No specific actions were taken. Executive session concluded at 9:15 p.m.



The next regular Board of Directors meeting is presently scheduled for Wednesday, September 21, 2016 at 6:30 p.m.

Respectfully submitted,



Carolyn W. Conkling
Secretary

Approved
9/21/16