

RIVER PLACE EAST HOUSING CORPORATION (RPEHC)
FINAL MINUTES FROM THE BOARD OF DIRECTORS MEETING
MONDAY, FEBRUARY 27, 2017 – 6:30 P.M.

In Attendance – Board of Directors

- Harry Lawrence, III, Vice President
- Cassandra Crawford, Treasurer
- Karin Benni (via telephone)
- M.J. Schmelzer

Regrets – Board of Directors

- Williams Johns, 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 meeting on Monday, February 27, 2017. The meeting was called to order at 6:41 p.m. by Board Vice President Harry Lawrence.

II. Shareholder Participation

Catherine Labib, E-1206: (1) Mrs. Labib requested details concerning the attempted break-in that occurred in January. (2) Ms. Labib inquired about the timing of the anticipated roofing work.

Responses: (1) Mr. Baker explained that the individual who attempted to break into a 7th floor unit was a caregiver of the shareholder. The suspect was quickly apprehended, and no one was hurt. The matter is considered an isolated incident, as the unit was specifically targeted. (2) Mr. Baker stated the Corporation's 2017-2018 fiscal year begins on April 1, 2017. The roof replacement is one of the capital improvement projects being planned for the 2017-2018 year along with the elevator modernization and 12th floor window replacement project. The 12th floor window replacement project will be coordinated with the roof replacement project to ensure both efforts are successfully completed. Project ates are still being determined. Mr. Baker will provide plenty of advanced notice prior to the start of each project.

III. Approval of Prior Meeting Minutes (December 14, 2016)

Ms. Schmelzer *moved* to dispense with the reading of the minutes from the December 14, 2016 Board of Directors meeting; and to approve those minutes as presented. Mr. Banni *seconded*, and the motion carried by a vote of three in favor, zero opposed and one abstained (Ms. Crawford) (3-0-1).

IV. President's Report

In the absence of Board President William Johns, Mr. Baker presented the following information:

- A. Elevator Contract: The elevator modernization contract has been finalized and signed, and the deposit has been paid. ThyssenKrupp visited the property on Thursday, January 12, 2017 to conduct a visual inspection of the main elevator control room and the elevator shafts. ThyssenKrupp provided a list of interior cabin options which have been forwarded to the Board of Directors for review and selection. The project is currently on schedule, is slated to begin in May or June 2017, and is projected to be completed by February or March 2018. *In the meantime, Mr. Baker will obtain specifications for the proposed elevator panels and interior elements, and will forward that information to the Board of Directors for review.*

V. Manager's Report and Committee Updates

A. Manager's Report: Mr. Baker verbally highlighted the following information from the full February 2017 Manager's Report:

1. Valve Replacements: Mr. Baker is working with local plumbing contractors to secure reasonable quotes to perform replacement of inoperable unit valves in a wholesale fashion, with the residual charges to be forwarded to shareholders. Having operable main valves often determines the severity of water issues/emergencies in the building; and lessens the impact to other residents in the event of a water emergency (including water shut-offs). Valve replacements can be performed at a wholesale rate for as low as \$85 per unit, and as high as \$150 per unit. The actual replacement cost will depend on the location and age of the valves. *Mr. Baker verbalized suggestions about the project's schedule, and agreed to research the performance of a study that would help guide the project.*
2. Audit: The Corporation's 2016-2017 financial audit has been completed by the Goldklang Group CPAs. The audit report was reviewed by Mr. Baker and representatives from Zalco Realty. No issues were found, and the Corporation is in very good fiscal condition. However, Ms. Crawford suggested having Zalco revise their written summary report to clearly reflect the Corporation's favorable standing.
3. 34th Annual Shareholders Meeting: The Corporation's 34th Annual Meeting is scheduled to convene on Wednesday, March 29, 2017 at 6:00 p.m. inside the Entertainment Center. Two Board seats will be up for election, and the Call for Nominations has been mailed with a response deadline of February 27, 2017. Although some shareholders have verbally expressed an interest in running for the Board, no one has submitted their candidacy in writing. *Mr. Baker will post a Call for Candidates statement on the Corporation's web site and will place flyers throughout the building.*
4. 12th Floor Window Replacement Project: Structural Rehabilitation Group (SRG) has served as the engineers to outline the scope of work for the 12th floor window replacement project. SRG will likely be the engineers that develop the scope of work and Request for Proposal that will be circulated to the window replacement contractors. The latest consultant services proposal from SRG includes an additional fee of \$850. After a Board discussion, Ms. Crawford *moved* to approve an additional \$850 to cover SRG's provision of consultant services for the 12th floor window replacement project. Mr. Banni *seconded*, and the motion carried unanimously (4-0-0). It was explained that the company the Board wishes to hire to perform the window replacements does not have availability until 2018; and the project must be considered in concert with the roof replacement project. As a result, the 12th floor window replacements will not likely begin until 2018.
5. Building Beautification Efforts: Mr. Baker briefly summarized the status of beautification efforts concerning the building's basement; door and hardware replacements on the first through 11th floors; lobby renovation; and mailroom renovation.
6. Sink Hole: Barring a settlement offer from the County, the Corporation will proceed to court concerning the sink hole/water issue.
7. Projects List: *At the request of Ms. Schmelzer, Mr. Baker will create a list of current and anticipated projects to note their status and cost. Going forward, the list will be distributed to the Board of Directors on a monthly basis.*

B. Committee Updates: No committee updates were presented during the February 2017 Board of Directors meeting.

C. Treasurer's/Financial Report:

1. Ms. Crawford *moved* to approve the 2016-2017 financial audit as presented by the Goldklang Group CPAs. Ms. Schmelzer *seconded*, and the motion carried unanimously (4-0-0).
2. A financial meeting will occur in March 2017 prior to the 34th Annual Meeting to discuss the Corporation's FY2018 budget. Management recommends a fee increase of 1% to 2% for FY2018. Mr. Baker noted that the elevator modernization and roof replacement projects were factored into the most recent reserve study, and will therefore be funded by the reserves. As a result, those projects were not factored into the FY2018 assessment fee.

D. Owners Association (OA) Representative's Report: Ms. Schmelzer reported the following information:

1. During their most recent meeting on February 22nd, the OA Board of Directors approved CareFirst Blue Cross health insurance coverage for their employees. The OA will cover 50% of the cost of family insurance, which could raise their personnel costs by over \$100,000 if every staff member takes advantage of the offer.
2. An engineering evaluation was recently performed to determine the status of the MP garage. The resulting report is anticipated. The OA Board is already aware of water intrusion in some areas, and the garage is quite dirty. The OA Board established a Reserve Study Committee to research the requirements for upcoming capital improvement projects.
3. The entire paving project has been completed with the exception of a small area near the front gate. After consulting with Monday Properties and legal counsel for the OA, the OA Board of Directors also gave consent to have the River Place exit drive repaved.
4. New LED lighting has been installed inside the gym.
5. A developer has submitted a proposal to the county to build the Spirit of America Tower across from I-66 near River Place. However, the Rosslyn BID, Monday Properties, JBG, the County Manager, and the County Board of Directors have all spoken out against the project. Therefore, it is unlikely that the project will be approved for development.

VI. **Stock Sales and Transfers**

Mr. Lawrence *moved* to approve the following stock sales and name transfer:

- Unit 1043-E from Brian Schill to Lauren MacDonald with a contract price of \$200,000 (cash sale)
- Unit 319-E from David Hill to Bing Hu with a contract price of \$195,000 (cash sale)
- Unit 610-E – A name transfer from Indira, Hemant and Hiranya Maru to Hiranya and Indira Maru

Mr. Banni *seconded*, and the motion carried unanimously (4-0-0).

VII. **Old Business**

No matters of Old Business were raised during the February 27, 2017 Board of Directors meeting.

VIII. **New Business**

No matters of New Business were raised during the February 27, 2017 Board of Directors meeting.

IX. **Adjournment to Executive Session**

With no other business brought forward, the February 27, 2017 Board of Directors meeting was unanimously adjourned to Executive Session at 7:40 p.m.

The Corporation will hold their 34th Annual Meeting on Wednesday, March 29, 2017 at 6:00 p.m.

These minutes were respectfully drafted and submitted by:

The Professional Documents
Service

River Place East Housing Corporation (RPEHC)

DRAFT Minutes from the Board of Directors – Monday, February 27, 2017 – 6:30 p.m.