

**RIVER PLACE EAST  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, MAY 20, 2009**

<b>Present:</b>	Mr. Brian Fredericks	Vice-President
	Ms. M.J. Schmelzer	OA Representative
	Mr. Jeff Walyus	Director
	Mr. Rob Vignato	Secretary
	Mr. Harry Lawrence III	Director
<b>Not Present:</b>	Mr. Hiranya Maru	President
	Mr. Leo Sequeira	Treasurer
<b>Management:</b>	Ms. Cristille Boyd	Building Manager
	Mr. Andre Baker	Administrative Assistant
<b>Others:</b>	Sarah Tyson	Recording Secretary, MBM

**I. CALL TO ORDER:**

Mr. Fredericks called the meeting to order at 6:16 p.m.

**II. SHAREHOLDER PARTICIPATION:**

There was no shareholder participation.

**III. SPECIAL GUESTS**

**Don Peebles – Kolb Electric (Electrician from the OA):** Mr. Peebles stated that all of the fuse boxes at River Place would be converted to breakers. He stated that the panels would be retro-fitted. This will be done to all units. If there are cabinets or tile on top of the panels they will need to be removed because the new panels will be slightly larger and therefore the cut-out for the new panels will have to be bigger. The cabinet will have to be removed while the work is being done. Mr. Fredericks stated that the Board would need to find out how many units have cabinets that cover the panels. Mr. Peebles stated that the work would be done by tier and the work should take 2 - 3 hours per unit. Ms. Boyd asked if this work will affect the main electric switch replacement, and Mr. Peebles stated that it would not affect that work. Mr. Peebles stated that he has not received a start date. He stated that the work could start 10 weeks from being given the go-ahead. Ms. Schmelzer stated that the OA has not decided who would pay for this. Mr. Peebles estimated the cost to be \$600,000 - \$650,000. Ms. Schmelzer stated that there has been discussion of having shareholders pay for the work. Mr. Peebles stated that the cost would be about \$425/unit. Mr. Peebles stated that \$425/unit could be a guaranteed price until July. Mr. Peebles stated that the project could take 8 - 10 months to complete.

Ms. Boyd stated that there are 48 tiers in the East building. Ms. Boyd stated that there are 12 units on each tier. Mr. Peebles said that someone could be in the unit with the workers if that is what the Board would like. He stated that his company generally has one person work on each unit. Mr. Peebles stated that the company is licensed and bonded. Mr. Peebles stated that if a violation is seen it will have to be reported. Mr. Walyus suggested having an inspection done of all units before the work begins.

**IV. EXECUTIVE SESSION – Voting of Officers – Tabled.**

**V. APPROVAL OF MINUTES:**

**MOTION: Ms. Schmelzer moved, Mr. Lawrence seconded, to approve the April 15, 2009 minutes as presented. The motion passed unanimously (5-0-0).**

**VI. OFFICER’S REPORT:**

**PRESIDENT’S REPORT:**

There was nothing to report.

**TREASURER’S REPORT:**

Financials – April and Year End Close: Ms. Boyd stated that the assessments total is off. Ms. Boyd stated that she would meet with William to discuss it. Mr. Fredericks stated that the budget for 2010 should be adjusted for the interest rate being reduced and creating less income. Ms. Boyd will be working with William to look at the work orders. Ms. Boyd stated that 3A is vacant so there is no storage money coming in from that. Ms. Boyd stated that the phone is over-budget because of the phone switch-over. Ms. Boyd stated that 30 days notice has been given to Triple S and the extermination fees will go down when the switch is complete. Mr. Fredericks stated that the Reserves are an issue. Ms. Boyd reported that Leo said there is a deficit in what should have been put in Reserves; more money should have been contributed to the Reserves. Ms. Boyd stated that there was a month when a Reserve contribution was not made because there was not enough money. Ms. Schmelzer would like to have the Reserve Study available at each Board meeting. She would like to be able to look at what was spent from the Reserves. She thinks it would be good to have it as a reference when looking at what major projects have been completed. Mr. Fredericks stated that the Board must watch these contributions very closely. He stated that the Reserve Study cannot be followed if the contributions are not done. Ms. Boyd stated that \$49,000 would need to be contributed to Reserves each month. Ms. Boyd stated that regardless of what was done we would have been short \$70,000. Mr. Fredericks stated that \$474,000 should be in the Reserves according to the Reserve Study. Ms. Schmelzer asked to review the year-end financials again and for the print-out to be bigger.

**OA REPORT:**

There was no report.

**MANAGEMENT REPORT:**

Ms. Boyd stated that leaks were found in units 620, 520, 531, 632, 529, 629, 1102, and 1122. Ms. Boyd stated that the leaks in all of the units except 1102 and 1122 are the fault of the unit not the building. The leaks in units 1102 and 1122 are due to a riser that leaked.

Ms. Boyd stated that due to a postal error there were no late fees assessed for May 2009.

Ms. Boyd stated that due to the same postal error a batch of checks went missing. The checks were cancelled and re-cut.

Ms. Boyd stated that the documents for the DPOR license, the business license, have been completed and paid for. Management expects the new DPOR to arrive any day.

Ms. Boyd would like the next issue of the newsletter to go out in October.

Ms. Boyd reported that Management turned on the AC on May 1<sup>st</sup>.

Ms. Boyd stated that the riser replacement project started March 30, 2009 for units ending in 11/12 and 33/34. This project has been completed. Ms. Boyd said there are six risers left to be replaced.

Ms. Boyd stated that Densel is currently working on the #2 and #3 boiler repairs that were approved at February's Board meeting. Boilers #1 and #2 have bad headers and need new cones. Densel has submitted a proposal to replace the cones. Ms. Boyd reported that the company that makes the burners is going out of business on June 1<sup>st</sup>. Ms. Boyd recommended buying some extra burners.

**MOTION: Mr. Walyus moved, Mr. Vignato seconded, to buy the needed burner cones plus two extra for an amount not to exceed \$23,000 (for the parts). The motion passed unanimously (5-0-0).**

**MOTION: Mr. Vignato moved, Ms. Schmelzer seconded, to approve the Skyline Maintenance Renewal. The motion passed unanimously (5-0-0).**

**ENGINEER'S REPORT:**

There was nothing to report.

**INCIDENT REPORT:**

There was nothing to report.

**VII. UNIT SALES:**

Unit 638: Ms. Boyd stated that an individual investor would like to purchase the type A-1 unit for \$125,000.

**MOTION: Mr. Walyus moved, Mr. Vignato seconded, to approve the transfer of unit 638. The motion passed unanimously (5-0-0).**

Ms. Boyd stated that BB&T is no longer financing units at River Place. Mr. Vignato added that Acacia has very high interest rates.

#### **VIII. NEW BUSINESS**

- a. Smith Boiler #1 and #2 – This item was discussed under the Management Report.
- b. Skyline Maintenance Agreement – This item was discussed under the Management Report.
- c. Hallway Carpet Replacement – Ms. Boyd stated that Sean Flannery from Commercial Carpets was supposed to come to the meeting but his flight was delayed. Ms. Boyd stated that there were 3 patterns to choose from. Ms. Boyd stated that the carpeting would not be replaced again for 10-15 years. In order for the carpet to last that long, though, there needs to be padding. There is a price difference between the different types. Ms. Boyd stated that about \$120 is what was budgeted. Ms. Boyd strongly recommended getting padding. Mr. Fredericks stated that he would like to see the carpet somewhere before making a decision. Ms. Boyd said she thought one was in the Fairfax County Courthouse. Ms. Boyd suggested going with one print and not having borders because it is less expensive. Ms. Boyd stated that all floors would be re-carpeted. Ms. Schmelzer would like to see a carpet with a border. Ms. Boyd stated that this installation would include new baseboards and quarter-round. She stated that the Board would then be responsible for having the new baseboards and quarter-round painted.

**MOTION: Ms. Schmelzer moved, Mr. Vignato seconded, to use the carpet with the high-end padding. The motion passed unanimously (5-0-0).**

#### **IX. OLD BUSINESS:**

- a. Installation of the air handler motor – This item was not discussed.
- b. Smith Boiler #2 and #3 – This item is currently being worked on by Densel.
- c. Eddy Current Analysis Results – This item was not discussed.
- d. Bearing Replacement – This item was not discussed.
- e. Major Stop Overhaul – This item was not discussed.
- f. Cooling Tower – This item was not discussed.

**X. ACTION ITEMS**

- a. Registration Fee Changes – Tabled
- b. Purchase of storage space as opposed to renting – Tabled
- c. Pharaoh Ant Proposal from Triple “S” – Tabled

*The Recording Secretary was excused at 7:25 p.m.*

**XI. EXECUTIVE SESSION**

The Board approved the hiring of an Administrative Assistant at the yearly salary of \$23,000.

The insurance policy was reviewed.

**XII. NEXT BOARD MEETINGS**

Wednesday, June 17, 2009 – Board Meeting

Wednesday, July 15, 2009 – Board Meeting

Wednesday, August 19, 2009 – Board Meeting