

**RIVER PLACE EAST HOUSING CORPORATION
BOARD OF DIRECTORS
MINUTES OF THE MONTHLY MEETING**

WEDNESDAY, JULY 21, 2004

1 **CALL TO ORDER**

2
3 President Anthony Priest called the meeting to order at 6:00 p.m.

4
5 **ROLL CALL**

6
7 **ATTENDANCE:** Anthony Priest - President
8 Keith Jones - Vice President
9 Elaine Cummins, - Secretary
10 Mary Jean Schmelzer - Correspondence Secretary
11 William Johns - Co-Treasurer
12 Andrew Spell - Co-Treasurer
13 Brian Fredericks - Director

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16 James Zelloe - General Counsel
17 Gisela Glodeck - Building Manager
18 Carol Brooke - Finance Manager
19 Joe Curtis - Building Engineer

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21 **Board Members Absent:** None

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24 **Residents:** **Dan Galber (former resident 1202)**
25 **John Curle, Unit 826**
26 **Katrina Reid, Unit 1115**
27 **Dr. Evaritus Ogu, Unit 616**

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31 **SHAREHOLDER PARTICIPATION**

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33 Dan Gabriel, former resident of #1202, reported on his efforts to settle a dispute over his security
34 deposit with the owner, Joyce Newell. Small Claims Court dismissed his case because the
35 summons was served to the management agent, Nancy Freeman. A new summons was served to
36 Joyce Newell at HomeCo Management's address, the only address on record for her. His new court
37 date is September 10, 2004, and he will brief the Board on the outcome.

38
39 Katrina Reid, resident of #1115, voiced her complaints about the trees over her parking space
40 causing leaves and bird droppings to fall on to her car. Mr. Jones will present her concerns at the
41 next UOA meeting.

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43 Dr. Evaritus Ogu, owner of #616, stated that his wheel chair bound mother lives in the unit and he
44 asked to consider outfitting the lobby with a ramp for better handi-capped building access than the
45 loading dock. Mr. Fredericks advised him that the garages provide an alternative.
46 John Curle, new owner of #826, had no comments.
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50 **GUEST SPEAKER**
51

52 Sales Manager Rick Ferguson from Water Management, Inc. outlined his knowledge of the
53 building's bathroom and other plumbing fixtures gained from personally servicing them when his
54 company's water conservation program was implemented at River Place East in October 1996. The
55 contract was not renewed in early 2001 after the contract term (16 quarters of billing) expired.
56 Even though current water consumption levels are not as high over industry standards as they once
57 were in 1996, Water Management projects savings in excess of \$47,000 per year in water/sewer
58 costs. To initiate the water savings program requires a unit wide inspection replacing all parts in the
59 toilets, installing new showerheads and aerators, and repairing any faucet supply side leaks. Mr.
60 Ferguson discussed three options for the start up costs: client pays for the upfront expense, client
61 enters into a shared savings agreement with free service calls or client opts for another "paid
62 services" agreement. Mr. Ferguson explained the data on which the proposed shared savings
63 agreement for River Place East is based and he responded to various questions and comments
64 regarding the program. Mr. Fredricks expressed his opposition to the program since the West
65 building recently terminated its 10-year agreement. He also feels that the needed inspection and
66 repairs can be done in-house. Mr. Ferguson stated that his company aims to provide quality service
67 but that they are not an emergency service. When the West building entered its second 5 year
68 contract water saving toilets were installed for a co-payment of \$75. Mr. Spell asked about H2O
69 Options, a competitor. In closing Mr. Ferguson stated that his company strives to provide a benefit
70 to the property by using the best parts and lowering repairs.
71

71 Mr. Ferguson concluded his presentation at 6:35 p.m.
72

73 Ms. Glodeck added that most requests for in-unit service pertain to water leaks. Often residents
74 wait until the situation is critical and frequently water leaks are only detected because of water
75 penetration into a neighboring unit. She expressed her reservations about conducting the inspection
76 and making the needed repairs in-house. A crew would conduct the inspections more timely. She
77 stated that the going rate for plumbers is around \$75 per hour and that an inspection takes about 20
78 minutes per apartment. Noted repairs would be done based on time and material.

79 The Board unanimously agreed to table the matter and asked to solicit a proposal from H2O
80 Options as well as a cost estimate from Water Management to install water saving toilets.
81
82
83

84 **BUILDING ENGINEER'S REPORT**
85

86 Water penetration project

87 Mr. Curtis stated that he will contact Richard Johnson from Leach Wallace who will be back from
88 vacation tomorrow (July 22) regarding the pending specs for the water proofing project. Ms.
89 Schmelzer wants to make sure that the needed repairs to unit 1210 stemming from termite damage
90 are included in the work scope. Mr. Priest will coordinate the penthouse window replacement
91 project with Leach Wallace including cost estimates.
92

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93 Magnolia Plumbing recommends using enzymes (available at Ferguson) to keep the main drains
94 open rather than mechanical applications. Only the small cable should be used to snake the fragile
95 pipes and hydro jetting should stop altogether.

96
97 All Plumbing will install the replacement fire pump valves for the sprinkler system sometime next
98 week. Mr. Jones will discuss a co-payment from the Owners Association with the manager Ms.
99 Nichols. They will also repair the cracked roof drain below the cooling tower.

100
101 Mr. Curtis reported that he has obtained a copy of the permit for some renovation work in the space
102 leased by the Lutheran College. The Board asked to be notified whenever Mr. Curtis observes any
103 steps outside the proper renovation process.

104
105 Mr. Curtis cautioned against approving the installation of washer/dryer units because he is
106 concerned about the impact on the cast iron pipes. Ms. Schmelzer added that the lack of venting for
107 dryers in penthouse might be another concern. The Board asked Mr. Curtis for an opinion letter
108 regarding this issue.

109
110 At the next meeting in August, Mr. Curtis will provide an update regarding increasing the air flow
111 from the convector units. He will consult with Densel staff as well as the other building engineers
112 about possible remedies.

113
114 Mr. Curtis concluded his presentation at 7:25 p.m.

115
116 **JUNE MINUTES**

117
118 **Mr. Spell MOVED and Ms. Schmelzer SECONDED to approve the June 16, 2004, meeting**
119 **minutes as amended. Unanimous approval.**

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121 **OFFICERS' REPORTS**

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123 **President's Report** – None Given

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125 **Vice President's Report** – None Given

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127 **Treasurer's Report** – None Given

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129 **Secretary's Report** – Ms. Schmelzer asked each Board member to sign the “goodbye” album she
130 had prepared as a souvenir for the former Building Manager, Ruby Nester.

131
132 **OA Report**

133
134 Mr. Jones distributed the draft June 28, 2004, OA meeting minutes. He stated he was told that
135 replacing the existing card at the back gate with a bent card reader is not feasible due to cost
136 considerations although the equipment is obsolete. The motor cycle noise complaint made by
137 William Young (#330) will be raised at the July meeting, Monday, July 26. Mr. Priest presented a
138 cost estimate to rebuild the fire damaged entertainment center from HITT (general contractor) for
139 \$1.2 mil. He remarked that some of electrical damage was not reflected on the drawings and he
140 offered to solicit a lower bid from HITT in time for Monday's meeting. Discussion ensued about the
141 low insurance proceeds of \$330,000 apparently based on the lowest of the three bids submitted by

142 Balfour. Ms. Schmelzer stressed the importance of relocating the sauna and steam room next to
143 the bathroom. Raising the bathroom floor will result in more open space and make the attendant
144 more visible. A desk area for the attendant is also needed.

145
146 James Zelloe explained that the obligation of the insurance carrier is limited to replacement value.
147 He recommends letting a selected contractor rebuild and repair the entertainment center under the
148 control and risk of the insurance carrier rather than accepting their proceeds.
149 An alternative might be to take the sauna out completely.

150
151 Mr. Priest advocated rewiring the sauna and steam room.

152
153 The discussion concluded at 8:00 p.m.

154
155 **MANAGEMENT REPORT:**

156
157 **Concierge Hours**

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159 Mr. Johns MOVED and Ms. Schmelzer SECONDED to approve extending the concierge hours by
160 3 hours each week day for a cost of \$7,800 per annum. Unanimous approval.

161
162 **Administrative Assistant**

163
164 After discussion of alternatives, Mr. Johns MOVED and Ms. Schmelzer SECONDED to increase
165 the administrative salary budget by \$10,000. Vote 4:2; Mr. Fredericks abstained.

166
167 **Unit Key Retrieval Charge**

168
169 Mr. Fredericks MOVED and Ms. Schmelzer SECONDED to charge a retrieval fee of \$25 for
170 providing realtors with unit keys effective August 1. Unanimous approval.
171 Management to post a notice in the lobby.

172
173 **APPROVAL OF UNIT SALES**

174
175 The Board unanimously approved the transfer of shares of stock for consideration of the following
176 units: **407, 511, 533, 645, 727, 728, 917, and 938.**

177
178 The Board unanimously approved the transfer of shares of stock without consideration of unit **624.**

179
180 The Board unanimously authorized Anthony Priest, president, to approve the sale of 1207 pending
181 receipt of missing documentation before the next board meeting.

182
183 The Board unanimously tabled approving the transfer of shares of stock without consideration for
184 the following units: **315, 501, 746, 836, 1004, 1132, 1139, and 1140 as well as 36 separately**
185 **listed units** pending review by legal counsel.

186
187 **Storage Space**

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189 Management to notify Ms. Christianson, owner of unit 644, that agreements for her storage bins
190 need to be signed before she may obtain a door key to the storage room and to remind her that
191 storing any article is at her own risk.
192

193
194

Photo ID

195
196 The Board unanimously agreed to table this issue until additional information is obtained from OA.
197

Phone System

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199
200 The Board asked for a second bid from a competitor. It was noted that a system might not be
201 needed, and a simple line splitter might suffice. Mr. Spell MOVED and Mr. Priest SECONDED to
202 split a telephone line so each office staff will have a telephone. Unanimous approval for second bid.
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204

Digital (LED) Exit Lights

205 The Board unanimously approved the purchase of 10 digital exit sign units.
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COMMITTEE REPORTS

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Windows Committee

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210
211 Mr. Priest to solicit a proposal.
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213

FINANCIALS

214

Monthly Reports

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216
217 Mr. Priest said he would contact Ms. Brooks outside the Board meeting to discuss some small issues
218 including various line item categories before the next meeting.
219

220

220 Ms. Brooks stated that the fee delinquencies total about \$3,500.
221

222

OLD BUSINESS

223

Newsletter

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225
226 Ms. Schmelzer regrets but the next issue has been delayed; it might be ready in August. Posting it
227 on the website rather than mailing might be a low cost option and would also be less labor intensive.
228 Mr. Spell will update the website. Mr. Priest will send a letter to the shareholders updating them as
229 to the legal action taken by the Board.
230

231

Lutheran College Lease

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233 Mr. Priest reported that Dr. Joyner has presented the new lease to her board.
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235

EXECUTIVE SESSION

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237 At 9:50 p.m., the Board unanimously voted to meet in executive session to discuss legal issues. The
238 Board re-convened in open session at 10:20 p.m.

239
240 No motions were made as a result of the Executive Session discussions.

241
242 **NEXT MEETING DATE**

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244
245 August 4, the Board will have a special meeting to discuss the water intrusion project.

246
247 The next regular meeting of the River Place East Housing Corporation Board of Directors will be
248 held on Tuesday, August 24, 2004, at 6:00 p.m. in the East Building Management Office.

249
250 **ADJOURNMENT**

251
252 **Ms. Cummins MOVED and Ms. Schmelzer SECONDED to adjourn the meeting at 10:27 p.m.**

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254
255 Respectfully Submitted,

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257
258 _____
259 Gisela Glodeck Elaine Cummins Date
260 Recording Secretary Secretary

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