

RIVER PLACE EAST HOUSING CORPORATION (RPEHC)
MINUTES FROM THE BOARD OF DIRECTORS MEETING
WEDNESDAY, AUGUST 21, 2024

In Attendance – Board of Directors

- Nina Yeh, President
- Anthony Priest, Vice President
- Karim Benni, Secretary
- Cassondra Crawford, Treasurer
- Hassan El Shazly, Director

Regrets – Board of Directors

- Pat Fairman, Director
- Anand Hemraj, Director

In Attendance – Property Management

- Leah Issa, General Manager
- Willy Barrera, Assistant General Manager

I. Call to Order

The Board of Directors of the River Place East Housing Corporation convened an Open Meeting on Wednesday, August 21, 2024. The meeting was convened via Zoom conferencing. President Nina Yeh called the meeting to order at 6:30 p.m. Following introductions, a quorum of the Board was verified.

II. Shareholders' Participation

A shareholder:

- Raised questions and comments regarding the Corporation's resale package – specifically the justification for the \$300 fee; who performs the back end research related to the package; and how the \$300 amount was determined. ***Ms. Issa will inquire with Pat Fairman how the \$300 amount was established and send the response to the inquiring shareholder (Jonathan Mann).***
- Inquired why a prospective shareholder would need to sign a document implying there is a lender and there will be a mortgage; and whether there is a different manner to handle the matter. ***Ms. Yeh stated the Board of Directors will revisit the resale documents.***
- Sought an update regarding the land lease and the work of that committee. ***Ms. Issa will forward questions from the shareholder (Jonathan Mann) to the East representative for the Land Lease Committee.***

III. Approval of Prior Meeting Minutes

Mr. El Shazly ***moved*** to waive reading the July 17, 2024 Board of Directors Meeting minutes. Mr. Priest ***seconded***. The motion carried unanimously. Mr. El Shazly then ***moved*** to approve the July 17, 2024 Board of Directors Meeting minutes as presented. Mr. Priest ***seconded***. The motion carried by a vote of four in favor, zero opposed, and one abstained (Ms. Crawford).

IV. President's Report

Ms. Yeh raised the following matters:

- A. New railings were installed in the lobby.
- B. The concierge team now wears uniforms.
- C. Repainting is in progress on the basement level of the building.
- D. Ms. Yeh researched the types of building entry that would offer the best prevention for piggybacking.

- E. Ms. Yeh commended the management team for responding to an incident involving an unauthorized individual accessing the building; stealing mail; and potentially staying in one of the stairwells for several nights. Ms. Issa and Mr. Barrera continue to review camera footage, and to train the staff to be on the lookout for suspicious activity. Residents are urged to close their mailbox and take their key to avoid unlawful access to their mail.

V. Management Report

Ms. Issa and Mr. Barrera highlighted the following information from the full Management Report:

- A. Roof Leaks: There was one roof leak into Unit 1111. NV Roofing will visit the building on Monday, August 26th to correct the leak.
- B. Penthouse HVAC Issues: The HVAC unit for 1212 needed gas, which was addressed by Welch & Rushe. ***Ms. Issa will visit the HVAC unit in question during Welch & Rushe's next visit; and will inquire about the specific type of gas used and how it was applied into the system.***
- C. Concierge: The concierge team processed 2,903 for the month of July. As referenced by Ms. Yeh, the front desk team now wears uniforms.
- D. Management Office: The old television was removed from the lobby as part of the lobby renovation project. The old TV was installed in the management office for use during in-person meetings.
- E. Lobby Railings: Installation of the lobby railings began on Tuesday, August 20th.
- F. Common Area Repairs: Summaries were provided concerning Welch & Rushe's replacement of a broken pressure switch on the water heater; restoration of hot water by Welch & Rushe resulting from a frayed wire; and repair of Elevator No. 3. Mr. Barrera thanked Ms. Issa for recommending DMV Elevator (the company that was ultimately hired by the Corporation), as their service response times have been excellent.
- G. Financials:
1. Accounts Receivable as of Sunday, June 30, 2024 totaled \$59,374 (a 55.2% decrease compared to the end of May 2024). Ms. Issa had not yet received an explanation from FirstService Residential (FSR) regarding the increase of more than 400% noted in the May 2024 report.
 2. Mr. Priest noted the Variance Report shows Bad Debt Recovery totaling \$43,000. Ms. Issa stated that amount was a decrease from \$81,000. ***Ms. Issa will inquire with FSR to ensure the reporting is accurate.***
 3. Ms. Yeh noted a drop in the Laundry Income. Ms. Issa explained commission paid to River Place East varies based upon actual usage.
 4. There were 16 accounts in arrears for a total owed of \$78,769.50 as of Sunday, June 30, 2024 (one account less than at the end of May 2024, and totaling 3.5% of the annual assessments). The top 10 arrears amounted to \$76,492 as of June 30th (a 3.5% increase from the end of May 2024). The highest delinquency totaled \$41,859 (55.7% of the total delinquent amount). The average delinquency totaled \$4,923.06, while the lowest delinquency totaled \$260.50.
 5. A variance was noted by FSR for the unit owned by River Place East. Ms. Issa reported the variance is erroneous, as FSR never adjusted the budget to reflect the new co-op fee; and is not transferring the correct monthly co-op fee. This resulted in the Corporation's unit mistakenly showing up on the delinquency report. Ms. Issa is addressing the matter with Bob Porco, FSR's Controller and Senior Financial Manager.
 6. The Repairs & Maintenance category showed an increase of 256% as a result of renewing the camera licensing and software.
 7. Electricity went up by 18.2% in comparison to the previous month.
 8. Mr. Priest noted the bonus for the year was included in the monthly budget. Ms. Issa stated that is typical, as the item is always listed at zero until budget season.
 9. Delinquencies were also noted in the Compactor line item (the installation of pins and a relay) and the Building Supplies line item (bulk purchase of stairwell lighting).
 10. Management awaits another few proposals from companies to provide financial services to River Place East.

VI. Treasurer's Report

Board Treasurer Cassondra Crawford reported the following information:

- A. As of July 31, 2024, the Corporation had reserve funds totaling approximately \$1.1 million.
- B. The Corporation's accounts with Merrill Lynch still notes Mr. El Shazly as President of the River Place East Board. This has presented delays in transferring funds to the new accounts with Sandy Spring Bank and Live Oak Bank. Ms. Crawford sent approved Board Meeting minutes to Merrill Lynch in an attempt to verify Ms. Yeh is now the Board President. Ms. Crawford will also have to fill out forms to update the points of contact.

VII. Owners' Association (OA) Report

Mr. El Shazly reported the following information:

- A. The Owners Association Board raised complaints about FirstService Residential.
- B. The OA Board is revisiting the 2018 land lease proposal with Monday Properties. The basic idea is that Monday Properties will purchase the entire River Place campus for redevelopment. The concept is that the appraisals will be based on the sales records rather than separately evaluating each unit. To obtain approval for sale of the land, a minimum of 75% of shareholders must vote in favor. If the approval is obtained, studies will be done of the building; and shareholders could remain in place for approximately another five years. Monday Properties has reported a cash shortfall. Therefore, shareholders are able to invest in the project. The Owners Association will form a Monday Committee comprised of the Board Presidents of each River Place entity. The committee will hold future meetings with Monday Properties.
- C. The new security company is working out for the campus, and has been collecting more money for fines. Ms. Issa noted there is no way for the guards to verify who lives on the property, and therefore suggested revamping the system. ***The Board will revisit whether to resume the issuance of resident IDs.***

VIII. New Business

- A. Unit Sale and Transfer: Mr. Priest ***moved*** to approve the sale and shares transfer for Unit 735. Mr. El Shazly ***seconded***. The motion carried unanimously.

IX. Temporary Adjournment to Executive Session

Mr. Priest ***moved*** to temporarily enter Executive Session at 7:14 for discussion of the Landmark lease. Mr. El Shazly ***seconded***. The motion carried unanimously. Mr. El Shazly departed the meeting amid the Executive Session at 7:32 p.m.

X. Adjournment of Executive Session; Resuming Board of Directors Meeting

The Executive Session was adjourned at 7:36 p.m. ***by the unanimous consent*** of those Board members remaining. Mr. Priest announced a decision concerning the Landmark lease was deferred for further negotiation.

XI. Committee Reports

- A. Community Wellness Committee:
 - 1. Please see Section IV of these minutes. Additionally, Ms. Yeh spoke in support of installing additional cameras which would require securing comparative proposals.
 - 2. Ms. Issa stated no smoking complaints were received since the July 2024 Board Meeting, while Ms. Yeh reported no trespassers were noted or reported since management took action to address the recent incident of unauthorized entry.
- B. Land Lease Committee: Please see Section VII.B of these minutes.

- C. Common Area Committee: Ms. Yeh reported the following information:
1. Please see Sections IV.A and V.E of these minutes.
 2. ***Ms. Yeh, Ms. Issa, and Ms. Fairman will collaborate to select a color palette for the lobby.*** Also, the lobby flooring will be acid washed; and a new wall treatment will be implemented to enhance the look of the lobby. All of the furniture has been purchased, but décor must still be selected.
 3. The basement is being repainted. Flooring must still be selected for the basement. Color samples will be provided.
 4. A proposal for a drop ceiling is anticipated for the Echo Room area. The space has already been primed.
- D. Maintenance Committee: Ms. Issa reported the list of matters compiled by the Maintenance Committee was about 90% complete. The remaining matters included the trash room, hallway carpeting, and fire extinguisher covers.
- E. Personnel Committee: Ms. Yeh suggested that the Personnel Committee offer a recommendation regarding cost of living raises for the staff.

(No additional Committee Reports were presented.)

XII. Old Business

- A. Accounting Services Proposals: Please see Section V.G.10 of these minutes.
- B. Balconies: This matter was listed on the Board Meeting agenda, but was not discussed.
- C. Signage: This matter was listed on the Board Meeting agenda, but was not discussed.

XIII. New Business

- A. Unit Sale and Shares Transfer: Please see Section VIII of these minutes.

XIV. Adjournment

Following conclusion of the Executive Session, Mr. Priest ***moved*** to adjourn the August 21, 2024 Board of Directors Meeting at 7:47 p.m. Ms. Crawford ***seconded***. The motion carried unanimously.

The next Board of Directors Meeting was scheduled for Wednesday, October 16, 2024 at 6:30 p.m.

The initial draft of these minutes was respectfully submitted by:

The Professional Documents
*** Service