

MINUTES OF THE
RIVER PLACE NORTH HOUSING CORPORATION
BOARD MEETING

July 16, 2008

1121 Arlington Boulevard
Party Room, Lobby Level
Arlington, Virginia 22209

I. CALL TO ORDER: President Hashmat Ali called the meeting to order at 6:22 p.m.

Directors Present: Mr. Hashmat Ali, President
Mr. Andrew Spell, Treasurer
Ms. Jennifer Pitz, Secretary
Mr. Troy Dibley, Director

Directors Absent: Mr. Assem Iskander, Vice President
Mr. Don Nachtwey, OA Representative
Ms. Djehene Claire Jean-Jacques, Director

Management: Mr. Francisco Foschi, Building Manager

Shareholders: None

II. APPROVAL OF AGENDA:

MOTION: Mr. Spell moved, Mr. Dibley seconded, to approve the agenda as amended. The motion passed unanimously (4-0-0).

III. APPROVAL OF MINUTES:

Since the May Minutes were not available, Mr. Ali directed Mr. Foschi to distribute the May 2008 minutes via email, where they will be approved electronically, provided there are no changes.

MOTION: Mr. Spell moved, Mr. Dibley seconded, to approve the June 18, 2008 Board of Directors minutes as amended. The motion passed unanimously (4-0-0).

IV. REPORTS:

A. President: Mr. Ali began by thanking Mr. Foschi for his hard work, stating that the Board was pleased with the teamwork of both him and Ms. Elkins. Mr. Ali also stated that he spoke with a representative from Verizon regarding the sloppy repair work done in both the South and North buildings, and was told that Verizon would take care of the problems. Mr. Foschi indicated that Verizon has accepted responsibility, has sent a contractor (TKC), and has begun replacing the molding. Mr. Ali directed Mr. Foschi to make sure that the contractor is aware that the Association will not accept sub-standard work, and further asked Mr. Foschi to make

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sure there is documentation that indicates that the contractor has assumed responsibility and is amendable to the repairs.

Mr. Ali then addressed the issue of the loading dock back door, stating that the door can easily be pulled open. Mr. Foschi said he spoke with both Mario and Gene and asked them to make adjustments to the door; however, the door still does not close tightly. He also said that he will obtain proposals to have the door repaired. Mr. Dibley recommended that Mario make another attempt at repairing the door by purchasing a plate, and if that is not successful, Mr. Foschi should proceed with obtaining proposals.

B. Treasurer: Mr. Spell reported the balance of the replacement reserve account is just over \$1.2 million. Once the deposit for this month is made, the balance will be over \$1.25 million for the first time in recent history. \$3,800 was gained in interest and dividends during June. The exterior brick project is the first of several capital improvements scheduled that will significantly draw down the reserve account balance over the next few years. He urged the board to move forward with these projects as they may become even more costly if they are deferred.

He reported that, per this month's financial statements, the Corporation is on target against budget on a year-to-date basis. He noted that the miscellaneous income figure is lower than anticipated due to the breakdown in negotiations with Verizon over the FiOS marketing agreement. He cautioned against budgeting for anticipated income before agreements are signed in the future. He reported all variances for utilities are positive, possibly due to mild summer weather. He noted that the variance in janitorial services was due to a pre-payment and the WiFi variance was due to the timing of the payments to Trident and Single Digit.

Mr. Foschi reviewed the delinquencies report and indicated that the delinquencies are down to approximately \$11,000 from approximately \$39,000 last month. He added that the delinquencies are the lowest in eleven months and that Management is committed to lowering them further.

V. **OLD BUSINESS:**

A. L-3 Leasing (Lease Listing Agreement): Mr. Ali reported that the Association received the leasing agreement from the broker for the L-3 space. He said the lease agreement is at a rental rate \$16.29 per square feet for a term of 1 to 5 years. In addition, the lease agreement also includes a 6% commission fee to be paid to Buck Commercial, with one-half of the commission due upon execution of the lease, and the remaining half of the commission due upon occupancy of the rental property.

MOTION: Mr. Spell moved, Ms. Pitz seconded, to accept the Lease Agreement as presented by Buck Commercial. The motion passed unanimously (4-0-0).

B. Cooling tower Motor Replacement: Mr. Foschi presented the Board with three estimates for replacement of the cooling tower. He said that Mario reviewed the proposals and has indicted that Densel is the best of the three. Mr. Ali asked Mr. Foschi to have Mario state his recommendations on all future proposals, since he is the building engineer.

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MOTION: Mr. Spell moved, Ms. Pitz seconded, to accept the proposal from Densel to correct the issue with the cooling tower fans. The motion passed unanimously (4-0-0).

C. Reserve Study: The Board discussed the importance of completing the reserve study, stating that there are several issues that need to be addressed. Mr. Spell said that the numbers are slightly off, and added that he is concerned that there are items on the last reserve study (2002) that were not completed.

Mr. Ali commented that there should be a check and balance system which would indicate how items were paid; i.e. whether items were paid from the reserve study or operating fund, and also there should be a column added to the spreadsheet reflecting the status of an item. Upon further discussion, Mr. Spell stated that he has a copy of the reserve study and he would implement the necessary fields. Mr. Foschi said that he would contact the contractor and arrange to have him attend a future meeting.

VI. **NEW BUSINESS:**

A. Gateway Router Upgrade: Mr. Foschi reported that he ordered the router upgrade as approved during last month's meeting. He added that the equipment is covered under a one year warranty; however, he would like the Board to consider purchasing an additional year warranty. Mr. Dibley stated that he believes warranties are a waste of money, and Mr. Spell stated that he believed \$500.00 was a small price to pay in the event there are issues with the upgrade.

MOTION: Mr. Spell moved, Ms. Pitz seconded, to approve payment of \$500.00 for an additional year warranty for the Gateway Router Upgrade. The motion passed unanimously (4-0-0).

B. Building Front Door Replacement: Mr. Foschi referred the Board to the proposals for the front door entrance replacement. He said the cost of the proposals vary depending on which option the Board wants. Mr. Foschi listed the options as: bi-folding doors; an automatic door operating system; removing the old paint from the door frames and repainting; or repairing the door and repainting. The Board agreed that Mario should attempt to fix the existing door, and if fixable, the Board will then discuss having the door painted. Mr. Dibley said it would be helpful if Mario's recommendations are known in advance of presenting proposals to the Board, or perhaps Mario should prepare an engineer's report each month to the Board as to expedite approval of proposals. Mr. Foschi agreed, and said that he would have Mario try to fix the door.

C. Exterior Brick Repair and Water Proofing: Mr. Foschi reported that he continues trying to get a contractor in to do the exterior brick repair and waterproofing. He said he is unable to locate Francis Hamilton, and he has placed calls to SAI, but they have yet to respond.

VII. EXECUTIVE SESSION:

MOTION: Mr. Spell moved, Ms. Pitz seconded, to close the Regular Session and convene an Executive Session at 8:05 p.m. There were no objections.

SUBMISSION OF MINUTES

Sandra Pickron,
Recording Secretary

Pitz, Secretary

Approved by:

Jennifer

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