

**FINAL
MINUTES OF THE
RIVER PLACE NORTH HOUSING CORPORATION
BOARD MEETING
June 18, 2008**

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

I. **CALL TO ORDER**: President Hashmat Ali called the meeting to order at 6:05 p.m.

Directors Present: Mr. Hashmat Ali, President
Mr. Assem Iskander, Vice President [late]
Mr. Andrew Spell, Treasurer
Mr. Don Nachtwey, OA Representative
Ms. Djehenane Claire Jean-Jacques, Director
Mr. Troy Dibley, Director

Directors Absent: Ms. Jennifer Pitz, Secretary
Management: Mr. Francisco Foschi, Building Manager
Ms. Cathy Elkins, Assistant Manager

Shareholders: Mr. Michael Hornick #945

II. **RESIDENT PARTICIPATION**: Mr. Hornick asked what will happen when the land lease expires in 2052. Mr. Ali said that nothing belongs to shareholders except what they have inside their units. However, he said, 45 years is a long time and that another developer, landowner, or other interested party may want the property. He also said the lease might be renegotiated, rewritten, or extended. In response to Mr. Hornick's question, Mr. Ali said that 90% of shareholders must agree to sell and that the market value of the property should be determined by experts. He added that the current land have shown no interest in selling. Mr. Hornick then asked if he should disclose to potential buyers that the property is a co-op. Mr. Ali replied that the information is included in the resale package and that he should disclose the information. Mr. Nachtwey also said that the land lease expiration is in the condo documents, but the good news was that units were holding their prices.

[Mr. Iskander arrived at 6:15 p.m.]

III. **APPROVAL OF AGENDA**:

MOTION: Mr. Nachtwey moved, Mr. Dibley seconded, to approve the agenda as written. The motion passed unanimously (6-0-0).

IV. **APPROVAL OF MINUTES**:

Since the May Minutes were not available in time, Mr. Ali postponed approval until the next Board meeting.

V. **REPORTS:**

A. **President:** Mr. Ali said that the ratified contract with Verizon on FIOS was never signed and that Comcast was offering \$300 per unit and exclusivity but WiFi was fine. He also said that the system remains Comcast property. Mr. Spell suggested getting clarification on their cross connecting to other systems in the building. Mr. Ali added that Comcast wanted a 12-year agreement. He then asked Mr. Iskander and Mr. Nachtwey to read the contract and send it to the attorney to review. Mr. Iskander also suggested inviting Comcast to do a presentation at the next meeting and answer the Board's questions. Mr. Spell added that the Comcast agreement involved compensation, not marketing. He also said that Comcast was offering a plasma TV and free cable for the party room; Verizon, by contrast, offered fiber optics and a 5-year contract.

Mr. Ali then addressed the problem of others parking in corporation-owned spaces. He said that a crane was parked in space #581 but no one knows who is renting the crane. He then said Mr. Nachtwey should inform the OA.

A front desk issue, Mr. Ali added, was that the concierge's name and the time he/she will be back from break should be clearly indicated.

B. **Treasurer:** Mr. Spell reported that the replacement reserve account had \$1.2 million. He also said that the miscellaneous income figure was lower than expected because of Verizon. He added that the negative variance for gas was offset by the positive variance in electricity. He said that other significant variances were legal fees and the WiFi quarterly license. Real estate estimated taxes, he said, had a positive variance while licenses showed a negative variance. Mr. Foschi added that the corporation had to pay \$1800 to Arlington County for licensing the elevators. Replying to Mr. Iskander's question, Mr. Foschi said that delinquencies did not reflect actual outstanding accounts because of problems with Skyline and ACH. He added that he now had to check the report manually. Mr. Spell said that Skyline must be upgraded and that the server cannot run the software. Mr. Ali then said that the account analysis fee charged by SunTrust was of no benefit to the corporation. Mr. Spell suggested, since it's only \$118, tabling the matter until other things were under control. Ms. Elkins added that the bank said it could not take out the fee.

C. **OA Representative:** Mr. Nachtwey reported that after 7 vehicles were vandalized in the WP garage on May 17, the OA added another guard in the evenings and was looking into security cameras. Mr. Ali then said that Mr. Nachtwey should find out the cost. Mr. Dibley said that anyone can enter the property and commit vandalism. Mr. Ali added that only patrol services can be provided, not security. Mr. Nachtwey added that new ID's for the pool and Entertainment Center have been implemented. Mr. Foschi also said that for a tenant the terms of the lease determined the expiration date, but for an owner the date was indefinite. Mr. Dibley suggested posting the process for getting the ID on the elevators and with Yahoo groups.

D. **Improved Environment:** No report.

VI. **OLD BUSINESS:**

1. **Front Door Replacement:** Mr. Foschi said that two options were installing automatic doors which cost \$16,044.60 or refurbishing the existing door for \$2420. He also said that maintaining sliding doors was expensive but that refurbishing should make the door look and work like new. Mr. Iskander said that it was just cosmetic work. Mr.

Foschi replied that the paint was baked on and would last long, but that he would look into hardware costs and the terms of the warranty.

MOTION: Mr. Spell moved, Mr. Dibley seconded, to authorize Mr. Foschi to negotiate with EnviroTech on a door. The motion passed unanimously (6-0-0).

2. L-3 Leasing: Mr. Foschi reported that the potential renter disappeared and that he would post the ad again on Craig's List and CoStar. He also said that he had a professional dancer who was interested in it as a studio but has been sick. Mr. Dibley then suggested waiting a week and, if that person does not bring in his check, to list the space with Buck. Mr. Spell said he wanted to cover the budget of \$24,000. He also suggested cleaning the space because it did not show well. He said that lowering the price would not lower the 6% commission. Mr. Ali added the commercial spaces were not renting. Mr. Dibley also suggested voting by email rather than waiting. Mr. Spell said the Board should start moving on this matter if the potential dance studio does not materialize.

3. Exterior Brick Repair and Water Proofing: Mr. Foschi said that Richard Johnson from Leach Wallace will give the specs for the work and then he can get bids. Mr. Iskander said that the Board would like several bids to choose from.

VII. NEW BUSINESS:

1. Office Server and Software Upgrade: Mr. Foschi referred the Board to the 2 estimates from Dell: \$2003 and \$2930. He added that the 2nd had internal removal hard disc as a backup for the hard drive. He also said he checked with the Skyline rep who recommended the 2nd option.

MOTION: Mr. Spell moved, Mr. Nachtwey seconded, to approve the hardware purchase not to exceed \$2930 and labor not to exceed \$975. The motion passed unanimously (6-0-0).

2. Cooling Tower Motor Replacement: Mr. Iskander asked if the motor could be replaced any sooner than 6-8 weeks. He also suggested getting 2 more proposals. Mr. Spell said he would see if it was in the reserve study. Mr. Dibley also suggested getting more detail on the work to be done.

3. Single Digits Access Controller: Mr. Foschi referred the Board to the proposal for removing the old 3500 Gateway and installing the new 5200 Gateway router at a cost of \$2870. He said that the warranty had expired. Mr. Ali suggested going to another vendor and finding something compatible. He added that the 2 options were to continue with Single Digits or not. Mr. Iskander also said that the corporation budgeted \$10,500 for WiFi and was not getting its money's worth if it was unreliable. Mr. Ali said that they did not know how many used WiFi. Mr. Nachtwey added that customer service was not good. Mr. Foschi agreed and said he does not get a response from them. Mr. Iskander added that the T-1 line was an added cost. Mr. Spell said that their contract was for 18 months.

MOTION: Mr. Spell moved, Mr. Nachtwey seconded, to approve \$2870 to remove the 3500 Gateway Router and install the 5200 Gateway Router. The motion passed unanimously (6-0-0).

Mr. Ali also suggested looking at the original contract with equipment itemized and costs. He also instructed Mr. Foschi to ask for a warranty, and a test of strength and speed of signals. He added that the signal and system must be working before Single Digits leaves the building and he will sign the contract.

Cooling Tower Fans-continued: Mr. Iskander said that the cooling tower fans were not included in the reserve study as part of the cooling tower itself. He also said that the description in the draft was not the same as the study. Mr. Dibley then suggested having a presentation of the reserve study. Mr. Ali said the reserve study would be included on the agenda as a discussion item for the next meeting. Mr. Iskander added that the proposal did not have enough information.

VIII. **EXECUTIVE SESSION**:

MOTION: Mr. Iskander moved, Mr. Nachtwey seconded, to close the Regular Session and convene an Executive Session at 9:01 p.m. There were no objections.

SUBMISSION OF MINUTES

**Barbara Seaman, Approved by:
Recording Secretary Jennifer Pitz, Secretary
River Place North**

Housing Corporation

Minute-By-Minute