

**MINUTES OF THE
RIVER PLACE NORTH HOUSING CORPORATION
October 15, 2002
Arlington, Virginia 22209**

CALL TO ORDER: President Mikalac called the meeting to order at 5:53 p.m. in the Management Office Conference Room, 1121 Arlington Blvd. Suite L-1, Arlington, Virginia.

Directors Present: Mr. Norman Mikalac, President
 Mr. Hashmat Ali, Vice President
 Ms. Sara Shahade, Secretary
 Mr. Andrew Spell, Treasurer
 Mr. Walter Charlton, Director
 Mr. T. Malcolm Roberts II, Director
 Ms. Nancy Joyner, Director

Directors Absent: None.

Management: Ms. Mary Riddlemoser, Building Manager

Others: Ms. Barbara Seaman, Recording Secretary

RESIDENT PARTICIPATION: None

INFORMATION ITEM: Mr. Mikalac presented for recognition in the Minutes the letter citing assessment payments by Ms. Shahade and Mr. Ali based on share allocation.

APPROVAL OF AGENDA: Mr. Ali suggested adding the HOF lawsuit to Unfinished Business and Ms. Riddlemoser suggested adding Health Insurance Renewal to New Business.

(M) Mr. Ali moved, Ms. Shahade seconded, to approve the agenda as amended. There being no objections, the agenda with additions was approved by unanimous consent.

APPROVAL OF SEPTEMBER 17 MINUTES:

(M) Mr. Charlton moved, Ms. Spell seconded, to approve the Minutes of September as amended. There being no objections, the motion was approved unanimously.

REPORTS:

Election Committee Report: Ms. Joyner distributed copies of the report that she and Mr. Cedrone drafted. She also said that Goldklang would look at it after the Board did. Although Mr. Mikalac said that the committee should have supplied the details for the Board, Mr. Charlton disagreed and said that corporation procedures were in the bylaws and that the committee presented the principles. Ms. Shahade added that a time frame or schedule should be given. Mr. Roberts also said that the report clarified the gray areas and addressed the

disputed ballots. He then suggested delineating who had the final say on disputed ballots. Mr. Spell also recommended a format with sub-headings. Ms. Shahade said that a question and answer format could work. Mr. Charlton then made specific suggestions: keeping an official file of proxies under the control of the corporation secretary; and mailing ballots to an official corporation location in accordance with official procedures, then having the secretary gather them and hand them over to the auditor. He also stated that at the Annual Meeting the count should be based on official corporation records certified by the secretary. Mr. Mikalac then asked what to do if a dispute was not covered by the rules. Ms. Joyner said that the corporation attorney should advise in matters under dispute. Mr. Charlton also said that under the corporation structure, the Board of Directors could delegate someone to make the final decision when disputes arise. Mr. Ali was concerned about the conflict of interest if a member of the Board were chosen and suggested a neutral person to make judgment calls. Mr. Roberts then suggested that a disinterested party could be a paid decision-maker. He also said that the Board should decide on the default adjudicator and the schedule. Ms. Joyner then suggested that the Board set the date of the Annual Meeting at the next meeting. She also said that they could use some combination of reasonable ideas, such as, the secretary certifying the corporate records, then turning them over to the independent auditor in disputed matters. Mr. Charlton wanted to add a provision in the documents that someone running for the Board must be of good moral character. Ms. Joyner also said that they should decide on what disqualifies a person from the Board. Mr. Spell then suggested reviewing the election committee report and comparing it to the CAI document on provisions for elections. Ms. Shahade then recommended sending suggestions to Ms. Joyner by email. Mr. Ali volunteered for the committee and suggested proceeding with an outline.

President's Report: Mr. Mikalac reported that he was working with Ms. Lynn on the abandoned units 605 and 247. Mr. Ali then suggested that Mr. Spell propose a meeting date to Mr. Kennedy and that another Board member should also attend. Mr. Roberts added, however, that one person should do the talking.

Treasurer's Report: Mr. Spell referred the Board to the financial package and said that total income was ahead for the month and the year. He added that the last payment had been made on the windows. He also said that a couple of investments were sold to make that last payment and prepare for the elevator payments. He added that the corporation was contributing \$18,000 a month and could make long-term investments at higher interest.

OA Report: Ms. Joyner reported that the most significant matter was the revision proposed to section 7.4 amendment to the declaration. She said that she had asked for a comparison between the old and the new version. She also said that she asked for the rationale for the change and said that no discussion was conducted about what was included. Mr. Mikalac added that the different revenues and expense accounts were allocated differently. Ms. Joyner also said that the changes must be approved by unanimous consent of all four buildings and parcel 5. Ms. Riddlemoser said that determining percentage of benefits to each was difficult. Ms. Joyner also said that Mr. Greenberg wanted to put on the agenda taking over the management of the North and East buildings. She said that agenda items should be explained and that they were not discussed with Mr. Ali, Ms. Shahade, or her. She added that Mr. Greenberg acted unilaterally and was allowed to put the issue on the agenda

without discussing it. She also said that Mr. Mikalac would represent the North building at the next OA meeting.

President's Review of Perks: Mr. Mikalac asked the Board to consider perks to members. Ms. Riddlemoser said that tenants were leaving checks for owners at the front desk. She also said that keys for other buildings were left there. Mr. Charlton said that any perks the Board could garner were well deserved. Ms. Riddlemoser said that the rule was that it was a perk if no other shareholders could get it.

[Mr. Charlton then left the meeting at 7:58 p.m.]

She also said that the concierges could not handle or track keys for all shareholders. Mr. Mikalac said that the rules state that nothing should be left at the front desk. Ms. Riddlemoser also said that one bin per shareholder or less was available. Mr. Mikalac asked if directors should be allowed to have more than one bin when some owners have none. Mr. Riddlemoser said she did not want to be responsible for keys to other buildings. Mr. Ali said that not many directors owned multiple units and that it should not be a problem. He also suggested that the use of the lobby phone should be discouraged except in emergencies. Mr. Mikalac also said that another perk was parking spaces for tenants. He said that tenants of Board members should not park in "free" spaces. Ms. Shahade suggested that Board members apply to the OA for parking permits for Board meetings.

Mr. Mikalac then introduced the issue of storage spaces. Mr. Ali said that 1H was not supposed to be a free space and that the swap with 1G was unfair and unauthorized.

[Ms. Joyner then left the meeting at 8:32 p.m.]

Mr. Mikalac said the corporation needed the money and the Board should establish a price per square foot and should open storage spaces to all shareholders.

(M) Mr. Ali moved, Ms. Shahade seconded, to have 1H start paying \$100 rent next month. Mr. Spell then made a friendly amendment, seconded by Ms. Shahade, to start paying in January. The motion passed (3-0-1) with Mr. Roberts abstaining.

Mr. Mikalac then said the solution to the space problem might be the black hole. Mr. Roberts said that no one has agreed with how to use it. Ms. Riddlemoser then said that she would present contractors' proposals at the next meeting. She also said that she was running out of space for large projects. Mr. Spell then suggested canceling someone's lease on a storage bin when it ended. Mr. Roberts also recommended putting a time limit on free space. Mr. Mikalac also said that until the black hole was converted to usable space, to allow Bo Ives to use it free of charge.

The Board decided on the following changes in perks:

1. Storage bins - one to each Director, like all other shareholders.

2. Personal Checks - No personal checks left there by any Director, like with any other shareholder.
3. Keys – It is acceptable for Directors to leave keys for other buildings at desk, BUT the office is not responsible if they are lost or stolen.
4. Lobby Phone – No one uses lobby desk phone except in emergencies, like dialing 911.
5. Personal Items - None for any Director, like all other shareholders, EXCEPT Sara may leave heavy items at the desk for tenants because of her handicapped condition.
6. Parking - Only shareholders with the RPOA parking red parking tag conspicuously placed on the auto may park in the RPN parking spaces.

HVAC Committee: Mr. Spell said that the HVAC project could not be financed in the near future because it would run into negative reserves. Mr. Ali suggested doing some creative financing. Mr. Roberts said that Mr. Charlton should negotiate with the manufacturers if he thinks he can get units cheaper off the shelf. Mr. Spell said that Presidential might want more than 50% on deposit, but only \$100,000 was federally insured. He also said that Citicorp might accept securities on deposit. Ms. Shahade suggested contacting Lorenzo Ricks who arranged for a lower interest loan for the West building.

ADJOURNMENT:

(M) Mr. Spell moved, Mr. Roberts seconded, to adjourn the Board of Directors meeting at 9:09 p.m. There being no objections, the motion passed unanimously.

SUBMISSION OF MINUTES

**Barbara Seaman
Recording Secretary**

Approved by:

**Sara Shahade, Secretary
River Place North
Housing Corporation**