

FINAL

MINUTES OF THE
RIVER PLACE NORTH HOUSING CORPORATION
BOARD MEETING

February 17, 2009

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

I. CALL TO ORDER: President Hashmat Ali called the meeting to order at 6:09 p.m.

Directors Present: Mr. Hashmat Ali, President
Mr. Andrew Spell, Treasurer
Ms. Jennifer Pitz, Secretary
Ms. Djhenane Claire Jean-Jacques

Directors Absent: Mr. Assem Iskander, Vice President
Mr. Don Nachtwey, OA Representative
Mr. Troy Dibley

Management: Mr. Francisco Foschi, Building Manager
Ms. Daisy Zambrano, Assistant Manager

Shareholders: Ms. Maria Cristino Torre #441
Mr. Brian Fredericks

II. RESIDENT PARTICIPATION: Mr. Frederick said that the budget should be carefully evaluated because owners will find it hard to pay an increase. He also opposed salary increases for staff and said that if assessments are increased, the rationale must be explained at the Annual Meeting.

III. APPROVAL OF AGENDA:

MOTION: Ms. Pitz moved, Ms. Jeanne-Jacques seconded, to approve the agenda as written. The motion passed unanimously (4-0-0).

IV. APPROVAL OF MINUTES:

MOTION: Mr. Spell moved, Mr. Ali seconded, to approve the Minutes of November 19, 2008 as presented. The motion passed (2-0-2) with Ms. Pitz and Ms. Jeanne-Jacques abstaining.

Approval of the January 13, 2009 Minutes was tabled.

V.

REPORTS:

A. President: Mr. Ali reported that since the Corporation spent \$40,000 to install WiFi and pays another about \$19,000 a year, the Board should consider whether to continue with Trident or explore other options. He also suggested that the Corporation might consider charging a fee, if the annual cost is too high. Mr. Foschi said he would study the contract to determine the end of the 18 month agreement and the conditions of termination or renewal. Turning to the Annual Meeting, Mr. Ali said that the deadline for nominations was February 16th and that only 2 candidates have submitted their papers for candidacy. He added that since 4 candidates were needed, nominations for 2 more candidates could be taken from the floor at the Annual Meeting. Ms. Pitz said that another mailing would be costly. Mr. Ali then said that the Board could also fill any open position(s) by appointment after the Annual Meeting, if not enough candidates have come forward.

B. Treasurer: Referring the Board to the financial report, Mr. Spell said that reserves were more than \$1.5 million. Mr. Foschi then explained the Variance Report that follows:

February 13, 2009 Variance Report

Income variance report over \$1000

Also includes notes on possible trends

Includes Month to Date (MTD) and Year to Date (YTD)

	MTD Current/Budget YTD Current/Budget Will Round	FAVORABLE/(UNFAVORABLE)
Operating Assessments	MTD 142K/133 K YTD 1.2K/ 1.19K	9K- Assessments Collected.(Minus 3K on NSF checks) YTD -13K Positive
Laundry	MTD 0 K/ 3.5K YTD 24.5 K/31 K	(3.5) K – January check not deposited yet. YTD – (7 K) Jan-Feb checks pending
Miscellaneous Income	MTD 0 K/ 3.7 K YTD 130/ 30 K	(3) K – Expected YTD budget exceeded. No other monthly Income expected
Janitorial services	MTD 8.9 K/ 4.5 K YTD 44.6 K/41 K	(4.3K) – December check pending. Two months paid on January
Trash	MTD 10 K/3.2 K YTD 33 K/ 28 K	(7.6) K– 3 paid periods on January. December-January and February.
Medical insurance	MTD 5.8 K/ 2 K YTD 16 K/17 K	3.9 K – Two periods paid.
Electricity.	MTD 17 K/ 13 K YTD 164 K/ 158 K	(3)K- Consumption increase
Gas	MTD 24K/ 22K YTD 93 K/ 114 K	(2 K) – Consumption increase YTD -20 K positive
Water	MTD 11.9 K/ 0 K YTD 138 K/104 K	(11 K) - Consumption increase Monthly billed.

Note:

There is no current income in Rental income office (L-3).

Mr. Foschi then added that he and Ms. Zambrano were working with an engineer to try to maximize utility efficiencies without spending money. He added that there would be no upfront costs for data collection and that no contracts have been signed. Responding to Mr. Ali's concerns about exclusivity, Mr. Spell said that the proposal would probably have an exclusivity clause and that RPN could consider other providers before signing. He added that the current provider under consideration appears to focus on HVAC efficiencies. He continued saying that we had talked to two companies that provide services to improve water efficiency in the past and that usage has crept up since the service agreement expired.

Turning to delinquencies, Mr. Spell suggested writing off those where the Corporation was at fault and clearing up the books before the start of the next fiscal year. Mr. Foschi said he would send a list of the oldest due and the source so that the Board could vote on whether to write off the amounts.

C. OA Report: No report.

D. Improved Environment: Mr. Spell said he called Arlington County about what could and what could not be recycled. Mr. Spell also said he reviewed the AAA contract and that the language about what recyclables they accept is vague. Replying to Mr. Ali's question about dumping trash in recycling containers, Mr. Foschi said that bins should have small openings.

E. Engineer's Report: Mr. Foschi explained the report. Mr. Ali said that the engineer should also include action required. Mr. Spell said it was a good report because it could be compared to the reserve study.

VI. OLD BUSINESS:

A. Exterior Brick Repair: Mr. Foschi referred the Board to the construction documents and the draft of the contracts. He also said there would be a pre-bid meeting on Monday, March 9th at 11:30 a.m. with all the contractors. The project, he added, was scheduled to start in May. Mr. Ali suggested that a Board member attend the pre-bid meeting and review the basis for the proposals as well as the scope of work. Mr. Spell said that it was good to encourage Board members to participate in the project, but he was afraid to lose the window of opportunity. Mr. Foschi added that FEA was being paid to oversee the project. Mr. Spell said that the contract included status reports and the FEA could be invited to report at a Board meeting.

B. Party Room Upgrade: Mr. Spell said that he had sent out a concept drawing to the board and received positive feedback. He said two more lounge style chairs would be added to the plan per Mr. Ali's feedback. He also said that the bar top could be reduced in length and widened to 24 inches to better accommodate barstools. Mr. Ali said that it was a common room that, with a deposit, could be reserved for parties. Mr. Spell added that the TV to be furnished by Comcast would likely be installed on the wall shared by the party room and the closet so that the cable box and any other similar equipment could be locked in the closet.

C. Annual Meeting: Mr. Spell said that since it was difficult to establish a quorum, the Board could encourage participation by giving away co-op fees as it did at the last Annual Meeting.

MOTION: Ms. Pitz moved, Mr. Spell seconded, to repeat the previous policy of giving away 2 months' worth of assessments to 2 shareholders for an amount not to exceed \$500 to encourage participation in the Annual Meeting. The motion passed unanimously (4-0-0).

Mr. Foschi said that the notice could be sent out with proxies.

VII. NEW BUSINESS:

A. Switch Gear Maintenance: Mr. Foschi said he received 2 proposals and recommended Ad Cock's but it did not include fees and permits amounting to about \$3,500.

MOTION: Mr. Spell moved, Ms. Pitz seconded, to approve the Adcock's proposal. The motion passed unanimously (4-0-0).

B. 2009-2010 Budget: Mr. Spell reviewed the draft budget as amended previously with board feedback. In response to board questions, he responded that a 0% increase in assessments would be possible if the reserve contribution was decreased and that the planned contribution is already under that called for by the reserve plan. Ms. Pitz reiterated that \$375,000 is budgeted for next year while the reserve plan calls for \$414,000. Mr. Spell said he is comfortable with the lower than planned contribution as the current reserve level is also higher than that anticipated by the reserve plan. He added that an assessment increase of 2.9% funds the reserves roughly as planned while maintaining operations.

MOTION: Ms. Jeanne-Jacques moved, Ms. Pitz seconded, to approve the 2009-2010 budget as discussed. The motion passed unanimously (4-0-0).

C. L-3 Proposal: Mr. Ali said that selling L-3 was not in Corporation's interest. Mr. Spell said that he had met with the offeror twice to discuss the proposal. As there are not enough shares outstanding to adequately represent the space, Mr. Spell suggested a long-term transferrable lease paid up front to simulate a purchase. The board agreed that, while this type of arrangement was worth considering, the particulars of this offer were not in the best interest of the Corporation.

VIII. ADJOURNMENT:

MOTION: Ms. Pitz moved, Mr. Spell seconded, to adjourn the meeting at 8:31 p.m. The motion passed unanimously (4-0-0).

SUBMISSION OF MINUTES

Barbara Seaman,
Recording Secretary

Approved by:

Jennifer Pitz, Secretary
River Place North
Housing Corporation