



THE PIERRE CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING MINUTES

I CALL TO ORDER:

The Board of Directors meeting of April 23, 2003 was called to order at 7:48 p.m. by Board President Adam Landsman. A quorum was noted. Attendance was recorded as follows: Directors: Wayne Lau, Bob Doak, Denise Antonucci, Adam Landsman, Edward Burnes, Bill Waterston (8:05 p.m.), Randy Mehrberg (8:15 p.m.), Bob Zabors (8:35 p.m.). Others: David Thomas, Kerry Thomas, Perimeter Builders Inc.; Joe Bright, Wolin-Levin; Aaron Jewell – Chief Engineer, Pierre.

II JOINT REPAIRS UPDATE AND REVIEW:

a) AN – BN units and Hallway Joint Repairs Mr. David Thomas of Perimeter Builders Inc. was present to update the Board on the progress of expansion joint repairs in the AN and BN units. Mr. Thomas explained results of the concrete slab joint repairs performed by Berglund Maintenance Company and adjacent drywall replacement repairs performed by Perimeter Builders Inc. that have been completed in a few of the AN and BN units.

b) Repair Cost Comparisons Association's Treasurer Bob Doak presented a cost comparison for completed repairs in five units and some of the hallways. The comparison presented the amounts of the Ritter Report for damages (Cambridge), the Travelers Insurance Company's Reported amounts for settlements received and Perimeter Builders actual repair costs. Motioned by Mr. Doak, seconded by Mr. Landsman, and unanimously carried, the following resolution was approved:

RESOLVED That the Board of Directors of the Pierre Condominium Association, hereby, approve the invoice from Perimeter Builders Inc. for \$54,670.00.

In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Landsman, Mr. Burnes.

Note: Mr. Waterston, Mr. Mehrberg and Mr. Zabors were not present for this resolution.

III HALLWAY RENOVATION PROJECT:

a) Rescinding of Proposal Renovation committee chairperson Denise Antonucci noted that the Board had received a document previous to the meeting from Neena Konon of Nicholai Limited. Ms. Antonucci read a portion of the document to the Board in which Mrs. Konon stated that she does not have the confidence that a relationship can be established between the Board and her design firm and is rescinding the proposal from Nicholai Limited.

b) Perimeter Builders Inc. Hallway Renovation Project Proposal At the special Board meeting held on April 1st, it was resolved to approve a budget for the hallway renovation project at maximum total cost not to exceed \$400,000, and to receive an additional proposal from Perimeter Builders for Board review.

Mr. David Thomas presented unit owners and the Board a brief background on his firm and a proposal of the process he would go through with the renovation committee and the Board for the hallway renovation project. He responded to specific questions previously presented to him from the committee chair and outlined his overhead and profit fee structure which would be net plus 15% on material and labor costs, and a retainer of \$2,900 would be required before the start of the design process and applied against the estimated total budget of \$9,775 for interior and architectural design services.

He continued by presenting a breakdown for a total budget he has estimated of \$441,998; wallcoverings – \$62,387, painting – \$60,318, carpeting – \$44,000, millwork, doors/door hardware – \$246,302, general conditions – \$9,499, contingency costs – \$9,719, interior/architectural design – \$9,775.

The Board extended thanks to Mr. Thomas for his proposal and he was excused.

After answering questions from unit owners, and discussing various aspects of the proposal and comparing to the previously rescinded proposal, the Board decided to postpone a vote until the final contract could be reviewed and address the topic at the May Board meeting.

c) Hallway Renovation Design Committee Committee chairperson Denise Antonucci recapped all of the necessary stages for the project to the Board, beginning with the appointment of the designer, budget discussions, scope of the entire project, presentation of two schemes, final budget, review and confirmation of materials chosen, presentation to the Association and unit owners, specifications and final drawings or blueprints, specification and bidding stages, purchase orders, implementation and follow through with construction.

IV 5DS COMMON ELEMENT REPAIRS:

a) 5DS Wall Noises Previous to the Board meeting, Mr. and Mrs. Manuel Silverman 5DS presented Board members with a letter stating that the sounds emanating from within the walls of their bathroom have not entirely been eliminated by the repairs made by the Association and were requesting that the Board hire the originally proposed licensed contractor to reevaluate the situation as previously agreed to at the February Board meeting, and complete any additional repairs deemed necessary.

b) Summary/Conclusion After review and discussions between the Silvermans, chief building engineer Mr. Jewell and Mr. Bright from Management, it was agreed to get a new proposal from Bruce Swiech for the repairs. Motioned by Mr. Doak, seconded by Mr. Landsman, and carried, the following resolution was approved:

RESOLVED That the Board of Directors of the Pierre Condominium Association, hereby, agree to hire Bruce Swiech "What A Relief" home repair for an evaluation and for repairs as necessary for a total cost not to exceed his originally proposed \$1,955.

*In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Landsman, Mr. Burnes, Mr. Waterston, Mr. Zabors.
Abstaining: Mr. Mehrberg.*

V SECRETARY'S REPORT:

a) Minutes of March 12, 2003 Motioned by Mr. Burnes, seconded by Mr. Zabors, and unanimously carried, the following resolution was approved:

RESOLVED That the Board of Directors of the Pierre Condominium Association, hereby, approve the Board of Directors Meeting minutes of March 12, 2003.

In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Landsman, Mr. Burnes, Mr. Waterston, Mr. Mehrberg, Mr. Zabors.

b) Minutes of April 1, 2003 Motioned by Mr. Burnes, seconded by Mr. Zabors, and unanimously carried, the following resolution was approved:

RESOLVED That the Board of Directors of the Pierre Condominium Association, hereby, approve the Board of Directors Meeting minutes of April 1, 2003.

In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Landsman, Mr. Burnes, Mr. Waterston, Mr. Mehrberg, Mr. Zabors.

VI TREASURER'S REPORT:

a) Financial Report Board Treasurer Bob Doak presented the Treasurer's Report.
(*The Pierre Condominium Association Treasurer's Report Board Meeting 4/23/2003 is attached.*)

b) Façade Repairs/Lintel Repairs and Replacement The Association received a change order request from Wiss, Janney, Elstner, Inc. for \$115,300 which replaces the previously estimated amount of \$50,150 for repairs to severely deflected lintels that was presented several months ago. This represents a \$65,000 higher cost and is reflected in the Special Projects Summary. Motioned by Mr. Doak, seconded by Mr. Mehrberg, and unanimously carried, the following resolution was approved:

RESOLVED That the Board of Directors of the Pierre Condominium Association, hereby, approve the change order presented by Wiss, Janney, Elstner, Inc. for \$115,300.

In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Landsman, Mr. Burnes, Mr. Waterston, Mr. Mehrberg, Mr. Zabors.

c) Special Projects Summary Report Mr. Doak also presented a Special Project Costs and Related Cash Resources Report (*The Pierre Condominium Association Special Project Costs and Related Cash Resources Report special project summary as of March 31, 2003 is attached.*)

d) Unit Owner Reimbursement for Damages Mr. Doak explained that he is in the process of trying to determine the portion of the Travelers Damage Report applicable for each unit's repairs that could be released to unit owners at this time but that it has been difficult to confirm and is taking longer than anticipated.

VII MANAGEMENT REPORT:

Joe Bright, the property manager gave a management report including:

a) Man Lift Management recommended that the Association purchase a “Man Lift” to access high and difficult areas in the garage. Aaron Jewell the chief engineer said that the piece of equipment being considered is from a rental company and is in excellent condition and will cost approximately \$1,000 less than the purchase of an entirely new one. Motioned by Mr. Doak, seconded by Mr. Landsman, and unanimously carried, the following resolution was approved:

RESOLVED That the Board of Directors of the Pierre Condominium Association, hereby, agree to purchase the Man Lift at a cost not to exceed \$4,000.

In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Landsman, Mr. Burnes, Mr. Waterston, Mr. Mehrberg, Mr. Zabors.

b) Boiler Repairs Mr. Jewell updated the Board on the current problems and conditions with the hot water boilers explaining the building has been undergoing repairs with Monroe Heating & Cooling Co., Inc. and they have recommended that we retube one of the boilers.

In light that these repairs are time sensitive, the Board agree to proceed with the repairs by Monroe and that Management should obtain alternate proposals as comparisons. Motioned by Mr. Landsman, seconded by Mr. Doak, and unanimously carried, the following resolution was approved:

RESOLVED That the Board of Directors of the Pierre Condominium Association, hereby, approve the estimated repairs by Monroe Heating & Cooling Co. for a cost of \$8,420.00.

In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Landsman, Mr. Burnes, Mr. Waterston, Mr. Mehrberg, Mr. Zabors.

c) Cable Contract Management notified RCN our current cable provider to terminate the current cable contract. A response letter indicating they would like to retain the contract and continue negotiations was sent to the Association and forwarded to the committee for further consideration.

d) Lobby Intercom System The newly installed intercom system is fully functioning.

e) Garage Ceilings Management reported that the garage ceilings have been completed so there should be no more deposits falling on the cars in the lower level of the garage.

f) Common Element Hallway Repairs Management reported that all interim “Touch Up” repair work in the hallways has been completed as requested.

g) Staff Pension Fund Delinquencies Management informed the Board that Mike Brastos the Association’s accountant is trying to resolve the delinquencies from 1997, 1998, 1999 and 2000 with the pension fund attorneys in Washington, D.C.

VIII OLD BUSINESS:

a) Garage Parking Mr. Doak met with Mrs. Janice Greenberg and the Beldon Stratford to discuss their interest in obtaining a long term lease for 12 parking spaces. The proposal consists of an upfront payment of \$200,000 for 12 parking spaces and payment of a monthly rate at unit owner rates agreeing to pay any future increases or reductions at unit owner rates.

Mr. Doak had raised concerns over the tax implications the initial upfront payment might have and was having it reviewed by the Association’s accountant. There are possible legal issues in our Declaration for such an agreement and he felt that time was needed to research and address the lease agreement issues at the next Board meeting in May.

b) Exercise Room Cable Connection The cable connection in the exercise room has still not been connected. Management will continue to try and resolve.

VIII NEW BUSINESS:

a) Construction Dust A number of unit owners contacted Management as well as the Chief Engineer complaining about the severity of the façade joint repair work construction dust. The construction activity was stopped and precaution methods were implemented as spraying was unsuccessful. Currently several units are having a form of tarp being installed to see if that works. Concerns from the Board as well as owners are if the dust raises a health risk and who is covering the costs for cleanup. Management will follow through with McGuire and report back to the Board.

b) Right of First Refusal Management reported on the following sales: unit 7FN sold for \$303,000; 9AS sold for \$225,000; and 11AS sold for \$291,000. Motioned by Mr. Lau, seconded by Mr. Doak, and unanimously carried, the following resolution was approved:

RESOLVED – That the Board of Directors of the Pierre Condominium Association, hereby, approve the sale of unit 7FN, 9AS, and 11AS and waive the Association’s right of first refusal.

In Favor: Mr. Lau, Mr. Doak, Ms. Antonucci, Mr. Landsman, Mr. Burnes, Mr. Waterston, Ms. Sherman.

IX COMMITTEE REPORTS:

a) Annual Meeting Election Committee Chairperson Gail Ruden presented the Board with an update report on behalf of the committee. The election package containing a copy of the Election Rules and a Proxy will be sent to unit owners after confirming the candidates. Three unit owners have volunteered to be the election judges. At this time there are 6 openings on the Board but not enough candidates to fill those positions. The Association’s CPA will be at the meeting to tabulate the votes under the supervision of the election judges.

b) Candidate Applications Extended The Board has decided to extend the deadline of April 17th to April 30th for turning in candidate applications. There are six positions on the Board of Directors that must be filled at the Annual Meeting on May 21st and currently we need additional candidates to run for the Board. If you feel you are an individual who can make a contribution to the quality of our building and share in the responsibility by serving on the board, please obtain an application from the doormen and submit it by April 30th.

The Association’s Annual Meeting is to take place on Wednesday May 21, 2003 in the hospitality room. The candidate forum begins at 7:00 p.m, and at 7:30 p.m. the Annual Meeting/Election. There will be six Board positions open for election this year. Four (4) two year terms and two (1) year terms.

c) Cable Contract Committee Board President Adam Landsman had contact with a new cable company “Reshet Wireless” for possible consideration as a cable provider. One main feature was that there would be no charge for installation providing the contract be maintained for a three year period. The contact information will be turned over to the committee (Ed Burnes, Bob Doak, Stu Baker and Scott Gelman) to investigate.

X ADJOURNMENT:

With no further business to come before the regular Board meeting, and upon motion duly made and unanimously carried, the meeting adjourned at 11:18 p.m.

Respectfully Submitted,

*Wayne Lau
Secretary, The Pierre Condominium Association*

THE PIERRE CONDOMINIUM ASSOCIATION
TREASURER'S REPORT
BOARD MEETING 4/23/03

For the three months ended March 31, 2003, the association has an operating cash deficit of \$34,901 before consideration of Special Assessments received and Special Project costs paid out. The cash deficit is a result of making the annual insurance payment in March referred to below.

Special assessments received from 1/1/02 through 3/31/03 totaled \$603,255 and garage revenue totaled \$97,550 against which \$385,595 was expended for garage work, \$413,795 was expended for elevator work and \$153,251 was expended for façade work. The loan balance at March 31, 2003, is \$242,653.

At 3/31/03, The Pierre Condominium Association had the following cash/ investment balances:

Wolin-Levin	\$ 3,214
Harris Bank Special Projects A/C	\$ 12,041
Harris Bank General Reserves	\$216,974
Various accounts- Baker damage insurance funds	<u>\$1,719,766</u>
Total- Cash and Investments	<u>\$1,951,995</u>

March operating results are generally in line with or slightly better than budget. Gas costs year-to-date are about on budget while electric costs are slightly less than expected. The annual insurance payments were made in March at a total cost of \$87,219 compared to budget of \$92,000 and last year cost of \$76,349.

Garage revenue in March was at budget while expenses were below budget by \$964. Income for the month was \$3,860. Year-to-date income is over \$8,000. In February, the garage reached the level of \$12,000 of cumulative working capital since Standard Parking started operating in January, 2002. This is the amount that Standard will be retaining to fund ongoing operations. All future earnings will be disbursed to the Pierre. The association will be receiving checks from Standard Parking for \$2,644 for February business and \$3,761 for March business.

Respectfully submitted,
Robert Doak
Pierre Treasurer

PIERRE CONDOMINIUM ASSOCIATION
Special Project Costs and Related Cash Sources

SPECIAL PROJECT SUMMARY AS OF MARCH 31, 2003

	Activity <u>Total</u>	Activity <u>2003</u>	Activity <u>2001 & 2002</u>	Current Estimate <u>Total Project</u>	Budget Total <u>Project</u>
Special Assessments Collected- less interest	589,255	13,675	575,580	725,000	725,000
Interest component from monthly Special Assessments	14,000		14,000	34,500	
Interest Income on Harris cash balances	412	162	250		
Interest expense on borrowings	(4,890)	(3,105)	(1,785)	(50,000)	
Allocation of Operating Reserves	0			185,000	
Garage Revenue- allocated to special projects	97,550	16,129	81,421	380,500	450,000
Total cash sources	<u>696,327</u>	<u>26,861</u>	<u>669,466</u>	<u>1,275,000</u>	<u>1,175,000</u>
Project Costs:					
Garage	(385,595)	(1,400)	(384,195)	(385,595)	(425,000)
Elevator	(413,795)	(50,580)	(363,215)	(428,500)	(435,000)
Facade	(153,251)	(56,349)	(96,902)	(460,855)	(315,000)
Total expenditures	<u>(952,641)</u>	<u>(108,329)</u>	<u>(844,312)</u>	<u>(1,274,950)</u>	<u>(1,175,000)</u>
Net (borrowed) for project expenditures	(256,314)	(81,468)	(174,846)	50	0