

The Pierre Condominium Association

MINUTES OF March 15, 2006 BOARD OF DIRECTORS MEETING

I. Call to Order

The Board of Directors meeting was called to order at 7:35 p.m. A quorum was noted. The directors in attendance were: Bob Doak; Stu Baker; Janet Fisher; Mary Gootjes; Amy Dickinson; Denise Antonucci and Randy Mehrberg. Absent: Gera-Lind Kolarik Dan Chalifoux from Wolin Levin and building engineer Aaron Jewell were present.

II. Approval of Minutes

The December 2005 and January 2006 minutes were approved.

III. Treasurer's Report

THE PIERRE CONDOMINIUM ASSOCIATION TREASURER'S REPORT BOARD MEETING 3/15/06

At 2/28/06, The Pierre Condominium Association had cash balances totaling \$5,238,814, invested in bank money market accounts and bank C/D's. The previous loan balance of \$285,956 has been paid off.

The first part of the settlement process which is to obtain releases from damaged unit owners for the defendants as part of settlement agreement has not yet been completed. I would like to encourage all owners who have not returned these releases to do so as soon as possible as this is holding up the next part of the process which is to provide additional details supporting how each unit's damage amount was calculated. As soon as each owner reaches agreement with the association as to an amount to compensate them for damages, we will be able to write a check to them for the agreed damage amount. I would hope to reach agreement and write settlement checks to most of the damaged unit owners within the next 2-3 months. The money received will give us sufficient cash reserves to cover the \$1,160,168 deficit budgeted for 2006.

We have decided to purchase the insurance for the garage through our agent instead of being insured by Standard Parking for this year. This is estimated to save us about \$30,000 in insurance costs. When I pursued quotes for this kind of independent coverage 2-3 years ago, it was determined at that time that independent coverage would not cost less than what Standard was charging us at that time.

Gas costs this year have been running high as expected. The good news is that the rate was not any higher than we expected in January and has since been trending down. If this continues we may see a positive variance from budget in this category before the year is over. We have had an unusual amount of plumbing repairs recently, as we are all

painfully aware by the number of water shutdowns, so we may be over budget in this category. The current estimate for cost of the chiller and cooling tower replacements are about 20% or \$90,000 under budget. Due to the roof not being completed in 2005, \$200,000 of this cost will be incurred in 2006.

Respectfully submitted,
Robert Doak, Pierre Treasurer

IV. Engineer's Report

Aaron reported that the main heat exchange coil for the hallways is broken and needs to be replaced. Bids are being sought.

Aaron reported on the recent repairs to the building plumbing. Dan Chalifoux will circulate a written notice to owners regarding the water shutoffs.

V. Management Report

The Board reviewed Dan Chalifoux's written management report dated March 15, 2006 and discussed the following items.

Roof: Dan Chalifoux reported that the roof replacement project may start next week. Denise Antonucci presented photos showing the condition of the roof area. Dan Chalifoux will contact the roofer and the building staff regarding the unacceptable conditions.

Chiller Replacement Project: The Board met with the consultant Lieberman & Associates last Friday. Bob Doak made a motion, which Stu Baker seconded, to accept the proposal from EMCOR to replace two chillers at a cost of \$172,872. This price includes the installation of two chillers in April 2006; the installation of a new cooling tower in the fall of 2006; a new and quieter fan to reduce the noise level on the roof deck; and a five year extended warranty on the chillers. Motion passed unanimously.

Painting Project: Bob Doak made a motion, which Stu Baker seconded, to approve the proposal of S&S Painting for the South Stairway painting and wall repairs for \$13,750. Motion passed unanimously.

VI. Old Business

Rule Change: The proposed changes to the rules and regulations regarding leasing was discussed. Discussion was held and comments and questions were taken from owners attending the meeting.

Owner Jean LaVelle wished to clarify the proposed rule vis-à-vis her plan to reconfigure her two units. The Board agreed that the rule is not intended to prevent the Lavelles from

renting one of their separate and distinct units so long as it has an entrance from the hallway.

Gail Ruden raised the issue of whether an owner may lease their unit for less than two years when the owner expects to return to their unit after the period of the lease. The Board explained that unit owners wishing to lease their unit for less than two years may petition the board for an exception to the rule.

Randy Merhberg made a motion to adjourn the board meeting, which Amy Dickinson seconded. The motion passed unanimously. A special meeting of the unit owners was called to order.

Jean LaVelle stated that she is in full support for strengthening rules regarding renting.

Denise Antonucci moved, and Mary Gootjes seconded, to adjourn the special owners meetings. A meeting of the Board of Directors was called to order.

Randy Mehrberg made a motion, which Stu Baker seconded, that the Rules and Regulations Regarding Leasing at the Pierre Condominium Association be approved. The motion passed unanimously.

Garage Padding: Dan Chalifoux will get pricing for protective padding to be installed on certain columns in the garage.

VII. Committee Reports

Cable TV: Bob Doak and Stu Baker continue to work with MDU Communications regarding problems with the new digital services.

Exercise Room: The Board thanks Denise Antonucci and her committee on their work renovating the exercise room. The room has been painted. The new equipment and an elliptical trainer have been installed. Denise is getting quotes for smaller free weights.

Lobby Renovation: Denise Antonucci presented Perimeter Builder's written proposal dated March 3, 2006 for design services. Denise Antonucci made a motion, which Bob Doak seconded, to accept the proposal from Perimeter Builders for a price not to exceed of \$10,710 and to require Perimeter to present a budget for their work. Amy Dickinson voted against. All others voted in favor. Motion passed.

Windows: Gail Ruden of The Window Committee presented a written progress report. Jose Gomez has joined the committee.

Fire & Life Safety: Gera-Lind Kolarik was not in attendance.

VIII. New Business

Water Damage to Unit 10 CN: The owner reported on potential damage to his flooring from flooding thru the HVAC closet. The owner will continue to monitor the flooring.

Lease for Unit 8ES: Janet Fisher made a motion, which Amy Dickenson seconded, to approve the one year lease for Unit 8ES for \$2000/month. Mary Gootjes voted against. Randy Mehrberg abstained. The remaining five members voted for. The motion passed.

New Chiller Water Treatment System: Lieberman and Associates recommends a water treatment system be used with the new chillers, which will increase the life of the chiller. Janet Fisher made a motion, which Mary Gootjes seconded, to accept a proposal for the treatment system for a price not to exceed \$20,000. The motion passed unanimously.

IX. Unit Owners Comments

Owner Scott Gelman asked for a new basketball hoop for the racketball court.

The wolves howling at the zoo are bothering owners with units on the east side of the building. An owner requested that the board write a letter to the zoo. The Board advises individual owners to contact the zoo directly.

An owner asked if the new rule regarding leasing will be circulated. Dan Chalifoux will distribute the new rule to the owners.

An owner asked about the status of the Baker Settlement. The Board advised that further communication with affected unit owners regarding the distribution of monies for damages to individual unit owners will be forthcoming.

An owner complained about repairs to his unit no.11FN. He will fill out a work order regarding these repairs.

X. Adjournment

The meeting was adjourned at 10:40 p.m. and the board went into executive session.

Minutes from Board Meetings are posted at www.thepierre.com

To send an email to the Board of Directors use: theboard@thepierre.com

To send an email to our Management Company use: mgmtco@thepierre.com

Respectfully submitted by,
Mary Gootjes Secretary

