



APPROVED MINUTES

THE PIERRE CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING MINUTES

I CALL TO ORDER:

The Board of Directors meeting of September 18, 2002 was called to order at 7:48 p.m. by Board Vice President Bill Waterston. A quorum was noted. Attendance was recorded as follows:
Directors: Wayne Lau, Bob Doak, Edward Burnes, Denise Antonucci, Bill Waterston, Randy Mehrberg.
Others: Joe Bright, Wolin-Levin; Recording Secretary, Debra Russo; Aaron Jewell – Chief Engineer, Pierre.

II SECRETARY'S REPORT:

a) Minutes of August 21, 2002 Motioned by Mr. Burnes, seconded by Mr. Doak, and 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 August 21, 2002.

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

III TREASURER'S REPORT:

a) Financial Report Board Treasurer Bob Doak presented the Treasurer's Report.

(The Pierre Condominium Association Treasurer's Report Board Meeting 9/18/2002 is attached.)

IV MANAGEMENT REPORT:

Joe Bright, the property manager gave a management report consisting of the following topics:

a) Elevator Modernization Project Renovation of the Lobby North elevator car has been completed and work has begun on the Lobby South elevator car. The estimated time frame for completing the second passenger elevator is approximately 15 weeks. The Board addressed anticipated problems with scheduling moves and transporting construction materials while the service elevator is being renovated and will coordinate scheduling with Lerch Bates/Otis Elevator.

b) Exterior Facade Repairs W.J. McGuire Company revised the drop stage plan for the façade work by adding two new stages and constructing a pedestrian canopy for protection. Notices were distributed to the owners who will be directly affected by the current work. W.J. McGuire Company reported previously undetected problems that was not in the original proposal for the façade work would cost \$50,000 which includes approximately \$10,000 for the South parapet wall of the courtyard.

Management stated that McGuire and Company's bid did not comply with Wiss Janney's specifications for replacement limestone on the East façade expansion joint and will require an additional cost of approximately \$30,000. (The additional \$30,000 will be included in the Baker claim.)

c) Roof Deck/Pool Chemical Reading The building staff had reinstalled the pool chemical pH levels sign inside the entrance staircase to the pool.

d) Wipe Board Unit owners are encouraged to use a new wipe board in the lobby office to notify the building staff of needed repairs or common area cleaning.

e) Building Services Notices were distributed to unit owners indicating pricing for building services performed by staff within a unit will go into effect September 30th.

f) Reserve Study Management is preparing information for Reserve Advisors, Inc. (Precision 20/20 Reserve Study) to begin their initial research. Management was asked to negotiate a reduction of the \$4,550 cost since the scope of their work will be reduced by excluding evaluating the condition of the garage, elevators and the exterior facade because they will have been recently restored.

g) Garage Lighting Fixtures/Timer After Management obtained the cost savings regarding installation of a manual override disconnect switch in the garage (\$2,800 cost to save \$25 per month), the Board determined it was not cost effective.

h) Bike Room/Racks After obtaining a proposal from Bernard Enterprises, Inc. in excess of \$10,000 for installation of new bike racks, the Board agreed that the cost was excessive and other options will need to be investigated.

i) Building Maintenance/Staff A detailed maintenance schedule was prepared outlining the duties and frequency of cleaning to be completed by the maintenance staff. Owners and Board members agreed that more attention is needed in the hallways. Management stated the industrial wide vacuum cleaner for the hallways has been purchased.

j) Unit Owner's Contractor The Board was made aware that contractors working in the building have been leaving the hallways in a dirty condition creating additional work for our maintenance personnel. Our rules require holding contractors and unit owners responsible for any damages and/or needed clean up as a result of their work. The Board asked for assurances that Management and the building engineer enforce the requirement that all contractors working in the building sign in at the doorman's station or the building office and acknowledge that they have read and agree to abide by the building's rules and regulations before the commencement of any work.

As a reminder to those unit owners undergoing any form of renovation or construction activity:

The unit owner's contractor shall use the utmost care to avoid damaging common elements, including erecting and maintaining any necessary protection. The unit owner shall be responsible for all costs associated with any repairs and or clean up to the corridors, elevators and/or common elements that is caused in by the unit owner's contractors. A security deposit is required from each unit owner prior to the commencement of work and will be held by the Association, and shall be used as deposit for any common element damages and or clean-up that may become necessary.

k) Garage Ceilings The Board approved that Management proceed with the scrubbing and cleaning of the ceilings in the lower level of the garage or the under side of the ground floor slab.

V OLD BUSINESS:

a) Engineering Invoices Mr. Doak reported that Wiss Janney Elstner was not satisfied with a partial payment of \$15,000 approved by the Board at last month's meeting, so the Board was polled by email and approved payment in full of all outstanding invoices totaling \$32,118.64. Motioned by Mr. Doak, seconded by Mr. Mehrberg, and carried, the following resolution was approved:

RESOLVED That the Board of Directors of the Pierre Condominium Association, hereby, ratify approval of payment to Wiss, Janney, Elstner Associates for outstanding invoices in the amount of \$32,118.

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

b) Roof Deck Light Fixture It was stated that since May a light fixture has been broken under the roof deck canopy and needs to be replaced. Ms. Antonucci volunteered to locate a replacement light fixture.

c) Association Contracts/Policies Management was asked to compile and provide a copy of all building contracts and policies to the Board for filing in the building office.

d) Courtyard Deck Expansion Joint Mr. Doak reported that Wiss, Janney, Elstner Associates confirmed that the repairs recently completed on the courtyard deck were completed satisfactorily and they felt no further expansion joint work was needed to the court yard deck area.

VI COMMITTEE REPORTS:

a) Window Committee After meeting with designated Board members the window committee presented their response to specific questions on proposal issues. The Board approved a motion to accept the proposal and contract from Klein & Hoffman (engineering firm acting as our window replacement consultant) pending approval from Mr. Robert Nesbit the Association's attorney. The contract consists of Phase I for a cost of \$7,500; Phase II for a cost of 15,500; and Phase III for an approximate cost of \$35,000.

At this time the Board consented to proceed with the implementation of Phase I – The Program Analysis Phase. Phase II – The Bid Documents/and Bidding and Phase III – Contract Administration/Services During Construction will be addressed after the completion of Phase I. 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 Klein and Hoffman's contract in its entirety, and authorize the commencement of phase one – subject to the contract review by the Association's attorney.

The Committee was acknowledged for their work on the project.

b) Garage Contract Committee The garage committee investigating lease agreements with potential vendors, has drafted initial guidelines and with minor modifications will proceed to solicit proposals.

VII OWNERS COMMENTS/QUESTIONS:

a) Fire/Sensor Panels Unit owner and Board member questions focused on the elevator panel box located in the lobby. The Board reviewed options to improve the aesthetic appearance of the detector panel in the outer lobby and for another panel that will be installed to monitor problems with the elevators. Management is going to inquire with Lerch Bates and Otis Elevator to determine what options or alternatives are available and at how much of a cost upgrade.

Management was also asked to verify costs with Otis Elevator for the \$1,840 change order to substitute a brass finish for stainless steel and to determine the cost of recessing the panel.

b) Elevator Alarms A unit owner stated she had complained to Management about the service elevator alarm button not functioning properly. Management and the Chief Engineer indicated that the alarm button had been fixed, but it was found to still not function properly. Management and the Chief Engineer were then directed to have Otis Elevator repair the alarm and to confirm the testing. It was also noted that the emergency telephone in the newly restored North Lobby elevator needed to be wired to the doorman's station by the telephone company and Management was asked to follow through.

c) Garage Employees Smoking Management will inform Standard Parking that this is a smoke-free building and the garage employees should be instructed to cease smoking in the bathroom and garage areas immediately.

VIII RECESS/CLOSED SESSION/ADJOURNMENT:

The Board recessed into a closed session at 9:50 p.m. The purpose was for review of an ongoing suit and legal action concerning the second floor rental unit. The closed session reconvened into open session at 10:25 p.m., motioned and unanimously carried, the meeting adjourned at 10:27 p.m.

Respectfully Submitted,

Wayne Lau, *Secretary, The Pierre Condominium Association*

Debra Russo, *Recording Secretary*

THE PIERRE CONDOMINIUM ASSOCIATION
TREASURER'S REPORT
BOARD MEETING 9/18/02

For the eight months ended August 31, 2002, the association has a net cash deficiency of \$36,217 before consideration of Special Assessments received and Special Project costs paid out. This cash deficiency was caused by a \$65,288.07 payment in August to the attorneys representing us in the Baker litigation. About \$62,000 of this amount was expensed in the year ended 12/31/01 audit report.

Special assessments received through 8/31 totaled \$556,993 and garage revenue totaled \$55,053 against which \$382,394 was expended for garage work, \$210,979 was expended for elevator work and \$2,000 was expended for façade work.

At 8/31, The Pierre Condominium Association had the following cash/ investment balances:

Wolin-Levin	\$ 28,868.76
Harris Bank Special Projects A/C	\$ 3,649.22
Salomon Smith Barney- general reserves	\$197,999.85
Salomon Smith Barney- Baker damage insurance A/C	\$657,268.42
Midamerica Bank- Baker damage insurance A/C	\$ 95,448.93
Invest Financial- Baker damage insurance A/C	<u>\$998,821.80</u>
Total- Cash and Investments	\$1,982,056.98

The Association's general reserve cash balances declined in August, resulting primarily from the \$65,288.07 payment to our Baker litigation attorneys referred to above.

My current forecast for the year ending 12/31/2002 is that operating income, in total, may be about \$10,000 below budget and the most recent forecast. This is due to the major HVAC repair that took place in early July and was recorded in August at a cost of \$12,739.

The garage operation's finances had an outstanding month in August with a reported income of \$5,436 compared to \$2,319 in July. This brought the year-to-date income from the garage to a positive \$312. We have finally overcome the start-up costs of getting the garage reopened. Total revenue was \$2,359 ahead of budget, driven mostly by transient and coupon revenue. This was heavily due to summer weekend revenue (ie. Air Show). Monthly overnight parkers in August were still only about 105 and there have been two added so far in September. Expenses were under budget by \$615 despite Liability Insurance and Utilities combined being \$791 over budget continuing the same trend we have seen all year.

Respectfully submitted,
Robert Doak
Pierre Treasurer