

Highview Condominium II
Board of Directors – Meeting Minutes
January 25, 2022 – 7:00 p.m.

The nineteenth regular meeting of the 2019-2020 Highview Condominium II Board of Directors was called to order at approximately 7:00 p.m. by Madalina Rauscher, President. The meeting was conducted remotely by Zoom. Board members in remote attendance: Robert Boynton, Joseph Cann, Marjorie Cannon, Christine Chun, Kathleen DeVaynes, Lauren Esposito, Sindhu Mathew, and Madalina Rauscher. Board member absent: David Cutler was represented by proxy to Joe Cann. Crystal Lia and Marissa Zinnanti attended from CRM Management.

- 1) Board President: Following Sindhu Mathew's resignation in September as president, the Board's Vice President, Madalina Rauscher, became acting-president. On 12/01/21, Madalina accepted the Presidency. The Vice President position is currently vacant and needs to be filled by one of the other board members. Noted that Executive Committee (board officers) is authorized according to Bylaws to sign documents and make legal decisions between board meeting. Whereas a board Member vacancy requires an appointment prior to the Board making any decisions, an Officer vacancy does not require the same immediate action.
- 2) Management update: CRM began managing the building effective 01/01/22. Andrews will continue to share management of finances through 01/31/22. Marissa Zinnanti of CRM will be going to Andrews office on 01/28/22 to transfer Highview's records from Andrews.
- 3) Financial Report:
 - a) Account balances: With the management transition in process and Common Charge checks being received by both Andrews and CRM, the report was unavailable. Board will move \$20,000 from Citibank account for CRM to cover current bills.
 - b) Foreclosure, Liens, and Arrears:
 - i) Foreclosure: Marissa Zinanti reported that she has been in contact with the building's attorney concerning the unit in foreclosure and 03/01/22 court date.
 - ii) Arrears: With this month's management transfer from Andrews to CRM, Arrear report is not available.
 - iii) Highview arrears policy was reviewed with management. After 30 days, management sends a reminder letter. After 60 days, collection is turned over to building attorney for a final warning and filing for a lien on the unit at 90 days. In addition to monthly late fees, all related costs of the building's attorney are added to the unit's outstanding balance.
 - c) FY2020 Audit: Completed. Will be mailed to all unit owners.
 - d) FY2021 Audit: The Board voted to approve engagement letter with Louis Picaro of Joseph Sciarrino, CPA, authorizing FY2021 audit. Noted that completion of this audit would be needed soon for any proposed building loan. Crystal Lia of CRM questioned if an annual certified audit was necessary. Boynton indicated that it was specified in the building's Bylaws: "An annual report of the receipts and expenditures of the Condominium, audited by an independent certified public accountant, shall be rendered by the Board of Managers to all unit owners and to all mortgagees of units who have requested the same, promptly after the end of each fiscal year."
 - e) FY2022 Budget: The FY2022 Budget includes a 5% Common Charge increase to cover increases in general operating expenses. The increase will be effective with March 1, 2023 Common Charge billing. It was noted that the last increase (5%) was two years ago.
 - f) Capital Reserve Engineering Study: Becht Engineering anticipates completion of Capital Reserve Study update next week. The Study represents an update to the previous 2010 and 2003 reports.

- g) Special Assessment: The Board unanimously approved a Special Assessment to begin restoring the Capital Reserve Fund. The Assessment will begin on 03/01/22. The Assessment will average approximately \$100/month per unit and increase the Reserve Fund by approximately \$7,000 per month.

As discussed, the Capital Reserve Fund's minimum balance of \$250,000 is mandated by a building resolution voted by the board in 2010. Funds available to be considered as Capital Reserve are calculated at end-of-year, following a calculation of Operating Reserve. Operating Reserve is calculated as 25% of the previous year's general operating expenses. With approximately \$80,000 required as Operating Reserve, the current Capital Reserve balance is less than \$30,000. The major Capital projects that depleted the fund were replacement of the elevator in 12/2018 and facade repairs in 03/2019.

Currently, the building is facing approximately \$200,000 in facade repairs that must be completed by 02/2023. Salomon Engineering is managing the bidding process. There are several additional engineering projects undergoing investigation, as well as two major projects approved by the General Membership in 2015 that were postponed by other emergency NYC DOB repairs. Once engineering and bidding is completed, it is anticipated that the building will seek a building loan similar to the \$400,000 loan of 2015.

4) Legal Report:

- a) Lease violations: With the transition from Andrews to CRM in progress, no update was available at this meeting.
- b) NYC Building violations & fines: Cohen, Hochman & Allen continues to represent Highview as expediter in resolving the open NYC DOB (5) and NYC ECB (1) violations. Marissa Zinnanti has been in contact with the firm and they will be going to court on March 1, 2022.
- c) Maintenance contracts: CRM will be meeting with Andrews Management on Friday 01/28/22 to transfer records including the building service contracts. Once in hand, CRM will review the list with Board for any missing items.
- d) Records of insurance compliance by unit owners: With the transition from Andrews to CRM in progress, no update was available at this meeting.
- e) Local Law 11 - Cycle-8: Salomon Engineering has resubmitted paperwork to NYC DOB for Cycle-8. Previous paperwork for the submission was improperly handled by Carriage House Management.
- f) Local Law 11 - Cycle-9: Salomon Engineering is in the process of bidding out the work required by their recent Local Law 11 Cycle-9 inspection. Repairs must be completed by 02/2023 to satisfy NYC DOB and avoid fines. Preliminary bids have been submitted by 4 contractors and indicate that the work will cost approximately \$200,000.
- g) Vendors and contractors insurance: Rauscher indicated to management that once the transition from Andrews to CRM is completed, the Board would like to compile a list of pre-vetted contractors for homeowners considering renovations and repairs. Unit owners would still be able to select any other contractor they wish, however any contractor working in the building must be reviewed by management and prove that they meet the building's insurance requirements prior to commencing work. Failure to receive this approval prior to commencing work is a violation of the Building Rules and subjects the unit owner to a fine.
- h) Reimbursement for awning damage: Although the vendor who hit the awning has agreed to reimburse Highview, no funds received. Andrews was addressing the issue, but needs follow up from CRM.

- i) Emergency unit owner and tenant contacts: With the transition from Andrews to CRM in progress, no update was available at this meeting.

5) Building Repair & Maintenance:

- a) Laundry dryer exterior vent: Not discussed. Previous management was contacting CoinMach about cleaning dryer main vent pipes to exterior.
- b) Boiler maintenance: Marissa Zinnanti has been in touch with Champion Combustion's ongoing work on the boiler. The boiler continues to fail NYC ECB emissions inspection. Probably NYC fines.
- c) Foundation crack: Salamon Engineering inspected the building foundation for a crack in August 2021 and was seeking a copy of the building's design plans from NYC DOB. At this time, NYC DOB has been unable to locate archived plans for the building. In lieu of original building plans, the Board approved proposal by Salamon Engineering to investigate building structure in greater detail to recommend corrective repairs.

Crystal Lia of CRM suggested that she would confirm with Salamon Engineering the steps they had taken in their DOB search. Board approval was modified as conditional to Crystal's discussion with Salamon about their search and she will confirm back to Madalina Rauscher before Salamon moves ahead.

- d) Roof leak: Roof leak has been repaired as supervised by Salamon Engineering. Although has been inspected with water from hose, Salamon suggested a final inspection after a heavy rain. Spring?
- e) Elevator fan repair: Elevator maintenance company indicates exhaust fan damaged from being stepped on from above and requires replacement. Board pointed out that elevator room on roof is locked and the only one with access is the elevator company. Marissa will investigate situation.
- f) Roof exhaust fan (k-line): Fan making excessive noise. May require replacement. Marissa will investigate. Zinnanti will get specs from Boynton. As noted, the exhaust fans on the roof were spec'ed by a Becht Engineering investigation. There are (15) fans with five different horsepower and rpm specifications.
- g) Projects on hold (funded by 2015 Capital Assessment):
 - i) Electrical back-up - generator system: Salamon Engineering has completing design work. Bid received from one contractor. Board asked for additional bids.
 - ii) Elevator Cab Renovation: Discussed. Need bids for refinishing of brass. Strip/lacquer. New fire-proof carpeting received and now need to order spare for regular swap for cleaning.
 - iii) North sidewalk: On hold.
 - iv) Security upgrades/repairs: Phase III on hold pending completion of other Capital projects.

6) Other items

- a) Maintenance schedule: Zinnanti will review and share with board at next meeting.
- b) Website: New Highview website was created by a Carriage House vendor, but vendor was not paid on time. Zinnanti will investigate status with Boynton.
- c) Underground fuel tank: Question raised as to when the building's 10,000 underground fuel tank was last pressure tested. No record in boiler room. Zinnanti will discuss with Joe Cann.

The meeting was adjourned at approximately 8:30 p.m. Minutes submitted by Robert Boynton, Secretary.