

**Highview Condominium II**  
**Board of Directors – Meeting Minutes**  
**August 23, 2022 – 7:00 p.m.**

The twenty-sixth 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, Max Lucci, Sindhu Mathew, Madalina Rauscher, and Virginia Re. Marissa Zinnanti attended from CRM Management.

- 1) Board member resignation and appointment: Lauren Esposito resigned from the Board effective 08/01/22 and Virginia Re was appointed unanimously by Board email vote on 08/09/22.
  
- 2) Financial Report:
  - a) Bank account balances: Empire checking account balance \$33,227, Empire Savings \$9,996, Citibank account \$58,995. Total of cash on hand \$102,218.
  - b) Arrears: As of 07/31/22, uncollected balances from unit owners totaled \$63,463. Accounts with any outstanding past-due balance greater than 60-days are turned over to the law firm of Alishahi, Conti & Gallagher for collection. All attorney fees and court costs are added to a unit owner's outstanding balance.
  - c) Aged payables (owed by Highview II): As of 07/31/22, payables totaled \$67,425.
  - d) Reserve Funds summary: Operating Reserve is currently \$34,793 (approximately \$45,207 short of 12/31/22 mandated requirement). Capital Reserve balance is currently zero (\$250,000 short of 12/31/22 mandated requirement).
  - e) Collection actions by Highview: Attorney Conti joined the Board meeting at 7:30 p.m. for a status report.
    - i) Foreclosure: One unit currently in foreclosure. Board discussed estimated timeline for completion of the foreclosure sale. Current balance of arrears on unit owner's account totals \$41,952.
    - ii) Arrears: Current total balance aside from the unit in foreclosure is \$21,511. In discussion with Conti, Board approved his recommendations and claims will immediately be filed in Small Claims Court on (4) units. All of Conti's costs will be added to the judgments.
  - f) FY2021 Audit: Draft of FY2021 audit received today. Board requested meeting with the CPA to review FY2019, FY2020, and FY2021 audits.
  - g) Capital Reserve Engineering Study: Becht Engineering awaiting completion of Salamon Engineering boiler bids. Salamon anticipates completion of bidding by 09/01/22.
  
- 3) Legal Report:
  - a) Legal actions by building attorney: Discussed during financial report.
  - b) NYC Department of Buildings (DOB) and Environmental Control Board (ECB) building fines: Cohen, Hochman & Allen continuing to represent Highview as expediter in resolving the open NYC DOB (3) and NYC ECB (1) violations. Boynton contacted Expediter concerning the remaining (4) outstanding violations. The violations date back to 2018 and all involve Carriage House Management's failure to file documents on time. Areas of compliance involved elevator operation in 2019, facade inspection in 2018, and benchmarking reports for the building's energy consumption.
  - c) Records of insurance compliance by unit owners: No update, but Marissa will update Board by end of week.
  - d) Records of insurance compliance by unit owners' tenants: No update, but Marissa will update Board by end of week..
  - e) Leased units: No update, but Marissa will update Board by end of week.
  - f) List of pre-approved contractors: No update.
  - g) Local Law 11 - Cycle-9b: Rauscher reported on her meeting at the building with the contractor (Basonas), Salamon Engineering, and fellow board member Joe Cann to discuss the proposed contract, timing of project, legal compliance issues, and technical details of how the work will be staged. Work must be completed and engineering certification filed by February 2023.

- h) Vendors and contractors insurance: No update.
  - i) Awning damage reimbursement: On 08/09/22, Marissa received formal notification from Amazon that a check for \$7,559 will be issued to the building for awning damage.
  - j) NYC Condo Tax Abatement Law changes: As noted at previous meeting, tax law changes are taking effect in 2022. Although Highview II was not listed among buildings affect this year, Board had requested that management provide a better understanding of the change in order to anticipate if/when it might apply to the building in future year. No update.
- 4) Building Repair & Maintenance:
- a) Boiler operation Local Law 87 compliance update: Building continues to be fined \$4,000 per month by City for boiler's failure to comply with combustion pollution standards. Ongoing discussion with Champion Combustion. No update from Marissa.
  - b) Boiler replacement: Salomon Engineering anticipates completed of bidding by 09/01/22. Once bids have been received, engineering will be available to discuss with Board.
  - c) Foundation cracks: Completion of evaluation and design work to correct any problems found is estimated to be completed next week. If significant work is required, cost will be remain undetermined until bidding is completed.
  - d) Local Law 11 - Cycle 9b: Madalina Rauscher reported on her site meeting with management, Salomon Engineering, and Basonas. Contractor anticipates 4 months of work, beginning in mid-September. In order to begin work, contract payment of \$40k required. Contract was previously approved by Board.

There was discussion of how to make the payments without delay. With no Capital Reserve in place, Board agreed to pay the \$40k from Operating Reserve and voted a 1-payment Special Assessment of \$200,000 (approximately \$3,000/unit). Unit owners will be notified of the Assessment in writing by this Friday and have until 10/31/22 to make their payment. Funds of this \$200k Special Assessment will be transferred to the Citibank Reserve account and as invoices are received from contractor, payments will be funded by transfer to management. Although the contract is for \$178,000, any facade damage not previously identified will be completed as the contract stipulates by a cost per foot for different types of repairs.

- e) Elevator fan repair: Bid approved at last board meeting. Now awaiting update on repair. No update.
- f) Roof exhaust fan: CRM getting estimates for repair/replacement. Discussed that the only bid received to date did not provide adequate breakdown. No update.
- g) Capital projects on hold & current status:

Capital projects approved by the Board, General Membership meeting of unit owners, and Empire Bank as part of the 2016 Capital Assessment. Due to significant cost overruns on the interior decorating projects funded by the same Assessment (carpeting, wall paper, lighting), these projects were put on hold pending a future assessment:

- i) Electrical back-up - generator system: Salomon Engineering completed design work in 2016. Salomon presently updating design work.
- ii) Elevator Cab Renovation: Bids received in 2016. Management seeking updated bids.
- iii) North sidewalk: Initial design work by Salomon in 2016. Now being updated.
- iv) Security upgrades/repairs: Phase I and Phase II were completed. Phase III bid was completed in 2016. Proposal update for 2022 completed. Current cost approximately \$12,000.

New Projects currently on hold pending new Capital Assessment:

- i) Local Law 11 - Cycle 9B (facade repairs): Repair bidding completed 04/2022, contractor selected 05/2022. Cost approximately \$200,000. Contract to be signed. City requires completion of the work and submission of paperwork by 02/23/23.
- ii) Boiler replacement: Design plans completed 07/05/22. Bidding evaluation contract signed 08/10/22. No cost estimates until bidding is completed.

- iii) Building foundation repairs: Engineering evaluation in progress. Anticipate completion mid-August with bidding to follow. No cost estimates until bidding is completed.
- iv) Security video server replacement: Contract received 05/24/22. Cost will be \$10,410.
- v) Roof exhaust fan replacements (as needed): Awaiting repair bids.
- vi) Landscaping replacements: No update.

h) Maintenance schedule: Zinnanti will review and share with board at next meeting. No update.

5) Committee Reports:

- a) Financial Planning. No update.
- b) Building Beautification & Improvement. No update.
- c) Rules & Regulations: No update.

6) General Membership meeting: Sindhu Mathew requested that the Board schedule annual meeting immediately. Madalina Rauscher responded that per Bylaws the Annual Meeting's primary purpose and unit owner's primary interest is building's finances. The Annual Meeting would be held as soon as FY21 audit was completed and the FY2019, FY2020, and FY2021 audits were reviewed by Board with the auditor and accepted, and costs of the immediate major projects was finalized by bidding. To date, cost of boiler replacement and foundation crack remediation projects unknown and Salomon Engineering has said no cost estimates until bidding is completed.

The meeting was adjourned at approximately 9:00 p.m. Minutes submitted by Robert Boynton, Secretary.