

MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING
PARKFAIRFAX CONDOMINIUM
3360 Gunston Road
Alexandria, VA 22302

June 5, 2012

ATTENDANCE

Directors Present: Barbara Turpyn, President; Alice Cave, Vice President; Kathy Schramek, Treasurer; Dave Bush, Secretary; Robin Woods, Richard Moha, Lyle Drew and Cindy Engelhart, Directors

Absent: Mshyka Davis-Smith, Director.

Others Present: George Gardner, General Manager; Sarah Clark, Assistant General Manager; Brian Bernard, Maintenance Director and Kyle Weir, Structura

CALL TO ORDER

Ms. Turpyn called the June 5, 2012 Special meeting of the Parkfairfax Board of Directors to order at 7:00 p.m. She announced that the meeting had been called specifically to discuss contractor bids for settlement repairs.

INTRODUCTION

George Gardner explained that the purpose of this meeting is to discuss contractor bids for settlement building repairs in buildings 849, 830 and 111 and to have Board discussion of vacancy/out of unit per diem/pet expenses and other possible expenses such as moving and storage expenses for personal possessions.

The 2012 Reserve Study includes a building settlement allowance of \$450,000 and a building settlement temporary maintenance allowance of \$90,000 for FY13.

The estimated settlement building repair bids were broken into four sections:

	<u>Bldg. 849</u>	<u>Bldg.830</u>	<u>Bldg. 830 w/Alt</u>	<u>Bldg.111</u>
1. Foundation repairs	\$158,300	\$110,249	\$260,839	\$0
2. Interior repairs	\$ 34,495	\$ 27,290	\$ 27,290	\$31,980
3. Vacancy allowances	\$ 8,500	\$10,750	\$10,750	\$1,500
4. SRG Engineering costs	\$35,000	\$50,000	\$60,000	\$5,000
Subtotals	\$236,295	\$198,289	\$358,879	\$38,480
20% Contingency	\$47,259	\$39,658	\$71,775	\$7,696
TOTALS	\$283,554	\$237,947	\$430,654	\$46,176

*Avon Corporation estimated that the price for repairing buildings 849 and 830 at the same time would save approximately \$12,000.

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Mr. Gardner and Mr. Weir agree that building 849 is the highest priority building needing repair. Mr. Gardner recommends repairing buildings 849 and 111 this summer and possibly undertaking repairs on building 830 next spring, depending on status of reserve funds later in the year.

Mr. Gardner informed the Board that there will be a possible end of the fiscal year surplus of \$200,000 in FY 2013 due to the allocation of projected savings in the natural gas contract that were being redirected to contribution to reserves. There may also be FY 2012 year end net income that would normally be directed to Prior Year Owner Equity account (where portions of it could be subsequently redirected by Board action to Reserve Expenditures). He should have pre-audit numbers for the Board at the June 20, 2012 Board meeting. Ms. Schramek said that the Finance Committee is recommending that 2% of the forecasted surplus go into the Association's Reserve account.

Interior Repairs: Three bids were received for the interior repairs at buildings 849, 830 and 111. There are several items that are outstanding that may change the assumptions, scope of work and scheduling of the repairs:

- Per diem costs for unit owners displaced by work
- Sequencing/scheduling to allow displaced unit owners to use a rental property in Parkfairfax
- Identifying responsible parties and logistics associated with moving personal items impacted by work
- The scope of work as well as the sequencing/scheduling for the foundation stabilization and façade repairs programs for buildings 849 and 830.
- Per diem allowances, if any, for pet accommodations.

(A) The Board asked Management to identify the building types of each building on the high priority settlement building list.

Out of Unit Costs: Mr. Gardner presented a breakdown summary of contractor duration for the interior work and foundation stabilization work at buildings 111, 849 and 830:

- Building 849 would require estimated 68 vacancy days at a per diem rate of \$125/day that would require an allowance of \$8,500.
- Building 830 would require estimated 86 vacancy days at a per diem rate of \$125/day that would require an allowance of \$10,750.
- Building 111 would require 12 estimated vacancy days at a per diem rate of \$125/day that would require an allowance of \$1,500.

Mr. Gardner explained that the total vacancy allowance would stand at approximately \$20,750 if all three buildings are done; \$19,250 if only buildings 849 and 830 are both done; and either \$8,500 or \$10,750 if only one building is done. These vacancy days for all units, if taken consecutively, would total 5.53 months.

Mr. Bush suggested the Board consider adopting a written per diem policy further clarifying what per diem is intended to cover and under what circumstances.

The Association currently provides a per diem rate of \$125/day which is reimbursed to the resident after providing hotel receipts. Mr. Gardner said that many displaced residents have had to pay for a hotel upfront.

Mr. Gardner said that providing a rental unit would be cheaper; however, it would present less problems for management to simply provide the \$125/day per diem and leave it up to the residents to handle their own lodging. Mr. Gardner also said the calculated costs to use the rental unit do not include the lost income while the unit stays empty waiting to be used.

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A unit owner explained to the Board that she and her neighbor in the unit below will be on vacation the month of September and both of their dogs will be in the units while they are away. They have arranged to have someone stay in the unit to take care of the dogs and the unit owners asked the Board if they could delay the inside repairs until they return from vacation.

(A) *Mr. Weir will contact Avon Corporation and Pentry Builder's Inc to see if they can accommodate the 30 day gap and what additional costs (if any) will be incurred.*

A unit owner provided the Board with a list of questions concerning vacancy:

1. To what extent will furniture need to be relocated or removed? *Answer: In building 830- all of the furniture will have to be moved upstairs and in building 849- all of the furniture would have to be moved out of the unit.*
2. Who will arrange the paint matching and pickup for repainting post work? *Answer: the Association.*
3. Given that both units requiring vacancy have medium to large sized dogs-what housing accommodations will be given (most hotels do not allow large dogs)? *Answer: none*
4. If the vacated residents are relocated to a furnished Parkfairfax residence, will the per diem for food still be provided? *Answer: There is no per diem for food.*
5. If any per diem is given to vacated residents how was that per diem rate established? *Answer: it was established by Board policy. Management is in the process of locating the original motion. There does exist Board direction to Management documenting the fact that the Board is currently allowing a Per Diem of \$125/day.*
6. What is the per diem rate for food? *Answer: the total per diem rate is \$125. There is no per diem rate specifically allocated for food.*
7. What is the per diem rate for housing? *Answer: the total per diem rate is \$125.*
8. If no per diem rate is given to vacated residents given a furnished Parkfairfax temporary unit, is the homeowner/renter expected to relocate all of their personal food supply? *Answer: yes.*
9. If a temporary furnished Parkfairfax unit is provided to vacated residents, will cable and internet be available on site? *Answer: yes.*
10. If my unit is vacant during the warm summer months, who will control the AC? (This needs to be left on for multiple intervals to prevent moisture buildup). *Answer: the contractors will leave air conditioning on inside the unit but electricity costs will be the residents expense.*
11. Unit 3233 Martha Custis Drive contains expensive imported rugs from the Middle East, what precautions will be taken to protect these items? *Answer: the rugs will be rolled up and either stored in another room or covered with plastic to provide protection.*
12. How will payments of per diem be made to the vacated resident? *Answer: a check will be sent within 14 days after receiving receipts.*
13. If the vacated resident is forced to rent a temporary apartment how will this expense be covered? (i.e will the vacated resident pay for it up front themselves and be reimbursed or will the condo association be billed directly?) *Answer: the unit owner would pay and be reimbursed.*

Ms. Turpyn suggested that Management look into negotiating rates with Hawthorne Suites for displaced residents. She said that the local Hawthorne Suites have rates for \$99 a night for a one bedroom including

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breakfast (they are also a pet friendly hotel). If the Association were to negotiate a rate with a hotel for long term rentals, the Association would pay for the rooms directly so that the resident would not have to worry about paying for a room in advance.

(A) Management will contact Hawthorne Suites to inquire about long term rental rates for one, two and three bedroom suites.

Ms. Turpyn asked Mr. Weir if residents could enter their units while the repairs are being made inside their units. Mr. Weir said that residents would have to schedule a time with the contractor.

A resident asked if there was a risk to move any large trees at building 849. Mr. Gardner said that there is one tree in the corner that is close to the path that may need to be removed. Mr. Gardner will review that issue again with the Landscape Director.

(A) Management will obtain moving, storage and security costs for the June 20, 2012 Board meeting.

Building 849

By general consensus the Board agreed to proceed with the settlement building repairs for building 849.

(A) Mr. Weir will begin the permitting process which takes about 3-4 weeks. The permits will valid for one year.

Building 111

By general consensus the Board authorized Mr. Weir to obtain bids for the interior of building 111 to be presented to the Board at the July 18, 2012 Board meeting.

ADJOURNMENT: 9:11 p.m.

ADOPTED AT THE JUNE 20, 2012 BOARD MEETING

Respectfully Submitted,

Dave Bush, Association Secretary

Date Approved: _____

Attested By: _____
(Name)

(Title)