

ST. JAMES TOWERS | MONDAY, NOVEMBER 20, 2023

BOARD OF DIRECTORS VIRTUAL MEETING WITH STOCKHOLDERS – UNOFFICIAL MINUTES

Directors Present: Dr. Noreen Hosier, Mr. Patrick Stennett, Mr. Warren Harding, Ms. Arlene Arrington, Ms. Yvonne Hilton, Mr. Claudio Jordan, Ms. Stacey Starke and Ms. Nicole McKnight

Property Manager: Ms. Nicole Duncan

The meeting was called to order at 7:07 PM.

WELCOME

Dr. Hosier welcomed the stockholders to the Virtual Board of Directors Meeting, which can be viewed on BuildingLink afterwards. A roll call of the Directors followed, and all confirmed their presence. One board vacancy was noted. The meeting was accompanied by a PowerPoint presentation on the following items:

1. 2023 Annual Board of Directors Election
2. Unexpected repair project that will increase the forecast budget for current fiscal year July 1, 2023-June 30, 2024
3. Bargold Storage Systems License Agreement Update
4. Revised St. James Towers Apartment Alteration Agreement

FINANCIAL REPORT

Management delivered to all apartments the Annual Independent Auditors Report prepared by corporation accountant Robert Mellina. The report covers the financial statements for the fiscal year July 1, 2022-June 30, 2023.

The current fiscal year's forecast budget (July 1, 2023-June 30, 2024) can be found on page 20 of the report. Mr. Mellina highlighted in a cover letter the pertinent items. During the December 11th Annual Meeting, Mr. Mellina will present an overview and answer stockholder submitted questions. To allow stockholders time to review the report, Mr. Mellina finalizes and submits the report for stockholder review well in advance of the scheduled meeting.

AGENDA

Dr. Hosier read the agenda and announced that the next scheduled meeting will be the Annual Meeting and Board of Directors Election on Wednesday, December 11, 2023 at 7 PM.

ACCEPTANCE OF SEPTEMBER 20, 2023 MINUTES

As there were no corrections to the minutes from the September 20, 2023 shareholder meeting, a motion was made by Patrick Stennett to accept the minutes as written and seconded by Yvonne Hilton; the board voted unanimously to accept the minutes as written.

2023 BOARD OF DIRECTORS ELECTION

Mr. Harding reviewed the contents of the 2023 election packet and described how the ballot should be completed. He also discussed the HPD-required board training videos, particularly outlining the topic "Is My Cooperative Being Run Like a Business" and how the board has met some of the criteria presented on that topic.

CAPITAL PROJECTS

Ms. Nicole Duncan, Property Manager, presented the following:

- Façade Inspection Safety Program (FISP) – Cycle 9
 - Report is to be filed with the DOB by 2/21/2024
 - St. James is currently in compliance and has commenced the façade inspections
 - Beginning the week of Nov. 6th, Millenium Restoration contractors installed scaffold drops to perform probing investigation
 - United Engineering of NY is performing the inspections/observations of the exterior wall and/or balconies as required
 - The estimated timeline for probes to be completed is through 12/22 (weather permitting)
 - Beginning the week of 11/27, Millenium Restoration contractors will continue removing the loose section of concrete, and Engineer Vivek Patel will perform brick probes inspections/observations of the D balcony line. Notices will be distributed to shareholders of D, E and J balcony lines prior to Mon. 11/27.
- Cobblestone Repairs
 - On September 13, 2023, North Shore Risk Management renewed St. James Towers' annual insurance that included liability for the physical property and Board of Directors.
 - Less than a month later, Management received a loss control letter from North with photos stating that the uneven cobblestones along the outer half of the public sidewalk along St James Place poses a trip hazard, and if maintenance of the cobblestones is the responsibility of the insured, then St. James must make repairs.
 - The cobblestones are on City property, but per two 1994 laws, St. James Towers is required to perform and pay for repairs, and is liable for any lawsuits that result from injuries occurring in the cobblestone areas.
- Elevator Repair
 - Elevator car #4 has been experiencing operating problems for the last 2 weeks. After careful inspection it was decided to replace the cables. From Mon. 11/27 through Fri. 12/1, car 4 will be out of service for repairs and will return to service pending DOB inspection and approval.

COBBLESTONE PROJECT

Dr. Hosier stated that the unexpected St. James Place cobblestones repair project requires the Board to implement an immediate plan of action to prevent cancelation of the corporation's insurance. Due to the onset of cold weather, Board negotiated a compromise with the insurance company that would postpone the repair project until possibly Spring, 2024. Cost of Installing 24 barriers on St. James Place to cordon off trip and fall hazardous areas designated by insurance policyholder was \$5,000.

The board requested proposals for the repairs; the project engineer's preliminary proposal estimate cost: \$135,000.

BARGOLD STORAGE SYSTEMS PROPOSAL UPDATE

Dr. Hosier reported that the Board is finalizing its decision regarding Bargold Storage Systems' proposal for the basement area referred to as the Rainbow Room. Bargold sent a revised third license extension agreement that the board forwarded to corporation counsel to review. Counsel agreed that all revisions requested by the Board were included and assessed the agreement terms to be favorable for St. James Towers. The terms of the

original 2010 license agreement for the existing 2 stockholder storage rooms (basement rooms 10 & 11) will be included. Other terms on the agreement:

- Bargold will perform all room renovations at no cost to St. James Towers Inc.
- Bargold will remove all items and debris from the room and place in a dumpster provided by them, which they will cart away
- Bargold will replace all lighting fixtures with LED lighting and replace all exit signs
- Electrical work will be performed by licensed electricians selected by Bargold
- Bargold will pay for an exhaust fan to be installed by an electrician selected by St. James
- 36 storage units will be added to the existing 21, resulting in a total of 57 units
- St. James has the option of purchasing the storage units after 10/1/2025

With the common current per unit monthly fee of \$76, St. James could potentially earn a minimum annual income of \$51,984 that will be added to the operating budget if it decides to purchase the units:

57 units @ \$76/unit = \$4,332/month
\$4332 x 12 months = \$51,984 annually

As there was no further discussion, a motion was made by Stacey Starke to accept the 2023 Third License Extension Agreement between St. James Towers, Inc. and Bargold Storage Systems LLC; Arlene Arrington seconded. All board directors voted in the affirmative.

REVISED ST. JAMES TOWERS APARTMENT ALTERATION AGREEMENT

In September 2023, corporation counsel reviewed and revised the corporation's Apartment Alteration Agreement with the following changes:

- The contractor must be licensed
- The contractor must sign the agreement to ensure recourse in the event of a breach of the agreement terms
- Any electrical or plumbing work must be performed by a licensed individual.

As there was no further discussion, a motion was made by Patrick Stennett to accept the revised St. James Towers Apartment Alteration Agreement of September 2023; Nicole McKnight seconded. All board directors voted in the affirmative.

Next Steps: In January 2024, Management will develop and share a schedule for stockholder's private apartment renovations, along with resale renovations. Due to recent numerous apartment resales, there are several apartment renovations in progress. To limit disruption to daily building operations and the quality of life to stockholders, Management will limit apartment renovations to 3 at a time (private and resale renovations).

QUESTIONS AND ANSWERS

No questions were submitted in advance:

Online/phone questions:

Q: A shareholder asked about making the laundry room more ADA accessible such as lower height tables for wheelchair-bound individuals.

A: The board will explore this further.

Q: How is it that the renovations to the Rainbow Room by Bargold will be at no cost to the corporation when if St. James has to pay for a new plumbing line or system to accommodate the changes being made by Bargold?

A: There was a previous suggestion from Bargold to install dehumidifiers in the room, which would require some plumbing work. The board would not agree to that.

Q: A shareholder asked for confirmation on whether a licensed plumber and electrician are needed for apartment renovations requiring plumbing and electrical work respectively.

A: If the electrical work is extensive (such as rewiring) a licensed electrician must do the job. For plumbing, St. James recommends using the plumber it uses as they are more familiar with the building and its plumbing issues.

Q: A shareholder stated that her apartment is directly across from the stairwell to the roof and the door is left open after workers are finished for the day. She requested to have the workers close that door. There is also so much equipment being dropped directly over her apartment.

A: Dr. Hosier apologized for the nuisance and asked Ms. Duncan to make sure the stairwell door is closed before she leaves for the day.

Q: While the Rainbow Room was shut down due to the COVID pandemic, the ping-pong table went missing. What plans are in place to have security systems installed?

A: There was no investigation to confirm that "a ping pong table went missing from the Rainbow Room". Basement security cameras are working; but there is always room for improvement.

Q: A shareholder questioned how the potential \$52,000 of income from purchasing the storage units were derived.

A: With the additional 36 units that would be installed in addition to the existing 21 units at the current common monthly fee of \$76.00, the total annual revenue would be \$51,984. This revenue could be realized in 2025 if St. James decides to purchase the units at that time.

Dr. Hosier stated that any other questions that were not asked may be submitted to the Management Office or via BuildingLink.

CLOSING REMARKS

Dr. Hosier recognized that the closing of the Rainbow Room is a sensitive issue for those who were involved with coordinating the activities in the space, and reiterated that the Community Room is an alternate space to use as it is underutilized and doesn't require renovations. Stockholders were encouraged to submit social activity plans to be implemented in the Community Room.

UPCOMING MEETINGS

- Virtual Candidates Night, December 4, 2023 at 7 PM
- Virtual Annual Meeting, December 11, 2023 at 7 PM

The meeting was adjourned at 8:16 PM.

Minutes prepared by Warren Harding, Secretary

Warren Harding
Signature

11/26/2023
Date