

Moving Forward

July 15, 2023

Friday, June 30, 2023, concluded the first three (3) months of fiscal year 2023/2024. During these three (3) months, the full oversight and accountability of the Riverbay Corporation was transitioned to the new Executive General Manager. Critical time was spent meeting with Board Directors, shareholders and the Riverbay Management team. The “Shared Vision” was introduced and communicated on all levels of the corporation and internal and external stakeholders, including elected officials representing the shareholders of Co-op City.

The importance of the Riverbay shareholders was echoed across the corporation with emphasis on the concept of how “*Respect begets Respect*” and Management must strive to do the right thing right the first time for shareholders, which will yield cost savings for Riverbay. Management expressed to shareholders the need for cooperation and partnership to sustain and maintain this affordable housing stock for the next generation. Working together in tandem will be the key to success.

Beginning in July 2023, Management executives – Marvin L. Walton, Cary Smith III, and Warren Mitchell – were equally assigned with 14 buildings and townhouses on the Co-op City campus. Each Management executive is partnering with the building and townhouse associations to conduct a walk-through of the common areas/public spaces of the buildings and grounds to identify and note any observed deficiencies that impact the quality of life for the shareholders. Management executives will work with various Riverbay Corporation departments to develop a plan to address the conditions observed during the visits. Plans are to complete the property walk-throughs by August 31, 2023, for those Association leaders who contact us before this date. Individual emails were sent to the Association’s leadership.

The Janitorial Service department reported to the NYC Sanitation Recycling Program that as of June 30, 2023, Co-op City processed the following recyclables;

Item	Tonnage
Wastepaper	300.17
Metals	154.73
Co-Mingled Plastics & Glass	301.19

We commend the shareholders and Management staff for contributing to the recycling efforts at Co-op City. Recycling is important to this community as it allows for the recovery and reprocessing of waste materials for use in new products. The basic phases in recycling are the collection of waste materials, their processing or manufacture into new products, and the purchase of those products, which may then themselves be recycled.

Wednesday, July 12th, Riverbay Executive Management

Management Report

Marvin L. Walton
Executive General Manager



visited NRG Energy, Inc. (“NRG”), located in Princeton, NJ. Riverbay Corporation has an energy management contract with NRG to provide wholesale & retail natural gas services, retail electricity service, station optimization,

and the ability to transact in wholesale markets. During this introductory meeting, we discussed performance (*market pricing vs. ConED*), hedging strategies, and sustainability updates.

We were also provided a tour of their state-of-the-art “LEED” certified office building. The acronym LEED stands for “**Leadership in Energy and Environmental Design,**” which is the most widely used green building rating system in the world. Available for all building types, LEED provides a framework for healthy, efficient, and

cost-saving green buildings. The office campus was equipped with its own combined heat and power (CHP), solar panels, EV-Chargers in the parking lot, hydro solar and a partial green roof (vegetation). We will explore how some of these components can be duplicated on the Co-op City campus.

Update – Convector Initiatives

Management continues its efforts to identify strategies to address flooding caused by the aging convector system at Co-op City. Below are updates on two (2) potential solutions Management reported to the Board Directors at the July 12th Board meeting. The ongoing initiatives will be updated as progress is made towards the replacement of the current convectors in apartments.

- **Kelvin Systems, Inc.**, presented to Riverbay Management team on Friday, June 30, 2023. The presentation provided an overview of a radiator monitor and the proposed retrofits which includes replacing the current toggle switch with a GFCI outlet, installing a float switch to be placed in the condensate drip tray that will send an alert when the drip tray level rises and a radiator sensor that will monitor the convector coil temperature and report information to a Cloud dashboard and database. Management will purchase five (5) radiator sensors at a cost of \$400/unit for a total cost of \$2,000. The radiator sensors will be installed and tested in five (5) apartments. The Maintenance team will monitor the sensors for performance in the current environment of Co-op City.

- **Aqua Solanor, Inc.**, a Canada-based company shipped Riverbay Corporation a free Ultra-Thin Hydronic Fan Coil Unit (8,000 BTUs) to be tested in an apartment. It is proposed that this unit will replace the existing convector and will include a 2-way shut-off valve and a water leak sensor that will prevent flooding in an apartment. The unit shipped was a base model without the water sensor and 2-way shut-off valve.

- **Phase 1** – Conduct test to determine if the base model unit fits and operates in our current environment. The base model unit was installed in the living room of the model apartment (Building #19, apartment 23F) on June 6, 2023.

- **Results: The base unit operated in our current**

environment without any issues observed thus far. The Maintenance team will continue to monitor and do all necessary testing to complete this phase. The Maintenance team anticipates that unit will be monitored through September 2023.

○ **Phase 2** – Order a larger unit (12,000 BTUs) from Aqua Solanor, Inc. that will include dual shut-off valves, water leak sensor and a larger/deeper condensate tray. This unit will be installed in the model apartment and will be monitored by the Maintenance team to ensure it fits and operates in our current environment and performs all its features. Once installed, the Maintenance team would monitor the unit for the winter season to ensure the unit produces adequate heat for the apartment. **Test time for this phase is estimated at 6 to 8 months.**

Updates – Local Law 97 Initiatives

The overall goal of Local Law 97 (“LL97”) is to improve energy efficiency, reducing Co-op City’s carbon footprint, and reducing the proposed carbon penalties associated with LL97. We will continue to work with our energy consultant to identify measures to get us closer to this goal.

En-Power Group is a well-respected energy consultant in NYC and has worked closely with Riverbay Power Plant team to submit Local Law 84 and the Local Law 87 reports, which has required their team to develop a deep understanding of the infrastructure at Co-op City. We are currently moving forward with two (2) new initiatives with the En-Power Group: LED Lighting in public spaces and a Carbon Reduction Study.

En-Power Group has secured Riverbay an extension on a reimbursement program with New York State Research and Development Authority (“NYSERDA”) and provided the money is spent on a carbon reduction measure outlined in our Local Law 87 Report by the end of 2023, Riverbay will be reimbursed up to \$185,000. En-Power Group’s Lighting

division has worked with Riverbay Power Plant team to put together a two-phase plan to utilize the full reimbursement on a pilot program for LED Lighting in public spaces.

• **Phase 1**, commencing by August 31st, identifying diverse types of LED lighting to be installed on a few floors of Building #24 and stairwells of Buildings #21, #22, and #24 and in Garage #3.

• **Phase 2**, to be completed by the end of 2023, plans are to utilize the LED lighting solution that works best (from phase 1) and install as many of these LEDs as possible while keeping cost below the \$185,000 reimbursement cap which is one building and one garage.

After both phases are complete, Riverbay Management will be well-situated to make a decision on what to do for the rest of its public space lighting.

By continuing from their engineering work done for Local Law 87, En-Power Group will perform a NYSERDA FlexTech Low Carbon Capital Planning (LCCP) energy study to identify potential electrification, electrification-readiness, and energy measures for Co-op City. The energy study will primarily focus on:

- Heat Pumps and Geothermal
- Solar and Battery Storage
- Heat Recovery Systems

As a result of the package pricing of the study, at no additional cost, Riverbay will also have En-Power Group investigate the potential implementation of:

• **Carbon Sequestration** – The term is used in diverse ways in literature and the media. It can be viewed as the process of storing carbon in a carbon pool. Subsequently, a pool is defined in Wikipedia as “*a reservoir in the Earth system where elements, such as carbon and nitrogen, reside in various chemical forms for a period of time.*” Technically, capturing carbon that would normally be released into the atmosphere.