

CO-OP CITY TIMES

Co-op City's official newspaper serving the world's largest cooperative community.

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Saturday, September 16, 2023



Management Report

On behalf of Douglas Elliman Property Management, I am pleased to present the Management Report for Riverbay Corporation for the period ending August 31, 2023.

Beginning in July 2023 Management Executives Cary Smith, Warren Mitchell and I were equally assigned with fourteen (14) buildings and townhouses on the Co-op City campus. Each management executive partnered 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 impacted the quality of life for the shareholders and their families. As of today, Management executives completed this process for 35/42 or 83% of the locations. Of the seven (7) or 17.0% remaining locations, three are scheduled, three currently have inactive associations and one resulted in no success in connecting with building leadership after multiple attempts (*Assessments will be completed at these four locations*). Management will use data derived from these visits to help develop the annual capital planning process. Building and townhouse association presidents will receive a summary report from the visits in the coming weeks.

To increase accountability on all levels of the corporation, effective, Monday, September 25, the current state of the organizational structure of Riverbay Corporation will be modified to incorporate Cary Smith III, Assistant Executive General Manager, into the day-to-day operations. Cary will have direct oversight to the following **process departments**:

- Automotive Services
- Call Center
- Community Relations
- Corporate Administrative Services
- Elevators
- Parking & Leasing
- Residential Sales
- Technical Services

Warren Mitchell, Deputy General Manager, will have direct oversight to the following **operations departments**:

- Building Janitorial
- Cooperator Services Office
- Construction
- Extermination
- Grounds/Landscaping
- Maintenance
- Procurement
- Restoration

As Executive General Manager, I will have indirect oversight of all departments as well as direct oversight of the following **internal support departments**:

- Finance
- Human Resources
- Information Technology
- Power Plant
- Public Safety
- Safety
- Risk Management

Management Report

Marvin L. Walton Riverbay Executive General Manager



This shift in structure will enable the corporation to increase accountability and better serve our Board of Directors and the shareholders.

2023-2024 Winter Natural Gas Hedging

As of last week, Riverbay has hedged 5,000 dekatherms a day of natural gas for this winter (Nov. 23-Mar. 24) at an average price of \$5.861/dekatherm, just over half the price that was hedged last winter. This price is safely below what was budgeted.

For Co-op City, 5,000 dekatherms are safely under the expected minimum winter daily demand for natural gas needed to meet its heating and electrical needs. The rest of the demand will be purchased normally, assuming another hedge is not entered into by Riverbay.

2023 Demand Response Program Performance

Riverbay participates in two (2) Demand Response programs with ConED each year – the Distribution Load Relief Program (“DLRP”) & Commercial System Relief Program (“CSR”)”. Both programs pay Riverbay to lower its electrical usage and increase its generation for up to four (4) hours at a time when called upon by ConED between the months of May and September.

This summer, between the two (2) programs, Riverbay has been called and performed successfully the following three (3) times;

- * 7/14/23, DLRP Test Event
- * 7/28/23, CSR Event
- * 9/7/23, Voluntary CSR Event

The programs will not end until September 30th, but among these three successful performances so far, Riverbay **expects to earn \$2.9-\$3.7 million in revenue.**

Riverbay Corporation currently participates in the Multi-Family Conservation Program (“MCP”) which provides qualified multiple-family housing of four or more dwelling units with billing based on a fixed charge per unit in lieu of billing based on metered charges. The program’s objective is to promote water conservation in multiple-family housing, while giving customers control over their water and wastewater costs. Riverbay’s participation in this program requires an annual fixed cost payment to the Department of Environmental Protection (“DEP”) in the amount of \$17.0M. Due to insufficient cash flow, Riverbay made a down payment of \$4.3M and entered into a payment agreement with DEP for the remaining balance (*plus 5.0% interest compounded monthly*) over a one (1) year period. Our goal is to pay off the agreement before July 2024.

Update – Convector Initiatives Tracker
[Please note updates provided in **bold** text]

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2023 Demand Response

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Update – Convector Initiatives Tracker

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Vendor(s)	Product/Project	Funds Expended	Current Status
1. Express Plumbing	Installation of an electronic leak detection and shut off value in convector	\$1,767.04	<p>The electronic leak detection and shut off value was installed in Building 10B Apartment 4B. This device is designed to detect leaks that may occur from a build-up of condensation in the convector. Once the water in the drip pan reaches a certain level, the device will activate and shut off the value, stopping the chilled water from circulating in the coil mitigating potential flooding in the apartment.</p> <p>• Management will be installing two (2) motorized shut-off values with leak detection in occupied apartments. These values will shut the water flowing through the coils in the convector once a leak is detected. The Maintenance team will periodically check in with the shareholder to see how the device is performing.</p>
2. Pepco Controls	Water leak and temperature sensors with control values	\$0	<p>Waiting on company to set up a demonstration of the proposed product and control values.</p> <p>• This initiative is like Kelvin Systems, Inc. and therefore Management suggests this item be removed from the tracker and no funds should be spent.</p>
3. Kelvin Systems, Inc.	Convector control and leak monitoring unit	\$2000.00	<p>A sample product was installed in Section 1 Maintenance Office to observe the features for testing the functionality. The company is working on the dashboard that will support the operations of the unit.</p> <p>Kelvin Systems, Inc. presented to Riverbay Management team on Friday, June 30, 2023. The presentation provided an overview a radiator monitor and the proposed retrofits which includes replacing the current toggle switch with a GFCI outlet, installing a float switch that will to be placed in the condensate drip tray which 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 plans to purchase five (5) radiator monitors at a cost of \$400/unit (\$2,000) and will have the devices installed in apartments and will be monitored by the Maintenance team for performance.</p> <p>• The device is currently being tested in a few apartments. Management is working with shareholders to identify additional apartments to test the device. This device could provide reporting/alarm benefits.</p>

4. Aqua Solanor Inc.	Ultra-Thin Hydronic Fan Coil Unit	\$0	<p>Canada based company shipped a free unit (8,000 BTUs) to be tested in an apartment. It is proposed that this unit will replace an existing convector and will include a water sensor and a 2-way shut-off valve that will prevent flooding in an apartment. The unit shipped was a base model without the water sensor and 2-way shut-off valve.</p> <p>Phase 1 – Conduct test to determine if the 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: This unit is operating in our current environment without any issues observed thus far. The Maintenance team with continue to monitor and do all necessary testing to complete this phase. Maintenance team anticipates that unit be monitored through September 2023.</p> <ul style="list-style-type: none"> • The Maintenance Team continues to monitor the apartment once a week. Thus far, the apartment temperature has been maintained around seventy degrees with only one unit operating. There were no leaks from the unit. This is a one-bedroom apartment. <p>Phase 2 – Order a larger unit (12,000 BTUs) from vendor that will include dual shut off valves, water leak sensors 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. Maintenance team would monitor unit for the winter season through March 2024. Test time for this phase is estimated at 6 to 8 months.</p> <ul style="list-style-type: none"> • The 12,000 BTU unit is currently in transit to Riverbay at no cost. This unit will come complete with two 3-way motorized Belimo valves to shut off water to the coil in the event of a leak or break. This unit will be installed in the living room of the 3-bedroom model apartment in building 34 in Section 5 and monitored in our current environment for the upcoming heating season. <p>Phase 3 – Based on the data collected from phase 1 and phase 2, the Maintenance team will meet with the engineering team and design a unit that would add any additional requirements needed. The goal is to build a unit for our current environment with the software and performance for Co-op City’s high-rise buildings. This unit will be designed to save energy, provide the same comfort, and eliminate localized condensate leaks and coil failure leaks. Management will also explore if there is government funding available for this type of large-scale program. Time for this phase is to be determined.</p> <p>Phase 4 – Designed unit complete and ready for ordering when all requirements are met. Management will examine historical data to determine a line of living rooms that have had multiple leaks in a building for units to be installed. The manpower needed for installations will be assessed and determined during this phase. The Maintenance team will monitor units installed in apartments beginning with a cooling season in the current environment for performance. Test time for this phase is to be determined.</p> <p>Phase 5 – Roll out a larger scale install throughout the campus. This will involve preparing an RFP to obtain options and prices to furnish and install units in various quantities. The installation of the new units is projected to reduce convector leaks, floor repairs, and asbestos abatement. Increase comfort in the apartment along with cost savings on energy. Time for this phase is to be determined.</p>
5. Artic Heat Pumps		\$0	<p>The vendor will provide a 12,000 BTU convector like the one being tested at no cost to Riverbay. We will test this unit in our current environment to make sure it performs all its features.</p>
6. E & M Industrial Supply		\$0	<p>The vendor will provide a 12,000 BTU convector like the one being tested at no cost to Riverbay. We will test this unit in our current environment to make sure it performs all its features (Made in U.S.A.).</p>

Updates – Local Law 97 Initiatives

The overall goal for these initiatives is to Improve energy efficiency, reducing Co-op City’s carbon footprint, and reducing the proposed carbon penalties associated with Local Law 97.

En-Power Group (*whom you will hear from next of the agenda*) 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 new initiatives with En-Power Group: LED Lighting in public spaces, and a Carbon Reduction/Energy Study. The LED Lighting project will kick-off on Friday, September 22, 2023, and the carbon reduction/energy study will take approximately six (6) months to complete. The energy study will primarily focus on:

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

Once the study is done, Management will partner with the Board Directors and shareholders to discuss the outcomes and identify the feasible measures that will help develop a sustainability agenda for Co-op City.

Extermination

Management will continue to treat Spotted Lanternflies that have invaded the campus. The Extermination department sprays under building porticos for the lanternflies on:

- Mondays and Tuesdays from 5-9 p.m.

We kindly ask that shareholders look for the yellow caution tape and posted signs when spraying is scheduled.

To the right is a summary of the Management’s Key Performance Indicators for August 2023:

Finance	
Deposits:	
-Carrying Charges	\$ 18,714,138
-Surcharge Income	\$ 615,070
-Billed Garage Spaces	\$ 922,064
-Transient Garage Spaces	\$ 12,060
-Shopping Center #1 Rental	\$ 94,260
-Shopping Center #2 Rental	\$ 269,840
-Shopping Center #3 Rental	\$ 84,202
-Other Revenue	\$ 790,467
-Utility Inc. - Shp Ctr elec/gas	\$ 106,581
-CAM Charges Shopping Center	\$ 20,253
-Rubbish Removal Income	\$ 9,065
-Utility Inc. – Shp Ctr Water	\$ 6,602
-Interest Income	\$ 29,908
-Draw from Replacement Reserves	\$ 4,809,199
Total Deposits	\$ 26,483,709

Disbursements	
-Payroll	\$ 3,628,091
-Payroll Burden	\$ 2,035,265
-Payroll Taxes & Other Employee Contributions	\$ 1,996,800
-Mortgage Wells Fargo	\$ 4,728,790
-Asbestos - Abatement Unlimited	\$ 395,758
-ConEd – Electricity	\$ 401,403
-NY Water Board	\$ 1,627,802
-Flooring Mohawk	\$ 266,181
-Cove – Turnkey	\$ 242,855
-Cove – Rainier	\$ 478,637
-Insurance	\$ 260,209
-Direct Energy	\$ 819,880
-SHI International (IT)	\$ 250,665
-Other Operating Expenses	\$ 2,869,724
-Capital Projects:	\$ 5,390,716
Total Disbursements	\$ 25,392,775
Accounts Receivables (Current Shareholders Arrears)	\$ (16,965,021)

Shopping Center Commercial & Professional Spaces Summary				
	Bartow	Einstein	Dreiser	Total
Total Spaces	31	18	34	83
Occupied	27	16	28	71
Vacant	4	2	6	12
Occupancy Rate:	87.1%	88.9%	82.4%	85.5%
Note: 5 Leases were on Board agenda and once approved occupancy rate will increase to 92.0%				
Vacancy Loss				\$ (41,745)

Residential Sales Activity				
	August	Fiscal YTD	Monthly Average	
Apartment Closings	45	258	52	
Apartment Sold	36	219	44	
Move Outs	45	202	40	

Incoming Calls to Call Center	
Maintenance, Restoration and Finance	13,419
Answered Calls	11,230
Abandoned Calls*	2,189
Abandoned Rate	16.3%

* Callers that voluntarily disconnected the call after waiting 3 minutes.

Disability/FMLA/PFL				
	New Requests	Pending Request	Total on Leave	Approved To-date
Short Term Disability	8	6	18	18
Family Medical Leave Act	7	6	26	26
Paid Family Leave	1	0	11	11
Workplace Accommodation	3	5	0	28
Total	19	17	55	83

Apartment Closings Financing Summary	
Equity Paid in Full	11
Deferred Equity Program	31
Equity Financed via Loan (Citibank or Webster Bank)	3

Head Count Summary	
Budgeted Head Count	948
Filled Head Count	855
Vacant Head Count	82
Vacant Head Count Rate	8.6%

CCPD Detective Squad Summary Y-T-D			
	2023	2022	% Change
Homicide	0	1	-100.0%
Rape	0	0	0.0%
Burglary	3	5	-40.0%
Robbery	10	15	-33.3%
Felony Assault	7	1	600.0%
Grand Larceny	3	1	200.0%
Grand Larceny Auto	10	11	-9.1%
Total Cases to Squad	33	34	-2.9%

Work Orders	
Created	3,851
Completed	3,230
Follow-ups	71
Scheduled	254
Canceled - Duplicate, Error, s/h canceled apt.	296
% of Work Orders Completed	83.9%

Convactor Leak Work Orders	
Living Room	339
Bedroom	337
Kitchen	173
Total	849





Riverbay at Co-op City located in Northeast Bronx is a Mitchell-Lama Cooperative Housing Development supervised by the NYS Homes & Community Renewal. We are now accepting applications for the apartments noted below. Equity requirements are:

1 BEDROOM: \$22,500 - \$30,000
\$807 - \$1,077 approximate monthly carrying charges*

2 BEDROOMS: \$33,750 - \$37,500
\$1,212 - \$1,344 approximate monthly carrying charges*

3 BEDROOMS: \$45,000 - \$48,750
\$1,616 - \$1,739 approximate monthly carrying charges*

Monthly carrying charges include gas, utilities, central air conditioning and heating
*plus surcharges where applicable

- Balcony with views of Manhattan & Long Island Sound
- 24 Hour Public Safety Patrol
- Express bus to Manhattan
- Convenient to shopping

- Local Bronx Buses
- Great Schools
- On-Site Day Care
- Public Parks & Ball Fields
- Financing Available

To obtain an application in person or by mail, please visit or call us today at:
RIVERBAY CORPORATION RESIDENTIAL SALES DEPARTMENT
2057A Bartow Ave, Bronx, NY 10475 718-320-3373
Hours: Monday – Friday, 9 a.m. – 5 p.m.
or visit our website at: coopcitynyc.com



Riverbay provides reasonable accommodations to persons with disabilities
ADMISSION PREFERENCE FOR VETERANS

