

**Minutes
Board of Directors
GHI Regular Open Session
December 20, 2018**

Board Members Present: Brodd, James, Jones, Hess, Holland, Kapfer, Skolnik and Watkins

Excused Absences: Seely

Others in Attendance:

Tom Sporney, Assistant General Manager
Joe Perry, Director of Finance
Molly Lester, Audit Committee Member
Henry Haslinger, Audit Committee Member
Ben Fischler
Jim Cohen
Yoni Siegel
Kris White
Monica Johnson, Recording Secretary

President Skolnik called the meeting to order at 7:46 p.m.

1. Approval of Agenda

Motion: To approve the agenda.

Moved: Hess

Seconded: Holland

Carried: 8-0

2. Announcement of Executive Sessions Meetings

2a. Announcement of Executive Session Meeting Held on December 6, 2018

GHI's Board of Directors held an Executive Session meeting on December 6, 2018, in the Board Room of the Administration Building. Board members Stefan Brodd, Stephen Holland, Chuck Hess, Ed James, Bill Jones, Linda Seely, Steve Skolnik, and Audit Committee members Molly Lester, Henry Haslinger and Carol Griffith attended the meeting.

The following motion to call this meeting was made during a prior open meeting on the same date and approved by Board members Stefan Brodd, Stephen Holland, Chuck Hess, Ed James, Bill Jones, Linda Seely, and Steve Skolnik:

Motion: I move that the Board of Directors adjourn this open meeting for the purpose of conducting a closed meeting to discuss the following matters:

- a. **Approve minutes of Executive Session meeting held on November 1, 2018**
- b. **Consider a request by a member for a rental permit extension.**

- c. **Consider the terms and conditions of the following contract in the negotiation stage:**
 - **2019 Property and Business Owner's Insurance Proposal - 2nd reading**
- d. **Member financial matters.**
- e. **A member complaint matter.**

During the meeting, the Board approved for second and final reading, the expenditure of \$ 587,045 with an extra 0.977% to cover any unforeseen contingencies, for a total not exceeding \$ 592,777, to renew GHI's Property and Business Owners' Insurance Policy for 2019 through USI Insurance Services.

The meeting commenced at 7:02 pm and adjourned at 7:16 pm.

Authority for the above closed meeting was derived from Subtitle 6b of the Maryland Cooperative Housing Corporation Act, § 5-6B-19 "Meetings of cooperative housing corporation open to members of corporation or their agents." Paragraph (e) (1)

2b. Announcement of Executive Session Meeting Held on December 20, 2018

GHI's Board of Directors held an Executive Session meeting on December 20, 2018, in the Board Room of the Administration Building. Board members Brodd, James, Jones, Hess, Holland, Kapfer, Skolnik, Watkins and Audit Committee members Lester and Haslinger attended the meeting.

The following motion to call this meeting was made during a prior open meeting on the same date and approved by Board members Board members Brodd, James, Jones, Hess, Holland, Kapfer, Skolnik:

Motion: I move that the Board of Directors adjourn this open meeting for the purpose of conducting a closed meeting to discuss the following matters:

- a. **Approve minutes of Executive Session meeting held on November 15, 2018**
- b. **Member financial matters.**

The meeting commenced at 7:00 pm and adjourned at 7:02 pm.

Authority for the above closed meeting was derived from Subtitle 6b of the Maryland Cooperative Housing Corporation Act, § 5-6B-19 "Meetings of cooperative housing corporation open to members of corporation or their agents." Paragraph (e) (1)

3. Visitors and Members (Comment Period)

None.

4. Approval of Membership Applications

Motion: I move that the Board of Directors approve the following persons into the cooperative and membership be afforded them at the time of settlement:

- **Anthony A. Janda, Wendy B. Janda, Tenants by the Entirety;**
- **Lois A. Hunt, Harel J. Hunt, Joint Tenants.**

Moved: James

Seconded: Hess

Carried: 8-0

5. Committee and Homes Improvement Program Reports

Homes Improvement Program – Sporney reported:

- Siding – 83% completed
- HVAC – 74% completed
- Frame crawlspaces – 69% completed

Long Range Planning Committee – Kapfer welcomed new members to the Long Range Planning Committee and reported that the committee is working on a report from the committee on the “State of GHI” on various aspects of the coop, including social demographics, fees and costs, etc.

Woodlands Committee – Kapfer reported that the Woodlands Committee is working on making changes to the Greenspace Gardeners and the Woodlands Caretaker Programs by adding language, as a result of the questions expressed by the Board.

6. Consent Agenda

Motion: I move the Consent Agenda.

Moved: Hess

Seconded: James

Carried: 8-0

6a. Expenditure Authorization for the 2019 Operating Budget- 2nd Reading

Approved by Consent: I move that the Board of Directors approve expenditure authorization for the 2019 GHI operating budget for second reading, in the amount of \$14,232,488 with depreciation of members’ homes in the amount of \$622,000.

7. For Action or Discussion7a. Approve Minutes of Special Open Session Meeting held on November 15, 2018

Motion: I move that the Board of Directors approve the minutes of the Special Open Session meeting that was held on November 15, 2018 as presented.

Moved: James

Seconded: Hess

Carried: 8-0

7b. Approve Minutes of Regular Open Session Meeting held on November 15, 2018

Motion: I move that the Board of Directors approve the minutes of the Regular Open Session meeting that was held on November 15, 2018 as presented.

Moved: James

Seconded: Holland

Carried: 8-0

7c. Investment Committee's Recommendation to Hire a Certified Financial Planner

The Investment Committee, at its November 8th meeting, discussed the value of hiring a Certified Financial Planner. The Investment Committee believes that value will be added to managing the existing investment portfolio as well as in making future investments.

A person certified by the CFP Board has a fiduciary duty to put the financial interests of the client ahead of those of the Certified Financial Planner. The Investment Committee unanimously agreed to make the following recommendation to the Board of Directors:

- *The Investment Committee recommends that the Board of Directors hire a fee-only Certified Financial Planner to make recommendations for the financial assets of GHI.*

Motion: I move that the Board of Directors authorize the General Manager to hire a fee-only (non-commission-based and not calculated as a percentage of invested assets) Certified Financial Planner to make recommendations for the investment of the financial assets of GHI. The finalists developed by the staff shall be interviewed by the Investment Committee and its recommendation submitted to the Board for consideration.

Moved: Kapfer

Seconded: Hess

Carried: 8-0

7d. Buildings Committee Report on Future Replacement of Piping in GHI Homes

On May 3, 2018, DMA Inc. (a reserves advisor firm that GHI hired), estimated it would cost \$21,000 per unit to cover the replacement of water supply and waste pipes, including interior repairs and temporary member relocation.

The Board directed the Buildings Committee to explore less costly pipe lining approaches instead of the remove-and-replace strategy. A task force of the Buildings Committee researched options along with pros & cons, and prepared the report in Attachment #4.

Motion: I move that the Board of Directors accept the Buildings Committee report as revised, regarding options for future water and sewer pipe replacement in GHI homes.

Moved: Hess

Seconded: Holland

Carried: 8-0

7e. Revision of Deadlines for Return of HIP Member Choice Survey Forms

On January 4, 2018, the Board established deadlines for the return of member choice survey forms to staff for the 2018-2020 phases of the Homes Improvement Program: i.e. Fridays March 16, 2018,

March 15, 2019, and March 13, 2020. These dates were based on staff sending the forms to members by the third week of January.

With the intent of having the component orders confirmed by the end of February to provide to contractors in early March, staff will be sending the survey forms to members for the 2019 HIP phase on December 27, 2018. Staff requests that the deadline for return of the completed HIP survey forms by members be revised to Friday, February 15, 2019 and Friday, February 14, 2020. Thereafter, staff will order default building envelope choices for members who do not return completed survey forms.

Motion: I move that the Board of Directors approve Friday, February 15, 2019 and Friday, February 14, 2020 as revised deadlines for member choice survey forms for the Homes Improvement Program to be returned by members to staff.

Moved: Hess

Seconded: James

Carried: 8-0

7f. Purchase of a Vehicle for the Maintenance Department –1st Reading

The maintenance department proposes purchasing one utility van to accommodate the daily activities of the maintenance team. It will be replacing a Ford Van (#19) that is 23 years old and the oldest of the fleet.

The replacement reserve plan has budgeted \$28,000 for the purchase of vehicles in 2018.

Staff received the following 3 bids for the same type vehicle, a 2019 Ford Transit Connect XL with an interior bin package; price inclusive of registration and fees:

Dealership			Vehicle only MSRP	Price
Koons Silver Spring	long wheelbase	cloth seats	\$26,490	\$24,699.00
Academy Ford	long wheelbase	vinyl seats	\$26,520	\$25,029.50
Darcars Lanham/Severn	short wheelbase	vinyl seats	\$25,955	\$25,693.75

In the event that any of these particular vehicles are not available by the time that the Board authorizes a purchase, staff suggests that the Board pre-approve the purchase of another vehicle which shall be either a Chevy, Ford or Toyota 2-wheel drive, 4 cylinder utility van, whose cost shall not exceed \$26,500.

Motion: I move that the Board of Directors authorize the Manager for first reading to purchase a 2019 Ford Transit Connect XL van with an interior bin package from Koons Silver Spring at a cost not to exceed \$25,000, or if not available at time of approval, one new Chevy, Ford or Toyota 2-wheel drive, 4 cylinder utility van at a total cost not to exceed \$26,500.

Moved: Hess

Seconded: Jones

Carried: 8-0

7g. Leave of Absence Request by Director Kapfer

At the November 15th meeting of the Board, Director Kapfer announced he had accepted a job based in Chicago and would be unable to attend regular Board meetings, beginning in January 2019. His term as a Director expires at the May 2019 annual meeting. He has offered to resign as of January 1, 2019, so that the Bylaws provision allowing the Board to select a temporary replacement will be triggered.

Alternatively, at the Board's option, Mr. Kapfer is willing to finish the remainder of his term in a "leave of absence" status, in which he would remain available to assist with Board priorities remotely, but unlikely to attend the remaining Board meetings prior to May. He would enjoy continuing to serve on the Board if there were a way to work out attending in person most months, only once rather than twice. The Bylaws prevent voting unless present, but he proposes to dial in for those alternating meetings in order to stay up to speed.

Separately, Director Kapfer has negotiated with his employer the ability to continue to Co-Chair GHI's Long Range Planning Committee and travel to meetings of that committee if the Board wishes him to remain in that position. His status as Board Liaison to the LRPC will need to be resolved concurrent with his status as a Director.

After a lengthy discussion, Director Kapfer announced that he would resign from the Board.

8. Items of Information:

8a. Board 12 Month Action Plan and Committee Task List

8b. Monthly GHI and City Calendars

8c. President's items

Wished everyone a Happy Holidays.

8d. Board Members' items

Brodd thanked everyone for a year of service together, and wish everyone well for the Holidays.

James shared information from the unofficial Facebook that Comcast was digging a trench in a member's yard, and mentioned a water main break.

Hess thanked everyone for their service on the Board and Merry Christmas.

Kapfer thanked the Board for the opportunity to spend time with each and every one on the Board.

Holland shared a comment from the unofficial Facebook about the GHI website for maintenance request was not working properly, and wished all a Merry Christmas.

Jones invited all to attend an afternoon of Christmas Eve musical.

Watkins wished everyone Happy Holidays.

8e. Audit Committee's items

Lester wished Paul Kapfer all the best and thanked him for his contributions.

Haslinger wished everyone Happy Holidays and thanked Paul for his services to GHI.

8f. Manager's items

Sporney thanked Paul for all the work that he has done, on behalf of staff we wish everyone Happy Holidays and a safe New Year.

Motion: To adjourn.

Moved: Hess

Seconded: Kapfer

Carried: 8-0

The meeting adjourned at 9:21 p.m.

Ed James
Secretary