

8. Nominations and Elections of the Nominations and Elections Committee

Skolnik announced five five open positions existed on the Nominations and Elections Committee and three members have consented to run. Skolnik opened the floor for further nominations; hearing none, the ballots were collected and counted by tellers. Theresa Henderson, Tom Jones and Steven Brodd were elected to serve on the Nominations and Elections Committee for the one-year term May 2015-May 2016.

Motion: To accept the ballot for the Nominations and Elections Committee.

Moved: Chuck Hess

Seconded: Ginny Jones

Carried

42D Ridge Road

15D Ridge Road

9. Old Business

None

10. New Business10a. Board Recommendations on Homes Improvement Program (HIP).

Skolnik gave an overview of the need to improve the crawlspaces and the rationale for recommending money be borrowed for this work.

Motion: I move that the GHI membership authorizes the GHI Board of Directors to borrow up to \$3.0 million for a period of 10 to 15 years, at the most advantageous terms available, in order to fund insulation and moisture control in the crawlspaces of homes within the frame and masonry groups. This loan shall be repaid by members through their monthly co-op payments.

Moved: Ed James

Seconded: Chuck Hess

Carried by a

56C Crescent Road

42D Ridge Road

vote taken

later

With the floor open to discussion, several members concurred there is a need to fix crawl spaces and suggested using replacement reserves for this purpose. Others voiced their opinion that all windows did not need replacing. Skolnik directed members to the table in their packet of information that shows potential monthly payments as a result of the borrowing. Treasurer Hess explained that the reserves fund was established with a schedule of specific items that are to be replaced at a specific time. He referred members to the chart on page 14 of the Annual Report and noted that unreserved operating funds are what the Finance Committee recommends that GHI use (money that is an accumulation over years of surpluses GHI has had). Hess said that this past year GHI had a \$200,000 surplus, which is less than 2% of the budget. He went on to say that if money would be taken out of the replacement reserves fund on items not collected for, it would it would be akin to a bait and switch.

Amendment: Replace the last sentence in the motion with: “This loan shall be repaid by members who receive crawlspace improvements through their

monthly co-op payments.”

Moved: Joe Garari

8D Ridge Road

Seconded: Jonathan Gordy

2P Plateau Place

Failed

Gordy verbalized that it was sensible and consistent with discussions of the Finance Committee and the intent of the Board; that members without crawl spaces would not pay for the work. Discussion turned to clarifying what represents a crawl space, how many crawl spaces exist and how many units do not have any. Skolnik explained that crawl spaces must be repaired on a “row-wide” basis since they are totally open and not individually enclosed. He acknowledged that some masonry units contain a boiler room, not a crawl space.

Treasurer Hess pointed out that as the amendment stands, members in upper units who don't have crawlspaces should not be charged; however, the members in lower units do not have roofs but that GHI charges them. Hess explained that when slate roofs were replaced on the brick homes, both brick and block homes shared in the cost even though the block homes did not receive roofs and vice-versa when the membrane on block homes were replaced, they were partially paid for by the brick homes. Hess also stated that the HIP was never intended for the larger townhomes (the third category group) and work on the crawlspaces would not be charged to them at all. The crawlspace work would be charged to frame and masonry homes group wide and the amendment runs contrary. It was further clarified that one bedroom frame units are over and under each other (one has a crawlspace, one has a roof) and they share equally in the cost of the repairs.

Amendment to the Amendment: That the sentence be modified to read: “This loan shall be repaid through monthly co-op fees by members who receive crawlspace improvements.”

Moved: Frank DeBernardo

13D Laurel Hill Road

Seconded: Karl Hille

3E Research

Failed

Several members denounced this further attempt to amend since it did not change in position of statement, and that the matter is not whether members had or did not have a crawl space but rather one of opting in or out. Others rallied in support of having all crawlspaces repaired for the benefit of the cooperative as a whole in order to protect the integrity of all structures, which is the members' responsibility. A member who served on the Buildings Committee spoke at length about the need for members to become more involved in the governance of the cooperative by keeping informed through participation on committees and attendance at board meetings. One member commented that if members are not sharing all of the expenses, then GHI is not a co-op.

A point of order was called by Betsy Delaney of 52D Ridge Road who stated that any discussion of the main motion was not in order with amendments on the floor.

Vote on the amendment to the amendment was taken and failed.

Vote was taken on the amendment and the amendment failed.

Discussion of the main motion resumed with members debating the pros and cons of borrowing up to \$3.0 million and reallocating some of the collected reserves to cover the current pressing needs. Members also sought clarification as to which part of HIP would be completed first, whether foundation cracks would be addressed, and could an additional category be added to the

replacement reserves charter to address crawlspaces. To a concern raised that some members would be unable to meet additional charges as a result of such amount of borrowing, Skolnik said GHI has equity in the home that the bank doesn't have, and GHI has a policy in place for members who experience financial difficulty and find they are unable to meet their monthly payment.

Skolnik said that members were provided with a summary and not the entire detailed report; however, he emphasized the need for GHI to eliminate water intrusion in the crawlspaces. A member voiced an opinion that the membership needs to approve plans and to vote along the way. An accountability question on how the membership would be kept informed of monies spent was answered by Joseph Perry, Director of Finance. Perry said the charges associated with each particular project of the HIP would be accumulated and reported on at various times, perhaps quarterly, culminating with a year-end report being provided. A few comments were forthcoming about the need for the crawlspaces to be well ventilated.

Amendment: Reduce the borrowing authorization by half, changing the amount from \$3.0 to \$1.5 Million.

Moved: Paul Kapfer

Seconded: (Unidentified)

Failed

6E Hillside Road

Several members spoke against the amendment because: a.) the issues raised have been spoken about in-depth at board meetings; b.) management has been remediating each building's crawlspace and a professional firm is conducting tests on them; c.) the proposal would allow GHI to loan \$1.5 from current funds and repay itself (in other words, it would be using funds from replacement reserves); and d.) if passed, it may delay the crawl space improvements by 2 years. Treasurer Hess reminded the membership that the main motion specifies "up to" and represents a borrowing authorization. He offered that if members did not think the crawl spaces were urgent, vote for the amendment; if members did think it was urgent, vote against the amendment and for the original motion.

Motion: Call the Question.

Moved: Kandis Wyatt

Seconded: Linda Curtis

Carried by 2/3

2B Southway Road

13A Ridge Road

vote.

Vote on calling the question carried.

Vote on the amendment was taken and the amendment failed.

Vote was then taken on the main motion which passed.

Skolnik reviewed the Board's proposal that would allow members to further upgrade their homes during the HIP by incorporating various specified options to choose from and for which they would bear the cost individually.

Motion: I move the GHI Membership authorizes the GHI Board of Directors to borrow up to \$7.0 million, for a period of up to 10 to 15 years, at the most advantageous terms available, in order to fund Board-approved member options during the 2016-2020 Homes Improvement Program. This loan is to be repaid by individual members in accordance with the options they choose (at no

cost to those members who do not use this loan) with their monthly co-op payments or through partial or full-payments up front.

Moved: Ed James

56D Crescent Road

Seconded: Alice Mitchell

60E Crescent Road

Carried by a
vote taken later

Motion: I move to limit debate to 15 minutes.

Moved: Kandis Wyatt

2B Southway Road

Seconded: Alphonso Coleman

4C Plateau Place

Failed 92-166

Wyatt qualified her reason for limiting debate stating it took almost two hours to act on the first proposal and the hour was late. Member Gordy objected and said members are already limited to three minutes.

Motion: Call the Question.

Moved: Chuck Hess

42D Ridge Road

Seconded: Lola Skolnik

8A Ridge Road

Carried

Vote on calling the question carried.

Vote was taken on the motion to limit debate and failed 92-166.

Discussion of the motion on the floor began with Director Jones pointing out the following: a.) there would not be a cost to members not using this loan, b.) the Board cannot set conditions where it is not known exactly how much it would cost, and c.) allowance must be made for interest rate fluctuation. Jones said members should expect to borrow from GHI the first few years and use that money to get things started. He emphasized that members would be forced to obtain a bank loan at 5% or 6%; GHI can get 4% on a commercial loan.

Members raised various concerns and questions: a.) language of the motion is misleading because it appears GHI would become a bank and loan members their own money at an interest rate; b.) what happens if someone defaulted on their loan; c.) why would the co-op lend money to members who can't get a bank to lend them money; d.) costs associated with administering the proposal; and e) the motion is not realistic. A member in support of the motion asked for clarification on where the money would come from for prepayment. Skolnik responded that more in-depth details would need to be worked out.

Motion: Call the question.

Moved: 133 Greenhill

Jude Maul

Seconded: Ken Chandler

60A Ridge Road

Carried

Vote to call the question carried.

Vote was taken on the main motion and it carried.

10b. Other

Motion: I move to add the following words, where appropriate, in the replacement reserves charter: "crawl space maintenance."

Moved: Betsy Delaney
52D Ridge Road

Seconded: Karl Hille
3E Research Road

Failed

The motion was debated briefly with a member pointing out that it was not appropriate to put language into the bylaws or charter at a membership meeting without first allowing the Board to consider the possibility, and that it takes a lot of time and work to structure a replacement fund and the need for consultants to help with the process. Those in favor of the motion stated it would provide members the opportunity to obtain things that were most needed.

Motion: Call the question.

Moved: Kandis Wyatt
2B Southway Road

Seconded: Jonathan Gordy
2P Plateau Place

Carried

Vote on calling the question carried.

Vote on the motion was taken and the motion failed.

11. Good and Welfare.

11a. Announcements

Skolnik reminded members to remember to vote for the candidates of their choice during the election.

11b. Door Prizes:

- i. Three \$100 gift certificates toward GHI co-op fee: Jessie Meltzer, 1G Northway; Chris Ruffner, 5D Eastway; Theresa Henderson, 1H Laurel Hill Road.
- ii. Four \$25 gift certificates to Co-op Supermarket: Betsy Delaney, 52D Ridge Road; Lola Skolnik, 8A Ridge Road; Chris Cherry, 2D Westway; Tim Uber, 2A Southway.
- iii. Five \$20 gift certificates to the New Deal Café: Julie Winters, 3E Eastway; Pat Lynch, 7L Southway; Phillip Young, 16A Ridge Road; Ken Chandler, 61H Ridge Road

Lore Rosenthal of 2R Gardenway suggested members subscribe to 100% wind energy.

12. Recess.

Motion: To Recess.

Moved: Chuck Hess
42D Ridge Road

Seconded: Aaron Marcavitch:
13F Ridge Road

Carried

The meeting recessed at 10:17 p.m.

Ed James
Secretary