

Minutes
Board of Directors
GHI Regular Open Session
May 3, 2018

In Attendance: Brodd, Hess, James, Jones, Kapfer, McFadden, Seely, and Skolnik

Excused Absence: Holland

Other Attendees:

Eldon Ralph, General Manager

Molly Lester

Tom Sporney, Assistant General Manager

Terri Darvish, PNC Bank

Joe Perry, Director of Finance

Caitlyn and Brian McGillen

George Bachman, Director of Maintenance

Altoria Ross, Recording Secretary

Jacqueline Lilly, Chair, Audit Committee

Henry Haslinger, Audit Committee Member

President Skolnik called the meeting to order at 7:45 p.m.

1. Approval of Agenda

Changed “Section 111” to “Section III” for 6g.

Motion: The Board of Directors does approve the agenda, as revised.

Moved: James

Seconded: Hess

Carried: 8-0

2. Announcement of Executive Session Meeting Hearing Held on May 3, 2018

GHI’s Board of Directors held an Executive Session meeting on May 3, 2018, in the Board Room of the Administration Building. Board members Stefan Brodd, Chuck Hess, Ed James, Bill Jones, Paul Kapfer, Diana McFadden, Linda Seely, Steve Skolnik and Audit Committee members Jacqueline Lilly and Henry Haslinger attended the meeting.

The following motion to call this meeting during a prior open meeting on the same date and approved by Board members Stefan Brodd, Chuck Hess, Ed James, Bill Jones, Paul Kapfer, Diana McFadden, 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 the Executive Session Meeting held on April 5, 2018**
- b) **Approve Minutes of the Informal Complaint Hearing Held on April 12, 2018**
- c) **Member Financial Matters**
- d) **Consider the terms and conditions of the following contracts in the negotiation stage:**
 - **2018 Spring Concrete Repair Contract – 2nd reading**
 - **2018 Parking Lot Repair contract – 1st reading**
- e) **Legal Matter**

- f) **Member Complaint Matters**
- g) **Rental permit granted to a member**

During the meeting, the Board of Directors authorized the Manager, for second and final reading, to enter into a contract with Barnard Building Service for the repairs of concrete sidewalks at 39 sites at its bid of \$29,975, plus 10% for contingencies, for a total not to exceed \$32,973.

The Board of Directors also authorized the Manager, for first reading, to enter into a contract with SFMS, LLC to undertake parking lot repairs.

The meeting commenced at 7:02 p.m. and adjourned at 7:31 p.m.

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

3. Visitors and Members (Comment Period)

Molly Lester, 6-M Hillside Rd., thanked the HIP staff for their responsiveness. She had her mini-split installed today. She also said the co-op is still invested in Vanguard short-term investment grade fund and the price has gone down for the last six months. It has a negative return and wanted to know if it made sense for GHI to continue to hold it.

4. Approval of Membership Applications

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

- **Elizabeth G. Terry, Sole Owner;**
- **Amanda Donaldson, Justin Donaldson, Tenants by the Entirety;**
- **Morgan Voth, James Voth, Joint Tenants**
- **Kathleen Murray, Sole Owner;**
- **Laura Semitisky, Yaron Semititsky, Tenants by the Entirety.**

Moved: James

Seconded: Hess

Carried: 8-0

Approval of Mutual Ownership Change

Motion: I move that the Board of Directors approve the following Mutual Ownership change Daniel Kennedy, Thelma Kennedy (Deceased), Tenants by the Entirety to Daniel Kennedy and Malin R. Kennedy, Joint Tenants.

Moved: James

Seconded: Hess

Carried: 8-0

5. Committee and Homes Improvement Program Reports

Home Improvement Program – Sporney reported that:

- Sixteen units have had windows installed at 5%.
- Electric baseboards have been installed in 14 units at 4%.
- Mini-splits have been installed at 91 units at 9%.
- Crawl space improvements in masonry homes in the main building are 34-48 at 63%.
- Siding is expected to be backed up.
- Doors are expected to start the middle of May.
- Attics are expected to start the Tuesday after Memorial Day.
- The siding is scheduled to start mid-to late-June on frames.
- Crews are used to working on GHI homes, so there is very little punch list work.
- In regards to asbestos remediation for frame crawl spaces, there have been 21 buildings started out of 93 at 23%.
- There have been 12 of 93 cleared. The thirteenth has a pipe buried half way in the ground and half way out of the ground. It is expected to be the full length of the building (GM Ralph said there are two pipes in the trench).
- GHI has received an estimate of \$20,000 to remove the two pipes. Management has decided to hold off to see if there are any more situations like this one. The present plan is to bid it out to contractors to remove the pipes.
- GHI maintenance is staying ahead of the contractors to remove the asbestos from the pipes to make the crawl space safe for electrical work. They have cleared 35 of the 93 buildings. They are about 1/3 of the way through.
- In masonry crawlspaces, there are areas that are wet. There are low spots in the crawlspace. In two spaces, crews are replacing sump pumps with drain leaders to get most of standing water out. Between two of situations, GHI has about a \$5,000 change order.
- Additionally, in removing the asbestos, the contractor created a repair issue with Verizon. Sporney met with Verizon, and it has forced them to be responsive. They have tried to address one of the four outstanding problems.

Zoning Task Force – Brodd said the task force worked on a list of concerns that attorney Lawrence Taub requested. The list contained measures to protect Greenbelt should the zone go into effect. Taub will be discussing the list with Greenbelt’s Council member Todd Turner next week.

The taskforce is uncertain about Maryland-National Capital Park and Planning Commission funding to develop that zone. Lester made the task force aware of new web portal from the county regarding zoning projects that can be viewed by members.

Bicycle Committee – McFadden said the Bicycle Taskforce will have a table at the annual meeting on May 10, 2018.

Building Committee – James said the committee is learning how to use a collaborative system called Drop Box, so members can work on a document from home at the same time.

6. For Action or Discussion

6a. Approve Minutes of the Special Open Session Meeting Held on April 5, 2018

Motion: I move that the Board of Directors approve the minutes of the Special Open Session meeting that was held on April 5, 2018 as presented.

Moved: James

Seconded: Hess

Carried: 7-0-1

Abstained: Skolnik

6b. Approve Minutes of the Regular Open Session Meeting Held on April 5, 2018

Motion: I move that the Board of Directors approve the minutes of the Regular Open Session meeting that was held on April 5, 2018 as presented.

Moved: James

Seconded: Hess

Carried: 7-0-1

Abstained: Skolnik

6c. Request by the Members of 71-E and 71-F Ridge Rd for their Homes to be Designated Smoke-Free Units

On April 19, 2018, Robert and Elizabeth Armstrong, the members of 71-F Ridge Rd and Diana McFadden, the member of 71-E Ridge Rd, requested the Board to designate their homes as smoke-free units. The members of 71-G and 71-H Ridge Rd in the four-unit building row of 71E-H Ridge Rd have not requested their units to be designated as smoke-free.

After deliberations, the Board approved the exception request that 71-E and 71-F Ridge Rd be designated as smoke-free units, provided the Board approved new language drafted by GHI's attorney for the smoke-free restriction MOC addendum that the two members would sign and the attorney verified the MOC addendum's consistency with GHI's current procedures for smoke-free buildings.

Attorney Joe Douglass has converted the "procedures for smoke-free buildings" into "procedures for smoke-free buildings and units". He also revised the original smoke-free restriction MOC addendum; the new procedures for smoke-free buildings and units will become part of the revised smoke-free restriction MOC addendum.

During discussion, McFadden removed herself as a board member and spoke as a member.

Motion: I move that the Board of Directors recommend that Mr. Douglass consider replacing 2c. as follows: 2c. In any one building, the members whose units are designated smoke-free may, by unanimous consent, decide to revert to a non-smoke-free status by signing new MOCs without the smoke-free addendum.

Moved: Jones

Seconded: Seeley

Carried: 7-0-1

Abstained: McFadden

Motion: I move that the Board of Directors recommend that Mr. Douglass consider inserting: In 1.c. after the first word: “, over a sixty-day period.”

Moved: Jones

Seconded: Hess

Carried: 6-1-1

Opposed: Kapfer

Abstained: McFadden

By Consensus: The Board of Directors authorizes the Manager to contact the attorney to have the language changes made.

Director McFadden returned to the Board table.

6d. Request by PNC Bank for Changes to GHI’s Recognition Agreement to Comply with Fannie Mae Requirements

During the Board meeting on April 19, 2018, Ms. Terri Darvish, a loan officer with PNC Bank requested that GHI delete Section III “C” and “D” from our recognition agreement with the bank to ensure that it complies with Fannie Mae guidelines, regulations and current privacy standards and laws. Ms. Darvish sent an email to GHI about this matter. GHI’s current Recognition Agreement is in Attachment #4b. After deliberating the matter, the Board decided that GHI’s attorney should review Ms. Darvish’s correspondence and our current recognition agreement and advise what changes should be made.

In his letter of opinion, Mr. McAndrew advises that while Section III. C could be removed; Section III.D should be retained in GHI’s recognition agreement.

Motion: I move that the Board of Directors accept Attorney Mc Andrew’s recommendation to remove Section III. C from GHI’s recognition agreement with share loan providers and direct the Manager to revise the recognition agreement accordingly.

Moved: Brodd

Seconded: Jones

Carried: 8-0

6e. Proposed Interior Fence and Gate, 7-P Research Road

On April 3, 2018, the member of 7-P Research Road submitted a permit request to Technical Services staff for the installation of an interior gate and fence in the side yard. Staff advised the member that GHI’s rules state:

§VII.B.1.c Fences are allowed to enclose the garden side yard, or the side yard or the combined garden side and side yards, as defined in Yard Line Descriptions §VI.B.3. No interior fences shall be permitted.

During the ARC meeting of April 11, the committee discussed the following:

- a) The perimeter of the member’s serviceside, end and gardenside yard is fenced completely.
- b) The member would like to install an interior fence with a gate bisecting the end side yard.
- c) The proposed fence would be 42” tall, not 48” as stated on the GHI permit request.
- d) The main reason for the interior fence is to control the member’s dog, who barks at pedestrians. The member has had a bad experience with a mailman.

- e) The fence cannot be easily located at the service side yard line of the end side yard because of the electric meters. The fence cannot be easily located at the garden side yard line of the end side yard because of existing landscaping.
- f) The member is not planning on having the service side fence removed.

The ARC recommended 6-1-0 that the Board of Directors grant an exception to allow the installation of an interior fence and gate in the side yard of 7P Research Road. The reason given for the motion was that the fence would ensure safety for the dog. The reasons against the motion were as follows: a) too many fences in the yard, and b) it would be acceptable if the service side yard were not fenced.

Motion: I move that the Board of Directors allow the members of 7-P Research Rd to install an interior fence and gate in their side yard.

Moved: McFadden

Seconded: James

Carried: 6-2

Opposed: Brodd, Hess

6f. Proposed Gardenside Pergola, 2-A Westway

On March 2, 2018, the member of 2-A Westway submitted a permit request to Technical Services staff for the installation of a 12'x14' pergola in the gardenside yard. Staff advised that there were no GHI rules about a structure; however

§X.C.3. Approval. ... Staff has the prerogative to refer any issues, whether or not explicitly clarified within these rules, to the appropriate committee and/or the GHI Board of Directors.

During the ARC meeting on April 11, the committee discussed the following:

- a) This is not an exception request. There are no rules in the Member Handbook regarding pergola structures. In such cases, staff has the prerogative to request ARC / Board of Directors to review and comment.
- b) The members would like to construct a 12' x 14' free-standing pergola structure with open sides. It would sit next to the garden side porch, and the top rafters of the pergola would be at the same height as the existing porch roof.
- c) The yard is quite large, although it does have a shed.

ARC recommended 7-0-0 that the Board of Directors allow the member to install a 12' x 14' pergola in the gardenside yard of 2A Westway.

Motion: I move that the Board of Directors allow the members of 2-A Westway to install a proposed 12'x14' pergola in their gardenside yard.

Moved: Brodd

Seconded: McFadden

Carried: 7-0

Hess was out of the room during the vote.

6g. Recommendation to Amend Section III, Minimum Use and Maintenance Standards – Homes and Yards, in the GHI Member Handbook

On November 18, 1993, the Board passed the following motion:

- *The Board authorizes a pre-existing policy for implementation at resale. For a period of six months from the date of settlement, GHI will correct any defects that violate code standards or GHI rules and regulations which, in staff's judgment, can be reasonably ascertained to have existed prior to the member's residence in the unit. The following conditions are not included under the policy: A) all appliances, except normally covered heating equipment; B) hidden defects uncovered as a result of renovation or alteration, C) replacement of non-standard parts will be with standard parts only. Non-standard replacement parts will be installed if the member purchases them D) cracked or broken glass and torn screens must be reported within twenty days of settlement.*

On April 11, 2002, the Board modified the prior motion as follows:

- *That the Board of Directors reduces the time frame of the Pre-Existing conditions program from six months to one month after settlement, to protect buyers from deficiencies for which the seller should have been held responsible.*

As a result of the April 11, 2002 motion, it is stated in Section III. Minimum Use and Maintenance Standards – Homes and Yards, page 35-02 of GHI's Member Handbook that GHI will repair free of charge, with several exceptions, any deficiency reported to GHI within one month of settlement.

All new members are informed during a pre-purchase orientation seminar that they may hire resale inspectors to inspect their units prior to settlement. The members are also required to conduct a walkthrough of the units prior to settlement to check for any defects. During the settlement transactions, new members are required to sign a disclaimer form shown attesting that they have inspected the premises, found the property satisfactory and accept same "as is" at the time of settlement. However, the afore-mentioned provision on page 35-02 of the Member Handbook nullifies the disclaimer statement signed by new members, since it holds GHI responsible for repairing any deficiency reported to GHI within one month of settlement that the selling member should have repaired.

Of course, GHI has an obligation to correct any deficiency that GHI is ordinarily responsible for regardless of whenever it is reported by a new member.

Staff recommends that the paragraph on page 35-02 i.e. "*New members should be aware that GHI will repair free of charge, with several exceptions, any deficiency reported to GHI within one month of settlement, including items listed below*" be deleted from the Member Handbook.

Motion: I move that the Board of Directors approve staff’s recommendation to delete the paragraph in Section III. Minimum Use and Maintenance Standards –Homes and Yards of the GHI Member Handbook that states, “New members should be aware that GHI will repair free of charge, with several exceptions, any deficiency reported to GHI within one month of settlement, including items listed below”.

Moved: McFadden

Seconded: Jones

Carried: 6-2

Opposed: Hess, Seeley

6h. Proposed Rule Change for Addition Roof Materials

The current rules for GHI roof materials are as follows:

§X.D.13. Based on roof pitch, acceptable roofing materials for additions are as follows:

Roof pitch	Material	Brick	Block	Frame
>=3:12	shingles	Ok	Ok	Ok
	slate	Ok	No	No
<3:12	asphalt sheet (modified bitumen only)	Ok	Ok	Ok
<=1:12	EPDM (ethylene propylene diene monomer)	Ok	Ok	Ok
	any corrugated roof panels	No	No	No

Any other roofing materials shall be only as acceptable to GHI staff and approved by the GHI Board of Directors.

To date, shingles applied to additions have been assumed to be 3-tab shingles to match those on the main roof of frame homes. With the recent selection of architectural shingles for re-roofing frame homes, the shingle style will change gradually throughout the community. Staff requested the Architectural Review Committee to consider whether shingles for additions should match those on the main roofs.

ARC recommended 7-0-0 to the Board of Directors that the roof shingles used on all additions should match the architectural shingles used on the main roofs.

To this end, staff proposes the following revision to the rules:

>=3:12	<i>architectural shingles, CertainTeed Landmark, Pewter wood color, or equivalent</i>	Ok	Ok	Ok
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Motion: I move that the Board of Directors revise GHI rules §X.D.13. to replace “shingles” by the phrase, “architectural shingles, CertainTeed Landmark, Pewter wood color, or “equivalent” be installed on roofs for additions.

Moved: Jones

Seconded: Kapfer

Carried: 8-0

6i. Request the Buildings Committee to Research the Pros and Cons of Relining vs Replacing Waste Water and Water Supply Piping in GHI Homes

During discussions with Design Management Associates (the reserves advisor who is currently updating GHI's replacement reserves' plan), DMA advised staff that the cost for replacing water and waste water supply piping, repairing walls and cabinets and temporarily relocating members in frame and masonry units would cost over \$21,000 per unit.

Staff recommends that GHI should explore less costly options such as lining the interior of the pipes with an epoxy coating. This approach is used in the piping systems of hotels, high-rise condominiums, hospitals, restaurants, airports, schools, museums, U.S. Navy ships and commercial and industrial businesses all across America.

The Board may consider directing the Buildings Committee to research the pros and cons of relining vs replacing waste water and water supply piping in GHI homes and recommend which option should be adopted.

Motion: I move that the Board of Directors direct the Buildings Committee to research the pros and cons of relining vs replacing waste water and water supply water piping in frame and masonry homes and recommend by September 30, 2018 which option should be adopted, by stating the rationales for the recommended option.

Moved: Hess

Seconded: James

Carried: 8-0

6j. Attorney's Opinion re: Imposing Fines for Rules' Violations

In its report to the Board regarding GHI's community beautification program, the Yard Solutions Task force recommended that fines should be levied against members whose yards are out of compliance, after due warning is given (and in accordance with Maryland state law on cooperative transparency.) On February 15, 2018, the Board requested the Manager to obtain a current legal opinion on the issue of levying fines for community beautification and other violations. The Manager requested GHI's attorney Joe Douglas to provide his opinion on this matter.

Mr. Douglas' opinion can be summarized as follows:

- a) Based on GHI's governing documents, GHI does not have authority to levy fines against members for rule violations. It would be necessary to amend the documents to provide that authority.
- b) Based on Mr. Douglas' years of experience in representing cooperatives and condominiums, his view is that, even if a cooperative or a condominium has legal authority to levy fines for violations, they often are not effective in bringing about compliance with the rules.
- c) Adding the authority to levy fines will not likely bring about a significant improvement in the results of enforcement efforts.
- d) As a cooperative, GHI already has the right to terminate the ownership and occupancy rights of members who violate the rules, and this is a much greater deterrent, and a much more effective remedy, than levying fines.

6k. Request from the Greenbelt Labor Day Festival Committee for a Contribution

The Greenbelt Labor Day Festival Committee sent a letter for a contribution towards promotion of the 64th annual festival in September within the center of Greenbelt. The Festival Committee is requesting sponsors to contribute an amount of \$100, \$250 or \$500.

GHI's Contributions Policy outlines the process for requesting a contribution. All requests should fit one or more of the stated criteria. An updated chart of donations is also shown in Attachment #9c.

Motion: I move that the Board of Directors approve a contribution of \$250 to the Greenbelt Labor Day Festival Committee towards its promotion of the 64th annual festival within the center of Greenbelt during September 2018.

Moved: Jones

Seconded: Hess

Carried: 8-0

6l. Establish Date for a Work Session to Review Draft Replacement Reserve Study Reports

Design Management Associates (DMA) has prepared draft reports based on its recent analyses of GHI's replacement reserves and addition maintenance reserve plans. This item is on the agenda for the Board to set a date for a work session when DMA will present the report to the Board of Directors, the Finance Committee and the Addition Maintenance Task Force.

By Consensus: The Board will meet on June 28, 2018 for a work session when DMA will present the report to the Board of Directors, the Finance Committee and the Addition Maintenance Task Force.

7. **Items of Information**

7a. Secretary of the Maryland Department of Transportation MagLev Response

The Secretary of the Maryland Department of Transportation sent a letter in response to a letter from GHI which stated the cooperative's position of supporting the "No Build" option for the proposed Superconducting Magnetic Levitation (SCMAGLEV) project.

7b. Board 12 Month Action Plan and Committee Task List

7c. Monthly GHI and City Calendars

7d. President's Items

- CAI Lobby Day is next Tuesday on Capitol Hill.
- The GHI Administration Building has new wifi in the building that is more secure than the old one.

7e. Board Members' Items

Brodd said this was the last meeting for Board and thanked members for their colloquiality this year.

James said GHI should do better on "yard inspection notification."

Kepfer said Congressman Steny Hoyer should be invited to the Labor Day Festival. Skolnik said he already attends.

McFadden said she decided to take a break from the Board because Tami Watkins is a strong candidate. McFadden said she will stand for the Audit Committee next year.

7f. Audit Committee's Items

Lilly said she appreciated everyone's hard work this past year.

Haslinger wished good luck to all the candidates.

7g. Manager's Items

The stakeholder meeting between GHI and the City of Greenbelt will take place on Monday, June 25, 2018.

Motion: To adjourn.

Moved: Hess

Seconded: Kapfer

Carried: 8-0

The meeting adjourned at 10:04 p.m.

Ed James
Secretary