

Minutes
Special Meeting
GHI Board of Directors
June 13, 2005

Present: Alexanderwicz, Hudson, Lauber, Eichhorst, Lewis, Alpers, Hess, and Abell

Absent: Moore

Others in Attendance: Gretchen Overdurff, General Manager
Eldon Ralph, Director of Physical Plant Operations
Tom Sporney, Staff Engineer
Brenda Lewis, Director of Human Resources
Joan Krob, Recording Secretary
Dianne Wilkerson, Audit Committee
Diana McFadden, Audit Committee
Tom White

Call to order by President Eichhorst at 7:30 p.m.

1. 2005 Parking Lot Repair Contract – 1st Reading

The proposed 2005 parking lot repair program consists of various areas identified by staff last fall and as a result of a City of Greenbelt Inspector who cited numerous parking lot deficiencies and requested GHI correct them before the end of the year. The City also requested GHI to install no parking and fire lane signs and paint fire lane lines in all courts, in accordance with current International Fire Code regulations. Staff subsequently met with City officials, who agreed to allow GHI to address all of the deficiencies within a 5-year period. However, the City requested that all outstanding “no parking and fire lane signs” should be installed before the end of 2006. The Board was provided a Table defining the various sites and the nature of the work needed.

Staff initially contacted fifteen concrete & paving contractors to ascertain their interest in the project. In April, GHI formally requested bids from nine contractors who indicated that they specialize in this type of work for projects of this magnitude; five attended the pre-bid meeting. Staff contacted the four contractors who did not attend the pre-bid meeting and were given explanation as to the reason for not bidding. Of the contractors who responded with bids, CPE, Inc. submitted the lowest overall bid as follows:

NAME OF COMPANY	SEAL, RESTRIPE & NUMBER	MINOR RECONSTR.	MAJOR RECONTR.	FIRE LANE SIGNS	TOTAL
CPE, INC.	\$15,665.00	\$40,634.00	\$24,384.00	\$5,341.00	\$86,024.00
FINLEY ASPHALT & SEALING INC.	\$18,472.50	\$39,800.00	\$34,550.00	\$5,390.00	\$98,212.50

Of the \$86,024.00 bid by CPE, an amount of \$19,168.00 covers minor reconstruction of lots (44CT Ridge, 55CT Ridge, and 73CT Ridge) that were cited by the City for repairs. Without the directive from the City, staff would have postponed those repairs to subsequent years. The cost of no parking and fire lane signs requested by the City is \$5,431.00. Staff believes that material costs for asphalt are much higher than last year due to rising petroleum costs. The 2005 budget has an allocation of \$55,000 for parking lot repairs. If the Board wishes to trim the proposed program to reduce costs, staff recommends that the major reconstruction of 5CT Gardenway could be deferred to next year.

CPE is a local contractor that undertook the parking lot repairs during the past three years. CPE performed excellently and is presently working under contract to perform concrete sidewalk repairs. Staff recommends that the Board of Directors endorse CPE, Inc. for performing the Parking Lot Repairs at all the locations for the amount of its bid with an additional 10 percent to cover contingencies.

MOTION: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER, FOR FIRST READING, TO ENTER INTO A CONTRACT WITH CPE, INC., FOR THE REPAIRS OF PARKING LOTS FOR AN AMOUNT NOT TO EXCEED \$94,627.

Moved: Hess

Seconded: Lauber

Carried

2. 2005 Boiler Room Renovation Contract – 1st Reading

In the fourth quarter of 2004, the Board of Directors authorized the use of non-recurring funds for specific uses, one of which being the rehabilitation of member-owned boiler rooms.

Staff initially contacted twelve demolition and waterproofing contractors to ascertain their interest in the project; in addition, staff felt that it would be prudent to install the drainage and waterproofing at 34F Ridge on a pilot project basis with the intention of completing the remaining projects in 2006. In April, GHI formally requested bids from six demolition contractors and eight waterproofing contractors (two are duplicative across the two fields) who indicated that they specialize in this type of work for projects of this magnitude. Six attended the pre-bid meeting. Staff contacted the remaining contractors who did not attend the pre-bid meeting and the Board was provided with the contractors' rationale for not bidding.

GHI received bids from three demolition contractors, and work has commenced with Willis Construction to remove boilers, piping and debris from 34 Ridge, 24 Ridge, and 5 Gardenway for a total of \$6,575. GHI received bids from three waterproofing contractors for work at 34F Ridge Road:

NAME OF COMPANY	BID
Kellaher Diversified	\$10,900.
AquaGuard	\$18,600.
C.A. Lindman, Inc.	\$10,973.

A total of \$82,000 has been allocated for the rehabilitation of eight member-owned boiler rooms. Though Lindman was not the low bid, this company performed work for GHI in 2003 with the exterior rehabilitation of the GHI Administration Building. Lindman performed excellently under that contract, and GHI was well satisfied with the quality of its work. Staff recommends that the Board of Directors endorse C. A. Lindman, Inc. for performing the waterproofing to the boiler room at 34F Ridge Road for the amount of its bid with an additional 10 percent to cover contingencies.

MOTION: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER, FOR FIRST READING, TO ENTER INTO A CONTRACT WITH C.A.LINDMAN, INC., FOR THE WATERPROOFING REPAIRS OF THE BOILER ROOM AT 34F RIDGE ROAD FOR AN AMOUNT NOT TO EXCEED \$12,070.

Moved: Alpers

Seconded: Hess

Carried

3. Underground Utility & Drainage Improvement Contract - 2nd Reading

Underground Utility Repairs –

During the past year, the Physical Plant Operations' staff investigated problems that were reported by members concerning sewer backups within their units or flooding in their yards. Maintenance personnel utilized GHI's video camera equipment to diagnose the problems. The primary causes were due to fractures in the underground terra cotta piping caused in the main part by the tree root infiltration and rupture due to soil pressures.

Based upon the severity of the problems investigated, staff is recommending repairs of underground sanitary sewer piping at four locations (6L-M Ridge, 19S Ridge, 4G Laurel Hill, 71M Ridge), and storm drain piping at seven locations (6L-M Ridge, 19S Ridge, 11J-K Ridge {gardenside and serviceside}, 4G-M Plateau Place, 36P Ridge, 16Z2 Ridge). These repairs will be funded from the Replacement Reserves fund.

Drainage Improvements –

For several years, flooding has occurred in the yards of 51 Ridge and 53 Ridge (gardenside), and 25 Ridge (serviceside) during rainfall. In-house staff has unsuccessfully attempted to rectify the situations by repairing swales, installing downspout leaders, and constructing temporary walkways. Oyster, Imus and Petzold (OIP) prepared engineering designs for installations of underground drainage systems at 51 & 53 Ridge in 2004, and 25 Ridge in 2005. Priority should be given to 51 and 53 Ridge, since these projects were postponed from last year. The total cost for these two sites was \$43,730. An amount of \$45,000 has been budgeted in 2005 for Swale and Drainage Improvements. However, the drainage problem in two serviceside yards in 25 Ridge has necessitated the installation of wooden platforms over the concrete sidewalks that are prone to flooding. Drainage improvements are financed from the operations' budget.

Bids Received –

Staff researched opportunities with twenty independent mechanical/plumbing contractors. All were individually contacted to ascertain their interest and in April, bids were solicited from thirteen who indicated that they specialize in this type of underground utility work. Seven attended the pre-bid meeting. Staff followed up with the remaining contractors who did not attend and only one indicated that they would bid. Of four bids received, Magnolia Plumbing, Inc. was the lowest apparent bid for repairs of underground sanitary sewer and storm drain piping.

NAME OF COMPANY	SCHEDULE A Sanitary sewer repairs	SCHEDULE B Storm Drain Repairs	SCHEDULE C New Storm Water Drainage
Taylor Utilities, Inc.	\$29,330.00	\$67,800.00	\$72,100.00
J & M Utilities	\$33,750.00	\$68,950.00	\$73,800.00
B & P Utilities, Inc.	\$28,500.00	\$65,300.00	\$68,000.00
Magnolia Plumbing, Inc.	\$27,282.00	\$46,632.00	\$85,534.00

Magnolia Plumbing has done contract work with GHI previously: in 1999, they performed water heater replacements, in 2000, storm drain repairs, and in 2002, water line repairs for GDC. Based upon its past experience with this contractor, staff recommends that the Board of Directors endorse Magnolia Plumbing, Inc., for performing the Underground Utility Repairs at the cited locations for the amount of its bid, with an additional 10 percent to cover contingencies.

MOTION: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER, FOR SECOND READING AND FINAL PASSAGE, TO ENTER INTO A CONTRACT WITH MAGNOLIA PLUMBING, INC., FOR THE REPAIRS OF UNDERGROUND SANITARY SEWAGE AND STORM DRAIN UTILITIES AT NINE (9) SITES FOR AN AMOUNT NOT TO EXCEED \$81,306.

Moved: Lewis

Seconded: Hudson

Carried

B&P Utilities has worked with GHI on recent projects. Based upon its record of reliability, staff recommends that the Board of Directors endorse B&P Utilities, Inc. for performing the Surface Drainage Improvements at the cited locations for the amount of its bid, with an additional amount to cover contingencies. A 2.9% difference is available if two sites only are chosen and budget figure used as ceiling.

MOTION: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER, FOR SECOND READING AND FINAL PASSAGE, TO ENTER INTO A CONTRACT WITH B&P UTILITIES, INC., FOR THE INSTALLATION OF NEW DRAINAGE SYSTEMS AT 51 RIDGE, 53 RIDGE, AND 25 RIDGE LOCATIONS FOR AN AMOUNT NOT TO EXCEED \$74,800.

Moved: Hudson

Seconded: Alpers

Carried

4. Business Insurance Policy Renewal – 2nd Reading and Final Passage

GHI's current property and business owners' insurance policy expires on June 14th. Liberty Mutual Insurance has advised us that they are not able to offer a competitive bid on the property insurance package. The price quotation received from Brent Polkes of Polkes and Goldberg was discussed in detail with the Board at the May 26th meeting.

MOTION: THE BOARD OF DIRECTORS APPROVES FOR SECOND READING AND FINAL PASSAGE, THE EXPENDITURE OF \$320,561 FOR THE RENEWAL OF THE BUSINESS OWNERS INSURANCE PACKAGE POLICY WHICH INCLUDES COMMERCIAL BLANKET BOND, EDP, AND EQUIPMENT FLOATERS.

Moved: Alexanderwicz

Seconded: Lewis

Carried

5. Resolution to Change Banks

Since the adoption of the Board's Resolution to move GHI's operating accounts to the Community Association Bank, staff became aware that several other banks cater to community associations and offer specialty services geared to the industry. As a result of conversations with them, proposals were submitted from two other banks for the same levels of services offered by Community Association Bank: North State Bank of Raleigh, NC, and National Cooperative Bank (NCB). Staff met with representative of both banks. Following is a comparison of the services offered by all three banks:

	Bank Fees	FDIC Insured	Lockbox Service	Lockbox Fees	CDARS	References
Community Assn Bank	No	\$400,000	Yes	No	Yes	Questionable
NCB	Yes	\$100,000	Yes	Yes	Unknown	Good
North State Bank	No	\$100,000	Yes	No	Yes	Excellent

Staff believes that North State Bank will provide GHI with the best level of service. This subject was discussed at the May 10, 2005 Finance Committee meeting and presented to the Board at its meeting of May 26. If the Board agrees to accept staff's recommendation, it will be necessary to rescind the motion passed February 10, 2005, in which the Board approved of the change in

banking institutions to the Community Association Bank, authorized GHI as agents as signators, and directed staff to proceed with arrangements to effect such change.

It will be necessary to give Community Association Bank thirty days written notice of GHI's intent to terminate services, which have actually never begun. The written notice is a formality and legal requirement.

MOTION: THE BOARD OF DIRECTORS RESCINDS ITS MOTION OF FEBRUARY 10, 2005, WHEREBY A RESOLUTION WAS ADOPTED TO CHANGE BANKS FROM SUN TRUST TO THE COMMUNITY ASSOCIATION BANK.

Moved: Hess

Seconded: Lewis

Carried

MOTION: THE BOARD OF DIRECTORS ADOPTS A RESOLUTION TO APPROVE OF THE CHANGE IN BANKING INSTITUTIONS FOR GHI'S OPERATING ACCOUNTS FROM SUN TRUST BANK TO THE NORTH STATE BANK, AUTHORIZES GHI AGENTS AS SIGNATORS AND DIRECTS STAFF TO EFFECT THIS CHANGE.

Moved: Hess

Seconded: Lewis

Carried

MOTION: TO ADJOURN.

Moved: Hess

Seconded: Alexanderwicz

Carried

The meeting adjourned at 7:34 p.m.

Dorothy Lauber
Secretary

