

Minutes
GHI Board of Directors
May 27, 2010

Board Members Present: Hickey, James, Lewis, Mazurksy (*until 7:55 p.m.*), Morse, McFadden, Agans, Novinski, Boswell, Wartell

Others in Attendance:

Gretchen Overdurff, General Manager
Joan Krob, Director of Member Services
Tom Sporney, Staff Engineer
Henry Haslinger
Chuck Hess, Audit Committee
Kathleen Gallagher, N & E Committee
Ginny Jones
James Davis

Eldon Ralph, Assistant General Manager
Joe Perry, Director of Finance
Dianne Wilkerson, Chair, Audit Committee
Dorothy Lauber
Patty Muldowney, Recording Secretary
Brenda Lewis, Director of Human Resources
Robin Everly
Jeannette Holman

President Agans called the meeting to order at 7:43 p.m.

1. Approval of Agenda

An additional item, Legislative Matters, was added as item 9n.

MOTION: TO APPROVE THE AGENDA AS REVISED.

Moved: Lewis

Seconded: Novinski

Carried 8

2. Certification of Election, Chair, Nominations and Elections Committee

Kathleen Gallagher of the Nominations and Elections Committee presented the results of the election for the Board of Directors and Audit Committee of May 20, 2010. There were four available seats on the Board of Directors, each for a two-year term: **Ed James, Diana McFadden, David Morse, and Irwin Wartell.**

Ms. Gallagher then shared the results of the Audit Committee election of May 20, 2010. There were three available seats, each for a one-year term. Two candidates ran, and both were elected: **Dianna Wilkerson, and Chuck Hess.**

In response to a question regarding the available seat on the Audit Committee, Ms. Gallagher explained that after advertising for the position and allowing a two-week period for interested parties to come forth, the current Audit Committee members can make an appointment.

Director Mazursky stepped down and Director Wartell was seated. Vice President Novinski offered a welcome to Director Wartell.

6. Approval of Membership Applications

MOTION: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING MUTUAL OWNERSHIP CONTRACT CHANGES:

- ELIZABETH M. JAY, SOLE OWNER, TO ELIZABETH M. JAY, TRUSTEE UNDER TRUST DATED MAY 6, 2010.
- PATRICIA LYNCH, SOLE OWNER, TO PATRICIA LYNCH AND RAYMOND LYNCH, JOINT TENANTS WITH RIGHTS OF SURVIVORSHIP.

Moved: James

Seconded: Boswell

Carried 8

FOR THE RECORD: BOARD POLL ON MAY 21, 2010 ACCEPTED THE FOLLOWING PROSPECTIVE MEMBERS INTO THE COOPERATIVE AND MEMBERSHIP AFFORDED THEM AT THE TIME OF SETTLEMENT:

- DENNA LAMBERT, SOLE OWNER
- MATTHEW J. HEFFERNAN, SOLE OWNER
- ARTHUR ABRAMS, SOLE OWNER
- SONYA K. SPOON, GARY SPOON, AND PAIVI SPOON, JOINT TENANTS WITH RIGHTS OF SURVIVORSHIP

General Manager Overdurff explained that Fannie Mae did a routine review of PNC Bank loans and raised questions about the ownership of GHI land and may discontinue lending to housing cooperatives. Considerable discussion ensued about this turn of events and how to offset its impact upon the cooperative, the difference between GHI and other housing cooperatives in which land is not owned by the cooperative, the possibility of expanding the pool of potential lenders for GHI residents, and unit appraisals. A suggestion was offered that GHI share information about housing cooperatives with prospective lenders; President Agans suggested that the idea be submitted to the Marketing Committee.

President Agans stated that the Marketing Committee needs a new Board liaison. She then asked the Board to inform her before the next meeting if they wish to change the committee to which they are liaison.

7. Committee Reports

The Board reviewed written reports from the Finance Committee. Director Lewis explained that a question was asked at the annual meeting about the wide variance between the budget and the actual figures laid out in the annual report. She explained that the auditors combined the figures for GHI and GDC, while the budget only takes the GHI figures into account. To clarify the information for the membership it was suggested possibly adding footnotes at the bottom of the page to explain the variance and an article in the *Communicator*.

Director Lewis then shared an update from the Investment Committee. The Board had approved money for review of GHI's investment policy and practices. The reviewer suggested taking

advantage of the rule allowing up to 20% of GHI's investments to be in the stock market, as the current practices are quite risk averse. The Investment Committee disagreed with this suggestion, stating that the 20% rule is an upper limit and not a guideline. The committee is advising the Board not to change its current policy.

Each Board member present then shared updates on the committee to which they are Board liaison.

- a. Communications Committee: There was no noteworthy news to report at this time.
- b. Website Team: The team has identified several hundred obsolete pages from the GHI website; some have already been removed. The team is also looking at the websites of other local organizations and will investigate hardware and platform issues.
- c. Companion Animal Committee: The committee continues its focus developing a disaster plan within GHI and looking into the possibility of partnering with the City of Greenbelt to obtain homeland security funds to be used in development of the plan. The committee is also looking into the issue of animals becoming trapped in downspouts. A member of the committee will approach staff with the idea of installing screening on the tops of downspouts.
- d. Yard Line Committee: The committee continues to proceed in reviewing the yard lines and has completed one-third of its work.
- e. Architectural Review Committee: The committee addressed the task given by the Board to review siding options for the pilot program; the Board will get the results shortly. ARC heard its first exception request in four months, and the members then decided not to pursue the exception. .
- f. Member and Community Relations Committee: The Home and Garden Tour may be postponed until the fall. Director James asked for guidance from the Board on the minimum number of members required to make the tour feasible. The committee thinks it to be 20 members and wonders if that vision is in line with that of the Board..
- g. Woodlands Committee: There was nothing new to share since the last Board meeting.
- h. Buildings Committee: The committee was able to recruit several new "friends of the Buildings Committee" at the annual meeting. One of the new recruits has developed a list of firms that complete energy upgrades; the committee will invite representatives from these firms to speak with the Board. The National Association of Homebuilders is a non-profit and will meet with the committee on June 3. Another private firm, Steve Winters Associates, will meet with the committee on June 9. The Board will be informed of any timelines.
- i. Marketing Committee: Director Wartell and Joan Krob discussed a good option for the Home and Garden Tour, though it is not viable at this time. There will be a meeting next week, and the tour can be put on the next Board meeting agenda.

8. Consent Agenda

CONSENSUS: TO APPROVE THE CONSENT AGENDA.

Moved: Lewis

Seconded: Novinski

Carried 8

9a. Approval of Minutes: April 8, 2010 and April 22, 2010 (CA)

MOTION APPROVED BY CONSENT AGENDA: TO APPROVE THE MINUTES OF APRIL 8, 2010 AND APRIL 22, 2010.

9b. 2010 Attached Garage Roof Repair Contract – 2nd Reading & Final Passage (CA)

MOTION APPROVED BY CONSENT AGENDA: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER, FOR SECOND READING AND FINAL PASSAGE, TO ENTER INTO A CONTRACT WITH CROWLEY CONSTRUCTION FOR THE REPAIR OF 5 ATTACHED GARAGE ROOFS AT 3 SITES INDICATED AT ITS BID, \$7,690, PLUS 15% FOR CONTINGENCIES, FOR A TOTAL NOT TO EXCEED \$8,844.

9c. Appointment of Member Complaints Panels

President Agans proposed the new member complaints panels as follows:

Panel 1: James, McFadden, Lewis, Wilkerson

Panel 2: Hickey, Agans, Wartell, Hess

Panel 3: Boswell, Novinski, Morse, Audit Committee Member

9d. Designation of GDC Stockholders

President Agans gave a brief explanation of GDC as a revenue stream for GHI, explaining that GDC is a corporation owned by GHI that requires stockholders. Director Lewis asked that the updated list of GDC stockholders be placed in the GDC file.

MOTION: IT IS MOVED THAT EACH MEMBER OF THE BOARD OF DIRECTORS OF GREENBELT HOMES, INC., BE GRANTED A PROXY FOR 1/9TH OF THE GHI SHARES OF STOCK IN THE GREENBELT DEVELOPMENT CORPORATION. THESE PROXIES SHALL REMAIN IN FORCE UNTIL NEW PROXIES ARE VOTED.

Moved: Morse

Seconded: Boswell

Carried 8

9e. Board Meeting Procedures

Possible changes to the Board meeting procedures were discussed by the Board. President Agans suggested that committee reports be required semi-annually rather than quarterly. The Board discussed changing the due date for agenda items to the Wednesday of the week before a Board meeting due to the alternating Friday schedule at the GHI offices. President Agans reminded the Board that in order to add an item to the agenda, two Board members need to signify the item addition. The suggested agenda item can be emailed to President Agans or suggested at the end of a Board meeting.

Regarding the section explaining the consent agenda, Director Lewis stated that a director may remove an item when the consent agenda is discussed. She also pointed out a typo on the

following page. President Agans added the Board President to the list of people who are to be contacted when a director cannot attend a Board meeting. General Manager Overdurff will make the changes discussed.

9f. Set Summer and Fall Meeting Schedule

General Manager Overdurff explained that the summer Board meetings should be scheduled around contracts that need to be approved. There will be several contracts up for approval in the month of June. The Board may take advantage of the stakeholders meeting with the City of Greenbelt to hold a special meeting before or after for second reading of contracts. In response to a question from Ms. Holman, the Board discussed holding a regular Board meeting on a Thursday before a Friday when the GHI offices are closed and the impact on membership approvals and scheduling settlements.

The summer schedule for meetings of the GHI Board of Directors was approved by consensus:

- Thursday, June 10 – regular Board meeting at 7:30 p.m.
- Monday, June 14 – special Board meeting at 7:00 p.m.
- Monday, June 14 – Stakeholders meeting with the City of Greenbelt at 7:30 p.m.
- Thursday, July 15 – regular Board meeting at 7:30 p.m.
- Thursday, August 19 – regular Board meeting at 7:30 p.m.

9g. Yard Line Certification: 20A-F Hillside Road

These particular yard lines are being certified now because of damage done by the February snowstorms to a chain link fence at 20D Hillside Road.

MOTION: THE BOARD OF DIRECTORS DOES APPROVE YARD PLATS FOR 20A-F HILLSIDE AS PRESENTED.

Moved: Lewis

Seconded: Boswell

Carried 8

9h. Proposed Serviceside Door with Decorative Glass, 57C Ridge Road

The member at 57C Ridge Road has informed Staff Engineer Tom Sporney that he will not proceed with this request for exception.

9i. Community Upgrade Financing

Director Boswell explained that while the Buildings Committee is requesting \$75,000 to finance the pilot project, \$50,000 of that amount has been budgeted for monitoring and data collection. He further explained that if GHI receives assistance from either of the firms that the committee will be meeting with, most of that \$50,000 will not be needed.

The Board discussed the need to find an experienced grant writer for the community upgrade. They discussed the possibility of hiring a grant writer for the duration of the project or for a specified length of time; however, the Board and Buildings Committee must come to a clear

conclusion on what is needed from that position before someone is hired. A question was raised about the possibility of one of the two firms assisting staff in writing grants; Director Boswell explained that the firms will not write grants for us, but can put staff in contact with resources related to grant writing.

The Board discussed the timeline of the non-profit organization associated with GHI. Director of Finance Perry explained that IRS recognition as a non-profit organization will probably take six months at the most. President Agans stressed that the IRS recognition is important because many grants require the recipient be a 501(c)3 non-profit organization.

Director Lewis asked the Board for approval to seek out help from a professional grant writer. There was no opposition expressed from any Board member.

CONSENSUS: THE BOARD NEEDS MORE INFORMATION FROM A SUBGROUP CONSISTING OF MEMBERS FROM THE BUILDINGS AND FINANCE COMMITTEES TO REFINE THE REQUEST.

MOTION: TO RECESS FOR 15 MINUTES.

Moved: Boswell

Seconded: Morse

Carried 8

The Board recessed at 8:50 p.m. During that time, the Board photograph was taken.

President Agans called the meeting back to order at 9:10 p.m.

9j. New Name for Member & Community Relations Committee

Director Wartell suggested that the name “Member and Community Relations Committee” is a bit awkward and entertained the idea of changing it to Member Activities Committee or Member Participation Committee. The members of that committee have not yet discussed a new name for the committee; this item will be an item on the next Board agenda with a recommendation from the committee.

9k. Identify Topics for Stakeholder Meeting with City Council

The Stakeholders meeting with the City Council will be held at the GHI office building on June 14 at 7:30 p.m. The following topics were identified for discussion at that meeting:

- WSSC issues: GHI staff has been having trouble getting in contact with a representative from WSSC. The Board and staff would like to make sure that the City Council is aware of the trouble GHI is having in contacting WSSC.
- Lighting of the common area between 11 and 13 Courts of Ridge Road: This area is owned by the City of Greenbelt. Some new members have asked for more lighting in this area.
- Bus reductions from WMATA: The City of Greenbelt will have a meeting with a representative from WMATA on June 2.

- Recycling bins: The City of Greenbelt is starting to replace existing bins with larger bins on wheels, which do not fit in GHI trash closets. GHI members would prefer to keep the smaller bins that they are currently using.
- Brief update on the pilot project: The City Council may know about additional grant opportunities that would apply to GHI.
- Right of way issue
- Spellman Overpass update
- City's responsibilities concerning snow removal: Snow removal responsibilities from city-owned sidewalks and notification of residents during snow emergencies.
- 2012: 2012 marks Greenbelt's 75th anniversary, and has been named the United Nations Year of Co-ops.

General Manager Overdurff stated that she has not had much interaction with the Greenbelt Police but that the officer handling the embezzlement has been very helpful. Director of Member Services Krob gave a brief update on the Spellman Overpass meeting. She explained that the meeting was a gathering of information from residents near the overpass; a conclusion was not reached. Assistant General Manager Ralph shared that the GHI snow removal task force has met once to date.

Ms. Overdurff will submit a list of topics for discussion to the City Council next week.

9l. 2010 Underground Utility & Drainage Improvement Contract – 1st Reading

There were no questions from the Board.

MOTION: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER, FOR FIRST READING, TO ENTER INTO A CONTRACT WITH MAGNOLIA PLUMBING, INC., FOR THE REPAIRS OF UNDERGROUND SANITARY SEWAGE AND STORM DRAIN UTILITIES AT EIGHTEEN (18) SITES AT ITS BID, \$119,897, PLUS 10% FOR CONTINGENCIES, FOR A TOTAL NOT TO EXCEED \$131,887.

Moved: Lewis

Seconded: Morse

Carried 8

MOTION: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER, FOR FIRST READING, TO ENTER INTO A CONTRACT WITH MAGNOLIA PLUMBING, INC., FOR DRAINAGE SYSTEM IMPROVEMENTS AT ONE (1) LOCATION AT ITS BID, \$9,824, PLUS 10% FOR CONTINGENCIES, FOR A TOTAL NOT TO EXCEED \$10,807.

Moved: Lewis

Seconded: Boswell

Carried 8

9m. Petition for the Abandonment of Property Along Crescent Road

Mr. Sporney explained that this item is coming back to the Board for approval because the final quote from Oyster, Imus, and Petzold is \$5300, which is \$500 more than the Board had approved.

MOTION: THE BOARD OF DIRECTORS APPROVES OF THE PAYMENT OF \$5,300. TO OYSTER, IMUS & PETZOLD TO SURVEY AND PREPARE NEW PLATS REQUIRED FOR THE SUBMISSION OF THE APPLICATION TO THE COUNTY FOR ADJUSTING THE PROPERTY LINE ALONG CRESCENT ROAD BETWEEN EASTWAY AND GARDENWAY AND DIRECTS STAFF TO NOTIFY THE CITY OF THE BOARD'S AGREEMENT.

Moved: Boswell

Seconded: Novinski

Carried 8

9n. Legislative Matters

President Agans shared that she and Director Lewis attended a fundraiser yesterday, where they discussed having a meeting regarding the regulatory impact of the new homestead income tax changes and the undue burden placed on GHI. She shared that the Potomac Association of Co-ops held a meeting in April. That group has set up a committee of individuals from various coops in their mission to protect co-op members across America. The committee is looking at how the homestead tax credit is being implemented and the impact it is having on housing co-ops. The group is currently concentrating their efforts in Maryland.

Members of staff and the Board will be contacting various members of Congress. A meeting with Senator Pinsky will take place; President Agans will look for guidance from him on how to proceed. Agans will also be meeting with Darryl Pennington, the community liaison for Representative Hoyer. She will address how the appraisal process is having a negative impact in GHI, as well as seek assistance in finding a contact person at Fannie Mae in the case of a home going into foreclosure.

Ms. Holman shared that appraisals are low everywhere, not just in GHI; she shared that home prices have declined 35-40% across Maryland, Virginia, and the District of Columbia since last summer. She suggested that GHI may need to adjust its policy in order to allow renting when a member is unable to sell his or her home, or would lose a good deal selling at the current prices. Ms. Overdurff reminded the Board that the homestead tax credit for that home would be lost. She also expressed concerns about lenders looking at the percentage of homes being rented. The Board then briefly discussed the rental procedure and what would constitute extenuating circumstances allowing a member to rent his home. Audit Committee member Hess stated that he is not an advocate of renting, but that GHI needs to stay aware of the market.

10. Items of Information

The Board discussed the June calendar, including the regular Board meeting on June 10 and the Stakeholders meeting with the City Council, and special Board meeting, on June 14. The Home and Garden Tour is still in question.

11. President

President Agans reminded the Board that semi-annual committee reports are due on June 7; reports can be sent to Ms. Krob. The Buildings Committee may use the handout prepared for the annual meeting.

Four members signed up at the annual meeting to work on the Bylaws changes that were tabled. President Agans will contact them and will ask the Bylaws Committee (Novinski, Wilkerson, and Overdurff) to work with them.

President Agans shared that there will be a City of Greenbelt work session with WMATA on June 2. She asked for a representative from GHI to attend; Director McFadden will go.

President Agans stated that she is looking forward to working with everyone this year. She shared that they have many things coming up and will need to bring in others as needed for their expertise. She expressed her thanks to Director Novinski for her service as Vice President and shared that she is looking forward to working together with the new and continuing officers.

12. Board Members

Director Morse welcomed Director Wartell and shared that he is looking forward to another year.

Director McFadden also welcomed Director Wartell and expressed her thanks to Director Novinski for her service as an officer.

Director Novinski shared that she met with Directors James and Lewis to discuss ongoing strategies for increasing committee membership; they can share their ideas at the next Board meeting.

Director Lewis welcomed Director Wartell and expressed gratitude for the Board's confidence in reelecting her as treasurer.

Director James shared that phases two and three of the WSSC upgrade will not happen this year.

Director Boswell stated that he enjoyed the brief recess in the middle of the meeting, as opposed to socializing at the end.

Director Wartell shared that he is honored to work with this exceptional group of people.

Audit Committee Member Hess stated that the GDC annual meeting should be held before the next Board meeting on June 10; the annual GDC meeting would need to be called by the Board of Directors. He explained that once the Board meeting is adjourned, the GDC

meeting would need to be called to order at which time the GDC annual meeting could be called.

13. Manager

General Manager Overdurff surveyed the Board and Audit Committee members to gauge their interest in planner books/calendars. Ms. Overdurff will provide planner books for those Directors and Audit Committee members who want one.

Ms. Overdurff asked the Board if anyone would be interested in attending a training session with Director Wartell. A training session was set for Monday, June 7 at 7:30 p.m.

President Agans asked about scheduling a training work session with parliamentarian John Stackpole. This will be discussed at the next Board meeting.

MOTION: TO ADJOURN AND RECONVENE THE GDC MEETING.

Moved: Lewis

Seconded: Boswell

Carried 8

The meeting adjourned at 9:55 p.m.

Ed James
Secretary