

Minutes
GHI Board of Directors
October 15, 2009

Present: Hickey, James, Lewis, Morse, Agans, Mazursky (7:45)

Excused Absence: Novinski, McFadden, Boswell,

Others in Attendance:

Gretchen Overdurff, General Manager
Joan Krob, Director of Member Services
Joe Perry, Director of Finance
Brenda Lewis, Director of Human Resources
Eldon Ralph, Assistant General Manager

Dianne Wilkerson, Chair, Audit Committee
Henry Haslinger, Audit Committee
Patty Bergemann, Recording Secretary
Chuck Hess

President Agans called the meeting to order at 7:34 p.m.

1. Approval of Agenda

MOTION: TO APPROVE THE AGENDA.

Moved: Lewis

Seconded: James

Carried 4

2. Visitors and Members

There were no issues brought up by the visitor/member present.

3. Approval of Addendum for Trust Ownership and Trustee's Affidavit

MOTION: THE BOARD OF DIRECTORS APPROVES THE CHANGE OF TRUSTEES AND BENEFICIARY ON THE ADDENDUM FOR TRUST OWNERSHIP AND TRUSTEE'S AFFIDAVIT OF NANCY L. REMENICK, PATRICIA A. WASHINGTON, AND JOHN R. WYNKOOP (TRUSTEES) AND PATRICIA A. WASHINGTON (BENEFICIARY), THEREBY ALLOWING THEM TO PLACE HER MEMBERSHIP AND EQUITY INTEREST INTO A LIVING TRUST DATED DECEMBER 1, 2004.

Moved: Lewis

Seconded: James

Carried 4

4. Approval of Membership Applications

MOTION: THAT THE FOLLOWING PROSPECTIVE MEMBERS ARE ACCEPTED INTO THE COOPERATIVE AND MEMBERSHIP AFFORDED THEM AT THE TIME OF SETTLEMENT:

- JAMES PERREAULT
- CRESTON HEROLD AND CARRIE HEROLD
- LAUREN BORDELON

Moved: James

Seconded: Lewis

Carried 4

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

- **HENRY WYNKOOP, JR. TRUST DATED DECEMBER 1, 2004, TO HENRY WYNKOOP, JR. TRUST DATED DECEMBER 1, 2004 FOR THE BENEFIT OF PATRICIA WASHINGTON.**

Moved: James

Seconded: Morse

Carried 4

5. Committee Reports

There were no committee reports to review.

6. Consent Agenda

The approval of minutes from the August 20, 2009 Board meeting was removed from the consent agenda.

MOTION: TO APPROVE THE CONSENT AGENDA AS AMENDED.

Moved: Lewis

Seconded: Hickey

Carried 4

7a. Approval of Minutes: August 20, 2009

This item was removed from the consent agenda. The Board of Directors discussed changes to make to the minutes from August 20, 2009. President Agans added to the minutes, stating that the STP Committee will be in hiatus until after the Board retreat.

MOTION: THE BOARD OF DIRECTORS APPROVES THE MINUTES OF AUGUST 20, 2009, AS REVISED.

Moved: Lewis

Seconded: Hickey

Carried 4

7b. Approval of Minutes: September 3 2009

MOTION APPROVED BY CONSENT AGENDA: THE BOARD OF DIRECTORS APPROVES THE MINUTES OF SEPTEMBER 3, 2009.

7c. 2009 Fall Concrete Sidewalk Contract – 2nd Reading – 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 CPE, INC., FOR THE FALL REPAIRS OF CONCRETE SIDEWALKS AT 28 SITES AT ITS BID, \$17,050.00, PLUS 10% FOR CONTINGENCIES, FOR A TOTAL NOT TO EXCEED \$18,755.

7d. Pest Control Contract – Discussion of Additional Services

Staff explained that GHI's current pest control contract does not include treatment for bedbugs or fleas; bedbugs have been found recently in some GHI units. The Board of Directors discussed the benefits and shortcomings of adding treatment of these pests to GHI's pest control contract. Assistant General Manager Ralph explained that for the few incidences of flea outbreaks in GHI units, only one member was held financially responsible for treating the problem. Ralph asked the Board if members should be held responsible for damages to their units due to negligence, including treatment of pests whose outbreak is brought on by negligence/unsanitary conditions. Director Lewis stated that while she is in favor of holding members responsible for egregious situations of neglect, but that it may be difficult to determine which situations should be labeled egregious neglect; the process could be too subjective. Ralph pointed out that there is a clause in the member handbook stating that the member is held

responsible for negligence needing repair or treatment, although the Board and staff have not enforced the clause much in the past.

Member Chuck Hess expressed his satisfaction with the high level of service from GHI, stating that he wishes to see the high level of service continue. The Board discussed the cost of adding bedbugs and fleas to the pest control contract, comparing it with the cost of the current contract. Number of inspections provided was also discussed. In response to a question from President Agans, Assistant Manager Ralph explained that there is a need for a policy or statement from the Board allowing staff to use discretion in charging for repairs due to negligence. Responding to a question from Director Morse, Ralph assured the Board that charges would be brought only in certain circumstances, particularly when the member is uncooperative, and negligence is apparent. General Manager Overdurff explained that there are extreme situations of negligence whose resolution consumes a good deal of staff time. Director James expressed support of charging for treatment in these situations of member negligence.

MOTION: THE BOARD DOES AUTHORIZE THE MANAGER TO CHARGE A MEMBER DIRECTLY FOR THE COST OF PEST CONTROL TREATMENT IN A UNIT IF THE PEST ACTIVITY IS CAUSED BY THE MEMBER'S ACTIVITY, NEGLIGENCE, OR LACK OF CLEANLINESS IN THE UNIT.

Moved: Lewis

Seconded: Hickey

Carried 5

7e. Master Policy Insurance Deductible

General Manager Overdurff provided an overview of this item for the Board. Member Chuck Hess shared the history of GHI's insurance deductible with the Board, and expressed that GHI should look into a higher deductible if that means a significant change in the insurance premium. Director Lewis shared her support for investigating the change in premium that a higher deductible could bring. In response to a question from Director James, Director of Finance Perry explained the difference in coverage provided by GHI's master insurance policy and members' HO-6 policies. The Board discussed the possibility of obtaining HO-6 policies for the members as a group, and whether that might provide a lower rate to the members. Director Lewis pointed out that each unit would need its own amount of coverage provided by an HO-6 policy, as this type of coverage insures the contents of the home. Member Hess stated that while there may be benefit to a group HO-6 policy, it may not be worthwhile in the long run, as such a policy would require more staff time.

Audit Committee Member Wilkerson asked what recourse GHI has to force a member to pay for damages caused by negligence, recounting a past situation in which the member involved refused to pay for damages. The Board briefly noted the following as possibilities: a) using a collection agency to collect from the member; b) withholding the cost of repairs at settlement, c) suing a member for negligence, and d) financial implications of a law suit in terms of the cost of repairs versus cost of legal fees that would be incurred.

General Manager Overdurff shared that changes are beginning to take place with regard to dealing with negligent members. Based on the budget of the coming year, she stated that the Board needs to look at rules that are in place. Overdurff suggested educating members about how to avoid damage in their homes, as well as educating members about changes in the upcoming budget and how those changes will impact members. Overdurff also suggested a need for home inspections, and stated that she would like Board members to accompany staff on these inspections. President Agans shared support for home inspections, expressing a need for further discussion on a future agenda.

In response to a question from President Agans, Overdurff explained that GHI does have the right to charge a member for negligence; that right is part of each member's Mutual Ownership Contract.

Director Morse expressed support for member education, starting immediately. At the request of President Agans, Overdurff agreed to begin tracking costs incurred due to member negligence. She explained that it would be difficult to provide the Board with a “snapshot” of costs due to negligence from past months, but that costs from specific instances could be shared with the Board.

Director James inquired about the possibility of conducting inspections of the plumbing in each unit. Assistant General Manager Ralph stated that such an inspection could be done, and that further guidance is needed from the Board on how to proceed with non-compliant members needing follow-up inspections after the bathroom/electrical inspections were done. Director Mazursky suggested that noncompliant members be given a set amount of time to complete repairs identified during the electrical/bathroom inspections. If, at the end of that time, the member has not yet corrected the deficiency, Fee for Service could fix the deficiency, and the member could be charged for the work. General Manager Overdurff explained that if the policy were as Director Mazursky suggested, then the Fee for Service program would need to be expanded. In response to a question from Director Lewis, Ralph explained that not all units were inspected during the last program, as some members refused entry to GHI, and the inspection program was not mandatory.

This topic will be discussed further on a future agenda.

7f. Strategic Plan: KRA #3 - Finance

Director Lewis suggested that the Board should discuss this item after sending it to the Finance Committee for review and recommendations.

CONSENSUS: TO SEND KRA #3 TO THE FINANCE COMMITTEE FOR REPORT AND RECOMMENDATION.

8. Items of Information

Audit Committee member Wilkerson shared a correction of the date of the next Yard Line Committee meeting; the meeting will be held on October 20 at 8:30 a.m. In response to a question from Director Morse, Director Hickey stated that the next ARC meeting will be held on October 21.

9. President

President Agans congratulated Director Mazursky for his performance as moderator of the GHI candidates’ forum. Agans shared compliments from members about the forum. She stated that member Laura Kessler is now court liaison for 10 Plateau Place, and that member Chuck Hess has applied to the Buildings Committee. Agans stated that the Nominations and Elections Committee will study the bylaws and make recommendations on changes to the bylaws. She shared information about the upcoming Leadership Succession Workshop, and shared a favorable review of the annual picnic.

10. Board Members

Director James stated that between 165 and 200 people attended the picnic, as well as candidates running for election. He shared information about the distribution of leaf bags from Parkway garage 21 starting Saturday, October 17.

Director Mazursky shared his thoughts on his first Marketing Committee meeting, as well as the results from a survey focusing on the Guest House. Director Mazursky expressed a desire to have an open house at the Guest House, as he and many other Board members have never seen it. Mazursky also shared new information regarding low appraisals at GHI, as well as information about the upcoming community-wide open house. The first focus group was held with GHI members who work at the University of Maryland. A similar focus group with NASA employees is in the planning stages. Mazursky shared information about two local festivals, as well as gratitude to President Agans for her work in helping to organize the candidates' forum.

Director Hickey shared that he knows of a circuit court judge who is researching ways to prevent situations like that which happened at 10 Court Plateau Place from happening again (how to remove a non-member from the community).

Audit Committee member Lauber shared her praise of the work done on the garages at 9 Court Ridge Road.

Director Lewis shared a summary of the tax seminar for seniors that took place on October 8. She shared information about an upcoming Finance Committee and Board of Directors budget meeting, during which the "bare bones" of the budget will be presented by Director of Finance Perry. Any questions related to the budget should be asked at that meeting so as to facilitate a smooth first reading of the budget without much necessary background information. Lewis expressed her praise of the candidates' forum, and shared information about an upcoming Greenbelt Foundation meeting.

Director Morse shared praise for the Buildings Committee, stating that he is impressed by the background knowledge of the members and their rapport with one another.

Assistant General Manager Ralph shared updates from his meeting with Ardently Green on October 6. Ardently Green will make changes to its final report based on information that was shared with them during the meeting. At the next meeting of the Buildings Committee, the possibility of holding a meeting with members to educate them on energy conservation tips will be discussed.

11. Manager

General Manager Overdurff shared information about an interview with Luanne Murphy, an author who is writing a book about the heritage of Prince George's County. Board members are welcome to sit in on the interview and contribute if they would like to.

MOTION: TO ADJOURN.

Moved: Morse

Seconded: Hickey

Carried 5

The meeting adjourned at 9:11 p.m.

Ed James
Secretary