

Draft Minutes  
GHI Board of Directors  
November 19, 2009

Present: Hickey, James, Lewis, Morse, Agans, Novinski, McFadden, Boswell, Mazursky (8:59 p.m.)

Others in Attendance:

Gretchen Overdurff, General Manager  
Joan Krob, Director of Member Services  
Joe Perry, Director of Finance  
Tom Sporney, Staff Engineer  
Eldon Ralph, Assistant General Manager  
Dianne Wilkerson, Chair, Audit Committee  
Henry Haslinger, Audit Committee  
Dorothy Lauber, Audit Committee  
Patty Bergemann, Recording Secretary  
Chuck Hess  
Elizabeth Shepard  
Tom Jones  
James Riordan  
David Katz  
Bob Snyder

President Agans called the meeting to order at 7:51 p.m.

1. Approval of Agenda

Item 6k, Finance Committee Recommendation on Cash Policy, was added to the agenda.

**MOTION: TO APPROVE THE AGENDA AS REVISED.**

Moved: James

Seconded: Boswell

Carried 7

2. Visitors and Members

President Agans asked the members in attendance if they were here for item 6e, the issue regarding 2C Northway; she informed members that item 6e would not be heard tonight because one of the parties involved could not be present.

There were no issues brought up by the members in attendance.

3. Approval of Membership Applications

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

- ERIC C. VORE, SOLE OWNER
- THEA BURGESS, SOLE OWNER
- CHARLES D. HESS, SR., SOLE OWNER
- ROBERT S. CORNMAN, SOLE OWNER

- **WILLIAM F. GUTWEIN, III, AND MARY GUTWEIN, TENANTS BY THE ENTIRETY, 4H LAUREL HILL ROAD**
- **KAITLIN KERSH AND MICHAEL WHITE, JOINT TENANTS, 11L LAUREL HILL ROAD**

Moved: James

Seconded: Morse

Carried 7

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

- **ANTHONY M. DURATINE, SR., AND TONI DURATINE, JOINT TENANTS, TO ANTHONY DURATINE, SR., AND LORNA M. DURATINE, TENANTS BY THE ENTIRETY**

Moved: James

Seconded: Morse

Carried 7

4. Committee Reports

There were no committee reports to review.

5. Consent Agenda

**MOTION: TO APPROVE THE CONSENT AGENDA.**

Moved: Novinski

Seconded: Morse

Carried 7

6a. Approval of Minutes: October 15, 2009

**MOTION APPROVED BY CONSENT AGENDA: THE BOARD OF DIRECTORS APPROVES THE MINUTES OF OCTOBER 15, 2009.**

6b. Yard Line Certification: 1 Woodland Way

Member Tom Jones, asked about his yard boundary as compared to his current fence. Yard Line Committee Chair Wilkerson and Staff Engineer Sporney explained that it is at the current fence line and if the fence would need to be replaced, it would be replaced at its current location.

**MOTION: THE BOARD OF DIRECTORS DOES APPROVE YARD PLATS FOR 1 COURT WOODLAND WAY AS PRESENTED AND REVISED.**

Moved: James

Seconded: Morse

Carried 7

6c. Proposed Gardenside 3-Season Porch, 6P Plateau

Staff Engineer Sporney provided a summary of the permit request for a 3-season porch at 6P Plateau Place. Sporney explained the two possible problems with this permit request: 1) The proposed 4-track windows are in opposition to the rule stating that only vertical double-hung windows are permitted in frame homes; and 2) There is a storm drain into which the gutter and downspout empty. The storm drain is blocked, and staff has been unable to clear it or to find the source or location of the blockage and staff recommends abandoning the storm drain and rerouting the water, which should not be a problem as the unit faces the woods; however, the rules state that existing storm drains must be used to accept runoff water. Sporney stated that the Architectural Review Committee (ARC) heard the request and voted 4-0 to allow the 3-season porch because the

proposed window system could be easily removed, and does not present a long-term maintenance issue.

Discussion brought forth additional information: a) the member did not intend to open the walls of the addition into the home or heat the addition; b) the addition would have gutters, but that they will not empty into the storm drain; c) the ARC committee has not heard many cases such as this one so there is no need to consider changing policy at this point in time; and d) the proposed addition would be excluded from the addition maintenance program.

**MOTION: THE BOARD OF DIRECTORS DOES ALLOW THE CONSTRUCTION OF THE PROPOSED 3-SEASON ADDITION ON THE GARDENSIDE OF 6P PLATEAU, INCLUDING THE 4-TRACK VINYL WINDOWS AND DIRECTING ROOF RUNOFF TO GROUND SURFACE INSTEAD OF UNDERGROUND STORM DRAIN.**

Moved: Morse

Seconded: James

Carried 6-1

6d. Member Request for Exception: Subleasing Provisions, 15C Laurel Hill Road

Member David Katz explained to the Board that the exception he is requesting is a waiver of the 10% administrative fee collected by GHI from members subleasing their homes. Katz gave the Board an overview of the financial obligations associated with his family's move to Colorado as he begins a master's program. Considerable discussion ensued about the pros and cons of subleasing and the feasibility of establishing escrow accounts and/or charging hourly rates for work performed for subtenants that would require an additional tracking system to be administered. Mr. Katz explored the possibility with the Board that the fee be modified to 5% or a flat dollar amount. It was explained to Mr. Katz that in order to make an exception to the rule, it must be an exceptional case and that his request does not fit the category

**MOTION: THE BOARD OF DIRECTORS DOES NOT GRANT THE MEMBER'S REQUEST OF 15C LAUREL HILL ROAD FOR A WAIVER OF THE 10% ADMINISTRATIVE FEE CHARGED MEMBERS WHO ARE GRANTED PERMISSION TO SUBLEASE THEIR HOME.**

Moved: Lewis

Seconded: Hickey

Carried 6-2

Prior to voting on the motion, President Agans clarified a point made by member Bob Snyder, about security deposits collected from GDC renters are placed in an escrow account. Agans explained that in that circumstance, the lease is between the renter and GHI. In the case of a member renting their unit, the lease would be between the member and the renter, which would present a different level of risk to GHI. Regarding the suggestion of setting a flat administrative fee for subleasing, President Agans asked the Finance Committee to look into the issue in January.

6e. Member Request for Exception: Neighbor Approval for Addition, 2C Northway

This issue was not discussed and will appear on a future agenda.

6f. Proposed 2010 Operating Budget – 2<sup>nd</sup> Reading

**MOTION: THE BOARD OF DIRECTORS APPROVES, FOR 2<sup>ND</sup> READING AND FINAL PASSAGE, THE 2010 OPERATING BUDGET IN THE AMOUNT OF \$8,415,506 WITH DEPRECIATION ON MEMBERS' HOMES OF \$503,508.**

Moved: James

Seconded: Morse

Carried 7

After the Board passed the motion, a question was asked how the GHI budget related to the GDC budget, and if there were other ways (besides charging GDC for using GHI labor) to bring money from GDC into GHI. Director of Finance Perry replied that he was not sure about any recurring charges, but that equity in GDC can be tapped, like paying a dividend. In response to a follow-up question, Perry explained that any surplus in the GDC budget at the end of the year goes into equity.

6g. Skylights in Additions: Next Step

President Agans began discussion by explaining that a report was written on the topic, but the question is whether to allow skylights in the Addition Maintenance Program. Agans explained that many exceptions allowing skylights have been granted and, to date, structural damage caused by faulty skylights has been paid by GHI. Agans turned to Director Hickey and Mr. Hess to provide insight on this matter.

Mr. Hess recounted information previously presented to the Board: a) if skylights are installed properly and of good quality, then there is very little, if any, additional risk of structural damage than if there were no skylight; b) the consensus was that skylights would best be restricted to additions, and prohibited in original structures; and c) if the Board were to allow skylights in additions, there would need to be a direction from the Board to the staff regarding inspection of the installation of skylights to ensure proper installation, thereby preventing future problems. Director Hickey stated that every contractor with whom he spoke said that all skylights would eventually leak. Agans requested clarification of Hickey's statement, asking if the report is recommending that no skylights be allowed, regardless of whether or not the member is enrolled in the Addition Maintenance Program.

ARC member Elizabeth Shepard recalled that a study of the addition maintenance schedule of fees had been referred to the Buildings Committee to review additional potential costs involved with installation of a skylight. Shepard suggested a possible need for an additional fee for members with skylights. Assistant Manager Eldon Ralph explained that because skylights are an exception to the current rules they are not covered under the Addition Maintenance Program; however, the roof is and many members will claim that structural damage is due to a defective roof, rather than a defective skylight. Shepard suggested that skylights be allowed on the Addition Maintenance Program but that ARC did not recommend allowing skylights in the original units, because of potential water flow problems.

Upon question of the conflicting reports from Mr. Hess and Director Hickey about the probability of leaks and structural damage related to skylights, Shepard stated that there is a difference of opinion among members of ARC, and that the probability of leaking is an unknown. Shepard also stated that while some leak and some do not, they give benefit of light; she stressed that not all members should have to pay for one person's defective skylight.

Director James opined that the Board should take a lead on this issue, rather than referring it to committees; that the Buildings Committee has much on its plate. Hess expressed his belief that the Addition Maintenance Program should be as all-inclusive as possible and if skylights are allowed in the future, the Addition Maintenance Program should be modified to include an additional fee for skylight coverage. Director Boswell expressed that while he did not support staff inspecting all skylights during installation he did support a more inclusive Addition Maintenance Program. , Boswell pointed out it could take a while to calculate the appropriate amount for a skylight surcharge.

The Board discussed the implication of existing skylights, as well as continuing the practice of granting requests for exceptions to allow skylights in future additions. The Board discussed the possibility of frequent inspections of skylights, with an additional charge for enrolling them in the Addition Maintenance Program.

Director Mazursky arrived at this point in the meeting - 8:59 p.m.

Director McFadden suggested a policy change to allow skylights in additions on a case-by-case basis, rather than prohibiting them. Director Lewis stated that if the rules prohibit skylights, members would need to come to the Board for an exception and if granted could be required to place the skylight on the Addition Maintenance Program; this procedure could lead to an accurate count of additions with skylights, and eventually the correct amount for the skylight surcharge. Mr. Hess recounted to the Board that the old rule for privacy screens was that screens longer than eight feet required Board approval. Therefore, the Board did not vote for an exception to the rules, but rather to allow the privacy screen. Hess suggested that a rule similar in language could be written for skylights. Director Boswell offered that he did not believe that skylight installation is unique enough to require Board approval for each instance.

Staff Engineer Sporney explained that in terms of the Board's time, there is no difference between prohibiting skylights and requiring Board approval for all skylights; as long as they are prohibited, almost all members requesting skylights will need to appear before the Board. The Board then discussed taking an inventory of all skylights in additions and creating a fair fee schedule for the Addition Maintenance Program, and acknowledged that it could take several years to find a fair cost.

Audit Committee Member Wilkerson suggested other alternatives for bringing light into the home, specifically asking about a high, clearstory window. Ms. Shepard explained that configurations of such windows would be limiting, and that skylights give ventilation and circulation.

President Agans suggested asking the Finance Committee, in conjunction with other staff/committee members as appropriate, to create a fee for skylights on the Addition Maintenance Program.

Director Morse suggested that the amount of staff time required to inspect skylight installation might be the basis for calculating an appropriate fee. Ms. Shepard suggested that the Board tell the Buildings Committee if this topic is something that the Board is interested in before they begin to explore it. Agans asked the Board members if they were interested in moving forward with investigation into this issue. There was expression to move forward and a need to come up with an appropriate fee regardless of whether or not skylights are allowed in the future, as they are already

in existence in some homes and that GHI should be charging members for damage caused by skylights.

Mr. Ralph explained the process for conducting an inventory of existing skylight and projected it would take staff a few months, taking into consideration the other assignments currently being addressed. Ralph projected the results could be available for the Board by April. The Board will return to this topic after the inventory has been completed.

6h. Strategic Plan Review: KRA #1 Member Services

President Agans began discussion by explaining that some things on the Strategic Plan have been started, while others have fallen by the wayside. This discussion served to update Key Results Area #1.

Director Lewis provided an update on the website, explaining that the lead person on the project has changed three to four times already. The Communications Committee's goal is to cut down on member calls to staff, instead turning to the website for information. This would reduce staff time spent on phone calls. Lewis explained the steps taken by the committee, including surveying members on their competence and comfort with computers, which resulted in a large range of members' computer skills. Lewis expressed that all information distributed to members should also be put on the website, and suggested asking members how they found out about certain events. Once the committee can determine the most effective mode of communication, they can look at how to make that mode shift toward the website.

Director Mazursky shared concerns from the Marketing Committee about the look and functionality of the website. Mazursky explained that many members view the GHI website as outdated and rudimentary. Mazursky asked about marketability of the website to outside viewers interested in the community; Lewis replied that the Communications Committee was focusing on using the website for communication with existing members. Mazursky suggested aiming the website at both members and non-members. Agans suggested a discussion between the Communications and Marketing Committees.

Director Morse suggested improving the clarity of labels on the website in order to improve the ability to navigate the site, as well as making searches more productive. Morse invited Director Mazursky to Communications Committee meetings so that he could explain what would need to be updated to improve usability. Director Mazursky explained that the Marketing and Communications Committees do not currently share the same focus, but that they need to be on the same page related to website updates. Director Lewis mentioned that the Marketing Committee would receive the survey collected by Communications.

Director Morse stated that the website is aimed at current members, but that potential members may be looking at the website before becoming a member. Director Boswell agreed with Morse, and suggested that the Communications Committee may need to move in a different direction with the website. Director Lewis invited Boswell to a Communications Committee meeting to discuss the website.

President Agans discussed tracking hits to the website. Mr. Sporney explained that the hits to the website were recorded, but that the information about the hits is limited; the top pages are tracked. Sporney stated that the most visited page is the homes for sale page, followed by the Technical

Services page. Agans suggested moving the link to the homes for sale page to the top of the home page, and highlighting the Technical Services tab.

President Agans asked if a goal for website usage could be set based on the track record of website hits over the last twelve months. Director Lewis stated that she would prefer to get a response from the Communications Committee member survey first so that they can see where the website may be “off track”. Agans explained that she was only looking for a goal for number of hits to the website; Mr. Sporney stated that the number of hits to the website is seasonal. Director Morse expressed that tracking the number of website hits is a good place to start, as it is quantitative information. Morse also agreed that the survey is a good starting point for the problem, and suggested talking to new or prospective members to get reactions to the website from people who are relatively new to the community and the website. President Agans stated that Morse’s suggestion, as well as a goal for number of website hits, could be explored further when the Communications and Marketing Committees meet.

Director Morse expressed concern about focusing on the number of hits, since it is not necessarily known what the number of hits means. Morse stated that he wishes to ensure that the committees are working on more than just increasing the number of hits. President Agans replied that the committees would meet, look at the issues, and decide what to do next.

President Agans asked if quantity and quality of member input is being tracked. General Manager Overdurff stated that there is no mechanism to track member input throughout the company. Agans stated that she wished to increase quality member input, but that she was unsure of how to do so. Overdurff explained that amount of staff time spent with difficult members or complicated situations is tracked, but is tracked in different ways in each department. Director Morse suggested looking at meeting attendance as an important source of member feedback. President Agans suggested examining this item at the Board retreat, stating that the Board should either delete this item or find a better way to measure the data.

The Board briefly discussed the focus group led by Alice Mitchell. Directors Novinski and Morse will contact Ms. Mitchell. A new completion date of March was set. This item will be one of the focuses of the Board retreat.

The Board moved on to the committee member recruitment in association with the Member and Community Relations Committee. Director Lewis explained that a brochure has been created and outreach has been set up in various locations. Lewis explained that this item is complete, and results are mixed. Director James stated that the Woodlands Committee is down by one member, and that the Member and Community Relations Committee enrollment is low. James explained that potential committee members have been identified, but that nothing will be done about it until after the court liaison event is finished. Director Morse suggested editing the language in the two paragraphs in section 1.1B, stating that it might be necessary to subtract the unnecessary verbiage.

President Agans asked about the Member and Community Relations item regarding education on what it means to be a member of a cooperative. Director Lewis stated that a brochure has been developed, and that Director Boswell was writing a piece on this topic for the Communicator. Lewis suggested keeping a series of articles on this topic in the Communicator. Lewis explained that one of the problems is finding a sufficient number of volunteers for committees and events. When asked about the recruitment strategy, Lewis expressed concerns about increasing demands on current volunteers. Lewis explained that the process of recruiting more volunteers would

increase the workload on the current volunteers. Agans stated that this topic could be further discussed at the Board retreat. President Agans noted that time had run out for this item and that discussion would continue at a future meeting.

6i. Ad Hoc Yard Line Certification Program – Extending Deadline

Yard Line Committee Chair Wilkerson explained to the Board that the committee ran out of time for the project and seeks an extension. President Agans asked if the program could be restructured such that committee members could take on more responsibility, leaving less work for Mr. Sporney. Sporney explained that it has taken staff a couple years to get to the level of efficiency they have achieved, and that he would prefer not to involve anyone else at this time, as new people would require training.

**MOTION: THE BOARD OF DIRECTORS APPROVES OF THE CONTINUATION OF THE YARD LINE PROJECT AND DIRECTS THE COMMITTEE TO CONTINUE ITS WORK ON A REGULAR BASIS, MEETING EVERY 2-4 WEEKS AS APPROPRIATE, UNTIL ALL 1600 YARDS HAVE BEEN REVIEWED AND PLATS HAVE BEEN CERTIFIED BY THE BOARD OF DIRECTORS.**

Moved: Mazursky

Seconded: James

Carried 8

Wilkerson inquired whether the 29 larger homes should be a part of the Yard Line Committee's task. Mr. Sporney explained that the larger homes were not included in the original task, and that he was planning to do them himself.

6j. September Financial Statements and Comments

Director of Finance Perry explained that the budget distributed to the board used projected data, much of which was recently approved. Perry stated that because of the homestead tax credit, real estate taxes for the year came in below budget. Perry explained that some expenses have not been reflected thus far. Director Lewis remarked that the financial statements were looking better than they had been.

6k. Cash Policy

**MOTION: THE BOARD OF DIRECTORS DOES APPROVE OF A POLICY THAT NO CASH OVER THE AMOUNT OF \$25 WILL BE ACCEPTED IN THE MANAGEMENT OFFICE AND DIRECTS STAFF TO NOTIFY THOSE INDIVIDUALS WHO PAY WITH CASH OF THIS CHANGE IN POLICY, WHICH WILL BECOME EFFECTIVE JANUARY 1, 2010.**

Moved: Boswell

Seconded: Mazursky

Carried 8

7. Items of Information

President Agans brought the article "A Few Good Men (and Women)" to the Board's attention and expressed her appreciation of the community event suggestion. Director Lewis stated that the closest GHI has come to an event like that is its annual picnic. Agans suggested tacking such an event onto an existing GHI event. Director Boswell suggested adding this type of event on to another event that would draw members that are not usually seen at GHI events. Lewis suggested adding it onto a museum lecture. Agans stated that the

idea would be forwarded to the Communications or Marketing Committees for further strategic planning.

President Agans shared information about the upcoming Court Liaison holiday party; Directors Novinski, Lewis, and James plan to attend.

The Board discussed the events calendar: a) the Marketing Committee and the Communications Committee would also not be meeting in December; b) the Buildings Committee may need to move the date of their upcoming November meeting, which had been scheduled for the day before Thanksgiving; c) the Finance Committee will not meet on December 16, but the Investment Committee will meet and share findings from their research. The Finance Committee meetings might move back to Thursday nights and d) the Yard Line Committee would meet on December 1.

#### 8. President

President Agans inquired of Director Boswell if he was still interested in serving on the Finance Committee. Boswell explained that while he likes attending the meetings, he is unable to take on another obligation at this point.

Agans shared a letter from the NCBA, which thanked GHI for being a key supporter and for its membership. General Manager Overdurff informed the Board that she sent pictures to the NCBA, and that the pictures should be in the organization's newsletter.

Agans shared a letter from Ingrid Turner about a public safety meeting that took place earlier in the day. Agans read a letter from Benjamin Skolnik about free-roaming cats and stated the matter would be referred to the Companion Animal Committee.

Agans informed the Board of two upcoming trips in her schedule.

Agans expressed a need for GHI to increase its relationship with the City police and suggested a casual luncheon meeting with the Mayor.

President Agans explained her inability to attend the Court Liaison party; Director Novinski would go in her place.

#### 9. Board Members

Director Mazursky shared information about the Marketing Committee's University of Maryland focus groups; the committee is looking to replicate such groups for NASA Goddard employees and teachers. Mazursky stated he will not be able to attend the December 17 Board meeting.

Director Boswell shared information about the upcoming Buildings Committee workshop; he informed the Board that the final report from Ardently Green has been received. Boswell noted the dropping home prices, and suggested that it is an ideal time for people to purchase in GHI and to take advantage of the tax credit.

