

Minutes
GHI Board of Directors
June 10, 2010

Present: James, Lewis, Morse, McFadden, Novinski, Hickey, Boswell, Wartell

Excused Absence: Agans

Others in Attendance:

Gretchen Overdurff, General Manager
Joan Krob, Director of Member Services
Joe Perry, Director of Finance
Chuck Hess, Audit Committee
Brenda Lewis, Director of Human Resources
Liz Werlwas

Eldon Ralph, Assistant General Manager
Tom Sporney, Staff Engineer
Dianne Wilkerson, Chair, Audit Committee
Patty Muldowney, Recording Secretary
Richard Menes
Tom and Johanna Jones

Vice President Boswell called the meeting to order at 7:38 p.m.

1. Approval of Agenda

The following items were added to the agenda:

- 6c. Buildings Committee Grant Proposal (the remaining items on the original agenda will shift down)
- 6h. Member Identity Security
- 6i. Agenda for Work Session with the City of Greenbelt
- 6j. Parliamentary Procedure Training

MOTION: TO APPROVE THE AGENDA AS AMENDED.

Moved: James

Seconded: Lewis

Carried 7

2. Visitors and Members

Members Tom and Johanna Jones and member Liz Werlwas introduced themselves; these members did not attend for any specific agenda item. Member Richard Menes introduced himself and stated that he attended to hear the Buildings Committee agenda item.

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:

- ANN E. SCHWEIGHOFER, SOLE OWNER
- JOHN TRANGSRUD, SOLE OWNER

Moved: James

Seconded: Lewis

Carried 7

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

- DEBORAH MCKINLEY, SOLE OWNER, TO DEBORAH MCKINLEY AND ROBERT NELSON, TENANTS BY THE ENTIRETY
- GRETA HORTON, SOLE OWNER, TO ALEXANDER ANDREADAKIS, SOLE OWNER

Moved: James

Seconded: Wartell

Carried 7

Audit Committee member Wilkerson asked staff why the last mutual ownership contract change (MOC) was not processed as a new membership. General Manager Overdurff stated that staff did collect information on the new MOC holder, including financial information, although he could have been screened as a new member. The Board discussed the difference between screening members in instances like this as a new member versus processing an MOC change; it was determined that the method of approving the member was acceptable, as he has lived in the home since 1986 and no complaints have been received.

4. Committee Reports

The following written committee reports were shared.

- a. Member and Community Relations Committee: The House and Garden Tour has been postponed. The committee has approved the name change to the Member Activities Committee; the name change will be addressed by the Board tonight for final approval. In addition, the committee has begun working on activities for the Labor Day Festival; the theme of GHI's float will be "Yesterday's Values for Today's Living". Arrangements have been made to sign up for a double booth to share with the city's 2012 75th anniversary committee.
- b. Finance Committee: At the committee's next meeting, concerns raised at the annual meeting regarding the annual report will be discussed. For now, Director Lewis's response to the concerned member will be shared with each Board member. She explained that there were several things wrong with the way GHI's financial information is reported to members; the committee's goal is to have a first-class easily understood financial report to include with next year's annual report. The Finance Committee would also like the selection of an audit firm placed on a future Board meeting agenda.

CONSENSUS: TO PUT THE SELECTION OF AN AUDIT FIRM ON THE NEXT BOARD MEETING AGENDA.

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

- a. Communications Committee: There was nothing new to report.
- b. Web Team: The results of the web survey of most important information on the GHI website were shared; this information will be used to determine which items will be most prominent on the website. The Board discussed a need for a liaison for this team, as well as whether a liaison is needed for task forces in general. This will be discussed further at the mini-retreat. Mr. Jones stated that it would be helpful for members of the Web Team to have one Board member to call upon to check in; he explained that the liaison would need more knowledge of contract processing than computer skills. The Board also discussed utilizing links between the City of Greenbelt's website and GHI's website so as to avoid duplication of information.
- c. Investment: There was nothing new to report.
- d. Companion Animal Committee: Director McFadden suggested that Director Wartell be considered for liaison to the Companion Animal Committee; she explained that she has been interested in the work of the Marketing Committee and would like to become their liaison. Directors McFadden and Wartell will make their request to President Agans through email.
- e. Yard Line Committee: The committee continues to meet every three weeks to certify more yard lines.
- f. Architectural Review Committee: The committee heard two exceptions this month which will be presented at the next Board meeting. The committee has also begun receiving actual samples of siding materials that meet R4 insulation criteria; they are moving along in narrowing down recommendations for the pilot project.
- g. Woodlands Committee: There was nothing new to report.
- h. Buildings Committee: The committee will share updates later on the agenda.

- i. Marketing Committee: Several events were shared with the Board. A coffee social for new members will be held on August 30 at 7:00 p.m. The Board discussed whether new member coffee socials should be considered a Member and Community Relations Committee (soon to be changed to MAC) activity, and the procedure for determining which committee should handle the socials was explained. The Marketing Committee has set dates for pre-purchase orientation sessions: June 28, July 6, July 31, August 2, August 28, and September 7. The Marketing and Communications committees will hear a presentation from Eileen Boswell regarding a possible GHI presence on facebook and twitter; the presentation will be held on June 30 and Cynthia Newcomer will facilitate. A sellers' seminar will be held on September 1, followed by the community-wide open house on October 3. Finally, the Marketing Committee will have information about GHI available at a table at the Takoma Park street festival on September 11 and 12.

A suggestion was made to consolidate the Member and Community Relations Committee and Communications Committee; this topic may be placed on a future agenda. The Board discussed the similarities and differences between the two committees. It was pointed out that both committees perform marketing tasks for GHI; one does external marketing and the other does internal marketing. It was decided that input would be gathered from members of each committee before anything is decided. The Board asked for feedback from Liz Werlwas; Ms. Werlwas is a member of both committees. She stated that there is a great deal of overlap between the two committees, with the new member coffee social being a good example of this overlap. She explained that both committees do a great deal of work, and that she would like to see them combined. This item will appear on the mini-retreat agenda, and will be discussed at a Board meeting so that committee members may attend as well. Director Lewis then asked that the Communications Committee be thrown into the discussion.

5. Consent Agenda

MOTION: TO APPROVE THE CONSENT AGENDA.

Moved: James

Seconded: Lewis

Carried 7

6a. 2010 Underground Utility Contract – 2nd Reading

MOTION APPROVED BY CONSENT AGENDA: 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 EIGHTEEN (18) SITES AT ITS BID, \$119,897, PLUS 10% FOR CONTINGENCIES, FOR A TOTAL NOT TO EXCEED \$131,887.

MOTION APPROVED BY CONSENT AGENDA: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER, FOR SECOND READING AND FINAL PASSAGE, 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.

6b. Code of Ethics

Vice President Boswell reminded the Board that the Code of Ethics was explained by General Manager Overdurff at the last meeting. He highlighted the fact that the Board has no power outside of these meetings and emphasized the confidentiality policy. The Board then discussed whether or not each Board member should vote for each particular decision; Boswell pointed out that the City Council has a policy whereby each member must vote on each decision, with abstentions only for those matters directly pertaining to a particular member. Director Lewis stated that some decisions

may be difficult, but that the decision is often difficult for all Board members and voting is important. Each Board member then signed a copy of the Code of Ethics.

6c. Buildings Committee Grant Proposal

Director Boswell shared information about a grant source from the Department of Energy; this grant was brought to his attention by a friend of the Buildings Committee. Boswell explained that the Buildings America grant is usually awarded for new home construction, but that it is being opened up to reconstructions, rehabilitations, and community upgrades for the purpose of improved energy efficiency. After meeting with two local contractors who have been awarded this grant, the Buildings Committee recommends pursuing the National Association of Home Builders Research Center (NAHB-RC). If awarded the grant for GHI's upgrade, the research center would help with measurement and design of the construction specifications for the pilot program, as well as the larger community upgrade. This would allow GHI to keep costs down.

Director Boswell then outlined the next steps for the Board. The NAHB-RC needs to submit a proposal to the Department of Energy. The proposal would require a letter of support from GHI; the letter of support does not commit GHI to working with the NAHB-RC. The Board expressed thanks to the members of the Buildings Committee for their work on this project.

MOTION: THE BOARD OF DIRECTORS AUTHORIZES THE MANAGER TO SUBMIT A LETTER OF INTENT TO THE NATIONAL ASSOCIATION OF HOME BUILDERS' RESEARCH CENTER (NAHB-RC), THAT WILL ALLOW NAHB-RC TO SEEK FUNDING FROM THE US DEPARTMENT OF ENERGY'S BUILDING AMERICA PROGRAM AND COLLABORATE WITH GHI TO ACHIEVE SIGNIFICANT ENERGY SAVINGS FROM THE RETROFIT OF ITS 1600 HOMES.

Moved: Lewis

Seconded: Morse

Carried 7

6d. Finance Committee Report

Director Lewis shared updates from the Finance Committee. The committee has looked into the possibility of finding grants to help fund the pilot project phase of the community upgrade. Lewis explained that neither staff nor members of the Finance Committee have adequate time to research available state and federal grants; a new employee may need to be hired to fill that role. She explained that even if the Department of Energy grant is awarded through the NAHB-RC, the cost of materials will not be covered; these costs would offset the cost of an additional staff member.

The Board discussed a timeline for seeking out an additional staff member to research grants. General Manager Overdurff stressed that it may take some time to find someone for the position, so the search needs to begin soon. Director Lewis stated that a specific proposal will need to be in place before applying for grants, but that someone is needed to research available grants. Director James suggested that someone ask Senator Pinsky's staff if they know of any applicable grants; the Legislative Group will look into his suggestion.

Audit Committee member Hess stated that funds authorized by the Board for this purpose do not necessarily need to be spent; he encouraged the Board to authorize the position. He stated that having someone researching what is out there would allow the Board and Buildings Committee to hit the ground running when they decide what to use for the pilot project.

At the suggestion of member Richard Menes, the Board discussed the duration of the position, as well as the potential salary. The Board was unsure of whether the position would be full- or part-time, and whether the applicant would be hired for a specific length of time or for a specific number of grants. Director Boswell pointed out that the \$75,000 written in the suggested motion applied to a position

spanning the entire upgrade; a grant researcher for the pilot project alone could be paid less than the suggested amount.

CONSENSUS: IT IS RECOMMENDED THAT GHI EXPLORE OBTAINING PROFESSIONAL ASSISTANCE TO IDENTIFY AND SECURE USEFUL AND PRODUCTIVE GRANTS THAT CONFORM TO THE FINANCIAL NEEDS OF THE COMMUNITY UPGRADE PROGRAM.

The Board then began discussing the financing of the community-wide upgrade; other possible sources of funds include interest-only loans. Because the pilot project will be mostly financed from GHI's reserves and resources, the Board does not yet need to direct the Finance Committee to look into interest-only loans.

Audit Committee member Hess asked how the reserve funds would be replenished as the pilot project is completed. Director Lewis explained that because the community-wide upgrade will take several years, repayment to reserves cannot wait until the entire upgrade is complete. She explained that as the first round of upgrades is completed, those members will start paying the increased rate in their coop fees; members upgraded during the pilot project will join that first group for repayment.

Director Boswell stated that because of time, no further action will be taken on the remaining recommendations in the Finance Committee report. The Board then discussed a special meeting for the general membership in the fall to discuss the pilot project. The meeting would need to be announced 30 days in advance; before such a meeting, the Buildings Committee will need to reformulate its timeline. Specific recommendations will need to be prepared to share with the membership.

6e. Process for Attracting New Committee Members

Director Novinski summarized ideas for attracting new committee members. She described creating a logo for each committee that could then be used to generate a handout about committees. Novinski suggested a biography of committees, as well as the possibility of individual Board and committee members approaching GHI members (friends, neighbors, etc.) with a personal appeal to join a committee. A personal approach would be more focused on appealing to individual strengths and interests.

Director Boswell then listed the five specific proposals given to the Board: 1) a handout for each committee; 2) in-person follow-up six months after the new member coffee social; 3) *News Review* and *Communicator* ads, possibly with biographies; 4) personal appeal by Board members; and 5) name change from Member and Community Relations Committee to Member Activities Committee.

Director Wartell suggested having someone speak about committees at the member picnic. It was mentioned that a committee handout has already been produced for the Communications Committee; however, the problem is not a lack of information but a lack of people with whom to share the information.

Member Johanna Jones stated that it is more difficult to say no to a personal appeal to join a committee; an approach in person would be most effective in her opinion. She then suggested that instead of Board members approaching potential committee members, those people already volunteering on committees could approach a friend or neighbor. Director of Human Resources Lewis shared that when she attends settlements, she always makes a personal appeal to the new members to join a committee. Ms. Lewis suggested that a Board or committee member could be assigned to those new members, approaching them after they have settled in. The Board also discussed appealing to members again 5, 10, and 15 years after moving to GHI.

Committee liaisons will make sure that their committee's information on the master committee handouts is up to date; committee members will begin their personal appeals with the materials after any necessary changes have been made. Brochures should be in the lobby at all times, as well as present at each committee meeting. The Board and committees can also make use of court liaisons to appeal to members. The possibility of inviting people to a committee meeting as opposed to inviting people to join a committee was discussed. This approach may result in greater willingness to attend a meeting without the pressure of a commitment. Finally, a meet-up to inform potentially interested members about committees was discussed.

6f. 2010 Parking Lot Repair Contract, 1st Reading

Staff Engineer Sporney gave a brief history of the contract for repairs to parking lots; a survey is updated each year to determine which parking lots are most in need of repair.

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, AT ITS BID, \$67,836, PLUS 10% FOR CONTINGENCIES, FOR A TOTAL NOT TO EXCEED \$74,620.

Moved: Novinski

Seconded: Wartell

Carried 7

6g. New Name for Member and Community Relations Committee

Director Wartell stated that the committee is in favor of changing its name to the Member Activities Committee (MAC). The Board discussed whether tasks including parking and garage rentals should be assigned to another committee, as they are member concerns and not activities. It was pointed out that the name of the committee does not necessarily suggest everything that committee does. General Manager Overdurff stated that the committee materials list this committee by its former name; however, this is not a big deal. It was suggested that production of new committee materials wait until after the discussion of potentially merging committees.

CONSENSUS: TO CHANGE THE NAME OF THE MEMBER AND COMMUNITY RELATIONS COMMITTEE (MCR) TO THE MEMBER ACTIVITIES COMMITTEE (MAC).

6h. Member Identity Security

General Manager Overdurff explained that the new member application packet is the only document with sensitive personal information (social security number and bank account information) kept by GHI. Staff is proposing that all member applications be placed in a separate locked file cabinet. The current practice is to add this information to a central data file for each member; sensitive information will be removed. Overdurff stated that staff considered putting up a wall or rearranging the file room to restrict access to files; it was decided that removing and relocating the confidential information would be more reasonable. In response to a question from the Board, Overdurff stated that legal counsel advised staff to keep each member application packet as part of a member's file as opposed to destroying the information. The cabinet containing membership application packets would be locked, with limited access granted. The database available to employees would list a member's name, address, and phone number, without any of the sensitive personal information. The Board expressed concerns about the possibility that the employee involved in criminal activity had access to members' personal information, and that she could have passed that information on to other criminals. Overdurff stated that while there is no way to know if that may have happened, there is no evidence that any identity theft has occurred.

Audit Committee member Wilkerson shared her findings from an interview with Director of Finance Perry. She stated that there is no way to deny Finance Department employees access to members'

bank account information; the person handling EZ Pay needs access to bank account numbers. She shared that employees do not have access to members' birthdays.

The Board then discussed the possibility of personal information being passed. At this point, no members have come forward with complaints about their identity being stolen. Ms. Overdurff urged all members to take advantage of the free credit report available to them. The Board discussed sharing information about best practices for personal credit protection and avoiding identity theft. An article in the *Communicator* was suggested; some concerns were brought up in terms of an article alarming members unnecessarily. Ms. Brenda Lewis suggested including a brochure from BB&T with the next issue of the *Communicator*. A short paragraph in the *Communicator* may accompany the brochure; the paragraph could explain that there is no evidence of identity theft, but the brochures were included as general good practice. Ms. Overdurff has already written a response to the letter published in the *News Review*. She and Ms. Lewis will word the paragraph for the newsletter.

6i. Agenda for Work Session with the City

The Board discussed the agenda (generated at an earlier meeting) and decided who would discuss each item. The City added one item: Status of Individual Bills on Property Taxes.

- WSSC – Ed James
- Property Taxes – Sylvia Lewis
- Lighting of Common Area between 11 and 13 Courts (near library) – Irv Wartell
- Recycling Totes/Bins – Ed James
- Spellman Overpass – City of Greenbelt will take the lead
- Snow removal – (clarification of duties) – Eldon Ralph
- Right of way – City of Greenbelt will take the lead

6j. Parliamentary Procedure Training

General Manager Overdurff shared possible dates for John Stackpole to provide parliamentary procedure training. It was decided to wait to schedule this training until the fall.

7. Items of Information

The Board training took place and was a success, with thanks offered to Ms. Overdurff and Director Lewis. Ms. Overdurff distributed discussion questions for the Board that may come up in the future; the Board may want to look at the questions for discussion at the mini-retreat.

8. President

Director Boswell shared a note from President Agans reminding Board liaisons to committees that committee reports were due on June 7; reports can be turned in to Mrs. Krob.

9. Board Members

Director McFadden commented on the number of units for sale dropping to 52, stating that this was good news.

Director Boswell invited the Board members and staff to a party at his home to celebrate his first year in Greenbelt. He also shared that this weekend will be Alan Turnbull's last appearance with his band at the New Deal Café.

10. Manager

General Manager Overdurff requested volunteers to sit at three GHI-owned homes for an open house on June 19. The open house will be advertised in the *News Review*. Directors Novinski and Lewis will be available to help.

MOTION: TO ADJOURN.

Moved: McFadden

Seconded: Morse

Carried 7

The meeting adjourned at 9:40 p.m.

Ed James
Secretary