

**NEW MARK COMMONS HOMES ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
THURSDAY, MARCH 2, 2017
New Mark Commons Clubhouse 7:30 PM**

MINUTES APPROVED JUNE 01,2017

Attendees

Board Members: John Hansman, John Daroff, Ellen Stein, John Brown, Dorie Mangan, Alex Manolatos, Magnus Turesson, and NMC Administrator, Jim Denny. Administrative Assistant Kirsten Hall taking minutes.

NMC Residents: Alex Belida, Joseph Jordan, Daniel New-Schneider, David Schwartzman, Pat Reber, Angeli Gupta, Karin Boychyn, Hans and Toni Schierling, Arthur Katz, Mira Frost, Joseph Rosen, Jon Bernheimer, Jonathan Smith, John O'Neal, Judy Rudolph, Madeline and Raj Gupta, Sean Hart, Josh Lubell, Rose and Steve Krasnow, Kathy Gall, Lori Newman, Stephanie Bloom, David Sloane, Susan Klein, Ken Sandin.

Candidates Forum, 7:00 p.m.

Ellen Stein announced meeting being was being recorded. Candidates to be given one minute to make their opening statement, in alphabetical order, with Magnus Turesson timing the statements.

The Candidates present were Alex Belida, John Hansman, Joseph Jordan, Daniel New-Schneider and David Schwartzman. Kathleen Moran was unable to attend due to being out of town on a trip planned months in advance but was represented at the forum by Rose and Steve Krasnow.

A question and answer period followed. Questions had been submitted beforehand and John Daroff read them. Among the issues raised was the Storm Water management lawsuit, whether the HOA is spending a fair share of capital improvement funds on the lake and townhouse areas, what solutions the candidates proposed to problems facing our community, whether the candidates feel they would represent the entire community or just one section of it, and balancing the needs of those who use the pool. Additional questions were asked from the floor including swim schedule issues, improving Board relationship with the city of Rockville, and issues with ACC violations and approvals.

After the question and answer period each candidate made a closing statement.

Ellen Stein credited Judy Rudolph for continuing the discussion online. Pat Reber will post an article in the *New Mark News*. Dialog continues on Next Door in the HOA group. Judy encouraged all residents to contact the candidates and get to know them as individuals.

Close of Community Forum and Break

Ellen Stein closed the forum for the Board business meeting at 7:55 p.m. Five-minute break.

NMC Board Business

Remaining residents: Madeline and Raj Gupta, Karin Boychyn, Sean Hart, Judy Rudolph, Ken Sandin

Approval of Minutes and Agenda

No minutes prepared yet; minutes of February meeting to be approved at April meeting. Agenda approved.

Officers and Committee Reports

Architectural Control Committee (ACC) - John Hansman. No additions to the discussion during the candidate's forum.

Communications Committee (CC) - Judy Rudolph. Minutes of February meeting may be found in the agenda package. NMC is investing in microphones for use at the annual meeting. Power point slides on the monitor will accompany reports. Signup sheets will be prepared for different committees, available at a table on the landing.

Communications Preferences Survey: Survey ended February 15. Received 162 survey responses out of 384 sent. The data will be examined over the next six months.

Website: Will have pages for each committee and major events. Will be ready to train Jim Denny and Kirsten Hall with website and MailChimp.

Newsletter: The Electronic delivery is working but receiving the material on time is a problem. Plan to simplify production of paper newsletters.

Databases: Last month recommended guidelines were approved, MailChimp and directory database updated with data from the January information update forms, Kirsten entered the data and found lost email addresses.

MailChimp statistics: See page 5 of February CC minutes.

See ATTACHMENT A.

Community Enhancement (CE) - Magnus Turesson. Next meeting is March 23. Items submitted for Board approval:

- Mission statement with policies
- Response letter and initial letter to go out to community
- Inspection checklist
- Trash can letter from Board re removal or concealment of cans on non-trash days
- New inspections to be done spring of next year, giving residents time to do improvements beforehand
- CE members will be trained for next year's inspections

Ellen Stein moved tabling approval of the CE packet changes until next month's board meeting; seconded by John Daroff seconded; carried unanimously.

Concrete: Many residents want concrete "piggyback" work. We currently have two bids, need at

least three. Sean Hart remarked that the city's concrete work is bad, short lived.

840 NME: Still no improvements seen. Magnus prepare a letter together for Administrator's approval, using CE inspection form to cite areas needing improvement. Letter will be addressed to the responsible landlord. John Daroff suggested the option of a CCOC meeting if issues aren't addressed.

10 and 12 Scandia: Resale packages need to go out. Homeowner of 12 Scandia had package sent to them, but not to the realtor.

Add to next agenda: Judy Rudolph's Community Enhancement letter.

Landscaping - Ellen Stein. Reported low committee meeting attendance. Committee will do a walk-through-community meeting on Saturday March 11, 9:30 a.m. to identify common areas that need work and prioritize projects. Will advertise upcoming April Spring Cleanup. Lake work is on the schedule for May or June.

Pool - Jim Denny. Committee will meet late March regarding ice cream, life guards, practice lanes, and pool hours.

Old Business

2017 Revised Budget - John Hansman: The interim budget of January 2017 cannot continue. Board now needs to implement the larger 2017 proposed budget.

See ATTACHMENT B.

Jim Denny reported that the proposed 2017 budget includes 16.5% operating budget increase and 20% reserve fund increase. CCOC decision order requires refunding over \$43,000 to townhouse owners for 2011 to 2016 excess SWM fees. As instructed by CCOC, from now forward the SWM fee will be included within dues structure, along with CCOC fee to be passed through.

February 15 audit completed by DeLeon & Stang. Charge for the SWM refund in 2016 is included in 2017. We included the deficit of over \$88,000 in 2017.

Operating fund budget deficit is over \$87,000, included in 2017 budget. Options to cover the deficit: 1) large dues increase (tabled); 2) apply some of the \$49,000 currently in cash; 3) borrow against the reserve fund and pay back over three years. Applying some cash, borrowing \$82,000 against reserve, and a dues increase would result in a \$1,300 surplus at end of year. Repayment toward reserve fund would occur in 2018 through 2020; \$27,000 first two years and \$28,000 in third year. The dues increase in the operating fund would be 12.3%; an average of about \$90 to \$95 for all residences.

Reserve Fund: We have \$513,000 in reserve fund, and three large expenses due, approximately \$406,000: 1) Concrete and asphalt repair to townhouse parking lots \$256,000; 2) ADA bathroom for clubhouse, 3) \$50,000 for retaining walls, misc. drainage. Reserve fund 20% dues increase (\$88,000) minus reserve fund loan and work would leave approximately \$114,000.

Our documents give us these three vehicles to raise dues; 1) referendum to community, 2) invoke the article 5a to increase dues over cumulative property values, 3) invoke article 5b, which takes the

consumer price index on a cumulative basis.

John Daroff moved to table the vote on the 2017 budget to the April Board meeting; seconded by Magnus Turesson and Ellen Stein; no vote held as John Hansman requested the Board make a decision now so the new Board would not inherit the budget decision. There was discussion about the amount information to read and other options for raising dues.

John Hansman called for a vote on tabling the budget approval to the next Board meeting. All in favor except John Hansman.

Dorie Mangan left the meeting, 9:19 p.m.

Draft 2016 Audit: Jim Denny requested that the Board defer approval until the March 16 organizational meeting; carried unanimously.

Berman letter to CPA dated 2-15-17: Accountant received the letter and will answer at cost of \$300 or Board can answer. Board will respond. **See ATTACHMENT D.**

NMC Annual Meeting for March 13: Sound system: NMC is renting a system for the meeting for \$100, with speaker and two wireless microphones. Ellen recognized special volunteers who helped get the Annual Meeting Packet out: Alex Belida, Fran Denny, Joe Jordan, Elliot Pickar, Pat Reber, Judy Rudolph, and Toni Schierling.

2017 Capital Improvement Plan: Jim Denny has received two concrete estimates; Judy and Magnus are compiling a piggy-back work list from individual homeowners.

NMC Clubhouse: Work will begin on clubhouse and parking lots in two months.

CCOC case 53-16 R. Berman: Sean Hart asked if we need a separate file on the resident page of website for legal actions (see February newsletter for link).

CCOC case 80-16 R. Berman: Going to mediation Tuesday at 9:00 a.m.: John Hansman, Jim Denny and Magnus Turesson will be present.

Karin Boychyn asked for a summary of Richard Berman's complaint. John Hansman summarized the case and the Board's intent to comply with the order.

Water main breaks 100 and 800 blocks NME: An insurance was claim filed with city for damage to common property.

Reserve study proposals: Jim expects to receive proposals from Miller Dodson and Mason & Mason by next Board meeting.

NMC 50th Anniversary: The committee met and there will be more to report next month. Committee members are: Judy Rudolph, Margaret Chao, Pat Berger, Sima Osdoby, and Raj Gupta. Committee will apply for a grant.

New Business

None

Administrator's Report – Jim Denny

Dues: 37 residents have not paid dues for the first month. Late letters will go out late with fees and interest assessment.

Judy Rudolph requested that dues notices include a reminder that residents who haven't paid dues cannot vote at the annual meeting. Suggested exporting the current directory to help verify addresses for voters at the annual meeting.

Discussion about white and yellow ballots at Annual Meeting: Due to the revision of the ballots, only the yellow ballots are valid, but not have been received by all residents. Jim will scan yellow ballots to send electronically to those who need them.

Move to Closed Session

At 10 p.m., John Hansman moved for a closed session of the Board; seconded by Ellen Stein; carried unaniously. See ATTACHMENT D.

Return to Open Session

Meeting ended 10:45 pm.

Attachments

A: NMC Communications Committee Report to NMC Board, 3-2-17

B: Revised Budget and Dues for 2017 from John Hansman, 3-2-17

C: Berman Letter to CPA

D: (in this document) Written Statement for Closing a Meeting Under the Open Meetings Act

ATTACHMENT D

**WRITTEN STATEMENT FOR CLOSING A MEETING
UNDER THE OPEN MEETINGS ACT**

Date: 3/2/2017 Time: 10 p.m. Location: NMC Clubhouse Motion to close meeting made by: John Hansman

Seconded by: Ellen Stein Members voting in favor: J. Hansman, J. Daroff, E. Stein, M. Turesson, A. Manolatos, D. Mangan

_____ Opposed: None Abstaining: None Absent: John Brown

STATUTORY AUTHORITY TO CLOSE SESSION, General Provisions Article, §3-305(b) (check all that apply):

- (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; or any other personnel matter that affects one or more specific individuals;
- (2) To protect the privacy or reputation of individuals concerning a matter not related to public business;
- (3) To consider the acquisition of real property for a public purpose and matters directly related thereto;
- (4) To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;
- (5) To consider the investment of public funds;
- (6) To consider the marketing of public securities;
- (7) To consult with counsel to obtain legal advice on a legal matter;
- (8) To consult with staff, consultants, or other individuals about pending or potential litigation;
- (9) To conduct collective bargaining negotiations or consider matters that relate to the negotiations;
- (10) To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including: (i) the deployment of fire and police services and staff; and (ii) the development and implementation of emergency plans;
- (11) To prepare, administer, or grade a scholastic, licensing, or qualifying examination;
- (12) To conduct or discuss an investigative proceeding on actual or possible criminal conduct;
- (13) To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter;
- (14) Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

FOR EACH CITATION CHECKED ABOVE, THE REASONS FOR CLOSING AND TOPICS TO BE DISCUSSED:

§3-305(b) (8) Discuss settlement offer and mediation for CCOC case #80-16 scheduled for 3/7/2017.

§3-305(b) () _____

§3-305(b) () _____

This statement is made by: John Hansman _____, Presiding Officer: _____

SIGNATURE



WORKSHEET FOR USE IN CLOSED SESSION (CHECKLIST OF DISCLOSURES TO BE MADE IN MINUTES OF NEXT REGULAR MEETING- NOT A PART OF THE CLOSING STATEMENT)

PERSONS ATTENDING CLOSED SESSION: : J. HANSMAN, J. DAROFF, E. STEIN, M. TURESSON, A. MANOLATOS, D. MANGAN.

TOPICS ACTUALLY DISCUSSED: Settlement offer and mediation for CCOC case #80-16 scheduled for 3/7/2017.

ACTION(S) TAKEN (IF ANY) AND RECORDED VOTES: _____



TIME CLOSED SESSION ADJOURNED: 10:48 PM

PLACE OF CLOSED SESSION: NEW MARK COMMONS CLUBHOUSE

PURPOSE OF CLOSED SESSION: DISCUSS SETTLEMENT OFFER AND MEDIATION FOR CCOC CASE #80-16.

STATUTORY AUTHORITY FOR THE CLOSED SESSION: §3-305(b) (8); () ; () _____

MEMBERS WHO VOTED TO CLOSE: J. HANSMAN, J. DAROFF, E. STEIN, M. TURESSON, A. MANOLATOS, D. MANGAN.

(Form Revised 10/1/14)

Appendix C