

**NEW MARK COMMONS HOMES ASSOCIATION
BOARD OF DIRECTORS MEETING
Thursday, September 7, 2017
New Mark Commons Clubhouse, 7:30 p.m.**

FINAL

Attendees

Board Members: Alex Belida, John Daroff, Alex Manolatos, Kathleen Moran, David Schwartzman, Ellen Stein, Magnus Turesson.

Staff: Jim Denny, Administrator; Kirsten Hall taking minutes.

NMC Residents: Mira Frost, Raj Gupta, John Hansman, Joe Jordan, Arthur Katz, Mincy Neil, Sima Osdoby, Pat Reber, Ursula Rein, Joe Rosen, Judy Rudolph, Maria Ysern, Xavier Ysern.

Call to Order

John Daroff called the meeting to order at 7:29 p.m.

Community Forum

Mincy Neil was first to speak because she had prearranged her forum question with the Board; a signup list was offered at this meeting and Joe Jordan and Raj Gupta signed up to speak.

Mincy Neil: Currently New Mark's HOA governing documents are available online. A future management company would charge \$250 for electronic copies. It is reasonable to provide a printed HOA packet and the cost of \$250 is excessive; would NMC receive a portion of the \$250 fee?

John Daroff responded that most management companies charge the statutory cap, \$250. If the price is lowered NMC may end up subsidizing the remainder.

Joe Jordan and Raj Gupta: Joe asked if there would be an opportunity for community members to ask questions about the choices available for management companies. Raj asked if HOA package fees could be negotiated with the management company.

Alex Belida moved to defer remainder of the community forum time for questions until after the discussion of management succession; seconded by David Schwartzman; carried unanimously.

The remaining twenty minutes of the community forum were allocated to the end of the management succession discussion for community questions.

Forum closed: John Daroff closed the community forum at 7:40 p.m.

Approve Minutes and Agenda

- A. **Agenda, 9-5-17:** Alex Belida moved to approve the minutes; seconded by David Schwartzman; carried unanimously.
- B. **Closed Meeting Summary 8-28-17:** David Schwartzman read the summary aloud, including the following: The Board went into closed session for discussion of a personnel matter. Two management companies were present and their procedural methods and services were discussed. Current staff services outside of property management firms were also discussed. The Board reached a general consensus for a management company; a vote has been deferred to this meeting.

Alex Belida moved to include the closed session summary in the official meeting report; seconded by David Schwartzman; carried unanimously.

- C. **Board Minutes 8-3-17:** Ellen Stein moved to approve the minutes; seconded by Alexandra Manolatos; carried unanimously.

Discussion of Management Succession

Final Report from Search Committee: John Daroff read the report aloud and will make it available on the NMC website. Search Committee panel presenting at this meeting: John Daroff, Alex Belida, Kathleen Moran, and Ellen Stein.

Summary: The Search Committee drafted a position description and request for proposal for management companies. They set up application and comments email addresses. No NMC residents applied for the position. Four management companies responded. Interviews conducted with Jim Denny present to assist. One management company withdrew their application due to time constraints. Individual applicants were found to be unsuitable. The Search Committee forwarded two management companies to the Board, who met with them in closed session on August 28, 2017.

Report on management company interviews conducted in 8-28-17 closed session meeting:

The Board interviewed the two companies, Abaris and Comsource, about budget, projects, administration, and maintenance issues, and considered how to negotiate a combination of management company and individual staff (Jim Denny and Kirsten Hall). The Board decided unanimously to check references and negotiate with Abaris. Both companies were acceptable, but Abaris appeared to be a better fit for New Mark Commons.

Search Committee Panel discussion on management succession and reference checks:

- **Ellen Stein:** In examining proposals, Abaris was less likely to impose fee creep. Reference checks: 1) Martha Till, Rose Hill Board of Directors (Secretary); is satisfied with Abaris's service and guidance; quick to resolve conflicts or errors. 2) Gail Sherman, President of King Farm Assembly, said they have used other companies, reassessed their options and chose Abaris. They have been happy with Abaris and Adam Landsman as a project manager. They are pleased with their response time and staff. The first year was tough but then improved. 3) Ricardo Casillas, President of Rose Hill, said they've had ups and downs, but Adam Landsman was good to work with. They would be happy to come talk with us and share their experience.
- **Alex Manolatos:** Contacted two banks and an HOA that didn't respond. 1) Thomas Schild, a lawyer representing condos and HOAs, has dealt with Abaris for ten years. He felt Abaris was

cooperative and professional. 2) Patrick Vanderham of Revere Bank has worked with Abaris since 1981 and had only good things to say; described Abaris as consistent, professional, concerned with community welfare. Revere Bank often makes their loans to HOAs conditional on keeping Abaris as a management company.

- **Kathleen Moran:** References: 1) Jim Coyle, former Mayor of Rockville in Rose Hill. Rose Hill had looked around but chose to stay with Abaris. 2) Howard Goldklang, CPA, says Abaris's accounting records are great. 3) Terry Hann, President of Hann & Hann Construction—a company that does maintenance work for communities managed by Abaris—says Alan Landsman pays good attention to detail.
- **John Daroff:** Knows people who gave Abaris a vote of confidence.

Opportunity for Board members to share thoughts before community discussion:

- **Kathleen Moran:** So few resumes had applicable experience that a management company bringing resources was appealing; they have vendors and services at hand. Both companies are very similar. Comsource pushed technology harder and Abaris was more community centered. On they day they toured with NMC and at the interview, Abaris expressed interest in improving, not just maintaining, the community.
- **Alex Belida:** No individuals exist who can singlehandedly do what a community needs. Management companies can resolve issues with more speed than an individual, and Abaris appears to be responsive and prompt. If we go with a management company, they work for us. We negotiate the terms.
- **Magnus Turesson:** Abaris is proactive, already offering suggestions on regulations and how to get us up to where we want to be.
- **David Schwartzman:** Abaris offered to research funding sources and grants, to assist with budget processes, and understands the codes and rules thoroughly for county and state HOA requirements. Since NMC is used to the human interaction of an Administrator, our community would likely prefer Abaris's human response focus over Comsource's technology focus. Abaris would not force an online system on residents; would assist the Board in following up on issues and being attentive to residents.
- **Alex Manolatos:** The Abaris team is personal—father and son. Comsource pushed getting reports online and using their software. Abaris would be an easier transition for NMC, with their two receptionists available to answer calls personally.
- **Ellen Stein:** Steve Landsman, president of Abaris, said they drove through NMC when they got the invitation to come, and saw areas for improvement and had suggestions. They can get proposals and bids quickly and get a good response from their vendors. They embraced having Jim as a resource of substantial institutional memory.
- **John Daroff:** Abaris asked for a pre-proposal meeting to get to know NMC before bidding. Comsource approached NMC because they knew someone in common with David Schwartzman. Comsource responded in four days and made the deadline. Since the 8-28-17 meeting he has heard from Adam Landsman about questions, grants we may qualify for, and other issues. They were trying to be of help and had NMC interests at heart.

Deferred Community Forum

Joe Jordan: Joe thanked the Board for thorough work and was reassured by the presentation. He had some questions resulting in the following discussion:

Board response: NMC looked at four management companies after getting recommendations from people at the City of Rockville and by looking for local companies. Comsource references were not checked because the Board unanimously preferred Abaris from the beginning, and was just looking for any unexpected negative information. Abaris will not maintain an onsite office, but their office is nearby in Park Potomac. Their services can be negotiated; the cost is about \$70,000 for full service management from both companies considered, but negotiations may lower the final contract amount. They may have the ability to do some services cheaper than we can do ourselves. Abaris is happy to work with independent staff hired by NMC.

Mincy Neil: Commended Board for great job. Abaris is one of the companies she's had the best results with. She liked that with Abaris you can talk with a person; can't with Comsource. Good choice.

Judy Rudolph: Asked what will arrangements be with Jim and Kirsten as staff, and what are next steps and timing?

Board response: Staffing is still to be determined. The base contract has room for some on-site separate hires if the Board thinks it's a reasonable choice. Abaris charges extra for some of the services Jim and Kirsten could be hired to do separately, such as taking minutes, maintenance tasks, and the newsletter. The Board hopes to have a contract by the end of September. The transition begins September 30 when Jim leaves; he will offer consultation as an hourly employee during October to assist with the administrative transition, but not to assist residents.

Raj Gupta: Commended the effort of the Board, suggested that some of Rose Hill's contract information may benefit us, and asked about the contract duration.

Board response: NMC will have an attorney examine the contract, which will likely be for two years to allow sufficient time for transition and evaluation.

Arthur Katz: Praised the Board's work and asked if there will be a Board liaison between the community and management company. How many communities do they manage? Is the favored individual likely to stay on?

Board response: The liaison is usually the president of the Board unless another is appointed. If an on-site manager is present, the manager is the liaison. Abaris manages 155 communities. Adam Landsman is the son of the president.

Sima Osdoby: Asked who gets called for everyday services, like trash, tree limbs, and general maintenance; who is responsible for preventative care. Recommends that the lawyer look into how to escape the contract as well.

Board response: Maintenance will be worked out contractually with the company's handymen and Jim Denny. They will do weekly or twice-weekly visits to the community to assess issues.

John Hansman: Approved of the Board's work and thanks the Board for looking for ways to keep some staff such as Jim and Kirsten.

Resolution and Vote on Succession

David Schwartzman read the resolution; summary follows: The NMC Board will appoint a negotiation committee of John Daroff, David Schwartzman, and Kathleen Moran, with assistance from the NMC attorney, to review and negotiate the contract with Abaris. The base cost may not exceed \$70,000 without further Board action.

Kathleen Moran moved to approve the resolution; seconded by Alex Belida; carried unanimously. The resolution was signed by each Board member at the meeting.

Break at 8:48 p.m.

The meeting resumed at 9:55 p.m. *Remaining residents in attendance:* Pat Reber, Ursula Rein, Judy Rudolph, John Hansman, Joe Jordan, and Mira Frost.

Committee Reports

- A. **Architectural Control Committee (ACC)** - Alex Belida: ACC will continue to work from the Community Enhancement survey to act upon ACC violations reported in the survey. ACC is keeping a record of email approvals on the Google drive. All Board and community members are asked to use official ACC email addresses when communicating with the ACC. ACC can now search ACC issues on the ACC Google drive and has a spreadsheet of ACC actions. ACC will visit properties and check to see if requested and approved work was completed properly.
- B. **Communications Committee (CC)** - David Schwartzman:
 - a. *Website and electronic communications:* The website hosting transition is on hold until completion of the management succession. The click rate for email broadcasts is higher than for the newsletter. The CC hopes to implement Google analytics and expand community events and anniversary web pages. Paid ads have increased now that the ad insertion form is online. CC would like more robust committee news content.
 - b. *Email lists and broadcasts:* CC would like to bring renters into the email delivery system, create separate email lists for owners of rentals, and purge outgoing residents from the email list. We need better broadcast email guidelines and guidance from Board about who can authorize NMC broadcasts (the CC will formulate a firmer question about this).
- C. **Community Enhancement Committee (CEC)** – Magnus Turesson: CE hasn't yet acted on inspections from earlier in the year, in anticipation of work by a future management company. Next CE meeting is September 28, 7:45 p.m., at the Clubhouse. Rockville City Inspector and code enforcement employees will be present. CE plans to invite the new management company to the next meeting in October to compare notes about inspection and enforcement.
- D. **Landscape Committee (LC)** – Ellen Stein: LC met Tuesday, 9-3-17. Neighborhood cleanup will be November 4 with rain date of November 18. LC is considering having a landscape designer develop a master plan to make the landscape more homogeneous and aesthetically appealing. LC has a list of current needs to work with Jim on before contacting an arborist.
- E. **Pool Committee** - Kathleen Moran: PC will meet Tuesday, October 17, 5:00 p.m., at the Clubhouse. Peggy Metzger (new swim team representative) will be present.

- F. **Social/50th Anniversary Committee** - Alex Manolatos: Still a committee of one, assisting the 50th anniversary committee. Haven't itemized expenses for Board approval yet. David Sloane (with help from a relative) hopes to produce an anniversary video, and booklet manuscript costs will be defined, so those costs and rough drafts / rough video (no cost for video) will be included for Board approval. Catering costs yet to come from Margaret Chao.
- G.

Administrator's Report

A. Finance and dues update:

- a. *Unpaid dues*: Five accounts are past due (down from 14); some have liens, one is out of the country; one more chance will be given before turning the remaining accounts over to the attorney, as it costs \$450 to send notice of intent for lien.
- b. *Budget*: Minor corrections to statements were made to split pool management and swim team expenses. Coaches' bonuses will be covered by the swim team. Tree pruning and removal has been approved and work just needs to be done. Everything else is as expected. David Schwartzman is working on next year's budget. Legal expenses include some 2016 expenses so appear to be \$5,000 over budget in current statement.

- B. **Pool update**: The pool closed Monday, Labor Day. Feedback was positive and staff was great. No injuries, rescues, or serious incidents. Birthday party guidelines worked for the most part. Final inspection by Montgomery County Health & Human Services was performed August 19; the only citation was for cracks in pool deck to be addressed next year, and some large repair areas that have sunk and created a tripping hazard. The baby pool filter system is leaking water. American Pools will identify the leak location and offer an end of season proposal for winter maintenance chemicals to keep pool stable and easy to clean. Guards Vit and Nicole will not be returning, as they are graduating from university.

- C. **Erosion update, 338 NME, 300-314 NME, 274-276 NME, and 500-522 NME**: Ellen Stein and Jim Denny met with Stewart Willis from Falcon Group engineering to review four storm water runoff issues on September 7 (today), free of charge. They will provide a proposal by end of next week.

- D. **Reserve Study**: Mason & Mason (M&M) are scheduled to conduct the survey beginning September 18. M&M has requested other proposals (Viers concrete & paving proposal) to assist with calculations. John Hansman reviewed the last 15-20 years of previous reserve expenses, which will be included in the calculation. Jim will ask about the timeline for the reserve study.

- E. **Clearing of Spillway**: The spillway was cleared for less than \$1500, is opened up and looks like a new road to the lake. Another proposal for the other (south) side of spillway by Monroe Street has been received from Stolburg, for less than \$1500.

David Schwartzman moved to approve the expense to clear the other spillway, not to exceed \$1500; seconded by Magnus Turesson, carried unanimously.

- F. **Administrative Transition**: Jim Denny will serve as hourly employee of NMCHA for the month of October, with hours to be determined by Abaris and the NMC Board. A transition checklist will be obtained from Abaris. David Schwartzman created an Administrative Transition folder on the Board Google drive. The back room of the Clubhouse will store

locked archives from Jim's basement office. Some 50th anniversary items may also be stored there until archived.

Old Business

- A. **Discussion of fence encroachment from 315 NME:** Ellen Stein and Jim Denny spoke with Paul Jordon of 315 NME.
- a. Paul Jordon agreed to bring the fence down from sidewalk. He will remove the big pots alongside the fence. Some PVC will protect a tree from deer antlers so a fence is not needed. The fence between 314 and 315 will be removed and no plantings will be placed along the side of the house.
 - b. Jim and Ellen requested that the back patio gate (iron, on common property) be removed to create access. Paul offered to replace the iron gate with a wooden gate similar to the one on the other side so access could be obtained from both sides. Jim and Ellen said they would bring that issue to the Board for discussion.
 - c. John Daroff suggested that Jim and Ellen document the conversation with a letter to Paul Gordon, including a date the work will be completed.
 - d. After discussion, the Board determined that all of the fencing including gates does not comply with ACC Covenants. Issues of erosion due to plant removal were discussed, as well as acknowledgement of the beauty of Paul Jordon's landscaping.
 - e. Kathleen Moran moved to require that all gates and fencing in the rear and side of 315 NME be removed from common property, in order to be in compliance with NMC covenants, and that any new fence must be in compliance with ACC regulations; seconded by Alex Manolatos; carried with six Board members in favor, Ellen Stein opposed.
- B. **50th Anniversary:** Pat Reber reported that the committee has not created an itemized expense proposal as requested by the Board. The committee will meet next Wednesday, September 13). Jim Denny noted that \$3600 remains in the entertainment budget for the year, which should be adequate for both the Open House and 50th Anniversary celebration.

Ellen Stein Moved to authorize catering expenses for the 50th Anniversary and Board open house not to exceed \$3,000 combined; seconded by Alex Belida; carried 6-1, John Daroff opposed.

New Business

- A. **Plaque for National Register of Historic Places** Alex Belida presented a mockup of the proposed plaque. Purchase of the plaque is New Mark's responsibility; it is not provided by the Parks Service, National Register, or any other authority.

There was discussion of the plaque design. The Board agreed to eliminate the totems in this mockup, make type size of "New Mark Commons" the same size as that of "National Register of Historic Places."

Alex Belida moved to approve the purchase of a bronze plaque, not to exceed \$600, noting NMC's inclusion on National Register of Historic Places and to read, without graphics, "New

Mark Commons / Established 1967 / listed in the National Register of Historic Places, August 1, 2017, By the United States department of the Interior” seconded by Kathleen Moran; carried unanimously.

- B. **Recognition of Jim Denny’s Service as Administrator of New Mark Commons.** The Board wishes to extend tremendous gratitude to Jim Denny for his years of service to New Mark Commons as Administrator.

David Schwartzman moved to recognize Jim Denny’s service; seconded by Kathleen Moran; carried unanimously.

Jim Denny was recognized with a round of applause.

Adjournment

David Schwartzman moved to adjourn; seconded by Ellen Stein; carried unanimously. Meeting adjourned at 10:29 p.m.