

Cross Keys Condo #1
Board Meeting Minutes
March 1, 2017

- I. Neile Eisner called the meeting to order at 6:30 p.m. Quorum was established.
- Board Members Present: Neile Eisner, Mike Hill, Sharon Nathanson, Carol Kaufmann, Irv Settleman, Gail Mandell, Sarah Taylor and Laura Armstrong.
 - No Board Members Absent.
 - A number of unit owners also attended

II. The agenda was reviewed and approved as submitted.

III. Approval of Minutes

A motion was made to approve the minutes of October 13, 2016 and it was unanimously approved by the Board. The minutes are entered into the Association records.

IV. Reports

A. Property Manager—Mike Grier of Village Management Inc. (VMI) gave the report.

1. Currently seven units have architectural violations including broken lights, awnings that need repair or removal and some garden issues. These will continue to be monitored until they are fixed. An additional four units which had violations corrected them.
2. Mike distributed a list of delinquent Condo fees. Of the \$4,110 still due the Association, the largest amount (\$2,643.82) relates to an estate at 34 Bouton Green. Others are expected to be resolved in the upcoming months.
3. The Association has not received a water bill since February 2016. Mike followed up with Village of Cross Keys Realty (Ashkenazi) and learned that they are working with the City to try and get this resolved. Once the bill is received, all Associations will be reimbursing the Village of Cross Keys Realty for their portion of the bill.
4. Recent repairs/upgrades to facilities: Emergency repairs made to 50 Palmer Green (leak in hot water return line) in January for a total cost to date of \$4,817. Since Condo 1's Master Insurance policy has a \$5,000 deductible, the Association will be responsible for the costs. Masonry repairs to the sidewalks in December for a total cost of \$8,500. Installation of new smoke and carbon monoxide detectors in basements on Palmer Green and Hamlet Hill for a total cost of \$5,332. All basements now have new smoke and carbon monoxide detectors. New water heater on Bouton Green for a cost of \$14,376 + additional labor costs from VMI.

B. Treasurer's Report—Sharon Nathanson gave the report.

1. As of December 31, 2016, there was \$129,026 in the Operating Account and \$328,557 in Replacement Reserves, so the Total Assets are \$457,583. The report notes no liabilities however it does state that no water/sewer charges have been billed since February 2016. The Association paid \$118,560 into Replacement Reserves and withdrew \$113,148. Legal fees were higher than usual due to the

action taken against the Association regarding construction work undertaken in 2008 as well as an enforcement action taken by the Association to remove an unauthorized vehicle from the property.

In 2016 expenses exceeded budget in these areas: supplies/postage, legal fees, landscape maintenance and snow removal. There were savings in some areas. However, at the end of 2016, approximately \$29,809 remains, which will be held for the 2016 water bill.

C. Website Committee—Sarah Taylor gave the report.

1. The website has been a useful tool for communicating with the residents with almost all signed up to receive communications. Residents who are not on the email list and want to be should send their email address to info@crosskeyscondo1.com

D. Welcome Committee—Laura Armstrong gave the report.

1. A welcome document has been prepared for new residents. A copy was circulated to Board members.

E. Cross Keys Maintenance Corporation (CKMC)—Sharon Nathanson gave the report.

1. At the last meeting in November 2016 new officers were elected. Hal Hathaway is the current President. Over the past several months, the Board has worked on establishing relationships with Ashkenazi and Roland Park Civic Association as well as looking at various committees that might further the work of the organization. More information will be available after the quarterly meeting next week.

F. Landscaping Committee—Carol Kaufmann gave the report.

1. The mission of the landscape committee is to work with the landscape maintenance contractor to oversee the work as outlined in the landscape maintenance contract. This year's contract is with Ruppert Landscaping.
2. The committee is comprised of a point person from each of the four courts who acts as the representative of that court. Current members of the committee are Jackie Wehmuller, Bouton Green; Helen Walters, Olmsted Green; Barbara Taylor, Palmer Green; and Carol Kaufmann, Hamlet Hill. Any landscaping concerns or issues of Condo I residents should be given in writing by the resident to the court representative. These concerns or issues will be handled by the landscape committee, if possible. Otherwise they will be brought to the Board.
3. In 2017, a number of concerns have been brought to the attention of the committee which are over and above our current contract. Each court and the common areas have concerns that need to be addressed. The committee has asked Ruppert to give the Association a court-by-court estimate of the cost of these issues and to recommend a 3-5 year plan to address the cost of bringing the courts and common areas up to the Association's goals.

4. In 2017, the committee members will have quarterly meetings with Ruppert to

discuss the seasonal work to be done. The Committee wants to know in advance Ruppert's overall schedule of mowing, trimming, pruning, mulching and leaf removal so that Condo I residents can be informed via the website. If any problems arise, Ruppert will be notified so any problems can be identified as we go along.

5. Completing the swale project is a major priority and the Committee will keep residents posted as to how this will proceed.
6. In previous years the landscape committee talked about various improvements and enhancements to the property. In the last several years, no improvements or enhancements have been added due to budget constraints. A major concern is the age of the Condo I property. There are numerous old trees and the settling of the land which has cause problems that affect all areas of the property. This is a major expense that requires money that could be used for beautification. The landscape committee, Ruppert and the new management company will work together and discuss how to best handle these issues in the coming year.

G. President's Report—Neile Eisner gave the report on the major activities since the Annual Meeting.

1. Board Orientation—held in December, it provided the three new Board members a detailed orientation about the work of the Board, its purpose, its fiduciary responsibilities, Board meeting operations, governing documents, the budget, rules and regulations, landscaping and other contracts and building issues.
2. Removal of Commercial Van Opposite Palmer Green—the Board took enforcement action to require the removal of a commercial van using the parking spaces opposite Palmer Green as long-term parking. Commercial vehicles are not allowed to park in Condo 1. The van was removed, as ordered, on December 28, 2016.
3. Sidewalk—VMI, on behalf of the Board, received three bids to install a sidewalk on the northern side of Hamlet Hill between Olmsted and Bouton Greens. The Board will consider this in the Spring.
4. Reserve Study—analyzes all components of the buildings and grounds to determine useful life and to give the Board information for a repair and replacement schedule. When the study is completed the Board will work with the new management company to develop a plan for implementing the recommendations.
5. Review of all contracts—reviewed existing management contract with VMI (signed in 2011). Other contracts are for landscaping, tree removal, and legal. There were no other written contracts for trash removal, snow removal, construction or roofing. The Board decided that good management practice is to require contracts for all services performed on behalf of Condo 1.

6. New Management Contract

Condo 1's current management contract, with VMI, was last signed in 2011; good management practice is to rebid management contracts every three years. The Board sent out an RFP seeking proposals from five management companies, including VMI. The Board received three excellent proposals. Board members reviewed the proposals, interviewed the potential vendors and sought and called references. VMI elected not to participate and terminated their contract effective April 30, 2017.

After much discussion, the Board is recommending that Condo 1 enter into a contract with Thornhill Properties Inc. (Thornhill). Reasons include their team approach to management, their procedures for emergency response, their collaboration on annual and long-term maintenance and improvement planning using the Reserve Study, their approach to contract oversight and bidding, their work order documentation system with the goal of moving to an on-line system, their detailed monthly accounting reports, their open process for communication with owners regarding on-going repairs and maintenance, and their management of Condo 1's website.

In addition, they have an excellent track record, including lots of experience with the type of problems aging communities face. Our manager will attend 12 Board meetings a year and the Annual Meeting, with no extra charge.

Condo One will pay a management fee that is approximately \$700 less per month (approximately \$8,250 less annually) than the current contract. The term of the contract will be two years, with no price increase during that period. After that period, the management fee will increase by 3% during the third year. After the third year, the fee will be renegotiated.

The transition will occur during March and April and residents will be notified by letter as to where to send the monthly Condo fee and also any pertinent procedures. A community meeting will be held to introduce the new management team at the appropriate time.

V. Open Forum

1. Residents were given the opportunity to speak on any matter of interest to the community. Each person had two minutes to make their statement. The following issues and concerns were raised: information on the process used to select the new management company, the benefits of having an on-site management company, concern about overall costs and understanding what services and benefits the condo fee supports, legal issues on ownership, use of pesticides on grounds adversely affecting pets, transition plan for new management company particularly in regard to on-going issues, the need for making the community more accessible, notifying residents about restricting renovation work on evenings and weekends, and notifying new management company about potential hot water leaks in bulkheads.

VI. Old Business—none

VII. New Business:

1. The following actions taken since its last Board meeting on October 13, 2016 were unanimously ratified by the Board:
 - a. Acceptance of Director Valerie Wilson's resignation on 12/9/16;
 - b. Appointment of Hillard Cohen to fill Valerie Wilson's seat on the Board on 12/9/2017;
 - c. Approval of landscaping contract with Ruppert Landscaping on 1/4/17 for \$31,000 (\$5,000 less than previous contract);
 - d. Approval of Electrical Contract with MP Welsh for \$5,332 to install smoke/carbon monoxide detectors in basement storage areas(1/17/2017).
2. The Board gave notice of two closed Board Meetings which were held on December 29, 2016 and January 18, 2017. Both were for the purpose of reviewing business transactions in the negotiation stage as well as to discuss matters pertaining to personnel, pursuant to Maryland Condominium Act Sections 11-109 (1) and (6). The Board members voted unanimously to close those two meetings.
3. Proposal from Knott Plumbing to purchase and install a replacement hot water heater for residences 22-38 Bouton Green at a cost of \$12,891.39 for the unit and \$1,485 for labor (\$14,376.39 total). The work was completed as it was an emergency. The Board moved, seconded and unanimously voted in favor of the motion to approve the proposal and pay the cost out of Reserves.
4. Emergency remediation work performed by PBI Restorations at 50 Palmer Green due to a failed hot water supply line at a cost of \$2,271.37. The Board moved, seconded and voted unanimously in favor of the motion to approve the proposal and pay the cost out of Reserves.
5. Director Hillard Cohen's resignation from the Board. The Board moved, seconded and voted unanimously in favor of the motion to approve Hillard Cohen's resignation.

On behalf of the Board and the community, Neile thanked both Hillard and Valerie for their dedicated service to the Condo #1 community. They have been very generous with their time and the entire Association appreciates it. The Board will consider replacing Hillard Cohen's position at a later date.

6. New, renewable, two-year management contract with Thornhill Properties, Inc., with an effective date of May 1, 2017 and a monthly fee of \$1,813 for the first two years. The Board moved, seconded and unanimously approved the motion to move forward with developing and executing a renewable two-year contract with Thornhill, with an effective date of May 1, 2017 and a monthly fee of \$1,813 for the first 2 years.
- VIII. There being no further business the meeting was adjourned at 7:45 pm. Sharon Nathanson, Secretary.