

Meeting of the Waters Landing Board of Directors 7 p.m., March 15, 2023
Virtually by Zoom

CALL TO ORDER: Board President calls meeting to Order
OPEN FLOOR:

- Anna Davis complained about the number of closed meetings during 2022 and 2023 and expressed that this engenders a feeling of secrecy and impropriety. Additionally she requested an update on the CSL litigation and challenged the decision of the Board of Directors to appoint Anita Weinstein for the unexpired term of Erik Herron. She claimed this was beyond the scope of what was allowed for closed meetings and that interviews for prospective board members should be conducted in public. She asked that the candidate interviews be done in public and that the Board restart the process. [Nic D'Ascoli responded that the board cannot discuss litigation strategies but would provide some updates on the case as a whole and said that some of the closed meetings were to discuss staffing and personnel issues and also to discuss the candidate qualifications; Laura Magnuson explained that Board member candidate review included review of assessments payments which should be private and confidential. Mark echoed that sentiment and said the discussion of the candidate to fill the unexpired term is not subject to open meetings provisions. The Board took a vote at the public meeting and Anita Weinstein was appointed to the seat with Nic, Laura and Mark voting for her appointment. John did not cast a vote.]
- Bruce Schwalm suggested expanding the Board of Directors to 7 or 9 members and requested that the Board meet more frequently. [John Pesce noted that meetings were back to once a month]
- D.R. Vasilisa expressed concerns about the area around the lake and dam and she was directed to bring those concerns to the Churchill Foundation.

NOTATION OF ATTENDANCE: Present were John Pesce, Nic D'Ascoli, Laura Magnuson and Mark Sagarin

1. Board Member Appointment: Laura Magnuson moved and Mark Sagarin seconded motion to appoint Anita Weinstein to fill unexpired term of Erik Herron. Motion was approved by Nic, Mark and Laura.
2. Board Member Positions: Laura Magnuson was unanimously appointed as Treasurer and Anita Weinstein as Secretary

APPROVAL OF MINUTES: As per Action Item #1 Kristin will provide all minutes at the next meeting which still require approval both for open and closed meetings.

ACTION ITEMS:

- Action Item #1--For the **April Agenda**, Kristin will provide all minutes which still require approval including closed meeting minutes
- Action Item #2—Kristin will provide the fee structure for the T & J by the **April meeting**
- Action Item #3—**Within one week (by March 22)**, the office staff, Sonia and XML will confer to figure out the fund transfer process
- Action Item #4—Determine if there are any outstanding invoices so that FSR can close the books on 2022 and begin 2023
- Action Item #5—Kristen will resend to board any unpaid invoices
- Action item #6—**Within 2 weeks (by March 29)** FSR will determine if the \$124,000 expense for pool white coating which was paid out of the operating expense fund requires a transfer from the Reserve Fund to reimburse Operating Funds.
- Action Item #7—**Within 2 weeks by March 29**, FSR and Kristin will advise if there are any changes to December financials
- Action Item #8—Kristen will speak with Whiteford Taylor Preston (WTP) to remind them that they are to provide regular quarterly collections reports to the Board of Directors (BOD)
- Action Item #9—FSR will provide an accounting of the WTP bills for the past 6 months and advise what was billed, what was approved, and what was paid by the next board meeting

- Action Item #10—FSR will provide accounting of collections payments received by WTP in pursuance of delinquent accounts by the **April meeting**
- Action Item #11—FSR (Sonia) will attempt to determine why WTP bills go directly into the AVID system and to FSR without going through Kristen by the next board meeting. This is the only vendor whose bills go directly into AVID before being approved by the GM. At the current time, FSR has to double back and forward the bills to Kristin for approval.
- Action Item #12—GM will report to the BOD at the **next meeting** on progress on hiring temporary help for the office.
- Action Item #13—Kristin will provide a more detailed Reserve Project Report with explanations and details of requested improvements, projected dates for each improvement, and how the projected cost was arrived at for the next board meeting
- Action Item #14—GM will follow up with Inspection Report from RSV Pools as to the condition of each pool by **March 16, 2023**
- Action Item #15—Kristin will send the board members the pool packet from last year by **Friday, March 17.**
- Action Item #16—Kristin will obtain bids from pool vendors and schedule an additional open meeting as soon as possible.
- Action Item #17—by **Memorial Day which is Monday, May 29**, the GM will have reviewed the list of Waters landing Swim Team Members and Team Reps to be certain that all participants are current in dues/assessments. This will be done again by **June 18, 2023** for any additional swim team participants.
- Action Item #18—Kristin will bid out the trash contract with attempts to get vendors which can provide curbside pickup, bulk pickup, and holiday trash pickup. In the interim, the contract with T& J was approved for an extension.
- Action Item #19—**Prior to the June/July meeting**, Kristin will contact WTP about the procedure for increasing the size of the BOD. For June/July meeting, Kristin will include this on the agenda.
- Action Item #20—**by Wednesday, March 22, 2023** Kristin will make contact with representatives from RBC to determine what needs to be done to complete direct deposit for any dividend/interest checks from the RBC account.

LITIGATION UPDATE: Laura Magnuson reported that there have been numerous postponements in the litigation process with CSL and that discovery and exchange of information has just begun, however there are settlement proposals being drafted. A trial date is expected to be in November, 2023.

AERC REPORT (Architectural & Environmental Review Committee):

1. AERC February summary--February: 12 Applications, 10 Approved, 1 Denied, 1 Tabled.
 - 2 in Sunridge: Roof replacement, window replacement
 - 3 in Highlands: Solar Panels, Tree removal, Lattice & Louvers
 - 1 in Country Lake Root replacement
 - 3 in Deep Woods Village: 6ft Fence (denied), Siding replacement, Porch cover (tabled)
 - 1 in Us Homes: Roof replacement
 - 1 in Waters Edge: Radon mitigation pipe
 - 1 in Summersong: window replacement
2. AERC March summary--March: 9 Applications all approved
 - 2 in Country Lake: both deck replacements
 - 2 in Deep Woods Village: Front door color change, dead tree removal
 - 1 in Highlands: Entry Door replacement
 - 1 in Lake Forest: 4ft fence replacement
 - 1 in Waterbury Downs South: tree removal

- 1 in Gable Manor Woods: tree removal
- 1 in Sunridge: roof replacement

FINANCIAL REPORT: Treasurer Magnuson expressed frustration about having up to date financial reports and bank statements even given the normal 2-month delay. It was explained that the year end can take longer. FSR stated that they cannot start the new year until 2022 is closed out and that not all expenses have been submitted to close out the year. It is believed the outstanding invoices are for Attorney’s fees. SEE ACTION ITEMS # 4,5,7,9

GM REPORT:

- Investments: Kristin will confer with First Services Residential (FSR) and XML (investment company) to figure out how to get the fund transfer process going...See ACTION ITEM #3
 - Treasurer Magnuson is concerned about dividend checks from Royal Bank of Canada which have not been deposited and asked to have a direct deposit process established. SEE ACTION ITEM # 20. Kristen was going to obtain signature cards to establish the direct deposit.
 - Laura requested that the monthly FSR report not simply be a regurgitation of the financial statement but be a narrative explaining transactions, highlighting things the board needs to know and answering questions and that will start next month. The board would like to see the financial report a week before the meeting.
 - The books must be closed, and all invoices and transactions reported for 2022 before the 2023 can be opened. SEE ACTION ITEMS #4, 5, 7, 9, 10
 - Kristin will send any outstanding invoices from 2022 specifically for Whiteford, Taylor, Preston attorney’s fees to board members. ACTION ITEM # 4, 5, 7
 - The approximately \$124,000 expense to white-coat both pools was paid out of Operating Expenses and FSR will investigate whether this should be paid out of Reserves and reimburse Operating Expense budget. SEE ACTION ITEM #6
 - Nic asked about the litigation expense breakout. There are 4 line items for litigation including Legal, Legal Collections, Legal-Retainer, and Legal-Litigation.
 - As for hiring a temporary employee to assist in the office, Kristen will report to the board pursuant to ACTION ITEM #12

2. Upcoming Projects/Needs

a) Short-Term—Kristen provided an outline of 2023 Reserve Fund Projects. Among the immediate needs are the replacement of 2 Pool B Water Heaters (estimated at \$20,000); replacement bases at the dog stations (no amount given) and new furniture and equipment for the office (\$100,000 estimate for work in the community center including floors, windows, light fixtures and office upgrades including floors, windows, light fixtures and office equipment). See chart below:

b) Mid-Term

Bath house renovations > countertops, light fixtures	\$50,000
Community Center > floors, windows, light fixtures Office Upgrades > floors, windows, light fixtures, office equipment	\$100,000
Exterior Painting > Bath Houses/Club House (Potential siding replacement – Pool B)	\$50,000 - \$100,00 (depending upon necessary work)
Pool B Hot Water Heaters (2)	\$20,000
Rec Center parking lots asphaltting	Combined, \$200,000 - \$250,000
Community Center Roof	\$20,000 - \$25,000
ESTIMATED TOTAL	\$500,000

- ACTION ITEM # 13—Kristin will provide a more detailed list of reserve fund projects with timetable, how estimates were arrived at and proposals.
- Kristin advised the board that a new Reserve Item may have to be added for Replacement Mailboxes since the US Postal Service will no longer maintain them.
- As part of any office equipment upgrading, board members and the public expressed a desire for hybrid board meetings (both in person and virtual) so there would be a need to upgrade facilities in order to accommodate this.

BOARD Report:

OLD BUSINESS:

1. Maintenance
2. RBC checks –See ACTION ITEM #20
3. Transfer of reserve funds to XML Financial—See ACTION ITEM #3
4. Excess Assessment Resolution—There was some discussion about having too much excess operating funding and the need to move some of it to reserves.
5. Pool Inspection Report: ACTION ITEM #14
6. T & J – Kristin will get the fee structure for T&J by the next board meeting. ACTION ITEM #2

NEW BUSINESS:

- 1) RSV Contract
 - GM tabled her request for approval of RSV contract for 2023 at about \$166,000 and will obtain additional bids for the services and schedule a special meeting to approve any contract if necessary. —ACTION ITEM #15, 16
 - There were a number of complaints about RSV regarding staffing, pool management, cleanliness of pool houses and the schedule.
- 2) Waters Landing Thunder Swim Team: there was some preliminary discussion of the pool schedule but that cannot be finalized until the Montgomery County Swim League (MCSL) schedule is set. All swim team meets are held at Pool A and the majority of practices are at Pool B for accessibility reasons.
 - Nic suggested the establishment of a Swim Team Committee and also suggested that the costs associated with use of the pool be included in the Swim Team Budget
- 3) J & J Trash Contract
 - ACTION ITEM # 18... Kristin will bid out the trash contract with attempts to get vendors which can provide curbside pickup, bulk pickup, and holiday trash pickup.
 - In the interim, Nic made a motion to extends the existing T & J contract with Mark seconding and all approved an extension.
- 4) AERC Directive (attached)
 - There was extensive discussion about the AERC and the ability of the community to be aware of AERC exceptions being requested and the ability of the community to be able to voice their concerns about requested exceptions. At the present time, there is not required notice provision to neighborhoods and only 4 adjacent signatures are required to apply.
 - Different methods of notification were discussed with one having the AERC monthly status sheet (listing addresses and type of architectural requests) either uploaded or linked to the monthly News Ashore which comes out at the beginning of the month. There was some concern expressed about sending out addresses, but the board felt that when members of the community are asking for deviations from the established standards that others should be able to know where this is happening.
 - The attached motion was M/S with the conditions that it be reviewed by Counsel and if approved that it become Interim Policy and ultimately get rolled into the rules and regulations of the AERC.

ADJOURNMENT: The meeting was adjourned at 11:05 p.m.

AERC Procedural Directive 3.15.23

The purpose of this directive is to clarify the role of the AERC, to ensure that all affected property owners have an opportunity to be heard before any exception is granted, and to clarify the role of the Waters Landing guidelines in deciding on applications.

The Waters Landing Association Board of Directors hereby issues the following Directive to the Architectural and Environmental Review Committee ("AERC"):

1. It is neither improper nor a breach of the Board of Directors Code of Conduct nor the AERC Code of Conduct to give notice to the community of pending applications that request an exception to the existing guidelines. From this point forward, the office staff will immediately notify the Board of all applications which request an exception to the existing guidelines. The staff will publish a separate notice of the street address and description of the requested exception in the News Ashore prior to the AERC meeting where the application will be considered. The AERC will not make a recommendation on the exception until it has affirmed that said notice has been recorded in the permanent file for said address.
2. Members of the community who attend AERC meetings shall be given the floor prior to any vote or discussion by the AERC committee. They shall not be arbitrarily or unreasonably limited in their comments. Their comments shall be recorded in the minutes. All written comments shall also be read into the record and included in the file for the application for that address.
3. When members of the community appear at the meeting with comments, said applications shall be taken first.
4. The AERC is bound by the existing ARCHITECTURAL GUIDELINES, A Guide for Waters Landing Residents on the Planning and Design of Exterior Additions and Alterations, March 1987 Edition (With Amendments Through 1/95). Any recommendation to allow an exception to the guidelines must be well documented, specifically explained as to why an exception is warranted and published immediately following the AERC meeting in the News Ashore. Both the applicant and the community has the right to appeal the recommendation to the Board. The time to appeal for the community shall run from the date the News Ashore announced the recommendation on the exception. The existence of precedent is not a sufficient basis for an exception to be recommended or granted.
5. The Board requests the AERC to enumerate any and all specific substantive changes to the existing guidelines that it recommends to the Board. In recommending changes, the AERC is requested to explain the basis and need for the change, with documentation, if applicable. The Board is not inclined to accept a rewriting of the guidelines. It will consider appropriate, well-explained amendments thereto.