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WATERS LANDING HOA MINUTES FROM 5/17/23 MONTHLY MEETING

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Called to order at 7:00 via Zoom

Notation of Attendance: John Pesce, President, Nic D' Ascoli, Vice President, Laura Magnuson, Treasurer, Anita Weinstein, Secretary, Mark Sagarin, At Large, Kristin Czarick, General Manager, Shelia Jenkins-Diaz, Executive Assistant to the General Manager, and (late) Sonia Iraheta from First Service Residential, Nesh Vladovic from RSV Pools. John Pesce has opted to not exercise his right to vote as chairperson so unanimous means all four voting members (D'Ascoli, Sagarin, Magnuson, Weinstein)

Members of Community Present: Anita Duvall, Andy Williford, Anna Davis, Steve Blum, Bruce Schwalm, Kim Schwalm, Courtney Egan, Don Wiggins, Gavin Green, Jenn/Jason Leitner, Julia Clayton, Karl Vilbig, Lee Callicut, Jessica Luna, Melanie Ballard, Meredith Lynch, Nikk Glazier, Pam Sledge, Stephen Tise, Steve Blum, Travis Pratt, Amy Philips as reported and provided by the office

Approval of Minutes:

- Open Meeting Minutes 4/19/23— Magnuson moves, Sagarin seconds –In Favor—all four voting members with corrections to reflect that John Pesce abstained from votes so any indication of unanimous was without his vote. The same correction was for the funds reimbursement action item; also General Managers Report should state the invoices go properly into AVID
- Closed Meeting Statements—5/1/23 Magnuson moves, Sagarin seconds—approved by all four voting members (Pesce recuses)

Open floor:

- Kim Schwalm—If the appeal hearing is in person and someone is unable to attend appeal hearing, can I submit additional comments in advance. Board gave her the okay.
- Jenn and Jason Leitner-- Appeals must meet one of the 3 criteria—appeals for his fence on Cloverdale do not meet any criteria. Language about who is affected is ambiguous; Applicants got 4 signatures from people around them. How are people don't live around us affected. Can't see fence from road. Shouldn't be going through an appeal because it is meritless. Laura responded saying that a lot of policies and procedures are missing and we are a new board. No homeowners were getting notices of appeals and the board modified our procedure to get notice to the community. The Leitner's pointed to 2016 survey. Laura said we are going to bring it up with our legal counsel. Notice of decisions is all new to staff. Mr. Leitner affirmed that the appeals should not go through. Laura said we would confer with counsel. Anyone could have showed up to any meeting. Leitner said his direct neighbor has 6 foot privacy fence and he complained that people that don't live near us are objecting.
- Travis Pratt—Spinning Wheel Drive. Licensed Daycare operating on Spinning Wheel Drive next door with 10-12 kids; clientele has been speeding through neighborhood; have addressed owner; called licensing office and not much they can do because it is outside of the day care; 3 other people in audience on this issue. This is the first attempt to go to the Waters Landing office—need to set up a time to talk and go over the issues, and need documentation in writing; Laura mentioned that the Captain of local police department is very responsive and try to get them to respond. Josh Clayton has contacted PD but very unresponsive.
- Don Wiggins: Member of AERC but here as resident. Comments regarding AERC—encourage board to increase number of members; better is up to 11; risk of losing people if board continues with micro-managing; criticized the appeals process—we approved 6 foot fences at last meeting but all three have been appealed by same person. Appeal must be someone affected by decision; too much power for one person; recoup fees from resident in question who is appealing all three six foot fence decisions.

- Melanie Ballard—First time attending. Esprit resident. There are challenges facing those living in Esprit—Beaconfield. . Speed on Father Hurley and Beaconfield—across from Senior community. Is there a way to place a permanent speed deterrent—Requested walker signal—Father Hurley is under county control. There is a condo management company for Esprit. Email management company and WL and ask it to be forwarded to officials for you. Email Sandy at Vanguard Management and email Montgomery County Council—forward to DOT for a study to get some type of permanent speed deterrent.
- Gavin Green asked about litigation costs –what prompted this litigation? Issue for last few years. Trying to get court stamped copies on the website so the public can see the documents. This senior complex stopped paying their assessments; waivers from previous boards. Filed suit to collect and they counter-sued. Initially they claimed they were not within the association. Discovery complete. Now at point that motions are being filed—no hearing set yet. Hoping to go to mediation. **ACTION ITEM: Follow up with counsel for date stamped copies of court records.**
- Bruce Schwalm—disappointed minutes were riddled with errors; AERC process is broken. Going back to the dark ages with in-person meetings only. There is a need to keep things in public light and keep it out in the open.
- Lee Callicutt— This is no longer a new board—have been around about 2.5 years.
- Stephen Tise—Wanted to address Comments about AERC—AERC should have a full complement of individuals. Try to increase number of townhouse representatives. However, appeals can be made by an affected person. Guidelines are secondary to Covenants and guidelines cannot be contrary to covenants. Any party dissatisfied with decision of AERC may file an appeal....so there will be appeals from people who are not necessarily in the neighborhood
- Open floor ends at 7:52 p.m.

Contractor Report:

- **RSV Pools, Inc.**—Nesh Jankovic reports the pools are looking pretty good; pools filled; motor back from service and pump running at pool B; almost filled at Pool A and should be able to get through county inspection tomorrow. Nesh thinks we are fully staffed but not sure. Hot water heaters in Pool B bathrooms have been installed. Mixing valve in one of them is stuck, but Nesh says they will work on that. How is caulking between coping and deck? Nesh will just fill up gaps to make it work for summer---but next year do all around the pool.

Financial Report: Sonia Iraheta, First Service Residential

1. Financial Monthly Narrative
 - Delinquent accounts went down as people start paying after holiday
 - Paid more bills in the month of March
 - Opened new XML account and funds transferred; when available move RBC funds into XML accounts; **ACTION ITEM: Email to Beth to make sure account numbers are redacted from reports.**
 - Contracts—trash bit over budget;
 - no legal expenses paid (not been able to accrue);
 - water for pool A is over budget but that was due to leak. Relocated our meter valve and relocated it to the community center and there may have been some faulty work on the valve.
 - Snow removal expense was Treatment for ice events;
 - Invoices need to send them to AVID—vendors saying they are sending to AVID but do not show up in queue. If vendor says send to AVID, there should be an email confirmation
 - Can we get further description—working with AVID to get codes to break down—Kristin shows description—not showing up in reports; new GL numbers to put into AVID. Is there a report that can show that description. Not showing up on report. **ACTION ITEM: Sonia will see if AVID report can show more details.**
 - March financials are from November and December 2022--\$16,195 T & J Services--\$850 every 2 weeks for poop stations. Sometimes dumping materials. These do not go directly

into AVID but have to be invoiced through Kristin. Paying Miracle Maids for cleaning daily.

Committee Report: AERC met Monday, May 1 and all 19 AERC Applications were approved as listed below.

Country Lake Neighborhood (2)

- back yard renovations
- stone patio

Lake Forest Neighborhood (3)

- 6ft fence replacement (maintenance)
- paved patio and walkway for garbage can storage
- replace 6ft fence

Gables Manor woods Neighborhood (4)

- deck replacement
- 4ft fence
- replacement of dead tree
- 4ft picket fence

Laurel Wood Cove Neighborhood (1)

- garage door replacement

Waters Edge Neighborhood (4)

- expand walkway
- replace: roof, gutters, and drain spouts (maintenance)
- storm door change
- front door change

Waterbury Downs Neighborhood (1)

- roof replacement (maintenance)

Woodlands Neighborhood (3)

- 6ft fence
- wood shed

Logans Port Neighborhood (1)

- repair rotting wood trim (maintenance)

AERC Motion to Approve 2 Candidates: Mark's Motion to appoint the two candidates Anna Davis and Gavin Green was not seconded. 2 applications submitted but the BOD had not authorized sending out notice of vacancies. The AERC Committee can have up to 11 members and right now there are 9 members. There was a discussions about notice that going out asking for members and do an official call before appointing people and development of a description of what the position entails. Anna Davis disputed this and said it was a call back from more than a year ago and that she is well aware of what the AERC does. She was informed (not by the Board) that there were vacant positions and she submitted and application. Since there is low membership from the townhouses, she thought she should be appointed. Laura said we should do this systematically. Trying to redesign the system to be fair and follow the Declaration. They asked why not fill the vacancies? Nic suggests that any appointments be open to the community. The last appointments were made year in March 2022. It is the job of the board to determine when we need to get applicants. Courtney Egan, on AERC and reviewed the applications indicated both have experience. One person from Highlands which currently not represented. Anna lives in townhouse community where representation is limited. Nic—move to do direct advertising of positions for the AERC with understanding that we are swamped right now. No second. Laura asks AERC to put

together a comprehensive job description and what they do. Lee Callicutt said to go back to 11 because now we have 9; need 11. Stephen Tise has not seen applications...only officers saw them. Board members stressed the need to be fair to entire community. AERC members says they are overworked and overloaded but Stephen Tise says May 2023 was about highest number and he reviewed them in about 3-4 hours in a single day. With 9 members, he said it is more than enough to get a good vote. John said they need more people to help with inventorying colors.

Swim Team: Jessica Luna. Ready to start season. Have about 50 kids signed up; 20 pre-team; 15 signed for lessons; still accepting applications. Laura—we pay for lifeguards until 9 p.m. You need to work through the office to arrange for extra hours. Our contract provides insurance coverage so swim team needs to coordinate and request for lifeguards go to her and team can pay lifeguards to WLA. Saturday may need guards by 7:30 a.m. Email to Kristin with dates and times. Protocol if no lifeguard...whatever system you want to put in place. Need a way to get n touch with someone. Most of hours within contract but water polo will extend out. Kristin to meet with Team Reps and check with Vlade and Nesh. Nic—pool calendar and swim calendar do not match. Text says differently. Nic says not extends pool time unless in contract – Kristin will go over the calendar with swim team. John asks if Can we work out details offline? **ACTION ITEM: Jessica and Kristin will get together to finalize swim team schedule and make sure it is accurate and includes any requests for additional lifeguards beyond the contract schedule. Contract needs amendment for those dates.** Divisionals 6 a.m.—make sure included. When one pool is closed for swim team—make sure the other pool is open for general use. Calendar needs to be fair.

General Manager's Report:

1. Inspections:
 - a. Annual: Need inventory; twice a year and it is a big job. Letter writing if non-compliance. People not always aware they need to comply. Need education for the community
 - b. Complaint Based: requires investigation
 - c. Review of Process
 - d. Suggest work sessions with AERC; use guidelines to know what applicants are involved with; roles and responsibilities in Architectural Guidelines
2. Month in Action
 - a. Hot Water Heater at Pool B--above
 - b. Pool Season Preparations—midst of pool pass distribution; pickup through June 9 in community center
 - c. Overview of Collection Status—tabled
 - d. FSR Connect—First Services Software—may expand use even for call center; Resident Connect –residents who have signed up have access to this. This is a view into accounts in FSR. That portal can provide a lot of information that we are paying for and not using. Expand service for product available to us.
 - e. File Digitization—working on that—potential info to contract with FSR
 - f. AERC Training—not discussed
 - g. Upcoming Contracts—landscaping in 2024—review contract and start looking at that by mid-July. That will be bid out. Industry standard—but see if want something different. Nic asks for the last solicitation for us to look at to see what we put out and bids received.

Board Report:

1. Closed Meeting Motions
 - a. Pool Contract Negotiations—**MOTION – Reaffirm vote done in closed session.** Reaffirm negotiated contract and addendum Laura move/Mark seconds. Nic wants executed contract and addendum available. Needs to be executed copy in One Drive. Motion approved by all 4 voting members.
2. CSL
 - a. Motion for Summary Judgment—Insurance Counsel set out our defenses to CSL counterclaim very clearly in the cross-motion for summary judgment. **ACTION ITEM: Kristin will get uploaded for date stamped into One Drive**

Old Business:

1. Investments
 - a. RBC—**Motion to move \$200,000 from RBC when funds come due June 6, 2023 to be transferred to XMI in an insured liquid account.** FSR is authorized to transfer that. Laura moved/ Mark seconded. All four voting members approved.
 - b. XML—announcement that 2.3 million in reserve to XML is complete and was authorized by board treasurer and president after notice to board.
2. EV Charging Station Options/Indemnification—no comments from community on power point. The power point just lists options and does not reflect actual policy. Nic said we have not brought this home in a defined way. If no one has responded, are we getting this out to the community. This is a failure in communication. There are 3 options for installation. This does not address a particular method or policy but only lists options. John says owners can go over, under or through and must indemnify. Must have a particular monetary value in indemnification agreement. No recommendation from AERC or EV Charging Station Committee about which option they favor to prevent any trip hazard. Single contractor—John's Labor Group. Resolution--89-1 people can apply to architectural committee to make alterations to common grounds. Most common way this has been utilized is if a Neighborhood Advisory Committee wants to put a memorial in a cul de sac. Board would like to put together questions for EV Committee (1st Tuesday of every month at community center). Came up about year ago and board asked for comment and there was no comment. Let's find out what FSR can provide---how to handle it with the community. Laura worried about potential costs incurred by HOA if people do not install or handle this properly. Nic believes we need a comprehensive policy and legal should check indemnification agreement. Laura—concerned about options and not prepared to vote on it. No action.
3. In-Person vs. Zoom Meetings: Tabled.

New Business:

1. AERC Appeal Hearing Process
 - a. Date/Time/Place Announcement—May 25 in person 7 p.m. Community Center. As announced; Not changed
 - b. Process: **MOTION: to approve appeal process for AERC appeals as follows made by Magnuson/seconded by D'Ascoli approved by all four voting members:**
 - i. **Introduction to meeting: (CTO, Notation of Attendance, Opening Statement) – 5 minutes**
 - ii. **Summary of Comments (3 pages) – 15 minutes**
 - iii. **Introduction of Evidence**
 - iv. **Submitter – 20 minutes**
 - v. **Appellants – 20 minutes**
 - vi. **Comments for Issues not previously raised (2-3 min./speaker max 6 to 10 slots) – 30 minutes**
 - vii. **Final Comments from Submitter – 10 minutes**
 - c. Need to get further advice from counsel. De Novo hearing according to counsel.
 - d. Kim Schwalm wants to add new evidence since she is not available for the meeting she were available at the meeting. She said it is not personal but wants to retain character of neighborhood.
2. AERC Appointments—see above
3. Pool Usage
 - a. Swim Team Practice—calendar—to be discussed in a meeting with swim team
 - b. Swim Team Additional Use—**MOTION: Moved by Laura/seconded by Nic: Any request by the swim team for additional hours above and beyond the RSV contract hours must be submitted to and approved by the Board of Directors with notification to RSV Pools and all fees and costs will be reimbursed by swim team to Waters Landing.** All four voting members approved this motion. Nic states there is a need to amend the contract.
4. Market Research Committee
 - a. Call for Candidates—Nic circulated this. Laura moved/ Mark seconded the call for candidates and the charter. **MOTION: Advertise for the Market research**

committee—call for committee members. Experience in cost analysis preferred. All four voting members approved.

5. IT Consultant- Talk to FSR as they have some options. Tabled.

6. Action Item Review: tabled. List to be sent to Kristin and the Board.

Adjournment: Motion to adjourn made by D’Ascoli/seconded by Magnuson at 10:51 p.m.—all 4 voting members approve.

ACTION ITEMS from March Meeting

- Action Item #1--For the **April Agenda**, Kristin will provide all minutes which still require approval including closed meeting minutes—**Still Need to approve the Closed Meeting Minutes from April 14, 2023 Closed Meeting but Settlement Terms still in discussion**
- Action Item #2—Kristin will provide the fee structure for the T & J by the **April meeting--DONE**
- Action Item #3—**Within one week (by March 22)**, the office staff, Sonia and XML will confer to figure out the fund transfer process- **DONE**
- Action Item #4—Determine if there are any outstanding invoices so that FSR can close the books on 2022 and begin 2023—**Kristin needs to verify that all outstanding invoices are listed with new General Ledger categories**
- Action Item #5—Kristin will resend to board any unpaid invoices --**DONE**
- 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.— **Kristin needs to follow up on this**
- Action Item #7—**Within 2 weeks by March 29**, FSR and Kristin will advise if there are any changes to December financials--**DONE**
- Action Item #8—Kristin 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)—**Quarterly report not yet submitted.**
- 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—**Still open invoices**
- 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.—**DONE. WTP will send invoices to AVID and a copy to Kristin**
- Action Item #12—GM will report to the BOD at the **next meeting** on progress on hiring temporary help for the office. **Kristin will meet with Nic April 27 to begin planning and procedures for office staffing and upgrades.**
- 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. **Engineer/Architect to help with bidding process for capital items.**
- Action Item #14—GM will follow up with Inspection Report from RSV Pools as to the condition of each pool by **March 16, 2023—Zoom meeting with RSV on Monday, April 24.**
- Action Item #15—Kristin will send the board members the pool packet from last year by **Friday, March 17--DONE**
- Action Item #16—Kristin will obtain bids from pool vendors and schedule an additional open meeting as soon as possible. **Zoom meeting with RSV Pools representatives on Monday, April 24.**
- 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. **Outstanding for June.**
- 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. **DONE**
- 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. **Outstanding item for future meeting.**
- 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. **Coordinate with John, Laura and Kevin from RBC for direct deposit.**

ACTION ITEMS from April Meeting

- GM to get bids for digitizing and archiving records for May.
- Get list of architects/engineers to do assessments of the capital improvement needs and costs for the May/June meeting.
- Determine areas that need asphalt patching and asphaltting in neighborhoods for May/June.
- Provide contractor proposal to renovate siding at Pool A and B and to do roofing on Pool B.
- Get quotes from other handymen in the area for the May meeting.
- Report back on reimbursement and disbursement SOP at the May meeting.
- GM will report to board on staffing needs for the office.
- Set up work session to address neighborhood budgets and whether we should be allocating interest to neighborhood reserves
- GM will reimburse Laura Magnuson for cost of CSL deposition transcripts

ACTION ITEMS from May Meeting

- Kristin to ask Ben for date stamped copies of CSL motion filings
- Kristin and Sonia to work on getting a cash disbursement report with more details about expenditures
- Work with Beth from XML to make sure any materials posted on accounts have private information redacted
- Kristin will meet with swim team representatives to check and finalize schedule and to determine when there are lifeguards needed beyond the contract schedule. Contract needs amendment for those dates. Page 6