

## Meeting Minutes CGCA Board Meeting – May 12, 2011.

### **Board Members in Attendance:**

Gwen  
Geoff - Absent  
William  
Laura  
Henri  
Roland  
Sara  
Jonathan Sucher– Cardinal Management

### **I – Call to Order**

All to order at 7:02PM by Sara.

### **II – Guests at Meeting**

#### **Theresa Melson and Steve Dickerson of USI Morgan and Cheves**

Insurance Presentation by our insurance brokers. Expect premiums to rise later in the year across the country but don't expect an increase in the DC area. Careful to choose an insurance company that is financially sound. We use Travelers and they have the strongest rating available.

Overview of our property coverage; discussion of Master Policy vs. Personal Insurance. Written in line with our Association documents. Covers state of units at first conveyance. Any improvements are covered by owners HO6 policies. Building replacement cost is estimated at \$55 million. We have broad policy (guaranteed replacement cost or Guarantee Plus) that will cover us even beyond the \$55 million. Question regarding rebuilding to latest code and regulations. Our coverage gives us \$1 million for such items. We also have another \$1 million for when a building is partially damaged but the rest is not, we can knock down the undamaged portion and rebuild the whole. ICC = Increased Cost of Construction.

#### Other:

- Landscaping is covered by Open Perils clause. Covers damage due to weather (severe weather). Also guaranteed to replacement cost.
- Earthquake coverage is only \$1 million.
- Flood coverage is \$500 thousand.
- All this Coverage only kick-in after the \$10,000 deductible (per occurrence, NOT unit).

CGCA Maintenance By Laws contradict policy language. As such, for interior damage (such as vandalism), is covered after the deductible (\$10k damage). But only to the standard quality. Not any betterments. Question as to who would be responsible for the deductible. Per the By Laws,

the association is responsible for the deductible. Waiver of Subrogation extends to Board and association agents but not to tenants. In that case, insurance company will pursue the tenant for reimbursement.

General Liability Coverage – to address claims alleging negligence such as slip and falls. Two sub-parts:

- Host Liquor Liability Coverage: covers any incidents where the association serves alcohol during functions. Give away rather than selling (never do!).
- Products Liability Coverage: tainted food coverage served during function.
- Automobile Liability Coverage: coverage for accidents using personal vehicles while on association business. (Have employees provide copy of driving record on a yearly basis.)
- Hired Car Liability Coverage: coverage for rentals, hired vehicles during association business.
- Comprehensive Equipment Coverage: \$1 million for anything pressure driven, mechanical or electrical.
- Directors and Officers Liability Coverage: \$16 million coverage (per occurrence); some policies have a X% participation clause (e.g. 25%). Travelers does NOT have this clause. Our policy has coverage for all past, present and future agents whether elected or named; covers committee members; coverage for discrimination, employment practices. Covers for legal costs and also indemnify in case of a judgment against the policy holder AS LONG AS it discrimination wasn't deemed intentional.
- Judgments for non-physical injuries such as mental anguish and embarrassment covered by umbrella policy.
- Workers Compensation: provides required legal coverage.

Why continue to use Travelers and this insurance brokerage firm? Harder to get coverage the older the association. We've been with Travelers since 1998 and have loyalty. Our loss ratio for the past few years has been very good at less than 4%.

Brochure on Master Insurance versus Personal Insurance is on the website under the FAQ.

### **III – Community Forum**

Marion Tulino – what's the status of the pool. Pool passes have not been ordered. Discussion of whether to use Pool Passes this year and if so, any changes needed. Recommendation is to require pool guests to show a picture ID with their pool passes. Open question as to who will process the pass requests. No charge for guest passes but there will still be a limit of four guest passes per unit. Need to update the Pool Rules. Laura will do.

### **IV – Draft Minutes From Previous Meeting**

Henri meeting notes updates:

- IX: Executive Session – if we ARE an association... This was discussed in Open Session.

- Communications Committee – Sara was present but didn't have any updates.

### **V – New Business/Hearings**

Hearing – Akbar Sultan – 11256/243

Owner explained that tenants had purchased a 3<sup>rd</sup> car and were in the process of selling their old car. That situation has now been resolved.

### **VI – Officers Reports**

#### **President's Report - Geoff**

Absent.

#### **Vice Presidents Report - Sara**

Propose clarification of rules relating to bird feeders. Recommendation that they should be explicitly prohibited. The feeders in question have been taken down so we can roll into the general rules revision.

#### **Treasurers Report - Sally**

- #215 should be turned over to legal.
- CDs – Better rates if we buy CDs for 5 years. Get a rate of 1.5% versus the current 0.2%. Question as to the desired level of liquidity. We have a lot of \$ coming due this year.
- Budget: we are over budget.
  - Legal retainer is \$150/month. We are currently at \$5500 so far this year. The budget for the year was \$5000 total.
  - We've cut revenue by eliminating the fees.
  - Over on Schedule B
  - Over on Electrical
  - Over on snow removal
  - Need detail to Kolb for \$3000 in April.
  - Home Depot expenditures
  - Reston Paint expenditures
- Recommendation that board as a whole approve any legal expenditures.
- Requested that Jonathan provide an itemized view of how the legal charges were incurred.

#### **Secretary Report - Henri**

Noting to report.

### **VI – Committee and Board Working Group Reports**

#### **Amenities Report - TBD**

Previously discussed as it relates to pool.

### **Communications Report - Sara**

New email account [parkingandrules@chestnutgrovecondos.com](mailto:parkingandrules@chestnutgrovecondos.com) was created.

Laura requested that Jonathan been given the Administrative password for the master Network Solutions account.

Sent out several newsletters and has received lots of positive feedback.

Requested that Roland email her any new tenant information to add to the newsletter distro (name, email address). Have all the tenants with emails from the last parking book and this includes management companies. Note that residents have profiles/accounts on the website.

Quick discussion on when to scheduled Annual Meeting. Decision is December. Jonathan to provide exact date to add to the newsletter in the future.

Pool pass forms will be printed and dropped off at resident doors. Will also make form available online.

Stream Restoration Project: community walk scheduled for June 4<sup>th</sup>. Will be communicated to community via FB, newsletter and website.

### **Rules and Parking Report- Laura/Roland**

Covenants enforcement has been spotty. Need assistance to enforce. Suggests that we hire an employee.

Board members individually cannot call residents to hearings though designees are allowed to do so.

Board member cannot request Jonathan to call to hearing?

Recommendations: Jonathan provide proposal for a staff member with specific roles and responsibility for consideration at the next board meeting. Requirement that staff member cannot reside on the property. Communications with them should be only via official email.

### **Energy/Utilities Report - Geoff**

Absent.

### **Grounds Report – Gwen**

Recommendations for improvements was discussed. Some can be addressed by Francisco (5,6,7,8). Others will have to be bid out.

Jonathan took 50+ pictures of areas for proposed improvements. Will distribute to the board for feedback.

### **Facilities Report - Henri**

Bugs in building 11260. Need to treat whole building.

Building 11236 storage room is overloaded. Henri to address for cleanout.

Pool has been filled.

### **Finance Report – Sally**

Issues discussed earlier.

## **Whiele Avenue Report - TBD**

### **VI – Management Report**

Audit work to start next week.

Carpet cleaning notices go up next week.

Pool phone still an open item.

Will seek proposal for mortar point and tuck.

Wetlands agreement with the county: motion to approve by Henri, seconded by Sara, all in favor.

Discussion of the one parking violation hearing.

Recommendation to call in units 31 and 157 to a hearing next month; board requested unanimously.

Recommendation to call unit 19 to a hearing for broken blinds; board requested unanimously.

Discussion of dog rule violation accusation against unit 117 tenant. Need evidence or corroborating testimony.

### **X - Executive Session**

No executive session this month.

### **XI – Adjournment**

Motion to adjourn by Sara, seconded by Henri, all in favor at 9:45PM.