

Oella HOA Board of Directors Meeting
Monday February 15, 2010, 7:00 pm, Westchester Center

Attendees:

Board members: Dean Gray, Raina Rath, Scott Hall, Amanda Lauer, Shari Youngblood

Residents: Dan Hood, Toni Mullin, Pat Hogan, Don Drehoff, Kelly Drehoff

Called to order at 7:05 p.m. President Raina Rath briefly discussed the agenda, and the meeting commenced. January meeting minutes were approved.

Treasurer's Report:

- Treasurer Hall received communication from HOA attorney Susan Rappaport concerning how funds are allocated via capital vs. operating expenses in accordance with HOA law and Oella CC&Rs. Specifically, his question regarding the allocation of parking assessments, reserve fund, etc. was addressed. Ms. Rappaport responded that snow removal is a maintenance expense, and thus falls under the Annual Assessment; therefore, all owners are required to pay the cost of removing snow from the common areas. The Parking Assessment cannot be used to defray snow removal expenses. Snow removal for the year was budgeted at \$7,500 and currently totals more than \$12,000.
- The HOA has collected parking assessments for years (of 161 homes in the HOA, 128 have parking assessments while 33 do not), but has not been allocating the money to the reserve. Legally, the parking funds must be put into the reserve. PROBLEM: We have \$50,000 to spend against planned expenses of \$73,000. Funds may need to be reallocated. Concerning trimming the budget and reallocating expenses, cutting the purchase of Mutt Mitts and certain landscaping costs were suggested as possibilities.

[7:20 p.m. – Residents Don and Kelly Drehoff joined the meeting]

- A resident asked about Article VI, Section 2(b)(iii) of the Declaration, which provides that the Association may levy a Limited Assessment for the Limited Common Areas and sets forth the types of expenses for which the proceeds of the Limited Assessment can be used. President Rath noted that although there is a Declaration in place, there is nothing to stop the Board from amending it if necessary with appropriate member approval in accordance with the CC&Rs.
- Discussion about snow removal continued. A resident asked whether it was the responsibility of the residents or the HOA to clear common areas, such as the parking

lot designed for 737, 739, 741, 743, 745 & 747 Oella Avenue. Director Gray responded that there is a difference between unnumbered and numbered parking spots as far as resident responsibility is concerned.

- Treasurer Hall noted that the Board needs the go-ahead to shift money around between the Parking and Annual Assessments and has asked the attorney about this; if we cannot, then how should the Board pay for the snow removal expenses? On average, expenses total \$1,600-\$2,400 per snow plow run; so far, the (ballpark) figure totals \$12,000. The final bill has not yet been received. Treasurer Hall asked if plowing is limited by our contractors; in other words, should the Association spend more and hire a contractor with heavy equipment, essentially paying more for better service? In addition, there needs to be some agreement on when to call for the plow.
- President Rath noted that in past years, snow removal has always been adequate.
- Secretary Lauer noted that Alan Mangen has indicated that other HOAs under his purview are levying Special Assessments for snow removal costs this year, and that the Oella HOA should check into this as a possibility. She added that if so, it would have to be the same for all homeowners.
- A resident asked whether HOAs qualify for any special funds (such as those received by the State of Maryland) for unusual expenses such as this year's snow removal. The general consensus was that we do not.
- Treasurer Hall reviewed the January financials.
- Secretary Lauer stressed the importance of choosing a company to do the annual audit. Treasurer Hall noted that he had gotten 2 responses, but was waiting for additional information that hadn't yet come through, possibly because of the weather delays. Secretary Lauer noted that the Association's taxes need to be filed by 3/15 (versus 4/15 like individuals), and Treasurer Hall stated that he had been assured that this would be no problem.

ARC Update

- Director Ames was not present at the meeting; therefore, her input concerning 2010 ARC volunteers will be discussed at the March meeting.
- Resident Don Drehoff noted that he had expressed an interest in becoming an ARC member to Alan Mangen and to the Board, but had been told by Alan that his application would be put on hold until his pending fence issue was resolved. Resident Drehoff indicated that the HOA/ARC bylaws do not state that a person cannot be on a committee during a pending issue. Mr. Drehoff noted that he had received no formal correspondence from the Board, ARC or ACM on this matter. Secretary Lauer pointed out that the decision was not that he could not serve on the ARC, but that his participation not be allowed until after his pending issue has been

resolved as it would otherwise be a conflict of interest. Resident Drehoff again pointed out that it is not written in the bylaws that he cannot serve during a pending personal issue, and that he would therefore like to serve with the understanding that he would recuse himself from his own case.

- Resident Pat Hogan indicated that he also has an interest in serving on the ARC. President Rath noted that Marcia Ames is the Chair of the ARC, and that she will be contacted about their interest in joining the committee. She also mentioned that while the ARC has an interest in being inclusive (and that there is no maximum to the number of Residents on the committee at any one time), there is also an effort made to restrict membership to those who demonstrate a clear interest in the community as a whole. President Rath stated that the matter will be discussed with the ARC, and that a resolution concerning the applications of Mr. Hogan and Mr. Drehoff will be made quickly.

HOA Landscaping and Common Areas

- Secretary Lauer noted that the laminated display boards are ready to show the community, and that these will be made available as .pdf files. The designs will be posted online, and will be presented at the annual meeting.
- President Rath indicated that she has spoken with the tour manager from the community's Maryland House & Garden Pilgrimage tour, and that although the money (~\$17,000) was slated for a community entrance garden across from the Trolley Stop, the HOA would like to substitute a master landscaping project in its place as that is where the community currently has the greatest need. The money must be used for community beautification, however, and cannot be used to defray expenses such as those incurred by the large amount of snow in 2010.
- A resident asked about the landscape damage that is sure to present itself after the snow melts. Secretary Lauer noted that she has implemented an online plant sale, and that the hope is for it to earn a few hundred dollars that the Landscaping Committee can then use to replace damaged shrubs and trees.
- Secretary Lauer noted that ACM has not yet gotten a bid for the 2010 expenses from Neighborhood Lawn Care, but that there are areas in the landscaping budget from which money can be trimmed and reallocated if necessary; for example: the twice-yearly mulching can be trimmed to one; the twice-yearly hedge and bush trimming can also go to one; a hidden HOA common area behind the antiques store is currently being mowed by the HOA but no one can access it and it therefore serves no real purpose – stopping this would save \$45 per mow; also, less frequent mowing overall would be a good idea, as the current contractor mows the grass too short; the Millrace trail is currently trimmed twice yearly, at an expense of \$275 per trim; current

weeding quotes are \$35 per hour, per man – perhaps a better solution for necessary weeding can be found.

- Secretary Lauer mentioned that there was at one point a Mill Liaison Committee; Treasurer Hall agreed to contact the mill regarding assistance with trail maintenance.
- Secretary Lauer indicated that the Board can cease to purchase Mutt Mitts. A resident stated that before the appearance of the Mutt Mitts, there was a large problem with canine waste that has now improved greatly. She indicated a preference for a Special Assessment over cutting the Mutt Mitts and landscaping from the budget. Director Youngblood asked why it is not the responsibility of each dog owner to provide plastic bags for pet refuse removal. It was mentioned that because the Mutt Mitts are biodegradable, they are a better option.

Parking Committee

- The parking committee no longer meets now that the policy and tags have been distributed, and it was requested that the topic be removed from the agenda. Any outstanding parking issues will be addressed under New or Old Business.

Guidelines Committee Update

- A resident asked about the holdup of the Guidelines. President Rath noted that the Consultant has had some very serious health issues, and that it is hoped that the Guidelines project will resume again very soon. Once they are in a final state, a draft will be presented to the Board and then to the community at a later date.

Board Action Items

- The Board will not be hiring an independent secretary to record meeting minutes and proceedings, due to extreme budgetary constraints.

Old Business

- There has been no recordation of the Millrace Trail easement because there is simply no money in the budget for it.
- Drehoff fence issue – Resident Don Drehoff pointed out that the issue surrounding his fence has been going on for three years now, and that he has felt a general sense of unresponsiveness on the part of the Board and ARC. President Rath noted that he should have received a letter proposing the use of a community mediator (which Mr. Drehoff says he never received), and that it would be helpful in trying to piece together the elements of a 3-year+ dispute in a manner that was acceptable to all involved parties. Resident Kelly Drehoff mentioned that, among other things, they are worried about their reputation in the community.

- Treasurer Hall informed the group that he himself had had a deer fence issue, and that his position as a member of the Board was refused until the issue was resolved.
- Resident Don Drehoff expressed disappointment that his request to have a hearing moved from December to January was denied, yet the two ARC members he hoped to speak with – Charles Wagandt and Steve Appler – were not present at the hearing when it occurred.
- Treasurer Hall re-indicated the need for a (low-cost) mediator to help find a solution, stressing that the Board must defend itself in circumstances such as these, and that money must therefore be spent on legal fees.
- President Rath informed Mr. Drehoff that if he does intend to go ahead with the mediation, the 4th neighbor (referenced in his dispute) never came forth with a letter on his behalf. Mr. Drehoff stated that the neighbor in question had decided that he didn't want to get in the middle of the dispute, as he felt it to be a conflict of interest; President Rath suggested that it might be prudent for the neighbor to put that in writing.
- Charles James Circle encroachment issue – A resident asked for the cost of the survey; Treasurer Hall stated that it cost the Association \$500, as former President Steve Appler had asked the engineers conducting the survey to complete it with the instructions 'not to cap \$500'. President Rath stated that the homeowner at #811 had an extensive encroachment (32+ feet) in the form of a deck and retaining walls and would not supply even a retroactive ARC application. The HOA has legal responsibility for structures on HOA property, and therefore it is crucial that the matter be addressed. President Rath supplied each attendee with copies of the completed survey. The survey inadvertently revealed that two additional homeowners are encroaching on HOA property.
- A resident asked whether the homeowner at #811 has the right to buy the property in question. President Rath replied that, no, it would not be allowed. Allowing a homeowner to buy encroached-upon property would set an undesirable precedent.
- President Rath is currently exploring options; for example, the possibility of redrawing the easement line, etc. She is not a proponent of waste and does not want to incur large legal expenses, but at the same time must protect HOA interests and the encroachment is a very large one.

New Business

- 2010 Nominating Committee – Resident Kelly Drehoff volunteered to serve on the committee and asked for details concerning her expected duties. Secretary Lauer noted that the committee would be comprised of one Board member along with two additional members, and that the committee would need to come up with names for

open seats a few months before the annual meeting. The topic will be revisited during the March Board meeting.

- Communications – No issue with communications currently. No discussion.
- President Rath noted that the Resident who requested the solar panel issue did not show up to the meeting and that the topic had been a complicated one, with no legal precedent with the state. In the new Guidelines, alternative energy sources will be addressed.
- Several residents noted that they were flagged as ‘historic’ in the planning office, but were later told that they weren’t and could thus make changes to their structures without any special approval. The information they received was incorrect. In fact, the individual properties are not registered, but they fall within the Oella Historic District. They do not need approval from an historic trust.
- Open questions – Resident Pat Hogan indicated that he would like the snow removed in the lot behind his residence at 737 Oella Avenue so that he could use his spaces. He noted that he hired someone to do this - since the HOA didn’t have it done to his satisfaction - and that he would be attaching the bill for the service to his next Parking Assessment voucher. He mentioned that the spot allotted to 745 Oella Avenue melts and leaves dangerous sheets of ice every afternoon and that, overall, he has lost 7 feet of parking area. Director Gray pointed out that he was there when the snow was being moved and that the loader was blocked by a retaining wall in front and wires overhead, that he did the best he could in the moving of the snow. The resident indicated that the snow is not in his parking space, but is blocking ingress and egress into his space. He therefore moved the snow out of his way and into the parking lot. He added that small cars do not have the problem, but that he needs a large Suburban for his job, and that since he pays for snow removal, he feels he should be able to use the parking lot. He cannot find the salt boxes and feels the HOA’s responsibility is to keep the parking lots safe and accessible. He would like the lot salted daily, by 7 a.m. The resident was told to contact the Board at board@oellahoa.com if his lot is not being salted properly.
- A resident asked about the snow budget; i.e. if it is not used one year, where does it go? Treasurer Hall stated that it is put into the general operating fund.
- Resident Drehoff asked if the letter he will be receiving has any specific recommendations for mediators. President Rath indicated that she does know some free mediators, though they are not necessarily experienced.

Meeting adjourned at 9:20 p.m.