

**Minutes of the  
BOARD OF DIRECTORS MEETING  
Held: March 27, 2014**

Approved: April 10, 2014

A meeting of the Columbia Association Board of Directors was held on Thursday, March 27, 2014, at the Columbia Association Building. Present were the Chair, Andy Stack; members Gregg Schwind, , Cynthia Coyle, Brian Dunn, Alex Hekimian, Nancy McCord, Russ Swatek, Tom O'Connor and Suzanne Waller. Member Michael Cornell was absent. Also in attendance were CA Chief Staff Liaisons Jane Dembner and Susan Krabbe.

**1. CALL TO ORDER:** The Board of Directors Meeting was called to order at 7:05 p.m. by the Chair, Andy Stack.

**2. ANNOUNCEMENT OF CLOSED/SPECIAL MEETINGS HELD/TO BE HELD:**

There were three closed meetings:

The **Board of Directors** held a closed meeting at the Columbia Association Building on March 13, 2014. Members present were: Andy Stack, Michael Cornell, Cynthia Coyle, Brian Dunn, Alex Hekimian, Nancy McCord, Tom O'Connor, Gregg Schwind, and Russ Swatek. The vote to close the meeting was 9-0-0.

The closed meeting was authorized under the Maryland Homeowners Act, Md. Code, Real Property §11B-111 (4)(i) - Discussion of matters pertaining to employees and personnel. The meeting was closed from 10:35 p.m. until 11:15 p.m.

The **Board of Directors** held a closed meeting at the Columbia Association Building on March 20, 2014. Members present were: Andy Stack, Michael Cornell, Cynthia Coyle (via phone), Brian Dunn, Alex Hekimian, Nancy McCord, Tom O'Connor, and Russ Swatek. CA President Phil Nelson also attended. The vote to close the meeting was 7-0-1.

For: Messrs. Cornell, Dunn, Hekimian, O'Connor, Stack, and Swatek, and Ms. McCord

Against: none

Abstain: Ms. Coyle

The closed meeting was authorized under the Maryland Homeowners Act, Md. Code, Real Property §11B-111 (4)(vi) - Consideration of the terms or conditions of a business transaction in the negotiation stage if the disclosure could adversely affect the economic interests of the homeowners association. The meeting was closed from 7:35 p.m. until 8:50 p.m.

The **Presidential Pre-Selection Committee** held a closed meeting at the Columbia Association Building on March 24, 2014. Members present were: Andy Stack, Gregg Schwind, Michael Cornell, Cynthia Coyle, Jim Young, Ed Berman and Nat Alston. The vote to close the meeting was 7-0-0.

The closed meeting was authorized under the Maryland Homeowners Act, Md. Code, Real Property §11B-111 (4)(i) - Discussion of matters pertaining to employees and personnel. The meeting was closed from 7:42 p.m. until 9:53 p.m.

### **3. APPROVAL OF AGENDA:**

**Action:** Mr. O'Connor moved that the agenda be approved. Ms. Waller seconded the motion.

Mr. Stack asked that three items under the SIC agenda be removed because the presenters need more time for document preparation:

- 11(a)(1)(a): SHA Easement Request – Gales Lane
- 11(a)(1)(b): Verizon Easement Request – New Cell Tower at RV Park
- 11(a)(1)(c): Howard Hughes Corp. Easement Request for traffic light at cabling for Whole Foods and Haven on the Lake

The agenda as amended was approved unanimously. Vote: 9-0-0.

**4. DISCLOSURE OF CONFLICT OF INTEREST:** The Chair said no Board member had informed him of any conflicts of interest.

### **5. APPROVAL OF MINUTES**

**Action:** Ms. McCord moved to approve the minutes of **March 6, 2014**. Mr. Swatek seconded the motion. Board members requested three corrections:

1. At Line 32, after "... clarified so that," substitute "a" for "each."
  2. At Line 65, revise to read "Coordination with the 50<sup>th</sup> Birthday Celebration Committee"
  3. At Line 68, insert an "L" so the first word becomes "talking."
- The minutes as amended were approved unanimously. Vote: 9-0-0.

**Action:** Mr. Swatek moved that the minutes of **March 13, 2014**, be approved; Ms. McCord seconded the motion. Board members requested three corrections:

1. At Line 118, add: "This was in response to Mr. Hekimian's comment that the fee was inconsistent with CA's practice of not having initiation fees."
2. At Line 130, revise to read "Mr. Cornell said the Audit Committee unanimously voted to forward the report to the Board."
3. At Line 134, revise to read "Mr. Cornell said the Audit Committee unanimously voted to forward the financial statements to the Board."

The minutes as amended were approved. Vote: 8-0-1

For: Messrs. Swatek, Hekimian, Schwind, Dunn, O'Connor and Stack; and Meses. McCord and Coyle.

Against: none

Abstain: Ms. Waller

**6. RESIDENT SPEAKOUT:** There were five participants in Resident Speakout:

- (a) Dick Boulton, Ellicott City, lauded the CA Board for sending letters to Inner Arbor Trust re: Symphony Woods name, but expressed concern about IAT expenditures of CA funds.
- (b) Tom Scott, Wilde Lake, spoke about CA capital projects and the debt issuance CA is seeking.
- (c) Beverly White-Seals, Inner Arbor Trust Board of Directors, thanked CA for the idea of developing the land at Symphony Woods Park to make it a regional attraction.
- (d) Ed Coleman, Long Reach, spoke about the item on the agenda regarding CA representation on the Inner Arbor Trust Board of Directors.

(e) Cy Paumier, Harpers Choice, spoke about Inner Arbor Trust's plan for Symphony Woods Park.

**7. CHAIRMAN'S REMARKS:** On March 26, CA's Language Café celebrated its one-year anniversary at Wegman's grocery store with cake and more than 80 program participants present. The Columbia home tour will be on June 1. The Columbia clean-up day scheduled for March 29 has been cancelled due to expected rain. A Blandair Pathway meeting was held on March 27. A Howard Hughes Corp. downtown planning meeting is scheduled for March 31, the same day as a BOC meeting. The next CA board meeting will be held on April 10. Excite Columbia wrap-up night will be on April 1.

**8: PRESIDENT'S REPORT:**

- Mr. Hekimian asked when the IT advisory committee will meet. People were selected in January 2011 but the committee has never met.
- Mr. Hekimian questioned figures on Page 17 of the sustainability dashboard, saying the total number of sports and fitness visits in FY 2013 differed from the total of the numbers available from the budget document for each of the facilities. He also said that on Page 19, information on memberships sold and total dollars from membership should be for the same years.
- Mr. Swatek asked that the information for the ratios in the program be sent to the Board of Directors.
- Mr. Schwind asked why Ratios 5 and 6 on the CA financial dashboard do not reflect CA's economic health, as stated in the opening description of the "Economic Footprint" portion of the dashboard. Ms. Krabbe said Ratios 5 and 6 are guiding metrics for the organization.
- Mr. Stack said there may be an error in the X-axis labels on the "Total Dollars from Membership" table on Page 19.

**9. CHAIRS' REPORTS**

- (a) Board Operations Committee: Committee will meet on Monday, March 31.
- (b) External Relations Committee: None
- (c) Planning and Strategy Committee: None
- (d) Strategic Implementation Committee: None, other than changes on the agenda for this meeting.

**10. SPECIAL TOPICS AND PRESENTATIONS – None**

**11. COMMITTEE AGENDAS**

(a) Strategic Implementation Committee (*the first three items were deleted from the agenda*)

1. Discussion

~~(a) SHA Easement Request – Gales Lane~~

~~(b) Verizon Easement Request – New Cell Tower at RV Park~~

~~(c) Howard Hughes Corp. Easement Request – New Traffic Light Cabling – Whole Foods and Haven on the Lake~~

(d) Minority Business Enterprise Policy Sunset Clause

Purchasing Director Pat O'Malley answered Board members' questions about the Minority Business Enterprise policy. By the end of the third quarter of FY 14, CA had procured 9.7% of eligible expenditures from minority firms. The goal is 10%.

**Action:** Mr. O'Connor moved that the SIC recommend the MBE program be continued with the current goal of 10% until 2017. Mr. Dunn seconded the motion. Vote 2-1-0. Because the vote was not unanimous, the issue stayed in Committee for a second reading.

For: Messrs. Dunn and O'Connor

Against: Mr. Hekimian

Abstain: none

(e) Planned Issuance of Long-Term Debt

CA's CFO Susan Krabbe introduced Linda Ginty, Senior Managing Consultant of Public Financial Management (PFM). Ms. Krabbe explained the need for a \$30 million debt issuance. The goal is to take advantage of currently low market rates. Current expectations are that the financing will close mid-May. The Board will vote on the debt issuance during its next meeting.

(f) Inner Arbor Board Membership discussion

Mr. Schwind said that the agreement between CA and the seven-member Inner Arbor Trust Board of Directors gives CA the right to have its president and two CA Board members appointed to the IAT Board. Ms. Coyle said she wanted to go on record to say the Board is not trying to remove former CA Board Member Ed Coleman from the IAT Board, but he no longer represents CA. The Board discussed the need for a process of determining how to select its members to serve on the IAT Board and the length of time they would serve on the IAT Board.

**Action:** Mr. Hekimian moved that the SIC recommend that the Board accept nominations and vote for CA representatives to the IAT Board at the next meeting. Mr. O'Connor seconded the motion, which the committee passed unanimously. Vote: 3-0-0.

For: Messrs. Dunn, Hekimian and O'Connor.

Mr. Stack noted that the agenda for the SIC portion of the April 10 meeting will include discussion and possible votes on:

- Issuance of long-term debt
- SHA Easement request for Gales Lane
- Verizon easement request for new cell tower at RV park
- Howard Hughes Corp. easement for new traffic light cabling near Whole Foods
- Selection of CA representatives to the IAT Board

(g) Committee Tracking Form: Mr. Hekimian initiated a discussion of changes in CA salary ranges and said he wants the wording of the tracking form item regarding the salary study to include "pending completion of the compensation study."

(a) External Relations Committee

1. Discussion

(a) Town Hall Meeting – State of CA

Mr. Stack suggested that the Town Hall meeting be held in September instead of June, as previously discussed. In June the ERC will address the issue of preparing for the town hall meeting. Staff will recommend fall dates to the ERC.

(b) Information Needed on the CA Website

Mr. Swatek asked that staff come back next month with an estimate of the cost (in time and money) of adding a list of additional items onto the CA website. Erin McPhail of CA said past board agendas and minutes will be added to the website within two weeks. Mr. Stack noted that several residents have commented to him that information is easier to find on the new website than it was on the old one.

(c) Committee Tracking form

**12. RECOMMENDATIONS FOR BOARD ACTION:**

(a) Consent Agenda – None

(b) Recommendations for Action

1. Appoint External Auditors for the FY 14 Annual Audits of CA's Financial Statements and Incentive Savings Plan

**Action:** The Board voted to accept the Audit Committee's recommendation to appoint the external auditors recommended by the Audit Committee for the FY 14 Annual Audits of CA's Financial Statements and Incentive Savings Plan. The motion passed unanimously. Vote: 9-0-0.

**13. TRACKING FORMS**

- (a) Tracking Form for Board Requests. Ms. Waller will add an item for the tracking form that reflects her concerns about downtown parking as development continues.
- (b) Tracking Form for Resident Requests

**14. TALKING POINTS:** Recording Secretary Valerie Montague read the Talking Points.

**15. ADJOURNMENT:** A motion to adjourn the meeting was made by Ms. McCord and seconded by Mr. O'Connor. The open meeting was adjourned at 9:12 p.m.

Respectfully submitted,

Valerie Montague  
Recording Secretary