

MONTHLY MEETING MINUTES

June 28, 2017
Basketball Court

ATTENDANCE

BOARD OF DIRECTORS:

Mark Gillies
Andrea Michael
Donna Chaney
Michele Carroll (acting as proxy for Melissa Clark)

OFFICERS:

Mike Morency, president
Mark Gillies, vice president of planning and development
Andrea Michael, treasurer
Donna Chaney, secretary

MEMBERS: see page 5

VOTE TO CHANGE THE QUORUM FROM 51% TO 15%

1. 29 votes were cast on this issue at the May 24, 2017 meeting. Because the required threshold of 75% of the members (150 households) was not met, A vote was taken at that meeting to table the issue and hold the vote at the next meeting.
2. The results of the second vote taken at the June 28, 2017 meeting are:
 - 94 total votes cast (mailed and in-person); 47% of the total membership
 - 15 votes in favor of lowering the quorum to 15% (16% of the total votes)
 - 79 votes against lowering the quorum to 15% (84% of the total votes)
3. Because the threshold of 75% of the members was not reached for this vote, the matter is concluded without action.

DISCUSSION

1. Quorum vote background/comments from the board and president:

- a. The bylaws were originally written by the neighborhood developer, Dick Hull. They have not been amended or updated since their inception.
- b. The current quorum of 51% is needed when the annual board elections occur in November. The community votes to elect the board, which appoints officers and makes decisions about the direction of the neighborhood, including increasing dues, maintaining and updating the common areas, enacting special assessments, and contracting with vendors/suppliers.

- c. When a quorum is not reached at the annual election meeting, the members present at that meeting have always voted to table the issue to the following monthly meeting, where the members present at that second meeting constitute a quorum and have elected the board members for the upcoming year.
- d. It is not known whether this practice is valid, as the wording in the bylaws is unclear and ambiguous on this point.
- e. In 2011, Whiteford Taylor made a number of recommendations about changing the bylaws, including lowering the quorum; the current lawyer made the same recommendation.
- f. MD statute 5-206 allows a vote to be postponed until a second meeting if a quorum is not obtained at a first meeting and the people who are present at the second meeting constitutes a quorum.
- g. A higher member participation threshold – 75% – is currently needed to change the bylaws or covenants.
- h. It is believed that Maryland updated its statute relating to the votes needed to amend bylaws and covenants. As of October 1, 2017, when the updated statute goes into effect, a 60% majority will be required to amend homeowners' association bylaws and covenants (down from 75%).

2. Questions/comments from members:

- a. Can a motion be made to change the quorum to 25% and vote again?
 - Because this is a change to the bylaws, this would require the vote to be redone, which would require a new letter to be mailed to all members and a new vote to be taken at another meeting.
- b. Why was 15% chosen instead of a higher number?
 - Whiteford Taylor initially recommended a quorum of 25%. Another attorney stated that the quorum number selected should reflect the amount of people who typically show up at meetings. Based on this, 15% seemed like a reasonable number.
- c. Can the bylaws be changed to allow electronic voting and proxy voting?
 - This is a change that the board would like to consider if the bylaws can be amended.
 - The board is permitted by statute to send meeting notices and other information to members electronically if the members have given their approval to receive electronic communications. Maryland statute also allows members to submit a vote or proxy by electronic transmission if the board can verify that the vote was submitted by the member.
- d. If we are considering bylaws changes, 15% is too low. 25% should be the lowest number considered for a quorum.
- e. Members stated that dues should not increase to fund a new basketball court, tennis court, or playground.
- f. Members noted that a small group of individuals who feel strongly about something should not be able to vote in a board of directors who will carry out their wishes, potentially increase dues, or levy special assessments.

- g. How does the board handle HOA members who do not have, or have not provided their email addresses?
 - The board has identified a company that will convert electronic mailings to letters to reach these individuals.
- h. How much of the annual assessment goes to the trash collection?
 - The annual fee for the association is approximately \$40,000, which is \$202 per household.
- i. What is the current reserve on hand?
 - Approximately \$52,000.

3. Recommendations/next steps:

- a. Consider obtaining a legal opinion about what should be changed/updated in the bylaws and covenants, whether the practice of tabling the annual election vote to the following meeting and treating the members in attendance as the official quorum has been valid, and whether the change to the MD statute that lowers the threshold needed to amend homeowners' association bylaws to 60% applies to our HOA.
- b. Solicit volunteers to form a committee to identify updates needed to the bylaws and covenants, work with the lawyer to draft updated documents, and collect the votes needed for the amendments.
 - 12 residents volunteered at the meeting to help with this effort.
- c. Consider bringing back the street representatives to help with collecting votes to amend the bylaws and covenants.
- d. Hold the vote on amending the bylaws and covenants after the Maryland statute is changed to allow a 60% threshold for such changes, if applicable.
- e. Publicize the proposed changes multiple ways so that what is being voted on is clear to everyone and there is no ambiguity or subjectivity in the way the changes are presented to homeowners. Consider options like town-hall meetings, informational handouts, updates on the Harvest Farms website, and other forms of communication.
- f. Hire a firm to conduct a reserve study – a long-term capital budget planning tool that examines the physical assets and the finances of the HOA and identifies a multi-year plan to address maintenance, repair, and upgrades, along with changes to the reserves that are needed to fund this work.
 - The board has obtained two quotes from firms that specialize in reserve studies, for \$2,200 and \$2,800.
 - It was noted that we have all the historical financial information about what has been spent on maintaining the common areas so we should already know the costs, what work is required to take care of the amenities, and the time frame required for the work.
 - Many residents agreed with proceeding with a reserve study to establish a framework for a multi-year plan for the community.
- g. Conduct a survey of residents to identify priorities and areas of consideration for the board.
 - A survey is currently being developed and will be available in July.

4. Board votes/actions:

- a. **Authorize a neighborhood volunteer to acquire and install new tabletops and seats on picnic tables around the pond; expected expense: below \$1,000.**

ACTION: the board voted to authorize this and have the volunteer use a composite wood, as long as the cost is within reason. The board also suggested installing a cross-bar on the tables to prevent the legs from sinking into the ground.

- b. **Authorize a volunteer to acquire and install a sign at the pond honoring Ron and Andrea Kowaleski for their contributions to the community; expected expense: \$200 - \$250.**

ACTION: no action as the sign has already been purchased and installed.

- c. **Review a homeowner request to construct their backyard fence in a location different than the rear corner of the house.**

ACTION: the board voted to allow this request for the following reasons:

- The house is located on Little Barley Road, which consists of flag lots and is accessed by a private drive. The five homes in this area are not visible from any public roadway or other homes in the community. Only one other area in the neighborhood – Barley Drive – is similarly constructed of flag lots and accessed by a private drive.
- The lot is a small, angled space and locating the fence where the owners requested would allow them to maximize their limited yard space.
- The house is not immediately adjacent to any other homes (one side is an empty space partially filled with growth and the other side is comprised of a paved strip that is intended to be used as an additional parking area for the five homes on the private drive).
- The owners obtained the approval for the fence of the two homes abutting their back yard.

5. Upcoming meetings: TBD

VOLUNTEERS FOR THE BYLAWS/COVENANTS UPDATE:

Robyn DellaCroce

Susan Garde

Phyllis Kerr

Macke Kimmett

Becky Lawson

Kristie McCorkill

Kathy Newton

Randy Riesett

Chuck Rettaliata (interested in being a street representative)

Rob Smith

Mike Whiteford

Lynn Woodruff

Jean Woods

MEMBERS PRESENT

June 28, 2017

Becki Lawson
Greg Hiltz
John Schell
Jean Woods
Beth and Michael Whiteford
Karen Pohl
Betsy Sandine
Mark and Adele Kootz
Rob and Sue Smith
Linda Tarnalicki
Margot Williams
Steve Frey
Erin Holms
Sherry Mobley
Chad Farley
Bill Gallagher
Tom Hedrick
Joe Tier
Phyllis Kerr
Peter O'Toole
Linda Breedlove-Schell
Amanda and Kurt Griffin
Jodi and Terry Lawrence
Tracey and Jeff Brocious
Walt and Thelma Hanwell
Nick and Danielle Padula
Chuck Rettaliata

John Cheatham
David and Pamela Caplan
Patricia Liberatore
Timothy Case
Gilbert Cosden
Angela Bassett
Deena Farley
Vicki Gallagher
Kristie McCorkill
John and Susan Garde
Macke Kimmett
Barb Demers
Fred and Elizabeth Thompson
Lynn Woodruff
Michele and Tomas Carroll
Wendy Gillies
Pete and Robyn DellaCroce
Kevin Groves
Dwight and Kathleen Newton
Randy Riesett
Heston and Elise DuBay
Kathy Hardesty
John Hazlett
Jeremy Hagy
Ken Brown
Ken Hollasch