

1 **PALLADIAN CONDOMINIUM COUNCIL OF UNIT OWNERS**  
2 **MINUTES**  
3 **BOARD OF DIRECTORS REGULAR MEETING**  
4 **THE CLUB ROOM**  
5 **38 MARYLAND AVENUE, ROCKVILLE, MD 20850**  
6 **MONDAY, JULY 20, 2009, 7:10PM-9:07PM**

7  
8 **PRESENT:**

8 **ABSENT:**

9  
10 Adam Weber                      President                      Scott Ross      Member-At-Large, RD  
11 Bob Justis                      Vice President  
12 Jack Jaeger                      Treasurer, RD  
13 Michael Schwartzman      Secretary, RD  
14  
15 Victoria L. Myers              General Manager  
16 Karen Kodjanian              Property Manager, Zalco Realty, Inc.  
17  
18 Residents                      Sixteen

19  
20 **QUORUM/CALL TO ORDER:** Quorum was established at 7:10PM, at which time Mr. Weber called the Monday,  
21 July 20, 2009 Board of Directors regular meeting to order. Ms. Leenan Hayden, an independent contractor, was  
22 present to record the meeting.

23  
24 **APPROVAL OF AGENDA:**

25  
26 ***MOTION:*** Mr. Jaeger moved and Mr. Schwartzman seconded to approve the Agenda for the Monday, July 20,  
27 2009 meeting of the Board of Directors as presented. ***MOTION PASSED: Unanimously (4-0-0)***

28  
29 **APPROVAL OF MINUTES:**

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31 ***MOTION:*** Mr. Schwartzman moved and Mr. Justis seconded to approve the minutes of the Monday, June 8,  
32 2009 minutes of the Board of Directors meeting as presented in the Management Report, P1-P6.

33 ***MOTION PASSED: (3-0-1)***  
34 ***In Favor: Mr. Weber, Mr. Justis, Mr. Schwartzman***  
35 ***Opposed: None***  
36 ***Abstained: Mr. Jaeger***  
37

38 **PRESIDENT'S REPORT:** Mr. Weber attended a meeting regarding Maryland Condo Act legislative updates.  
39 The meeting was hosted by Mr. Pete Philbin, of Rees Broome, the attorney for the Association. The following  
40 issues were covered:

41  
42 **A. New Maryland Condo Law Regarding Deductible Issue:** A new Maryland law now makes it clear that if the  
43 cause of damage comes from within a unit, that unit owner may be responsible to pay up to \$5,000 to the  
44 Association. A claim can be filed with the HOA insurance policy for damages over the \$5,000. Mr. Weber advised  
45 that all unit owners must make absolutely sure that they are adequately covered by their own "HO-6" policy, and  
46 that the coverage includes the \$5,000 deductible should damage occur in their units. The HO-6 will cover personal  
47 losses and should supplement what the master policy does not cover, such as theft, vandalism and personal liability.

48  
49 **B. Fidelity Insurance Coverage:** The Association is required to have Fidelity Insurance coverage equal to three  
50 months of the community's first annual assessment plus all reserve funds held at the time that the policy is issued, or  
51 three million dollars, whichever is less. Ms. Kodjanian has placed the Association in compliance with the required  
52 insurance coverage.

53  
54 **C. Clarification of the Seven Reasons That a Board Can Meet in Closed Session:**

- 55  
56 1. Discussion of matters pertaining to office staff and other personnel.

- 57 2. Protection of the privacy and reputation of individuals in matters not related to the council of unit
- 58 owners business.
- 59 3. Consultation with legal counsel on legal matters.
- 60 4. Consultation with staff, personnel, attorneys, Board members, or other persons in connection with pending or
- 61 potential litigation or other legal matters.
- 62 5. To investigate proceedings concerning possible or actual criminal misconduct.
- 63 6. Complying with specific constitutional, statutory, or judicially imposed requirements protecting
- 64 particular proceedings or matters from public disclosure.
- 65 7. Discussion of individual owner assessment accounts.

66  
67 **DEVELOPER’S REPORT:** Mr. Schwartzman reported that there is nothing new to report since the BOD meeting  
68 in June. There are 81 settled residents and 70 leases to own.

69  
70 **COMMITTEE REPORTS:**

71  
72 **Building Maintenance Committee (BMC):** Ms. Cheri Justis, Committee Chair. A report was not submitted and  
73 there was nothing new to discuss.

74  
75 **Policy/Rules Committee (PRC):** Ms. Sondra Block, Committee Chair. A report was not submitted but the  
76 following issue was discussed:

- 77  
78 **1. Move-In/Move-Out Fees:** The Move-In/Move-Out Rules were previously delivered to the Board for review.  
79 There was a discussion about the need to maintain a reasonable refundable or non-refundable Move-In/Move-Out  
80 Fee to cover damages incurred during such activities. **Action: Since Ms. Block could not be present the PRC**  
81 **will review the issue and report their recommendations to the Board.**

82  
83 **Safety and Security Committee (SSC):** Mr. Larry Nissenbaum, Committee Chair. A written report was provided  
84 to the Board and Management (**See Management Report, P18**). The following issues were discussed:

- 85  
86 **1. Speed Bump:** The SSC requested that the Board approach the City of Rockville and request that they install a  
87 speed bump on at the driveway that leads to the Block 5 garage and loading dock. There have been multiple  
88 sightings of people speeding around the curve. It was suggested that a comprehensive study of speed dangers be  
89 performed by the City.

90  
91 ***MOTION: Mr. Schwartzman moved and Mr. Jaeger seconded to direct Ms. Myers to draft a formal letter to the***  
92 ***City of Rockville, on behalf of the Palladian Condominium Board Of Directors and Unit Owners, requesting the***  
93 ***installation of an additional speed bump at the driveway that leads to the Block 5 garage and loading dock.***  
94 ***MOTION PASSED: Unanimously (4-0-0)***

- 95  
96 **2. Decibel Levels:** The SSC has submitted three vendors to Management that the residents can contact if they  
97 want to have their decibel levels checked. The normal decibel range falls between a minimum of 75 decibels to a  
98 maximum of approximately 125 decibels. **Action: Ms. Myers will include a notice in the next newsletter that**  
99 **residents wishing to have their decibel levels checked should contact Management for the vendors who**  
100 **perform the tests.**

101  
102 **Social Committee (SC):** Ms. Linda Gombos, Committee Chair. A written report was not submitted but the  
103 following issues were discussed:

- 104  
105 **1. Summer Chill Out:** It was reported that the “Summer Chill Out” held on Sunday, June 19, 2009 was successful  
106 and a crowd of about 56 people showed up to enjoy the event. A “Happy Hour” will be scheduled for sometime in  
107 August.

- 108  
109 **2. Reimbursement Issues:** Various options were discussed regarding establishing a more efficient process of  
110 managing the payment of vendors/reimbursement of expenses incurred by the SC. **Action: It was agreed that at**  
111 **least 10 days before an event the SC should submit an event budget to Management. Management will**  
112 **submit a check request to Zalco. Receipts should be turned in to Management after the event.**

113 **Ad Hoc DirecTV Committee (TVC):** Mr. Jim Haser, Committee Chair. A written report was submitted on Friday,  
114 July 17, 2009 (See Management Report, P14-P19). The following issues were discussed:  
115

116 **1. 2001 Satellite Systems (2SS) DirecTV:** Of the three contract options reviewed, the TVC recommended Option  
117 #3(Backbone DTH). 2SS will install 3 HD satellite dishes on the roof. There will be no penetration of the roof.  
118 The interior of the building will be accessed through 3 HVAC vents on the roof located near the risers. Cables will  
119 go through the dropped ceiling and point of demarcation in the telecom closets. The process will take about 4 days.  
120 An attorney for the FCC has confirmed that this process is legal. There will be a one-time installation cost of \$4500  
121 to the Association. Unit owners who want DirecTV will pay a one-time connection fee of \$100 and will then be  
122 billed individually by DirecTV. Comcast currently charges an amount of \$109 /month. DirecTV cannot market on  
123 the property. The Board would like to review the 2SS contract, submit the contract to legal counsel to review and  
124 check insurance/warranty issues.  
125

126 **MOTION:** *Mr. Justis moved and Mr. Jaeger seconded to move forward with the 2SS DirecTV Option #3 pending*  
127 *contract review by legal counsel, that the reviewed contract is satisfactory to the Board, that there is a proper*  
128 *warranty in place and insurance coverage under the proper entities is secured. MOTION PASSED:*  
129 *Unanimously (4-0-0)*  
130

131 **Ad Hoc Building Transition Study Committee (BTSC):** A written report was not submitted and there was no  
132 discussion.  
133

134 **TREASURER'S REPORT:** Mr. Jaeger summarized the 2009 YTD financial statement of the Association as of  
135 June 30, 2009. An amount of \$566,000 in the Cash Account has been laddered into eight different accounts. Most  
136 line items are below budget, including parking, utilities, contracted services, payroll, and administrative. Total  
137 operating expenses came to \$332,000 compared to a budget of \$392,000. Repairs and Maintenance is showing over  
138 budget due to furniture and fixtures replacement.  
139

140 **COMMUNITY MANAGER'S REPORT:** Ms. Karen Kodjanian reported on the following:  
141

142 **1. Audit Update:** Management is still waiting for DeLeon and Stang to complete the 2007 and 2008 Draft Audit  
143 due to the significant complexity of the project and funding and billing between various entities.  
144

145 **2. Copier:** Advanced Business Systems delivered the new Canon color copier on July 1, 2009. Centrix picked  
146 up their copier on July 15, 2009. Advanced will schedule a date to install and hook up the new copier and provide  
147 training to the staff. The cost for the copier is \$245 and will be divided equally between the Palladian, Palladian  
148 Leasing and the Sales Office.  
149

150 **3. Janitorial Service:** Proposals were received from Beltway Cleaning Service, Capital Building Maintenance,  
151 Clean Mark and Sweeney. Management recommended cancellation of Beltway Cleaning and that the proposal  
152 submitted by Clean Mark be approved. Clean Mark offers better training, better price and service and will work  
153 with Palladian requirements and staff. The contract can be cancelled in thirty days. Management was not pleased  
154 with the way the current cleaning company handled the marble floor cleaning. Pros and cons were discussed.  
155

156 **MOTION:** *Mr. Schwartzman moved and Mr. Justis seconded to accept the cleaning proposal submitted by Clean*  
157 *Mark, as recommended by Management. MOTION PASSED: (3-1-0)*

158 *In Favor: Mr. Schwartzman, Mr. Justis, Mr. Jaeger*

159 *Opposed: Mr. Weber*

160 *Abstained: None*  
161

162 **4. Utilities - Studebaker Submetering:** Studebaker visited 15 units in order to make adjustments to the meters.  
163 Feedback has not yet been received. Ms. Kodjanian supplied a summary of the billing period of the past month. A  
164 correction has been made regarding an overbilling of usage charges and Ms. Kodjanian will to do a billing analysis  
165 from the time Studebaker began services to the present and going forward as well.  
166

167 **5. On Site Management Meetings:** Meetings were held with Ms. Myers and the Building Engineer.  
168

- 169 **6. Engineering Study:** The meeting with the two of the three vendors proposing to perform the Reserve Study  
170 has been scheduled for Friday, August 7, 2009 from 8:30AM-9:15AM and 9:15AM-10:00AM. If anyone would  
171 like a specific issue addressed they should contact Management in advance of the meeting.  
172
- 173 **7. Deodorizer for Garage Sanitary Pit:** Last month Management provided a proposal from Metrochem for an  
174 electronic device that would neutralize the odor problem in the garage caused when there are problems with either of  
175 the two pumps. The MSDS sheets have been supplied with the proposal. There was a discussion regarding why the  
176 pumps fail and do both have to fail to cause an odor. Danny has learned how to check the pumps on a monthly  
177 basis. **Action: Ms. Kodjanian will investigate the reason the odor occurs and if the pumps function as two  
178 separate pumps.**  
179
- 180 **8. Fireplace:** Ms. Myers supplied Ms. Kodjanian with the electric fireplace insert repair proposal submitted by  
181 Acme Woodstoves. The device is made by Manesson Industries, model EF. A proposal has been submitted by  
182 Stonestreet Contracting, Inc. to recreate and repair the entire Venetian plaster wall after the insert has been installed.  
183 The proposals are under review.  
184
- 185 **9. Bike Rack:** Bike racks were installed in the Block 4 and Block 5 garages.  
186
- 187 **10. Telephone Bills:** Ms. Myers sent a letter to Mr. Noel Gonzalez, City of Rockville, dated July 7, 2009, seeking  
188 reimbursement for payment of two telephone lines. Accompanying the letter were 16 telephone bills for the period  
189 of October 2007 to May 2009, totaling \$887.40. The City Of Rockville should contact Verizon, without delay, to  
190 have the subject telephone lines appropriately listed in its name. If the City does not turn the telephone bills into  
191 their name and does not reimburse the Palladian, the phone lines will be turned off.  
192
- 193 **11. Concierge Service:** On July 11, 2009, a continental breakfast was held in the Palladian Club Room and was a  
194 huge success. In compliance with a request by Ms. Cheri Justis, Premiere Concierge has committed to doing several  
195 breakfasts at the Palladian throughout the year.  
196
- 197 **12. Correspondence:** Various disturbance violation letters were sent out by Management (**See Management  
198 Report Addendum, P1-P5**).  
199
- 200 **13. Broken Slat on Club Room Blind:** A slat was broken on a blind in the Club Room. The video does not show  
201 when it happened or who did it. Maintenance is working on repairing the broken slat. Ms. Myers intends to  
202 investigate options to keep the blinds from hitting the doors/windows when they are opened and closed. **Action:  
203 Ms. Myers will contact the security company and request that they provide additional training to the SSC  
204 and Management on the operations of the video equipment.**  
205
- 206 **14. Outside Patio:** The BMC completed the improvements to the patio outside of the Club Room. The total cost  
207 for the update was \$2,635.69 (**See Management Report Addendum, P6**).  
208
- 209 **15. Due Process Resolution and Memorandum:** A sample policy resolution has been provided by legal counsel  
210 relating to rules violations and dispute settlement procedures for the Board to review (**See Management Report  
211 Addendum, P7-P13, Policy Resolution No. 2009-X**). Mr. Weber explained that the Maryland Condo Act has  
212 guidelines defining procedures/steps to be taken when Bylaws/Rules violations occur. A written draft of the  
213 proposed guidelines, Policy Resolution No. 2009-X, which was drafted by legal counsel, was previously emailed to  
214 the Board for consideration. The proposed guidelines policy resolution mirrors the Maryland Condo Act. Several of  
215 the PRC members do not agree with the draft of the proposed guidelines. The Condo Act cannot be changed but  
216 amendments to the rules can be made. The first violation letter can still be sent out by Management. The Board  
217 agreed that the proposed policy resolution should be distributed to the Association members for their review. The  
218 Association will be given ten days to consider the resolution. A special meeting will be scheduled so the  
219 Association can supply feedback for the Board to consider.  
220  
221  
222  
223

224 **MOTION:** *Mr. Schwartzman moved and Mr. Jaeger seconded to submit to the members of the Association for*  
225 *their review, the draft of the proposed Bylaws/Rules Violations Guidelines, Policy Resolution No. 2009-X, as*  
226 *submitted by legal counsel. The members will have ten days to review the resolution before a special meeting is*  
227 *held where the Association can supply feedback for the Board to consider. MOTION PASSED: Unanimously*  
228 *(4-0-0)*

229  
230 **16. RTS HOA Meeting:** The RTS HOA will hold a meeting in the Club Room at 7:00PM, before the Palladian  
231 BOD meeting, September 14, 2009.

232  
233 **GENERAL MANAGER'S REPORT:** Ms. Vicki Myers provided the Board with a written monthly report and her  
234 meeting report was combined with Ms. Kodjanian's report.

235  
236 **OLD BUSINESS:**

237  
238 **1. Painting Proposals: Action:** The Board agreed to remove the painting proposals from the Agenda and to  
239 revisit the issue after the Engineering Study has been completed.

240  
241 **2. Sonitrol:** The Sonitrol contract expires October 2011. Management has three proposals from security  
242 companies. **Action:** Management will email any Sonitrol poor performance documentation and the three new  
243 security company proposals to Board to review before the September BOD meeting. **Action:** Ms. Kodjanian  
244 will send the Ten Security Proposal to the Board tomorrow, Tuesday, July 21, 2009.

245  
246 **3. Crash Bar Installation in Public Lobby:** Three bids should be submitted this week, item tabled until a future  
247 Board meeting.

248  
249 **4. Guest Parking:** Mr. Jaeger informed the Board that guest parking is a liability issue and not a good idea.  
250 **Action:** Mr. Jaeger will ask the insurance agent what it would cost to cover guest parking.

251  
252 **5. Block 5 HOA Meeting/Minutes:** Ms. Kodjanian has not received clarification of whether Block 5 HOA will  
253 supply the minutes of their meetings. After speaking with legal, it is not required of the Block 5 Master Board to  
254 hold open meetings. The Block 5 Master Board is required to invite a Palladian representative to the Block 4 Master  
255 meeting. The current representative is Mr. Scott Ross and he should be reporting what happens at the Master  
256 meeting. **Action:** Mr. Ross will be contacted and asked to supply the minutes of the Master Association  
257 meetings to the Board.

258  
259 **NEW BUSINESS:**

260  
261 **1. Official Notification Area:** The Board felt that there should be an official designated bulletin board area where  
262 residents know they can refer to regarding about Palladian issues.

263  
264 **MOTION:** *Mr. Justis moved and Mr. Jaeger seconded that the Main Lobby Bulletin Board be designated the*  
265 *official notification area that residents can refer to about the Palladian issues. MOTION PASSED:*  
266 *Unanimously (4-0-0)*

267  
268 **2. Fire Doors Paint Color:** There was a discussion to spruce up the elevator lobbies. Management recommended  
269 that the #6 elevator lobby should be made to look like the #3 elevator lobby. A dark colored primer will be used so  
270 nicks cannot be obvious. **Action:** The Board will take a look at the elevator lobby doors and get back to Ms.  
271 Myers with their decision.

272  
273 **3. Additional Security Cameras:** Due to recent vandalism and in order to protect lobby décor the following  
274 motion was proposed:

275  
276 **MOTION:** *Mr. Justis moved and Mr. Schwartzman seconded to direct the SSC to investigate and obtain*  
277 *proposals to install six additional cameras for the mezzanine, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup> and Penthouse floors. MOTION*  
278 *PASSED: Unanimously (4-0-0)*

279

280 **4. Letter to Residents Regarding Engineering Study Survey:** The engineering company will begin with a  
281 standard survey to the residents with questions regarding any in-unit deficiencies. The surveys are returned under  
282 sealed envelope to the engineering company. Legal counsel has informed the BOD that they have the ability to get  
283 involved in issues that are common to more than one unit. The Engineering Survey results will be submitted to the  
284 entire Association to review. Mr. Justis suggested that a letter be distributed to the residents asking that they be  
285 forthcoming and honest when answering the engineering survey which could identify common in unit problems.  
286 Pros and cons were discussed at length.

287  
288 **MOTION:** *Mr. Justis moved and Mr. Weber seconded to approve that a letter be sent to the residents from the*  
289 *BOD, requesting they be forthcoming and honest when answering the engineering survey which could identify*  
290 *common in unit problems.* **MOTION FAILED: (2-2-0)**

291 **In Favor:** *Mr. Weber, Mr. Justis*  
292 **Opposed:** *Mr. Jaeger, Mr. Schwartzman*  
293 **Abstained:** *None*

294  
295 **OPEN FORUM:** The following issues were recognized and discussed by the Board:

296  
297 1. A resident wanted to thank Ms. Justis regarding her work in getting the temporary fence installed between the  
298 patio and the public garage. The City will eventually replace will replace the fence with a permanent fence.

299  
300 2. The Montgomery County Commission on Common Ownership Communities Survey (CCOC) has been sent to  
301 HOA's in Rockville. The purpose of the survey is to extend the commission's jurisdiction to the associations located  
302 in the City of Rockville. The Mayor and Council must adopt Chapter 10B of the County Code. Adopting Chapter  
303 10B would require all common ownership communities in Rockville to register with the CCOC and to pay the  
304 County's annual fee of \$2.75 per unit. Some services provided by the commission include; dispute resolution  
305 services with due process for all associations and its members, advice to County Council, County Executive and  
306 County Government offices on matters related to common ownership communities, educational programs/technical  
307 assistance to unit owners and Board members, and a program to regulate common ownership community elections,  
308 budget adoptions, and enforcement procedures.

309  
310 3. A resident wanted to know why there are display boards in all elevators except for one. **Action: This issue**  
311 **will be placed on the Agenda for the September BOD meeting.**

312  
313 4. Grocery Store Update: Nothing has been finalized.

314  
315 5. The Board confirmed that the Engineering Survey will be distributed to the entire Association.

316  
317 **NEXT MEETING:** Monday, September 14, 2009, at 7:00PM in the Club Room.

318  
319 **ADJOURNMENT:**

320  
321 **MOTION:** *There being no other regular business, Mr. Justis moved and Mr. Schwartzman seconded to adjourn*  
322 *the Monday, July20, 2009 regular meeting of the Palladian Condominium Association Board of Directors at*  
323 *9:07PM.* **MOTION PASSED: Unanimously (4-0-0)**

324  
325 These Minutes are Respectfully Submitted by,  
326 Leenan Hayden  
327 Recording Secretary

328  
329 **APPROVED & ATTESTED TO BY:** \_\_\_\_\_ **DATE** \_\_\_\_\_

330 Michael Schwartzman, Board Secretary

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332  
333  
334  
335