

**PALLADIAN CONDOMINIUM  
MINUTES OF MEETING OF THE BOARD OF DIRECTORS  
DECEMBER 15, 2008**

**MEMBERS PRESENT:**

Adam Weber, President  
Bob Justis, Vice President  
Mike Schwartzman, Secretary

**ABSENT:**

Scott Ross, Member-at-Large  
Jack Jaeger, Treasurer

**ALSO PRESENT:**

Karen Kodjanian, Property Manager, Zalco Realty  
Victoria L. Myers, General Manager

1. Call to Order – The meeting was called to order at 7:00 by Mr. Weber.
  2. Approval of Agenda – The agenda was approved as presented.
  3. Approval of Minutes – The minutes of the meeting held November 10, 2008 were not available and will be approved at the next BOD meeting.
  4. President's Report – Mr. Weber presented report which was received and made part of the record. (Copy on file in the Management Office and available on the web site.). During his report, he introduced Vicki Myers, the new General Manager for the Palladian and the HOA.
  5. Developer's Report – Mr. Schwartzman reported that there are currently 5 vacancies left in the building.
  6. Open Forum –
    - Painting Halls** – A resident commented regarding the painting of the halls.
    - Broken Marble** – A resident commented regarding the cracked marble in the lobby.
    - Smell in residential unit** – A resident commented regarding an odor in her unit that has been under investigation by the developer. She asked that the Board ensure sufficient monies were included in the budget for the building engineering study. She wanted to ensure that the implied warranties and other rights of the council of unit owners and individual owners are considered during the study.
- 2009 Proposed Budget** – Several residents spoke in relation to the 2009 proposed budget that was sent to all owners.

At this point in the meeting, the BOD agreed to move the budget discussion to this portion of the meeting. Significant items discussed include:

- i. The original budget sent out for comment included a 17% proposed reduction in assessments. Adam noted that window washing and a couple of other items were not included in the original proposed budget and the proposed reduction was now 10%.
- ii. Management commented that they will propose replacement of the current cleaning contractor and they received a verbal proposal of \$34K from another contractor, management recommended that this amount be included in the budget.
- iii. Mike was concerned that there was not enough budgeted for utilities and wanted to ensure the condo did not underbudget this item.
- iv. Residents raised concerns about a proposed budget reduction as they wanted to ensure that enough money was in reserves. They commented that a reserve study was not yet complete and we may not be putting enough money into reserves. They also commented that there are known issues in the building and additional money should be included in the budget for an extensive engineering study.

After lengthy discussion, it was agreed that the 2009 assessment would be decreased by 5%. However, the budget would not be formally adopted until December 23, 2008. The reduction is a change from the original proposed 17% reduction because of the items noted above.

7. Committee Reports – There were no committee reports submitted for inclusion and discussion during the meeting.
  - a. Policy/Rule Committee – The policy and rules committee prepared a report but failed to send it to management or the Board, therefore it was not included in the Board package. The committee would forward the email after the meeting and their report would be reviewed at the Jan meeting.
  - b. Safety and Security Committee – Recommendations were received and made part of the record. Lights will be installed at the public entrance to the Block 5 garage shortly. It was noted that an additional portion of the Palladian garage is exposed to less than adequate security. The gate at the exit of The Palladian Garage to the City Garage has a gated door that can be reached through and opened. The manager and building engineer will review and determine the best course of action.
  - c. Social Committee – No report.
  - d. Building Maintenance – The committee did not submit a report in writing but noted several of the issues that have not yet been remedied.
8. Treasurer Report – Mrs. Kodjanian reviewed the financial position for the association. She noted that copies of the financial reports are held in the Association Office and residents are welcome to go in and review them if they choose. The Master HOA owes

the Palladian approx. \$40K for insurance payments, management is working to get reimbursement for the Palladian.

9. Management Reports –

a. Community Manager Report (Ms. Kodjanian) –

1. The Management Office has officially moved to the unit where the Sales Office is located. Unit 313
2. TV for the Clubroom – It was agreed the television would not be replaced until the security cameras were installed.
3. Audit – The audit is taking significantly longer to complete because of some of the issues relating to billing. They requested copies of many of the bills with the supporting back up and contracts to correctly prepare the audit.
4. Direct TV – Vicki identified a company (MDUC) that could provide Direct TV and promised to provide information. Mike discussed how cables could be run above the hung ceiling.
5. Window Washing – To be discussed under old business.
6. Engineering Study – One of the two proposals for the engineering study was submitted from Thomas Downey. There is one modification to be made to the proposal. The last proposal Management is waiting to receive is from Davidson and Associates. Once received, the BOD will have an opportunity to meet with each and make a decision of the firm to use.
7. Collection Policy – A draft collection policy was included for review. The policy has been taken directly from the currently governing documents and will be distributed when there is another rule to be distributed.
8. Temporary Maintenance Employee – Rodney Johnson began working with The Palladian on Monday, September 15, 2008. Rodney will be focusing on painting and helping Mr. Cahill with some of his overload.
9. Fireplace – Management personally provided the \$125.00 fee from Offenbachers to come to site and repair the fireplace. They processed the fee and have collected funds but did not show up for their scheduled appointment on November 24. Karen is discussing with legal the next course of action since Offenbachers is being non-responsive.
10. Proposed Bylaw Amendment – Management provided the BOD and the Rules Committee with a draft of the proposed bylaw amendment for a cap on rental units. Mike noted that the developer's lawyer had rejected the Bylaw amendment. Mike agreed to understand why and work with the RD Rockville legal team to modify the bylaw amendment to something satisfactory for them.

10. Old Business –

- a. Copier for Management Office – At present, there is no need or space for a separate copier in the Management Office since the office has been moved to unit 313 with the Sales Office.
- b. Window washing – Mr. Weber noted that he had spoken with the permitting office and he is in the process of scheduling a conference call between the permitting office, Valcourt (window washers), Vicki and him to discuss the best possible plan to have the window washing completed.
- c. Marble – Management met with several marble restoration companies to discuss the need for the process of getting the marble refinished. After evaluation, it is Managements recommendation to use Rose Restoration to resurface the marble and also provide a maintenance contract going forward.

***On a motion by Mr. Justis, seconded and unanimously carried, the Board agreed to engage Rose Restoration to resurface the marble and provide the maintenance contract. The restoration is approved for a cost of \$13,000 and the quarterly maintenance is approved for a cost of \$2,600 per year..***

The BOD also instructed Ms. Myers to meet with Rose Restoration and the maintenance committee to get a full scope of work and what their recommendations will be going forward. The committee and management will meet with the marble companies and gain a common understanding of the adequacy of prior maintenance.

11. New Business – All items were covered under the Community Managers report with the following exceptions:

- a. Security Cameras – There was a modification to the original proposal for the installation of additional cameras to add an addendum for various doors and access providing greater security throughout the building. Upon motion duly made and seconded, it was unanimously agreed

***To approve an addendum to the security contract to reinforce additional areas throughout the building with a cap on expense of \$7000.00. The acceptance remains contingent to a resolution to contract and billing issues that continue with Sonitrol.***

12. Adjournment – The meeting adjourned at 10:40 pm.