

**MORELAND COURTS CONDOMINIUM ASSOCIATION, INC.**

**Minutes of the Board of Directors Meeting**

**October 25, 2022**

**CALL TO ORDER AND DETERMINATION OF A QUORUM:** The regular October 2022 meeting for of the Moreland Courts Condominium Association Board of Directors was held remotely via Zoom on Tuesday, October 25, 2022. In attendance were President Archie Green, Vice President Jessica Schreiber, Treasurer Jim Collins, Secretary Carol Lowenthal and Directors Chris Malstead, Kathleen Hickman and Benoy Joseph.

Management was represented by General Manager Paul Stroud, Jr., Finance and Accounting Manager Mildred Brooks, and Administrative Assistant Tiara Smith.

Observing the meeting via Zoom, were Owners Bill and Stacey Lang, John Gearity, Dorothy Lammers, Mark Malkin, Judy Richards, Sara Wotman, Jonathan and Nancy Shanes, Faye Gary, Sue Nigro, and Lin Emmons.

President Archie Green determined the presence of a quorum and called the meeting to order at 7:05 p.m.

**OWNERS' COMMENTS AND CONCERNS:** There were no questions or comments from the Owners.

**APPROVAL OF THE BOARD MINUTES:** The minutes from the 9/27/22 meeting of the Board had been sent out to board members for review in advance of this meeting. As there were no additions or corrections to the minutes Benoy Joseph moved to accept the minutes as written and Jim Collins seconded the motion. The motion carried.

**REAL ESTATE LISTINGS AND UNIT SALES:** Paul Stroud announced that there were no Units for sale during September and that this was the first time ever that this had happened. In addition, there have been no sales since the last meeting. However, there are currently two units listed for sale: one in Building 12 and one in the Studio Building, with lots of activity on both. Both sellers are motivated, and it is expected that they will sell quickly. A third listing is expected with a unit in the West Tower. Interest in this unit is very high, and the realtor anticipates activity once it is listed.

**MANAGEMENT REPORT:**

**Reserve Fund Planning:** General Manager Paul Stroud reported that the facilities committee is currently doing a lot of planning regarding future needs for our buildings and that management would like to bring in a new Reserve Consultant to update the Reserve Fund. He has developed a good relationship with one of the consultants and is pleased with what this engineer has presented in the past.

**Delinquencies:** In the September aging report there is a balance of \$42,000 owed. None of those listed pose a concern as there is communication with them, and others have been paid since the creation of the September 30<sup>th</sup> report. Those with

balances over 60 days are very few and are in communication with Mildred Brooks. He commented that this is the best that he has seen since he has been here.

**Window Replacements:** There are still a few owners (less than 5%) who have not yet replaced or refurbished all their windows, although the deadline for compliance with this policy was three years ago in 2019. The monthly fines for non-compliance will be doubled after the first of the year. Board members are being assigned to call Owners who do not have a signed contract, including a receipt showing a deposit made, with Pella for window replacement or with an approved refurbisher. They are being reminded of the very low interest loan program being offered for this by the Cleveland Restoration Society which they can access through our office.

**Gas Meter Project:** We are fully contracted with a deposit sent to Dominion Gas Co. for this project and we are ready to schedule the contractors to begin replacing the individual meters with the existing house meters. We expect that the work will be completed by early 2023, although we would like to avoid having this work done during the holiday season of Thanksgiving through the end of the year, as it will necessitate shutting the gas off for up to 36 hours. This shutoff will not affect heating or hot water but will affect the use of gas cooking, gas dryers and gas fireplaces. Benoy Joseph agreed that we should avoid the holiday season as much as possible. Chris Malstead suggested that multiple notices be sent after January 1<sup>st</sup> to remind owners when this necessary shutdown will occur so they can plan.

**Planning for Electric Vehicles:** Mr. Stroud raised the concern about electric vehicles becoming increasingly common, with the expectation that by 2030 most motor vehicles in this country will be electric and will need to have charging facilities accessible to them. MCCA needs to prepare now for how we will accommodate charging 200+ cars in our facilities. Increasing the electrical load to facilitate this will involve substantial engineering issues, including what the average electrical load would be and where that would come from as our current electrical systems are operating at maximum load capabilities. Because this project could involve a six-figure cost to make the necessary changes, and these updates will probably be needed as early as 2025-2026, the sooner we start thinking about it the better.

Chris Malstead commented that his understanding is that the legislation dealing with this involves new vehicles, but that existing gas-powered vehicles will still be around for a while, which could allow us some additional time to make our plans. This issue will also be addressed later in the Rules Committee report.

#### **TREASURER'S REPORT AND THE BUDGET AND FINANCE COMMITTEE**

**REPORT:** Treasurer Jim Colins reported that this was the first month that our income equaled the amount spent. The negative was that our expenses far exceeded the budget, this month by \$15,000. Looking ahead to the remainder of the year, it is unclear whether we will end up end with a balanced Operating Budget or if we will need to transfer some funds from the Reserve Fund to the Operating Account. He also commented that In the Accounts Receivable it would really help if there were no delinquencies.

The Budget and Finance Committee has met twice so far and will meet twice more, including next week. A major issue is setting the hourly rate for our employees, as the inflation rate has gone up 8 or 9% this year, while Social Security has gone up 8.7% this year. While we know that our increase will not come near that, he hopes that everyone will be pleased when the budget is finalized for next month's meeting.



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**Facilities Committee:** Jessica Schreiber reported that the committee did not meet this month, but will meet again next month, as most of their renovation projects are finished or are nearing completion. Paul Stroud said he was almost ready to select a contractor for replacing the West Garage roof. Benoy Joseph asked about expected cost of the project. Mr. Stroud answered that the bidding fixed the cost at \$450,000 and that this was the lowest and best bid for this job. This roof project is expected to take 3 to 5 weeks to complete. Archie Green asked when the owners of patios on that roof will be notified that their patios must be removed for this construction. Mr. Stroud said that the time of starting is probably the second quarter of 2023 and assured that they will be given plenty of time to accomplish this.

Chris Malstead asked if there are still issues of availability of workers and supplies that might affect the time frame for this project. Paul Stroud said we don't expect that to happen as this contractor has not had those issues while doing other work for us. The project is expected to take 3 to 5 weeks, including a week to 10 days for the tear off. Kathleen Hickman asked if this would affect garage use and she was told it would not.

**Landmark Committee:** Jim Collins reported that this committee has not met this month. They have put together a list of needed projects and are working on estimating costs.

**Rules Committee:** Carol Lowenthal reported that the Rules Committee is currently dealing with two major issues: one involves determining how to fairly structure the costs of electric vehicles and plug-in hybrid cars that use electricity which has been purchased by MCCA. The Board agreed that it is preferable to keep the system as simple as possible with a flat fee for each type of car, without cumbersome record keeping required by staff or owners of these cars. The suggested starting rate for electric vehicles, based on national averages of electric usage per mile, is \$25 per month, The rate for plug-in hybrids, which use less electricity, would be \$15 per month. The program will be evaluated at the end of the first year and these amounts could be adjusted then if it is found that the rates are too high. However, the board felt strongly that they should not be adjusted monthly as this would require great amounts of accounting by staff. Concerns were raised that this policy must be kept very simple and not allow adjustments in the fee as the \$25/\$15 monthly fee is very reasonable. This is not a money-making opportunity for MCCA but addresses the need to recover costs. The committee has checked into other large building and condo associations, and they are also in the process of working out fair reimbursements.

The committee suggests that this program start on the first of the year 2023. As some details are yet to be worked out, the committee was not yet ready to present a final recommendation to the Board for action but will have this by the November Board meeting.

The second issue before the Rules Committee concerns the leasing of the five roof-top patios which are atop the East and West Towers. All rooftops are owned by the MCCA which can grant an Exclusive Use License (EUL) for the leasing of patio space. Rooftop patios differ from patios that are contiguous to a single unit and are therefore usable only by the one household able to access that patio space by going directly from their private Unit through a door or stairway onto the patio. Most rooftop patios, however, are only accessible by going through common areas and are considered "noncontiguous" with the patio users' residential unit.

An additional discussion regarding how to regulate requests for multiple lessees of a patio followed. The Board will be evaluating the recommendations made by the Rules Committee in all these rooftop patio scenarios.

Jim Collins asked the Rules Committee to put together a list of all the issues that need to be addressed and their possible solutions to be considered to clarify for the Board all that needs to be decided in drafting this policy.

The Rules Committee is working with Paul Stroud and with the MCCA attorneys, as well as with the involved parties to rewrite the existing policy to construct a policy that will be fair for all owners.

**Marketing Committee:** Chris Malstead reported that this committee has not met since April but are watching the market volatility and interest rates so if there becomes a need to be proactive in promoting sales in the new year, they will do that. Also, the committee has a few projects that tie to some of the services that they would like to implement under the heading of resident experience.

**Newsletter:** Kathleen Hickman announced that the newsletter will be coming out as soon as all the material is in, probably by mid-November. Anyone with ideas about what they would like included, such as suggestions, stories, or photos, should submit them to her, Paul, or Tiara. Kathleen was complimented by Benoy and Archie for the quality of the newsletters.

**PRESIDENT'S REPORT:** Archie Green asked Tiara Smith to report on the procedure for work orders. She reminded all that work orders must be completed and submitted to Larry Hughes, Facility Manager, before any work may begin. Oral requests risk not being followed up. The correct form for this is available online at the MCCA website. In the future, the Owner may be asked to sign off on the work order that the work has been completed. Tiara also explained the new system of responsibilities among the maintenance staff and said that the backlog of work orders has now been reduced to just nine. Some of these had been delayed because of waiting for contractors or for parts or for a water shut off. Archie asked if the resident currently signs off on the completion of a work order and was told that this is something they are considering.

President Green then reported that some residents have hired former employees of MCCA to do private in-suite work. He emphasized that anyone doing this must check with Paul Stroud or Mildred Brooks first, because there may have been work issues that pertain to their leaving our employment. This could affect employee morale or cause serious issues, depending on why their employment terminated. He also stated that being hired to do private work does not entitle them to use Moreland Court amenities, like the car wash, parking, or the exercise facility, and this should not be allowed.

He then reminded Board members that they have been asked to contact residents who are not yet in compliance with the requirement that all windows be replaced or refurbished.

**CORRESPONDENCE:** There was no correspondence to share with the Board.

**NEW BUSINESS:** There was no new business brought before the Board.



**ADJOURNMENT:** On a motion by Chris Malstead, seconded by Carol Lowenthal, the meeting adjourned at 9:13 p.m. to go into Executive Session to discuss personnel matters.



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Carol A. Lowenthal, Secretary



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Paul Stroud, Jr., General Manager

**EXECUTIVE SESSION: October 25, 2022**

By motion of Jessica Schreiber and seconded by Carol Lowenthal the Board and Finance Manager Mildred Brooks re-convened in Executive Session at 9:15 p.m. on 10/25/22. The meeting adjourned at 9:20 p.m.



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Carol A. Lowenthal, Secretary



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Paul Stroud, Jr., General Manager

