

COMMON INTEREST COMMUNITY BOARD

MINUTES OF MEETING

The Common Interest Community Board (Board) met on June 6, 2019, at the Department of Professional and Occupational Regulation (DPOR), 9960 Mayland Drive, 2<sup>nd</sup> Floor, Board Room 4, Richmond, Virginia 23233.

The following members were present:

Lucia Anna Trigiani, Chair  
Maureen A. Baker  
Tom Burrell  
Amanda Jonas  
Drew R. Mulhare  
Paul Orlando, Vice-Chair  
Lori Overholt  
Katherine E. Waddell

Board members Eugenia Lockett Reese and Scott Sterling were not in attendance at the meeting.

DPOR staff present for all or part of the meeting included:

Mary Broz-Vaughan, Acting Director  
Trisha L. Henshaw, Executive Director  
Heather Gillespie, Ombudsman  
Joseph C. Haughwout, Jr., Board and Regulatory Administrator  
Tanya M. Pettus, Administrative Assistant

Joshua Laws, Assistant Attorney General with the Office of the Attorney General, was present.

Finding a quorum of the Board present, Ms. Trigiani, Chair, called the meeting to order at 9:36 a.m. **Call to Order**

Ms. Trigiani advised the Board of the emergency evacuation procedures. **Emergency Evacuation Procedures**

Ms. Jonas moved to approve the agenda as presented. Ms. Waddell seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Orlando, Overholt, Sterling, Trigiani, and Waddell. **Approval of Agenda**

Ms. Jonas moved to approve the March 14, 2019, Board meeting minutes as presented. Ms. Overholt seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Orlando, Overholt, **Approval of Minutes**

Sterling, Trigiani, and Waddell.

Mr. Mulhare joined the meeting at 9:39 a.m.

**Arrival of Board  
Member**

Bob Sledzaus of Reston, Virginia was present to address the Board. Mr. Sledzaus voiced his concerns over the complaint process and the way in which complaints against common interest community management companies are handled. Mr. Sledzaus disagrees with the fact that a complaint to DPOR against a management company is often referred back to the association board and that board's internal complaint procedure. Mr. Sledzaus also stated that he was disappointed in the outcome of a previous complaint in which he felt the Board and the Ombudsman disregarded the fact that the same regulation was violated more than once by the respondent.

**Public Comment  
Period**

Ms. Gillespie stated that often the contract between an association's board and its management company is what determines the way in which a complaint is processed, as well as the onus of any violations of statutes and regulations.

Discussion was held on whether there is guidance on the handling of complaints in which a statute or regulation has been violated multiple times by the same respondent.

Ms. Henshaw presented the Board with a letter from Judith English requesting interpretive guidance on the qualifications for a common interest community manager license. Ms. English requested the Board to provide interpretive guidance regarding the requirements for manager licensure under 18 VAC 48-50-30 and reevaluate the regulation so that it does not require an applicant have a minimum of three years of experience providing management services to an association in order to be eligible for licensure. Ms. English indicated that in the alternative of the Board granting her request, that the Board consider a flexibility analysis pursuant to § 2.2-4007.1 of the Code of Virginia, that will accomplish the objectives of the law while minimizing adverse impact on small businesses. After discussion, staff advised the Board that the Common Interest Community Manager Regulations are scheduled for periodic review, in accordance with §2.2-4007.1 of the Code of Virginia, later this year, and provided a schedule for that periodic review process. After several minutes of discussion, including discussion with the Board's counsel, the Board elected not to take any further action. The Board also agreed by consensus that specific experience cannot be considered unless there is an application for licensure before the Board. The Board thanks Ms. English for her

comments and invites her to make a public comment during the periodic review of Board regulations scheduled for September 2019. The Board directed staff to send a response to Ms. English.

Ms. Henshaw introduced to the Board Kevin Richeson, who is interning with DPOR for the summer.

**Introduction of Staff**

Ms. Trigiani recused herself from the meeting for discussion and deliberations on File Number 2019-00076 and File Number 2019-00703.

**Recusal of Board Members**

Mr. Orlando recused himself from the meeting for discussion and deliberations on File Number 2019-00076, File Number 2019-00703, and File Number 2018-02143.

Mr. Burrell assumed Chair of the Board.

In the matter of **File Number 2019-00076, Cardinal Management Group Inc.**, the Board members reviewed the Consent Order. Cardinal Management Group Inc. neither admits nor denies a violation of 18 VAC 48-50-190.17 as outlined in Count 1, but agrees to the imposition of Board costs of \$150.00. In addition, Cardinal Management Group Inc. agrees to develop procedures for the preparation of resale documents to ensure all attachments required by § 55-79.97 of the Code of Virginia are included as part of the disclosure (whether resale certificate or association disclosure package) to unit owners or to lot owners. Cardinal Management Group Inc. shall provide the Board with a copy of the procedure as well as a sample disclosure document within 30 days of the effective date of the Consent Order.

**File Number 2018-01894, Cardinal Management Group Inc.**

Mr. Mulhare moved to accept the Consent Order as presented. Ms. Overholt seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Overholt, Sterling, and Waddell.

In the matter of **File Number 2019-00703, Purple Sage Cluster Inc.**, the Board members reviewed the Consent Order. Purple Sage Cluster, Inc. admits to a violation of 18 VAC 48-70-50.4 as outlined in Count 1, and agrees to the imposition of a monetary penalty of \$250.00 and Board costs of \$150.00, for a total of \$400.00, to be paid within 30 days of the effective date of the Consent Order.

**File Number 2019-00703, Purple Sage Cluster Inc.**

Mr. Mulhare moved to accept the Consent Order as presented. Ms. Baker seconded the motion. After discussion, the motion was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Overholt, Sterling, and Waddell.

Ms. Trigiani returned to the meeting and resumed as Chair of the Board.

**Return of Board  
Member**

In the matter of **File Number 2018-02143, Dominion Properties Virginia LLC**, the Board members reviewed the Consent Order. Dominion Properties Virginia LLC admits to a violation of 18 VAC 48-50-190.1 as outlined in Count 1, and agrees to the imposition of a monetary penalty of \$750.00 and Board costs of \$150.00, for a total of \$900.00, to be paid within 30 days of the effective date of the Consent Order.

**File Number 2018-  
02143, Dominion  
Properties Virginia  
LLC**

Mr. Mulhare moved to accept the Consent Order as presented. Mr. Burrell seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Overholt, Sterling, Trigiani and Waddell.

Discussion was held on sanctioning guidelines for statutory and regulatory violations.

Mr. Orlando returned to the meeting.

**Return of Board  
Member**

Mr. Haughwout asked the Board to consider issuance of a temporary cease and desist order against the condominium project registration of Harbor Heights Condominium, for failure of the declarant, Harbor Heights Residential, L.C., to submit a complete annual report with evidence of a bond or letter of credit from a financial institution as required by § 55-79.93 of the Code of Virginia, and Board Regulation 18 VAC 48-30-540. Mr. Haughwout noted that the letter of credit on file for Harbor Heights Residential, L.C. is valid through September 2019.

**Consider  
Temporary Cease  
and Desist Orders  
Regarding  
Condominium  
Registrations**

Discussion was held on circumstances in which staff would contact a declarant's attorney on file, as well as the process for updating contact information for declarants and associations.

Mr. Orlando moved to authorize staff to issue a temporary cease and desist order against the project registration of Harbor Heights Condominium as failure to file an annual report would cause irreparable harm to the public. Ms. Waddell seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani and Waddell.

The Board recessed from 10:30 a.m. to 10:58 a.m.

**Recess**

Mr. Haughwout provided an update on the current status of the regulatory review processes for the Board's regulatory packages:

**Update on  
Regulatory Actions**

An exempt action to make a technical correction to 18 VAC 48-30-560 of the Condominium Regulations was published in the Virginia Register on April 15, 2019, and became effective on May 15, 2019.

An exempt action to amend the CIC Manager Regulations to eliminate annual assessments was published in the Virginia Register on May 13, 2019, and will become effective on July 1, 2019.

Exempt actions to amend the CIC Management Information Fund Regulations to eliminate annual assessments and to extend the current temporary application fee reduction were published in the Virginia Register on May 13, 2019, and will become effective on July 1, 2019.

The Board's general review of the CIC Management Information Fund Regulations is at the proposed stage and is currently undergoing Executive Branch review.

A Periodic Review Notice was filed on May 17, 2019 for the periodic review of the Condominium Regulations. A public comment period will be held from June 10, 2019, to July 1, 2019. Public comments received during the public comment period will be presented to the Board at its September 5, 2019 meeting.

Ms. Henshaw asked the Board to consider several exempt actions to amend chapters 30, 45, 50, 60, and 70 of the Board's regulations in connection with the recodification of Title 55 of the Code of Virginia as outlined in SB 1080, passed during the 2019 General Assembly Session. The amendments will conform the regulations to the new Title 55.1 that will become effective October 1, 2019.

**Title 55  
Recodification  
Regulatory Actions**

After review and discussion Ms. Baker moved to authorize staff to file an exempt action to amend the Condominium Regulations (Chapter 30). Ms. Jonas seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani and Waddell.

Discussion was held on whether association documents will need to be revised to reflect the new Title 55.1 code sections.

After review and discussion Ms. Overholt moved to authorize staff to file an exempt action to amend the Time-Share Regulations (Chapter

45). Mr. Orlando seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani and Waddell.

After review and discussion Ms. Jonas moved to authorize staff to file an exempt action to amend the CIC Manager Regulations (Chapter 50). Ms. Baker seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani and Waddell.

After review and discussion Mr. Mulhare moved to authorize staff to file an exempt action to amend the CIC Management Information Fund Regulations (Chapter 60). Mr. Orlando seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani and Waddell.

After review and discussion Ms. Waddell moved to authorize staff to file an exempt action to amend the Ombudsman Regulations (Chapter 70). Ms. Jonas seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani and Waddell.

Ms. Henshaw presented the Board with three draft legislative proposals to be submitted for consideration during the 2020 General Assembly session.

**2020 Legislative  
Items for  
Consideration**

Discussion was held on the recovery fund and the process in which funds are awarded to claimants. Discussion was held on the definition of "claimant" as defined in § 55-528 of the Code of Virginia. Ms. Broz-Vaughan explained that, unlike the Department's other recovery funds, only a court-appointed receiver can make a claim against the CIC Management Recovery Fund. After discussion, the Board agreed by consensus to authorize staff to research recovery fund programs of other DPOR boards and similar programs in other states to conform the Board's recovery fund process with others in the Department and, if applicable, other states, and to determine an appropriate monetary threshold for the recovery fund, taking into consideration the current balance of the CIC management information fund, and the elimination of annual assessments. In addition, staff may draft proposed amendments to legislative proposal item #1 based upon the results of the review. Proposed amendments to the proposal item will be presented to the Board at its September 5, 2019 meeting for review.

After discussion and review of the draft legislative items, Ms. Waddell moved to approve the proposals for submission as presented. Mr.

Orlando seconded the motion which was unanimously approved by:  
Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani  
and Waddell.

Ms. Trigiani updated the Board on the Reserve Study Guidelines  
Committee. The committee will meet on June 20, 2019.

**Update on Reserve  
Study Guidelines  
Committee (HB  
2030/SB 1538)**

Ms. Henshaw provided the Board with the most recent financial  
statements. There have been no claims from the Recovery Fund.

**Board Financial  
Statements**

Ms. Trigiani asked the Board to consider tentative Board meeting dates  
for 2020. Ms. Jonas moved to approve the following meeting dates:

**Consider Future  
Meeting Dates**

- March 12, 2020
- June 4, 2020
- September 3, 2020
- December 3, 2020

Ms. Baker seconded the motion which was unanimously approved by:  
Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani  
and Waddell.

Board members considered the following resolution for former Board  
member Mary Elizabeth Johnson:

**Consideration of  
Resolution for  
Service**

**Mary Elizabeth Johnson**

WHEREAS, **Beth Johnson**, did faithfully and diligently serve the  
Common Interest Community Board from 2014 to 2019;

WHEREAS, **Beth Johnson**, did devote generously of her time, talent  
and leadership to the Board;

WHEREAS, **Beth Johnson**, did endeavor at all times to render  
decisions with fairness and good judgement in the best interest of the  
citizens of the Commonwealth and these professions; and

WHEREAS, the Common Interest Community Board wishes to  
acknowledge its gratitude for devoted service of a person who is held in  
high esteem by the members of the Board and the citizens of the  
Commonwealth;

NOW THEREFORE BE IT RESOLVED, by the Common Interest  
Community Board this sixth day of June 2019, that **Beth Johnson** be  
given all honors and respect due her for her outstanding service to the  
Commonwealth and its citizens;

and

BE IT FURTHER RESOLVED, that this Resolution be presented to her and be made a part of the official minutes of the Board so that all may know of the high regard in which she is held by this Board.

Mr. Orlando moved to adopt the resolution as written. Ms. Waddell seconded the motion which was unanimously approved by: Baker, Burrell, Jonas, Mulhare, Orlando, Overholt, Sterling, Trigiani and Waddell.

Ms. Trigiani reminded the Board members to complete their conflict of interest forms and travel vouchers.

**Conflict of Interest  
Forms and Travel  
Vouchers**

Ms. Gillespie provided the Board with a summary of current complaint and file statistics as of May 31, 2019.

**Ombudsman Report**

Mr. Mulhare stated he would like to correct a piece of information published in the Spring 2019 CIC Newsletter, and advised the Board that he has not served as a member of the Real Estate Board.

**Other Business**

Discussion was held on whether an association may charge a fee for closing information requested by lenders, brokers, or title companies during a real estate transaction.

Ms. Overholt thanked Ms. Trigiani for her service to the Board.

Ms. Trigiani thanked the Board members and staff for their support and service to the Board.

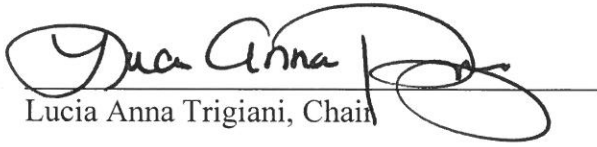
Ms. Waddell commended Board members and staff, and stated that the Board could not have accomplished many of its feats without Ms. Trigiani's work.

Mr. Orlando also thanked the Board members and staff for their dedication.

There being no further business, the meeting was adjourned at 12:26p.m.

**Adjourn**





Lucia Anna Trigiani, Chair



Mary Broz-Vaughan, Acting Secretary

STATE AND LOCAL GOVERNMENT  
CONFLICT OF INTERESTS ACT

TRANSACTIONAL DISCLOSURE STATEMENT  
for Officers and Employees of State Government

1. Name: Lucia Anna Trigiani  
2. Title: Board Member  
3. Agency: Common Interest Community Board  
4. Meeting/IFF Date: Board Meeting June 6, 2019

5. I have a personal interest in the following transaction:

VI. a and VI. b  
File Number      File Number  
2019-00076      2019-00703

Nature of Personal Interest Affected by Transaction:

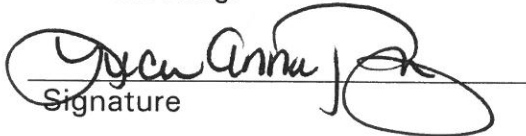
I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6.  I do not have a personal interest in any transactions taken at this meeting.

  
Signature

June 6, 2019  
Date

**STATE AND LOCAL GOVERNMENT  
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT  
for Officers and Employees of State Government

1. Name: Maureen A. Baker
2. Title: Board Member
3. Agency: Common Interest Community Board
4. Meeting/IFF Date: Board Meeting June 6, 2019

5. I have a personal interest in the following transaction:

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Nature of Personal Interest Affected by Transaction:

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I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

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I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6.  I do not have a personal interest in any transactions taken at this meeting.

Signature

*Maureen A. Baker*

Date

*6/6/19*

**STATE AND LOCAL GOVERNMENT  
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT  
for Officers and Employees of State Government

1. Name: Tom Burrell
2. Title: Board Member
3. Agency: Common Interest Community Board
4. Meeting/IFF Date: Board Meeting June 6, 2019

5. I have a personal interest in the following transaction:

\_\_\_\_\_

\_\_\_\_\_

Nature of Personal Interest Affected by Transaction:

\_\_\_\_\_

\_\_\_\_\_

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

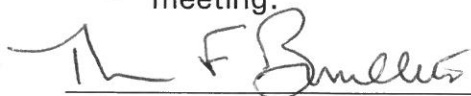
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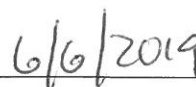
I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6.  I **do not** have a personal interest in any transactions taken at this meeting.

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Date

STATE AND LOCAL GOVERNMENT  
CONFLICT OF INTERESTS ACT

TRANSACTIONAL DISCLOSURE STATEMENT  
for Officers and Employees of State Government

1. Name: Amanda Jonas  
2. Title: Board Member  
3. Agency: Common Interest Community Board  
4. Meeting/IFF Date: Board Meeting June 6, 2019

5. I have a personal interest in the following transaction:

N/A

Nature of Personal Interest Affected by Transaction:

N/A

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:


N/A

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6.  I do not have a personal interest in any transactions taken at this meeting.

  
Signature

6/6/19  
Date

**CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT  
for Officers and Employees of State Government**

- 1. Name: Drew R. Mulhare
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting June 6, 2019

5. I have a personal interest in the following transaction:

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Nature of Personal Interest Affected by Transaction:

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I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

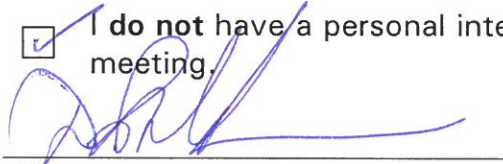
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I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6.  I do not have a personal interest in any transactions taken at this meeting.



Signature

6/6/19  
Date

**STATE AND LOCAL GOVERNMENT  
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT  
for Officers and Employees of State Government

- 1. Name: Paul Orlando
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting June 6, 2019

5. I have a personal interest in the following transaction:

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Nature of Personal Interest Affected by Transaction:

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I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

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I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6.  I do not have a personal interest in any transactions taken at this meeting.

Paul L. Orlando  
Signature

6/6/19  
Date

**STATE AND LOCAL GOVERNMENT  
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT  
for Officers and Employees of State Government

1. Name: Lori Overholt
2. Title: Board Member
3. Agency: Common Interest Community Board
4. Meeting/IFF Date: Board Meeting June 6, 2019

5. I have a personal interest in the following transaction:

NONE

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Nature of Personal Interest Affected by Transaction:

NONE

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I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

N/A

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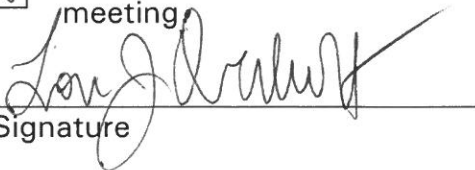
I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6.  I do not have a personal interest in any transactions taken at this meeting.

Signature



Date

6/6/19



**CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT  
for Officers and Employees of State Government**

- 1. Name: Katherine E. Waddell
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting June 6, 2019

5. I have a personal interest in the following transaction:

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Nature of Personal Interest Affected by Transaction:

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I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

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I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6.  I do not have a personal interest in any transactions taken at this meeting.

Katherine E. Waddell  
Signature

6/6/19  
Date