

COMMON INTEREST COMMUNITY BOARD

MINUTES OF MEETING

The Common Interest Community Board (Board) met on March 13, 2017, at the Department of Professional and Occupational Regulation (DPOR), 9960 Mayland Drive, 2nd Floor, Board Room 1, Richmond, Virginia 23233.

The following members were present:

Lucia Anna Trigiani, Chair
Mary Elizabeth Johnson
Kimberly Kacani, Vice-Chair
Paul Orlando
Lori Overholt
John Rhodes
Scott Sterling
Katherine E. Waddell
David Watts

Board members Kristie Helmick Proctor and Thomas Mazzei were not in attendance at the meeting.

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

Trisha L. Henshaw, Executive Director
Heather Gillespie, Ombudsman
Joseph C. Haughwout, Jr., Board and Regulatory Administrator
Lisa T. Robinson, Licensing Operations Administrator
Bonnie Rhea Adams, CAR Director
Douglas Schroder, Adjudication Director
Tanya M. Pettus, Administrative Assistant

Justin Bell, 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 9:37 a.m. **Call to Order**

Ms. Henshaw advised the Board of amendments to the agenda. Ms. Overholt moved to approve the agenda as amended. Ms. Johnson seconded the motion which was unanimously approved by: Johnson, Kacani, Orlando, Overholt, Rhodes, Sterling, Trigiani, Waddell, and Watts. **Approval of Agenda**

Ms. Henshaw advised the Board of amendments to the minutes of the **Approval of**

December 1, 2016, Board meeting. Mr. Orlando moved to approve the minutes as amended. Mr. Watts seconded the motion which was unanimously approved by: Johnson, Kacani, Orlando, Overholt, Rhodes, Sterling, Trigiani, Waddell, and Watts.

Minutes

Ms. Henshaw introduced to the Board staff member Lisa Robinson, who was recently named Licensing Operations Administrator.

Introduction of Staff

Ms. Henshaw also introduced Jessica Eldridge, Presiding Officer in the Post-Adjudication and Licensing Section.

Mr. Robert Sledzaus, resident of Reston, VA, was present to address the Board. Mr. Sledzaus asked the Board to consider current language in the Property Owners' Association (POA) Disclosure Packet Notice stating that home purchasers are bound by all association decisions of its board of directors, as well as the governing documents of the association. Mr. Sledzaus stated that associations and their respective boards should be bound by state statutes and the Virginia Nonstock Corporation Act, and therefore feels that the referenced statement is misleading. Mr. Sledzaus asked the Board to consider amending the POA Disclosure Packet Notice as such.

Public Comment Period

Mr. Orlando recused himself from the meeting for the discussions and deliberations regarding File Number 2015-02873.

Recusal of Board Member

Justin Bell, Assistant Attorney General with the Office of the Attorney General, introduced himself to the Board and recused himself from the discussion of File Number 2015-02873.

Recusal of Board Counsel

In the matter of **File Number 2015-02873, RH1 Management, LLC**, the Board members reviewed the record which consisted of the Report of Findings, transcript and exhibits from the Informal Fact-Finding Conference, and the Presiding Officer's Summary and Recommendation. Ms. Kacani moved to accept the Presiding Officer's recommendation and find no violation of Board Regulation 18VAC 48-50-190.17. Mr. Watts seconded the motion. After discussion, the motion to accept the Presiding Officer's Summary and Recommendation and find no violation was approved by: Johnson, Kacani, Overholt, Rhodes, Sterling, Trigiani, and Watts. Ms. Waddell voted in opposition to the motion. The motion was passed by majority vote.

File Number 2015-02873, RH1 Management, LLC

Mr. Orlando returned to the meeting.

Return of Board Member

Ms. Kacani recused herself from the meeting for the discussions and deliberations regarding File Number 2017-01345.

Recusal of Board Member

In the matter of **File Number 2017-01345, Robert Allen Garrett**, the Board members reviewed the record which consisted of the application file, transcript, and exhibits from the Informal Fact-Finding Conference, and the Presiding Officer's Summary and Recommendation. Staff noted that a correction was needed to the title of the certificate in the Summary and Recommendation, and recommended that the title of the certificate be corrected in three places. Mr. Orlando moved to amend the Summary and Recommendation to make the noted corrections. Ms. Waddell seconded the motion which was approved by: Johnson, Orlando, Overholt, Rhodes, Sterling, Trigiani, Waddell, and Watts.

File Number 2017-01345, Robert Allen Garrett

After discussion, Mr. Watts moved to accept the recommendation of the Presiding Officer and approve Mr. Garrett's application for a common interest community manager principal or supervisory employee certificate. Ms. Waddell seconded the motion which was approved by: Johnson, Orlando, Overholt, Rhodes, Sterling, Trigiani, Waddell, and Watts.

Ms. Kacani returned to the meeting.

Return of Board Member

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

Update on Regulatory Review Process

The public comment period held on amendments to public participation guidelines ended on February 22, 2017. There were no public comments received. The amendments will become effective March 13, 2017.

Executive branch review of Board-approved amendments to the Common Interest Community Ombudsman Regulations revising the timeframe for establishing a complaint process has been completed, and final regulations have been submitted for publication. A final 30-day comment period will commence on March 20, 2017, after which the regulations will become effective May 1, 2017.

The public comment period held on proposed amendments to the training program provisions of the Common Interest Community Manager Regulations ended on February 10, 2017. There were no public comments received. Mr. Haughwout advised the Board that the proposed text of the amendments would be presented to the Board for consideration later in the meeting.

Mr. Haughwout presented the Board with the proposed text of the amendments to the training program provisions of the Common Interest Community Manager Regulations. After review and discussion, Mr. Orlando moved to adopt the proposed amendments to the Common Interest Community Manager Regulations, and authorize staff to file the final regulations for executive branch review. Ms. Overholt seconded the motion which was unanimously approved by: Johnson, Kacani, Orlando, Overholt, Rhodes, Sterling, Trigiani, Waddell, and Watts.

Consider Adoption of Final CIC Manager Training Program Regulations

Mr. Haughwout advised the Board that the temporary reduction in annual association fees to \$10.00, regardless of the number of lots or units, will expire on June 30, 2017. Mr. Haughwout asked the Board to consider extending the temporary reduction in fees to June 30, 2018, as the temporary reduction has not lowered the excess cash balance sufficiently to come into compliance with the Callahan Act. In addition, Mr. Haughwout asked the Board to consider extending the same temporary fee reduction to initial association registration application fees. After discussion, Mr. Sterling moved to authorize staff to proceed with filing an exempt action to extend the temporary fee reduction until June 30, 2018 for association renewals, and authorize a temporary fee reduction for initial association registration applications to \$10.00, regardless of number of lots or units, until June 30, 2018. Ms. Johnson seconded the motion which was unanimously approved by: Johnson, Kacani, Orlando, Overholt, Rhodes, Sterling, Trigiani, Waddell, and Watts.

Consider Exempt Action for Temporary Reduction of Association Registration and Renewal Fees

Ms. Henshaw asked the Board to consider a provision of regulation 18VAC 48-60-20 of the CIC Management Information Fund Regulations which states that the annual report filed with the Board by an association may be a copy of the same annual report required to be filed with the State Corporation Commission. Because the Board requires information that differs from the State Corporation Commission requirements, Ms. Henshaw asked the Board to consider removing this provision. After discussion, Ms. Henshaw asked the Board to determine if a full review of the CIC Management Information Fund Regulations is necessary. Mr. Watts moved to authorize staff to file a NOIRA for a full review of the CIC Management Information Fund Regulations. Mr. Orlando seconded the motion which was unanimously approved by: Johnson, Kacani, Orlando, Overholt, Rhodes, Sterling, Trigiani, Waddell, and Watts.

Consider NOIRA for CIC Management Information Fund Regulations

As discussed at its December 1, 2016 meeting, Ms. Henshaw presented the Board with draft amendments to the POA Disclosure Packet Notice for review. After discussion, Mr. Watts requested that staff make the

Consider Amendment of POA Disclosure Packet

amended document available to members of the public for comment before final adoption.

Notice

The Board recessed from 10:56 a.m. to 11:22 a.m.

Recess

The Board continued review and revision of draft amendments to the POA Disclosure Packet Notice. After discussion, the Board agreed by consensus on the revisions made to the draft amendments.

**Consider
Amendment of POA
Disclosure Packet
Notice**

Ms. Henshaw advised the Board that staff will draft the amended POA Disclosure Packet Notice, with the agreed upon revisions, and make the document available for public comment. Staff will present public comments received to the Board for consideration at its June 8, 2017 meeting. The Board agreed by consensus.

Mr. Haughwout asked the Board to consider the development of a standard form to be used by time-shares and time-share resellers when providing bond and/or letter of credit information for registration purposes. Mr. Haughwout provided the Board with an example of similar forms currently used for condominium registrations. After discussion, the Board agreed by consensus to authorize staff to develop a bond/letter of credit form to be used for time-share and reseller registrations. Staff will present the form to the Board for review and approval at its June 8, 2017 meeting.

**Consider
Bond/Letter of
Credit Templates
for Time-Share
Registrations and
Reseller**

Ms. Gillespie provided the Board with current complaint and file statistics as of March 1, 2017. Discussion was held on staffing in the Ombudsman's office.

Ombudsman Report

Ms. Henshaw provided the Board with an update on legislation affecting the Board, common interest communities, and DPOR that was considered during the 2017 General Assembly session.

**2017 Legislative
Update**

Ms. Henshaw provided a copy of the most recent financial statements and advised the Board that there have been no claims from the Recovery Fund.

**Board Financial
Statements**

Ms. Henshaw provided a schedule of upcoming events to be attended by Board staff and the Ombudsman, and gave an overview of recently attended events.

**Staff Event
Calendar**

Ms. Trigiani asked the Board if there was any other business to be discussed prior to Board member training to be presented by Adjudication and Complaint Analysis and Resolution staff. No further business was discussed.

Other Business

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

Complete Conflict of Interest Forms and Travel Vouchers

The Board recessed from 12:17 p.m. to 12:33 p.m.

Recess

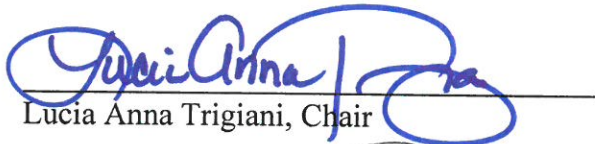
Ms. Adams and Mr. Schroder presented the Board with information on DPOR's regulatory discipline process. Presentation topics included

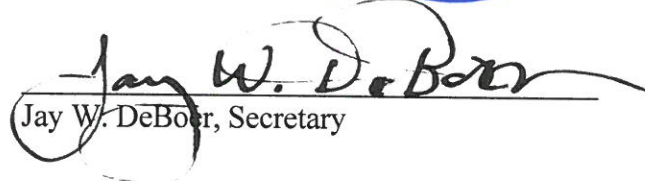
Board Member Training, Regulatory Discipline Process

- complaint and disciplinary statistics,
- complaint processing,
- the investigations process,
- informal fact finding conferences,
- complaint and disciplinary resolutions, and
- Board authority to issue sanction.

There being no further business, the meeting was adjourned at 1:36 p.m.

Adjourn


Lucia Anna Trigiani, Chair


Jay W. DeBoer, 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 March 13, 2017

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:

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

MARCH 13, 2017
Date

CONFLICT OF INTERESTS ACT

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

- 1. Name: Mary Elizabeth Johnson
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting March 13, 2017

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

None

Nature of Personal Interest Affected by Transaction:

None

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

None

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.

Mary C Johnson
Signature

3/13/17
Date

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

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

- 1. Name: Kimberly B. Kacani
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting March 13, 2017

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

Nature of Personal Interest Affected by Transaction:

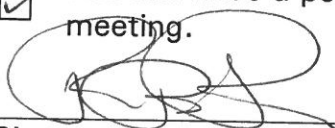
I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

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

3-13-2017

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 March 13, 2017

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:

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.

P. L. Orlando
Signature

3-13-17
Date

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 March 13, 2017

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:

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.

Lori Overholt
Signature

3/13/17
Date

STATE AND LOCAL GOVERNMENT

CONFLICT OF INTERESTS ACT

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

- 1. Name: John Rhodes
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting March 13, 2017

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

None

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:

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

John Rhodes

Date

3-13-17

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

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

1. Name: Scott E. Sterling
2. Title: Board Member
3. Agency: Common Interest Community Board
4. Meeting/IFF Date: Board Meeting March 13, 2017

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:

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.

Scott E. Sterling
Signature

13 March 2017
Date

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 March 13, 2017

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

Nature of Personal Interest Affected by Transaction:

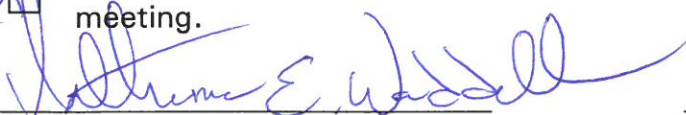
I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

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

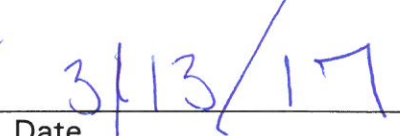
or

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: David Watts
- 2. Title: Board Member
- 3. Agency: Common Interest Community Board
- 4. Meeting/IFF Date: Board Meeting March 13, 2017

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

Nature of Personal Interest Affected by Transaction:

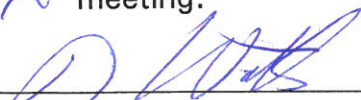
I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

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

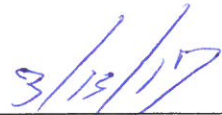
or

I did not participate in the transaction.

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



Signature



Date