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FROM THE DESK OF THE PRESIDENT:

Happy New Year! I find it hard to believe it is 2018 --- already!

Our Holiday party was a huge success with 60 or so residents and guests attending. The food was delicious and plentiful, and no one went away hungry. Our thanks to Julie Repeta and her committee for making it festive. I'm sure Julie is busy planning her next activity for the spring.

The weather cooperated in December and we were able to clean and flush the gutters and drainpipes before the cold weather set in. Unfortunately, they were unable to power wash the residences with mold problems before it got cold. Resident Joe Halpin scoured the residents at the Board's request to identify those with mold problems. Thanks so much to Joe Halpin!!! We will do this when the weather permits.

We have yet to receive our first REAL snow, but it is probably just a matter of time. Hopefully you have read and saved the articles in the LW news (December 18th edition, page 7) outlining the plan for snow removal. The high rises are the first to be treated but the entire community is usually cleared within 24 hours of the last snowflake. As I constantly remind my grandchildren – NOT EVERYONE CAN BE FIRST. So be patient and enjoy the beautiful vistas we receive on a snowy day.

I'm sure most of you are aware of the controversy concerning the proposal to build a new Administration Building. The outgoing chair of the BOD, David Frager, did a synopsis of the process which resulted in the proposal to build. I have attached a copy of his thoughtful and insightful synopsis of the process involved for your information.

On behalf of the Board members of Mutual 16, I wish you a happy and healthy 2018.

MARYLAND HAS AN UPDATED SMOKE ALARM LAW AS OF JANUARY 1, 2018

Maryland's new smoke alarm law requires the replacement of all battery-only operated smoke alarms with units powered by sealed-in, 10-year long-life batteries. The law is being enforced in **one and two-family dwellings** only in new construction and in housing modifications that require a building permit.

In Mutual 16, owners of each unit are responsible for installation and maintenance of smoke alarms. The purpose of this note is to advise unit owners of the new law.

Advantages of the new smoke alarms include:

1. Fewer scheduled replacements of the battery and
2. They insure that you cannot "borrow" the battery for some other use.

Disadvantages include the requirement to replace the whole unit and not just the battery when the battery does fail. Reports from some Leisure World residents indicate that the "10-year" batteries are not lasting 10 years.

Check your homeowner's insurance policy to see if the new smoke alarm law affects your coverage.

A PENNY SAVED!!!

As my mother always said a penny saved is a penny earned. So, if you want to save some pennies in 2018 rush to the post office before January 21. On that date the rate for a mailing a First Class letter will increase by a penny to 50 cents. If you purchased 'forever' stamps in the past they will still be good.



SAVE THE DATES

**February 13 at 9:30 Mutual 16 Board Meeting Sullivan Room,
Administration Bldg.**

**March 13 at 9:30 Mutual 16 Board Meeting Sullivan Room,
Administration Bldg.**

TIPS FROM CONSUMER REPORTS FOR STAYING STEADY IN ICE, SNOW, AND SLEET CONDITIONS

Emergency Preparedness Advisory Committee
David Darr, davidrdarr@gmail.com, 240-669-8386

It is that time of the year to deal with the ice and snow that come with winter weather. When winter weather strikes, try to arrange your schedule to be consistent with the snow removal plan for Leisure World. Even after you have been “dug out”, going out in the wintry conditions can be a challenge. Consumer Reports has the following suggestions for getting around when you must go outside.

- Exercise—stronger muscles reduce the likelihood of falls by making you better able to keep your balance.
- Wear the right shoes
 - Deeply grooved, nonskid rubber treads can help to avoid slips and trips on the ice and snow
 - Wear lace-up shoes that fit snugly
 - Consider adding traction with slip-on ice cleats, available at sporting goods stores
 - In a pinch, try wearing a pair of socks on the outside of your shoes.
- When you come back in, take off wet shoes and change into a pair of dry shoes to keep you steadier on your feet in doors
- If you must walk over snow or ice, take short, flat steps, like a penguin.
- If you must climb stairs, face the railing, hold on with both hands and step sideways
- If you use a cane or walker, use in when walking on snow and ice—also consider adding an ice-gripping tip to a cane
- If you cannot wait to be “dug-out” in Leisure World and you must go outside to your car, salt the path from your door—also, consider carrying a bag filled with some kitty litter to sprinkle on any slick surfaces wherever you go
- Keep your eyeglass prescription up-to-date and make sure you can see where you are walking.

Source: Consumer Reports on Health. January 2018.

From: David Frager – Chairman of the Board of Directors

Subject: The Proposed New Administration Building

During the past year there has been a lot of controversy over a proposed new Administration Building (which I wish had been called a “Residents’ Services Building!). Some of you are new residents in Leisure World and some of you have been on the periphery of what has been going on. My intent of this letter is to give you some background and where we are now.

This is a very important question because it involves spending a lot of money as well as dealing with varied opinions in the community.

History on how this proposal originated

In 2012, the Leisure World Community Corporation Board asked Management to develop a comprehensive Facilities Enhancement Plan (FEP) based on the initial efforts of the Community Planning Advisory Committee including proposals for an Administration Building and recommendations from various Leisure World Advisory Committees. The purpose was to assure that Leisure World would remain an attractive residence for those 55 and over. (See "Facilities Enhancement Plan Invests in Community's Future", *Leisure World News*, Oct. 6, 2017)

The Community Planning Advisory Committee presented the Administration Building renovation options in August 2012, as proposed by A. R. Meyers + Associates, an architectural firm. Early in 2013, five Leisure World Advisory Committees (Golf and Greens, Education and Recreation, Tennis, Physical Properties, and Restaurants) presented ideas for improvements in the areas for which they are responsible.

When compiled, the FEP included seven projects: Rehabilitation of the Crystal Ballroom, Clubhouse Grill, Stein Room and Terrace dining rooms; Reconfiguring the Maryland Room; Renovating the PPD Customer Service area; Cleaning the golf course irrigation pond; Building a new Fitness Center, and finally, Administration Building and Clubhouse I improvements. Some Golf Course enhancements were part of the original FEP project but were placed on hold by the Board.

The Meyers firm looked at the existing Administration Building, adequacy of space, and building systems. Their work took into account the estimated requirements for supporting all the requirements identified at that time. In their 2012 report, they presented three floor plans: (1) the Existing Building reconfigured to incorporate updated space requirements; (2) the Existing Building with an Addition; and (3) A Proposed New Administration Building.

What were the pros and cons of each?

Renovating the existing building was estimated to cost \$2,240,200 and would involve:

- Moving all staff to portable buildings in the parking lot for about nine months;
- Reconfigured and updated but no additional total space (16,634 sq. ft.);
- Loss of rental income from Weichert Real Estate and Bank during renovation;

- Removing asbestos & upgrading all existing systems to meet Code requirements.

Renovating the existing building and adding a 3,075 sq. ft. addition (next to existing administrative offices, across the driveway from Veterans Park) was estimated to cost \$3,123,975 and would involve:

1. Moving staff to portable buildings in the parking lot for about nine months - some staff could be accommodated in the new wing if it were built first;
2. Adding 3,300 sq. ft. of additional space to accommodate all proposed functions for efficient operations;
3. Loss of rental income from Weichert Real Estate and Bank during renovation;
4. Removing asbestos & upgrading all existing systems to meet Code requirements.

Building a new two-floor, 19,709 sq. ft. Administration Building on the south side of the parking lot, demolishing the current building and converting it into a parking area, estimated to cost \$5,178,250.

The Leisure World Community Corporation Board was not happy with the Administration Building proposed changes and asked for additional options.

A Final Plan for the Administration Building

Almost two years later with the help of skilled professional architectural and engineering support, (Meyers was replaced by Smart Sense) and after extensive review at its November 2015 meeting, the Leisure World Community Corporation Board approved Site Plan H, as recommended by the Community Planning, Education & Recreation, Restaurant and Security & Transportation Advisory Committees and management. The site plan includes a driveway, next to the existing walkway between

Clubhouse I and the current Administration Building, and close in handicapped parking adjacent to Club House 1, At the entrances to the Clubhouse Grill, Terrace Room, and a new Administration building, there will be short, covered walkways to a vestibule for each entrance, making access much easier for the handicapped. (The proposed facility and new site plan were inscribed in a *Leisure World News* article, April. 7, 2017)

Why did the Leisure World Community Corporation Board choose the new building option?

- Space analysis studies performed by two architectural firms determined that the square footage required for all administrative functions is 20,000 to 22,000 square feet. The current building size is 16,634 square feet.
- The current Administration Building dates to the 1960s; it was built as a sales office, not as an administration building. The administration staff has grown considerably over the 50 years as the community has grown. The building's mechanical and electrical systems are very outdated and there are too many unknown required code update costs that may arise in trying to makeover an old building. (Nearly \$100,000 in needed repairs was discovered in the rehab of Club

House I Ballroom and Restaurants). In the end, we would still have a too-small 1960s building, however nicely remodeled. The lack of employee space and adequate meeting facilities would still exist.

- Building a modern new building, not only up to code, but with the latest conservation techniques, will reduce operating and maintenance costs for many years. Those lower costs could reduce each owner's share of the cost of operating Trust properties. Additionally, the building will be designed with upgraded meeting facilities for community use.
- Currently, access to Club House I activities and restaurants can be very difficult for those who are handicapped. If dropped off at the front door, there is still a long walk to Restaurants and other facilities and drivers have to go a long way to park their car. The new site plan makes access to Club House 1 and its Restaurants / facilities much easier for our aging residents.
- Remodeling or adding to the existing building would mean putting temporary offices in the parking lot and disrupting employees and the flow of work for 9 months and limited parking availability for Club House 1.

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- I understand that many trees will be cut down to make room for the new building, but many more will be planted as replacements. They won't be as mature, but the area will be much "greener" in the long run.

Are the cost estimates in current dollars?

No, except for the new road and Club House 1 plan improvements, these are the initial 2012 cost estimates, but includes a contingency fee for unforeseen costs. Estimated construction costs for the new building and Club House 1 improvements are \$7.2 million. Undoubtedly it will cost more today than was estimated five years ago, but this is true for any option chosen.

How is this to be paid for, whatever option is chosen?

All new Leisure World owners pay a 2% (of selling price) Transfer Fee to Leisure World as part of their settlement costs. The money is available only for improving community facilities. Currently, unit sales have been producing about \$1.5 million annually. The annual amount depends on the current sales market. All Facility Enhancement Plan costs are to be paid from **Transfer Fee funds**. There are no plans for incurring any debt, or making assessments against current or future residents.

Is that realistic?

Estimates, whether of costs or revenues, are just that—estimates. Reality may be different. Financial projections and FEP costs have been estimated through 2020. These projections show that Transfer Fee revenues will cover construction costs each year, with the balance in the Transfer Fund ranging from a high of \$4 million to a low of \$741,838 in the beginning of 2020, and increasing again from there.

How has the Board voted at Leisure World Community Corporation meetings?

The Board of **the** Leisure World Community Corporation Board, has consistently voted for construction of a new Administration Building. At last count there have been 13 different votes on the project, from the initial approval of the new administration building proposal. Finally, there was an appropriation for consultants to complete the regulatory submission process which is now underway.

Where are we now with the Administration Building?

On November 30, 2017 Leisure World presented a site plan to the Montgomery County Planning Board which controls and governs construction in the county. Their

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responsibility is technical and intended to insure the construction details and environmental concerns are all accounted for. Management believed the hearing was going to address the technical aspects of the Leisure World Site Plan for a new Administration Building and Club House 1.

After the technical presentation, a number of residents raised three issues: the legality of the elected representatives to the Leisure World Community Corporation Board as they were not directly voted to serve on the LWCC Board by the residents, that residents were not being consulted on the Administration Building site plan and the plan merit and that there was not an invasive analysis of the existing Administration Building.

The Montgomery County Planning Board did not vote on the site plan as they had a technical issue with steps and seem to be concerned of the issues brought out by the residents who spoke at the meeting. A new hearing will be scheduled by the Montgomery County Planning Board in a couple of months. Leisure World has met with the planning board staff to resolve the site plan technical issues.

I believe as your representative from Creekside on the Leisure World Community Corporation Board that you should have information relative to the concerns expressed by some residents.

Leisure World Governance

Leisure World has 29 separate communities (a Home Owners Association, 27 Condominiums and a Co-op, each known as a Mutual). Each Mutual has its own separate governance and is governed by its individual governing documents. A Mutual, based on its governance documents, elects representatives to a Leisure World Community Corporation Board which is a master Home Owners Association governing body for the trust properties. Some Mutuals, based on their number of units have a number of directors on the Leisure World Community Corporation Board. The representative is a current or past director elected by the owners to serve on the Mutual Board.

Resident Participation

The Leisure World community has sixteen Advisory Committees at which each Mutual can have a representative. Every year I ask all the residents of our Mutual if they wish to participate in the overall community governance and make decisions for the benefit of Leisure World. Many of our Creekside residents are members of these Advisory

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Committees. These Advisory Committees meet every month in an open meeting with an agenda to do the business of a community with over 8000 residents. These Advisory Committees recommend changes and enhancements to the community and delve down into the details for implementation to improve the life style of the community. To name

just a few Advisory Committees that are relevant to the site plan for the Administration Building and Club House 1: Community Planning, Education and Recreation, Energy, Landscaping, Physical Properties, Restaurant, Golf & Greens, and Security and Transportation.

Over the past four years these Advisory Committees, in open meetings, have recommended changes to the community facilities for better service to the residents. Any resident can attend and can speak at a committee meeting and give their comments and suggestions on any project. Residents of our Mutual have attended these meetings and offered suggestions for community improvements. This all took place in fair open discussions where residents participate prior to a vote on agenda items.

These committees with over 200 members representing the community, in coordination with each other, established the Facility Enhancement Plan (FEP) to upgrade the community facilities. At each of these open meetings the members voted on the changes. Representatives from our Mutual currently are and were members of these Advisory Committees. The proposed changes to the community facilities were publicized in the Leisure World newspaper, shown on TV, and also discussed at community wide open meetings.

This was all accomplished with the help of skilled professional architectural and engineering support who looked at the physical and logistic needs for services at an administration building. The committees presented options with technical plans to the Leisure World Community Corporation Board for public comment and a final vote. The overall site plan was integrated with the need for changes to the Club House 1 entrances with respect to better access and parking for individuals who are physically challenged.

The plan has been implemented to date with resident input. When a new Administration Building option was selected by the Leisure World Community Corporation Board, more complaints were made by some residents.

Administration Invasive Study

An explicit concern expressed by some residents on the Facility Enhancement Plan was that residents had requested that the Leisure World Community Corporation Board look at doing an invasive study of the current Administration Building to see if the building could be continued to be used. This was voted down in November 2014 by the Leisure World Community Corporation Board in a very close vote. Residents still insisted that this be looked into. In late 2016 the Leisure World Community Corporation Board requested that a report be provided to the community relative to an Administration Building Invasive Study.

An Administration Invasive Study report was presented at a meeting in February 2017 which looked at the 50 year old building infrastructure. The building, originally built as a sales office, now handles the financial administration services for 29 Mutuals, unit resales, individual property management services, post office services, security services, a bank for the community, and supports over 5200 residential units and over 8000 residents. It also houses offices for Montgomery Mutual as well as a small meeting room for Mutual and trust business.

In the report it stated the lack of space, requirements and costs to renovate, expand or construct new, as well as the infrastructure problems that needed to be addressed. The report listed ten applicable State and County codes and addendums that would need to be investigated to bring the 50-year-old building into compliance with current standards.

- 2015 International Building Code
- 2010 American Disabilities Act Accessibilities Guidelines
- 2015 Mechanical Code
- 2014 NFPA70 National Electric Code
- 2015 International Energy Conservation Code
- 2013 NFPA72 Fire Alarm Code and 2013 State Adoption Fire Prevention Code
- 2015 NFPA 101 Life Safety Code and 2015 State Adoption Fire Prevention Code
- WSSC Plumbing Code
- 2013 HFPA 13R/13 Commercial Sprinkler Code and 2013 State Adoption Fire Prevention Code
- 2012 International Green Construction Code (new code adopted in 2016 by the county)

It was reported that continuing ongoing repairs and modifications to the Administration Building over time have already indicated deficiencies in these areas, such as having to remove all the asbestos, mold issues, provide upgraded and new mechanical

systems, replacement of obsolescent electrical systems, compliance with safety/fire code requirements (addition of sprinklers and fire alarm systems), plumbing system upgrades, and compliance with Montgomery County's new "Green Construction Code."

The report noted that nearly \$100,000 had to be spent in required, previously unknown

infrastructure repairs during the recent upgrading/rehabilitation of Club House I. A list of the items was also included, and it was noted that Club House I had been previously upgraded/rehabilitated in 1995/6. Because Club House I was built at about the same time as the Administration Building, it's reasonable to believe that similar structural problems exist.

The entire invasive project was estimated to take approximately nine months before the final report is submitted to the board. The cost of an invasive study was estimated to be between \$100,000 and \$150,000, including \$6,000 just to prepare the bid package. The report noted the costs of delaying the construction of a new building. The report stated that approximately \$550,000 in maintenance and replacement costs could potentially be saved on the existing building if the planned new building continues on schedule. Moreover, the report estimated that a delay in the schedule of the new building could possibly increase the construction costs by 4% to 5% a year.

During open discussions at the meeting, a point was made that, with an invasive study you "open things up." When things are sealed, certain adverse situations are not harmful. When opening a ceiling or wall in a 50-year-old building, we will find problems that must be fixed immediately (like asbestos & mold) which could have consequences that must be immediately rectified, staff relocation, disruption of administrative services, and unscheduled costs. This would entail unanticipated costs which would be borne by the unit owners and in the worst case the cost of relocation of the staff and support services in the building because of the invasiveness process.

In summary, in February 2017 the Leisure World Community Corporation Board of Directors in a 31 to 2 vote (the Chair only votes if there is a tie, or to create a tie which defeats a resolution), did not approve an invasive study because the cost of doing the study would: just provide additional information on the known building problems in infrastructure, building code required changes; the invasiveness of the study is a risk in itself to the current administration operations; and that other Club House 1 access issues would not be solved.