

I'On Assembly
Board of Trustees Meeting
Thursday, August 28, 2014
Executive Session 5:30 P.M.
Board Meeting 6:00 P.M.
Conference Room
159 Civitas Street, Second Floor
Mt. Pleasant, SC

AGENDA

- Homeowner Forum
- Call to Order
 - Approval of Minutes: July 24, 2014 Board Meeting
- President's Report
 - Litigation Update
 - Risk Management Program Evaluation Preliminary Report
 - VOTE on signing new financial documents for Creek Club Loan
 - VOTE to approve expense reimbursement for D. Bedell
- Community Manager Report
- I'On Trust Report
- Landscape Report
- Infrastructure Report
- Notice for consideration of amending Rule D-102 at September Board meeting
- Treasurer Report
 - VOTE on Management Contract
 - VOTE to Award Reserve Study Update Contract
- Covenants Report
 - Survey of community views on enforcement priorities
- IDC Report
- Amenities
 - VOTE to Establish Dog Park Advisory Committee

- Communications Report
- Secretary Report
 - VOTE to withdraw requirement for BOT candidates to attend a BOT meeting
 - VOTE to approve Amended Doc Retention Policy
 - VOTE on opening and closing dates for nominations and record date for “good standing” determination.
 - VOTE on deadline date for voter eligibility
 - VOTE on deadline date for proxy submissions 2 business days prior to the election
 - VOTE on Leadership Development Committee
- Adjournment

I'On Board of Trustees Meeting
July 24, 2014

Members Present: Deborah Bedell, Tom O'Brien, Anne Register, Chad Besenfelder, Tony Woody, Stephen Wood, Martha Morgan

Member Absent: Bob Davis

SCS: Mike Parades and Jessica Gosnell

Guests: Dave Rosengren, Ed Clem, John Powers, Lori Feehan, Amy Sage

Homeowner Forum: Ed Clem expressed his concerns with golf carts on paths and trails. He commented that at one time there were signs at the entries to the paths around the lakes, marsh, and Rookery. The signs seem to have disappeared from the posts; Ed suggested that we talk to Lawn-O-Green to see if they still have the signs where we could put them back up. If not, then new signs be installed and put a reminder in the upcoming newsletter. Mike said this would be addressed at the next infrastructure committee meeting.

Board Meeting Called to Order: 6:05pm

Motion to approve, the June 26, 2014, Board Meeting Minutes. Motion seconded.

Martha mentioned that Ed Clem requested a revision to the homeowner forum section. Ed felt that the minutes did not reflect what he was trying to say, so Martha confirmed we would edit the section to restate Ed's comments.

Deborah commented that the minutes need to be proofread more carefully on every level and that we would like to have minutes drafted, preliminarily approved, and published within two weeks of the meeting.

Motion to approve, the June 26th Minutes as amended. All in favor. None opposed. Minutes approved.

Trust Report: Amy shared her concerns with trash pickup at the end of large activities such as the July 4th event. She saw trash left around the lake the following morning after the Trust cleaned up the Amphitheater when the event was over. Amy suggested having additional trashcans put out during and after large events. Deborah asked if this is common occurrence for other events, and Amy replied that so far she has only observed this after the July 4th event.

Tom inquired on who pays for the fireworks. Amy replied that individual homeowners put on the fireworks show. The Trust does not pay for or sponsor any of the fireworks. Tom asked if there is any way to personally contribute to the neighbors that put on the fireworks. The

consensus was that if individual homeowners wish to contribute monetarily to the homeowners who shoot off the fireworks, it would be possible to do so.

Amy also raised a concern regarding children on the lakes in boats and kayaks during the fireworks. She feels that this is a real problem when fireworks are going off over the lake after dark. Deborah suggested making this a newsletter item for next the next July newsletter, urging parents to have their children come in off of the lake once it gets dark and the fireworks begin.

Deborah mentioned a letter that she received from the Motion Picture Licensing Association, stating that royalties need to be paid when showing a motion picture in public. She wanted to make sure that the Trust received the letter.

Treasurer's Report: Anne reported that the Assembly needs another expense line item for things like benches and special thank you items that occur during the year. This time the items were expensed to the mid-year meeting account, which it does not accurately reflect what was actually spent on the meeting itself. The Town Hall expenses were \$902, and the biggest part of this cost was for the bench, the installation, and the picture that was a gift to the Rosengrens for their service to the community.

Deborah raised a question on the monthly variances in the financial report, asking if we are now doing monthly budgeting rather than prorating an expense equally over 12 months. Mike replied that they have been doing an anticipated budget based on last year's expenses during a given time. Mike said there are variances because things may not be done at the exact same time this year as last year. For example, the flowers were budgeted to be installed in May, but that did not happen until June.

Deborah asked if we were paying estimated income taxes on a quarterly basis; Mike and Anne replied that we were.

Anne reported that the Assembly is ahead of budget on transfer fees as well as assessments.

Anne brought three motions for Board for approval.

The first was regarding a past due assessment that incurred penalties and interest. The account then went into a lien situation and has now incurred legal fees. In checking on the account, it was discovered that the owner did indeed try to change the billing address and it was not done. The finance committee recommends that the property owner only pay \$1000, the full amount of annual dues, and that SCS and the Assembly split the cost of legal fees of \$425.

Motion to split legal fees of \$425 between the Assembly and SCS requiring the homeowner to only pay the amount of \$1000 for the yearly assessment. Motion seconded. All in favor. None opposed. Motion passed.

The next motion was a remedy to improve the timeliness of financial statements to the finance committee. The paper statements sent from Harbor National Bank arrive late, so Anne suggested establishing online read-only account access to view the account and obtain the statement as soon as possible. No money could be moved or tampered with; this would simply allow access to the bank statement the day after month's end. The finance committee recommended a motion to establish online banking access at Harbor National Bank.

Motion to establish online read-only banking access at Harbor National Bank. Account signatories and the property manager would be the only parties with access. Motion seconded. All in favor. None opposed. Motion passed.

Anne reported on a further issue on which the finance committee needed Board approval. She reminded the Board that they talked last month regarding purchasing enhanced Directors and Officers insurance with the umbrella policy that goes with it. Anne mentioned that since this is better coverage, there is a higher cost associated with it. A previous motion required the finance committee to return to the Board for approval if the increased costs for the new coverage exceeded \$7000 over current costs.

Anne reported that the new coverage will cost \$7,679 more than the previous coverage.

Tom asked what the key coverage difference in the policy is, and Mike responded that it provides coverage for non-monetary damages.

Motion to purchase additional insurance for Directors and Officers and umbrella insurance. Motion seconded. All in favor. None opposed. Motion passed.

Covenants Report: Lori Feehan reported for the Covenants Committee. She said the Covenants Committee has run into situations of interpretation and various opinions with how much to enforce, and whether a rule or policy is clear enough to enforce.

They have reviewed all of the rules, bylaws, and policies. In trying to do their job, they decided they needed to know more about the community's awareness of the rules and how the community's priorities as to rule enforcement.

Therefore, the Covenants Committee proposed a survey of Titleholders to measure homeowner sentiment on enforcement of the existing governing documents.

Lori provided an example of a survey question and types of responses the committee is thinking of using. Discussion continued and Board members provided input on what they thought would work well as far as a survey regarding how many questions, types of available responses, and whether it needed to be sent to one Titleholder per lot, or sent to all email addresses on file where there might be two responses from the same home.

The consensus was that the survey is also a good way to help the Board get a better understanding of community sentiment on the specifics of rule enforcement. Deborah suggested that the Committee heavily publicize the survey to get a good response. Deborah and Tom both suggested emphasizing that the survey is completely anonymous. Lori reported that the goal is to have this survey ready shortly after Labor Day once residents are back in town.

IDC Report: Stephen reported that Pam has asked the board to approve a \$150 reward for information for the return of the historical Jacob l'On marker that has gone missing. Stephen commented that he feels it is a slippery slope to offer rewards for things like this; his opinion is that the Assembly should not offer rewards for information that concerned citizens should offer up for free.

Motion to approve \$150 reward for return and/or information on the historical missing Jacob l'On marker. Two in favor. Four opposed. Motion failed.

Despite the vote, the board does want to spread the word outside of l'On in an attempt to have the historical marker returned. Stephen commented that he does think there should be communication of the loss of the marker, as well as encouragement for its return.

Stephen reported that he went to the Town to learn about their procedure for announcing exterior changes of properties. This is coming from the request for additional communication in advance for neighbors surrounding a property that is requesting an exterior change. Stephen reported that the Town uses plastic signs that they actually put in the yards themselves rather than have the homeowner do it. The sign is a general sign, not specific to the issue; it simply states that a request has been made for a change, and has a barcode that citizens can scan with their phones and it will take them to the agenda for the meeting where the project will be discussed. Stephen commented that this would be overkill for l'On, but this general idea could be adapted to suit l'On's needs.

Amenities Report: Deborah brought up the noise complaint regarding the Creek Club and activities at the Creek Club. Deborah instructed Mike to check the lease, the appendix to the lease, and the settlement agreement to see what it says about cut off time as this is a potential lease violation. Mike commented that he has a copy of Mike Russo's lease agreement and it does clearly have a cut off time, but he will look into the issue and see that it is taken care of.

Landscape Report: Tony reported that the arborist l'On hired through Lawn-O-Green recommended removing the damaged tree on Ponsbury. The Town arborist suggested removing some of the limbs, but not the entire tree. The goal is to get these arborists together to agree on a plan.

Tony commented that whatever the Landscape Committee does, it would be discussed with and communicated to the neighbors before anything is done. Tony also mentioned that if the arborists came to an agreement that the tree should be removed before another Board

meeting, the landscape committee would like the Board's permission to proceed. The Board agreed that whatever the arborists decide, they would support. The arborists are in agreement that the tree is in decline. It is possible that the tree may not fall this year, but it could fall in future years.

It is ultimately the decision of the Town arborist, so if he does not approve removing the tree, then the Assembly will request that directive in writing. Tony commented that if the Town arborist decides the tree is in decline then we probably don't have to go to Board of Zoning Appeals to have it removed; however, if he decides that the tree should remain, but the Assembly nevertheless wanted to initiate a removal of the tree, then we would have to go to the Board of Zoning Appeals, which would be a lengthy process.

Tony wanted to confirm that the homeowners have said they would like for the tree to remain.

Dave Rosengren reported on the landscape contract. The Landscape Committee recommended that the Board not go solicit new bids and to continue service with Lawn-O-Green into 2015. Lawn-O-Green is not asking for any price increase for 2015; the only increase is the \$400 per month for additional maintenance at the Creek Club.

Tony commented that since there is going to be significant turnover on the Landscape Committee, it would be beneficial to keep Lawn-O-Green as the landscape contractor since it is familiar with the work and what is expected. Tom stated that he feels Lawn-O-Green does a great job, which is an even more important reason to continue service with them.

Motion to approve the recommendation of the Landscape Committee and retain Lawn-O-Green for 2015 service. Motion seconded. All in favor. None opposed. Motion passed.

Dave commented that \$32,000 was approved for the budget this year for enhancement projects. The Board did approve \$9,000.00 for the Perseverance Park project, but then asked the Committee to hold on any further projects. Dave requested an update on how to proceed. Deborah responded that since we are contractually obligated to build a loading zone outside of the Creek Club, and we have no idea how much our 50% is going to cost, she is not comfortable going forward with other enhancements. Dave confirmed the committee would not proceed with any other projects at this time. Dave reported that \$23,000 remains in the landscape enhancements budget that is not being used and offered these funds for other projects like the loading docks.

Infrastructure Report: Tony reported that Mike is making some progress on getting street parking spots re-painted. The Creek Club boat ramp needs to be repaired and Mike has gotten two quotes: one for \$11,000, and the other for \$20,000. Deborah asked what account this would be paid from, and Mike commented that it would come out of the Creek Club/Dock reserves. Deborah asked why there was an almost 50% difference in the quotes. Tony said he will verify and ensure that the price difference is not due to the quality of the aluminum.

Motion to approve replacing the dock at a price not to exceed \$19,850. All in favor. None opposed. Motion passed.

Tony reported that he has been working on obtaining quotes for surveys for the Creek Club loading zone project. The survey will include the location of Creek Club building, parking lot, ramp to side, and street to the front of the building. Tony reported that so far he has only received one bid for \$1,500, and he is hopeful that he will receive another bid in the next week. He would like to get approval from the board to spend no more than \$1500 for a survey for the Creek Club loading zone project.

Motion to approve a budget of no more than \$1500 to survey the Creek Club property in order to begin the loading zone project. Motion seconded. All in favor. None opposed. Motion passed.

Tony mentioned the need for organizing a meeting for input to get direction in sketching up an overall enhancement of the Creek Club area. He would like to meet with the boating committee, the Board, and other interested parties to discuss what everyone likes about what currently exists at the Creek Club, what they would like to see added, what needs to be removed, and what would make it nicer.

Tony began discussion of possible changes to Rule D-102 to allow backyard chickens.

Tony spoke with the enforcement officer from the Town and asked him what issues he finds with backyard chickens. The officer said that there are really only two items that seem to be issues: roosters, and chickens running loose without fencing.

Tony made a motion that we publish a notice that the Board will consider modifying Rule D-102 to specifically allow backyard chickens with some conditions at the next board meeting. Motion seconded.

Tony stated that he did not come prepared with a redlined copy showing his proposed rule amendment; he simply wanted to bring it to the Board for discussion. After discussion of timeline, it was decided that this would not be a good topic to discuss at the August Board meeting with so many people out of town.

Tony withdrew his previous motion and restated it as:

Motion to have the Board consider, at its September meeting, a possible revision to modify Rule D-102 to allow backyard chickens. Motion seconded.

Anne asked if the group talked about considering anything other than chickens. Tony replied they did discuss but did not get very far with the conversation.

Tony highlighted that this motion is not saying that Board members will agree with the amendment that is made to the Rule; it is simply saying that the Board agrees to revisit the Rule and discuss a possible change.

All those in favor of asking the Rule D-102 Committee to come back in September with a proposed draft to change rule D-102 with the objective of permitting chickens under certain circumstances. Six in favor. One opposed. Motion approved.

Secretary's Report: Martha proposed that the Board discuss a list of priorities for the Manager's to-do list. Tom suggested that after every Board meeting, the Board let the manager know what they feel is most important on his to-do list. This would help prioritize tasks and align the Manager and the entire Board, so that everyone is on the same page and all Board members can come to a consensus of where each of their items stand and should stand on the Manager's priority list. Tom also proposed the idea that Mike should report at the beginning of the Board meeting rather than the end, so that homeowners will hear what he is working on, since this information is important to them.

Discussion continued and Tony suggested moving the President's report to the beginning of the meeting right after the Manager's report. The consensus is that homeowners are interested in this information, so rather than have it at the end of the meeting, it makes sense to move it to the beginning of the meeting when the homeowners are still present.

Martha began discussion of the draft Board election policy. To ease the process, Martha suggested changing the meeting to November. It was decided it was too late to consider for 2014. Deborah suggested trying to schedule Annual meeting for January in order to avoid all the holidays. The Board decided to put this idea on hold, as the meeting date cannot be changed this year.

Martha began discussion to simplify the election procedure with proxies and ballots. Stephen questioned using proxies for Board elections at all. He felt that absentee ballots should be sufficient for voting purposes and only use proxies for a quorum. Deborah will check with the Board's attorney to see if this change would comply with the Bylaws.

In terms of in-person voting, Martha asked if homeowners could come early to the meeting, cast their vote, and leave. This was added to the list of questions for the Board attorney.

Martha asked the Board if they all agreed to create a Nominating Committee. The committee would consist of one Board member as the Chair, along with five other members. Stephen commented that it would be logical to have an outgoing Board member as the Chair of the committee.

Deborah asked about the role of the Nominating Committee. She believed a nominating committee is responsible for soliciting new members, screening and evaluating the candidates,

and recommending a fixed slate of candidates. By contrast, a Leadership Recruitment Committee solicits candidates to run for Board but anyone can apply and be on the ballot.

The consensus was that a Leadership Recruitment Committee would be the best fit for I'On. The goal is to recruit qualified individuals who would make suitable Board members.

Deborah suggested that there be a qualification that candidates must come to at least one Board meeting in order to be considered a candidate. This was added to the questions for the lawyer.

Anne suggested publicizing the call for board applicants in the newsletter while the Recruitment Committee is personally contacting potential candidates. Anyone interested in running can contact the Recruitment Committee, speak with them regarding the requirements and time commitments, and get an application form to apply.

Deborah suggested that the Recruitment Committee develop a job description for candidates, describing the time commitment and requirements of being a Board member. The committee will be the point of contact to answer any questions from potential candidates

Anne suggested calling the committee a Leadership Development Committee rather than a Leadership Recruitment Committee.

Motion to require that anyone interested in running for the Board must attend a Board meeting in the calendar year before the deadline is closed. Motion seconded. All in favor. Motion passed.

Motion to establish a Leadership Development Committee to coordinate the candidate identification process. Motion seconded. All in favor. Motion passed.

President's Report: Deborah proposed putting out a highlight announcement the day after Board meetings. This idea stemmed from the fact that it takes so much time to get minutes written, revised, approved, and out to the community. The idea is to have the Board agree on the top items discussed at the meeting to announce to the community the day after the Board meeting. The consensus is the Board felt that this was a good thought, but it seemed to be an extra step that would create more work and create even longer meetings.

Manager's Report: Mike reported that receivables are down. As of the previous Monday, the total was \$111,403. The I'On Club was billed for current maintenance and past reserve contributions. Mike reported that he hand-delivered the bill and explained it to Mark, the club manager. Mike was told that there is not likely to be any resolution to this until after the trial is completed.

Mike has found that parking is turning into an even bigger issue. He is doing a lot of research and getting closer to solutions.

Mike reported that the risk management evaluation prelim meeting was done and he walked through the property with HUB personal for a site survey. He expects to see a preliminary report in the next few weeks.

The RFP for the reserve study is being mailed tomorrow and we should be in position at the August board meeting to make a selection on a company.

Work on the 2015 budget is well underway, and should have a proposed draft by September.

Meeting Adjourned at 9:20 PM

Martha Morgan, Secretary

PRESIDENT'S REPORT
AUGUST 2014

LITIGATION STATUS

On August 1st, the jury in Walbeck, et al. v. The I'On Company, LLC, et al returned a verdict in favor of the Assembly for breach of contract, breach of fiduciary duty, and negligent misrepresentation, and awarded the Assembly damages in the amount of \$1,750,000 against the corporate defendants. The Defendants were given 10 days to file post trial motions.

Judge Stephanie McDonald will hear the post-trial motions on during the week of September 1st at the Charleston County Courthouse, on a date not yet determined.

The attorneys for the Defendants filed the following post trial motions:

1. **MOTION FOR SET-OFF** (Requesting that certain settlement amounts be offset against the jury's damages award).
2. **MOTION TO REQUIRE PLAINTIFFS' ELECTION OF REMEDIES.** (Requesting that the plaintiffs elect which remedy they wish to pursue of those awarded by the jury).
3. **MOTION FOR JUDGMENT NOTWITHSTANDING THE VERDICT, NEW TRIAL ABSOLUTE AND NEW TRIAL NISI REMITTITUR.** (Requesting judgment notwithstanding the verdict, a reduction of the jury award, and/or a new trial).
4. **DEFENDANT I'ON COMPANY LLC'S PETITION FOR ATTORNEYS' FEES AND COSTS.** (Requesting attorneys' fees against Plaintiff Lea Ann Adkins).

In addition, the attorneys for the Plaintiffs have filed the following post trial pleadings:

1. **PETITION FOR ATTORNEYS' FEES AND COSTS.**
2. **MEMORANDUM IN SUPPORT OF JUDGMENT IN I'ON ASSEMBLY'S FAVOR ON THE INVALIDITY OF THE 2000 RECREATIONAL EASEMENT** (Requesting the court to rule in favor of the Assembly that the 2000 Recreational Easement is invalid and not perpetual).

3. **MEMORANDUM IN SUPPORT OF PLAINTIFF ADKINS'S PETITION FOR UNJUST ENRICHMENT.** (Requesting the court rule in favor of Plaintiff Lea Ann Adkins on her unjust enrichment claim).

The Defendants have also indicated their desire to appeal the jury verdict, a decision that will likely be affected by the court's rulings on the above referenced matters.

Assuming a hearing date is set, updated information will be available at the Board meeting. While the judge may rule from the bench on the post-trial motions, it is more likely that the court will take the majority of the motions "under advisement" after the hearing and issue a ruling at a later date.

RISK MANAGEMENT STUDY

We have received the risk management study from HUB International. The report concludes that the Assembly has been doing a good job managing risks, including liability exposures, but makes recommendations about needed repairs and maintenance work to some of our physical facilities. In addition, the report suggests obtaining insurance coverage on our wooden footbridges to possibly lower the required reserve contribution to cover them.

The report will be referred to the Infrastructure Committee to address needed work, and to the Finance Committee for consideration in the new reserve study about to get underway.

Manager's Report

August 2014

Boat Ramp and Docks

As authorized last month, the new ramp for the main dock has been ordered. The contractor advises the new ramp would take approximately 3 weeks to fabricate. When received, the contractor will schedule his crane and barge to deliver and install the new ramp and take away the old ramp. Completion is expected mid-September.

As of 8/26/14, we now have 68 registered boaters. The docks are being monitored daily during the week by management and the members of the boating committee are monitoring on the weekend.

New Flagpole

The new flagpole has been received and installed. As part of the installation, a "paver stone" path was created to allow access to the rope for the flag without stepping on plantings and a new up light was installed. As a side note, during installation the old support posts were found to be completely rotten. As comparable material was not available for several weeks, a decision was made to use a section of the old flag pole to fabricate new support posts. The idea worked very well.

Billing to the I'On Club

As previously reported, billing was delivered to the I'On Club managing director. Two weeks ago, I touched base regarding payment and was advised no authorization has been given to make payment and it is likely payment will not be resolved until the Creek Club litigation is finished.

General Maintenance

I have a general maintenance contractor working one day a week on routine maintenance needs such as painting bollards, signs, fences, etc. In the last month, he has made repairs to the fence and gate at the soccer field and painted the fence, replaced bad deck boards at the staging dock and main dock in addition to other minor maintenance jobs.

Parking

The TOMP police department has begun monitoring parking while on patrol and issuing tickets to vehicles illegally parked. The police have confirmed that the "Parking in Designated Spaces Only" signage at each entrance to I'On is sufficient notice to residents, visitors and contractors.

The designated spaces need to be repainted. Based on conversation with TOMP Public Works, they have neither the man-power nor the funding to paint the spaces in the near future. As such, the Infrastructure committee has asked that I obtain pricing to get the spaces properly repainted.

Speeding

Over the past few days there has been much email regarding a serious speeding problem with I'On. I have had discussions with the TOMP Transportation Department who has advised me by TOMP Ordinance the maximum speed in I'On is 20 MPH. I recently surveyed all streets to see what speed limit signage exists and was disappointed to find there are no signs on two of the main streets.

A request has been made to TOMP for a complete review of existing street signage to include speed limits, stop sign location and other signage needs. I have also asked the TOMP police department to begin enforcing the existing speed limits.

Newsletter Article

In an effort to alert residents to the fact that the police are going to enforce illegal parking and speeding, I prepared an article to be placed in the next newsletter discussing both topics.

I'On Trust Report for the I'On Assembly HOA Board Meeting September 2014

Recent Event

We had a great turn out for our Screen on the Green on August 15. Freshly popped popcorn was served as we watched the Hunger Games. Thank you to the neighbors that stayed to help us take down the big screen.

Fall Activities

- **Brazilian Music Concert, Saturday, October 18th with Porto Seguro**

Local band Porto Seguro will play a special evening of music from Brazil including choro and bossa nova. It is fun, laid back, rhythmic, soulful and great music to share with friends! This event is free. Bring your picnics, chairs and blankets and perhaps your dancing shoes for a great evening of music.

Choro music developed in Brazil in the early to mid-20th century and has some parallels to American ragtime. This fun instrumental music requires virtuosic playing combined with quick improvisations. It melds European and African influences into a distinctively Brazilian combination of up-beat melodies backed up with a syncopated vibe that is at once both joyful and full of soul. Choro is considered a precursor to bossa nova and other Brazilian popular styles.

About the band:

Local musician and neighbor **Susan Conant**, flutes, **John Holenko** (locally known for his work with the Hungry monks), mandolin, **Tom Noren**, guitar, **Jonathan Gray**, bass, and **Matt Maisie**, percussion, make up **Porto Seguro**(which means safe harbor). It was the first place the Portuguese explorers landed in what is now a city located in Bahia state, Brazil.

- **Saturday, October 25 - at dusk - Westlake Amphitheater**

Have a scream with Screen on the Green - an outdoor Halloween themed movie at the Westlake Amphitheater. The movie will begin at dusk and popcorn will be provided. This event is free.

- **Sunday, October 26, 4:00 - 6:30pm - Maybank Green**

Our annual Halloween in the 'Hood celebration plans to be a fantastic time for kids (and adults) of all ages! Our enthusiastic team is making arrangements for a wicked good time. If you would like to volunteer to help with this event, please be in touch with Margaret Summers, msummers@iontrust.org.

Landscape Committee Report – August 2014

Storm Clean-up: The I'On Assembly has been offered "emergency client" status by the Charleston Tree Company (thru Lawn-O-Green; see attachment) in order to receive top priority for clean-up in the aftermath of a major storm. As soon as the storm passes, Charleston Tree Company will immediately begin clean-up of roadways and alleyways in I'On. The emergency client designation incurs no cost until when/if storm clean-up is required. **The LC recommends the Assembly Board accept this offer of storm clean-up from the Charleston Tree Company**

Geese: There are approximately 12 Canadian Geese who appear to call the lakes in I'On as their year round home. Geese are destructive to the lawns and other foliage, in addition to leaving significant amounts of excrement. In subsequent years the 12 will continue to multiply and become an even bigger nuisance. The LC is beginning to research options for goose removal and/or options to "encourage" the geese to find a new home. No steps will be taken without first obtaining the alignment with the Assembly Board and communicating the plans and rationale with I'On homeowners.

Ponsbury Live Oak: The LC has continued to have discussions with arborist experts regarding development of an appropriate course of action for the grand Live Oak that lost a major limb in July. There are numerous cavities in the remaining trunk and all parties are in alignment that the large limb that crosses the road is a liability and should likely be removed. As a result the TOMP arborist, Eddie Bernard, has suggested that a series of core samples be taken to assess the extent of solid wood versus voids that would exist in the portion of the tree that remained. These tests are estimated to have a cost in the range of \$750 - \$1050. The outcome of this testing would lead the LC to recommend one of the following options...

- If there is enough solid wood in the remaining tree, then further pruning would be recommended to remove the limb over the road and any other suspect areas. Projected cost for this approach is estimated to be in the range of \$2000
- If extensive voids are found in the remaining tree, then a recommendation would be forwarded to remove the entire tree at a cost of \$3000 - \$3500. If this approach were to be taken, the LC would want to consider options to replace the grand tree with a mature Live Oak or other species such as a Magnolia. Costs are being researched for these options.

Funds remain in the 2014 landscape budget (Plant/Tree Replacement/Removal - \$5000; Landscape Enhancements \$23,000) to cover these type of expenditures. **The LC requests Board approval to authorize the core testing costs of \$750 - \$1050.**



Lawn-O-Green, Inc.
PO Box 40248
Charleston, SC 29423
Attention: Steve Walker

May 19, 2014

Emergency Plan Clean-up for I'On

Steve,

As discussed earlier, I have put an action plan together in case of an emergency storm situation for I'On. We have listed I'On as an emergency client. As an emergency client, I'On will receive top priority in the event of a storm. Due to the high demand for emergency clean up after a storm, we will clear all the roadways in I'On for vehicle access. We will clear all roads, alleyways, and lanes in I'On subdivision so that everyone can have access. Once the debris has been cleared for travel, we will be available for any cosmetic trimming to storm damaged trees with approval from HOA.

The charges for our services in the event of a storm are as follows:

- We charge \$370.00 an hour for clean up
- We will also charge \$60.00 for every load
- Our crew size will be 5 people
- We will be on site for 6 days a week for 8-9 hours a day

If there are any questions or concerns please feel free to contact me or Will.

Thank you for your business.

Carter Helms
(843) 478-5596

Adhoc Committee to Review Rule D-102

Committee Members:
Chad Besenfelder, Bob Davis, Tom O'Brien, Tony Woody

August 25, 2014

Potential Rule Change Announcement

In keeping with the direction given at the July Board of Trustees Meeting the Committee Chairman offers this announcement to be noticed prior to the September Board meeting as defined by the I'On CC&R's;

The I'On Board of Trustees will consider amending Rule D-102 at its September 25, 2014 Board meeting. The discussion will involve defining "Household Pets" to include domestic backyard chickens with conditions. These conditions may include the following;

- a. No roosters
- b. No more than two hens
- c. Fenced yard or coop area
- d. Coop to be approved by IDC / screened from neighbors
- e. Minimum distance from neighboring structures TBD

The current Rule reads as follows;

D-102 Pets. Household pets may be kept provided they do not cause a disturbance or become a nuisance to Titleholders and occupants of other Lots in I'On. Each pet owner shall be responsible for immediately collecting and properly disposing of the wastes of his or her pet. Pets shall be under leash or voice control at all times when walked or exercised outside the confines of a Lot.

If any Titleholder would like to comment on this proposed Rule amendment please attend the September Board meeting and you will be afforded an opportunity to offer input.

I'On Assembly Finance Committee Meeting

Participants Present: Ed Clem, Sally Raver, Frederik Winther, Anne Register; Mike Parades

Meeting Date: August 25, 2014

Submitted by: Anne Register

AGENDA ITEM	DISCUSSION/DECISIONS	FOLLOW UP/ACTION STEPS
Review of the July, 2014 Financial Statements	The financial statements, along with Mike's variance report and a combined version of the delinquencies and the debtor report, were distributed via e-mail ahead of the meeting. Committee members were asked to submit questions on the reports to Mike prior to the actual meeting in order to save time during the meeting. The report indicated that actual cash revenues are behind budget by \$14,881. This may have resulted from the fact that the 2014 assessments were payable in two installments, and some Titleholders have overlooked the fact that the second payment was due by the end of July. On the expense side, the legal costs continue to increase, and the total after seven months is higher than what was budgeted for the entire year. This is largely the result of legal activities related to the litigation. The other significant overage is in the insurance line item which was created by the need for coverage for the Creek Club docks and the enhanced D & O policy. The net position after seven months is still a positive \$17,890 when compared with the budget. Delinquencies and collections were discussed. The delinquency report as of August 25 showed a total amount due of \$66,460.06; however, \$21,213.87 of this amount is related to mortgage foreclosures. There are 51 past dues related to Titleholders who have not paid the second installment of the 2014 assessment. Mike will send reminders to these owners to encourage them to pay before legal action has to be taken. This is a step that SCS does not do on a regular basis. Questions were asked about what happens when an owner on a payment plan misses a payment. Mike responded that he is checking on this with SCS and MTB since there is some inconsistency in the way these situations are handled.	The financials will be part of the Board packet for the meeting on August 28. Mike and Anne will continue to discuss better ways to expedite payments.
Updates	Reserve Study Proposals: Committee members discussed the four proposals received as a result of the RFP's Mike distributed. Mike had shared via e-mail that the proposed fees for the work ranged between \$3,990 and \$8,750. The lower quote was from Miller Dodson which Mike indicated was due to their having local staff as well as previous experience with doing two reserve studies for the I'On Assembly.	A recommendation will be made to the Assembly Board to approve the proposal from Miller Dodson to undertake a new reserve study and also to

AGENDA ITEM	DISCUSSION/DECISIONS	FOLLOW UP/ACTION STEPS
	Discussion continued on any significant differences in the proposals. It was noted that one proposal indicated that the presentation would be in video form which might be easier for the Board and others to understand. Questions also were raised about the information that Mike would provide to the firm selected since it is believed that there were some key items missing from the report prepared in November, 2010. Mike assured the committee that he would be covering all of the essential information. The group also agreed it would be very helpful to have the work completed and the report received before the 2015 budget is finalized. The committee members agreed to recommend to the Board that the contract be given to Miller Dodson and that the work be undertaken as soon as possible. Miller Dodson's proposal included an estimated timeline of 30 days. Risk Management Study: Anne reported that a preliminary report had been received from HUB International. Additional questions were posed related to insurance needs, and an amended version of the study will be forthcoming. When it is received, it will be shared with the committee as information. Creek Club Billing: Anne explained that no further contact had been made by the Club related to the invoice delivered by Mike some six weeks ago for the Club's portion of the costs related to the use of the docks at the Creek Club for the current year and for the reserve amounts required over the past 13 years. The litigation has interfered with this, and there is no assurance of what response we will receive at this point.	approve beginning the work very soon. The final risk management report will be shared with the committee.
2015 Budget Discussion	Mike provided copies of a first draft of a budget for 2015 to the committee for review. He highlighted the items where a significant change is recommended and explained that he will have notes to accompany the proposal when it is finalized. Committee members were asked to continue to review the draft and get back to Mike with suggestions for changes. A request was made to have a copy of the l'On Trust financials/budget since the Assembly is considering another commitment of \$20,000 to the Trust for the coming year.	Committee members will review the budget proposal and discussion will continue at the September committee meeting. Mike will ask the Trust for a financial report.
l'On Dog Park	Anne and Mike both indicated that neighbors are asking about the plans for a dog park. In addition, complaints have been more numerous recently about dogs running in some public areas in the neighborhood, including Maybank Green, while owners are not cleaning up after their pets appropriately. Mike indicated that since transfer fees are running well ahead of budget for the year, there might be an opportunity to use some funds from these fees to build the dog park. Dog owners who anticipate	Discussion will continue on planning for a dog park. It will be on the agenda at the September Board meeting.

AGENDA ITEM	DISCUSSION/DECISIONS	FOLLOW UP/ACTION STEPS
	using the park will be asked to pay a small fee to cover maintenance and supply costs, including key fobs for entrance to the park. Anne reminded the group that the interest in a dog park was the matter that received the most comments during the Town Hall Forum. Comments were also made that other neighbors were concerned that there be a private green space area in the neighborhood where dogs were not allowed so that children could play safely.	
cuNext Meeting Date	The next meeting of the Finance Committee will be on Monday, September 22 at 10:00 a.m. in the office conference room.	Reminders and information will be sent.

DATE: August 20, 2014
TO: Finance Committee
FROM: Mike Parades 
RE: Financial Highlight Report
Month Ending 7/31/14

Cash Revenues from Assessments

As of 7/31/14, actual cash revenues are behind budgeted cash revenues by \$14,881. As this is the first year the annual assessment has been billed in two installments, the budgeted collections for July may have been somewhat aggressive. In addition, I believe many owners simply forgot the assessment is in two installments. I believe it might be useful to post a notice in the next newsletter reminding owners who have not yet paid the 2nd installment that it is due and late charges are accruing.

IDC Operations

Through 7/31/14, IDC revenue is \$14,350 or \$7,350 greater than budget while IDC expenses are \$13,759 or \$3,741 less than budget. In summary, the IDC continues to support its operations with the revenues being generated.

Delinquent Assessments

During July, a negotiated settlement in a bank foreclosure action on the biggest delinquent account resulted in the sale of that property being completed. The Assembly collected a portion of what was owed to the Assembly, has a new owner in place that will pay assessments going forward and the Assembly collected the transfer fees that were due. The uncollected portion owed the Assembly was written off as authorized by the Board upon recommendation of the Finance Committee.

Other Variances of Note

1. Staffing/Payroll under budget YTD \$4,567 due to budget contemplates full time assistant and assistant is approximately 80% time.
2. Security over budget due to payment of old disputed bill from 2013 to Signal 88.
3. CAI Membership over budget \$1,651 due to attendance by BOT President at CAI National conference.
4. Printing is under budget \$2,100 due to timing.
5. Office supplies over budget \$2,024 due to purchase of office furniture.
6. Legal Expense in total (Professional and Collections) now exceeds to total budget for the year for both accounts by \$1,759 due to lawsuit expenses. The total through July 31, 2014 includes the cost of the trial. The unknown question is how much more legal might be incurred this year if the lawsuit defendant files an appeal.
7. Profession Consulting was budgeted at \$12,000 for 2014 but no money has been spent to date. Proposals for a Reserve Study Update have been solicited and there is a possibility budget dollars in this account may be needed to help pay for the Risk Management Program Evaluation currently underway.
8. Risk Assessment was budgeted for \$4,000. A contract was signed with HUB International to perform this project. This is a cost plus contract with a not to exceed amount of \$8,000. To the extent the final cost exceeds \$4,000, some budget adjustments will be needed.
9. Landscape Enhancements is under-budget \$15,900 due to the decision to defer the Krier Lane parking as discussed at a prior Board meeting.
10. Plant/Tree Replacement is under budget \$2,295 but will likely be used once a decision is made on what to do with the tree on Ponsbury that lost a major limb.
11. Power Washing and Paint is under-budget \$2,000 primarily due to timing.

12. Pet Stations is over-budget \$2,302 primarily due to ordering a high pet waste bags usage this year and purchasing 3 pet stations to be installed in the Duany/Robert Mills trail areas.
13. Insurance is over-budget due to adding Creek Club ramp and docks to property and liability policies. A portion of this will be recovered when the I'On Club is billed their share of the costs.
14. Federal incomes taxes are over-budget due to no quarterly deposits being made in 2013 leading to a reduction in the budget for 2014, yet there was income tax due.

Overall, through July 31, 2014 operating expenses are under-budget \$26,500 on a cash basis and YTD cash basis operating surplus is \$17,890.

Billing for the 2nd installment of the annual assessment was mailed June 3rd with payment due July 1, 2014. Total billed was \$380,000 and of this total \$51,603 had been prepaid. Collections in June and July were excellent yet there are still a number of owners who have not paid the 2nd installment. Accounts receivable at 7/31/14 are \$87,261.

Transfer fees received through 7/31/2014 are \$73,327 against annual budget of \$77,500. Based on collections YTD, it is clear actual transfer fees collected for 2014 will exceed budget.



I'On Assembly Homeowners Association
Income Statement - MTD-YTD-Hybrid I'On
07/31/2014

Page: 1

3301 Salterbeck St. - Ste 201
Mt. Pleasant SC 29466

	Actual Current Mo	Budget Monthly	Monthly Variance	Actual YTD	Budget YTD	YTD Variance	Annual Budget
Revenues - Cash							
4000 Assessments	112,407	175,000	(62,593)	709,619	724,500	(14,881)	749,000
4050 Special/Specific Are	(186)	0	(186)	335	0	335	0
4400 Legal/Lien Fee Incom	1,416	0	1,416	1,911	0	1,911	0
4500 Past Due - Late Fees	2,355	292	2,063	7,381	2,044	5,337	3,500
4610 Return Check Charge	0	0	0	25	0	25	0
4697 Directory Ad Revenue	0	133	(133)	30	931	(901)	1,600
4698 Facility Revenue	240	0	240	1,410	0	1,410	0
4700 Interest Income	35	29	6	165	203	(38)	350
4702 Interest Income-RSVs	137	292	(155)	1,278	2,044	(766)	3,500
4952 Mont School-Landscap	0	0	0	6,706	6,706	0	6,706
4954 IDC Revenue	1,200	1,000	200	14,350	7,000	7,350	12,000
4995 Delinquent Assessmen	(5,843)	0	(5,843)	(8,394)	0	(8,394)	0
Total Revenue	111,760	176,746	(64,986)	734,818	743,428	(8,610)	776,656
Expenses - Accrual							
Administrative							
5940 I'On Trust Expense	0	0	0	10,300	10,000	(300)	20,000
5945 Social Events/Commun	0	300	300	1,196	350	(846)	500
5950 Creek Club Expenses	400	1,000	600	3,585	3,000	(585)	8,000
6000 Management Fee	5,715	5,715	0	40,005	40,005	0	68,580
6010 Staffing/Payroll	2,864	3,583	719	20,516	25,083	4,567	43,000
6050 Security	0	0	0	4,103	2,500	(1,603)	5,000
6080 Office Rent	825	425	(400)	4,550	2,975	(1,575)	5,100
6092 CAI - Board Expenses	0	0	0	2,166	515	(1,651)	515
6200 Bank Service Charge	0	0	0	30	0	(30)	0
6210 Postage & Delivery	58	700	642	1,176	1,096	(80)	3,000
6246 Directory Printing	0	0	0	1,069	0	(1,069)	3,600
6250 Printing	0	1,000	1,000	0	2,100	2,100	5,500
6260 Office Supplies	152	100	(52)	3,524	1,500	(2,024)	2,500
6400 Accounting/Tax Servi	0	0	0	315	500	185	500
6409 Website Maintenance	0	208	208	1,286	1,456	170	2,500
6500 Legal/Professional	22,901	2,000	(20,901)	61,493	38,000	(23,493)	50,000
6545 Legal-Collections &	26	500	474	266	6,500	6,234	10,000
6555 Professional Consult	0	0	0	0	12,000	12,000	12,000
6556 Risk Assessment	0	4,000	4,000	0	4,000	4,000	4,000
6557 IDC Administration	2,006	2,500	494	13,759	17,500	3,741	30,000
Total Administrative	34,947	22,031	(12,916)	169,338	169,080	(258)	274,295
Maintenance							
6020 Contract Landscaping	14,758	14,758	0	103,306	103,306	0	177,096
6830 Signage	0	400	400	178	1,100	922	2,000
6840 Repairs/Maintenance	50	0	(50)	9,616	9,050	(566)	25,000
6841 Infrastructure Enhan	0	250	250	0	1,750	1,750	3,000
6842 Vandalism	0	0	0	440	2,500	2,060	5,000
6845 Seasonal Flowers	0	0	0	7,900	7,900	0	15,800
6847 Walking Path-Repairs	0	2,000	2,000	1,109	5,500	4,391	7,500
6849 Landscape Lighting	210	100	(110)	1,105	1,500	395	2,500
6850 Landscaping Enhancem	300	2,000	1,700	7,100	23,000	15,900	32,000
6852 Grounds Supplies	1,965	2,000	35	25,580	27,000	1,420	34,475
6854 Plant/Tree - Replace	350	0	(350)	2,205	4,500	2,295	6,000
6856 Tree Maintenance/Tri	4,500	4,600	100	22,215	21,165	(1,050)	24,050
6858 Pine Straw/Mulch	0	0	0	22,280	22,280	0	22,280
6860 Irrigation Repairs	82	250	168	957	1,750	793	3,000
6862 Power Washing & Pain	0	0	0	0	2,000	2,000	4,000
6864 Mailbox Repairs	448	0	(448)	2,414	2,000	(414)	3,000
6866 Pet Stations	430	0	(430)	4,202	1,900	(2,302)	4,000
6868 Fish and Wildlife	0	0	0	0	1,250	1,250	1,500
6870 Lake Equipment Maint	0	0	0	533	700	167	2,000



I'On Assembly Homeowners Association
Income Statement - MTD-YTD-Hybrid I'On
07/31/2014

Page: 2

3301 Salterbeck St. - Ste 201
Mt. Pleasant SC 29466

		Actual Current Mo	Budget Monthly	Monthly Variance	Actual YTD	Budget YTD	YTD Variance	Annual Budget
6874	Streetlight Replacem	0	250	250	0	1,750	1,750	3,000
6941	Pond/Lake Maintenanc	575	1,000	425	4,125	5,000	875	6,900
6942	Playground Improve	0	0	0	0	1,000	1,000	2,000
	Total Maintenance	23,668	27,608	3,940	215,264	247,901	32,637	386,101
	Utilities/Insurance/Taxes							
7000	Electricity	4,671	4,721	50	32,631	33,047	416	56,650
7010	Water	1,783	1,294	(489)	5,915	4,705	(1,210)	9,000
7015	Storm Drain	0	258	258	0	1,806	1,806	3,100
7060	Insurance	0	0	0	20,788	16,000	(4,788)	16,000
7450	Federal Income Taxes	0	0	0	2,303	200	(2,103)	200
7460	Property Taxes	0	0	0	0	0	0	310
	Total Utilities/Insu	6,455	6,273	(182)	61,637	55,758	(5,879)	85,260
	Total Expenses	65,070	55,912	(9,158)	446,239	472,739	26,500	745,656
8000	Replacement Reserves	6,875	6,875	0	20,625	20,625	0	27,500
8012	Reserves-Int Inc Tra	0	0	0	0	0	0	3,500
	Net Surplus(Deficit)	39,816	113,959	(74,143)	267,954	250,064	17,890	0



3301 Salterbeck St. - Ste 201
Mt. Pleasant SC 29466

	Cash - Operating	
1000	Operating Cash	42,929
1049	Operating Money Market	<u>252,212</u>
	Total Cash	295,141
	Cash - Money Market/CD - Reserves	
1052	Reserve Money Market	97,983
1052.1	Money Market-Harbor National	241,202
1057.23	Money Market - Ameris	191,492
1065.21	CD - Cedar Harbor - 5/23/15 .6%	215,000
1065.23	CD - Cedar Harbor - 5/23/15 .6%	<u>200,000</u>
	Total Cash - Money Market - Reserves	945,676
	Accounts Receivable	
1200	Accounts Receivable	<u>87,261</u>
	Total Accounts Receivable	87,261
	Total Assets	<u>1,328,078</u>
	Liabilities	
2000	Accounts Payable	21,085
2330	SCS Administrative Costs	2,765
2800	Deferred Income	3,032
2900	Construction Deposits	<u>16,500</u>
	Total Liabilities	43,383
	Reserve Equity	
3800	Reserve Equity	22,874
3831	Reserve-Docks	147,066
3832	Reserve-Buildings	44,906
3834	Reserve-Infrastructure	505,856
3835	Reserve-Landscape Improvements	147,066
3836	Reserve Contingency - Community Garden	3,575
3837	Reserve-Contingency	<u>73,085</u>
	Total Reserve Equity	944,427
	Retained Earnings	
3950	Retained Earnings	30,056
	Net Ytd Inc & Exp	<u>310,213</u>
	Total Equity	340,269
	Total Liabilities and RE	1,328,078

August Covenants Report

- No meeting of Covenants Committee during August.
- Covenants Survey to be distributed in September:
 - 8/29 September Newsletter article about Survey;
 - 9/5 Mailbox postings that Survey is coming;
 - 9/8 Email blast saying the same thing;
 - 9/10 Email blast with survey link;
 - 9/17 Reminder email blast reminder to complete survey; and
 - 9/24 Last day for responses to Survey.

IDC REPORT AUG 2014

Rev. Date	Address	Submittal Request	Action
8/5	JANE JACOBS	PDR	AW/C
8/5	MOBILE	PDR	AW/C
8/5	JANE JACOBS	FDR	APPROVED
8/5	ROBT. MILLS	CTES/GARAGE	AW/C
8/5	ISLE OF HOPE	LDR	AW/C
8/5	DUANY	LDR	AW/C
8/5	IONSBOROUGH	CTES/WINDOWS	APPROVED
8/5	JOGGLING	CTAD/LDR	APPROVED
8/5	SOWELL	CTES/PAINT	APPROVED
8/5	PONSBURY	CTES/TREE REMOVAL	APPROVED
8/19	EDENTON	CTAD/RELOCATION	AW/C
8/19	E. SHIPYARD	CTES/DOG RUN	AW/C
8/19	N. SHELMORE	CTES/FENCE	AW/C
8/22	KRIER	TES/DRIVEWAY	APPROVED
FDR	Final Design Review		
PDR	Preliminary Design Review		
CDR	Conceptual Design Review		
LDR	Landscape design Review		
CTES	Change to Existing Structure		
CTAD	Change to Approved Design		
AW/C	Approved w/Conditions or Comments		

REPORT TO HOA – FEES AND DEPOSITS

MONTH	FEES	DEPOSITS
DEC. 2013	\$1650.	
JAN. 2014	\$3600.	
FEB. 2014	\$1600.	
MAR. 2014	\$1650.	\$5000.
APR, 2014	\$1350.	
MAY 2014	\$1450.	\$ 350.
JUNE 2014	\$1800.	\$5000.
JULY 2014	\$1200.	\$1500.
AUGUST 2014	\$3300.	\$5000.
TOTAL TO DATE	\$17,700.	\$16,850.

Soccer Field Use

There is a real issue with availability of practice/game fields for area soccer teams. We have been approached by Cainhoy Athletic (David Tunsei), a nonprofit soccer organization, who would like to use our field for two days and roughly 12 Saturdays (Aug-Oct & Feb-April). We have also been approached by Tikes N' Spikes soccer (Sara Powell) who would like to use the field one day a week. The Cianhoy Athletic group has offered \$5,000 per year which could be paid as "improvements" versus cash which should help from a tax point of view. For example, we could have them install the fencing for the dog park which is a very similar arrangement as to what they currently have in place with the Long Point HOA (contract attached). We still need additional details from Tikes & Spikes as to the details of their proposed use and the number of players who reside in I'on. I have spoken to the principle of the Montessori school and she did not see an issue with their after school program as they only use the playground equipment.

I see this as a potentially great way to utilize a largely unused amenity to serve a need in the community and fund a new amenity for I'on.

I have asked Mike to review the details of the contract with our accountant to see if they have any concerns as well as to check with the Long Point HOA to confirm that their relationship with the Cainhoy group has been positive.

Update:

In Checking with the Long Point HOA's property manager, we were told "Cainhoy Athletic Group has been great. They comply with all the conditions of the lease and take good care of the field. They have improved it and we have never had an issue."

Recreational License Agreement

Property Tax Map #: 5560800025

Address: LONGPOINT (HOA) SOCCER FIELD
MOUNT ROYALL DR.
MOUNT PLEASANT, SC 29464

THIS RECREATIONAL LICENSE AGREEMENT ("Agreement") **IS MADE AND ENTERED INTO** by and between **Longpoint Property Owners Association, INC ("LPOA")** and **Cainhoy Athletic Soccer Club**, a South Carolina nonprofit organization ("CASC").

LICENSE TO USE LAND FOR RECREATIONAL PURPOSES

Owner hereby grants to CASC a license to enter and use certain an approximately two (2) acre portion of developed land (soccer field) owned by Owner located on Mount Royall Dr., Mount Pleasant, South Carolina and bearing Charleston County TMS # 5560800025 (the "Premises"), for playing and practicing youth soccer (the "Permitted Use"), but for **NO OTHER PURPOSE**, subject to the terms and conditions set forth below.

TERM OF AGREEMENT

The term of this Agreement shall commence on August 1, 2013 and ending on July 31, 2015 or with two month's notice to CASC by Owner. If CASC chooses to move activities elsewhere, the same two month notice will be given. CASC will not incur any debt, liens, or encumbrances on the Premises.

CASC has access to the site at these times for youth soccer approx 7 months per year

- 4pm – Dusk (or 8pm whichever is earliest) Monday thru Thursday.
- 9am – 6pm Saturday
- FALL August 1 - Thanksgiving
- SPRING Feb 1 –May 15

RENT AND FEES (CONSIDERATION DUE LPOA)

CASC shall pay a monthly rental fee of \$0. License to use the Premises is donated to CASC for the Permitted Use.

- CASC, upon approved plan/costs by both parties (including upfront material/installation and ongoing water utility) will install irrigation as approved by the owner to provide richer grassed surface if deemed necessary.
- CASC will also install low perimeter fencing (design approved by the owner in advance) to better protect the property from continued vehicular damage and vandalism.

USE RESTRICTIONS

CASC use of the Premises shall be subject to the following use restrictions:

- CASC will not engage in any commercial activities on the land than the Permitted Use.
- No heavy machinery or rough grading will be allowed.
- CASC will be responsible for removing all trash from the Premises after each practice or game
- No vehicles will be parked on unpaved areas (grass)
- All vehicular access will be by existing access road, and parking in marked bays only.
- Longpoint Property Owners and Association must have priority in all common areas, access road, and parking bays. CASC members should be encouraged to "drop off" their children at training and limit the occupation of parking bays if space contention is an issue.
- The Premises is not to be used for activities where large crowds (greater than 75 players) would gather.
- CASC will not allow alcohol or firearms on the property
- Only evening and weekend training/games on a small scale and involving youth players under the age of 16.
- CASC shall obtain any license or approval necessary for CASC to use the Premises for the Permitted Use.
- CASC, at its sole cost and expense, shall cut and mow grass to maintain the Premises in a neat, clean, and safe condition.
- CASC, at its sole cost and expense, shall repair and maintain the soccer goals on premises in a neat and tidy condition, and install new nets as necessary.

CONDITION OF PROPERTY

CASC acknowledges that Owner makes no representations or warranties to CASC with regard to the condition of the Premises or the fitness or suitability thereof for the Permitted Use including but not limited to, matters pertaining to topography, utilities, soil, subsoil, presence or absence of fill, presence or absence of hazardous materials, drainage, flood zone designation, and zoning laws, rules, or regulations. CASC, at its sole cost and expense, shall be allowed to fill, tamp and compact shallow depressions and holes with clean fill dirt and to plant and fertilize (in compliance with all applicable environmental rules and regulations) grass seed to prepare the Premises for the Permitted Use; provided, however that no heavy machinery or rough grading will be allowed on the existing grade and no trees or shrubs shall be cut down or destroyed. CASC, at its sole cost and expense, shall cut and mow grass growing on the Premises and to otherwise maintain the Premises in a neat, clean, and safe condition. Upon termination of this Agreement, CASC shall be responsible for any and all costs or expense necessary for Owner to restore the Premises to the same condition as existed prior to the date of this Agreement. The provisions of this paragraph shall survive the termination of this Agreement.

TERMINATION

The license granted under the Agreement from Owner to CASC is without any consideration and is merely an accommodation to CASC and is revocable at any time by Owner with two month's notice to CASC. Upon termination, CASC will make sure Premises is not damaged, polluted, or in any way impacted negatively. The condition of the land returned to the same condition as at commencement of this Agreement.

TRANSFERS AND ASSIGNMENTS

CASC shall not transfer, assign or otherwise encumber this Agreement or any rights arising hereunder. Subleasing is strictly forbidden.

STRUCTURES

CASC shall not construct any buildings or structures on the Premises, whether permanent or temporary, including, but not limited to, stadiums, shelters, sheds, or other things attached to or placed on the Premises.

OWNER'S RESERVED RIGHTS

Owner reserves all rights to enjoy the Premises and may inspect or visit the Premises at any time.

COMPLIANCE WITH LAWS

CASC shall comply with all applicable laws, regulations and ordinances regulating the use of the Premises.

INDEMNIFICATION

CASC shall indemnify, defend, protect and save Owner and its members, officers, employees, and agents (collectively hereafter the "Indemnitees") harmless from and against any and all claims, liabilities, losses, damages, fines, penalties, claims, demands, suits, actions, causes of action, judgments, costs and expenses (including without limitation reasonable attorneys' fees and court costs) (collectively "Claims") arising during the term of this Agreement from the improvement, operation, maintenance or use of Premises by the CASC and CASC's, members, guests, contractors, assignees, permittees, or other persons entering the Premises at the invitation of CASC; or arising from any breach or default on the part of CASC in the performance of any covenant or agreement on the part of CASC to be performed pursuant to the terms of this Agreement; or arising from any negligence of CASC, or any of its members, officers, guest, agents, contractors, servants, or employees; and from and against all costs, attorneys' fees, expenses and liabilities incurred in or about any such Claims or action or proceeding brought thereon. In the event any such action or proceeding is brought against the Owner by reason of any such Claim, CASC, upon notice from Owner, covenants to defend such action or proceeding by counsel reasonably satisfactory to Owner. The obligations of CASC under this Section shall not apply to any claims or other matters resulting from the breach or default by the Owner under this Agreement or from the gross negligence or willful misconduct of the Owner, its agents, employees or consultants and other Indemnitees. The provisions of this paragraph shall survive the termination of this Agreement.

INSURANCE

Throughout the Term of this Agreement, CASC shall, at their sole cost and expense, keep and maintain in full force and effect a policy of general commercial liability naming Owner as an additional insured. CASC represents and

warrants that CASC is insured through its affiliation with South Carolina Youth Soccer Association and its insurance agent Pullen Insurance Services under the insurance policy number SRG 9115326. CASC shall provide Owner with a certificate of insurance within thirty (30) days of written request.

DEFAULT

In the event of a breach of any breach or default on the part of CASC in the performance of any covenant, agreement or other provision of this Agreement, and in addition to any and all other rights or remedies of Owner hereunder and/or provided by law, Owner may terminate this Agreement and/or bring an action for equitable relief seeking the specific performance of the terms and conditions of this Agreement, and/or enjoining, abating, or preventing any violation of such terms and conditions, and/or seeking to obtain any other remedy consistent with the purpose of this Agreement.

GOVERNING LAW

This Agreement is executed and delivered in the State of South Carolina and shall in all respects be governed and construed in accordance with the laws of the State of South Carolina including all matters of construction, validity and performance.

ENTIRE AGREEMENT

This Agreement is the entire agreement of the parties and supersedes all prior oral and written agreements between the parties with respect to the subject matter hereof. Any modification or addition to this Agreement shall be in writing and duly executed by the parties hereto.

[Remainder of page intentionally left blank.

Signature page follows.]

The following parties have executed this Recreational License Agreement with the intent to be legally bound.

OWNER (Licensor): Longpoint HOA
C/O AMCS 2409 A Mall Drive
North Charleston, SC 29406

Date

CASC (Licensee): Cainhoy Athletic Soccer Club
David P. Tunesi , President
160 Grand Park Blvd
Charleston, SC 29492
(843) 408-5099

Date

I'On Assembly Communications Committee Report
August 28, 2014

The Communications Committee did not meet in August. However, committee members did review the plans of the Covenants Committee for a neighborhood survey and offered suggestions about the survey's contents as well as marketing it to neighbors.

The Committee will be helping plan preparations for the 2015 I'On Directory, continuing to work on enhancements to the website and the Homeowners' Guide, as well as ongoing responses to the information received at the Town Hall meeting. Matters identified at that meeting are being highlighted in the I'On Community Newsletter.

The Committee will meet again on September 10 at 10 a.m.

Secretary Report August 28, 2014

DOCUMENT RETENTION POLICY AMENDMENT

The original policy was created last year based on the summary of research from other HOA policies and best practices. Some items however, don't apply to how I'On operates. This revision will provide an actual checklist for future board members and management staff.

VOTE: to approve the customized list for all the important I'On documents.

ELECTION PROCESS AND PROCEDURES

As per last month, a working committee (*Annual Meeting Group*) of Martha, Bob, Tom and Stephen was assembled. The *Group* recommends the following dates and topics:

VOTE: to approve Opening and Closing Dates for Candidate Submissions to be Monday September 1st – Fri. Oct 10th 5pm.

VOTE: to approve Voter Eligibility (delinquency cutoff) date of October 31st 5pm.

VOTE: to approve Proxy Deadline date of December 8th 5pm - 2 days before elections.

- Leadership Development Committee purpose and structure

The purpose is to encourage a broad representation in I'On for candidates to an elected position on the Board of Trustees. The board will vote for the LDC chair who may either be a retiring board member or a past board member in I'On. The chair will choose a minimum of 2 committee members. The committee will coordinate all applicants both referred and self-nominated. The LDC shall encourage attending at least one board meeting and completing the board applicant questionnaire. The LDC Chair shall verify the final list of candidates with the Community Manager upon the closing for applications.

VOTE: to approve Leadership Development Committee purpose and structure.

- Proxy format

A nondiscretionary proxy will be designated to the Board President. The proxy must include a completed vote. A complete vote consists of marking the number of candidates to equal the number of open seats – no more, no less. Any incomplete proxy will only be directed towards the quorum. The proxy will provide the complete list of candidates and the number of open seats. No write-ins will be accepted. The proxy has a submission deadline of 5pm, 2 business days before the election.

- Ballot format

The candidate list on the ballot matches the proxy form. No write-ins or nominations from the floor will be accepted. Ballots are only handed out in person at the meeting, after verification that (a) a proxy hasn't already been submitted or (b) a change of vote has been requested. In case of the latter, that proxy is disqualified in exchange for a ballot.

- Efficient Annual Meeting

The Group has asked Mike to provide us with an outline for *the day of* the Annual Meeting including timeline, staffing responsibilities and the voting process details. We will focus on reducing the time and simplifying the process.