

**I'On Assembly
Board of Trustees Meeting Minutes
October 30, 2008**

Members Present Bruce Kinney, Sheri Cooper, John Powers Barbara Fry, and Matt Walsh

AMCS Cheryl L. Wilson

Bruce Kinney called the meeting to order.

Bruce Kinney reminded everyone in attendance that there are three seats on the Board of Trustees that will be up for election in December and owners should consider getting involved.

Creek Club

Bruce Kinney advised that the Board of Trustees have been compiling the community's input on the sale of the Creek Club and that they have taken those comments, questions, and concerns to the I'On Assembly's attorney to review.

The Board of Trustees advised that the Graham family has the right to sell the Creek Club and if this deal falls through there will most likely be another buyer down the road. This process will prepare the Board of Trustees for another buyer.

Bruce Kinney advised that the Board of Trustees will not enter into any binding agreement for the I'On Assembly in regard to the sale of the Creek Club. The agreement will be made available to owners of the I'On Assembly and a special meeting will be called for homeowners to ask questions to the I'On Assembly attorney.

Bruce Kinney opened the floor to the owners present.

Catherine Templeton of 34 Saturday Road, advised of her meeting with several homeowners on Saturday Road. At the meeting the owners voted unanimously to request the Board of Trustees to pursue a lease hold on the Creek Club property. Mrs. Templeton asked that the Board of Trustees obtain a ruling on whether or not the Creek Club is a civic lot or a commercial lot. Mrs. Templeton advised that she contacted Joel Ford with the Town of Mount Pleasant and asked him to make a ruling.(See attached proposal from the homeowners of Saturday Road to the Board of Trustees dated October 20, 2008).

Matt Walsh advised that the Creek Club is classified as a civic lot.

Lea Ann Adkins of 34 Hopetown Road, advises that she feels that the proposed plan for the Creek Club will need a Planned Development Amendment change. Mr. Walsh advised that the vacant lot next to the Creek Club will need a zoning change to change it from a residential lot to a commercial or civic lot.

M.P. Wilkerson of 23 Saturday Road, asked what property was included in the sale of the Creek Club. Mr. Walsh advised that the vacant lot to the left of the Creek Club is a separate piece of property. The property known as the Creek Club includes:

- The Creek Club.
- The parking lot to the right of the Creek Club.
- The lawn in the front of the Creek Club.
- The boat ramp.

- The boat dock and gazebo.
- The marsh walk path to the left of the Creek Club.
- The overflow parking lot at the opposite end of Saturday Road.

A resident asked if the number of events could be limited by any laws. The Board of Trustees advised no.

A resident asked what the timeline was for the sale of the Creek Club. The Board of Trustees advised that the parties are working together amicably and a exact timeline for the sale of the Creek Club has not been established.

A resident asked if the agreement would run indefinitely. The Board of Trustees advised yes.

A resident asked if civic use was defined in any of the I'On governing documents. The Board of Trustees advised that they were not aware of any definitions in the governing documents.

A resident asked the Board of Trustees to take their time when negotiating with the sale of the Creek Club. The Board of Trustees agreed.

The Board of Trustees advised that the purchasers of the Creek Club will present a more definitive plan once it is in place, then those details will be presented to the Board of Trustees.

Kevin Whalley of 27 and 22 Mises Street expressed his concern that the property values in the community will decrease if amenities such as the Creek Club are lost.

Bob Pitts of 65 Saturday Road, stated that if the Town of Mount Pleasant rules that weddings do not fall within the civic guidelines then the Creek Club will lose it's value. It would no longer be of any use to the purchasers, only to the I'On Assembly. If the I'On Assembly has to run the Creek Club, they won't be able to supplement the income of the I'On Assembly by renting the building for weddings.

Brad Walbeck of 114 North Shelmore Boulevard, asked if the vacant lot next to the Creek Club is not rezoned commercial do the purchasers still want to buy the Creek Club? The Board of Trustees advised yes.

Jack Hamilton of 32 Sowell Street, expressed his concerns regarding civic life in the community.

Minutes

Barbara Fry made a motion to accept the September 24, 2008 Board of Trustees meeting minutes as presented. Matt Walsh seconded the motion. All in favor. Motion carried.

AMCS Report

AMCS reported the following account balances as of October 22, 2008:

Operating Account	\$17,569.21
Fidelity Investment Account	
Capital Reserve Funds	\$393,100.79
Operating Funds in Reserves	\$143,591.73
Harbor National Accounts	
Reserves	\$30,732.00
CD #2000343	\$31,819.39
CD #2000343	\$31,775.93

AMCS stated that the Board of Trustees meeting packet was sent out on October 24, 2008 to the Board of Trustees giving them a chance to review the operating statement, twelve month trend, balance sheet, open and closed work orders. AMCS asked the Board of Trustees if there were any questions regarding these reports. There were no questions from the Board of Trustees. The violation report, collection report, and lien report were discussed in executive session.

President's Report

Sherri Cooper made a motion to have the Board of Trustees enter into negotiations with the purchasers of the Creek Club. Matt Walsh seconded the motion. All in favor. Motion carried.

The Board of Trustees agreed that the Board of Trustee representatives for negotiating with the purchasers of the Creek Club would be Matt Walsh and Bruce Kinney.

The Board of Trustees discussed the date and location of the Annual Meeting. The date and the location of the meeting will be determined at a later time.

The Board of Trustees discussed the Coerver of South Carolina using the soccer field for soccer training through the I'On Club. The Board of Trustees will make sure the I'On Club and the East Cooper Montessori Charter School coordinate together on scheduling the soccer field.

The Board of Trustees discussed the need for volunteers for decorating the community for the holidays. The Board of Trustees will post a request on the community website.

The Board of Trustees discussed the process of electing recipients for the Civitas Award. Barbara Fry will be the I'On Assembly representative. Annie Bonk will be a participant as a past recipient of the Civitas Award.

After proper notification per the section 3-102 of the Declaration of Covenants, Conditions, and Restrictions for I'On:

Sheri Cooper made a motion to approve **Exhibit D, I'On Civil Code**, as amended by addition of the following new section:

D-108 Landscaping of Premises. Within 30 days after either occupancy or closing on any residence in I'On, the owner of said property shall complete the landscaping of the premises in accordance with a landscape plan approved by the I'On Design Committee (IDC). Failure to complete the landscaping in accordance with an IDC-approved plan shall result in a \$250 fine for every month in which the property remains out of compliance. Owners of currently occupied homes shall have until January 1, 2009 to bring their premises into compliance with this rule.

Barbara Fry seconded the motion. All in favor. Motion carried.

Sheri Cooper made a motion to approve the following rule:

The common areas are a great natural asset for I'On residents. These lands were permanently set aside to benefit current and future residents, and provide an educational area for those interested in plants and wildlife. The preservation of these areas depends primarily on the cooperation of I'On residents. Our investment in the Commons can be enhanced and maintenance costs kept at a reasonable level if certain rules are followed.

Therefore, **Exhibit D, I'On Civil Code**, is amended by addition of the following new section:

D-109 Common Area Use.

a.) Planting, cultivating, harvesting or removing vegetation on common grounds without first obtaining written approval from the I'On Assembly is not permitted.

b.) Do not place personal structures or store equipment on the Commons.

c.) Do not discard refuse on commons areas.

Barbara Fry seconded the motion. All in favor. Motion carried.

Transfer Fee

AMCS advised that they have received about 402 proxies in favor of the transfer fee. The Board of Trustees discussed their strategy for trying to pass the transfer fee. The Board of Trustees will re-evaluate the transfer fee strategy at the next Board of Trustees meeting.

Communications Report

The Board of Trustees reviewed the Communications Committee report prepared by Barbara Fry.

Mrs. Fry will work on the rules for inclusion of information in the I'On communication vehicles and present them to the Board of Trustees to review.

Mrs. Fry reported that the Mount Pleasant Police Department advised her that they do not have a fine schedule in place for ticketing illegally parked vehicles on the streets of I'On. John Powers will address the issue with the Town of Mount Pleasant as chairperson of the External Relations Committee.

Landscape Report

The Board of Trustees reviewed the Landscape Committee report prepared by Dave Rosengren.

Mr. Kinney asked Mr. Rosengren and Mr. Powers to work with the Town of Mount Pleasant on the landscaping in the roundabout at North Shelmore Boulevard and Mathis Ferry Road.

Infrastructure Report

The Board of Trustees reviewed the Infrastructure Committee report prepared by Mr. Powers.

Compliance Report

The Board of Trustees reviewed the Compliance Committee report prepared by Mrs. Cooper.

Amenities Report

The Board of Trustees reviewed the Amenities Committee report prepared by Mr. Walsh.

I'On Design Committee Report

The Board of Trustees discussed the I'On Company turn over of the I'On Design Committee to the I'On Assembly.

Bruce Kinney will contact Ted Webb about becoming a liaison for the I'On Assembly with the I'On Design Committee.

2009 Budget

Sheri Cooper presented the budget she prepared for 2009.

The Board of Trustees agreed that they would not complete an audit in 2009 and that Sheri Cooper will do the taxes next year even if she is not reelected to the Board of Trustees.

John Powers made a motion to approve the 2009 budget as presented requiring the 2009 annual dues to increase from \$900 in 2008 to \$910 in 2009.. Barbara Fry seconded the motion. All in favor. Motion carried.

Minutes

The Board of Trustees reviewed the way the minutes are being taken and unanimously agreed they are pleased with the amount detail in the minutes.

Nominations to the Board of Trustees

Mr. Kinney will post a message on the community website message board calling for nominations for the Board of Trustees election in December.

Next meeting will be held on November 20, 2008 at 5:30 PM at the I'On Company Upstairs Conference Room.

Barbara Fry, Secretary

Cheryl Wilson

From: Templeton, Catherine B. [Catherine.Templeton@OgletreeDeakins.com]
Sent: Monday, October 20, 2008 1:50 PM
To: bekinney@comcast.net; cwilson@amcs-inc.com
Subject: Creek Club - Saturday Road proposal

Ladies and Gentlemen of the Board:

17 people representing approximately 15 households on Saturday Road met on Tuesday, October 7, 2008, to discuss the pending sale of The Creek Club. The residents' concerns were (1) the viability of the Creek Club going forward, (2) limiting the commercial use of the Creek Club, and (3) preserving use of the Creek Club for the Assembly and neighborhood.

Many legal and equitable actions and options were discussed. The residents concluded, by unanimous vote, that the Homeowners' Association Board and one representative from Saturday Road (or a committee separate from the Board including at least one representative from Saturday Road) should meet with its attorney, Tim Bouch, to create a proposed leasehold. The purpose of the leasehold is to ensure HOA control over the Creek Club in the event the lessee is unable or unwilling to continue to maintain the Creek Club in a manner satisfactory to the HOA. The terms of the leasehold should, at a minimum, (1) limit the use by the lessees to no more than the average use over the past 5 years {to be defined specifically in the lease}; (2) require that the lessees provide adequate security and parking for any event held at the Creek Club to eliminate nuisance to the neighborhood ; (3) reserve at least as much use for the neighborhood and assembly as negotiated by the I'on Assembly in 2008; (4) maintain the Creek Club and its grounds in a manner satisfactory to the HOA Board; (5) incorporate pertinent parts of the attached easement. Additionally, the leasehold should contain an enforcement provision such as arbitration or even a unilateral majority vote of the HOA Board to ensure that the terms of the lease are followed by the lessees without requiring the HOA to incur great legal expense.

After preparation of the leasehold, Tim Bouch is to meet with the attorney(s) for the buyers of the Creek Club to propose the leasehold and a simultaneous closing to ensure that the HOA does not have to put up any money for the transaction.

We respectfully request that the contents of this proposal be adopted by the Board through a formal motion and vote pursuant to the governing by-laws. We also insist that the Board become affirmatively involved in this matter immediately and keep the homeowners informed concurrently.

I'On Communications Committee Report
Submitted by Barbara Fry
October 27, 2008

The **Message Board** was certainly lively this month, showing it can be a vital tool for our community if properly used. Twenty-nine new message strings were posted up to this writing, ranging from "lost keys" to "Creek Club Sale," with 109 comments. The most contentious message strings regarding the Creek Club involved 13 individuals (excluding current board members). Of those 13, only 7 were really vocal. The remaining had only one or two entries.

Once again I appreciate you receiving the first notices of messages posted and chiming in when necessary. I think we do need to have a presence on the board when our input can be helpful (and sometimes when "we" just need to vent...). Thank you for watching.

The October **Living in I'On** newsletter hopefully pulled in some more proxies. We did get a few complaints about promoting a partisan political event as well as allowing them to use the Amphitheatre. Both Matt Walsh and I replied that as the amenity/event is reserved by an I'On resident, and the event is of interest and open to other I'On residence, it is not a conflict of our policy.

The November cover article will be a review of the "Fire Prevention Meeting" held at the school and attended by 4 other I'On residence and myself, along with the Mt Pleasant Fire Chief and Assistant Fire Chief. Though sparsely attended, the information was good.

Regarding the newsletter - **"What should be put in the newsletter in November to alert residents of any of your committee work that may affect/concern them?"**

The **I'On Community NEWS** identity for email blasts was used twice this month: 1) to announce the Fire Prevention Meeting and 2) to promote Halloween in the Hood.

October Landscape Summary

1) Completed Projects: These funds were requested at the August meeting; the work was completed in September/October.

Project	Funds Requested	Funds Spent
Low Country entrance sod replacement	\$600	\$575
Hospitality retention pond erosion control	\$500	\$750
Eastlake bank erosion control	\$3,000	\$2500
Total	\$4,100	\$3,825

2) Replacement Landscaping: Oleander and Crape Myrtle plants were replaced in Patience Park during September. The total cost was \$1,140. The I'On Company paid \$500 and the remaining \$640 was charged against the Plant/Tree Replacement line of the Assembly budget.

3) Soccer Field Well Update:

- In September we requested \$1,000 - \$1,500 to assess the well production from the existing soccer field wells. The work was performed on October 23rd by Pure Water Drillers. Five wells were located and checked using a portable pump. The flow was timed into a five gallon bucket which took 9 – 10 seconds to fill. This translates into a flow rate of approximately 30 gpm. The flow remained steady over a 30 minute period. Total cost of this assessment was....
- A new pumping system will be required with an estimated cost of \$3,000 - \$5,000 depending on size.
- The flow rate of 30 gpm is below the design flow rate for the irrigation system of 45 gpm. Two options result:
 - Dig more wells to find more production; estimated cost is \$2,500 - \$3,000 per well.
 - Modify the irrigation system to require a lower flow rate; cost TBD
- The next proposed step is to work with LOG to develop the cost to redesign the irrigation system for a well flow rate of 30 gpm.

4) Potential Projects for 2008: The following projects can be completed this year if funds remain from the budget; conversely these projects can be included in the 2009 budget.

- Maintenance Projects:
 - Replace sod on East Lake bank behind 33 Eastlake Road - \$1,550
 - Replace sod on East Lake bank behind 29 Eastlake Road - \$1,150
- Enhancement Projects:
 - NW bed at East Lake along Ponsbury - \$800
 - NE corner of Hoptown/Shelmore intersection - \$2,200
 - Seasonal color for N end of Perseverance Park - \$1,100

October' 08 Infrastructure Update

Projects Completed

- a. Update given in Landscape Report by Dave Rosengren about Pump Proposal for Soccer Field. Great work by Dave Rosengren with Pure Water Drillers.
- b. Damaged Street Light Repaired by SC & G (HOA paid bill) on Jane Jacobs Street.
- c. Walking path had repairs done at Frogmore and Saturday Roads
- d. Hopefully by this Board Meeting – Pipes and Aerator repaired at Eastlake. Authorized and submitted to Estate Management.
- e. Continued police presence in neighborhood for efforts to patrol outside of Creek Club and I'On Club.
- f. Bike Racks proposal for 2009
- g. Screening of Scramble postponed till 2009
- h. Wash Out Area of Frogmore Path at bridge given proposal for permanent repairs
- i. Phase 11 area looking mowed and clean
- j. Rookery Fido House Container – Clean
- k. Gravel between Amphi Theatre is top dressed and now being weeded.
- l. East Lake Playground Carriage Bolts Proposal – Bridge being repaired.

Ongoing Projects on Calendar/ To Do List

- m. Cracked Sidewalks/busted curbs (work with town for repairs – catalogue need)
- n. Resurface alleys – develop a yearly schedule/calendarize for Board to review
- o. Street Lights Mapping and SC&G Updates
- p. Test Lake for Fecal Coli-Forms
- q. Westlake Drainage Issues

Amenities Committee update 10-08

The Amenities Committee did not meet this month, however in the background a few things that I am working on:

- I have asked the l'On club to replace the broken chain at the boat launch.
- I have asked the club to have the parking lot at the creek club resurfaced as it is in terrible condition.
- I have asked the club for next year's operating budget at the Creek Club such that it can be incorporated to the 2009 budget.
- I have asked the club for actual out of pocket costs in 2008 (not due to the HOA until next year) such that we can determine what money is owed from the club back to the assembly as there has not been much maintenance to date and 2008 insurance premium was significantly lower than years past.
- I have asked AMCS for copies of all of our insurance policies. I want to make sure of the following:
 - We are adequately covered for all amenities
 - That we are not renewing without considering if there are less expensive options that provide equal if not greater coverage.
- I would like to have \$3,000.00 added to the 2009 budget or dock maintenance of the "crabbing docks".

Respectfully,

Matt Walsh

'08
MONTHLY FINANCIAL SUMMARY

	08 BUDGET	SEP '08 YTD BUDGET	SEP '08 ACTUALS	08 ACT TO BUD VARIANCE	07 ACTUALS	08 TO 07 ACT VARIANCE
REVENUE						
HOA fees	\$ 637,200	\$ 637,200	\$ 632,379	\$ (4,821) (A)	\$ 526,554	\$ 105,825
Interest	10,000	7,500	4,435	(3,065) (B)	8,951	(4,516)
Other	-	-	1,528	1,528	6,505	(4,977)
TOTAL REVENUE	647,200	644,700	638,341	(6,359)	542,010	96,331
EXPENSES						
Mgmt Fee	45,864	34,398	34,398	-	34,251	147
Legal, Audit & Tax	22,350	18,100	3,121	(14,980) (C)	368	2,753
Neighborhood Watch	7,500	5,625	5,625	-	5,410	215
Supplies	4,500	3,375	5,095	1,720	3,958	1,137
Communications	9,302	6,977	3,315	(3,661)	-	3,315
Events	8,550	6,413	6,936	524	5,448	1,488
Creek Club & Dock Rental	11,384	8,538	9,199	661	6,465	2,734
Bad Debt	6,372	4,779	-	(4,779)	-	-
Other	1,225	919	474	(445)	3,054	(2,580)
Total Admin	117,047	89,123	68,163	(20,960)	58,954	9,209
Signs	4,700	3,525	686	(2,839)	1,443	(757)
Water & Sewage	20,390	15,293	17,452	2,160	13,086	4,366
Electric	50,637	37,978	33,388	(4,590)	35,894	(2,506)
Total Utilities	75,727	56,795	51,526	(5,269)	50,423	1,103
Landscaping Contract	139,200	104,400	99,100	(5,300) (D)	97,450	1,650
Landscaping & Supplies	105,600	79,200	78,397	(803)	65,872	12,525
Lake Maintenance	21,921	16,441	12,373	(4,067)	14,501	(2,128)
Repairs	17,000	12,750	9,286	(3,464)	22,540	(13,254)
Annual Playground Repair	10,000	7,500	11,061	3,561	-	11,061
Annual Power washing	9,175	6,881	8,875	1,994	8,385	490
Irrigation Repairs	5,000	3,750	6,510	2,760	8,965	(2,456)
Pet Stations	3,710	2,783	2,473	(310)	3,710	(1,237)
Annual Walking Path Repair	3,500	2,625	250	(2,375)	2,150	(1,900)
Mailbox Repairs	3,500	2,625	604	(2,021)	-	604
Total Maint	318,606	238,955	228,928	(10,027)	223,573	5,355
Insurance	15,625	11,875	10,770	(1,105)	10,439	331
Taxes	3,500	3,000	7,270	4,270 (C)	2,351	4,919
Total Ins & Tax	19,125	14,875	18,040	3,165	12,790	5,250
TOTAL EXPENSES	530,505	399,748	366,657	(33,090)	345,740	20,917
RESERVE	116,695	116,695	116,695	- (E)	94,027	22,668
NET INCOME (EXPENSE)	\$ -	\$ 128,258	\$ 154,989	\$ 26,732	\$ 102,243	\$ 52,746

(A) Attorney to file lien letters in July on remaining non-payers

(B) Reflects decreased interest rates

(C) Income taxes were \$4,270 greater than budget. Used audit budget to pay taxes.

(D) Represents payment from school toward landscaping costs

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MONTHLY FINANCIAL SUMMARY

(E) Reserve was fully funded for 2008 with HOA dues collections

Running estimate of over(under) budget status:

2007 directory pd 2008	\$	3,220
Dec 07 meeting packet pd 2008		2,000
Dec 07 Water credit		(2,600)
Dec 07 Neighborhood watch pc		1,900
No audit		(5,250)
2007 taxes		4,270
Creek Club overage		1,281
School landscaping credit		(5,300)
	\$	<u>(479)</u>