

I'On Assembly
Board of Trustees Meeting Minutes
September 27, 2012

Members Present Deborah Bedell, LaVon McNaughton, Sally Raver, Jay Thompson and Rob Wieboldt
Members Absent Ted Webb and Aryn Linenger
AMCS Leah Donaldson
Guests Len Hanson, Ed Clem, Dave Rosengren, Annie Bonk, Linda Moser, Linda Bender, Joyce Keegan, Mark Stadtmueller, and Melinda Wrenn

Deborah Bedell called the meeting to order and announced the meeting would be tape recorded.

Homeowner Forum

Mark Stadtmueller of 158 N. Shelmore Boulevard was present. He questioned his trash can violation and other such violations in I'On. The Board of Trustees advised that neighbors are encouraged to resolve issues among themselves, and that violation citations are based on complaints for ongoing issues. Mark Stadtmueller questioned dead/dying trees on private property. The Board of Trustees advised that the issue should be worked out between homeowners.

Annie Bonk of 31 Eastlake questioned when the report created by the Board Consultant will be available to the community. The Board of Trustees advised that the report is still being reviewed by the Board of Trustees, and when finished the Board of Trustees will review possible distribution methods.

Joyce Keegan of 136 Jake's Lake questioned the landscape maintenance of an area by her home. The Board of Trustees asked AMCS to determine if the parcel belongs to the Homeowners Association or is commercial property. The matter was referred to Dave Rosengren for assistance with further research.

David Rosengren of 110 West Shipyard Road was present and made I'On Design Committee recommendations:

1. Require plans to have a mitigation plan for rainwater on the roof tops. The Board of Trustees advised that the Town of Mount Pleasant requires a water management plan for new buildings.
2. Show right-of-way on landscapes plans.

Minutes

Sally Raver moved to accept the August 16, 2012 Board of Trustees meeting minutes as submitted. LaVon McNaughton seconded the motion. All in favor. Motion carried.

Communications Committee

Deborah Bedell advised that a section was added to the I'On website for companies bidding on the management contract.

Infrastructure Committee

The Board of Directors reviewed the Infrastructure Committee report prepared by John Powers. The Board considered complaints about cars bottoming out on the existing bumps, and there was discussion about the appropriate height and profile of the bumps.

Sally Raver moved to paint the Ionsborough alley speed bumps white. Rob Wieboldt seconded the motion. All were opposed. Motion failed.

Sally Raver moved to have John Powers and Lawn-O-Green review the speed bumps for compliance in height/width, make any necessary corrections, then paint with reflective white paint. LaVon McNaughton seconded the motion. All in favor. Motion carried.

The proposed canal maintenance plans submitted by bidders are costly and must be reviewed before proposing any actions for inclusion in the 2013 budget.

The crosswalk bids are expected shortly.

Landscape Committee

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

Sally Raver moved to approve \$1,500.00 to clean out and replant the entrance area at N. Shelmore. Rob Wieboldt seconded the motion. All in favor. Motion carried.

Treasurer/AMCS Report

Ed Clem advised that the errors in the budget coding have been amended. Accruals are the I'On Trust, the Creek Club, and contribution from the operating account to the reserve account.

The Board of Trustees suggestions for AMCS financial reporting:

1. Each report as a separate PDF.
2. Combine the utilities (e.g.: water and electricity).
3. Consolidate the distribution list.
4. Eliminate the lengthy items like the General Ledger Trial Balance and the check register from the Board packet, while preserving them for review by the Treasurer and Finance Committee as needed.

The AMCS representative reported the following account balances as of August 31, 2012:

Operating Account	\$384,287.23
Reserve Account	\$1,049,115.68
Total	\$1,434,115.68
Regime Fee Income	
Actual-August 2012	\$3,321.72
Actual Year-to-Date	\$631,388.50
Transfer Fee Income	
Actual-August 2012	\$7,166.25
Actual Year-to-Date	\$49,520.84
Total Budget Year-to-Date	\$46,773.84
Delinquent Money Collected	\$35,068.00
Net of Uncollected Regime Fees	\$44,580.00

I'On Design Committee

Fernandina Appeal

Deborah Bedell noted that there is no specific Compliance Committee, so the Board of Trustees will act as a committee of the whole in considering appeals relating to compliance or IDC issues. The Board of Trustees reviewed written appeals and oral explanations presented by the homeowner. Jay Thompson advised that the rule preventing screening of porches facing lakes has always been enforced, and that other such applications have been denied. Len Hanson advised since the owner completed the work without I'On Design Committee approval, allowing screens would encourage others to work without I'On Design Committee approval. Suggested alternatives: porch fans or air curtains. Deborah Bedell advised that the owner was notified of the violations and subsequent actions in a timely fashion.

Jay Thompson moved to reaffirm the I'On Design Committee decision to disapprove the plans. Sally Raver seconded the motion.

The Board held further discussion on the motion, including the suggestion of alternative insect protection methods.

Sally Raver moved to table the appeal until the next I'On Design Committee meeting where alternative plans will be reviewed. Rob Wieboldt seconded the motion. All in favor. Motion carried.

Len Hanson reported on the July/August I'On Design Committee meetings. The minutes are now being taken, and will be available to the Homeowners Association after I'On Design Committee approval. A Guild Builder meeting is being scheduled to review construction rules/issues. Deborah Bedell inquired on posting the I'On Design Committee applications on the website so the community can be informed. Sally Raver suggested reminders of I'On Design Committee rules in the newsletter.

I'On Trust

The Board of Trustees reviewed the I'On Trust report prepared by Melinda Wrenn, who reviewed planned fall events. The street captains will be selling luminaries and the proceeds will go to the East Cooper Habitat for Humanity. There have been a higher number of residents attending events. Deborah Bedell acknowledged the receipt of the 2013 budget request for continued funding of \$20,000.00.

Sally Raver suggested that the Assembly acknowledge Anne Register and Becky Van Wie's service in light of their upcoming retirements at the annual meeting or in the newsletter.

Amenities/Trust Committee

Deborah Bedell acknowledged LaVon McNaughton's success in dealing with Suarez Soccer Club parking issues. The Suarez Soccer Club still needs to provide a roster and liability waivers, which must be in by noon on October 5th in order to use the soccer field.

The committee is exploring the reduction of number of community days at the Creek Club and having two events on the same day. LaVon McNaughton received a request for a Craft Fair in I'On Square adjacent to Grace Salon, which the Board of Trustees suggested she present to the Merchants Association.

External Relations Committee

There was no report at this time.

Parliamentarian and Governance Committee

There was no report at this time.

Compliance Committee

The Board of Trustees reviewed the Compliance Committee report prepared by Rob Wieboldt. Rob Wieboldt presented a Conflict of Interest Policy. The Board of Trustees reviewed issues of definition of "family," financial benefits, and minor grammatical corrections. The approved final draft of the Conflict of Interest policy is attached as an exhibit to these minutes.

Rob Wieboldt moved to approve the policy with minor changes. Jay Thompson seconded the motion. All in favor. Motion carried.

AMCS will get Board member signatures.

Violation Letter

The Board of Trustees discussed the language of the form violation letter. An amended letter will be sent to the Board of Trustees for review. The first letter gives the owner ten calendar days from receipt to bring violations into compliance; if they do not come into compliance, then fines will be assessed according to a progressively increasing schedule. Letters will be sent via certified mail and e-mail.

Ponsbury Appeal-Boat in the Driveway

Jay Thompson moved to table this issue for further review. Rob Wieboldt seconded the motion. All in favor. Motion carried.

Pending Compliance Issues

Rob Wieboldt will review and report on:

1. Required maintenance of empty lots.
2. "Grandfathered boats"-boats allowed in private driveways by developer agreement and past Board of Trustees decisions. It was suggested to end "grandfathered" status.

Security

Signal 88 has a new management contact. Deborah Bedell will attempt to meet with Signal 88 to review I'On issues. A complaint was received of Signal 88 cars that are parked by the Creek Club, which is not on the inspection route.

Compliance Issue

North Shelmore Boulevard

The Board of Trustees received a letter asking the Board to take action to cite a homeowner for violations relating to a home's having been under construction for an extended period, a lack of maintenance, and a lack of landscaping. The letter also alleged that the homeowner received special treatment by virtue of holding volunteer positions in the community.

After extensive discussion in the Executive Session, the Board of Trustees concluded that this house and homeowners are not in compliance with the CC&R maintenance requirements. A letter will be promptly sent to the owners informing them that they are not in compliance and that they must take the following actions:

1. submit completed landscape plan within ten days or incur \$50 fine (first level of fine schedule)
2. complete substantial landscape work within twenty days or incur a \$100 fine (second level fine schedule)
3. complete landscape and construction work within thirty days or incur a \$250 fine (third level of fine schedule)

This fee schedule is in compliance with the I'On Rules. At the time of any fine a homeowner may appeal to the Board of Trustees by giving written notice within ten days of the fine assessment. A homeowner may appeal at any fine level.

Rob Wieboldt made a motion to approve sending the letter as described to the owners. LaVon McNaughton seconded the motion. All in favor. Motion carried. One member abstained from vote.

Allegation of Special Treatment

After a thorough discussion in Executive Session, the President stated that it was the Board of Trustees' understanding, based on the homeowner's representation, that the homeowner submitted plans to the IDC for approval in the summer of 2009. This submission was entirely voluntary, as the home in question came under the Master Designer designation and did not need to be submitted to the IDC for approval. In addition, the Board of Trustees, based on the homeowner's representation, found that the plans were out of the IDC by the end of 2009. These dates are particularly relevant because the allegation is that this homeowner's volunteer

position had an influence on getting the IDC approval that otherwise would not have been given. However, based on the timeline, the individual held no volunteer position in the community when plans were under review. Again, the Board emphasized that these plans did not need IDC approval based on the Master Designer designation.

This homeowner did receive certain accommodations, primarily from Chad Besenfelder, on behalf of the IDC, in that most, but not all, homeowners are required to submit landscape plans and complete landscape work in advance of occupying the house. There have been other cases, not necessarily in large numbers, in the past where the homeowners, in case of difficulties, were permitted to move into the home provided there was a Certificate of Occupancy issued by the Town of Mt Pleasant that permitted legal occupancy of the home. This has been an accommodation in the past as a sign of neighborliness to allow people to occupy before a landscape plan was submitted or complete, so this accommodation is not unusual.

Based on conversations with Chad Besenfelder, the Board of Trustees believes that there has been a certain laxity in enforcement, but knowing Chad and his workload, it is believed that this laxity was a “dropped ball.” The Board found that Chad is very busy and the I’On Company’s involvement in other endeavors has diverted his attention from I’On. The Board found that any delays in requesting that the homeowner promptly submit landscape plan and completing construction were not on a basis of favoritism or special treatment, but because the Board of Trustees was waiting for Chad to write a letter to the homeowner which wasn’t done. The Board of Trustees should perhaps have followed up more, but basically Chad had volunteered to write any necessary letters and it didn’t happen. The Board found that construction has continued for an extended period, although not de facto an unreasonable period due to the size and complex nature of the project. The Board of Trustees found that matters are at a point when this construction has become a point of discussion and concern in the I’On neighborhood regarding aesthetics and lack of apparent progress. At this point if the Board of Trustees fails to take action it would be seen as a dereliction of its responsibilities as well as special treatment.

The President advised the Board members that if they felt that this summary represented an accurate assessment of the history of the case, then a motion would be in order indicating that the Board of Trustees specifically finds that the homeowner has been treated fairly and in conformity with other accommodations similar to cases in the past, and that this homeowner has not received special treatment in any way the Board can identify. The Board of Trustees had no further questions or comments.

Sally Raver moved that the Board of Trustees find that, as the homeowner was treated in a manner similar to other I’On homeowners, the homeowner received no special treatment. Rob Wieboldt seconded the motion. All in favor. Motion carried. One member abstained from vote.

Meeting Room

Sally Raver made a motion to make a \$100.00 donation per meeting to the Church of the Holy Ascension for the use of their meeting room. Rob Wieboldt seconded the motion. All in favor. Motion carried.

Creek Club Updates

Ed Clem will send an e-mail regarding Creek Club updates to the Board of Trustees.

Prospective Board Members

Sally Raver asked if the “O’Brion’s Night”, time for prospective board members to meet the current Board of Trustees to learn more about the Board of Trustees and open positions suggested by Aryn Linenger, will be scheduled.

2013 Budget

Deborah Bedell advised that the Board of Trustees and committees are working on the 2013 budget. It cannot be finalized until the final determination is made regarding the management contract (targeted for November 1st).

Meeting Adjourned.

Next monthly meeting is scheduled for October 25, 2012.

Conflict of Interest Policy for the Board of Trustees of I'On Assembly

The purpose of the following policy and procedures is to prevent the personal financial interests of board members from interfering with the performance of their duties to the Board of Trustees of I'On Assembly (the "Board").

DEFINITIONS

1. **Conflict of interest** – Conflict of Interest means a conflict, or the appearance of a conflict, between the private financial interests and fiduciary responsibilities of a board member.
2. **Financial interest** -- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which the Board has a transaction or arrangement;
 - b. A compensation arrangement with any entity or individual with which the Board has a transaction or arrangement, or;
 - c. A potential ownership or investment interest in, or compensation arrangement with, an entity or individual with which the Board is negotiating a transaction or arrangement.

POLICY AND PRACTICES

1. Full disclosure, by notice in writing, shall be made by the board member to the full Board of Trustees of all conflicts of interest, including but not limited to the following:
 - a. A board member is related to another board member by blood, marriage or domestic partnership.
 - b. Board members, a member of their immediate family or organization stands to benefit, financially or otherwise, from a transaction authorized by the Board.
2. Following full disclosure of a possible conflict of interest, the Board of Trustees shall determine whether a conflict of interest exists and, if so, the Board shall vote to authorize or reject the transaction or take any other action deemed necessary to address the conflict and protect best interests of the I'On Assembly. Both votes shall be by a majority vote without counting the vote of any interested board member.
3. An interested Board member shall not participate in any discussion or debate of the Board of Trustees, or of any committee or subcommittee thereof in which the subject of discussion is a contract, transaction, or situation in which there may be a perceived or actual conflict of interest. An interested person may make a presentation to the Board, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
4. Anyone in a position to make decisions about spending the resources of I'On Assembly and who also stands to benefit from that decision has a duty to disclose that conflict as soon as it arises or becomes apparent.

5. The minutes of the Board and all committees with board delegated powers shall contain:
 - a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.
 - b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.
6. A copy of this policy shall be given to all Board members upon the member's election to the Board or at the official adoption of the stated policy. Each board member, officer shall sign and date the policy at the beginning of her/his term of service or employment and each year thereafter. Failure to sign does not nullify the policy.
7. This policy and disclosure form must be filed annually by all specified parties.

Board Member Conflict of Interest Disclosure Form

A conflict of interest, or an appearance of a conflict, can arise whenever a transaction, or an action, of the Board of Trustees of l'On Assembly (the "Board") conflicts with the personal interests, financial or otherwise, of a board member, or an immediate family member of a board member, or that the board member's employer (collectively "your personal interests").

Please describe below any relationships, transactions, or positions you hold (volunteer or otherwise), or circumstances that you believe could create a conflict of interest, now or in the future, between your duties to the Board and your personal interests, financial or otherwise:

_____ I have no conflict of interests to report.

I have the following conflict of interests, or potential conflicts of interests, to report:

1. _____
2. _____
3. _____

I have reviewed Conflict of Interests Policy of the Board and I understand that it is my obligation to disclose a conflict of interests, or appearance of a conflict, to the the Board when a conflict, or appearance of a conflict, arises, and that for transactions in which I have a conflict, I will abstain from any vote on the matter involving the conflict.

Signature: _____ Date: _____