

I'On Board of Trustees Meeting
August 28, 2014

Members Present: Deborah Bedell, Bob Davis, Anne Register, Chad Besenfelder, Tony Woody, Martha Morgan

Member Present via Telephone: Tom O'Brien

Member Absent: Stephen Wood

SCS: Mike Parades

Guests: Dave Rosengren, Amy Sage, Heather Emrich, Elissa Nauffull, Ed Clem

Homeowner Forum called to order 6:00 pm: Ed shared a few comments regarding athletic field use by soccer teams. He wanted to bring attention to concerns about liability, tax considerations and personal liability.

Amy thanked Tony for his work in installing the new flagpole. Amy also mentioned a particular property owner that has cleared areas in the Rookery without being authorized to do so.

Heather Emrich shared traffic concerns with speeders on N. Shelmore. She reported on results from a traffic study that the Town of Mt. Pleasant completed in April. The traffic study showed that approximately 7,000 cars are traveling down N. Shelmore per day.

Heather mentioned a particular danger area near the mailboxes at the curve where someone has previously run off the road and into a streetlight. After the survey was completed, the Town said that I'On has too many cars going in and out to install speed humps. Their theory is that having this high a volume of cars going over speed humps would create traffic backups to Mathis Ferry circle.

The report also conveyed that the average traveling speed was 25mph. The Town does recognize that the posted and enforceable speed limit is 20mph in I'On.

Board Meeting Called to Order: 6:20 pm:

Motion to approve the July 24, 2014, Board Meeting Minutes. Motion seconded. All in favor. Motion passed.

President's Report: Deborah reported on the litigation update. The new post-trial motion hearing is set for Thursday September 4th at 1 pm.

Deborah commented that the risk management study was very useful. She asked that Mike take the 1st portion of report and work with the infrastructure group to have repairs done and new signage for safety purposes.

The study also provided a comprehensive review of our current insurance coverage. HUB reported that the insured values of some of our structures are higher than they need to be. They said we need to take a look at deductible structure, as well as take a look at a few structures that are not insured and should be, such as the footbridges on the marsh.

Cost for the study was \$6,000, which was under the budgeted amount for the study.

Deborah asked HUB International if we should bid for insurance and they said Nationwide was competitive in their price. Deborah suggested that we consider preparing an RFP for insurance since we have not bid out in a couple of years, simply to ensure that we are getting the best coverage for the best rate.

Deborah received a request from Mike Russo with 148 Civitas, LLC, regarding refinancing their loan on the Creek Club with a new bank. He described the requested document that he has asked The Assembly to sign as an acknowledgement of the bank's leasehold mortgage, but in fact it was a more complex document that appeared to make The Assembly a party to the mortgage. Deborah sent the document to counsel, who requested several changes.

Motion made to approve Deborah's signing the leasehold mortgage-related document with South Atlantic Bank and 148 Civitas, LLC., assuming they incorporate counsel's requested changes. Motion seconded.

Tony asked why The Assembly is even a signature on the document at all. Deborah replied that it is because we are the owner of the property and they are putting a mortgage on the leasehold that we are a party to.

Bob raised a question asking why we would sign the mortgage, as opposed to signing another document that is only an acknowledgement of the lease agreement and the powers that the bank has to bring in a new tenant should the current tenant default.

Motion made to table pending further research. Motion Seconded. All in favor. Motion passed.

Deborah will have a real estate attorney examine the document before anything is signed.

Motion to approve reimbursement for Deborah's expenses accrued for parking during attendance at the trial and condolence flowers sent to Tom. This was netted against

the \$33.00 check she received as a witness fee. Motion seconded. Deborah recused herself from voting. All in favor. Motion passed.

Manager's Report: Mike reported on the new boat ramp scheduled for installation next Wednesday. Mike sent an email to the boating committee and all 71 registered boaters, informing them that the dock will be closed all day Wednesday.

Mike told the Board about several emails he received concerning stolen parcels in the neighborhood. He put in a call to Officer Gregory with the Mt. Pleasant Police department, but has not heard back yet.

Mike also reported on the restoration that needs to take place in the Rookery after a N. Shelmore Titleholder cleared an area they were unauthorized to clear. Lawn-O-Green is developing a mitigation plan that will be reviewed by the Landscape Committee. The Titleholder will be responsible for all costs of this restoration. The Covenants Committee will determine if an additional penalty will be assessed. Mike has spoken with the Army Corps of Engineers and DHEC, as they both have some regulatory oversight of this protected wetland buffer.

Anne suggested sending out an e-blast letting residents know that the Board is aware of the Rookery cutting incident and taking action to address the violation.

Mike reported that in his efforts to on cutting down speeding, he discovered several different speed limit signs posted throughout the neighborhood, as well as several areas where speed limit signs should be posted and are not. He is actively working to fix this issue.

In discussing the parking issue, Tony mentioned that his understanding is that parking spaces were painted to keep cars from parking and blocking the roads where emergency vehicles could not get into the neighborhood. He's heard Police officers have been ticketing cars that deserve tickets for not parking in marked spaces as well as cars that are parked maybe three feet out of the space. Tony felt that this was a bit unreasonable. Deborah commented that if we start interfering with the police when they are doing their job, we would send them mixed signals on enforcing town parking rules within the neighborhood.

Tony asked that the police use some judgment when they are in the neighborhood writing parking tickets. Mike commented that he would ask the police to use some reasonable judgment and perhaps give warnings in some cases rather than tickets for everything.

Tony asked if the police will start writing speeding tickets as well; Mike confirmed that a request has been made, and ticketing for speeding is coming soon.

Trust Report: Amy reported that the Brazilian music concert is going to be held at Westlake.

Landscape Report: Deborah suggested that Mike and Tony consider getting in touch with I'On resident and wildlife animal vet Dr. Linda Bender to help them with Canadian geese solutions.

Tony confirmed that we can call DNR to pick up the geese; however some residents may not like what they do with the geese. The Landscape Committee is looking into the problem of geese not migrating as they should, and working to find a solution to what can be done.

Tony proposed signing an agreement with a tree company for storm clean up. Signing this agreement requires no money; we simply agree to use this particular group for clean up and they will make us a priority should a storm come through the area causing damage.

Motion to approve signing an agreement with Charleston Tree Company to use for emergency clean up. Motion seconded.

A question was raised regarding how many other neighborhoods this company is entering into an agreement with. If there is an enormous storm, how do we know we will be taken care of? Tony replied that he was assured that I'On would be a priority as the Charleston Tree Company has the resources to take care of us.

Dave clarified that we currently have an agreement like this with the Tree Clinic. The goal is to formally terminate the agreement with the Tree Clinic since they do not respond well. The purpose of this type of agreement is to have a guaranteed immediate response in case a storm causes damage. The company will automatically come and clean up after the storm without requiring any instruction or communication.

Motion amended to include terminating the current contract with the Tree Clinic, and signing an agreement with the Charleston Tree Company. All in favor. Motion passed.

Tony reported on the damaged live oak tree on Ponsbury. The town arborist, Eddie Bernard, was not in favor of taking down the whole tree. He asked that we proceed with additional testing that will cost up to \$1,050. The testing consists of drilling cores into the tree and assessing how much solid wood is present. There is a growing opinion that even with our best intentions, it may be impossible to save the tree. Eddie was previously not in favor at all of removing the tree, but he seems to now be moving more towards the realization that removal may be a necessity.

Dave stated that they would do the testing first, see what is required, and then get the Board's approval before anything further is done. He also mentioned that if the decision is made to remove the tree, then they plan to come back with a potentially costly plan to install a mature tree in its place. This is for a later discussion, but the committee is assessing options now.

Motion to spend up to \$1050 to do core testing on the tree on Ponsbury to determine its health. Motion seconded. All in favor. Motion passed.

Deborah commented that if it is determined that the tree needs to come down, she did not want to wait until another Board meeting to make that decision. The decision can be voted on by email circulation to ensure that we do not leave a dangerous tree any longer than necessary.

Infrastructure Report: Tony reported that the only major project right now is to have more electrical outlets installed around the Square. He hopes have quotes next month for this and perhaps quotes for additional Christmas lights as well.

Tony provided an update on the Little Free Library box. Kay Chitty, the donor, has asked if this can be installed at Westlake. She would take on the responsibility of buying and installing the library.

Tony suggested that the IDC take a look at the library before it is purchased.

Deborah reminded the Board that next month they will be reviewing rule D-102, so we will need to do a mailed notice in September before the meeting.

Discussion followed regarding what needed to be mailed out, how it should be worded, and when notification should be given alerting homeowners that the Board would be discussing and potentially revising Rule D-102 at the September Board meeting.

Treasurer Report: Deborah raised a question on the finance report regarding some inconsistencies in pursuing delinquent accounts. Anne commented that this specific situation was dealing with people who are on payment plans. There has been some looseness on the follow-up. The finance committee is actively working on this.

Deborah also had a question on the consulting budget of \$12,000. We spent \$6000 on the Risk Management study and we may spend \$4000 on the Reserve study if approved; based on these figures, Mike confirmed we will still be within budget.

Anne reported that currently there is a total balance due of \$63,687 in delinquent accounts. Excluding foreclosures, we have a balance of \$42,473, so she said the collections process is indeed working.

Anne also mentioned that it is not part of the SCS collection process to send a letter in between the 2nd notice of a late payment and the final notice regarding the filing of a lien. She reported that Mike and Jessica put together their own letter to 54 residents reminding them that the second installment payment was due July 31st and if it is not paid there will be interest and late fees accruing.

Mike reported that he and Jessica have found in talking with homeowners, that many simply forgot that the assessment was sent out in two installments this year, therefore they paid the first installment and simply forgot about the second.

Anne brought two motions to the Board for voting.

The first is to renew the management contract with SCS. It would include Mike Parades as the full time on-site manager and Jessica Gosnell as the half time assistant manager for a term of 16 months to begin September 1, 2014 and end December 31, 2015. Some additional discussion will need to occur after the attorney has reviewed the contract and made suggestions, but approving this motion would allow Deborah to sign the contract after counsel review and additions made without coming back to the Board for a vote. The amount of the new contract would be \$137,809 per year.

Motion to renew the management contract with SCS for a term of 16 months, subject to legal review and approval. Motion seconded. All in favor. Motion passed.

The Finance Committee discussed the need to update the reserve study that is now 4 years old. Mike sent out an RFP and received four proposals, which covered a wide range of prices. The Finance Committee reviewed all of the proposals and recommends Miller-Dodson to complete the survey. Miller-Dodson came in with a price of \$3990 and a pledge to have the study completed in 30 days.

Motion to approve Miller-Dodson's reserve study proposal and begin on the study right away. Motion seconded. All in favor. Motion passed.

Covenants Committee: Bob reported that the survey will be announced in the September newsletter to be emailed on Friday August 29th. The mailbox postings are going up on September 3rd, an email blast previewing the survey is going out September 8th, and the survey itself will be e-blasted out on September 10th with a reminder a week later on September 17th. September 24th is the last day for homeowners to complete and submit their surveys.

IDC Report: The IDC is still self-sustaining and actually ahead of budget.

Amenities Report: Tom reported on a request from Cainhoy Athletics to use the I'On Athletic field three days per week. Cainhoy Athletic is a non-profit organization, and several I'On residents play on their teams. Cainhoy would agree to pay \$5000 per year for access to the field for no more than three days per week for a few months out of the year. Tom mentioned that this could be a great opportunity to potentially fund a dog park.

Deborah raised a question asking if this income would create tax or legal issues. Tom replied that he checked with the accountant and it should not be a problem. He

stated that even if we do have to pay taxes, it would still be about \$3200 per year that the Assembly could use for maintenance and improvements for amenities.

Currently the school pays a maintenance fee for use of the field each year. This will of course go away when the school goes away; therefore this agreement could help mitigate that loss.

Tom contacted the Long Point HOA, who currently has the contract with Cainhoy, to see how they are as a tenant. The Long Pointe HOA had only positive things to say.

Tom also checked with Montessori School to see if this field use would affect their schedule in any way, and they confirmed that it would not interfere.

The Board agreed to have Tom present a contract between The Assembly and Cainhoy Athletic for the Board to approve for use of the Eastlake Athletic Field.

Anne mentioned the idea of forming a dog park advisory committee. She has had several homeowners reach out to her wanting to volunteer with the project. Brenda Uttaro volunteered to help in any way necessary to get a dog park in I'On. Anne also pointed out that a dog park was one of the most frequently mentioned topics from the suggestion boards at the mid-year meeting.

Motion to establish a dog park advisory committee and appoint Brenda Uttaro as chairperson of this committee. Motion seconded. All in favor. Motion passed.

Communications Report: Anne reported that the Communications Committee is already into preparations for the 2015 Directory.

Secretary's Report: Martha reported on minor changes that were needed to make the document retention policy specific to the way I'On finances have been structured. 'Audit reports' should replace 'general ledgers, journals and charts,' and kept for 7 years. Bank statement records should be kept for 7 years, and IDC documents should be updated every 6 months.

Deborah asked what outgoing Board Presidents should do with their records. Martha responded that confidential items (ex. legal counsel) should be passed on in hard copy notebook to the incoming President. The rest should be passed along as per the Board Transition Policy.

Motion to enact the revised document retention policy. Motion seconded. All in favor. Motion passed.

Martha confirmed that implementation of this policy is in full operation.

Concerning board elections, Martha reported that legal counsel advised that the I'On Bylaws do not allow the Board to require potential Board Candidates to attend a Board Meeting in order to qualify.

Motion to withdraw the requirement that Board of Trustee candidates must attend a Board meeting. Motion seconded. All in favor. Motion passed.

Deborah confirmed that this will still be suggested on the questionnaire but not a requirement.

To integrate the application process for candidates, Martha moved to set the opening date to September 1st with a closing date of Friday October 10th. The committee felt this was a fair block of time that will allow us to advertise a couple of times as well as allow the committee to do their job in recruiting candidates all the while having final documents ready to mail to homeowners on time for the Annual Meeting.

Motion to set the candidate opening date to Monday September 1, 2014 with a closing date of Friday October 10, 2014. Motion seconded.

Anne commented that since September 1, 2014 is a holiday, it might be better if the opening date is changed to September 2, 2014.

Motion to amend the motion to set the candidate opening date to Tuesday September 2, 2014 with a closing date of Friday October 10, 2014. Motion seconded.

Deborah expressed her concerns with the open period being too short. She suggested extending the period until October 31st in order to give candidates a chance to attend more than one meeting. Martha commented that candidates could turn in their questionnaire and still attend the October Board meeting.

After discussion, it was determined that extending the candidate submission period until October 24th would give candidates enough time to get in their questionnaire, as well as leave enough time to prepare the annual meeting packet and have it out to the mailing center by the November 3rd mailing date.

Revise the Motion to set the candidate opening date to Tuesday September 2, 2014 with a closing date of Friday October 24, 2014. Motion seconded. All in favor. Motion passed.

The next motion was to set and approve a voter eligibility deadline date for voters. Martha proposed the deadline to be October 31st at 5 pm. This is the date by which Titleholders must have their Assembly accounts current to be eligible to vote in the election.

Motion to set the voter eligibility deadline date as October 31, 2014 at 5 pm. Motion seconded.

Bob asked if this cut-off date is similar to cut off dates from previous years. Deborah confirmed that this date is a bit earlier than previous years. Previous cut off dates were in November.

Mike stated that the cut off could be even just two weeks before the meeting, so he suggested a cutoff date of November 30th.

Revise motion to set the voter eligibility deadline date as Friday November 28, 2014 at 5pm. Motion seconded. All in favor. Motion passed.

The next motion was to set the deadline date for the submission of proxies. Legal counsel has confirmed that the bylaws provide that the Board can set a deadline prior to the meeting for proxies.

Motion to approve a proxy deadline date of Friday December 5, 2014 at 5 pm. Motion seconded. All in favor. Motion passed.

The next motion was to approve the roles and responsibilities of the new Leadership Development Committee.

Motion to approve the description of the Leadership Development Committee. Motion seconded.

Anne commented that a true leadership committee could stay in place for an extended period of time, not just for the duration of the nominating time period. The committee could and should be a point of contact to those interested in Board service throughout the year.

Motion to approve the description of the Leadership Development Committee, with the addition of stating that committee members shall be available to discuss Board service with interested residents throughout the year. Motion seconded. All in favor. Motion passed.

The LDC (Leadership Development Committee) has its chair appointed by the Board each year.

Motion to approve this year's Leadership Committee chair to be Deborah Bedell. Motion seconded. All in favor. Motion passed.

Our new monthly agenda starts with the Manager's report and the Secretary clarifies the Board's priorities for the Manager at the end of the meeting. This helps each board member be in sync with each other as well as giving consistent prioritized directions to Mike .

The Board's priorities for Mike Parades this month:

- Reserve Study
- Continuing to work the police department with parking and speeding
- Continue work on the 2015 Budget
- Loading Zone Project
- Boat Ramp replacement

Meeting adjourned at 8:30 PM



Martha Morgan, Secretary