

I'On Assembly Board of Trustees Meeting
August 27, 2015

Members Present: Bob Davis, Anne Register, Lori Feehan, Chad Besenfelder, Tony Woody, Adam Robinovitz, Bruce Kinney

Member Present via telephone: Tom O'Brien

SCS: Mike Parades

Guests: Amy Sage, 63 Jogging; Barbara Fry, 28 Mobile Street

Homeowner Forum: Amy Sage asked when the landscaping is going to be installed around the Meeting House/Church of the Holy Cross. Chad reported that it should be completed in November.

Call to Order: 6:15 pm

Approval of Minutes

Motion to approve the July 23, 2015 Board Meeting minutes. Motion seconded.

Anne commented that the minutes did not reflect the Finance Committee's approval of \$2,000 that was allocated for the rehabilitation of the friendship garden. She recommended the minutes be corrected to reflect this information.

Minutes approved subject to Anne's recommended change. All in Favor. Motion Passed.

President's Report: Bob reported that the Creek Club litigation defendants have filed an appeal on the trial court's decision regarding the Creek Club. Our outside counsel said this means the litigation could possibly last another two years. The defendants have also filed another motion to stay the judgment as part of their appeal. The effect of this is to prevent the Assembly from taking any action to collect on the dollar award that came from the jury, as well as prevent the Assembly from taking any action based upon the trial judge's determination that the recreational easement is invalid.

If that motion is granted, that will effectively freeze everything in place while the appeal progresses. Our counsel and the plaintiff's counsel have both asked that if the stay is put in place, the defendants be required to post a bond so that the Assembly is

protected by that bond while the appeal progresses. Given that the Assembly would be prevented from taking any action to enforce its judgment. Counsel for the defendant has agreed if a stay is granted, then a bond will be appropriate. Bob reported that counsels on both sides are currently in negotiation regarding the exact bond amount. If the two parties cannot come to an agreement on the bond amount, then the court will set the amount.

Bob reported that the bed and breakfast/short-term rental rule goes into effect on September 1st. The addresses of houses in I'ON that we believe to be operating as B&B's have been supplied to the Town for follow-up. Mike Parades has also sent out "heads up" letters to titleholders that we believe to be operating B&B's and short term rentals.

In addition to letters being sent to titleholders, letters will go to real estate agents that operate in I'On, making them aware of this short term rental restriction in I'On. There will also be a notice published on the public part of the I'On website. This will ensure that anyone who is looking into I'On will be aware that B&B's and short-term rentals are not allowed.

The candidate questionnaire will be available as of September 1st for anyone interested in running for the Board. The completed questionnaire must be returned by November 13th. There will be a notice published in the September issue of Living in I'On; the notice will announce the call for candidates as well as provide instructions on how to obtain a questionnaire.

Bob mentioned that we are adding a candidate "meet and greet" to the November 17th Potluck Dinner. This is was an idea the Leadership Development Committee came up with to allow homeowners to meet candidates that are running for the Board.

The Leadership Development Committee has also recommended increasing Board Director terms to three year terms rather than two year terms. The idea was to increase continuity as the first year of Board service is typically learning the ropes. Back in July, the Board approved the conceptual idea of a bylaw amendment to amend board terms to three year terms. The Assembly's attorney, Shawn, is working on this bylaw amendment and will have it ready by the September Board meeting where it would be officially voted on. With this amendment, terms would also be staggered to ensure that an entire Board is not turning over every three years.

The idea of having next year's annual meeting in January 2017 instead of December 2016 was also discussed at the July Board meeting. Bob has learned that we can change the annual meeting date without any amendment to our bylaws. The way our bylaws are written and how the SC Non-profit Corporation Act is written, we can hold the 2016 annual meeting in January of 2017 without violating our bylaws or breaking any other rules.

Motion to move the December 2016 Annual Meeting to January 2017. Motion seconded. All in favor. Motion passed.

Bob reported on the Leadership Development's idea of online voting at the annual meeting. To allow online voting, it will require a bylaw amendment. Bob asked the Board to authorize Shawn to do the additional research and legal work to also draft an amendment to allow online voting for our annual meeting while he is working on the other bylaw amendments as well.

There is a cost associated to the online voting booth; it will cost approximately \$300 for this product through our current website. The majority of the Board agreed that it was well worth the cost to get input from more shareholders.

Motion to authorize our outside counsel to draft a proposed amendment on electronic voting. Motion seconded. All in favor. Motion passed.

Manager's Report: Mike reported that the short sale on Robert Mills appears to be progressing. He spoke with the person who is in the process of purchasing the house in this short sale. This buyer has already begun clearing off some of the vines on the house as well as the trees in the gutters. Mike confirmed that since this is a short sale, the Assembly should receive most, if not all of the delinquent assessments that are owed on this property.

Mike discussed the need for additional management. With the compliance issues that are going on and just the general increase in the amount of work for management, Mike felt there is an inherent need for a full time assistant. He will be proposing a full time assistant be considered for the 2016 budget.

Mike mentioned that Jessica Gosnell will not be able to fill this full time position due to her commitments as a portfolio manager with SCS. Katie Mell, a current SCS employee that handles Dunes West and Park West ARB, covenants enforcement, and the Dunes

West website, has been selected to fill Jessica's position. Her knowledge of covenants enforcement as well as her familiarity with the Association Voice website will help make a seamless transition. Jessica will be working with and helping Katie transition for the remainder of 2015. The goal is to have Katie as the full time assistant in l'On beginning January 2016.

Tom asked what implications a full time assistant would have on the annual budget. Mike explained that it would cost approximately \$23,000 more to make the assistant manager position a full time position. The full time assistant manager compensation would be the exact proposal that was made last year. The proposal this year would be no different.

Discussion followed and Mike confirmed that he will provide Board members with all of the financial details associated with making the assistant manager position full time. The main purpose of disclosing this is not as much for the financial impact, but to let the Board know that there will be some changes coming in management, and there is an increased need for help due to the increased volume of work being placed on the manager.

The Finance Committee will be meeting on October 5th to discuss the 2016 budget. Mike will have a draft budget prepared for the committee to review at this meeting. The draft budget will include a line item for a full time assistant.

Mike reported we are doing well on dock closings and collecting a significant amount of money from these closings.

In regards to Robert Mills's parking spaces; Chad has agreed to meet with Mike and the Town engineer in an attempt to convince them to allow street parking spaces on Robert Mills. They will be meeting next week and will report back on this at the next Board meeting.

IDC Report: Bruce reported that the IDC reviewed 21 items this month; 15 were approved or approved with conditions. The biggest issue that the IDC continues to face, is work that begins and is completed without any IDC approvals or following of the application process rules. Discussion followed on various items.

Communications Report: Barb Fry advised that at the recent committee meeting a number of ideas were discussed with agreement that they should be presented to the Board for consideration. These ideas include:

1. Put an Annual calendar in the I'On Life magazine.
2. Periodically publish Educational articles in the I'On newsletter related to operation of the HOA.
3. Consider using Next Door website to disseminate important information.

Following brief discussion, the Board agreed the recommendations were a good idea and authorized the committee to implement them on a trial basis.

Covenants Committee: Lori noted that the committee is working on a proposed change to the pet rules to eliminate any confusion regarding what is allowed within I'On. The intent is to more clearly define what a Household pet is.

Related to the new instance of chickens being kept discussed in Executive session, Lori *moved that the owner be given 10 days to comply with the request to remove the chickens and chicken coop or beginning on the 11th day from the notice a fine of \$25 per day be imposed up to a maximum of \$3,000.00 at which point the Board would consider other action. Motion seconded. Six votes in favor two votes against. Motion passed.*

I'On Trust-No report

Infrastructure-No report

Landscape Report: Tony explained that when the Landscape Committee chose to renew the contract with Lawn-O-Green, they did so with the knowledge that long time members Dave Rosengren and Amy Sage would be leaving the Landscape Committee. Contract renewal was an attempt to keep some continuity. Now that contract is coming to an end at the end of the year, so it is time to decide if the landscape contract will be bid out, and if we will ask Lawn-O-Green to submit a bid. Mike has selected 5 well-known landscaping companies to obtain bids from. There is a specific scope of work/RFP that will be provided to each company, so the bids will be very straight forward.

Mike reported that he has been meeting with LOG's owner on a weekly basis to address all of the issues that have come up in the past year. Mike confirmed that he would not

recommend that LOG participate in the bidding process based on their performance this year.

Motion to bid out the landscape contract for 2016, excluding LOG from the bidding process. Motion seconded. Seven in favor. One abstained. Motion passed.

Tony asked if the Board would like to include maintenance of marsh trails in the scope of work for the landscape bids. The Board agreed that this should be included in the request for proposal from the landscape companies.

Amenities Report: Tom reported that the amenity reservation policy has been updated to reinforce that we are not renting the field to any groups with less than 50% l'On residents.

In regards to the survey of the athletic field, the survey was done and now we just need to draw in a soccer field, basketball court, athletic wall, etc. on the survey. Tom suggested listing the possible options for this area, whether it be a dog park, basketball court, athletic wall, etc. and allow homeowners to choose which amenity they want to see in that space.

Treasurer Report: Nothing to report other than what Mike mentioned earlier regarding 2016 budget planning and the potential assessment increase.

Manager Priorities:

- Edit to July minutes
 - 2016 Budget
 - Compliance letters
 - RFP for Landscape Maintenance 2016
- There being no further business to come before the Board of Trustees, the meeting was adjourned at 9:34 pm

Respectfully submitted,



Adam Robinovitz, Secretary