

I'On Assembly Board of Trustees Meeting
September 22, 2016

Members Present: Bruce Kinney, David Thompson, Chad Besenfelder, Lori Feehan, Karen Dillard, Tom O'Brien, Paul Gillis, Tony Woody

SCS: Mike Parades, Lesley Ramey

Guests: Sarah Hays, 1 Duany Rd

Homeowner Forum:

Sarah Hays, 1 Duany Rd., is involved with planning the She Tris Triathlon. The organization had requested the HOA's support and permission to do the Triathlon through the neighborhood next year. Ms. Hays attended to answer any questions the Board may have about the event.

Call to Order: 6:06 pm by Bruce Kinney.

Approval of Minutes:

Paul Gillis asked the last line in the Finance Committee Report section be changed to read "The goal is not to change the assessment."

Lori Feehan corrected the numbers on page 3, paragraph 4 to be 271 total comments. 94 specifically about pets with 84 being in favor of leashing pets and 10 being okay with voice control.

Tom O'Brien asked that on page 3, paragraph 6 starting at line 5 have the language change to reflect individual opinions rather than the Board as a unit.

Motion to approve the August 25, 2016 I'On Assembly Meeting Minutes as amended. Motion Seconded. All in favor. Motion passed unanimously.

She Tris Triathlon Request

Tom O'Brien directed Board members to the letter in the Board Packet from Angela Klick, Race Director of She Tris. The letter requests I'On's permission to have the triathlon through the neighborhood on June 10, 2017. Karen Dillard asked if streets will be closed and if the Assembly needs to provide any specific form of support. Sarah Hays, 1 Duany Rd., informed the Board that streets will not need to be closed and volunteers will be there to monitor the

runners. Ms. Hays stated She Tris is simply asking for the Board's permission to do the event in I'On.

Motion to permit She Tris to include the neighborhood in their triathlon on June 01,2017. Motion Seconded. All in favor. Motion pass unanimously.

Presidents Report:

Bruce Kinney asked the Board to approve of the sale of Lot 275, the residential lot next to the Creek Club, from the current owner, 148 Civitas LLC, to an entity owned by either Mike Russo or his son or both of them, possibly held in a trust for estate purposes. Bruce Kinney reminded the Board that in the Creek Club Settlement Agreement, the Assembly has the right of first refusal unless the lot is sold to a wholly owned related entity to 148 Civitas LLC. Shawn Willis, the Assembly's Legal Counsel, has recommended the Assembly consider the transfer as currently proposed to be a transfer to a related entity. Tony Woody asked if this would mean the Assembly's losing the right of first refusal. Bruce Kinney informed the Board that voting to recognize this as a related party transfer, best protects the Assembly's right to first refusal. Tony Woody asked if Legal Counsel had assured the Board of this. Bruce Kinney confirmed Counsel had considered this issue and recommended this course of action. Chad Besenfelder informed the Board he would not be voting on this particular matter. As a representative of the Founder, Chad Besenfelder felt it was inappropriate for him to vote since the I'On Company was the seller in the initial deal, and he was not sure of the exact details of the original deal. Lori Feehan asked if the waterfront enhancement project would be able to move forward, pending the Board's approval, if the lot was transferred. Bruce Kinney confirmed the waterfront enhancement would still be possible.

Motion to approve sale of Lot 275 as a related party transfer from 148 Civitas LLC to an entity, including a trust for estate planning purposes, owned by Mike Russo and/or his son. Motion seconded. All in favor. Motion approved.

Mike Parades reminded the Board of a motion from July 2015 that moved the Annual Meeting from December to January. No date was selected at the time, but a timeline has been set by the Management office. The Annual meeting packet will be sent out on December 9th, 2016. The Annual Meeting will take place on January 11th, 2017. The proxy cutoff will be 2 days prior to the meeting on January 9th. The Organizational Meeting, where Board Members

are elected to their Board positions, will take place immediately after the Annual Meeting. The Board Orientation will take place on either Saturday January 14th or January 21st. The first Board meeting will be on Thursday, January 26th.

Mike Parades noted according to the meeting, the Board had also approved moving from 2 year terms to 3 year terms during that July 2015 meeting. However, Mike Parades stated he believed the minutes were wrong as he remembers the motion being vetoed. Lori Feehan, Bruce Kinney, and Tom O'Brien, who were serving on the Board during the vote, agreed the motion had been vetoed and the minutes were incorrect.

Bruce Kinney stated the Board would discuss the need for a December meeting at a later date.

Motion to schedule the Annual Meeting for Wednesday, January 9, 2017. Motion seconded. All in favor. Motion passed unanimously.

Mike Parades informed the Board that Stephen O'Connor needed to be appointed by the Board to the Sports Court Subcommittee. In January 2016, the Board approved a slate of committee members including reappointing the members of the 2015 Sports Field Committee. At the February 2016 meeting, the Board established the Sports Court Subcommittee in response to the Amenities Survey results. Mr. O'Connor is on both committees, but was never formally appointed to the Sports Court Subcommittee by the Board. The Sports Court Subcommittee requests he be formally appointed to their committee.

Motion to appoint Stephen O'Connor to the Sports Court Subcommittee. Motion seconded. All in favor. Motion passed unanimously.

Covenants Committee:

Lori Feehan informed the Board there were no homes to be fined this month. Bruce Kinney asked about homes that were fined previously. Mike Parades informed the Board many had contacted the management office.

Lori Feehan brought the proposed change to rule D-102 to the Board's attention. The proposed change took into account homeowner feedback to accommodate pet exercise and play areas. The proposed rule change specifics areas where pets may be off leash and under voice control and where the

TOMP ordinance is in control. Bruce Kinney asked language be added to include training. Bruce Kinney also commended Lori Feehan and Karen Dillard on their exhaustive efforts to draft the new proposed change and the explanation letter that will be included with it. Tony Woody informed the Board he would not be voting in favor of the proposed language unless it is amended to include the Marsh Path as an area that allows dogs to be off leash and under voice control. Tony Woody also would like the Board to set hours for the Commons, so areas like Maybank Green will not be off leash all the time. Lori Feehan asked if there were specific hours he had in mind. Tony Woody believes it should be open to the Board to set and adjust based on community feedback and seasonal changes. Karen Dillard agreed the Marsh Path should be included as a potential area for off leash pets but no hour restrictions yet. The new rule will have a letter that clarifies where the TOMP ordinance applies and gives the Board flexibility to respond to community feedback. Karen Dillard also suggested the Board not enacted a specific policy yet, but rather monitor the situation and add hours if it is needed. The Board agreed Karen Dillard's plan was acceptable.

Paul Gillis inquired about plans to have another survey sent out to the community regarding amenities. Paul Gillis suggested this survey could help identify what and where pets should be off leash and under voice control. Tom O'Brien expressed concern about an additional survey when the original Amenities Survey was done so recently. Paul Gillis believes that with the subcommittees, that resulted from that survey, finally developing plans and getting bids the community should weigh in before any project officially moves forward.

Motion to amend the proposed policy to read "Pets may be permitted to exercise, play and train off leash at all times, yet under strict voice control and in the line of sight of the owner or keeper while on:

Maybank Green, Eastlake Field, the Amphitheater, the Rookery, the Marsh Trail and the walking paths and land adjacent to Eastlake and Westlake."
And notify the community of the amended proposed change to Rule D-102 to give the Board the ability to enact a new rule that is more clear and gives the Board the flexibility to change the policy based on feedback. Motion Seconded. 7 in favor, 1 abstention. Motion passed.

Chad Besenfelder asked for confirmation that the proposed Rule D-102 changes would be a policy or rule. Karen Dillard stated the Rule would now

reflect what was already in the Community including clarifying where the TOMP's ordinance applies and what a nuisance is. Lori Feehan asked if the Board felt it was clearly conveyed in the policy that the boat ramp, playgrounds, and alleys were areas where dogs must be on leash. Karen Dillard felt neighbors would read the mailing and understand that.

Bruce Kinney asked the Board to monitor the community as the new rule comes into place. Bruce Kinney noted there needs to be mass communication efforts behind the proposed rule change. Bruce Kinney feels the Board has found a good compromise and that if folks follow the rules, then this will go well.

Karen Dillard asked what the timeline is now that the language has been approved to send out to the neighborhood. Lori Feehan and Bruce Kinney agreed it should be as soon as possible. Bruce Kinney asked Mike Parades to confirm how many days notice were required by the by-laws. Mike Parades informed the Board 5 days minimum were required, but the earlier the better. Bruce Kinney agreed and would like to vote at the October board meeting on the issue.

Landscape and Infrastructure Committee Report:

Tony Woody informed the Board the mole cricket issue at Maybank Green had been resolved. However, a substantial amount of turf (approximately 6500 sq ft) had been destroyed by the infestation. The Greenery has submitted a bid to replace the damaged turf with new sod at the cost of \$1,500, which will be funded from the Operating Account. The Greenery recommends this happen before overseeding with Winter Rye rather than not replacing the turf and overseeding. Paul Gillis asked what this project's classification would be in the financials. Mike Parades confirmed it was a landscape maintenance cost and there is a surplus to cover this expense. Tom O'Brien expressed concern about prevention and potential spreading of mole crickets. Tony Woody confirmed the Greenery is treating for mole crickets to prevent them.

Bruce Kinney asked about the Greenery's opinion on overseeding. Tony Woody informed the Board the Greenery would rather not overseed as it can potentially hide disease. However, without the Winter Rye, the Bermuda grass will be brown all winter. Overseeding happens on the soccer field and on Maybank Green, not the amphitheater. Mike Parades noted the Board needed

to have decided before September as a pre-emergent treatment has already been applied. Bruce Kinney asked if the treatment without overseeding would hurt the health of the grass. Tony Woody informed the Board it would not. Mr. Woody reminded the Board in the Greenery's contract the Assembly had specified the desire to have the year round green look that Daniel Island has. David Thompson asked if the mole crickets had spread to Perseverance Park. Mike Parades stated it was possible. Chad Besenfelder asked if the sod was the fastest way to fix the bare spot problem. Tony Woody confirmed it was.

Motion to re-sod area at Maybank Green for \$5,100 from Operations. Motion seconded. All in favor. Motion passed unanimously.

The trees on HOA property have matured to the point where some are being to affect adjacent homes, particularly homes that border the Rookery and the Marsh Path. Mike Parades suggested instead of treating every tree on a case by case basis, a tree policy be created. The proposed policy is when a request comes to the management office, an arborist will inspect the tree. If the tree is healthy, the tree will stay. If the tree is unhealthy, it can be removed. Chad Besenfelder asked if this was also for segments of the tree like branches. Tony Woody stated this was just for whole trees. Limbs that hang over the homeowner's property can be trimmed. Lori Feehan asked if there was diameter requirement for tree removal that requires TOMP approval. Mike Parades confirmed there was a TOMP approval requirement for certain trees. This policy will work in tandem with the TOMP ordinances. Chad Besenfelder noted the I'On Code has a requirement for the IDC to approve any removal of a tree above a certain diameter. Chad Besenfelder inquired who would be responsible for paying the arborist: the Assembly or the homeowner. Mike Parades stated the policy implies the Assembly will pay the arborist. Tony Woody stated the homeowner is responsible for paying for limbs to be trimmed back and the homeowner would pay for the tree removal. The Landscape and Infrastructure Committee is most concerned about managing the health of the tree. The Assembly will pay for the arborist.

Motion to approve the Tree Removal Policy as recommended. Motion seconded. All in favor. Motion passed unanimously.

Tony Woody directed the Board's attention to the leaking problem at Juggling Fountain. The Greenery submitted a proposal to resurface the interior for \$1,250 funded from Operations. Mike Parades noted the previous landscape

contractor had done work resealing the fountain and looking for where the leak was with no success. Paul Gillis believes the funding should come from Reserves. Mike Parades noted there was funding in Operations for it though. Lori Feehan expressed concern that this was done before and there was no success.

Motion to approve the resurfacing of the interior of Jogging Fountain for \$1,250 funded from Reserves. Motion seconded. All in favor. Motion passed unanimously.

Tony Woody presented the Board with a proposal from the Greenery to add new irrigation to the island on Saturday Rd across from the Creek Club. Mike Parades informed the Board the larger island's irrigation supply line was too small to properly irrigate the plantings. The Greenery will bore underneath the road and run a 1 inch PVC sleeve & irrigation line to the island. Tom O'Brien expressed concern over the location of the irrigation lines as boats and large vehicles often clip the islands. Paul Gillis asked if this expense should come out of Reserves. Mike Parades stated it was irrigation expense so he believes it should be Operations.

Motion to approve running new irrigation supply to large island on Saturday Rd by Creek Club for better irrigation for \$2,000 funded from Operations. Motion seconded. All in favor. Motion passed unanimously.

Tony Woody updated the Board on the Palm trees on Latitude Ln. The Landscape and Infrastructure Committee had approved the removal of the oaks there due to concerns from homeowners about the roots of trees causing damage to their homes. The oaks were replaced with Palms at the cost of the owners. The problem is there are not even palms planted on the street to replace the canopy. The Landscape & Infrastructure Committee asked Mike Parades to have the homeowners add enough palms to match the trees on the other side of the road. Bruce Kinney asked how many were needed. Mike Parades informed the Board there needed to be 10 trees. The homeowners told Mike their installer had refused to do more, saying there was no room to do more. Mike Parades will be researching into the issue to hopefully have more palms installed.

Lori Feehan requested more information on item #9 of the Landscape & I Infrastructure report regarding the air spading and fertilization of the oaks on Westlake. Lori Feehan inquired what the problem was and why the price was

as high as it is listed. Mike Parades informed the Board the number in the report was incorrect and there are multiple problems including poor drainage. The Greenery had proposal was \$4,000 and the Charleston Tree Company proposal was for \$1870. The Landscape & Infrastructure Committee voted and approved the bid to the Charleston Tree Company. Lori Feehan asked if the drainage issue was going to be on going. Mike Parades confirmed it would not be and the issue had been fixed.

Karen Dillard asked for clarification on what would be included in the Christmas Lights price Mike Parades is working to obtain, specifically does the Assembly own the Christmas lights that go up. Tony Woody confirmed the Assembly owns the lights. The price is for the installation and removal of the lights. Mike Parades conveyed the request from community members to have the lights on the Oak in the Mathis Ferry roundabout stay up all year. Lori Feehan asked if they would be lit always. Mike Parades stated they would not be on all the time. No decision was made on that request at this time.

Mike Parades informed the Board that the alleyways were to be seal coated soon. The contractor was just waiting for several days in a row that were projected to have clear weather.

The soccer field on Eastlake Rd has moles. Holy Moley is the only contractor in the area that can do that work needed. It is \$225 per month for 3 months. David Thompson asked if the moles would come back. Tom O'Brien stated the moles would be killed. Mike Parades noted the wooded area provides cover for them. Tom O'Brien informed the Board a soccer player had gotten caught up in one of the mole holes and had fractured an ankle. Mike Parades informed the Board that traps would be on the field which limits full soccer games occurring. Bruce Kinney suggested the treatment be presented to the Sports Field Committee. Mike Parades agreed he would do so. Tom O'Brien suggested the mole traps be put around the perimeter. Mike Parades said he would ask Holy Moley if that was an option.

Tom O'Brien asked about the Pet Stations item in the Landscape & Infrastructure report. Mike Parades informed the Board that the Landscape & Infrastructure Committee had elected to continue using the Greenery for pet station maintenance instead of an outside contractor. As a result, the Greenery asked for the 2% increase that was stalled when the pet stations maintenance portion of their contract was potentially getting removed. Lori Feehan asked if

the line item could stay separate so the Assembly can track how many bags are used. Mike Parades confirmed the line item will stay separate from the landscaping contract as the Assembly purchases the doggie bags and stations. Paul Gillis voiced concern about the quality of maintenance the Greenery had been providing. Tony Woody noted the Greenery was aware of the poor track record of pet station maintenance and was making every effort to improve service to the standards set by their contract.

Finance Report:

Paul Gillis informed the Board that the financials were good. The preliminary budget is balanced and so far, there is no change to the Assessment fee, pending approval of the 2017 Budget. The Dock Closure Fees have dropped. The 2017 preliminary budget did account for that reduction, budgeting \$7700 less than was budgeted in 2016. Tom O'Brien asked if there was any confirmation that this was a continuing trend. Mike Parades confirmed he had spoken to the renter of the Creek Club and was informed that there are likely to be less dock closures in 2017.

Paul Gillis informed the Board there would be approximately \$4,000 for delinquent accounts next year, down from \$6,000 this year. Paul Gillis applauded Mike Parades' efforts in collections. There is approximately \$10,000 left to collect. The Finance Committee implemented a strong enforcement mechanism helping persuade owners to pay.

The I'On Assembly has honored their \$30,000 commitment to funding the I'On Trust Reserves. There is a 2.5% cost of living increase for management staff. There is a discretionary pool available for staff bonuses if the Board sees fit. The 2017 office rent and internet have increased approximately \$5,000. The internet was added to provide stable and continuous phone and internet services to the office, something that was a major issue with the internet provided with the rent. The office rent has increased with the larger office space.

Paul Gillis informed the Board the Finance Committee has elected to have an audit done in 2017. A local resident's firm has been selected to complete the audit. The Finance Committee selected an audit over review due to the small price differential and the desire to have an audit so a baseline can be set. Audit documents review internal controls.

Finally, Paul Gillis informed the Board the budget for property taxes will stay the same in 2017. Mike Parades reminded the Board the Creek Club adds value to the entire lot. The renter of the Creek Club pays half the property taxes. Mike Parades is petitioning the County to reduce the value of the lot.

The insurance premium will be budgeted for less than last year. The 2016 budget overestimated a yearly increase. The funding for Capital Projects from Operating will be \$40,000, which is \$6,000 less than 2016. The \$6,000 provides a little extra cushion in the budget.

Bruce Kinney asked the Finance Committee to provide Operating Costs for the boat ramp, just the maintenance and reserves. Mike Parades said he would have to break the maintenance of the boat ramps out of the general maintenance number.

Paul Gillis noted a Reserve study would be completed at the beginning of the year. The study will be funded from the Reserves.

IDC Liaison Report:

David Thompson informed the Board the IDC reviewed 31 submittals in September. David Thompson directed the Board's attention to the IDC Charter included in the Board Packet. The Charter was developed prior to David Thompson joining the Board. However, some questions have come up. The 3rd page of the Charter states that work started before the IDC gives approval will be subject to double the specified design review fees. The IDC was unsure if the Charter had been formally voted on and approved by the Board. Bruce Kinney stated the Board does now issue fines. The Charter was memorializing the CC&Rs. IDC must recommend the fine to the Board to issue. Bruce Kinney pointed out the Charter lacks any specific measures for someone who strays from their approved IDC plan. Bruce Kinney asked if the IDC could add "can be sanctioned by Board for deviating from approved plan." David Thompson agreed to make the amendment and asked if the Board would then approve. Bruce Kinney agreed that would be the process.

David Thompson informed the Board there was a shift in the Town of Mount Pleasant (TOMP)'s interpretation of lot coverage in I'On. In 1999, Geoff Graham, the I'On Company, and Lee Cave, Building Official from the TOMP, worked out an agreement on how to define a lot in I'On. The I'On Code defines 3 types of lots- each with a different lot coverage limit. There were a lot of

issues with deciding which type a lot was. TOMP agreed in 1999 to only use the rear- lot type, which allows 60% lot coverage. However, an I'On resident recently applied for a building permit for ADU and was denied by the town citing the lot coverage limit was reached. The TOMP used the lot types in the I'On Code to define what kind of lot they had and how much lot coverage was allowed. The IDC reached out to TOMP about the shift in determining lot coverage and was informed the town intends to use only what is in the I'On Code regardless of the letters between Lee Cave and Geoff Graham. The IDC requests the General Manager and an architect from the IDC petition the TOMP to use the standard defined in the letters. Chad Besenfelder recommended the I'On Assembly's Legal Counsel reach out to the TOMP's counsel and discuss the issue. If the attorneys can't reach an agreement, Town Council will need to approve a change to the PUD. The Board agreed to this course of action.

David Thompson informed the Board there was a piece in the newsletter about house colors. Many residents are beginning to paint their homes white and the vision of I'On is based the colorful historic district. Lori Feehan asked if the IDC can deny the requests based on the colors of neighboring houses. David Thompson said the only true requirement was the colors have to be low country colors. The IDC does not want to deny colors based on neighbors' homes. Bruce Kinney agreed and stated that asking for voluntary compliance was best.

Communications Committee

Karen Dillard informed the Board the Communications Committee has asked for a \$2,500 in 2017. There is work that needs to be done on the website, but there is no specific proposal yet from the website vendor.

Motion to approve the \$2,500 Communications Committee Budget for 2017.

Motion seconded. All in favor. Motion passed unanimously.

Karen Dillard noted the Civitas Award would soon need to be voted on. The Civitas Award is given to an outstanding Community Volunteer and is given out at the Annual Meeting. The Communications Committee is asking for any nominations the Board may have. Questions arose about what body selected the winner. Karen Dillard said she would reach out to some folks to find out.

Amenities Report

Lori Feehan asked if the Sports Court Subcommittee would have a report to present to the Board in October. Tom O'Brien confirmed they would. Lori Feehan followed up asking if there would be any tree removal from the Eastlake area before then. Tom O'Brien confirmed no construction or tree removal would happen until full Board approval. Tony Woody asked if the Board would be voting or comment on the design before it goes out for bidding. Lori Feehan agreed with Tony, stating it would help anticipate any issues. Paul Gillis voiced support for doing a survey to prioritize the three amenities being investigated. Since all three cannot be done in 2017, this would be beneficial in directing the Board's energies. Tom O'Brien agreed that could happen. However, he noted the Waterfront Enhancement project was very strong and had very little dissent, so it may not require additional surveying. The other two projects would need to be put out to the community for feedback. Paul Gillis expressed concern over claims the original survey did not have high quality information.

There being no further business to come before the Board of Trustees, the meeting adjourned at 7:40 pm.

Respectfully submitted by


