

I'On Assembly Board of Trustees Meeting

August 17, 2020

Members Present Via Conference Call: Johann von Asten, Tom O'Brien, Chris Colen, Julie Hussey, Trey Mathisen, and Amy Sage

Management Company: Jessica Gosnell and Mary Fraser

Julie made a motion to move into executive session at 5:32pm. Trey Seconded. All in favor. Motion passed unanimously.

Julie motion to move into open session at 6:02 pm Johann Seconded. All in favor. Motion passed unanimously.

Homeowner Forum: No homeowners present.

Call to Order: 6:04pm by Tom O'Brien

Approval of Minutes:

Julie Motioned to approve the July 20,2020 I'On Assembly Meeting Minutes. Johann Seconded. All in favor. Motion passed unanimously.

President's Report:

Tom first mentioned how good the neighborhood looks after returning home from his trip, specifically noting that the lakes are starting to look much better. He also stated that he is looking forward to the canal circulators being installed which should help the appearance of the water quality as well. He also mentioned that the Waterfront Enhancement project will begin next week which we are looking forward to, as this project has been in the works for 4 years.

He went on to discuss the Annual Yard Sale that was brought up at last month's meeting and asked for the Board's opinion regarding whether it should be held or not. As a whole, the Board thinks it is not a good idea to promote a congregation of this sort. They noted that residents can hold individual yard sales on their own property, but not on HOA property. The Board expressed that no yard sale will be sponsored by the HOA thus the HOA will not pay for an advertisement as we have done in the past.

Johann made a motion not to hold the Annual Yard Sale this year. Trey Seconded. All in favor. Motion passed unanimously.

Treasurer's Report:

Johann first reported several variances on the operating account. He stated that year to date, we have spent \$41,000 on legal expenses and we budgeted \$35,000 for the year. He anticipates we could be \$20,000 over budget on this line item at year end, even though we budgeted an additional \$10,000 more than what was budgeted last year. This is due to the need for increased legal counsel and several other unexpected pressing matters that have arose throughout the year. We are also over budget under Lake Maintenance Equipment, which is due to the unanticipated fish stocking. He also stated that we should expect to be approximately \$5,000 over budget on Insurance, which is due to our insurance premium being higher than expected. Overall, we could be \$90,000 over budget at year end. However, he expressed the fact that we have a sufficient surplus of funds from previous years and noted the necessity of purchasing these other one-time items throughout this year that are an asset to the association.

Jessica will begin working on the budget this month and will have a draft proposal for the finance team at their September meeting. The final draft budget will be brought to the Board for approval at the October Board meeting. Johann mentioned that one of the largest factors contributing to getting the budget together will be coming up with the additional reserve contribution of \$150,000 per year in order to adequately fund the reserves. This additional contribution would reflect in the annual assessment needing to be raised \$200 for 2021. It was noted that this additional contribution will be reviewed each year to make sure we are funding the reserves accordingly.

Amenity Report:

Trey first reported on recent activities down at the docks. He stated that he has visited the docks daily, where he has seen many kids hanging on the waterline which caused the line to break. It should be noted that Carolina Dock & Marine has since repaired the waterline. Trey and Jessica both mentioned that they have noticed the same group of kids down at the docks on a weekly basis. Johann expressed the need to start doing something differently to better enforce rules at the docks, specifically noting his concern of younger children hanging out and

swimming there without any parental supervision. Jessica stated that she recently sent the Board verbiage for potential signage to be added at the docks. Chris responded that he thinks it would be a good idea for a subcommittee to get together to discuss the details of these concerns and brainstorm solutions to these recurring problems. It was noted that we can also discuss with the Dock Committee. It was decided to get a subcommittee together to discuss different alternatives that Chris will head up in order to have a better solution by next Spring. We hope that the return of school will decrease this type of activity down at the docks.

Trey went on to report on a few other repairs. He stated that the rub rails on the Isle of Hope dock and the Saturday Road Dock have been repaired, and also mentioned that the dock gate has been fixed. He also stated that the new ladder has been installed at the docks to replace the previous one that fell into the creek.

Lastly, he stated that the Waterfront Enhancement project is to begin the week of September 8th.

Communications Committee:

Chris reported that the committee will be holding a meeting this coming Friday. The team will be discussing several items, including website maintenance and support via Go Daddy, the annual directory printing, newsletter items, and Trust updates. He mentioned that Mary is working on getting quotes for the upcoming directory printing of 600 directories. He also stated that we will be holding a photo contest again this year for the directory cover which will be announced in the September newsletter. He also mentioned that the Trust is in the process of discussing what charity will be the recipient of the Giving Lights event.

Lastly, Chris noted how pleased he is with the content of the newsletter being that there are not many events going on due to Covid. He thanked Kathie Haas, the newsletter editor, for her continual hard work in putting the newsletter together each month.

IDC Liaison Report:

Julie brought a few items to the Board's attention, stating that she would like to get a vote on two if these matters. She first mentioned that the committee has been looking into the IDC applications and their fee structures in making sure the architects and Dana are being paid adequately for their time and efforts spent. She mentioned that meetings have been lasting well over 3 hours and touched on the fact that we have not raised the compensation for these professionals in years.

She then touched on the IDC's desire to implement a contractor deposit on major projects. She explained that other neighborhoods require contractor deposits and they believe that having this deposit will help ensure certain jobs follow plans and also properly maintain jobsites. It was noted that these deposits would be returned upon the proper completion of larger renovations and new home construction. Julie made a motion to implement a contractor deposit and stated that the IDC will work on making a recommendation for the fee schedule. Tom responded that he would like to wait to vote on this until we get these recommended prices, but otherwise supports this idea. The recommendation for the fees will be discussed amongst the IDC and be recommended to the Board at a later time to vote on.

Lastly, she reported that the IDC is considering a fine procedure for construction deposits which are not completed within the 12-month timeframe from original IDC approval date. Currently, there is nothing in place to be able to hold homeowners responsible when the 12-month timeframe for construction is not followed per the Covenants. The committee is looking at a fine structure which would be a percentage of the total combined completion deposits (homeowner deposit and contractor deposit). It was noted that technically, homeowners would have 13 months to complete the project until they would actually begin being fined, as our covenants require a thirty-day notice before fining begins. At most, the fine would be \$3,000 dollars. This is due to the wording of the covenants that allows the Board to impose fines at a max of \$100 per day. It should also be noted that reasonable extension requests will be granted.

Motion to establish a fining process up to \$3,000 per month to be levied against construction projects which have exceeded the 12 month time frame established by I'On's covenants. All in favor. Motion passed unanimously.

Landscape and Infrastructure Report:

Amy first reported on two sinkholes in the neighborhood; one that is in the alley behind a home on Port Royal, and the other behind a home on Sowell Street. The sinkhole on the Sowell Street alley will be repaired by the Town due to its proximity to the sidewalk and their right of way. The sinkhole on Port Royal is in the middle of the alley, close to a drain, and therefore our responsibility to repair. Jessica stated that she has received two quotes for this sinkhole repair. One is from Weaver Construction for \$7,800 and the other is from Sanders Brothers Construction for \$7,000. It was noted that these proposals include the repair of what is actually causing the sinkhole. A “band aid repair” would be \$1,500 dollars, but the Board agreed that fixing the root of the problem would be best. It should also be noted that should be a warranty condition for the chosen contract, to at least be one year on the materials and labor.

Amy made a motion to spend at least \$7,000 for the sinkhole repair on the Port Royal alley with conditions of the warranty. Julie Seconded. All in favor. Motion passed unanimously.

She went on to discuss rights of way maintenance and the possible removal of The Greenery’s involvement in maintaining them. The landscape committee agreed that residents should indeed be responsible for the maintenance of their adjacent right of way areas. The idea is that The Greenery would continue to leaf blow the streets, but less frequently and only during the heavy leaf drop season. It should be noted that we receive more complaints from residents regarding the noise pollution than the actual leaf accumulation. It was also noted that this would free up time for the crew to work on all of the HOA common areas, such as the parks and marsh path, where they can focus on weed picking, and other detailed work that is not being done due to so much of their time being spent on rights of ways and leaf blowing. Tom also expressed the fact that many residents have replanted their right of ways and noted his concern with The Greenery blowing or causing damage to their newly planted strips. This also brought up the question surrounding if The Greenery should blow the sidewalks in front of homeowner’s properties or if this would interfere with their right of ways. The Board agreed that leaf blowing of homeowner’s adjacent sidewalks should be their responsibility and no longer The Greenery’s. It was noted that any and all leaves that are bagged by residents or their contractors are required to be removed by the end of the day. We will communicate this to the neighborhood and see if this solution works or not. Chris,

Amy, and Jessica will work on drafting this communication to the neighborhood. The Greenery is working on what the cost savings of this would be and will report back to us.

Next, Amy reported on the progress that has been made regarding the requests for additional streetlights. This is a project we have been working on for almost a year now. We finally received a bid for 6 additional streetlights, and the price came in around \$12,000 for all 6. Each of these lights are located next to existing Dominion Energy hand holes, so no boring is required and the expense is covering the conduit, base, lamp post, and labor. There was one location for a light on Robert Mills Circle that we investigated, but due to its location, we would have to bore from the closet power source that is a long distance away. With the boring expense, the cost to add this one light came in over \$11,000, so this is one location we may revisit in the future as it is much too costly due to boring requirements. The committee will be looking at each of the areas that lights have been requested to see if the lights are really needed, and will present to the Board next month for a vote.

Next, she discussed the meeting with Peter Wallace as discussed at last month's meeting. She stated that they discussed how we can help neighbors with more environmentally friendly options instead of using fertilizers, fungicides, etc. that contribute to water pollution. Peter has requested that we educate neighbors of these factors and also remind them to pick up after their dogs.

Jessica updated the Board on the appearance of the canal bridges after the removal of the fig vine. She stated that she has been working with one of the engineers from TOMP to see what they could do to repair the bridges that now look unattractive since the removal of the vegetation. The Town has received two bids to redo the stucco and they both came in well over \$100,000, which the Town is not willing nor able to spend on aesthetics for the bridges. Jessica asked the Board for any ideas or suggestions on how to beautify the area. It was noted that we could talk to a landscape architect about suggestions for plantings that would not actually attach to the bridges, or reach out to I'On resident contractors that are familiar with stucco repair work. Johann suggested installing some types of plantings to disguise the broken stucco. Amy thanked the Board for these suggestions and will discuss with the Landscape Committee.

Lastly, Amy reported on the committee's efforts into looking for other contractors to do our landscaping maintenance. She stated that there are not many landscape

contractors in the area that are large enough and have the staff/laborers to dedicate a full crew to one community. There are only three possibly four companies in our area that are large enough to handle I'On full time as we need. She expressed that she does not think we will realistically be able to bid the landscape contract out in time this year to make a possible change for next year. We would need the contract landscaping costs by October 2020, and that is not enough time to bid out such a large and cumbersome contract. Amy mentioned that The Greenery has not dropped the ball at all during the Covid-19 crisis and feels strongly about continuing to use The Greenery this upcoming year, especially with the significant changes we are planning on making with the landscaping maintenance contract. If we need to explore another contractor for 2022, we will do so, but recommended that we continue using The Greenery for now. Johann responded in agreement, stating that he has seen an improvement with the new crew. Amy also expressed how having an aquatics division with The Greenery is an added asset, as they are able to provide us with lake maintenance as well. We did obtain a bid from another lake management company to maintain our lakes, ponds, and fountains, and that bid came in at \$1,170 per month. We currently pay the Greenery \$625 per month their lake, pond, and fountain maintenance services. The Board asked that we discuss incentives with The Greenery in order to not bid out the landscaping contract next year.

Covenants Committee:

No report.

Board of Appeals: No Report

Other Business:

Jessica briefly touched on the fact the a few Board member's terms are expiring and need to know who plans on running again so we can start recruiting new Board members.

There being no further business to come before the Board of Trustees, the meeting adjourned at 7:48 pm. Next meeting is on September 21, 2020.

Respectfully submitted by _____

Chris Colen, Board Secretary

September 14, 2020 Special Meeting Minutes

2021 Budget Strategy

Attendees (via conference call): Trey Mathisen, Johann von Asten, Tom O'Brien, Eric Krawcheck, Julie Hussey, Chris Colen, and Amy Sage

Management: Jessica Gosnell & Mary Fraser

Tom O'Brien called the meeting to order at 4:04pm.

Tom first discussed the progress of our knowledge on the proposed development of phase 11. He stated that we will notify homeowners through an eblast as well as send a survey on the matter in order to obtain community feedback. In the eblast/survey, we will provide the proposed plan for phase 11 as well as the letter that we received from the developers. It was noted that we still need to verify a site plan for a 1,000 ft structure to ensure the property they are proposing to donate to the HOA could even allow a structure. The Board confirmed they will also hold a forum for homeowners to call in and share their opinions at our next Board meeting during the homeowner forum at 6pm. We will include the above information in the eblast that will be sent out as soon as possible.

Johann made a motion to send the above communication plan to the community that will include the letter from the developers and a copy of the proposed plan; pending positive outcome from developers for a building on the proposed CV-8 (1,000 ft of conditioned buildable area plus a full front porch area) Chris Seconded. All in favor. Motion passed unanimously.

Chris went on to report the findings from the 2020 community survey in relation to the strategic plan going forward for putting the 2021 budget together. He compiled a list of questions that were included in the community survey with correlating responses to review with the Board. From the 2020 Community Survey, we found that the majority of homeowners would prefer to maintain the existing amenities we have instead of adding new ones. We also found that the majority of homeowners agree that these existing amenities add significant value to their properties. It was also noted that the majority of homeowners agreed that the association should continue to build our reserves. We also found that the majority of homeowners would like to continue enhancing our existing amenities, such as the Marsh path and walking trails, instead of adding new ones. When asked which capital projects they would most like to see completed, the majority of the community responded that they would like to have security cameras installed. Lastly, it was noted that the majority of the respondents would prefer small annual increases to the annual assessment rather than larger increases.

Jessica went on to discuss the list of proposed capital projects that the Landscape Committee would like to see completed, ranking them from highest to lowest priority. These projects included: planting the remaining HOA right of way strips, a Perseverance traffic circle renovation, planting in front of the Boathouse, adding granite blocks around the base of the Latitude Lane palms, planting the pocket park on the Marsh Path by Isle of Hope, and lighting the palm trees along W Shipyard by the Amphitheater. Jessica then provided the Board with a list of previously postponed projects. These projects included: the front entrance enhancement, clean-up of the vines in the Mathis Ferry Buffer, and paving or repairing the Westlake Path in front of Fernandina on the Hopetown/W.Shipyard end, which has had

continual washout issues. Lastly, she provided the Board with a list of 2021 reserve projects recommended to be completed per the Reserve Study. These projects included replacing the Eastlake Boathouse railing, the Eastlake Boathouse decking, the steel edging of the Marsh Path, the drinking fountain by the sitting area on Lonsborough, and the Scramble Park hardscape. It should be noted that these items have not been inspected yet to see if it is even necessary to replace them or not and is only a recommendation for 2021 replacements per the Reserve Study. The Board reviewed these lists to compare with the community survey responses in order to eventually make a decision on what items should be included in getting the budget together for 2021.

Johann then gave his opinions surrounding the financial standpoint of the association, stating that we are trying to understand what residents would like to see done, while also keeping in line with the finances. Specifically, he touched on our recent findings with the underfunding of our reserves due to the full replacement costs for replacing the bulkheads. He explained to the Board a different scenario of how we can make sure we are properly funding the replacement reserves. He stated that excess transfer fees that are currently put into capital could instead be put towards funding the bulkhead replacement. Excess transfer fees began being placed into capital about 5 years ago. However, this was when the neighborhood was looking for new amenities to be added. Now that the majority of residents would prefer us to maintain our current amenities rather than add new ones, we can reevaluate how we are utilizing the transfer fees to fund the reserves and capital projects. Johann then touched on the interest income that we have earned this year and stated that we could place this into operating instead of funding capital since we do not need it for capital this year. Jessica agreed and noted that this may be a clearer way to transfer funds back over to operating and confirmed she would check with the CFO at Ravenel if this would be possible.

After reviewing the survey, proposed 2021 landscape projects, and having a better understanding of the financial standing, the Board asked Amy to circle back with the Landscaping and Infrastructure committee and bring a revised list of proposed projects in order for the Board decide what projects could be done while keeping in line with the survey results and spending. She will report back to the Board in time for the budget to be finalized by October's Board meeting.

Meeting adjourned at 5:38pm.