

Approved Minutes
Called Meeting of the Board
Friday, November 14, 2009

Board Members Present:

Chris Scatliff
Len Lundquist
John Stahl

Absent:

Bryan Weatherford
Charlie Salmonson

Order of Business

Motion to go into Executive Session 9:00 am --- Motion by John Stahl, seconded Len Lundquist; motion passed by unanimous vote

Motion to come out of Executive Session 9:30 am – Motion John Stahl, seconded Len Lundquist: Motion passed by Unanimous vote

Open Meeting

1. The Minutes of September 12, 2009 meeting were approved as submitted.

Business Brought Forward

2. Action taken on subject discussed within executive session

Motion: Motion made by Chris Scatliff and seconded by John Stahl:
Demand Letter for payment of assessments for short-term rental violations be sent to the unit owner; motion passed unanimously.

3. Landscaping

- a. Chris Scatliff advised the Board of discussions that had occurred with the previous landscaping contractor, Eddie Ellis. He reported that Mr. Ellis had sent a draft letter to the Board seeking a mutual-agreement termination of the contract with Mr. Ellis. However Mr. Ellis's draft letter contained statements that were unacceptable to the Board. The Board then notified Mr. Ellis, in accord with the provisions of the contract, that his contract was being terminated for non-performance and failure to correct deficiencies, pursuant to the termination provisions in Mr. Ellis's contract.

The board discussed the work being performed by Priority Landscaping Inc. on an interim basis. Motion made and seconded to offer Priority Landscaping Inc, the landscaping contract for 2010. Motion passed unanimously. Lundquist to work with Mr. Goodwin in drafting a contract.

- b. Lundquist reported that contractors were asked to submit bids to put in drains around the units experiences water problems. One contract met

with the committee, and returned once to assess the work to be done. No bid submitted to date.

- c. Three bids were submitted by contractors who met with the committee. Each was given a list of trees that needed trimming. Specifically, the work to be done was to trim trees so as to provide 3 to 5 feet of clearance between the limbs of the trees and units involved. In addition the bids contained quotes on removing dead palm trees on the property. Motion was made and seconded to let a contract to Budget Tree Services. Motion passed unanimously. Lundquist motioned to request the Board to authorize up to \$2,500 to remove two additional trees on the property. Motion seconded and passed unanimously.
- d. Lundquist made a motion to have the Landscaping Committee to solicit bids on having two live oaks fertilized (one by the clubhouse and one in front of 1609.) motion seconded and passed unanimously.

4. Peas Island Road Future

Chairman Scatliff gave a short report on the status of the Boards inquiry to the City of Folly Beach on the movement of the gate closer to Folly Road and the impact of moving the gate on the ownership of the road. For Information: If we (Home Owners) were to assume ownership of Peas Island Road entirely, we would be responsible for maintaining the road, including any future repaving of the road.

New Business

1. Complaints

- a. Kathy and Joe (Unit 1610) requested permission to remove the steps from the northern most walkway and replace the steps at their cost with a ramp. Note: the other two walkways already have ramps instead of steps. Their rationale was that this would enable homeowners easier access to the docks. After some discussion, a motion was made and seconded to approve replacing the steps with a ramp. Motion passed unanimously.
- b. Kathy and Joe also reported that the back door to their basement/carport was deteriorating due to water coming in because of the lack of gutters over the door. The chair of the landscape committee relayed that the board had received reports of two units with the same problem. Motion made and passed unanimously to solicit bids to put gutters over the doors of these two units.

2. 2010 Budget proposal

The HOA treasurer, John Stahl submitted budget reviews for 2008, 2009 and an initial proposed budget for 2010, which will be submitted to the Homeowners

for their approval at the December meeting of the home owners. The following items of discussion ensued.

- a. **Line of Credit:** Stahl suggested that we open a line of credit to finance our own borrowing cost for the insurance and to have an emergency source of cash in the event of a disaster. The Board unanimously recommended him to pursue this objective and submit a proposal at the next meeting.
- b. **Reserves for roofing and paving:** The homeowners suggested that we make provisions for an additional \$12,000 a year in reserves, in addition to the reserve amount set up by Stahl.
- c. **Deletion of the phone service into clubhouse and cable:** After discussion of the cost of the phone service to the club house, as well as the cost of the cable connection for the Televisions, a motion was made to delete the phone service if possible (it may be needed for emergency pool phone) and change the cable/internet connection to a basic cable connection. Motion passed unanimously on condition that the phone was not needed for the pool.
- d. **Creating a cleaning charge for renters of the Walker Pavilion/bedroom.** Scatliff moved, Lundquist seconded a motion to add a cleaning charge to the rent as a line item for the total rental period of the pavilion or bedroom, and that because of the condition of the building to have the cleaning service do a once over of the entire building now. Motion passed unanimously.
- e. **Seeking lower insurance rates on the three walkways to the docks:** In order to decrease the cost of insurance to the HOA, the Board recommended that the treasurer work towards developing a proposal that would provide for a set rate of coverage to the three walkways and pier heads, with the HOA assuming the risk for the balance of the replacement cost. Further, the Board recommended that any cost savings be placed into the HOA general reserve fund to build the fund over time.
- f. **Rental income from club house:** a question was raised about the absence of income from the rental of the club house and or bedroom in the clubhouse since it is not currently reported within the budget. John is to consult the regimes' manager and report back to the board at the next meeting.

Annual meeting set for Saturday December 12, 2009

Motion to adjourn at 11:08 am