

**Palmetto Pointe Board of Directors**  
**P.O. Box 1672 Folly Beach, SC 29412**

**Board of Directors**  
**Walker Pavilion**  
**September 8, 2011**  
**Thursday 7:00PM**

**Unofficial Minutes**

Owners and others in attendance: Kevin Kuntz (1601) and Tim Goodwin –C&T Services, Regime Manager

Board Members in attendance were: Len Lundquist, Chris Fredericks, and John Stahl

1. **Open Meeting** – Call to Order by President – Len Lundquist
2. President's Report:
  - A. Dock repairs:

A number of boards on all three docks that had come loose were refastened. One ladder was reattached (screws had been used to attach it). Through bolted to dock. One sink faucet was repaired.
  - B. Lawn Maintenance:

A number of the palm trees died this year. In addition two palm trees (at an owners request and payment) were moved.
  - C. Pool Repairs:

The repairs to the cement slabs surrounding the pool were completed. The Engineer is submitting a final report. The following are summary statements from the Engineer: "two factors contributed to the deck movement --- 1) Soil loss along the retaining wall that resulted in subsidence of the bearing soils at the back of the (concrete) deck. 2) Poor compaction / use of unsuitable backfill under the pool deck. Percentage-wise the major contributing cause is probably the soil loss through the retaining wall." He said his opinion was that we did not have a really good case against the pool contractor."
  - D. Remapping study  
Mr. Powell (President of Venture Engineering) reported that his firm has completed most of the work for the report that will be submitted to FEMA. He stated that he has already submitted the report and calculations to Eric Lutz (City of Folly Beach) who signed for the City. The report, therefore, has been approved by the city to submit to FEMA. Mr. Powell said he has a few items to complete, including a final Work Maps, the merging of the new flood zones onto the FIRM (Federal Flood Map). He said he should be ready to submit the complete document to FEMA, right after Labor Day week. He also stated that "We have completed the calculations and report according to the accepted methodology, and it indicates that the flood zone should be remapped as an AE Zone.

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E. A letter was sent out to the six owners requesting that their elevator shafts be modified, giving them the latest update, and prognosis of Venture Engineering. The letter authorizes the owner to make the decision to modify.

3. Treasurers Report:

As of September 8, 2011 there was: \$9,575.00 in the Checking Account  
\$81,783.00 in the Insurance Account  
\$36,094.00 in the Capital Reserve Account

The Treasurer asked that the Board approve a transfer of \$7,000.00 to the Checking Account to cover projected overages: Motion made and approved unanimously.

4. Old Business:

A. None

5. New Business

- A. Motion was made to remove the barbeque from the mulched area by the pool since with the addition of pine straw mulch around the barbecue presented a fire hazard. Motion made and passed unanimously.
- B. The Board received a request to have two new benches built on the docks similar to those already present on the "Walker" dock. The Board approved, unanimously, to provide a maximum of \$200.00 to have the new benches built, by volunteers from among the homeowners.
- C. The Board received a request to install a basket ball hoop by the club house. The objective was to address the problem with several owners having mobile hoops in their drive ways, which is a violation of the property's rules and regulations. The Board approved the concept, and will seek to get a hoop donated.
- D. The Board received a request from an owner to address the appearance of the "ditch" by the club house. The President, on behalf of the Board spoke with owner about the "Retention ponds" on the island, explaining that they were required. The Board made and passed a motion to have the "retention pond" by the club house cleaned and if needed to provide additional landscaping around the pond. Implementation of this action would be delayed until spring 2012 after the 2012 budget was established.
- E. Unit HVAC systems: Two units had recent lightning strikes to their units, which damaged their HVAC systems. The Board was asked to find out if the HVAC systems are covered by the Regime's Wind, Hail, and Fire policy. When the Regime's Insurance Agent was contacted, he stated that it was the Boards responsibility to determine if the damage was a covered event. Upon review of the Master Deed, Section 8.3, states that *"Each owner will maintain, REPAIR or replace at his own expense all portions of his unit, including property described in Section 3.2.c which may become in need thereof, including the heating and air-conditioning system for such Unit, whether located within or outside of the Unit;"* Based upon its review of the Master Deed, the Board unanimously agreed that the HVAC systems for units are personal property. The Board authorized the Board's

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President to get an opinion from the HOA's attorney and to draft a letter to each unit owner informing them of the outcome of the Board's review.

**(NOTE: See following information on this subject, which is not an official component of the minutes but is attached herein at the end of the formal minutes to provide further actions on this subject)**

F. Painting of lower portions of the units:

The Board unanimously agreed to table having the lower portions of the units that need painting until the spring of 2012. In the spring of 2012, all units are scheduled to be power washed. By delaying the painting until the units are power washed, the surfaces to be painted will be first cleaned by the power washing.

Motion to adjourn passed unanimously

Further Notes on the HVAC issue are provided as a matter of record.

- a) The HOA's attorney agreed with the assessment of the Board and sent the Board a copy of his opinion on the matter. A copy of his opinion was sent to each homeowner.
- b) Upon receiving an appeal from one of the owners who had his HVAC damaged, the Board agreed to submit a letter of inquiry directly to the Insurance Carrier and ask them to review the Master Deed and determine if the damage is a covered item.
- c) As a matter of interest, the Wind, Hail and Fire policies, which are obtained, have a \$5000.00 deductible for each building (2 units). If the Insurance company reports that the individual HVAC systems are covered by the policies, there will be two deductibles since there are two separate buildings involved.