

# Regular Meeting of the Board of Directors

January 11, 2017

Board Members Present: Willie Charles, Bob Crawford, John Desautels, Mark Wilson, Jim Barr, Karol Queen, Spencer Stegall, Jayne Nendorf.

Board Members Absent: John Cronin

Management Present: Jerry Watson, Gold Crown Management

Homeowners/Guests: Charmaine Gillow, Documents Committee, Chuck Cross, homeowner, Dennis Snyder and Jason Suggs from Horizon Landscapes.

## **I. Call to order**

The meeting was called to order at the Heritage Trust Federal Credit Union at 1129 Park West Boulevard, Mount Pleasant, SC by President Willie Charles at 5:30 PM. Due to the extended period of time with Horizon discussions and discussions regarding direction for future financial controls, many committee reports were abbreviated or deferred to next month's meeting.

## **II. Approval of Meeting Agenda as Presented**

A motion was made by John Desautels and seconded by Karol Queen and approved unanimously to accept the agenda as presented by email.

## **III. Horizon Landscapes**

Mr., Snyder and Mr. Suggs the GM, did not have a prepared presentation so this was a question and answer session. The board asked about clarification of charges for trimming crepe myrtles and palm trees. Horizon indicated they were very pleased to have the contract for Charleston National and would not charge for trimming crepe myrtles and would charge half price of \$12.50 for each palm tree trimmed. The best time for palm trimming would be after the seeds have sprouted. The board agreed this would be the time to trim the palms. There would be no charge for hauling debris for crepe myrtles. Some crepe myrtles near the entrance were cut at the trunk last year by golf club personnel as a result Horizon will trim them more significantly. But they typically trim the tops off the crepe myrtles.

Horizon was asked about the frequency of mowing and the impact of cutting the lawn every other week all year. They reported you will get a lot of complaints from homeowners because the lawn will look shaggy if not cut every week during the summer. Karol indicated that several common areas have weeds. This will make the lawns look worse if cut every other week in the summer. Mr. Suggs said they could do a test run in July then decide how to proceed for the remainder of the summer.

There were several questions from the board about many of the items covered in the contract such as frequency of fertilization and herbicide treatment. Only irrigated turf areas can be

fertilized or treated for weed control. Beds are treated even if not irrigated. Pre-emergent only has an effective life of two to three months. We have two pre-emergent treatments in our contract. Horizon was asked if that is sufficient and they said three treatments would be better but nothing will control all of the weeds. Horizon uses a broadleaf weed herbicide but this does not cover everything. It would be outrageously expensive to treat for every type of weed. Horizon indicated they were flexible and would work with the landscape representative of the community on specific issues that come up during the contract period. Each crew has fire ant killer with them and will spot treat them as needed.

#### **IV. Final Approval of Meeting Minutes from the December 14, 2016 Board Meeting.**

A motion was made by Jim Barr, seconded by Bob Crawford and approved unanimously to approve the final minutes of the December board meeting distributed by email. John Desautels indicated there was a one word change from the minutes distributed regarding who seconded a motion.

#### **V. Consent Agenda Items**

None

#### **VI. Committee Reports**

##### **A. ARC – Bob Crawford**

Applications Received and Processed:

Approved:

3483 Stockton Drive - Front Porch Rails

3275 Heathland Way - New Roof

1211 Medinah Drive - New Roof

1326 Belhaven Drive - Screen Porch to Sun Room

1287 Hogan's Alley - Remove diseased Tree

New Construction - None

Pending:

1325 National Drive - Satellite Dish

3506 Stockton Drive - Cut Storm Damaged Trees

Denied: None

##### **B. Financial – Jayne Nendorf**

After the departure of the Horizon guests Mr. Charles indicated that all landscaping expenses combined were roughly \$95K in 2016 and take up half our budget. We should

be trying to find ways to reduce landscaping expenses. There was also discussion regarding vendors used to perform services for the community and to ensure these vendors have the necessary insurance to protect the community from liability. Ms. Watson indicated she has sent landscaping bid requests to four different contractors as well as bid request to Mary Kate for flowers and Wayne and Adam Sellers for pesticide treatments. Bids are supposed to be returned by 1/18/17. Mr. Wilson stated that all maintenance work should be done by bonded contractors to ensure the community is not exposed to liability even at the expense of lower costs. There was consensus among board members on this although no vote.

There was a lengthy board discussion led by Willie Charles regarding financial procedures to better insure our community expenses stay within our income. In 2015 there was a deficit of \$46K. This cannot continue. Mr. Charles indicated all items of expense should be brought to the board for approval and bids secured for the work. As a board we should look to integrate more of the landscaping work into fewer vendors as a potential to reduce costs. We should complete our bid process with documentation of all aspects of the work to be performed and when it is to be done. The maintenance committee needs to be managed in more detail as we go forward. This topic will be discussed in more detail in future board meetings.

Jayne reported on November financials. There was \$25k taken from reserves in October to cover a pond repair. There was also \$6K taken from reserves for the new street signs. In November there was \$5K taken from reserves to cover operating expenses and the monthly deposit to reserve CD's was not done due to lack of funds from the operating account. Ms. Watson completed the transfer from the reserve account to cover the utility bills and to avoid additional fees to the community. Ms. Nendorf stated in 2016 \$97,215 was transferred from the reserve account to the deferred expense reserve account of which \$28,916 has not been spent. A majority of this money has been spent with the Greenery for pond work that the board has approved.

A motion was made by Karol Queen and seconded by Bob Crawford to accept the November financial report. The motion was approved unanimously.

The December financial report is not yet available for discussion.

A brief discussion took place about a financial audit. Mr. Wilson suggested that whoever we get to complete the audit we should initially agree on the terms of the audit and what areas we want covered by the audit. This should help keep the expense of the audit within reason. Due to lack of time, this will be discussed at next month's meeting.

### **C. Maintenance – Lagoons – Jim Barr**

Jim will be meeting with Carl from the Greenery who is contacting the Army Corps of Engineers next week to discuss CN11.

Mr. Charles discussed a document Jerry Watson has obtained, concerning CNGC's right to community water. Mr. Charles indicated that he only had time to briefly review this document concerning CNCA's obligation to CNGC for fresh water. In Mr. Charles initial opinion, this document only obligates CNCA to provide an easement to water for CNGC for golf course irrigation. This will be reviewed in more detail as well as a legal review regarding CNCA obligations. Ms. Gillow has researched documents regarding the CN11 outfall repairs. Ms. Watson will distribute this documentation to the board which may be helpful in future discussions on this issue.

This month Jim Barr wrote a letter that was distributed to the homeowners in response to Tim Kane's letter to homeowners. This letter stated that the homeowners of Charleston National will not be charged a special assessment for water quality issues with the Golf Club nor do we anticipate any legal action on this issue.

#### **D. Maintenance – Landscape/Irrigation/Lighting/Signs/Structures – John Cronin**

Mr. Cronin was absent and did not provide a committee report.

#### **E. Safety & Traffic Awareness – Jim Barr**

Mr. Crawford indicated that there is more significant traffic through Charter Oaks and Stockton Drive. There are violations of the new stop sign installed at this intersection. Mr. Barr asked if there are any Mt Pleasant police living in the community. Mr. Stegall will forward their names to Mr. Barr. Possibly the police can keep a closer eye on this intersection to minimize violations. It does not appear Ashton Woods is doing enough to get construction traffic to avoid the Charleston National community. Mr. Charles asked Jerry Watson to setup a discussion with Ashton Woods so they can express their dissatisfaction with their efforts to get construction traffic to use Lieben Road.

#### **F. Social – Karol Queen**

Due to lack of time there was no report this month. The community garage sale will be discussed at next month's board meeting.

#### **G. Documents – Charmaine Gillow**

##### **Completed Tasks:**

**1. C&Rs Restatement.** Board Members were sent the draft of the Restatement of the Covenants as requested at the December 14 2016 Monthly Meeting. Also included were lists of changes from the 1992 original and 2005 revised C&Rs.

**2. R&Es Handbook.** Board Members were emailed background information on the origins and status of the Handbook as requested at the December 14 2016 Monthly Meeting.

### **Pending Projects:**

**1. Revision of Covenants, Conditions, and Restrictions (C&Rs).** The Board currently is reviewing the proposed Restatement. If the current Board/new Board (after the elections in March) decides to pursue the campaign to obtain Owner approval of a revision of the 1992 Covenants, I will meet with the attorney for legal review of the proposed document.

**2. Annual Meeting Packet.** As soon as the March date, place, and time are confirmed and the Nominating Committee has submitted the slate of nominees as candidates for election, I will put together the materials for the February mailing to all Owners.

**3. Early Records.** I have begun sorting through all CNCA minutes and other documents and records dating back to the mid-1990s. Materials that are no longer needed will be discarded as will hardcopy that has been posted on the website in electronic format.

### **Future Projects:**

**1. CNCA Logo.** Jerry is exploring sources that can replace the original CNCA logo with the newly-adopted logo for our various documents and the website. The new logo replaces two dates with two golf clubs and includes the color yellow in the design.

**2. CNCA Website.** I will write up a brief history of CNCA to post on our website as requested by a homeowner and encouraged by the Board.

**3. Deeds.** I plan to verify that we have all deeds for CNCA-owned property.

Ms. Gillow asked for input for the 2017 goals and needs input on the candidates that will be running for the board. The deadline for vetting new candidates is February 15.

## **VII. New Business**

The annual homeowners meeting is scheduled for Thursday, March 2, 2017. No location has been fixed as yet. Jerry Watson will see if we can use Wando High School for this meeting.

## **VIII. Old Business**

There were no old business items to discuss.

## **IX. Next Meeting Date – February 8, 2017**

## **X. Adjourn**

A motion was made by Mark Wilson and seconded by Jim Barr and unanimously approved by all to adjourn the regular board meeting at 7:00 PM.

Minutes submitted by John Desautels