

REGULAR MEETING OF THE BOARD OF DIRECTORS
October 12, 2016

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

Management Present: Jerry Watson, Gold Crown Management

Homeowners/Guests: Charmaine Gillow, Documents Committee, Social Committee members Diane Smith and Betsy Smentek, and homeowner David Demerest.

I. Call to Order

The meeting was called to order at the Heritage Trust Federal Credit Union at 1129 Park West Boulevard, Mt Pleasant, SC by President Spencer Stegall at 5:30 PM.

II. Approval of Meeting Agenda as Presented

The Meeting Agenda was approved unanimously

III. Final approval of Meeting Minutes – August 10, 2016

The motion was unanimously approved after a discussion about financial review versus audit. An audit was performed three years ago and a review is in process. There is further discussion on this point in the financial section of the agenda.

IV. Consent Agenda Items:

A motion was made by Willie Charles and seconded by John Cronin to accept all of the following consent items. The motion was carried unanimously.

- A. Ratify Motion by Mark Wilson, Second by Willie Charles to accept the proposal by Ashton Woods to pay for two plantings per year at the Old Course entrance until Stratton on the Sound project is completed.
- B. Ratify approval by a majority of the Board for a sign placard to be placed on the Governor's Pointe sign advertising homes by Ashton Woods in Stratton on the Sound.
- C. Ratify approval by a majority of the Board to approve the quote from The Greenery dated 09.15.16 for dredging and clean up of CN4.
- D. Ratify approval by a majority of the Board to return to monthly board meetings to begin in November 2016.

V. Committee Reports

A. ARC

Applications Received and Processed since last Board Meeting.

Approved:

3297 Heathland Way - Satellite Dish
1259 Walton Heath Ct - New Garage Door
1309 Divot Ct - New Porch Light and front Porch Railings
1311 Somersby Lane - New Roof
1305 Divot Ct - New Front Porch Railing

1235 Oak Hill Terrace - Paint Front Door and Garage Door Panels different Color
3334 Merion Place - New Roof
1350 Belhaven Dr - Solar Panels on Roof
3442 Oxfordshire Ln - New rear Patio and Screened Sun Room
3475 Stockton Dr - Remove Storm Damaged Pine Trees
3045 Linksland Rd - Replace Vinyl Siding with Hardy Plank. New Color
1253 Sam Sneed Dr - New Roof

New Construction: None

Pending: None

Denied: None

Mr. Crawford discussed a homeowner that submitted an ARC form for adding fencing to their parcel. This was approved. However, the homeowner, in addition to the approved changes also had a chain link fence installed in the back of their property. This was clearly not approved. Mr. Crawford had a personal conversation with the homeowner prior to installation and described the fences allowed in the community. Mr. Spencer had a conversation after the unapproved fence was installed. The board agreed this fence must be removed. Crown Management will send a letter to the homeowner saying the unapproved fence must be removed and a fine of \$25 per day will be levied if not rectified.

A new procedure will be put in place whereby Bob Crawford will forward processed ARC requests to Gold Crown Management for copying and will be returned to Mr. Crawford. This will make the documentation available to other board members in Bob's absence.

During a discussion about homeowners' lack of understanding of community rules and regulations, Jerry Watson indicated that a welcome letter is sent to new homeowners by Gold Crown Management to inform the homeowners how to get access to community documents on our web site if they did not receive them at closing. Mr. Crawford asked Ms. Watson to notify him of ownership changes within the community. He will visit the new owners and make sure they have access to the documentation they were supposed to be provided at their closing.

B. Financial – Acceptance of July – August 2016 Financials

A discussion about the many emails circulating this month about financial review versus financial audit took place. A financial review, which is already in progress, costs approximately \$950. Ms. Watson will forward the completed review to all board members. A financial audit costs a minimum of \$2k. An audit was completed in 2013. Ms. Watson indicated that a tax return is done every year but reviews and audits are not. Jayne Nendorf suggested that \$950 be budgeted every year for a review.

Jayne Nendorf indicated about \$26K was taken from reserves to pay for signage and pond maintenance on CN4. She also indicated the cost of water seemed excessive. Mr. Stegall indicated there were broken irrigation lines in the front of the community where trees were planted in the area where construction took place. This resulted in significant water usage for this period. If anyone sees standing water in the common areas, notify Crown Management immediately and they will contact Wayne to shut it down and repair.

A motion was made to accept the financial reports as distributed. The motion was carried unanimously.

A lengthy discussion took place about the budgeting process and a motion was made by Jim Barr and seconded by Karol Queen that the agenda for the November board meeting will be the 2017 budget. The motion carried unanimously.

C. Maintenance – Lagoons – Willie Charles

CN-4 lagoon work was begun the day after the board email approval of the expense for this work. The only remaining work for this pond is additional plantings. The neighboring homeowner is pleased with the results. VP1 changes are holding and the pond is looking good.

Discussion took place regarding Tim Kane II's message to homeowners about pond actions. Mr. Charles indicated the CN11 flat valves still need some work and is in process. The army corps of engineers did not have any recommendations. Mr. Charles was not able to find the original OCRM permits for the original lagoon work in the community. Ms. Gillow will also see if she can locate the documents and follow up with Karen Hazard. If these original documents are not located then the community will have to go through a lengthy approval process to do anything to CN11. Mr. Charles does not know why the sink hole referenced in Tim Kane's note occurred. He speculated that the covers on the boxes may have added enough back pressure on the water in the pipes between CN10 and CN11 under National Drive to cause them to leak thus causing erosion and the sink hole. Mr. Charles believes the spillway installed by the Golf Club was probably required by the town as a part of the plan to put caps on the boxes in CN11.

Ms. Watson will forward the Tim Kane notice to our attorney for comment and a possible response from the board. Jerry Watson will also ask the community attorney to ask the Golf Club attorney for a copy of their documents regarding the HOA responsibility for access to irrigation water.

Mr. Charles concluded his report that the ponds look good and that they functioned properly during the hurricane.

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

Street signs have been replaced throughout the community and consensus is they look great. There was some concern about the length of the signs for long street names. Specifically, the Oxfordshire Lane sign encroaches on the sidewalk. This post will be moved. The Old Course sign post is leaning and will be straightened. A review of all signs will be done by Gold Crown Management to insure they do not interfere with sidewalk traffic.

The holiday signs being considered would cost approximately \$200 each (sign and bracket) for five signs at each entrance. They would be mounted on street light poles. Mr. Stegall will be meeting with Outdoor Lighting on 10/14 to discuss the holiday decorations.

E. Safety & Traffic Awareness – Jim Barr

There was a discussion regarding the poor condition of the railings on the bridge over the Isaac German creek. Mr. Barr will inspect the railings and determine if the town should inspect/repair this railing.

The Town will soon replace the speed cushions on National Drive and in The Estates with four full-length speed humps. The work was delayed by the hurricane.

Ms. Gillow discussed erosion near the sidewalk on National Drive near the gazebo. The erosion resulted in a large hole under the sidewalk. Some repair work may have been done by the town but there is still plywood in place. Mr. Barr will investigate this situation and determine what action should be taken.

F. Social – Karol Queen

Karol Queen canceled the community barbecue scheduled for 10/9/16 due to the hurricane. The community response for this was good. There were 119 rsvp's. She had to do some arm twisting to get permission to hold this at the pool.

The social committee is moving forward with arrangements for the community holiday party scheduled for 12/11/16 at Dunes West country club. Attendance will be limited to 120 people.

G. Documents – Charmaine Gillow

This report was submitted by Charmaine Gillow

Restatement of Covenants, Conditions, and Restrictions (C&Rs). I completed a draft of the Restatement of the C&Rs as recommended by the Gold Crown attorney (McCabe, Trotter, and Beverly) with whom I met in January 2016 and sent it August 26 to the attorney who was to do the review. Unfortunately, there has been a delay and I may be working again with the attorney who oversaw the initial stage of the revised Bylaws and R&Es Handbook back in December 2014. Jerry is following up for a timeline. The Restatement will take the place of the 2005 proposed revision which did not garner the required 75% vote of approval due to a lack of homeowner response. The Restatement updates both the original 1992 document and the 2005 revision to reflect current CNCA conditions and practices and State laws – changes which do not require a vote of the Association – and to reflect the current Bylaws and Restrictions and Easements Handbook. Once the attorney has reviewed the proposed Restatement, I will edit it as a second draft which will be sent to the Members of the Board and Management for final input and approval. The Board then will decide on the process to inform Members of the Restatement and the document will be posted on the website.

Fall 2016 Newsletter. I hope to put together the Fall issue soon for Spencer to review. Newsletters now are distributed by email only.

CNCA Logo. The newly adopted CNCA logo needs to replace the original logo on our various documents and on the website. The new logo replaces two dates with two golf clubs and includes the color yellow in the design.

CNCA Website.

*Some updates are needed on the website. Under the Board of Directors entry, Board member contact information (address, phone number, and email) needs to be added. Under Committees, the Safety Awareness Committee and Traffic Committee need to be combined as a single Traffic and Safety Awareness Committee and James Barr should replace Kim Hopkins. Under the Documents Committee, Kim Hopkins should be removed.

Note: Jerry Watson indicated she would not include address and phone number for board members in order to guide homeowner issues through Crown Management, unless the board member specifically notifies her it is ok to include their information.

*Spencer has found the CD that includes newsletters prior to 2010 for posting on the CNCA website for reference and as part of our history.

*At the request of a homeowner, I plan to write up a brief history of CNCA to post on our website.

CNCA ARC Form. At Spencer's request, I edited the 6/8/16 version. The statement, "Work not approved can result in forced removal and/or fines" has been changed to: "Work not approved will result in a fine and can result in forced removal." See the attached dated 10/12/16.

Note: The board unanimously approved this change and it will be added to the community website.

Candidate Election Forms. It was agreed at the February Board meeting that the original Candidate Information Form and the recently adopted Candidate Questionnaire should be combined and revised for 2017. See the attached proposed Annual Meeting Board of Directors Elections Candidate Information and Questionnaire for Board review, input, and approval. The Board approved the new Candidate Information and Questionnaire form.

Note: The Board unanimously approved the revised form.

Deeds. I will verify that we have all deeds for CNCA-owned property once the C&Rs Restatement is finalized.

VI. New Business

None.

VII. Old Business

Mr. Barr had a question regarding the length of service of a board member before eligibility to become an officer of the board. In previous discussions it was stated that one year of service is required before serving as an officer. After further review, there is no eligibility requirement in the governing documents. A brief discussion followed about the election process for board members and the organizational meeting to elect officers.

VIII. Next Meeting Date

November 9, 2016 at Heritage Trust Federal Credit Union at 5:30 PM. This meeting will focus on the 2017 budget.

IX. Adjourn –A motion was made by Spencer Stegall and seconded by Karol Queen and carried unanimously to adjourn at 7:10 pm.

Minutes submitted by John Desautels