

# Spicebush

## Board Meeting Minutes

### October 14<sup>th</sup> and 15th, 2018

The Board met at the Spicebush pool at 1:00pm on Sunday, October 14<sup>th</sup> 2018. Present from the Board of Directors were Paul Anderson, Theresa Thomas, Peter McElroy and Kaleb Froehlich. Helmut Knipp was not present. Attending from The Club Group Ltd. were Mark King, Scott Connal, Andy Sutton and Ned Landan.

Scott mentioned that the pool, the new pool deck and refurbished chairs continue to receive very positive comments from the owners and guests. The freezing temperatures and snow the Island experienced in January of 2018 did not kill the surrounding plants. At the April board meeting, the concern was there might be a need to replace a number of the plants but in fact they recovered better than in past years. The board then moved into unit #587. Before entering the unit, Scott presented the model courtyard with new dark colored mulch. Mark explained that the courtyard had to have a few inches of the old top soil removed along with the existing wood chips before installing the new mulch. Scott stated that with the new paint project starting in November and the removal of the popcorn ceilings the units will really begin to feel updated. Mark also reminded the board that the budget included all new brush nickel hinges and door levers throughout the entire unit. Peter commented that in his unit the popcorn ceiling is already removed and invited everyone to view it. Scott also mentioned that all the currently fogged windows have been replaced.

In the master bedroom Scott pointed out that new upholstery on all the chair cushions has been completed along with the addition of the new adjustable reading lamps. Scott also pointed out that all master bedroom valances have been completed. Peter suggested that we install two additional hooks in the master bathroom so additional towels can be hung. Ned said he will get a quote on the hooks. Peter asked about the blinds and Andy responded that we had last either repaired or replaced the blinds in the units in 2016. Some of the repaired blinds are no longer working and others have broken. We have budgeted to repair or replace all of the blinds in the early part of 2019. Mark pointed out that the new full-length mirrors are completed in all units.

Scott shared with the Board that the remote fan controls get lost or damaged from time to time and CGL is looking at either securing them to one of the night stands or using a pull chain. The Board then relocated to the low side of the property to view the new asphalt. Scott explained that the original asphalt job was not acceptable and had the asphalt company remove all the asphalt from January and installed new asphalt with the correct pitches and seams. All members then viewed Peter's unit to see the smooth ceilings and decor. Peter's unit (586) had experienced a fire in 2007/2008 and been redone differently than the other units.

The Board then moved on to the fire pit and grill area. Mark spoke about the possibility of an 18" fence or at least to install signage warning of alligators. Scott said that the alligators travel in two directions

crossing our property to the lagoon. The Board was opposed to any sort of fencing and instead wanted to proceed with additional signage. Scott confirmed that the fire pit was repaired several months ago. With nothing further to report on the property walk the Board then ended the property tour and headed over to the Harbour Town Yacht Club board room located on the 3<sup>rd</sup> floor.

At 2:30pm Paul called the board meeting to order and thanked CGL for their work. Ned Landan was not present for the remainder of the meeting. Paul then asked if anyone had any questions regarding the minutes. Peter asked Andy if insurance would cover any pet damage in units. Andy confirmed yes, the Association is covered under the policy. Paul made a motion to approve the 2018 Spring Board Meeting Minutes from April 22<sup>nd</sup> – 23<sup>rd</sup>, 2018. The motion was seconded and unanimously approved. A motion was also made, seconded and approved to accept the minutes of the September 20, 2018, Board Conference Call.

Next, Scott reviewed the Property and Exchange reports and began by showing the Board Members the current maintenance check list that is used by the maintenance team on Fridays. Scott also showed the Board a new addition, front door tags. Once a unit is completed the staff hang the tag on the front door handle that welcomes the guest. Peter commented that it looked very nice and had a high-quality look and feel. Scott said that on the back side we will be able to communicate with owners and guests if we have to perform any major maintenance repairs. Scott said his goal is to always be in the 90% and above in the Excellent and Good categories. At the current time we are testing a different method of Friday inspections by using independent inspectors rather than our maintenance team. Mark stated this methodology was still in its trial period and would be reviewed further. Peter shared that he called in a work order and had positive results with a maintenance staff by the name of Skip. Mark updated the board that Ned Landan would be transitioning out as Maintenance Supervisor and that CGL had been able to bring back Casey Everett who had been with the company a couple of years ago but left when he moved out to Texas.

Scott continued with the report and mentioned he no longer gets any negative comments on the appliances especially with the new washer and dryer. Peter suggested that maybe we can have some type of directions posted on the washer and dryers. Mark said that CGL would look into adding a short instruction list as well as the type of detergent needed for the new washer and dryer. The board suggested CGL look into providing a sample or two of the appropriate detergent if it wasn't too expensive to add.

Scott then reviewed the RCI report. Scott reported that Spicebush had achieved Gold Status but per the board's policy, informed RCI of the Association's desire to remain Silver Status so as not to create unrealistic expectations upon check in. Gold Status is often given to newer resorts with several amenities that Spicebush is simply not able to provide.

Kaleb inquired about the 4pm check-in time. Andy stated that the Front Desk maintains a strict 4pm check-in time. Sometimes guests will see the housekeeping crew leave a unit and want to check-in early but often times the maintenance staff has not completed their final inspection. Kaleb also asked Scott about a roof leak. Scott responded that the leak had been fixed. Paul requested that Board books be delivered to the units prior to Board members checking in.

Andy reviewed the August 31, 2018 financials with the board. Andy stated that the Rental income was nearly equal to the full year budget with four months still remaining. Peter asked what was included in

the “owner finance/fees income”. Andy responded that most of that was assessed to already delinquent owners and that, as part of the budget, Andy assumed most of that would be non-collectible. That way the bottom line would not be inflated by assuming everyone would actually pay the finance fees. Andy then pointed out the Electric expense. While the Association experienced abnormally high electric bills in the winter, the expenses have leveled off and come very close to within budget. At one point the variance had been close to \$4,000 over budget.

The board then spent some time discussing the legal budget and delinquent units. Kaleb felt the Association should consistently push to take back delinquent units and not allow owners to sit on the delinquent list for years. Andy reminded the board that it had made a shift in its approach to delinquent units due to the cost of taking back weeks from non-responsive owners. Andy then walked through the methodology of how CGL determines which weeks to pursue and when. Andy said that after discussing with Theresa, if there was any budget left, he would take back the oldest delinquency regardless of week. The board asked Andy to change that methodology and focus on potentially sellable weeks even if Theresa doesn’t currently have a prospective purchaser. The board understood that ownership of the week doesn’t affect its ability to rent the week per the master deed but still felt it prudent to do what it can to have possession of specific weeks in the event an active buyer speaks with Theresa.

Andy then reviewed the Accounts Receivable and HOA information provided in the board book. Andy informed the board that he has had several owners take advantage of the 3-year deed-back program. Paul asked Andy to update the Significant Discussions document to include the focus of specific weeks and the deed-back program.

Paul asked Andy to look into including postage paid envelopes as a way of helping to reach quorum. Andy said he would look into it for next year.

Paul made a motion to approve the 2019 Budget. The motion was second and approved unanimously.

Next on the agenda Paul reviewed the 2018 projects, most of which had been covered earlier in the discussion. Paul then reviewed the time line for the 2018-2019 Interior painting project. Scott mentioned that the Interior painting project starts November 9<sup>th</sup> and reviewed the full-time line.

Paul referred the board to a handout in the board book showing the time line. The interior painting and popcorn ceiling removal quote was executed and was scheduled to take place. Paul said nothing further needed to be decided at this meeting. In anticipation however of the upcoming projects, the board discussed the timing and implementation of a survey regarding the flooring as well as the need or not for a model unit. Per the document, a survey would be sent out following the May, 2019 board meeting and be introduced in the President’s newsletter. CGL would provide a sample survey to the board so they could see how an electronic survey could happen and all responses would be due by the end of the summer. The board would then consider this information as they determine the type of flooring to install on the living room level of the units. Paul asked if there might be a way to allow owners to respond to the survey electronically as well as via mail. Andy would look into ways to combine efforts if possible.

Regarding the model unit, the board was a little unsure of the need. Paul again reminded the board that no decision needed to be made at this time but if the model unit couldn’t be completed until shortly before the Spring 2020 board meeting and the completion of all of the other units was supposed to be

November/December of 2020, the true impact of the model unit would be pretty short. There was also concern that a model unit may allow for second guessing and could mire down the process. Theresa stated part of the value of doing a model unit is to use it to energize prospects. If potential purchasers can see what it will be looking like, she felt that it could drive additional sales.

Andy noted that some of the kitchen floors have begun cracking and would need to be considered as part of the flooring decision. Next Paul spoke about the pool entry gates and suggested that there only be two gates rather than the current three. The one entering the tennis court could be locked which would require tennis players to enter the tennis court via the pool. Tennis players coming from the Woodbine side already have to do that and so this change shouldn't create a major inconvenience. Paul asked to continue this discussion for the Spring Board meeting.

With no further business for the day the meeting was adjourned at 5:30pm.

The Spicebush Fall Board meeting reconvened at 8:30am Monday, October 15<sup>th</sup> 2018. Paul wanted to review several items that had come to the board's attention since the last board meeting. The first item related to a concerned owner about the alligator(s) that cross the Spicebush property. The board reiterated their desire for additional signage but felt it was nearly impossible to put up enough fencing to keep alligators from crossing the property. Next, Paul asked Mark to update the board on the Beach Club parking. As Mark had noted earlier, Sea Pines Resort owns the Beach Club and the parking is controlled by certain rights and easements. Sea Pines Resort has never enforced its rights until this year and unfortunately, it affected a lot of people. While the beach access was never restricted, the parking at the Beach Club certainly was. Tower Beach access was not affected by this policy enforcement. Mark stated that CSA was looking into several alternative solutions that he felt would be in place before the next summer season.

Paul then asked Scott to update the board on LED bulb replacement program. Scott stated that CGL was replacing all bulbs in a string or in the same space with LED bulbs and discarding the old bulbs. Andy stated that as part of the deep maintenance, the staff would be ensuring that all dining room dimmer switches functioned as dimmers and that the lamps all functioned using three-way bulbs and switches. Paul asked CGL to remove the Hurricane Florence banner as it was no longer needed. Paul asked Scott to explain to the board the format of the Wine and Cheese. Scott stated that typically Scott would introduce himself and Theresa and provide a brief overview of the projects either recently done or ones coming up. Theresa would then give a brief sales/rental presentation before they would mingle with the guests for the remaining time. Paul said his experience was different from what was described and asked that the format be consistent.

Paul then discussed an email from Mr. Thurmond. Mark responded by letting the board know that clearly there was some missed communication along the way with Mr. Thurmond. Scott stated that he personally spoke to Mr. Thurmond directly after he called the Front Desk. Scott said that he spoke with them several times to make sure they were O.K. and then spent time with them at the wine and cheese and they stated everything was fine. Regarding another email, Paul inquired as to the contractor start times. Mark stated that Sea Pines Plantation allows contractors in by 7am. Scott agreed but in an email to the board indicated that contractors typically don't start until 8am.

Paul asked Andy to craft the Hurricane Florence policy for Paul to include in his President's newsletter. The policy would be to allow those unable to use their unit for the week of and following Hurricane

Florence, the Association would allow the use of an HOA week on an availability basis. A motion was made to accept this policy. The motion was seconded and approved. Paul stated the audit was complete and Kaleb asked Andy to send the audit to all of the board members.

The board discussed adding some outdoor games in the common areas. This could help attract younger families and help fill some void areas left by downed trees from Hurricane Matthew. The types of games would be a large "Connect 4" game, or possibly a large "Jenga" set. CGL would look into types of games that could be added and left outside.

Last item on the agenda was the election of Officers. Nominations were for Paul to remain President, Kaleb would be Vice President, Helmut would be Treasurer and Theresa to be Secretary. The nominations were approved. Ron Bennett was elected after Theresa served her two consecutive terms. By Theresa being Secretary and attending Board meetings, she can fill a crucial role as a local representative of the board.

The Board then scheduled the Spring Board meeting for May 19th and 20<sup>th</sup>, 2019. The board determined reconvening after the Annual Meeting would be unnecessary. There being no further business to discuss, the meeting was adjourned at 10:55am and the board moved to the Annual Meeting.