

# Spicebush Board Meeting Minutes

April 6<sup>th</sup>, 2020

The Board met via a conference call. From the Board of Directors were Kaleb Froehlich, Peter McElroy, Ron Bennett, Terry Moore, and Scott Simpson. From the Club Group was Mark King, Andy Sutton, and Scott Connal.

Kaleb called the meeting to order at 12:00pm. He asked Terry Moore and Scott Simpson to introduce themselves to everyone since they were newly elected Board members.

Next Kaleb made a motion to approve the October 20<sup>th</sup>-21<sup>st</sup> meeting minutes. The motion was seconded and passed unanimously.

Scott began the property report by giving the board a verbal property tour. Scott said that the pool, tennis court and all common areas are in proper order. All signage in and around the pool area and grills has been replaced with newly updated graphics. Scott then reported he had the pool heaters turned off and the daily pool maintenance reduced to three days a week to save on the operating budget. The metal exterior on the grills have been completely repainted and new operating instructions from the manufacture has been installed.

Scott updated the board that we have changed landscaping companies from the Greenery to Ocean woods landscaping company. Scott said that we are holding back on our spring straw installation to save money but have installed flowers at all entrances and are having an irrigation audit preformed.

Scott then reviewed the Comment Cards which reflected a strong improvement in the category (Did things work properly) from 63% to 82%. RCI has continued to rate us at a strong Silver. We scored Gold in all categories on the report except in the unit Maintenance which was four tenths of a point away from a Gold rating.

In our II report we had a very strong score but one item (Organized Activities) has a negative impact on our overall score. Scott said that he spoke to our II representative at the corporate office and asked if we can have that category removed since it does not apply to the Spicebush property. She was unable to remove it from the report.

Next on the agenda Andy reviewed the financials. There are several line items that CGL is looking to manage due to reduced occupancy as a way of helping the Association offset the negative impacts of COVID-19. Those include landscaping and pool service as Scott mentioned, electricity, housekeeping amenities and owner services. CGL was also looking to do several maintenance related projects during the reduced occupancy if the board approved. The board indicated they would like to use this time wisely and address needed projects. Pete questioned

the expenditure in appliances. Mark explained that we had to replace the knives in the units as they were getting dull and the ceramic knives in the units were chipping.

Andy discussed the delinquency report. Terry asked if a delinquent owner could still use their week. Andy stated that no, the owner would not be allowed to use their week if they were delinquent. Andy said he would email out a "Significant Discussions" document that provided an overview of several major discussions the board has had over the years and include it in the next board book.

Next, Mark gave a brief update on the COVID-19 Virus here on Island, locally and statewide. Mark mentioned at this time there is no Shelter in Place order. The Governor has issued the closing of specific business types and closed all Spa's and swimming pools. The Hilton Head Town Council went further to ask the Governor to stop all short-term rentals. We will accept owners only through April 30<sup>th</sup> and revisit the short-term rentals and exchangers. We went further and checked the other six timeshares and they followed the same path cancelling all exchangers. CGL recommended four points. #1 we accept all owners' reservations through April 30<sup>th</sup>. #2 Cancel short-term rentals and exchangers through that date. #3 Call all owners make them aware that the pool and restaurants are closed except for takeout. #4 To give owners affected the ability to rebook in the future similar to the hurricane policy.

After discussion, the board agreed to wait until later to approve giving owners the ability to book a later week due to the uncertainty on the impact and length of this virus. Scott S. mentioned that there is nothing in the by-Laws that says we must give them their week back. Terry commented and said that if there is something we can do for the owners it would be great.

Kaleb asked Scott on the timing of the interior remodel. Scott responded that CGL would try to only take down a few at a time to make sure we can get the units put back together for when owners are able to come back.

Lead Works representatives Michael Weaver and Scott Regan joined the conference call. Scott R. spoke to the board regarding what is needed for a successful marketing approach. Spicebush would need an updated website, digital marketing to drive leads, and a conversion piece to focus on truly interested people. When the presentation was over Kaleb thanked them for their time and said that the Spicebush Board would consider their proposal.

Mark then recapped on the sales process and reflected on how Theresa Thomas had been the main salesperson. Mark had met with several local individuals with a broader market and after those discussions, none of the parties were interested in taking on Spicebush. The only one that was somewhat interested stated that he would need 100% of the proceeds and the ability to bank all the weeks to drive discovery packages. Even then, he only anticipated selling 15-20 a year. The downside is obviously not being able to rent those units while they are being banked and not sold.

Ron said that he would support \$1,000 going towards a new website. Kaleb made a motion to move forward with having Lead Works do the website for Spicebush. The motion was seconded and passed unanimously. Andy shared information on the on the new video that was filmed for Spicebush earlier this year and said that we will have to be careful with the budget.

Andy then reviewed the 2020 projects that included the flooring, furniture, and guest bath. After discussion on the different proposals, the Kaleb made a motion to move forward with LPV in the guest bathroom and not re-carpeting the 2<sup>nd</sup> floor landing. The motion was seconded and approved unanimously. Scott will move forward immediately to begin this project to hopefully get it complete before occupancy ramps back up.

The board then discussed the Master Deed Amendment proposals. The Board approved to have this included on the October agenda.

After reviewing the information in the book about the Hargray to Spectrum switch, Kaleb made a motion to move forward with Spectrum. The motion was seconded and passed unanimously.

Kaleb made a motion to appoint Scott S. to be the Secretary for the board. The motion was seconded and passed unanimously. The board approved the annual meeting to be October 26, 2020. The board meeting would be October 25, 2020

With no further business the meeting adjourned at 3:30pm.