

SOUTHERN VILLAGE HOMEOWNERS ASSOCIATION INC.
Minutes of Board Meeting Held October 9th 2012
Berkley Conference Room

Board Members Present: Mary Jo Coppolla (Chair),
 Lewis Tisher (Treasurer)
 Rainer Dammers
 Bobby Mallik (secretary)

Present For Berkley Management: Tony Smith

Guests: Representatives for the Citizens for Responsible Growth
 (Michelle Ossmann, Cathy Clamage, Jeanne Brown)
 SV Residents (Mr. Ray Sohl, Mr. Cary Clark)

Establish Quorum

With a quorum established the meeting was called to order at 6.34pm.
The minutes of the July 10th Board meeting were approved.

Open Comments

A discussion of the proposed new development (Obey Creek) was initiated by the Citizens for Responsible Growth. Presentations were made with regard to the development and its possible influence on the Southern Village Community.

The Board was made aware of a coalition of neighborhoods meeting (Christ Church, Ascension Hall Monday 10/15/2012) for further discussion and presentation. Residents and members of the community who are interested in this new development are encouraged to attend.

Visit www.obeycreek.org for more information.

Mr. Ray Sohl was present to discuss concerns he had with the Board. Unfortunately after outlining his concerns he abruptly left the meeting before the Board could adequately respond.

Mr. Cary Clark expressed interest to the Board and Berkley Management in possible purchasing land from the HOA behind his house. The matter was referred to the HOA Attorney.

Reports:

Treasurer:

-House owners with delinquent accounts:

Motion made to start foreclosure process on two townhome properties in SV

SVHOA Financials:

All finances in order and no issues.

Financial reports are available online for review.

ARB

No representation present, current issues posted on the web

Townhomes, Courtyard Homes & Condos

No concerns to report....roof repairs going as planned as are alley repairs

Townhome dues to remain as is for the fiscal year

Alleyways

Reserve study completed 5 years ago resulted in the long term prognosis that cracks in pavements only become a problem if soil is evident. This was found in the majority of cases not to be the case. In situations where this is the case, appropriate repairs will be completed. Berkeley reiterated the history of the Alleyway Fund (see attached report) and reserve study completed 5 years ago (see attached report).

Going Green Committee Report

Updates completed on the website

Events in the area (recycling and composting) are posted.

Improvements in landfill waste being reduced over the last 3 years was noted however this appears to be increasing.

Community News

Susan Duke now has a 5 person team working on the welcome committee.

Wine tasting club has been proposed with a kick off event and the SV club on Nov11th

Welcoming

Susan Duke is hosting at her home on Oct 16th an informal session with representatives of the Police to discuss the lockdown on Brookgreen drive.

Landscaping

Arlen Park concerns due to the esthetics of the berm were discussed and although the berm is achieving its intended purpose a more esthetically pleasing solution is being considered.

Maintenance of landscaping in front of single-family homes was brought to the attention of the Board and the motion was approved by the board directing Berkley to be much more critical in its evaluation of single-family homes landscaping.

Community Watch

Nothing to report. Citizenry doing well in this aspect.

All Completed, the meeting was Adjourned at 8.08pm

September 2, 2005

To: Board of Directors - Southern Village Homeowners Association
From: SV Alley Assessment Committee (Bob Callanan, Dino Perone, Jim Dunleavey, Stephanie Lane, Elizabeth Phillips)
Re: Recommendation for Alley Reserve

We have completed our analysis and have a recommendation for an Alley Reserve beginning with the 2006 fiscal year. Our recommendations are as follows:

- The alleys are owned privately by the homeowner but the usage (wear and tear) of the alleys is shared evenly by everyone that lives on an alley. Therefore the cost of any maintenance and repair should be shared evenly among all homeowners living on an alley.
- In addition to single family homes, the town homes must also participate in the cost of repairs and maintenance on the alleys. For the same reasons mentioned above, the town home owners, despite owning fewer sq.ft. of alley space, contribute to the wear and tear of the alleys as any other single family home. Therefore each town home should be assessed for the same dollar amount as the single family home.
- We were informed that the reserve study completed in 2001 by Reserve Advisors, Inc. contains budgeted expenditures that are inflated. Actual expenditures have been as little as 50% of the budgeted expenditures. Also, we are unsure which alleys were included or excluded from the reserve. As a result, we recommend the Board request that the study be updated (or a contractor hired to estimate the cost of re-paving) with more emphasis placed on the alleys themselves. In addition to more accurate costs, we also recommend the study be completed with a better understanding of the different types of alleys that exist throughout SV (i.e. private alleys, commercial alleys, apartment alleys).
- The year in which the alleys need to be re-paved contributes heavily to the amount of the annual assessment. The Study estimated replacement beginning in 2015. We recommend a study be completed bi-annually beginning in 2006 to inspect the alleys for potential problems and make preventive repairs where needed to extend the life as much as possible. The annual assessment must be evaluated upon completion of the inspection given the cost of the repairs and any changes to the life expectancy.
- We have assumed that inflation will match the interest earned. Given the assumptions made above, we determined this level accuracy would not be material at this time. However, as other estimates become more accurate or the economy shifts, we may wish to revisit.
- The spreadsheet attached contains some assumptions we made and forecasts the cash flow through 2020. Assuming that expenditures will be 70% of the reserve budget and assuming that 5% of the budgeted expenditures include amounts for the repair of commercial alleys, alleys and lots for the apartments and the walking trail we are comfortable that an initial reserve of \$30 to \$35 will be sufficient to cover all repairs and maintenance of the alleys as well as the eventual re-paving in 2015 and 2016.

Reserve Study

Southern Village HOA

Chapel Hill, NC

Inspection Date:
December 19, 2007

Prepared For:
Southern Village Homeowners Association

Prepared By:
Raymond Engineering, Inc.
127 Persimmon Hill
Pittsboro, NC

919-042-7000
919-933-7755 Fax

Report Number:
121908501

Inspector:
Bruce Raymond, P.E.



A handwritten signature of Bruce Raymond in cursive script.

Professional Engineer's License Number: 30017



RESERVE SCOPE

The scope of the Reserve Study for the Southern Village Homeowners' Association in Chapel Hill, North Carolina, is based on the proposal submitted September 10, 2008. As delineated in the proposal, the study covers the following portions of Southern Village Ridge:

- Parks owned by the HOA
 - Playground equipment and other amenities
- Retaining walls owned by the HOA
- Green spaces owned by the HOA
- Alleyways owned by the HOA

Added to the study at the December 5, 2008 meeting were:

- Town Home Exteriors (roof and exterior painting)
- Four ponds

Excluded from the study are:

- Sidewalks and roadways, maintained by others
- Alleyway owned by Chapel Hill (behind High Grove Town Homes)
- Street lighting
- Entrance signage and lighting at Market Street entrance

The subdivision property was inspected on December 17, 2008. This included walking the roofs of the townhomes in buildings:

- 200-212 Greenview
- 400-410 Copperline
- 104-116 Westgreen
- 1000-1020 Highgrove
- 100-122 Nolen

CONDITIONS & ASSUMPTIONS

The study projects the cost over the next twelve years for the maintenance and the replacement of major items and systems. Routine and customary maintenance are not included. The landscape cost was included even though it is a routine and customary maintenance because of its large amount. Estimates used were provided by Ecoscapes. As with any study of this nature, the further into the future the study goes, the less reliable the data. Unforeseen economical events can alter cost significantly. The study is based on industry standard replacement costs (National Construction Estimator, Means Building Constriction Cost Data or Means Facilities Maintenance & Repair Cost Data Publications). A flat inflation rate of 4.5% was used to project costs calculated in year 2008 dollars.

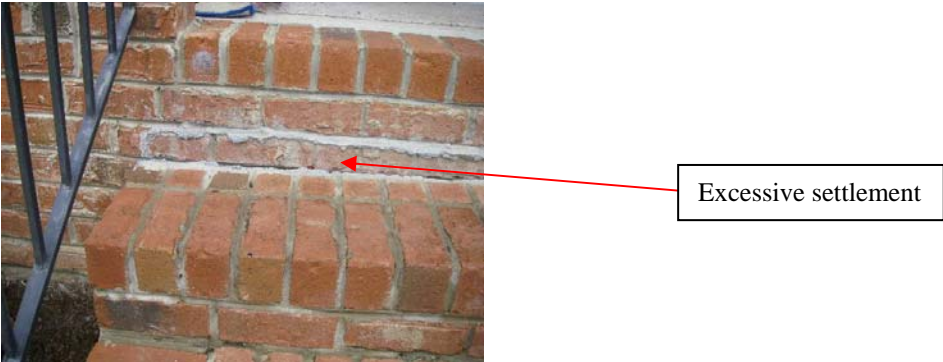
SUMMARY

Table I provides an overview of immediate repairs and reserves that will be necessary. Details are provided in Table II (Immediate Repairs) and Table III (Replacement Reserves).

The overall condition of portions of Southern Village is good. The subdivision is relatively young and therefore, major items will not require replacement in the near future. There are three items noted (see Observation section below) that provide additional information/improvements.

OBSERVATIONS

- **Observation:** The pond by the school and the one next to Brookgreen appear to have “bubblers” There was no evidence of “bubblers” in the other two ponds. Based on conversation with board members bubblers were added to these two ponds only to help prevent “fishkills” due to stagnant water.
- **Observation:** The ponds are not fenced. Consideration of fencing the ponds should be given to reduce liability to the Homeowners’ Association. According to conversation with board members previous legal advise was to leave ponds “unfenced”
- **Observation:** The stoops in front of the townhomes located in 500-516 Cooperline have settled. This may be a safety issue as the first step down is significantly larger than the others (trip hazard).



- **Observation:** When painting building exteriors (townhomes), contractors should include the rake trim between the units. In several areas this appears to have been left out of the most recent painting.

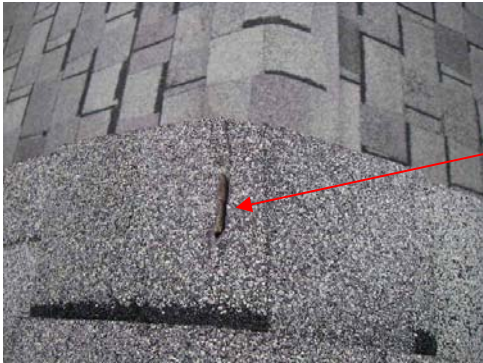


Sample – rake trim left out of the most recent painting

IMMEDIATE REPAIRS

The following items are in need of immediate repair. A cost estimate is provided in Table II for each item, with the exception of the exterior building repairs (rot in trim/windowsills) and the railing repainting, as these are being quoted by others.

- **Repair:** All of the walked roofs were in need of minor repair: torn shingles (exposed wood), deteriorated vent boots, loose shingle and missing shingles. Table II includes monies to repair all townhome roofs on the buildings listed in the “Exterior Wood Trim, Door and Fences Maintenance on Southern Village Townhomes” chart provided. The estimate assumes that the roofs inspected from the ground will have similar issues.



Sample – roof repairs:
Torn shingle (wood exposed)
Deteriorated vent boot



Sample – roof repairs:
Loose shingle
Missing shingle



- **Repair:** The trail around the playing field in central Park is severely eroded. The erosion run-off is being deposited on the sidewalk on Brookgreen. Measures to prevent new erosion should be employed. The estimate in the Table II is a rough estimate. It is recommended a qualified landscaper be contracted to provide a firm estimate. .



Sample – trail erosion



Erosion deposited on sidewalk

- **Repair:** There is exposed re-bar in Arlen Park (approximate middle of Eastgreen side). This is a safety issue and the exposed re-bar needs to be removed.



Sample – exposed re-bar (several in same area)

- **Repair:** One of the plastic rim pieces at the Meeting Park is loose. This should be removed or re-installed. The cost for this is insignificant and has not been included in table II.



Loose rim piece

RESERVES

The following information is being provided in support of Table III, Reserves.

- It is predicated that the alleys will need to be repaved in 15 years. The estimated cost in 2008 dollars is approximately \$126, 500. As this is beyond the 12 year window it is not totaled in Table III, however it is listed for planning purposes.
- The landscape dollars are not included in the Reserve Study as they are an operational expense. A monthly estimate of \$6900 was provided by Ecoscapes (Jimmy Lloyd). Leaf removal and mulching pricing is not included as it outside of the contract according to Mr. Lloyd.
- Park maintenance includes minor repairs to playground equipment, painting the fencing at the Market Park and resurfacing the basketball court in Central Park.
- The reserve includes replacement of the footbridge beyond Hillsprings Park.
- Pond inspections include inspection of the ponds and emergency over flow. No monies are included for repairs as a result of these inspections. As the inspections are every three years, this should provide early warning of the need for repairs.
- Sealing the cracks in the alley pavement and weed killing the vegetation in the cracks will extend the life of the pavement. Also in some areas homeowners’ erosion run-off is collecting on the alley. This will accelerate the silt collection in catch basins and storm drains. Homeowners should control run-off to prevent this. In one location leaves were deposited in the alleyway. This will hold moisture on the pavement and will shorten the life of the pavement. Monies to periodically perform this task are included in Table III.



Sample – weed killing/crack to be sealed

- Most of the rock walls are missing stones and in some places the stones are loose. Monies have been budgeted to periodically inspect and repair the walls as necessary



Samples:
Missing stones
Loose stones



Raymond Engineering, Inc.

Table I, Reserve Summary

Client: Southern Village
 Address: US 15-501
 City & State: Chapel Hill, North Carolina
 Buildings: 16

Survey Date: December 17, 2008
 Analysis Term: 12 years

Item	Condition					Immediate Repairs	Reserves
	Excellent	Good	Fair	Poor	N/A		
Site/Grounds							
Topography/Drainage		✓					\$10,400.00
Pavement & Parking		✓					\$11,700.00
Landscaping		✓				\$3,500.00	\$0.00
Signage		✓					
Amenities					✓		\$23,500.00
Lighting					✓		
Buildings							
Roofing		✓				\$8,000.00	\$308,766.38
Exterior		✓					\$217,465.20
Framing					✓		
Foundations					✓		
Basement/Attic					✓		
Interiors							
Finishes					✓		
Components					✓		
Systems							
Plumbing					✓		
HVAC					✓		
Electrical					✓		
Fire/Safety					✓		
Code Compliance							
Code Compliance					✓		
Other							

Dollars shown are current (2009) dollars

Raymond Engineering, Inc.

Table II, Immediate Repairs

Client: Southern Village
 Address: US 15-501
 City & State: Chapel Hill, North Carolina
 Buildings: 16

Survey Date: December 17, 2008
 Analysis Term: 12 years

Item	Recommended Work	Qty	Unit Cost	Unit Description	Est. Cost	Comments
Site/Grounds						
Topography/Drainage						
Pavement & Parking						
Landscaping	Remove Re-bar	1 lot			\$500.00	Remove re-bar protruding in Arlen park, Pg 5
	Improve trail drainage				\$3,000.00	Rough estimate, improve trail drainage, Central park, contractor should quote, Pg 4
Signage						
Amenities	Replace Rim Piece	1			N/A	Replace Rim piece in Meeting park, Pg 5
Lighting	None					
Buildings						
Roofing	Minor repair	16	\$500	Per building	\$8,000.00	Estimate assumes all building in similar condition, Pg 4
Exterior	None					
Framing	None (not inspected)					
Foundations	None (not inspected)					
Basement/Attic	None (not inspected)					
ADA	None (not inspected)					
Interiors						
Finishes	None (not inspected)					
Components	None (not inspected)					
Systems						
Plumbing	None (not inspected)					
HVAC	None (not inspected)					
Electrical	None (not inspected)					
Fire/Safety	None (not inspected)					
Code Compliance						
Code Compliance	None (not inspected)					
Other	N/A					
N/A						

Total \$11,500.00
 1.25 Multiplier \$14,375.00

Dues to \$85 by 2013

Alleyways	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Current Balance	\$97,937	\$111,609	\$144,489	\$177,369	\$206,749	\$239,629	\$272,509	\$301,889	\$334,769	\$367,649	\$397,029	\$429,909
Future Contributions	\$31,672	\$36,380	\$36,380	\$36,380	\$36,380	\$36,380	\$36,380	\$36,380	\$36,380	\$36,380	\$36,380	\$36,380
Maintenance	(\$18,000)	(\$3,500)	(\$3,500)	(\$7,000)	(\$3,500)	(\$3,500)	(\$7,000)	(\$3,500)	(\$3,500)	(\$7,000)	(\$3,500)	\$0
Repaving	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$450,236)
Total	\$111,609	\$144,489	\$177,369	\$206,749	\$239,629	\$272,509	\$301,889	\$334,769	\$367,649	\$397,029	\$429,909	\$16,053
<i>Repaving</i>	<i>281,216</i>	<i>292,465</i>	<i>304,163</i>	<i>316,330</i>	<i>328,983</i>	<i>342,142</i>	<i>355,828</i>	<i>370,061</i>	<i>384,864</i>	<i>400,258</i>	<i>416,268</i>	<i>432,919</i>
<i>Inflation (4%)</i>	<i>11,249</i>	<i>11,699</i>	<i>12,167</i>	<i>12,653</i>	<i>13,159</i>	<i>13,686</i>	<i>14,233</i>	<i>14,802</i>	<i>15,395</i>	<i>16,010</i>	<i>16,651</i>	<i>17,317</i>
<i>Totals</i>	<i>292,465</i>	<i>304,163</i>	<i>316,330</i>	<i>328,983</i>	<i>342,142</i>	<i>355,828</i>	<i>370,061</i>	<i>384,864</i>	<i>400,258</i>	<i>416,268</i>	<i>432,919</i>	<i>450,236</i>
<i>Deltas</i>	<i>(\$180,856)</i>	<i>(\$159,674)</i>	<i>(\$138,961)</i>	<i>(\$122,234)</i>	<i>(\$102,513)</i>	<i>(\$83,319)</i>	<i>(\$68,172)</i>	<i>(\$50,095)</i>	<i>(\$32,609)</i>	<i>(\$19,239)</i>	<i>(\$3,010)</i>	\$16,053