

**Southern Village HOA Board of Directors Meeting Minutes
Tuesday, November 14, 2023, 10:30 AM, Zoom.**

Present:

Kevin Kelly, President

Sam Benen, Treasurer

Kim Van Horn

Suzanne Lyman, Secretary

Rana Singh, Vice President

Michelle Johnson, Director of HOA Operations

Also present:

Rodger Traynor

Martha Cain, Edgewater II

Vicki Kiechle, Edgewater II

1) Establish Quorum / Call to Order

The meeting was called to order by Kevin at 10:32 AM

2) Approve Agenda

The agenda was approved by unanimous vote of the 5 board members. It was agreed by all that we would add a discussion of potential bat houses (Eagle Scout project) to “New Business” at the end of the meeting.

3) Open Comments

Vicki shared her views that the board and the sustainability committee recognize the concerns of the community regarding the potential ban of gas-powered leaf blowers. She commented that there has been a marked decrease in the use of gas-powered leaf blowers.



She indicated that she, as a board member of Edgewater II, would agree to the amendment depending on how it is worded. Edgewater II has signed a contract with a landscaping contractor called Clean Air. It was noted that it is good to know about more contractors who use electric blowers. Kevin commented on how the sustainability committee listened to the resident's concerns about the amendment, also that the individuals opposed to the ban didn't show up to the meeting. He also noted that if homeowners are passionate about an issue such as gas-powered leaf blowers, they would find a way to be at the meeting despite having intense jobs. He experienced the use of electric leaf blowers and said that the difference between gas-powered leaf blowers and electric leaf blowers in the distance that the noise carries is incredible. Rodger observed electric leaf blowers and couldn't even tell they were running while he was in his car.

4) Approve September 12, 2023 Minutes

A typo was noted by Kim and Michelle agreed to correct it. The minutes from the last meeting were approved by unanimous vote of the 5 board members.

5) GPLB (gas-powered leaf blowers)

Sam prepared a Statement of Intent after taking input from homeowners. This was circulated to the board members prior to this meeting so that we could suggest any changes. The Statement of Intent describes how we, the SVHOA, would implement the ban on gas-powered leaf blowers if approved. It provides for a phased-in approach to notifying individual homeowners of infractions of the amendment and also a stepwise approach to fines for such noncompliance. There has been a lot of pushback related to the \$500 fine and the Statement of Intent allays some of that concern by implementing written notices and an initial \$100 fine. We went through the statement point by point and some additional changes were made. The importance of keeping complaints anonymous was discussed. This provision is included in the Statement of Intent. The Statement of Intent with the changes was approved by unanimous vote for circulation to the SVHOA homeowners as well as to the contacts of the other sub-associations and posting on the Southern Village website. Sam mentioned that we will take a vote on the ban next month. The final version is found below:

Southern Village HOA

Statement of Intent Regarding Implementation and Enforcement of the Proposed GPLB Ban

November 2023

Background:

There will be a vote before the SV HOA next month on the proposed amendments to the covenants of the SV Master Association, which would ban Gasoline-Powered Leaf Blowers in our neighborhood. The language of the amendments to the covenants was drafted by a board-certified attorney to be compliant with NC statutes. Because the language is sparse and written in legalese, there may be lingering questions and concerns among the residents. This statement is to supplement the language in the amendment to the covenants and clarify how the HOA would, in practice, implement and enforce a neighborhood-wide GPLB ban. This of course assumes ban passes the vote.

Statement:

We, the board of directors of the SV HOA, agree to the following principles and guidelines regarding the proposed GPLB ban:

1. Grace Period

- The ban would not go into effect until the amended covenants are physically delivered to the county register's office and officially recorded.
- If the ban passes the vote, **we would wait until summer 2024, providing a grace period between the passage of a vote and the implementation of new rules.**

2. Only affected neighbors report violations (no patrolling)

- To identify infractions, the Board will rely on specific complaints by neighbors in cases where GPLB usage is a nuisance or an annoyance to the person making the complaint.
- This empowers neighbors who are consistently disturbed by GPLB usage to seek recourse from the HOA.
- The HOA is not going to be monitoring compliance with the ban, patrolling, or making videos of noncompliance.
- Complaints will be kept anonymous so that we do not pit neighbors against one another.
- Maintaining comity and civility in our neighborhood is of the utmost importance; we are not looking to play "gotcha" on people.

3. Multiple written notices before fines

- When an infraction is reported, we will be giving at least three written notices before considering a fine



This gives the parties ample opportunity to fix the issue through mediation.

4. Sustainability committee role

- Similar to the way the Architectural Review Board reviews architectural proposals, the Sustainability Committee will review reports of GPLB violations and will mediate disputes.
- The volunteers of this committee will be responsible for proposing remedies and communicating with all affected parties.

5. A \$500 fine is extreme, and we do not want to go there

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- Even though the covenant language, as drafted by the attorney, allows assessment of a \$500 fine, the Board will exercise discretion and start with much lower amounts for initial infractions.
- The first fine, which would occur only after multiple written warnings and attempts to mediate, would be \$100.
- The board may, in its discretion, waive all or part of a fine if the property owner addresses the issue in a timely fashion and agrees in writing to stop GPLB usage.

6. Fines as a deterrent, not a revenue source

- The SV HOA board has no intention of GPLB fines being a meaningful revenue source.
- The reason for a fine is that it is the only legal enforcement tool available to HOAs.
- Fines in excess of \$100 are intended as an absolute last resort, for repeated, willful, malicious violation of the rules and consistently disturbing neighbors despite numerous attempts to mediate.
- If any fines are in fact collected, they will be allocated to the general reserves of the SV HOA, for large-scale projects such as parks improvement or stormwater pond maintenance.

7. The ban is just on GPLBs – nothing else

- The HOA has no intention of attempting to regulate any other types of equipment, vehicles, or machinery, beyond what our original 1994 Master Covenants and town ordinances mandate.
- We strive to avoid the slippery slope of overreaching and overregulating, while maintaining that our neighborhood will be much better off without GPLB usage.

8. If the ban turns out to be a bad policy, we can abandon it

- If the ban is simply not working, causing too many problems, negatively affecting the neighborhood, etc., the Board can, in our judgment, take a pause on addressing GPLB complaints and reassess the wisdom of the policy.

There was discussion about how not many people, especially naysayers, showed up at the meeting despite it being widely publicized and the link to the zoom being circulated.

6) Board Reports

a) President

Kevin noted that there was good feedback regarding the corner parks and also positive feedback on the efforts to continue to refine our approach to the ban on gas-powered leaf blowers.

i) Open Seats for 2024 Board

Sam's seat is open for the 2024 election. It was noted that he has done a wonderful job as treasurer, and we are on the verge of moving forward with the sustainability committee initiatives. There is no eligibility problem so Sam can serve again. He is happy to serve again, however if someone else wants the position, he is happy to pass the baton. He is not interested in a competitive ballot.

b) Treasurer

i) We need the results of the reserve study to fully know our budgetary needs. Sam noted that we have this big pond project which is a test to our reserves.

Sam would like to keep the possibility open of keeping the dues for the SVHOA common areas flat or of cutting them depending on the proposals of the reserve study. Kim noted that the dues have increased 15% for 4 years in a row. She questioned the \$600,000 in treasuries (5% interest rate). Sam stated that this includes the pockets of reserves from the various entities such as alleys, townhomes, etc. The \$600,000 is an agglomeration of all of the different subs. This would be reflected in the balance sheet and not the budget. We need to understand our future liabilities. Michelle may have the results of the reserve study in December. Typically, letters are sent out on December 1st regarding the assessments. Michelle stated that Millhouse always recommends an increase in assessments, not staying flat. The ponds are a \$200,000 expense that is necessary. We just failed the inspection of the ponds. All roofs in Townhomes II except one have been replaced as well as all roofs in Highgrove except for one block which is scheduled for 2024. We have had major expenses for the last few years and still have major expenses going forward. Kim believes that a 15% increase is more than what is needed. We do not know if we are over-reserved at this point. Sam reiterated that we need an engineer to tell us what our liabilities are over the next 10 years.

ii) 2024 Budget

The budget for 2024 was circulated to the board via email prior to the meeting. Sam stated that the budget is an income statement and that the \$600,000 in treasuries (5% interest rate) is reflected in the balance sheet. This amount is comprised of reserve funds in the various common areas, alleys, single-family homes and townhome entities.

iii) 2024 Assessments

Sam formed an ad hoc committee comprised of Kim, Rana, Suzanne and himself to study the budget and potential assessments and communicate via email. Michelle and Tara will also be included in the committee. The full board could possibly vote on the budget and assessments in 2 weeks. Kim suggested that there is always the opportunity for a special assessment for the pond repairs instead of an across the board increase of dues.

7) Committee Reports

a) Parks

It was noted that there have been a lot of positive comments from neighbors regarding the corner parks.

8) Manager Report

a) Corner Park Update

The color chosen for the roof was a shade of green (G17). Seating and railings may be added at a cost of \$2000-\$3000. This was not part of the original plan and Michelle and Kim believe that they are necessary. Kevin agreed and doesn't want to see people dragging picnic tables or Adirondack chairs into the structure. Treated southern yellow pine is being considered for this, however Rana noted that there is the potential for splinters, and we would like to get other options for the material and make sure that it is something that will last. It was decided to table the vote until we know the cost of other materials. Rana will meet with the contractor this week to discuss other options. It will be necessary to get a building inspection when the project is completed. Michelle noted that the Town of Chapel Hill approved all of the landscaping as well as the structure.

Beginning in 2024, Ruppert's contract will increase by 6% and 1% for each of the two successive years (3-year contract) and will only include the use of electric leaf blowers. Rodger stated that this could be communicated to the other sub-associations that are undecided about switching to electric leaf blowers. Sam mentioned that this is a modest price increase. Kevin stated that it would be prudent to get a competitive bid, however noted that Ruppert has been engaging with us.

An automower for the soccer field was considered. It is battery operated and it would mow the soccer field at night. According to Ruppert, it saves on labor. The cost would be about \$10,000. There were questions about who would own the automower as well as liability concerns. Ruppert suggested the automower and Michelle will ask them if it was factored into their contract. Sam would like to table this because there is not a clear impetus for it, and we would like to know more about it. It is also separate from the Ruppert contract.

Rana would like a quote from Flores for Westend because he is very happy with their work. He noted that Flores was using electric leaf blowers at the Westend townhomes and if awarded a contract, they can't use gas-powered leaf blowers. Rana will ask Flores about using electric leaf blowers and send the board an email.

Kevin would typically like to get a competitive bid, however knowing the effort that Ruppert has put into working with us regarding electric leaf blowers, meeting with us and engaging with us, he wouldn't think twice about approving their contract. Rodger also noted that Ruppert agreed that all of the other jobs in Southern Village would use electric leaf blowers as well. Sam would entertain bids from Flores in subsequent years if they are also willing to use electric leaf blowers. There was a unanimous vote to approve Ruppert's contract with the exception of Westend. We will await a bid from Flores for Westend.

c) Ponds:

\$100,000 is needed for pond repairs in 2024 (and an additional \$89,000 for 2025) and it is budgeted for 2024. We need to get the pipe replacement for pond 3 and the dredging for pond 4. The original deadline for completing the pond repairs was December 10, 2023, however it was extended to January 10, 2024. It is necessary to complete all of the work for the reinspection. Michelle said that Chapel Hill would work with us if they see that we have a plan for the pond maintenance. A second proposal for the pond repairs was submitted by Triangle Pond Management, however it did not include dredging of pond 3. If this had been included, the bids would have been similar. Michelle will get back to Triangle Pond Management and get their bid for dredging pond 3. We would like to save some money if Triangle Pond Management comes in at a lower bid. Kevin wanted to know how frequently we need to do repairs and how long the



pipe repairs will last. According to Michelle, the pipes last 50 years and every pond does not need to be dredged every year. At least one of the ponds will need to be dredged in each of the next couple of years.

Kevin also would like to see a competitive bid and said it would be good to talk to an expert outside of the companies who do the work. He also wanted to know if we could dredge every other year. Kim would like to be part of the call to the pond management companies. Rana would as well. The board will vote via email on the pond repairs.

9) New Business

An Eagle Scout would like to build 2 bat houses. Prior to the meeting he provided an aerial view of the locations. Kevin noted that the SVHOA didn't have jurisdiction over location 3, and also said that the scout needs to provide a photo of what the bat houses would look like, including height and color.

We have answered the bow hunters who wanted to cull deer in Southern Village. It was a no.

10) Adjourn

The meeting was adjourned by Kevin at 12:40 PM

Addendum:

- 1) The Eagle scout provided a photo of the bat house, stating that the height would be 10 feet. The color was dark green or brown with a bat logo on the house. Kevin, Kim and Suzanne approved the bat house for location 1 (via email), however Kevin wanted to know if we own the property near the soccer field and tennis courts or whether it is owned by the tennis/swim club. We asked Michelle to find out and also to reply to the Eagle scout.