

Southern Village Homeowners BOD Meeting Minutes

September 12, 2023, 10:30 AM via Zoom

Present:

Kevin Kelly, President

Sam Benen, Treasurer

Kim Van Horn

Suzanne Lyman, Secretary

Michelle Johnson, Director of HOA Operations

Also present:

Rodger Traynor

Martha Cain, Edgewater II

Kevin, Ruppert Landscape, Branch manager for Durham branch

Josh Guyton, Ruppert Landscape, Business Development

Bryson Hinton, Ruppert Landscape, area manager Southern Village

Tyler Johnson, Ruppert Landscape, Associate Branch manager, will oversee Apex branch next year

Establish Quorum / Call to Order

Quorum: 4 of 5 members present

Meeting called to order by Kevin at 10:32 AM

Approve Agenda:

Agenda approved by a unanimous vote of the four members present

Open Comments:

Tyler spoke of Ruppert's commitment to get rid of gas-powered leaf blowers for entire Southern Village community. Ruppert has purchased 4 backpack electric blowers. We will not see a gas-powered leaf blower in Southern Village going forward.

Sam thanked Ruppert for listening to us and commented on the runtime of these blowers and that it is not necessary to be perfect and "chase every leaf". He also wanted to know if Ruppert was willing to talk to other sub-associations about picking up their work. Josh let us know that Ruppert has talked to Edgewater I and Edgewater II. Sam commented that there were concerns about cost from other sub-associations.

Martha Cain commented that Edgewater II would like more time and more information. Their contract with their current landscaper runs until March. While she supports sustainability and quiet, their sub-association would need a vote of the homeowners for any increase in dues greater than 10% if switching to electric blowers required such an increase. Suzanne reiterated that there is no timeline for approval of the amendment and that there is no ban as yet. She also stated that there are 12 sub-associations and that 9 yes votes are needed for the amendment to pass. Edgewater II is working to get on board with this initiative and getting quotes. We will not be voting on this today. Suzanne stated that we engaged an attorney, Rodger wrote the amendment and it was approved by our attorney and it was sent to a contact of each sub-association along with a signature page that needs to be signed, notarized and returned to her. She hopes that our own sub-association could vote today. Kevin was under the impression that each homeowner would need to vote, but Suzanne made it clear that the board votes and that 3/5 of our board members would need to vote in favor. Our attorney looked at previous amendments to the covenants in which the boards signed off. Kevin would be uncomfortable with the board unilaterally signing off on this without support from the HOA homeowners. Suzanne made it clear that this does not preclude input from homeowners.

Approve May 9, 2023, Minutes

Kim had concerns about identifying information in the minutes, specifically the address of a home that was discussed in the May 9th meeting. There is work in progress on the home in question.

Michelle agreed to delete the identifying information and Kim said she would send the wording to Michelle. There was a unanimous vote to approve the revised minutes.

Board Reports

a) **President**-no prepared report; corner parks moving forward

b) **Treasurer**

Sam deferred discussion of the budget and reserves until later in the meeting when just the board members and Michelle were present. Sam mentioned that it is a challenge to get a balance sheet. Although he has a list of assets, he doesn't know what our liabilities are. We have in reserve \$600,000 in Treasury notes. We also have sufficient cash for regular daily costs. Kim thought that in 2016 there was one million reserved for trees. Michelle stated that trees are a huge expense. She said she could go back to look at this. Suzanne wanted to consider adjusting the assessments since we have so much in reserve, but a reserve study might answer that question. Kevin thinks the reserve study is fundamental to understanding our needs. A reserve study is the only way to know what our liabilities are (the last one was in 2016) and all present voted in favor of getting a quote for a new reserve study. Michelle will look into getting a quote and thinks that it would cost a couple of thousand dollars.

Committee Updates

Parks

Michelle reported that a zoning compliance permit was approved for the corner parks, encroachment agreement needs to be signed by Chapel Hill because a strip along the pathway is owned by the town, and a building permit is for NC Building. Some items like chairs, benches and hammocks have already been purchased. NC Building will construct gazebo hopefully by fall so things can be planted.

Kevin mentioned the need for some stump removal and tree planting in various places around the neighborhood. Tree lined streets are part of the aesthetic of the neighborhood. Davie is the contractor that does this work.

Sustainability

The amendment to ban gas-powered leaf blowers was discussed and Kevin wants more community buy in and suggested another round of communication to homeowners. It was noted that the attorney agrees that 75% of sub-associations are required to pass an amendment, whereas previously it was thought that 75% of homeowners need to vote to approve an amendment. Sam agreed to write an email to circulate to homeowners to indicate why we are doing this and that it has been a couple of years in the making. He mentioned that feedback so far has been very favorable regarding eliminating gas-powered leaf blowers. Kim emphasized that homeowners note the difference now that Ruppert is using electric blowers.

There has been some attempt to contact other landscapers in the community. There seems to be some misconception regarding the cost of purchasing electric leaf blowers. Rodger reached out to Flores. Flores landscaper has been experimenting with electric leaf blowers, however they think they will take longer to do the job. Rodger noted that they are also misinformed about the cost. Residential properties don't need commercial blowers. Corded blowers could be used for small properties for \$150. There is a wide price range for backpack, battery-powered electric blowers. Cost comes more from efficiency i.e. runtime is about 45 minutes on full throttle and charging the batteries takes about 1 hour. The landscaper doesn't have to have the electric blower on full bore to accomplish the job. Rodger stated that extra batteries are in the \$200 range. Ruppert has submitted a proposal for landscaping to Edgewater I and Edgewater II. The footprint at these units is small and maybe corded blowers would suffice. Ruppert, however has already invested in electric blowers wants to go this route for its work.

Rodger emphasized that the 75% of sub-associations voting to approve an amendment is in the covenants. Kevin is wary of wielding power that has a potential impact on the community. Communication is essential and Sam has seen the emails forwarded by Michelle in which a majority of homeowners is in favor of switching to electric blowers. Kevin has also received positive input from the vast majority of people he has talked to, however people are concerned about the impact on their landscapers. Suzanne had two comments and a question for Sam: 1)

in the draft of the email, Sam should mention that Ruppert has committed to the use of electric leaf blowers in Southern Village; 2) bring up the subject of the amendment and how do people feel about it and 3) Do we want to get 75% of homeowners to go along with this proposal. Kim commented on how hard it is to get responses from individuals. Michelle stated that the overwhelming response was positive. As an example of minimal responses, Michelle stated that only about 10% of people participate in the annual meeting i.e. 60 out of 600 homeowners. Sam mentioned that he is conflicted about telling a small business like Flores that they need to invest in electric blowers, but on the other hand, they need to stop using gas-powered leaf blowers. We will still communicate to them and others and try to persuade them to use electric blowers. Martha sought clarification about who gets to vote. In their own sub-association they can have their own condo owners vote if they want. She also questioned the \$500 fine because someone said the fine could only be \$100. Suzanne stated that the amendment that went out said that the fine is up to \$500. Sam does not think we would ever fine anyone \$500, but rather we would send out a notice and talk to the person in violation. We are giving everyone a chance to change. Ruppert offered to set up a demo for anyone who wants to see the electric blower in action.

Rodger raised the subject of weighted voting. Suzanne said that weighted voting is based on the amount of assessment a sub-association pays (a sub-association having voting power relative to the amount of assessments each sub-association pays annually, with the SVHOA having 85% of that amount). According to this, the SVHOA would have the sole discretion to just pass the amendment on our own. The other part of that paragraph in the covenants goes on to say that “in no event does any sub-association get more than 1 vote”. This doesn’t make sense and we haven’t talked to our attorney to get clarification on this seeming contradiction. The other part of this is that we are a board of 5 people, do we want to hold sway over the entire community of Southern Village with only a vote of, at a minimum, 3 people? Kim said “all of a sudden we’re dictators” It was decided to get more clarity on this issue from our attorney. Kevin stated that it is really critical to understand this mechanism of voting because it has ramifications for things that might come up in the future and it has to be taken extremely seriously. An additional \$1000 was unanimously voted on for the purpose of contacting Mr. Edlin to research this type of voting.

ARB-Kim serves on the ARB and is the liaison between the ARB and the board. The white bus has been removed from the private property it has been sitting on. This was accomplished nicely via letters, and Kevin was pleased that we didn’t need to be heavy-handed. The ARB has approved some things and everything is going well. People don’t want to buy new homes right now and people are adding on instead. Kim thought that there was overbuilding on a particular very small yard with a studio and concrete pad for AC, but she was overruled by the other ARB members. She mentioned that there is a trend toward building on small places and it begins to look cluttered. Kevin said that with more people working from home, this might have an impact on additions to homes. The question remains: how can we support this and still maintain the

charm and character of Southern Village? The ARB decided that they are not limited to our guidelines. They are going on a case-by-case basis and see if something looks good.

Manager Report

- 1) Pond passed inspection but some repairs were recommended (the total is over \$200,000 and Michelle asked the inspector if anything can be put off for one year). The inspector recommended:
 - a) In 2023 replace outlet pipe in pond 3 for \$77,000 (this needs to be done in order to pass the inspection) (this pond is on Brookgreen)
 - b) In 2023 dredge pond 4 for an additional \$21,000 (near Scroggs and the decorative fence)
 - c) In 2024, they are recommending replacing the outlet pipe at pond 2 (\$70,000) and dredging pond 3 (\$19,000)

It was decided that we should get another quote for due diligence. Also, questions were raised about how long this work will last and also what happens if the inspection fails and we do nothing. If we put a quarter of a million dollars into the ponds how long before we need another quarter of a million dollars? Michelle will look into when this work was last done and how much it cost at that time. In the past, when we failed inspection, we just went ahead and did the repairs. It seems that there would be fines until repairs were completed. Kim mentioned that this neighborhood is very wealthy. How do other neighborhoods come up with this kind of money for the ponds? Michelle will look into what the consequences are if we do not do the repairs.

- 2) Westend landscaping: Rana and Michelle met with Flores and Ruppert to get quotes to enhance landscaping at Westend. Currently it doesn't look good and the bushes are very overgrown. Termite inspectors can't get in. No investment has ever been made in this landscaping. Some residents have put in some plantings so there is a need to be careful about what is taken out. This new landscaping would be supplemental. Both Ruppert and Flores submitted quotes for putting in flowers and bushes. Questions were raised concerning who is in charge of landscaping for this area and who should pay for it. Kim raised the question of us spending \$37,000 or \$43,000 to beautify 22 townhomes. Rana is the person who proposed the landscaping. It was decided to table this proposal and get more information. It would be helpful to have Rana walk the board through this expenditure. Kevin raises a question about spending \$40,000 on flowers and if a resident doesn't like it, can he come out and remove what has been planted? Kevin recommends that we do not vote on it at this time until we have a better understanding of this and questions about who owns this property, and the responsibility of the residents. Greenview just landscaped their front with a private landscaper. There was a unanimous vote to table this proposal.

New Business-1) Highgrove sprinkler repair (\$1300) The pricing is below the requirement for the board to vote on it. Kevin thinks it seem reasonable. There was unanimous vote to repair the sprinklers.

The Board received a request from the Urban Archery Program for permission to hunt deer using bow and arrows in the wooded area along Edgewater. Kevin mentioned that in Pittsburgh they had a much larger deer problem and the township decided to do culling based on bow hunting and it had a positive impact. Kim thought this was a random request to bow hunt where people are walking and playing. Suzanne also thought that one edge of this was up against a residential area. There was a unanimous vote to table for further discussion and it was suggested that we settle this via email. Kim suggested that a representative of the program talk to us about it.

Adjourn-motion by Kevin at 12:23 PM; approved unanimously.

Next meeting

The next board meeting is scheduled for November 14th, 2023 at 10:30 AM via zoom.

Addendum to September 12,2023 meeting:

- A) October 18, 2023: Dragonfly provided a proposal for all of the mowing, pruning, etc that is required at the ponds. These items are outside of their regular maintenance. The cost is \$5270. The board voted in favor via email (4 votes) to proceed with this work.
- B) September 29, 2023: Westend Townhomes proposed some landscaping and outside repairs. Michelle explained that the 4 townhome groups have separate “pots” of money, and she supplied numbers for Westend Townhomes that show there to be enough funds to re-roof in 2025 and also to afford this landscaping expense. Flores was chosen as the landscaping contractor. The board voted in favor via email (3 votes) to proceed with this work.
- C) September 15, 2023: a quote from Giles Flythe Engineers for a Reserve Study of the common areas in Southern Village. It is \$4200 to look at the parks, alleys, ponds and basketball court. The last reserve study was in 2016. The board voted in favor via email (4 votes) to proceed with the study
- D) September 21,2023: Generator Shed Application. Scott Morrison sought ARB approval for converting a box that typically houses trash or recycling bins into a shed for a portable generator. Due to safety concerns, the ARB referred this matter to the HOA. Mr. Morrison was referred to the permitting office of the Town of Chapel Hill to determine if he needed a permit for this. He learned that he only needed an inspection of the electrical connection to the house. The board, after much discussion via email, made no decision on whether or not he could proceed with this project, or whether or not the board had jurisdiction over the project.
- E) November 6, 2023: Mill House contract. The contract with Mill House is for \$70,000 for 3 years. This was approved by the board via email (5 votes).

