

Indigo Palms HOA
Wednesday, June 11, 2008
Cathedral of Praise
MEETING MINUTES
7:00 PM – 9:30 PM

Note: The meeting was audio taped and available for listening at the property manager's office. The following minutes are not transcribed entirely "verbatim", but merely a synopsis of the meeting.

I Welcome & Introduction

Prestige Property Consultants: Sharon Stephano; Paul Stephano and Victor Hayes
Since everyone in attendance knew each other, it was determined that individual introductions wouldn't be necessary; however, Sharon asked that everyone please sign their name/address, etc. in the Log.

HOA members present (*per sign in log and listed in alpha order:*)

Frank & Camille Bowdoin; Earnest Bryant; Rob & Wendy Brooks; Brian Calhoun; Jason & Tara Collins; Charles Drake; John & Gloria Campbell; Cindy Grosso; Susan Gardner; Jessica Griffin; George Hawkins; Aaron & Traci High; Janiel Jones; Staci Jakob; Jim Liao; William & Debra Malone; Pauline & Joseph Piccirillo; Lewis & Rachelle Shapiro; Patricia Sturbaum; Ken Traynham; Ken & Peggy Wahler; Sam & Tanya Walker

Ms. Stephano introduced herself, her husband, Paul (the accountant) and Victor Hayes. Each person gave a brief overview of their past history and present specific areas of responsibilities and answered questions.

Ms. Stephano expressed her appreciation for working with each owner and said she thought Indigo was a beautiful community, and she was certain they were very proud of it too. The Olympic size pool was one that many of her other communities would love to have. She hoped that the meeting this evening would be more of a "get to know each other" type, very informal as well as productive. Everyone was encouraged to ask a question at any time, but she was going to try and review many questions that she had received in advance of the meeting. Also, she had provided a complete package of the same letters and correspondence with the developer the previous night when she and Paul had met with the developer.

II Definition and responsibilities of a property management company and HOA

Sharon Stephano addressed the following:

- a. Gave an overview and scope of the responsibilities of a property management company and the interaction between management, the developer, and the homeowners.
- b. An in-depth explanation as to what an HOA was since some individuals had not lived in a community where there were ARB rules & regs, HOA dues, etc.; also, the responsibilities of all homeowners in the community toward their neighbors and their own properties.
- c. The availability of management to the HOA with PPC's policy of 24-48 hours response time and all the avenues for communication with all phone numbers, e-mail, web page, etc. While they may not like the answer to their question, PPC was committed to following up on getting them an answer.
- d. The importance of a community working together in crime watch, emergency preparedness and in general, to assume the responsibility of being a "good" neighbor and specifically, following the golden rules in living together as members of a productive and peaceful society. She also reminded everyone that "patience" was a golden word because not all problems could always be fixed overnight.

e. She also mentioned that not everyone would be making Indigo Palms their life-time home, so it was important to maintain a high integrity in their neighborhood. Especially, when future (potential) purchasers drive through the neighborhood and stop to ask a neighbor their opinion of the neighborhood. That homeowner's expressed opinion could make or break a sale. Therefore, if everyone takes responsibility over their own property, and cooperate if they get a letter from the HOA, they should use it in a positive manner as opposed to exploding and planting their feet. If fines are issued and not paid, they can accumulate and then will result in a lien being placed on the property.

f. Gave a brief history of PPC and explained the various types and sizes of communities they have worked with, and how they feel PPC has a unique role of interaction between the developers and the homeowners. As an example, the developer had just agreed to the creation of a committee at Indigo Palms to work with PPC for review of ARB requests and as a liaison between all homeowners and PPC.

Paul Stephano reviewed the following:

a. Explained his role as the accountant, gave a brief explanation of what some of his responsibilities, i.e., collects the dues, pays the bills, writes the checks. He was previously a CPA in his own business in Philadelphia and moved to Charleston 23 years ago.

b. He explained what a "Financial Statement" was; a budget, and how often he would provide one. The purpose of HOA dues and some samples as to what they were used for; also; the various things that the developer recently expended money on improvements at Indigo Palms, i.e., a new pool motor installed, new pool furniture, picnic tables, etc.

c. He said he assisted with some of the daily day-to-day operations of the company and liaison with the project managers and other laborers at Indigo Palms concerning pool, irrigation, landscaping, front entrance, etc.

Victor Hayes reviewed the following:

a. He is considered their community advocate and they would seem him drive through the neighborhood all the time. He does physical reviews of the community several times a week looking for violations and basically meeting and greeting the neighbors.

b. His background, as far as property management, is that he has a degree in Industrial Engineering, and uses his technology and application toward heating, A/C, sales and management and, lastly, real estate. He understands the physical industrial applications, i.e., pump at the pool, etc. He said it truly had been a nightmare, but the guys had done a great job in replacing the old one.

c. He has been involved in property management problems in new developments for the past 20 years...everything from a few houses to 500 and more, including laying the infrastructure, selling the houses and managing the properties.

d. He drives his favorite big, old Cadillac, and due to his robust physical appearance (6'5) can be an intimidating figure. However, he enjoys meeting people and thinks the most important role of his job is to ensure that the hefty investment property owners made when they bought their house and the covenants, restrictions, rules and regulations the property owner agreed to follow for that specific community are followed. This is generally referred to as "curb appeal", and it greatly affects the market value of everyone's house. Typically, everyone gets a copy of the appropriate papers at closing thereby agreeing to follow the restrictions. This should help make it an easy job, but somehow, property owners always seem to think the rules apply to someone else.

e. Some problems range from a minor to a major infraction. He makes a list after he has driven through the community of all problems he sees and then e-mails it to PPC. They then send out the appropriate warning letter, or fine, and he follows up to ensure the problem is resolved. Thus far, many

minor things have been allowed, but from now on, all rules and regulations will be followed. The purpose is not to create a “police state”, but to maintain the **integrity** of the neighborhood.

III REMINDERS

Sharon Stephano offered some friendly reminders and “food for thought”:

a. A developer puts in a lot of “up-front” money to get a development off the ground for infrastructure, material for the physical houses, does all the hard work and hopes the market will be forgiving and profitable. The developer also meets all the short falls throughout the building process until he turns the community over to the homeowners. He’s well a ware that if he doesn’t do a good job, his reputation will precede him. So, many times, it is unfair to blame “everything” on the developer. Even after the fact, there must be some money left in the budget to cover miscellaneous expenses after the “turnover” has occurred. Most developers are very willing to work with the property owner because, as stated, a positive comment or referral is the highest form of advertising and marketing a developer can get.

b. As stated before, those who might want to volunteer for the ARB committee should send a resume explaining why they were interested and some of their credentials. A committee of three would be selected. However, at this time, the audience starting providing names they personally thought would be proactive for the community. Names submitted were Brian Calhoun, Frank Bowdoin and Lewis Sharpiro. Everyone suggested that the nominations be closed and the three be officially selected.

c. Swimming Pool: Everyone swims at their own risk. NO ANIMALS --NO GLASS IN OR AROUND THE POOL! Children 14 and under **MUST** be accompanied by an adult. Tiny tots must wear the new type “swim diapers”. **HELP KEEP YOUR POOL CLEAN!** Remember that DHEC pulls surprise inspections and if they close the pool down once for any reason...your pool will always be “targeted”. The pool furniture should be treated with respect and not thrown around. If you have trash, dispose of it in the trash cans provided. (Two more were ordered from North Charleston). The pool people are responsible for getting them to the curb and from the pool. There is an emergency phone on the wall by the restrooms. If you have a real emergency, pick up the phone and **dial “911**. The emergency kit was taken from the women’s restroom and placed outside on a wall for visibility and to discourage theft of interior items as in the past. DHEC did pass the pool with flying colors but advised the kit was short of a few bandages.

Paul Stephano stated that he had received an estimate concerning security cameras and lights for the pool. It was a combination of trial and error and would be a topic for serious consideration at a later date. These cameras would help in preventing the “24 hour” availability of kids jumping the fences. Also, proper notices would be placed advising the 24 hour surveillance which of itself, works as a deterrent. There are many systems that could be utilized, but it is a matter of cost and application. There has been vandalism in the past, and this might be one viable way of correcting the problem. Two new trash cans were ordered from North Charleston to help with the summer heat/smells. The swimming pool person is tasked with moving the cans to the street for pickup and then to return them the next day.

Frank Bowdoin asked if it would be possible to obtain a “grill” and place it permanently down at the pool. Perhaps it could be attached somehow so it wouldn’t “walk”, but a lot of the neighbors pull their grills down to the pool and then back to their house, and this would be a great convenience. Everyone thought it was a good idea.

There was discussion about the water that seemed to be leaking around the back, right-hand side of the pool and the stains on the driveway and sidewalk. This issue is being studied by the landscapers, but it could be a slight hole in the drip line in the irrigation.

A resident mentioned that there was a lot of ants around the pool and there should be someone who uses some chemicals on these ants, as they are in large piles. Also, there was some mold or mildew from a sprinkler head, on the left facing the pool, on the floor close to the front gates which, when it gets wet, is slippery. Paul said he would mention these problems to the landscaper because he has asked them to look at the irrigation system to possibly install a rain gauge. There was no sense in having irrigation on at 7:00 AM when it was pouring rain. Several of the problems discussed would be addressed including the entire irrigation system throughout the neighborhood. Mr. Walker said that he felt that all the irrigation system had been installed improperly and this was his expertise, and he offered some solutions for the committee to consider.

Paul said the problem with the motor in the pool had been fixed and as a result the electric bill would be cut in half. He reminded everyone that the development company paid for all the expenses and encouraged fixing the problem. That was about \$5,500 in addition to all the pool furniture, etc., that was paid for by the developer.

Mr. Shapiro thanked Paul for getting the pool fixed, as they all knew it was fixed because it wasn't green anymore. The history of it all left a bad taste in their mouths, but they were all glad to know that this situation had been corrected. He also discussed the dead trees at the pool and said that had been an on-going issue in trying to get the dead trees replaced. A resident said he had sent a certified letter with pictures, but nothing had ever been done, and that left a bad taste in his mouth. Paul asked for the pictures if he still had them.

Sharon stated that she was aware that, in the past, a lot of the ARB rules and regs were being treated in an irregular, haphazardly manner. Beginning with this meeting, Victor would be communicating with her and she would be following through by enforcing all ARB rules and regulations. A friendly reminder will be issued first, and then if the violation hasn't been corrected, a fine will be assessed until the problem is corrected. She explained the ramifications of not paying the fines and what could happen as a result...such as accumulating finance charges, and then at the end of the year, it could be applied toward a lien on the property for non-payment. She was sure that everyone wanted to cooperate with them, and with each other, so when or if someone received a warning, it should be taken seriously. If you feel it was an unjust fine or warning, just call her or send an e-mail and discuss the problem.

d. Sharon said one of her hot buttons was BARKING dogs. Constant barking will be reported to the Animal Control AND they would visit the owner. If you have an outside pet, be sure your dog is on a leash when walking in the neighborhood. If you have an "invisible" fence...please remember that the person walking past your house doesn't know you have one, and when your animal comes "leaping" toward them...it causes a startle. If you are planning on adding an invisible fence to your property, please bury it about 10 feet back from the property line to allow "space" for the dog to stop--- without going over the fence. The fences work if installed properly and the dog is properly trained. However, it doesn't keep animals from coming into your yard. FYI...if the animal control officers are called for a dog that is running "free" or constant barking, there is a State Law now that requires Animal Control to spade or neuter the animal, prior to returning it to the owner. Also, if your animal leaves a deposit on someone's yard, be thoughtful and clean it up and dispose of properly. Victor said that he just learned that lesson the hard way and that he had to pay \$200 to keep his dog from being neutered.

Ms. Staci High asked questions concerning the warnings and fines, and if there was a time line set required for someone to correct their violation. Sharon said that everything is spelled out in the letter that is sent to the person who has committed the violation. She always provides a date certain for

something to be corrected so that the problem can be followed up to ensure it is corrected. Paul said he just wanted everyone to know that all the rules would now be enforced. Victor said he provided a complete report with a detailed description of the problem, the address, date, etc. to Sharon and she would follow up with a letter. He will then follow up. They are not going to be hard to get a long with, but the rules and regulations were set for a purpose...to protect their property values. He explained his "gauge" when it came to length of un-cut grass that was acceptable. There was lengthy discussion on this issue, and also concerning "rentals". Sharon said, bottom line, it is best to use common horse sense in assessing a situation.

e. Sharon discussed another hot button that she had and that was the issue of ponds/alligators. Remember to be considerate of the natural habitat that makes its home in the ponds. In particular--the ALLIGATORS. They were here first. You are their guest, in their home territory. If you don't feed or taunt them, they will leave you alone. They are also great "snake catchers". If a gator becomes a nuisance, contact PPC and she'll talk with the SC DNR. Most problems occur because someone (regardless of age) feeds or teases the alligators. It could lead to a deadly situation in a flash! A resident recently advise her that there was a gator causing a nuisance and chasing children. In order to legally protect the HOA, a licensed "gator getter" has to be engaged and called to the scene. If it is determined to be a nuisance, they will use one of the tags that is provided to the management company by the SC DNR and remove it permanently. This means...they usually kill it. Once the gator becomes friendly, he becomes a hazard. The recent investigation by Ron Russell, of Gator Getters, proved that the young children were feeding the gator and then they advised him that some construction workers were using nail guns to shoot at the gator. If the gator has to be killed, it will cost the HOA approximately \$150. This is a standard fee by all gator getters. They also charge to just come and research a situation. However, it is the "legal" way in which to protect the HOA from legal issues. There is a \$5,000 fine and/or 30 days in jail if anyone is caught teasing, feeding, taunting or hurting. The only "open" system on shooting or killing gators is handled by the SC DNR and it is usually in public areas. Sharon gave Brian Calhoun a DNR sign to place at the largest pond that provides a warning and the consequences. She'll get some more signs to place around the area.

Several homeowners expressed concern about the stagnant water in the ponds and wondered if it would help to put in water aerators such as those in other neighborhoods. This would be a project that would require further research and study and perhaps the committee could get involved discussing this issue.

Paul discussed the issue of calling the police whenever they felt there was a problem, such as the one just discussed concerning youth from out of the area. After that, call PPC and let us know about the time, date, etc. of the report. An officer is required to respond and then also completes a report. The squeaky wheel gets the grease which would provide for more police presence. Secondly, as property managers, we will contact the police and discuss the issue with them and get a report for the record. Paul suggested never try and escort anyone out of a neighborhood at anytime...just call the police. There is a tremendous liability involved as well. The police have said to us time in and time out that they would rather receive a call and check it out, then to have the resident "wish" they would have called. That is their job. Sharon offered her assistance in getting a homeowners committee together and on the right path by creating neighborhood captains, etc., since she had been involved in the planning at previous job.

Sharon Stephano discussed the creation of an Emergency Preparedness Group and Crime Watch for the neighborhood. There was lengthy discuss on this subject and the rationale as to the importance. Also, it was important to have your house number clearly and visibly seen from the street. Not just on the mailbox, which could be across the street from your house. Don't give the emergency personnel pause for thought as to which house is yours in an emergency situation. She also mentioned about "not parking in the street by a mailbox"

because the US Postal Service will refuse to deliver mail if a car is in their way, and that's not fair to your neighbor.

Brian Calhoun reviewed the current status of the potential for creating a "boat storage" area. The homeowners asked if they would have to pay for the service. Brian said this is a difficult project requiring a lot of research and study. For one, it would be necessary to get a written agreement with SCE&G for the protection of the HOA. He has also discussed this subject with the developer, who seems very supportive. The next step is to determine how much of an interest there is and how much space would be needed to allocate. Security will be another topic for consideration. But, bottom line, it is a very expensive project. The only restriction from SCE&G is that whatever is placed back there has to be at least 15 ft from the lowest power line.

Sharon Stephano also explained that while it was great for all neighbors to try and get a long in this day and time, if someone had a problem with their neighbor, she would keep the conversation confidential and no names given out in addressing the issues. For example there were some serious concerns expressed by many neighbors about a particular problem and she didn't think this was the proper place to publicly discuss the issue. The new committee could get involved in this one particular issue and then report their findings and resolutions later. As an example, many have expressed concerns about the ARB rules and regulations. This might be one area where the new ARB committee could review the rules and regs. for better clarification and explanation.

Sharon Stephano said that she had received a lot of e-mails from the residents stating various concerns they had, and she made a package and provided the developer with it. He has expressed sincere empathy about the resident's concerns and he would review that package and wanted to hear input after the meeting had been held.

Ms. Staci High asked, for future reference, when a mistake or miscalculation is made, how would it be rectified, because she felt that right now they were being told "what is done is done..." and she said that when she made a mistake or overlooked something she was held accountable and responsible for that situation. Her question was, for future reference, what are the steps that will be taken. Ms. Stephano said that she was the first person to admit when she made a mistake and had no problem making that admission when she made a mistake. Furthermore, the past is the past, and she knew that all the homeowners had no reason to really "trust" PPC. But, based upon their past experience of all the other communities that they have managed, the developer didn't want to hire another management company because they were pleased with our results. She assured everyone that she was very sincere when she said she was concerned about their problems and working with them. Ms. High said she would feel better knowing that if something got mistakenly approved, what the steps would be to resolve it. Paul said that is one of the reasons they requested an ARB committee to work with to eliminate these type problems, because the homeowners want to feel involved and help make decisions regarding their own neighborhood. Ms. High said that she and other homeowners felt more confident if they had things in writing with timelines and kept informed as to the current status of things working. Ms. Stephano said that one of the reasons for taping the minutes was to make them a part of the record and for historical purposes. It's not only in writing, but also on tape, and that's one way to attain that goal. Sharon said she liked to do quarterly newsletters, so she would be doing that, plus she had a web site that she would try and keep up-to-date. Communication is very important.

Jessica Griffin said she was concerned about the "renters" that didn't maintain their yards, house maintenance, etc. Ms. Stephano said she also notified the homeowner when there was a problem that she had to communicate with the renter.

(Unidentified) asked if there was going to be an increase in their 2009 dues and if there was an annual cap on an increase in dues. Paul said there wasn't a cap, however, any increase comes with a recommendation of the property management and having just met with the developer, he indicated that based upon what has been

received, in conjunction with what the developer has already paid, he was assured that there would be no increase this year. He will prepare a budget for 2009 but he was assured that a short fall would be funded by the developer. The boat storage is a separate issue. Paul elaborated on his past experience in getting another boat storage area developed with 119 houses. He didn't think Indigo would need many spots. But he also agreed that everything needed to be in writing with SCE&G.

(Unidentified) said the lot behind the sales office had an irrigation system that watered a vacant lot every day. Paul said he would check into that.

Cindy Grasso thanked PPC for a great meeting and she wanted to express a couple things. One, was the fact that construction went on early in the mornings and on until 8:30 or 9:00 in the evening. It was difficult to relax on her patio with all the noise at that time in the evening. Also, on Saturday mornings, it is as early as 6:00 AM. And they even work on some Sundays. She felt it might be the framers but asked if during the weekend they didn't start as early and throughout the week, didn't work quite as late. There was lengthy discussion on this topic. Others, added that no one should be working on Sunday as it is a day of rest.

(Unidentified) asked about the specific hours and opening dates of the pool. Paul said they tried to get it opened up by April 1 but due to the problems inherited, it was postponed a few weeks. The pool should be opened every year from April 1 and opened until October 31 (weather permitting). However, the homeowners can make that specific decision. A couple years ago, the weather was great into Nov. 15, and at the other properties they had requested it stay open until then.

Jessica Griffin asked about the drainage issue and that there is a serious problem with drainage in their back yard. Since she couldn't get any satisfaction with her problem, she wondered who she should bring it up to? Paul said that might be part of the conversation with SCE&G. Mr. Walker said they didn't do the drainage right on that side and she told Paul she had pictures of the flooding you could give him. Paul told her to e-mail them or mail them to us so he could address it.

Sharon, Paul & Victor thanked everyone for their input, attendance and said that all their ideas were great and they looked forward to a good working association with everyone.

Respectfully submitted,

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