

**Minutes, TEOA Board Meeting
April 22, 2021, Downstairs' Patio**

In attendance: President Rhett Eleazer; Treasurer Larry Wade; 1st VP Melody Martin; 2nd VP, Sean Wagner; Secretary Linda Hall; ARC Chair, Sandy Wade and TEOA residents

The President called the meeting to order at 6:10 pm.

President's Report – Rhett Eleazer

Rhett reported on a situation on Water Links Drive in which a swimming pool has been encroaching on the neighbor's property for years. He explained to the resident that our covenants do not allow for subdividing properties. He recommended that the resident seek an attorney.

Rhett reported that the current TEOA documents do not address moving sales. This issue needs to be defined and clarified. Moving sales are different than garage sales which TEOA supports twice a year with surrounding HOAs.

Rhett stated that Sean Wagner has appealed the hearing panel's decision to the BOD. A date needs to be set for this appeal within seven days. The President noted Sean's objection.

Treasurer's Report – Larry Wade

The March 31 financial closing reports were produced and currently we are on Budget with no major actual changes against Budget.

All 219 Homeowner dues were collected and all submitted on time by the March 15th due date.

The Treasurer issued the 2021 \$3500 invoice to Lookout Points HOA based on their current lot count of 70 which is not due till May 15th 2021.

Larry answered the following questions concerning the P&L and Balance Sheet to an unruly audience:

1. Why is there \$350 missing to match the \$400 income for ARC Fees in March? The Architect Fee billing of \$350 to be paid to the Architect had not been received at Mar 31 close to match the revenue received in the Income section of \$400. Normally the ARC needs to make copies of plans and reports and mailing costs that are in other expenses in the P&L and the \$50 extra covers some of those expenses.
2. How much cash do we have in the bank? As of March 31, the TEOA has \$198,775 which includes a \$30,368 reserve for future road repair and \$12,600 ARC Escrow that is payable to contractors when work is completed in the neighborhood. We also collect all cash from dues up front by Mar 31, and expenses for the HOA for the balance of the year will consume another 40K estimated to reduce the cash.
3. Why do we have so much cash? The cash balances were turned over to the treasurer at the beginning of his term 1-1-2020 from accumulations since 1998. Apparently some previous year amounts of cash collected exceeded expenses for TEOA.

Larry addressed the petition submitted to the Board:

In April 6th, the remaining Board (President, Secretary and Treasurer) with no prior knowledge or warning was informed by submission of four petitions sponsored by the Sr VP and VP of the Board that seek to change some of our By Laws, Covenants and ARC Guidelines that have served TEOA for the last 22 years. In his opinion these changes sought will gravely injure our ARC's ability to function and thus could harm the property values of our owners. In addition, if the ARC or Board fails to enforce the TEOA guidelines and covenants, any owner can bring an action on behalf of all owners to enforce the Timberlake Estates Documents which would expose the TEOA to potential liability.

He asked our TEOA lawyer to review the petitions if legal and to help us create a legal ballot if needed that references all the By Laws and Covenants that will need to be re written as a result of the four petitions submitted to the board. The time frame considered reasonable to schedule the special meeting and to confirm the mail in voting method was challenged by one of the Board members promoting the petitions. The Board would also want to include with the ballot a one page summary for reasons why to vote against and one page why to vote for these petitions to give the home owners a background to make an informed decision. Any By-Law or Covenant changes receiving the more than 2/3rds votes "for" the petitions must be rewritten and filed and recorded with the County of Lexington SC.

Due to interruptions, the Treasurer was not able to give report. The following is his report:

The lawyer's initial quick review of the petitions provided a response. He strongly urged the board to slow down and recommended that we send the petitions/requested changes to every owner and request comments back before we draft a legal ballot. This is a specifically required process for changing the ARC guidelines per Covenant 6.04 (2 of the 4 petitions change the ARC Guidelines). "if within 30 Days of mailing notice of a proposed change to the Architectural Guidelines, 15% or more of the Lot Owners request a Special Meeting in writing, a meeting will be called by the BOD for open discussion. The proposed change should be voted upon at the meeting by members, either in person or by absentee ballot, and change shall become effective only upon approval of a majority of voting members." Also, the petitions that were submitted by email voting software raised many questions as to the validity and verification of actual owners. He urged that any ballot prepared would be "written" (owners able to be verified) and delivered to the owners by mail and returned to TEOA or submitted in person at the special meeting. Thus, the ballot would be able to be verified by lot number and address, printed name and signature - 1 vote per lot owned.

The following is the lawyer's quote:

"My Conclusion was that I think rushing this forward a membership vote is a mistake, and urge you not to do that, but to take this slowly and deliberately, almost separately, and invite comments from your neighbors before you even put a ballot together. To do otherwise would actually require a tremendous amount of prep work in reforming and restating the existing documents, in a what- if scenario, especially when the ballots, or some of them, may not even pass muster."

Larry audited the petitions that were submitted to the board on April 6th, 2021 and they contained multiple errors (25 - a 15% error rate) for which the votes would not be counted legally (duplicate owner

signatures voting twice for the same lot, signatures of those who are not in good standing, and signers who can't be identified as owners). No controls were performed in the petition voting software used. The counted owners were 33 for the Tree Nuisance petition and the other petitions less than 33 at that time, and all met the 10% requirement to request a special meeting.

Larry quoted from Robert's Rules of Order on its writing on Special Committee's appointed by the Board, page 414 paragraph 3 in my version:

"Proper Composition of Committees. The members of a standing committee should be chosen as to provide the strongest possible group for the handling of any task that may arise within the province of the committee. In the case of a special committee, the purpose for which it is appointed affects the desirable size and composition as follows:

- When a special committee is appointed to implement an order of the assembly, it should be small and should consist of only those in favor of the action to be carried out. "

So, the original founders of our TEOA By Laws and Covenants were very perceptive in not allowing for term limits on the ARC members and to keep it small of at least five members to have the most effective ARC committee with many years' experience and skills to execute its mission to enforce the rules of the HOA to protect Homeowner's property values.

Those six ARC nominee names put forth by Melody Martin were introduced to the Board with no prior notice given to us and/or reasons for wanting to be on the ARC and were never presented to the three nay voters (Larry Wade, Linda Hall and Rhett Eleazer) or to the ARC prior to their nomination that night. Additionally, that they were presented as a group, not one by one. Our ARC has never in 22 years had more than six ARC members on the Committee. Adding six, especially with no prior review of qualifications and needs within the ARC, would have been voting irresponsibly.

1st VP President's Report – Melody Martin

Melody reported that the asphalt on Water Links road has been scraped and repaved removing the potholes. A crusher run was placed into the pothole on Lake Estates Drive thanks to the Plantation HOA. Lexington County maintenance is aware of the potholes on Lake Estate Drive and Timberlake Drive. She credited Fred Stokes, former board member, with arranging for these repairs.

The park bench was moved to its new location on TEOA property. The cost to move was \$200.

She proposed several landscaping improvement: (1) planting palm trees at the beginning of Lake Estates Drive to compliment those planted by the Plantation HOA along Timberlake Drive for an estimated cost of \$4,160 and (2) cleaning up the tee box side of the landscaped area at the beginning of Lake Estates Drive for an estimated cost of \$ 573.

In response to a question, Mel said she would contact David with Green Earth regarding irrigation problems.

To address the surfaced, ant mound problems, Larry informed the group that the TEOA budget has a annual line item of \$350.

She recommended six individuals who have volunteered to join the Architectural Review Committee (ARC) quoting that the only requirement for volunteering for the ARC is being a member in good

standing (Article 6,6.01); all ARC members are to be appointed by the Board of Directors. The following volunteers were introduced: Kelley Roberts, Marc Cherubini, Will Rorie, Darren Drake, Bill Moore, and Jim Medlin. She called for a vote on adding these individuals to the ARC; the vote was 3 – 2 not supporting adding these individuals without reviewing their qualifications and accessing the need.

Melody addressed a special meeting to consider the four petitions that were listed on Sean Wagner's Facebook without BOD approval. The four petitions are as follows:

1. Nepotism: Effective January 1, 2022, members of the same household will no longer be permitted to serve on the TEOA's BOD or the ARC simultaneously.
2. ARC term limits: Amend covenant Article VI, 6.01 to limit the number of consecutive terms a member of the ARC may serve to (2) two-year terms totaling four years with a mandatory break in serving on the ARC of two, consecutive years. All existing members of the ARC who have served for two or more consecutive terms must vacate their positions no later than December 31, 2021. The mandatory break in serving on the ARC may be overridden if, at any time, the board is unable to identify the required minimum, five, association members to serve on the ARC.
3. Removal of nuisance trees: All sweet gum, hackberry, and Bradford pear trees are to be considered nuisance trees and do not require ARC approval for removal regardless of the size or the location on the property. If the tree to be removed is not within 15 feet of another, a new, ecologically appropriate tree shall be planted in its place. This petition would become effective immediately upon ratification.
4. Selection of hearing panel members: This petition would require the BOD to develop and publish a hearing panel selection process that required hearing panel members to be randomly selected from the collective pool of all association members. All hearing panel members as of March 31, 2021 are to be rotated off and only called upon if the BOD is unable to secure the required, five residents needed to hear an appeal.

2nd VP Report – Sean Wagner

Sean reported that the number of violations has dropped since his last report. He asked for residents to contact him if they have any concerns over violations. Exceptions may be granted for a short period of time, such as for boats or RVs in a yard for cleaning, but he requested to be informed prior to the occurrence.

Sean stated that clippings may not be put on empty lots. Residents should remind contractors that they need to take yard debris with them, not dump on empty lots.

Sean addressed his Facebook page which contained the TEOA HO page. This page had been approved by the board during the last meeting for approved messages and announcements. After a discussion and vote, Sean agreed to change the name to the Timberlake News with no mention of the HOA.

Sean discussed the unsightly vines on the pump station on Lake Estate Drive explaining that not many options exist. Addressing pump station issues require involvement of the HOA, Chapin Utilities and Dominion.

He said he was working with Timberlake Country Club on the area back of the 18th tee suggesting perhaps plants could be planted to beautify the area. Suggestions are welcome.

Secretary's Report – Linda Hall

Linda stated that all documents, such as last board minutes, newsletter, financial reports, and ARC reports have been emailed to residents. The minutes are ratified by the BOD before being shared with residents.

ARC Chair - Sandy Wade

Sandy reported that lots of construction was occurring. Applications have been received for three new homes, and two other, new homes are under construction. For each new home, Sandy explained that the process usually required two or three approvals before construction may begin. Six projects have been approved, as well as two projects requiring heavy equipment. Files on twelve projects have been closed since the ARC's last report, and 32 other projects are still open or under construction. Sandy asked that residents inform the ARC when their project has been completed so that the ARC may close the file. Of the 220 lots, 92% have been built upon. She referred interested residents to review the ARC Report to Directors dated April 13, 2021 for details which has been emailed to residents.

The next ARC meeting is scheduled for May 1, 2021

Public Participation/Comment

Both Sean and Melody lead lively, emotional discussions with the residents and the BOD on general concerns:

1. ARC complaints, ARC timelines, architects, ARC process, design of homes, etc.
2. Four Petitions requiring a HO meeting with 5-50 days
3. Special meeting scheduled for June 7, 2021
4. General discontent in neighborhood
5. Process for selecting hearing panel members

The unruly meeting adjourned at dark.