



Sunrise Bay Property Owners Association, Inc.
Board of Directors Meeting
August 11, 2022
(Virtual Only) 5:00-6:00pm

The Board of Directors meeting was held on Thursday, August 11, 2022. The meeting was called to order by Tina Rulli at 5:00pm.

In attendance (via zoom) were Dan Tice, C.J. Gorkos, Brandon Gray, Andy Seelinger, and Tina Rulli. In addition, Maureen Kenny, our Governing Documents Lead, was in attendance as a member participant and lead for the governing documents agenda topic. A quorum was met for the meeting.

The minutes of the Board's 6/2 Q2 Meeting, 6/22 Special Meeting (reviewing Governing Documents), and 7/7 Special Meeting (reviewing Governing Documents), were approved.

Financial Reports:

Brandon gave a report on Budget vs. Actuals, calling out that the legal fees budget item is likely to go a little over budget this year, due to the governing documents restatements. He also reported the lawn service had been trending over budget, but then several cuts were missed, and we haven't received an invoice since May (see also the LALS update below). Overall, we are running healthy on budget vs. actuals.

Brandon gave an update on the Reserve Study in progress. He will have the study ready for review at the next Board Meeting.

Brandon provided our current account balances:

- One Reserve Fund CD recently up for renewal was closed and transferred into checking, in preparation for anticipated Check Dam or Dock Refurbishing outlays (see also Check Dam and Dock Refurbishing updates below)
- \$58,196 in checking
 - Includes \$10,078 Reserve funds transferred from the closed CD
 - Includes \$10,000 Reserve funds from 2021 never transferred into a CD
 - Leaves \$38,118 in operating funds (2022 Budget is \$21,845)
- CD \$25,943
- CD \$25,784
- The 2022 Budget, and Budget vs. Actuals are attached.

New Business:

LALS: Tina gave an update that our POA landscaper, Lake Anna Lawn Services, had missed several weeks of cuts due to equipment break down and limited crew issues (COVID and hiring). Unfortunately, LALS has now gone out of business. The Common Area Committee quickly requested several bids. The only bid submitted to the Board was Yard Sharks, who would honor the LALS contract for the remainder of the year and be able to start immediately. The Board voted to approve Yard Sharks as our landscaping service for the remainder of 2022 and submit for new bids for the 2023 mowing season.

Lots on 15-Day Notice: Tina reported two lots on 15-day notice for their long-term poor condition, with the deadline expiring today, August 11. The Board agreed to get a quote from Yard Sharks to clean up the two lots, then provide that quote and an additional one-week deadline to the owners. If the owners don't comply, the POA will pay for Yard Sharks to clean up the lots and bill the owners.

Foremost Run "No Wake" Buoys: Tina reported that Southwind Shores 1 (SWS1) owns and manages the two current buoys and has been keeping us informed. Those buoys have been determined (by DWR authorities) to be unenforceable where they are currently placed. In addition, the buoy at the mouth of the cove continues to be vandalized and is now damaged beyond repair and needs to be replaced.

The enforceable placement DWR recommends is with three buoys at the mouth of the cove, moving the one from further inside the cove to where the damaged buoy is now, and adding two new ones. DWR has given SWS1 until April 30, 2023, to have the buoys purchased and correctly placed.

SWS1 has asked that SWS2 and Sunrise Bay POAs join in the ownership and purchase of the two additional buoys. However, we've witnessed how involved and expensive these buoys are to maintain, considering all costs involved (buoys, county approvals, DWR placements, buoy replacements when damaged, etc.). Therefore, the (Sunrise Bay) Board has agreed that SBPOA will continue to stay out of the purchasing and management of buoys.

Currently, two *individuals*, one from SBPOA and one from SWS1, have offered to *personally* purchase the two additional buoys needed. They are working out the logistics to get this done meeting the DWR deadline. Until then, the buoys as they stand, are unenforceable.

Increased Fees: Tina raised the issue of (eventually) needing to increase our annual assessment dues, but trying to find other ways to bring revenue into the POA before doing so. One possibility was to raise the Disclosure Packet fee from \$125 to \$145 (impacts new buyers) and incur an ARC Submission Fee of \$50 (impacts members improving their lots). The Board discussed and agreed to not make any changes to fees at this time. Our annual dues are very low and when the time comes to raise them, that will be the logical place to do so.

LACA Lake Cleanup Donation: Dan Tice raised the question whether the POA would consider donating to the LACA lake clean up initiative. This initiative is an attempt to treat the algae blooms, and notices were sent to (some) residents. The Board discussed, and decided to let members individually decide to support, but not to set the precedent of SBPOA making donations.

Lot 4 Status: The Court has appointed and bonded the Special Commissioner for our case. The Special Commissioner will next Notice the Sale of the property. The attorney will forward said Notice to us as soon as it is received. Auction information will be passed along to members, as we know several are interested in bidding for this lot.

Unfinished Business:

Governing Docs Restatements: Maureen provided the update on the current status of all three documents.

- Articles of Incorporation – Final review completed by Board
- By-Laws – Final review completed by Board
- Covenants – Final review pending. Cleaned up version to be sent by Maureen to the Board after this meeting with a 2-week deadline to review and provide comments back to Maureen. Once final review is complete, all three documents are ready to submit to legal for final review.

Next Steps:

- 1) Board final review of Covenants
- 2) Legal final review of all three documents
- 3) Post all three documents to the SBPOA website with access for members only to view (not public, for members only). Questions will be sent to sunrisebaylka@gmail.com and will be answered and posted each week on a website FAQ document (available to members only).
- 4) Mail ballots out, with 45-day notice of Special Member Meeting, providing link to documents on website, question/answer process, and voting instructions (members will have option of submitting ballots via email, proxy, or in-person at meeting).
- 5) Hold Special Member Meeting (likely mid-November) to conclude voting and adopt restatements. If any governing document fails adoption, we will continue the iterative update process to get to a successful adoption.

Check Dam update: Tina reported that the Check Dam project is a no go. Dominion will not issue a permit given the check dam is a submerged structure, making it a risk to their company.

Dominion had originally told SWS1 in October 2021 that they would approve the project if the Army Corps of Engineers did, which they did, and to proceed with getting an engineer to design it. Thus, SWS1 had moved forward on several proposals from dredging companies late 2021, including Harbor Dredge and Dock (HDD). It was when they submitted HDD's proposal for the permit spring of 2022 that Dominion reversed their opinion upon review of the site plan. SWS1 then escalated their request and subsequent appeals four (4) levels within Dominion, including their legal department in Richmond, to no avail.

At this time, all feasible options have been exhausted. HDD said placing a check dam further upstream is not realistic, as the check dam would most likely need to go on the other side of Days Bridge Road. Additionally, SWS1 had two conversations with LACA who is interested in/sympathetic to our siltation issue but acknowledged that's the extent of their assistance at this point.

Our SBPOA Check Dam Committee, Josh Pitcock and Tom Everhart, will continue to stay in touch with SWS1. It is a reality that the siltation issue will need to be addressed in our future, and dredging may be the only option.

Dock Refurbishment update: Tina reported status on both the D-Docks and A-Docks refurbishments. First, as a reminder, the refurbishments and special assessment were approved by majority vote of the members at the May Annual Meeting.

(from May Annual Meeting ballot)

We will resurface D Docks with Titan Decking, and seek to recover, redesign, and resurface A Docks with the best-priced floating dock product, implementing Special Assessment(s) according to the below targeted plan forward:

- **2023:** Raise \$300k via a \$3,500 Special Assessment, resurface D Docks with Titan Decking, and work with Dominion, Spotsylvania County, and an Architect to draw up A Dock redesign options.
- **2024:** Pending redesign option results, obtain current estimates, raise any remaining funding gap with second Special Assessment, and hire builder to recover, redesign, and resurface using floating docks product.
- **2025:** A Docks completed.

The 2023 Special Assessment was discussed, and the Board determined the full \$3,500 would be due September 1, 2023. The invoice will go out well in advance, with regular follow up reminders.

Current D Docks Status: NVA Docks is ready to order our materials and schedule the D Dock delivery for fall 2022 or spring 2023. With the discontinuance of the Check Dam project, we have the funds to pull the delivery of D Docks to 2022 (vs. 2023) if the Board agrees. Cost Outlays would be ~\$20k at order, and the balance (~\$20k-\$30k) at delivery (build completion). The Board discussed and voted to order materials in 2022, and schedule delivery (build) in spring 2023.

Current A Docks Status: Tina is working to hire a surveyor to get plan options started. She has reached out to two surveying companies to get proposals and not heard back. She has received additional surveyors to contact and will reach out. As a reminder, the A-Dock Cost Outlays are working with a \$350k total cost assumption, based on quotes and builder conversations to date (e.g., Surveyor, Plans, Permits, Materials, Build, Haul Away costs). A more detailed budget will be provided once the layout plan is selected and approved.

Insurance update: Tina reported that both the bond and liability policies have been updated and renewed. No premium change at this time.

Common Area Locks & Signage: Tina reported that new signs were purchased and installed at both Common A and Common D, per recommendations from our liability insurance agent, clearly stating private property and swimming risks. Also, the lock on Common A gate will remain, and concerns have been resolved with the Fire Department as they have the code in their records. Common D will not have a lock, as it would be of no use based on the open grounds of the adjoining lots.

Barn Agreement: Dan Tice agreed to take the lead to obtain the final venue use agreement from the Clawson's for their Barn rental business. This agreement clarifies the variance agreement from the Board, and the conditions to which the Clawson's agree, to not disrupt the community when they host public events in their Barn.

Lot 87 Variance: Tina reported the variance for Lot 87 needed to be recorded in this meeting's minutes. As a reminder, the potential buyers for Lot 87 had requested a "4-dog" variance, which the Board had previously approved, unanimously, via email, since they are Chihuahuas, as long as the owners have no more than 4 and only that breed. There was discussion that we need to confirm the new owners are in fact the same as requested this variance. Tina will confirm.

Potholes: C.J. requested status on our paving and improving conditions of our roads (e.g., major potholes). We clarified that the roads are now owned and managed by VDOT. A recent paving request was denied as our community was not on their paving budget and schedule. Although not stated directly by VDOT, the reason is likely due to the continued number of builds and large equipment traffic on our roads. The Board discussed strategies, and recommends we send out a reminder to owners on the process for reporting road damage and potholes. The more these cases pile up, the better our case for pavements. We were reminded of the cul-de-sac at the end of Dawning Ct. that was recently repaved due to the persistence of one of our owners. VDOT *only* paved the cul-de-sac, but it was still an improvement for that road.

The meeting adjourned at 6:30pm.

Tina Rulli
President of the Board of Directors for the
Sunrise Bay Property Owners Association