



Sovereign Oaks HOA Board Meeting Minutes (Approved August 2, 2021)

Monday, July 12, 2021
17 Hawberry Court

Attendees:

Kirsten Kern, Vice President
Brad Allen, Secretary
Art Mandler, Treasurer
Mike Newton, Member

Mark Jordan, President was not in attendance
No non-board members were present.

Kirsten Kern called the meeting to order at 11:30 a.m.

Previous Board Meeting minutes (5 May 2021) were approved unanimously.

Treasurer's Report – Art Mandler (see attached for details).

- Overall, the HOA financial picture at this point is in great shape. Here are a few financial reports. We have collected all but one annual dues payment for 2021, Velimesis. I will continue to send invoices. We're doing fine on the budget -- 6 months into the year and we've spent 31% of our allocations. There are a few larger expenses pending for the latter half of the year, like the greenhouse roof and road paving, but we should be on target.
- **INCOME:**
 - HOA Annual Dues paid totals \$147,000. The HOA has collected all annual HOA fees for 2021, except for one lot (Lot # 9, Velimesis) and a small late fee assessment which will be collected upon closing of the sale of the relevant lot, but has also received one delinquent 2020 HOA fee payment. There is an additional \$150 fee imposed in late July for unpaid HOA fees.
 - Other Income: Architectural Review Fees of \$8,250 and Construction Impact Fees totaling \$12,500 have been collected thus far, against projected total income of \$15,000 and \$25,000 respectively for the full year. If the slowdown in building activity continues through the second half of the year, it is likely that Other Income will fall slightly below the budgeted amount. Art expects to end 2021 at about 95% of total income projected for 2021.
- **EXPENSES**
 - At the half-way point of the year, expenses are running at 31% of budget. Large expenses coming due in the second half include a \$6,000 annual insurance premium and one month's landscaping fee of \$1577, due to timing of the payment in addition to repairs at the Greenhouse.
 - Professional and Accounting Fees stand at 50% of budget at the half-way point in the year.



- **2022 BUDGET**

- There was a general discussion of the 2022 budget. Art has asked board and committee members for input on anticipated 2022 expenditures and will prepare a preliminary budget for review and approval at the next BOD meeting.
- Items under consideration for 2022 which were discussed include: separating out trail maintenance from landscaping; moving expenditures for retention pond maintenance from landscaping to facilities; reduced income projections based on expected building activity compared with 2021; and new a expenditure (~\$50/month) to establish a more robust and stable HOA email platform.
- The proposed 2022 budget must be distributed to the entire HOA Membership within the 30-day window prior to the Annual Meeting (scheduled for September 23rd) as required by the HOA by-laws.

Committee Updates

- Facilities – Mike Newton:
 - Matt Kern has indicated his willingness to apply additional road bond along the shoulders of Wandering Oaks Way, extending to the crossroads with Towering Oaks/Trail Top, at an estimated cost of \$1,000. Mike suggested that the Committee double the amount to extend repairs elsewhere as needed. He pointed out that putting road bond down along shoulders will extend the life of the roads, particularly in light of continued construction traffic.
 - The Committee has identified two dead trees in common areas that need to be taken down, one near the mail box turnaround, the other along the trail to the Greenhouse. Bids from tree services were high, so the Committee will endeavor to remove the trees themselves.
 - Asheville Fence came out and “tuned” the recently repaired front gate and it is performing well.
 - The water main connection on Lot # 80 is leaking, causing erosion alongside Wandering Oaks Way. It has been previously repaired by the Asheville Water department. Mike suggested that the recurring leaks are likely due to infiltration by tree roots and suggested that the connection be removed, since this lot was recently bought by the adjacent owners (Lot # 81. Koolen/Monteferrante), who have no plans to build on it. If it becomes an active building site in the future, it can be reconnected and repaired. Mike will follow up with the Water Department and lot owner.
 - Rainfall has delayed the paving contractor (Pisgah Paving) from repairing the roadway near the exit gate. When weather permits, the work will be scheduled. The Committee will establish signage alerting drivers within Sovereign Oaks and the contractor will provide signage outside of Sovereign Oaks.
 - There was discussion about informing HOA members of several items:
 - the need to mow or mulch the right-of-way adjacent to occupied lots;
 - the need to seek DRC approval when removing dead trees greater than 4” in circumference (per Design Guidelines);



- a reminder that contractors working on a property must park on that property, not along the roadway or on another Lot Owner's property;
- while all Committees welcome volunteers, the Greenhouse Committee in particular is in need of volunteers.
- Wood from a downed oak was removed from Lot #30 (Grammatico) and deposited at the top of the pathway along Wandering Oaks Way leading to the Greenhouse. This was done after consulting with the landscape and trails committee chair. However, the size of the logs and their location blocking the path and sitting atop the water main right-of-way are problematic. The board will contact the lot owner to rectify the situation.
- DRC Update—Mike Newton
 - Lot #55 (Tremlett) Mike had a long conversation with Mr. Tremlett about the delays and landscaping issues surrounding construction of his house at 55 Trail Top Drive. After that discussion and following on a BOD discussion last month about the issue, Mr. Tremlett and his daughter both have encouraged the HOA to fine the builder, Livingstone, for delays which have extended construction beyond the 18-month window. After discussion, the board decided to follow up with the HOA Attorney and begin the process of fining the builder.
 - Lot #53 (Hawk/Kring) The DRC has denied the outdoor lighting as not being dark sky compliant. The Lot Owners are objecting to the denial and Mike indicated this disagreement has not yet been resolved.
 - While several Lots are either in the process of breaking ground or in final review, several more have been put on hold due to uncertainty around construction costs and/or availability of crews. Mike indicated that the pause in activity could extend for the foreseeable future.
 - Artie Miller (Lot #93) alerted the DRC and Board that an excavating contractor for Skyrunner was digging underneath Wandering Oaks Way near lot #89 and caused road damage. Mike inspected the damage and the DRC will follow up with Skyrunner.
- Trails & Landscape Update
 - Mulch is now available for Laurel Crest to clean and mulch the front entrance.
 - The Committee is working to clear some of the water retention basins and the road to the lower gate beyond the greenhouse. Mike Newton pointed out that the County can inspect the stormwater retention basins at any time so the basins need to be mowed and maintained throughout the year. He suggested they be cleared out and mowed twice a year. It was also suggested that the maintenance of the basins be put under facilities instead of being part of the landscaping committee as the basins are part of the HOA infrastructure.
 - The Committee has outlined a project to reduce the erosion on the trail up from the greenhouse (behind Lot # 27, Schroder) by redirecting the runoff and applying gravel fill.
- Greenhouse Committee – Kirsten Kern



- The Committee continues to be under resourced, with only four members (Amanda Galvin, Nancy Hoer, Kirsten Kern, Harry Koolen). Keeping up with weeding is a daunting task. Kirsten recommended, and the board agreed, that installing sod instead of applying mulch around the Greenhouse would simplify maintenance. Kirsten will follow up with the Committee.
- Social & Communication Update – Art Mandler
 - The recent Food truck event was viewed as a great success with lots of positive comments. The vendor was pleased with the turnout and willing to return and the Committee is considering doing it again.
 - The Committee has events planned for every month through October, including an ice cream social and a sommelier-led wine tasting.
 - The Social Committee’s increased activity for 2022 will not require additional budget support, Art said. The Committee has decided not to supply beer or wine for future events, but instead will let HOA members BYO.

Annual Meeting

- There was a general discussion about the Agenda and logistics around the HOA Annual Meeting.
- The meeting is scheduled for Thursday, September 23rd at the Riceville Firehouse. Set-up will be at 5:30, sign-in at 6:00 p.m., meeting commences at 6:30 p.m.
- At this time, the Department is not allowing indoor gatherings. That may change by September, but the HOA should be prepared to hold the meeting outdoors, if need be. We currently have the outdoor pavilion reserved but may be able to move it indoors, depending on the Fire Department health guidelines at that time.
- Voting by written ballot will be implemented at the meeting.
- The Board discussed allowing attendance at the meeting via Zoom, as was done last year. While this is viewed as a genuine positive step for Lot Owners currently residing outside of the area, in-person attendance is to be encouraged. In addition, the logistics of Zoom voting and active participation, particularly in an ad hoc, outdoor setting, were problematic last year with poor audio quality. As a result, the Board will only allow in-person or proxy voting, and in person speaking. Remote participants will be encouraged to arrange for a proxy.
- There was a general discussion about potential candidates for the three board seats coming up for election and the need to solicit HOA members to step forward.

The meeting was adjourned at 1:13 p.m.