



PO Box 19722
Asheville, North Carolina 28805

2020 ANNUAL MEETING MINUTES DRAFT

(To be submitted for Approval at the 2021 Annual Meeting)

September 10, 2020 at 6:00 p.m. Riceville Fire Station
2251 Riceville Road, Asheville, NC 28805

- President of the HOA Board Mark Jordan called the meeting to order at 6. p.m.
- Attendance:
 - HOA BOARD: Mark Jordan, President; Rebekah Owings, Vice-President; BradAllen, Secretary; Art Mandler, Treasurer; Mike Newton, Member
 - 44 Lots were represented either in person (27), via Zoom (14) or by signed proxy (3).
 - Valeri Hale, the newly hired DRC Coordinator, was also in attendance as a non-voting guest.
- Rebekah Owings reviewed the format and ground rules for speaking and voting.
- Mark Jordan emphasized the voluntary nature of the HOA and emphasized importance of HOA members stepping forward to volunteer to support the work of the various committees
- The minutes of the previous Annual HOA Members' meeting (2019) were approved without objection
- Committee Presentations with introductions of committee members
 - Facilities – Mike Newton
 - The majority of facilities activity has revolved around soliciting bids for repair of the Greenhouse, installing “private” and “no parking” signs, repair of the front gate, and soliciting bids for repaving and repair of the roadway by the entrance gate.

- Trails and Landscape – Dace Reinholds highlighted the hiring of a new landscaping firm, which began work June 1st. (See attached.)
- Greenhouse Committee -- Amanda Galvin highlighted the landscaping work around the Greenhouse and planning for roof repair. She also indicated that the committee is managing the greenhouse as more of a social gathering venue than a working greenhouse.
- Design Review Committee – Harry Koolen
 - Harry reviewed the work of the DRC and reported that the development currently has 46 completed homes, 15 under construction and 5 lots in active Design Review; 11 lots are listed for sale and 22 lots are currently not under active development. Harry also introduced Valerie Hale, the DRC coordinator.
 - A question was raised about how the DRC/HOA enforces restrictions on tree removal if a Lot owner/developer removes excess trees. Harry described both the DRC guidelines and process of review engaged in with developers before construction commences as well as the fines that can be imposed and remedies the DRC can demand.
- Social & Communication – Julie Brown
 - Due to the Covid-19 restrictions there have been no social events this year. The Committee is developing a “Welcome Packet” for new residents which it hopes to complete before year-end.
 - A question was asked as to whether the Committee has sufficient budget resources as the size of the resident population grows. Mark Jordan indicated that was something the board would look at.
- Presentation of the 2021 Budget - Financial Overview – Art Mandler
 - The proposed budget for 2021 was presented. (2021 Budget is available at sovereignoakshoa.com)
 - Under the proposed budget, HOA Dues will remain the same for 2021.
 - Art highlighted the additional professional fees due to the addition of a paid part-time DRC coordinator and the growth in the reserve fund for repaving the roads within the development in the future. The balance for future road paving totals approximately \$500,000 as of Sept. 2020.
 - A question was raised about legal fees, Mark Jordan said that legal fees were to be discussed as the next agenda item.
 - A question was raised about the possibility of HOA members making periodic payments of the HOA dues instead of having to pay it all at once. The treasurer said the board would discuss the issue.
 - A vote on the proposed 2021 budget was called for (Hoer) and seconded (Brown). The budget for 2021 passed unanimously.
- Update on Legal Issues -- Mark Jordan
 - Lawsuit with WSM Craft is scheduled for arbitration in October. The legal expenses for this issue have been covered by the HOA insurance Policy.

- The majority of HOA legal costs have been driven by disputes with two HOA members, one involving installation of a swimming pool that commenced without DRC approval, the other concerning a lot owner taking the DRC decision against a perimeter fence to mediation and arbitration, scheduled for September.
 - Mark said that both the WSM Craft and the fence issue are expected to be resolved by year-end.
- Presentation of Sovereign Oaks Values and Principals Survey – Artie Miller
 - The survey was the outgrowth of a proposal Artie had made the previous Annual Meeting to develop a statement of Values & Principles for the Sovereign Oaks Community.
 - Both the survey results and a one-page summary were distributed to the community over the summer.
 - Unlike statements of values & principles of many HOAs that the committee looked at which were written by property developers, this statement was organically derived from within the community.
 - The importance of preserving and enhancing the natural environment within Sovereign Oaks emerged as the overwhelming consensus among those who responded to the survey.
 - Amanda Galvin complimented the work of the Committee and suggested that the one-page summary was an excellent example of clear communication.
 - Proposed Covenant modifications –
 - The vote procedure was explained as follows:
 - Each question will be voted on separately.
 - Because an affirmative vote of 67% of the entire HOA membership (67 Yes votes) is required to enact covenant changes and only 46 votes are present and voting at the Annual Meeting, a follow-up ballot reaching out to those HOA members not in attendance will be necessary to enact these changes.
 - A question can proceed to a follow-up vote only if it receives an affirmative vote of 67% of members present and voting.
 - Article VII – Protective Covenants / Section 1 – Residential Use and Rental – Presented by Rebekah Owings.
 - Purpose of the amendment: Clarifies that a “guest house” is subject to Sovereign Oaks Design Guidelines and DRC approval and removes reference to “accessory structures” to avoid confusion of these terms. “Accessory structures” are explicitly referenced in the Design Guidelines (Page 20) so the reference here is redundant.
A question of clarification was raised about the focus of the amendment being on the scope of DRC authority explicitly extending to “guest houses,” but not changing the terms under which a guest house can be rented (12 months). Rebekah replied that the questioner’s observation was correct.

- The question was put to a vote and received 44 affirmative votes, no opposing votes, moving it to follow-on balloting.
- Article VII – Protective Covenants / Section 21 –Leasing – Presented by Art Mandler
 - Purpose of the amendment: To remove inconsistent wording in the Covenants concerning terms of leasing where both 30 days and one-year minimums are referenced in different places. The proposed amendment would increase the minimum lease term to one year and prohibit short-term rentals.
 - Eric Newman stated that he was opposed to the amendment and had been advertising and renting his property out for terms of 30 days and less. He asked that the board consider a six-month minimum instead of a 12-month minimum.
 - Georgia Case expressed objection to the amendment as she wanted to be able to rent her residence to visiting faculty.
 - Roger Gauthier spoke in support of the amendment, observing that he was moving out of the Cheshire community in Black Mountain to Sovereign Oaks because that community had not controlled short term rentals which destroyed the neighborhood ambience.
 - Two other members in attendance (unidentified) also spoke in favor of the amendment. One commenter indicated a desire to know who is moving in and about the community and if short term residents are constantly changing that it would not be possible to know who is living in the neighborhood all the time.
 - It was also observed that monitoring lease terms and changes in residence is not something either the HOA or the board is set up to do effectively.
 - The question was put to a vote and received 37 affirmative votes, 5 opposing votes, and 2 abstentions, moving it to follow-on balloting.
- Article I – Definitions / Section 4 – Common Elements (Shared Driveways) – Presented by Mike Newton
 - Purpose of the Amendment: Change the definition of “COMMON ELEMENTS” to exclude shared driveways located on privately owned lots, thereby transferring maintenance responsibility from the HOA to the individual lot owners.
 - This change would remove the maintenance responsibility for five shared drives from a total of eleven lots. (3/4/5; 43/44; 74/76; 86/87; 9/75) The longest shared drive runs off of Brookside, crossing Bull Creek and the iron bridge to Lots 9 and 75. Some lot owners had requested the change and some others had voiced no objection when consulted.
 - Evie Edwards questioned the impact of the amendment on the shared driveway between her lot (Lot #43) and her neighbor (Lot #44) and whether adequate notice and discussion had been provided.
 - The question was put to a vote and received 41 affirmative votes, 2 opposing votes, and 1 abstention, moving it to follow-on balloting.

- Several voting members departed after this vote.
- Nomination and Voting for New Board Member
 - The floor was opened to nominations for a seat on the HOA Board to replace outgoing board member Rebekah Owings whose term has expired.
 - Matt Kern nominated his wife, Kirsten. The nomination was seconded.
 - Artie Miller nominated himself, the nomination was seconded. Both candidates made brief statements (Matt Kern presented on behalf of Kirsten).
 - A vote was held and Kirsten Kern was elected by a vote of 17 to 15.
- Art Mandler asked residents and guests driving within Sovereign Oaks to please be vigilant in maintaining appropriate speed, reminding the HOA membership that our community speed limit is 25 miles/hour and is posted at the front gate. However, Art suggested that a slower speed would be preferred, pointing out that there are children playing, bicyclists, pedestrians and residents walking dogs along the roads within Sovereign Oaks.
- Mark Jordan raised the question of whether the front gate should be closed over the weekend.
 - It was pointed out that while there is still much construction going on in the community, including on weekends, the gate remains open to allow access to construction vehicle traffic without adding wear and potential damage to the gate.
 - Several members spoke in favor of closing the gate on the weekend to keep “gawkers” and non-resident hikers from bringing vehicles on to the property.
 - Amanda Galvin commented that with children in the neighborhood she wants to know who is driving through the neighborhood.
 - Mike Newton indicated that the facilities committee was investigating the cost and feasibility of installing a remote-control operated gate that could be activated by residents from their cars.
 - Mark put the question before the meeting to get a sense of the membership on the issue. There was a general consensus that closing the gate on weekends would be positive for the community and that a remote-controlled gate would be desirable. The board committed to taking the issue under advisement.

The meeting was adjourned at 8:15 p.m.

**Sovereign Oaks HOA Trails & Landscape Committee Report at Annual HOA Meeting –
September 10, 2020**

Presented by Dace Reinholds

- Current Trails & Landscape Committee membership: Jim Hoer, Matt Kern, Mark Jordan, Dace Reinholds
- Landscape Maintenance Contract
 - RFP process resulted in five bids – contract awarded to Laurel Crest Landscaping
 - Scope of services includes:
 - Mowing -- common areas, frontage of undeveloped lots Greenhouse Trail, lower portion of Musterfield Creek trail, Cemetery trail area
 - Front entrance -- lawn care, turf aeration, weed control, pruning, mulching
 - Drain maintenance – drainage swales and culverts at entrance and both sides along Wandering Oaks Way
 - Off season ride throughs – checking for storm damage, debris on all common areas and lot frontages (in lieu of mowing)
- To complement the work being done by Laurel Crest, resident teenagers have been engaged to work on a couple of projects: cleaning up the detention basin areas (as required by County ordinance) and maintaining the Musterfield Creek trail
- Several Ad Hoc Volunteer Activities -- which are greatly appreciated, for instance:
 - Jim and Nancy Hoer, Derrick Galvin and others have taken on several ad hoc projects, particularly in maintaining the two trails, along Bull Creek and Musterfield Creek
- Front Entrance
 - With the helpful assistance of Amanda Galvin and Nancy Hoer, we have come up with a plan for the front entrance -
 - to move some of the plants that have grown into each other, and also divide and replant others. I hope to get a workgroup together in October to take on this task, to enhance the attractiveness of the front entrance area. We have a plan, what we will need is manpower -
 - if this is of interest or if you have any questions, please let me know.
- And finally, the Greenhouse Committee
 - The Trails & Landscape Committee organized the initial meeting of the Greenhouse Committee -- and they have taken off, doing a great job. A report from Amanda will follow.

But first, I do want to announce that

- I will be rotating off the Trails & Landscape Committee as of January.
- I know there are many wonderful people in Sovereign Oaks who would be outstanding assets to the Committee -
 - I do hope you will come forward and volunteer

Thank you -- and I'll turn it over to Amanda to report on the work of the Greenhouse Committee

Greenhouse Project Summary
Presented by Amanda Galvin

Committee members:

- Harry Koolen, Chair
- Lori Schroeder, co-Chair
- Amanda Galvin, Secretary
- Nancy Hoer
- Kirsten Kern
- Cheryl Jordan

Mission:

To create a place of beauty for the community. A place to have social and family gatherings; for residents to grow flowers and vegetables in the raised beds, or to spend a quiet moment in this lovely part of our neighborhood.

Completed and Ongoing:

1. There has been a lot of weeding done but it is an ongoing process-both by hand, and by torch burning.
2. The large corrugated culverts have been moved in to a grouping and are planted with herbs and flowers. We welcome family participation with the plantings.
3. There has been quite a bit of mulch spread on the hillside above the greenhouse, as well as around the raised beds. We have placed cardboard under the mulch where possible to mitigate weed growth.
4. We have received a large amount of mulch from Dan Grammatico and another neighborhood site and will continue to spread this where needed.
5. The lower pathway from Wandering Oaks to the greenhouse was regraded by Matt Kern.
6. The pathway from the greenhouse to Muster Creek was cleared by Matt Kern also. (We are extremely grateful for his help and could not have accomplished these things in such a timely and cost efficient way without him, as well as the difficult labor involved.)

7. A 'Little Library' box has been placed at the top of the stairs by Derek, Lily, and Maggie Galvin, and Jim Hoer. We will be deciding on the first books for borrowing, but will be for both adults and children.

Pending

1. The new greenhouse roof- post and beam. The grass seeding and some of the hillside planting will be done after the installation of this.
2. Cleaning the roof of the greenhouse prior to new roof install.
3. New plants on the hillside above the greenhouse. Along with the existing plantings, we plan on adding shrubs and flowers that are native pollinator friendly, i.e., native azalea, winterberry, service berry, milkweed, sweet shrub, sweet pepper bush, spicebush, witch hazel, Echinacea, coreopsis, phlox, goldenrod, etc. This list is not comprehensive, and subject to availability and discovery of other complementary plants.
4. Compost for the hillside plantings.
5. Topsoil and grass seed mat on the level area around the west side of the greenhouse from the drive entry to the picnic/BBQ, and to just beyond the raised bed and pathway to Muster Creek. The rest will be mulched, except for the gravel path from the stairs to the west door.
6. Removal of old culverts in Muster Creek at the end of the newly cleared pathway.

Future projects

1. Bush-hogging and cutting the larger invasive plants.
2. Moving some of the Rhododendrons on the west embankment to the level perimeter above so that they can be better seen.
3. Some games and/or recreational equipment, i.e., corn hole or badminton.
4. A small library inside the greenhouse: gardening, native flora and fauna