

Regime 1 Meeting – January 30, 2022

2 pm at the Yacht Club

Board Members Present: President Jay Thompson, Vice-President Vaughan Clarke, Treasurer Judy Troup (via Zoom), Secretary Cathy Miller, Elizabeth Wall, and Lonnie Jones. Carol Mason McMeekin was absent but Cathy Miller had her proxy.

President Thompson called the meeting to order at 2:07 pm and welcomed all those attending in person and via Zoom.

Spectrum Presentation: Jennifer Zellner, a representative from Spectrum cable/internet service gave a lengthy presentation and answered homeowner's questions about their proposal. The proposal, which needs 100% participation by the Regime, consists of cable and internet services for \$52 per month with a price freeze for the first two years and only a 5% increase each year for the duration of the 5 year period. The Board, within its powers, would be raising our Regime fee by \$52 per month but the homeowners would no longer have a cable/internet bill. Spectrum will provide 215 cable channels and internet services with any additional services such as premium channels like HBO and Showtime and VOIP phone service being billed directly to the homeowner. Vaughan Clarke made a motion to accept the Spectrum proposal which would raise our Regime fee by \$52 per month; seconded by Lonnie Jones; motion passed unanimously.

Approval of Minutes: Secretary Cathy Miller presented the minutes from the November 21, 2021 meeting for approval. As the Board members had received the minutes previously, there were no comments or questions. Lonnie Jones made a motion to accept the November 21, 2021 minutes as presented; seconded by Elizabeth Wall; motion passed unanimously.

Financial Report: Lonnie Jones gave the financial report as our Treasurer, Judy Troup, was on Zoom. He stated that as of December 31, 2021, we have \$22,107.63 in our First Citizens checking/savings account and \$173,428.51 in our First Citizens Reserve Account for a total of \$195,536.14. Our accounts receivable stand at \$1,848.49. Other current assets are \$8,018.92 which gives us a total of current assets of \$205,403.55. Vaughan Clarke made a motion to accept the December 2021 financial report as presented; seconded by Lonnie Jones; motion passed unanimously.

Old Business: President Thompson spoke about our ongoing issue with enlarged decks. We sent out a ballot asking the homeowners to allow us to amend the Master Deed, which was written in 1974. This would require a 100% positive response and we have only received 61 out of 72 votes back so it would be pointless to tally them. Lonnie Jones proposed that the Regime Board allow decks to be constructed within specific rules and guidelines (size, permits, not to be attached to the building, etc.) and approved on a case by case basis while we continue to get a more definite legal opinion on our ability to do this. It may take as long as 3 years to get a definitive answer. If the answer is that we cannot allow enlarged back decks, then the homeowner will need to remove the deck at their expense and bring it back to the size allowed by the County code. A

homeowner asked who would check to see that the construction of decks was being done according to the approved guidelines? President Thompson stated that we have 6 members on our maintenance committee and they will be making sure all guidelines are adhered to. Lonnie Jones added that this seems to be the most fair and equitable way to go about this. Any homeowner wanting to enlarge their deck will have to sign a waiver showing that they understand that in the end, they may have to remove their enlarged deck.

On the subject of our roofing situation, President Thompson gave an update. We have a new local attorney involved. We have found out that Butler Roofing had subbed the project out to Roof-Tek so now we can make a claim for negligence and faulty workmanship against Butler and we can initiate a claim against Roof-Tek's insurance. The attorney has sent letters out to the insurance companies. Aztec Roofing is going to be going into each unit to check on any work that has or has not been done or if there are any other leaks that we don't know about. They will prepare a proposal for repairs including rotted wood, vent pipes, ridge vents, and any other damage they may find and send it to our manager. A question was raised if Butler has the assets for such a claim. President Thompson explained that this is not a lawsuit against Butler but rather a claim against their insurance company. Our attorney is confident that the insurance companies will most likely make an offer and that one company is already prepared to make an offer.

Next on the Agenda was our stucco/fascia/trim project. We had quotes ranging from \$500,000 to over \$2.5 million. The only one that is feasible, which is from EBS (Exterior Building Surfaces from North Charleston), for us is the \$500,000 proposal which includes repairing and coating the stucco and replacing rotted trim work. The Board has decided to go forward with this proposal. First EBS will pressure-wash all the buildings, repair all the cracks and bulges, apply one coat of Solar-Guard primer and then apply two coats of a sealer. Color choices for both the stucco and the trim will be made by a committee. Samples of available colors will be put on a few walls for everyone to see before the painting process. Since the frames of our windows are dark brown, we are somewhat limited in our color choices. EBS will also repair metal flashing along the roof line which could allow water to exit and go under shingles. They will complete one building at a time before starting on another building. They will also be hooking up to your water and they will also need to plug into your electrical outlets. The workers will be on site from 7:30 am to 5 pm for approximately 5 to 6 months. A homeowner asked if there will be an assessment. President Thompson stated that we are doing our best to complete this project without an assessment to the homeowners. We will be financing the project with a bank loan which will be \$5,382/month on a 10 year note which our building maintenance budget and some reserves should cover. EBS will be doing inspections by their licensed engineer weekly who will prepare reports for us weekly. There is also a water-proofing specialist who works for EBS who will be the project manager and will be here every day. EBS is currently working on a hospital in Timmonsville and it will take 6 to 8 weeks just to get the product (primers/coatings) here and they have about 4 to 5 weeks left on the Timmonsville project. It was explained that EBS will decide in which order the buildings will be done. A question arose about what type of wood we will use on the trim and President Thompson said that EBS will give us a price between wood or a composite before they

begin. We are also asking them to give us a quote to do an annual pressure washing to maintain the new surface. After further discussion, Vaughan Clarke made a motion to accept EBS's proposal for treating/painting our stucco and repairing/replacing wood trim on all 20 buildings in Regime 1; seconded by Lonnie Jones; motion passed unanimously. This was met with a round of applause.

New Business: President Thompson introduced Chris Hawkins who will be doing small maintenance jobs for Regime 1. He works for a local contractor full-time and will do work for Regime 1 in his spare time. He lives here in Regime 1.

President Thompson spoke about our new property manager, Patrick Willoughby, and Jay is very impressed with him. Pat is very aggressive and hands on. He originally worked at True Blue with 400+ units and now he's dealing with the Yacht Club and 5 different Regimes. It will be an adjustment period for him and us.

Homeowner Comments: A homeowner questioned the cost of our property insurance which she felt went up astronomically. She mentioned her son's home in Rock Hill whose insurance was 1/3 of what we are paying. President Thompson explained that we may have put our insurance out to bid a little late and next year we will be putting it out to bid much earlier. David Jones, a homeowner in Regime 1 and who is in the insurance business, will be on this committee and we will be more aggressive next year. Lonnie Jones also explained that there were some significant loses along the coast which also increased everyone's insurance this year. Vaughan Clarke added that our insurance does include wind and hail which a lot of houses around here do not have.

President Thompson thanked Sheila Edwards for the wonderful Regime 1 newsletter that she puts out every month. This was met with a round of applause. She has also provided us with some goodies at each meeting.

Adjournment: There being no further comments or questions, Lonnie Jones made a motion to adjourn the meeting; seconded by Vaughan Clarke; motion passed unanimously and the meeting adjourned at 3:52 pm.

Respectfully submitted,

Cathy Miller, Secretary, Regime 1