

**Avalon Homeowners Association
Annual Meeting
December 2, 2014
Minutes**

Board Members Present: Dan Detman, Frank Trotter, Joel Emmett, and Michael Rader.

Not Present: Paul Brown.

Meeting was called to order by Michael Rader at 6:30 p.m. at the Seniors' Activity Room in the Civic Center in Daphne. He stated that the minutes from the 2013 Avalon Annual Meeting (12/02/2103) and 2014 Avalon Mid-Year Meeting (06/09/2014) were approved by the Board and open for discussion by any homeowners. (No discussion followed, and minutes stand approved). *There was no quorum for this meeting at the time the meeting was called to order.*

Officers' Reports:

Special Events Officer Report for 2014 (Joel Emmett):

Community Yard Sales—Weather issues caused a change of the May yard sale from May 10 to May 17. A second Avalon yard sale was held on November 1. Excellent weather yielded a large number of potential buyers.

Belforest Volunteer Fire Department Kids' Day—August 24, the Belforest VFD came to Avalon, and more than 50 Avalon residents turned out for this event on the Commons. This was an excellent opportunity for residents to "meet and greet" members of the Belforest VFD, and see the equipment the VFD brought over. Our thanks go to Diana Spillman, one of our residents, for her assistance in coordinating the event!

Yard of the Month—How the Yard of the Month works: 1) The community is divided into 5 specific geographic areas. 2) Board members submit one residential candidate from each area. 3) External judging teams select 1 residence from the 5 submittals as the winning Yard of the Month. 4) Winning yards are not eligible for repeat wins in the same season, and 5) The contest runs May through September each year.

For 2014 season, the YOM winners are: May—Shackelfords, June—Bryans, July—Shipmans, August—Audets, September—Dugas'.

Some statistics for the YOM for 2014—1) We had a total of 17 different residences submitted over the 5 months of the YOM competition this year, 2) With a total competition base of 123 developed lots, 14% of the lots were submitted by Board members for final determination, 3) The 5 winners were selected and recognized, and 4) The Board expressed sincere thanks to all the residences for their participation in the YOM contest and making Avalon a better place to live.

Annual Christmas Decorating Contest—The HOA BOD has decided to hold this contest every year. Additional details for the 2014 contest will be forthcoming soon, with an "email blast" as well as information being available on the Avalon website under "Upcoming Events." The competition runs from December 14 to December 20 from 6:00 to 9:00 p.m. each evening. External judges have been lined up and the Board expresses our hope that each resident will consider participation in this event.

Secretary's Report for 2014: No Secretary is presently in place and no report was given.

Treasurer's Report for 2014 (Dan Detman):

Dan reminded residents that dues have been increased for the coming year to \$325.00. This increase was necessitated because of the 2 major flooding events that happened during 2014. While the remediation for the flooding events has not yet been completed, the Board estimates that the total cost for this will be about \$28,000.00, which is 96% of our "Surplus/Reserve Fund." (This fund was set up several years ago to be 75% of our annual dues, as a cushion for catastrophes). Having this Reserve Fund means that we will not "go in the red" this year, and we are not anticipating a "Special Assessment." The Board anticipates that we will have to maintain this level of dues for the next 2-3 years so that the Reserve Fund gets back to its necessary level. The Board will continue to review this issue yearly, and if a change is warranted, it will be made. Flooding has been our biggest cost this year. We do carry Liability Insurance for the HOA, but we do not carry insurance for all of the "Structures" in Avalon. Therefore, we are "self-insured" on these, which includes the underground drainage system not on the streets. We submitted two requests to FEMA for funding, however, these were rejected. Through this process, we realize we are going to have to have periodic maintenance on our detention ponds. We do not have bids on the cost of this process yet, though the Board is working on getting bids in place to proceed when needed, and we will have to budget for this going forward. Our major expenses each year are Lawn Maintenance (\$17,000 approx. 48% of budget) and Utilities (\$5,800 approx. 16% of budget). While our budget for the coming year looks like it will be in the red for the coming year, we do still have some Reserve Fund left, and with the dues increase, we anticipate this will sort out in 2-3 years.

Dan opened for questions about finances. Jerry Davis asked how many lots were presently in arrears in their dues. Dan responded that there is one lot, Lot 10, previously owned by the Browns and now abandoned for over a year that is in arrears something like \$1,500.00. This house is for sale by the bank that owns it.

Michael commented that Coastal Landscape that presently has our contract is by far and away the least expensive of any companies that have given us bids. Dan stated that while we have had some problems with Coastal in the past year, they are working to resolve these issues with their crews, and we will continue to use them in the coming year.

Paul Hamilton asked Dan to clarify the amount of money we anticipate spending on detention pond remediation. Dan stated that we have paid some money this year (approx. \$19,200) and we anticipate paying another \$8,000 in 2015.

No further questions of the Treasurer.

Architectural Review Officer Report for 2014 (Frank Trotter):

Frank thanked residents for sending in the ACC forms and reminded residents that if they have changes to make to the outside of their property to please send in an ACC form detailing the work desired to be done to the Avalon Neighborhood email account and the form will be returned promptly. He also stated that there are 3 major issues that come up frequently in the neighborhood.

- 1) Residents blowing leaves & grass into the street or gutter. This clogs up our gutter system and costs us all more money in the long run.
- 2) Residents leaving their trash cans in plain sight from the street instead of being hidden from the street, behind a bush, in the garage, etc. and must be out of sight by Thursday evening of each week.
- 3) Residents parking Boats, RV's, and trailers in their driveway longer than 72 hours. If a resident has a need to keep a boat, RV, or trailer in their driveway longer than the 72 hours because of some unforeseen circumstance, please email the Avalon Neighborhood email account detailing the

special need, and requesting an extension of time. These extensions will typically be granted and keeps neighbors much happier with one another.

Vice-President Report for 2014: No report given as Paul Brown was not present.

President's Report for 2014 (Michael Rader):

- Please be a good neighbor. Help them with their trash cans, be careful about how much noise your pet makes, etc.
- We developed a ***Common Area Use Agreement*** this year. This agreement basically spells out what the requesting resident is responsible for and what Avalon is not responsible for. This agreement is only to be used if someone needs the Common Area for something out of the norm, such as a wedding reception, or a birthday party. The Common Area Use Agreement must be submitted at least two weeks prior to the date needed. The Common Area Use Agreement is available on the Avalon Website.
- Also, Michael reminded users of the common areas to be considerate of those residents who live near the common areas.
- Golf carts only are allowed on the grass in the common areas.
- Please pick up after your pets if you walk them in the neighborhood and common areas.
- Michael stated that we have had some vandalism to three of our signs during the last year, two of the signs being obviously destroyed intentionally because of the BB's in the signs. Please let the Board know if someone is seen damaging a sign.
- Michael reiterated Frank's statements about Boats, RV's, and trailers being left in the driveway for longer than 72 hours. Michael said that if the Board knows of a resident's need, it can help diffuse any potential misunderstandings with other residents. When the Board does not know in advance, it invariably puts everyone "behind the eight ball" trying to sort things out. When questioned by Richard Burnam about RV's in the driveway, Michael stated that any complaints that are called in or emailed to the Board are investigated and addressed in some fashion and in a timely manner. Also, he stated that RV's are to be out of plain sight from the front view of the house from the street.

Committee Reports:

Welcoming Committee (Dan Detman): 15 new residents came into the neighborhood during 2014. Clarification was made that all of these are new owners. We do have some new renters in the neighborhood in the last year, but Dan does not count them, since the "owner of record" has not changed.

Communications Committee (Dan Detman): If anyone has any communications issues, please let Dan know. Also if there are website issues or content residents would like to see, please contact Dan. Dan also reminded people that the website is maintained by a "third party." We do not control passwords, so if a password is lost, one must get a new one from the web company.

Pond Committee: Michael stated that while the main front pond has been a point of emphasis in the past, during 2014 nothing additional was specifically done to maintain this pond, as the detention ponds ended up requiring so much of the Board members' time. However, Michael stated that the front pond seems to be healthy, and attention will be given to it as needed going forward.

Special Orders (Business previously designated for consideration at this Annual Meeting):

Flooding/Drainage Issue (Dan Detman): We have had 4 problems with drainage and flooding this year.

- 1) Get the silt that is in the box behind the main pond cleaned out, so that it does not back up on Halcyon. We have figured out now what needs to be done, but the work has not been completed as of this meeting.
- 2) In the back yard of Lot 87, there was a breach in the culvert so that there was a wash-out and opened a sink hole. Because this is a part of the drainage system that is Avalon's responsibility (the back drainage system not on the street along this section of houses). We had this repaired relatively inexpensively and is functioning as intended as far as we now know.
- 3) The Upper Detention Pond—Admittedly, no attention has been paid to the detention ponds by any Board to this point. However, the upper detention pond has been filling up with silt, vegetation, trees, etc. over the last several years. With the buildup of the silt in the drainage line, and with the rain events that we had this year, there was not enough room in the pipes to carry the massive amount of water from these rain events, with one result being that the junction box behind Lot 94 "blew out" and broke the seal on this junction box. We have been able to repair the junction box, and most of the upper detention pond has been cleaned out. This project is not 100% complete because we are not 100% satisfied with the work the contractor (Jamie Belen) has done on this and we are waiting on him to come and complete this project.
- 4) The Lower Detention Pond—This proved to be the biggest problem of the four, and it has not been remediated yet. The rain event/s, combined with the contour of the Lazzari farmland (sloping southwest) caused "nothing but a slew" and created a wash out in the Gifford and Sullivan properties in Avalon and continued on through the lower detention pond and on to the wetlands area to the west of the lower detention pond. Also, our neighbors in Sedona Subdivision had a berm to breach also causing water to overflow into our lower detention pond and then on to the wetlands. There is still a lot of debris in the lower detention pond. We have not completed this project at this time. We are waiting on word from Mr. Lazzari, as the Avalon Board has tried to communicate with him. The Board is trying to arrange to get all the principals involved (Avalon HOA Board, Avalon Homeowners affected, Mr. Lazzari, and the Sedona Representative/s and attorneys) together to sort out a remediation process of the run-off from Mr. Lazzari's land. We have a contractor lined up who is going to remediate the lower detention pond, rebuild the berm in Sedona, and put the dirt back on Sullivan/Gifford properties that was lost in the washout (at their expense). The Board's plan is to get this pond back to the original specifications, even though there is evidence that the lower detention pond was not initially dug out to those original specifications (Dan stated, and was affirmed by other residents that there is an "island" in the lower detention pond that has clearly been in the lower detention pond for years). We are also negotiating a % of shared cost with Sedona on the remediation of the lower pond as their principles have admitted that it's "their dirt" in our lower detention pond, though that final % has yet to be determined.

Dan stated that to the best of our knowledge at this point, Avalon's maximum exposure on these projects is approximately \$27,000 and clarified that this would only fix the damage, and not the cause. The cause (run-off from the Lazzari farmland) has yet to be sorted out at this time.

Dan stated that we have had a problem with the beavers along the Caney Branch, but at this time, it does not appear the beavers are causing a problem, though we will always have to be aware that they could come back.

Dan reiterated that now that we know about the 2 detention ponds, our plan is to have ongoing maintenance on them on a regular basis. He also made sure that residents knew that the weir box is functioning and is not occluded, though the pond may not be 100% functional until the remediation is completed.

Paul Hamilton asked if Avalon is helping to pay for the remediation of the Sullivan and Gifford properties. Dan answered that we are not as we cannot expend HOA funds to help individual homeowners with specific problems that are not caused by Avalon.

Jerry Davis asked if we have an idea of how much the yearly cost of maintaining the detention ponds will be. Dan said that we do not have that figure at this time, but it will come once the remediation project is completed. Our initial indication is that it can be done with a “walk-behind weed cutter” and heavy equipment will not have to be used. We have no dollar amount estimate yet though. We are probably looking at having to do this at least once and probably twice per year.

Dan restated that we are trying to get all the principals involved together so that any kind of litigation can be avoided. Paul Hamilton, once again, proposed that Avalon pay for or help pay for the Gifford remediation “since he is nice enough to let us come on his property to get to the lower detention pond.” Mike Gifford said that his biggest issue is that we are not addressing the cause of the run-off and he stated that every time it rains there is run-off through his property. Dan said that this was why no remediation would be completed on the lower detention pond until that situation is dealt with in the meeting with all the principals that we hope to have very soon.

Van Stephens asked if Mr. Lazzari built a 2-3 foot berm along the western boundary of his property, would that help with the run-off. Dan answered that, yes, this was what we had suggested to Mr. Lazzari’s attorney. We see our biggest question with this is that if this berm is built, will it go to Sedona and cause them problems. Michael Rader stated that this one issue has demanded the most attention we have ever had to spend on any one thing, especially over the last 2-3 years as a Board. He also stated that there was some minor encroachment on the wetlands area with the rain event pushing dirt/silt that way, it has sorted itself over time, and if we tried to do anything now with it, we would cause more problems than we would solve.

New Business:

Election of New Officers: At this time, the Board of Directors of the Avalon HOA is in need of at least one person to fill the role of Secretary and perhaps a second new Board member. Michael stated that our Board has been extremely active lately to deal with all of needs of the neighborhood. Michael asked if anyone was interested in volunteering for Avalon Board service. Paul Hamilton said he would volunteer. However, it was brought up that Paul’s house is on the market, and this fact precludes him from serving. Michael stated that one of our residents, Shonda Carney, has volunteered to fill the position, though she could not be here at this meeting. Because we do not have a quorum, we cannot elect Shonda tonight. However, the Board has the authority to appoint her, according to our Covenants & Restrictions/Articles of Incorporation, and will proceed accordingly.

Rentals (Joel Emmett): Joel introduced the topic with the approach that what he wanted to discuss was simply “Food for Thought”. He mentioned that it’s natural over time that to some degree owner occupied residences transition to rental premises in an HOA community. He stated that thinking about this raises the

question “is there value in considering a threshold cap on the number of rentals allowed by statute within the community?” He said that from a process perspective, the item would be subject to community vote following more detailed discussion and Q&A. He clearly communicated that no action is expected to be taken here tonight; however, the Board is interested in hearing Avalon residents’ thoughts and getting their feedback.

After a general discussion of this topic that was generally quite negative towards the idea “capping the number of renters allowed as some % of total residences in Avalon” and at times even combative towards this proposal, Michael Rader asked for one from each family represented at the meeting to give a show of hands in favor or against pursuing this issue any further. Of the approximately 20 households at the meeting, not including Board members, 14 of these did not want to pursue this issue any further.

Good of the Neighborhood (Announcements/Suggestions):

- 1) Mark Engelmeyer said he was pleased with the work that Jonathan Spotswood did in cutting back his trees, and also wanted to tell everyone that he appreciates everyone who do go the speed limit through the neighborhood. The speed limit is posted as 25 mph.
- 2) Bob Parsons in Lot 41 said that the person the Avalon Board is considering for Secretary had surgery today.
- 3) The Magnolia trees along County Road 54 are to have their lower limbs trimmed soon and this will help with visibility coming out onto CR 54.
- 4) Van Stephens in Lot 3 said that we should get bids together for similar work that residents need to have done and this could get us better pricing. Michael said we should use the message board on the Avalon website to recommend good contractors. The Board tries to stay neutral on various companies—good or bad. Dan said that we could send out an email blast to help with teaming up with various projects needed around people’s houses, but as a Board, we would not recommend anyone.
- 5) Ralph Stemp asked why we gave in to the Utilities Company who told us to take down the fence around the electrical boxes at the “T” in the front of the Subdivision. Jerry Davis said that the issue is most likely that the fence prevented them from seeing the numbers on the front of the box and this is critical for them to be able to see the numbers. Michael stated that on the day the Utilities company asked us to remove the fence, they were actually replacing the numbers on the box.
- 6) It was brought up that if street lights are out in the neighborhood, that anyone can call Riviera Utilities. However, before placing the call, one should get the number off the pole to help the utilities company properly identify which light and what type of light needs replacing.
- 7) There was a brief discussion about doing some “beautification” around the electrical junction boxes. However, residents were reminded that the Riviera Utilities still needs to have its access to see the numbers of the boxes, which is at least 5 feet away. As far as the box at the “T,” this box is closer than 5 feet to the sidewalk, which leaves us in a bind.

Michael Rader adjourned the 2014 Avalon Annual Meeting at 7:50 p.m.

Approved:

Michael Rader, President

Frank Trotter, Acting Secretary for Annual Meeting