

Keys at Kure Beach Homeowner's Association Minutes

November 8, 2022

10:00 AM Clubhouse and via Zoom

Present:

Board Members: Russ Timmons, Eve MacCurry, Frank Watkins, Nancy Brickman

Office Staff: Grace McGee, Kim Gargiulo

Owners: Mark Bennett, Peggy Fisher, Wayne Van Dyck

Network Realty Management: Kevin McKoy.

Board actions taken since the last meeting:

- 11/03/22 The Board approved the minutes for 10/11/22
- 10/20/22 The Board approve the storage unit at in the driveway at 620 Sloop Pointe Lane
- There is another storage unit request pending on Kure Village Way

1. Introduction of Kevin McKoy, Network Realty Management

Kevin began by thanking the Board for hiring Network Realty Management to assist in managing the homeowner's association. He explained that his role was primarily rules enforcement. It was a little different from other relationships that Network has with other homeowner association in that finances and accounting would be handled in house by Grace McGee and Kim Gargiulo. Kevin asked that association members be asked to address their questions and concerns to Kevin and his staff rather than to board members and office staff. He said that 9 out of 10 questions he and his staff would most likely have the answers for. He stated that any policy decisions would be resolved by the board. He said that the preferred method of contact was by email. It was also discussed that members complete forms designed by the past board to make requests so that there would be a paper form on file.

2, Financial Report

Grace McGee gave a detailed financial report for the benefit of the new board members. She reviewed the following:

- Listing of checks written in October 2022
- The 2022 year to-date P&L compare to the budget and last year
- The October balance sheet with a previous year comparison
- A listing of owners with overdue balances

Grace also provided a list of owners who still owe dues. The owner who owes the largest sum has promised to pay the full amount shortly. A second owner with an overdue balance from unpaid dues, late fees and fines for not providing proof of insurance will be contacted to attempt to resolve the non-payment issue. If we're not successful, we will notify the owner that a lien will be recorded if payment is not received within 15 days from notification.

3. Insurance

One owner has not produced proof of insurance. A discussion was held to come up with a strategy to force the homeowner to acquire insurance and show proof. The discussion included how an owner refusing to get insurance violated the covenants of the homeowners' associations rules. In addition, since our townhomes are attached, the owner who refuses to get insurance is placing his neighbor in jeopardy.

Mark Bennet suggested that the HOA take out insurance for the delinquent homeowner. Kim Gargiulo informed the group that this had been tried; however, insurance companies refuse to allow an entity which did not have an insurable interest in the property to take out a policy. Further discussion involved the suggestion that in the interest of transparency, connected owners should be informed about an owner's lack of insurance. It was also mentioned by Wayne Van Dyck that the board may have a fiduciary responsibility to do so. It was resolved that the owner would be invited to attend a closed session at the next board meeting to show cause as to why they were not providing proof and to inform the owner that continued failure would result in the fine being increased to \$100 per day if proof was not provided within 30 days.

Nancy mentioned that another home owner, who was asked to produce proof of insurance at the beginning of 2022, did not produce the proof until recently. He had been fined \$50.00. The owner is requesting that he be refunded the fine since he had produced the proof and had the insurance all along. The consensus was that this fine should not be returned to the owner since he had taken so long to show the proof.

A discussion about how owners are informed about the need to show proof was held. Kim explained that she emails and calls owners to make the requests. Kevin said that the management company will email and send letters through USPS in the future.

4. Pond

The next issue will be to remove sediment from the pond. Lollo is working on obtaining estimates for the work. The town is using a street sweeper more frequently on our streets to keep sand from blowing into the pond and adding to sediment buildup.

Bruce Yergler is going to have Dragonfly Pond Maintenance send its monthly reports to Frank in the future.

Frank brought up the fact that there are children fishing in the pond. A discussion was had about what to do about that including reaching out to the Kure Beach Police Department. Nancy heard reports that the alligator living in the pond has grown.

5. Architecture

No new change requests submitted. Nancy mentioned that there is roof damage on the back of the unit at 628 Settlers Ln. Russ asked if it's within the Board's authority to monitor unit exterior's. Nancy said it is per the by-laws. Nancy will send pictures to Kevin who will contact the owner.

6. Landscaping

-Irrigation

Malin Irrigation is continuing to refurbish our irrigation system which is in need of repair because it has fallen into disrepair over the years. They completed winterizing the system and turned water off for the season.

-landscaping

Peggy Fisher raised a concern about palm trees. While acknowledging that many in the community believe that palm trees add a tropical dimension to the neighborhood, the seed pods which fall off the trees can become a trip/slip hazard. Nancy said that she had a similar point of view, and believed that Fitness Tree Service had pruned the palm trees at the wrong time before the pods fell. We should consider changing the time that the palm trees are trimmed next cycle.

Sam's Lawn Service contract is expiring. It is believed that the cost of the existing service is going to increase however the scope of work for Sam's needs to be revised and cut back where it overlaps with Fitness Tree and Tru Green's work. There was also some concern about the extent and the need of mowing in the winter months. Kevin was asked if he could suggest some other lawn services which we could explore. Kevin agreed, and suggested Stratus Landscaping as a possibility.

Russ discussed the area behind his house and several others on Sloop Pointe Lane which has no grass. In fact, the area is partially sandy and does not get sufficient sunlight. Russ doubts that any grass can grow back there because of the tree cover. Sam's wanted an estimated \$1600 to put topsoil and seed back there; however, with the tree cover, Russ felt the grass was unlikely to grow. Nancy mentioned that we need to be careful with cutting trees as the removal of a tree in another yard led to flooding.

-sinkholes

Lollo, Ken Richardson, and Russ met with representatives of the town. the delegation was able to express the HOA's concerns about the sinkholes, and how they were affecting the retention pond as well as posing a safety concern. The representatives of the town agreed to look into the matter. Town employed workers are currently taking videos of the pipes and will supply these pictures to the board. It appears that concrete is breaking up. The sinkhole by the oak tree is believed to have been caused by buried contractor debris. This sinkhole is a hazard, and may eventually cause the unfortunate removal of the tree.

-storm water mitigation

The three major areas of concern have been remediated. Ken Richardson is looking into new areas of concern.

6. Other

• Discussion about contract with TruGreen

There had been some questions about TruGreen and whether or not the company had provided service to the Keys on 10/23/22. No one had seen them and there were no signs posted indicating that the service was provided. Russ had arranged for the service to be provided this week. As the meeting was going on, it was learned during the meeting that TruGreen was providing service, at the time the meeting was going on, to yards on Sailor Court which are not in the Keys. It became apparent that this was what had happened on 10/23/22. Ike at TruGreen was contacted and the problem was rectified. TruGreen provided service today, 11/8/22. The problem appears to have been resolved.

• Termite inspection

Canady has sent the reports of their inspection. Grace and Kim will forward the report to Kevin. Russ had a concern about one unit that Canady was unable to inspect because of hanging insulation. The cause of the disrupted insulation is, at present, unknown. However, possible causes were discussed such as water damage or vermin infection. Nancy had concern about how much control the board has over what owners do or do not do under the house since it is not seen publicly.

The next Board meeting is scheduled for December 6, 2022 In the clubhouse and on Zoom at 5:00 PM