

**SALT POND HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
September 16, 2011**

ATTENDEES:

Board Members Present: Tom Anfinson, Jim Beachboard, Gerry Buckley, Fred Chiccone, Chuck Gularson, Bill Johnstone, Jeff Rupprecht, and Loeda Stango

- Homeowners Present: Wanda Beachboard, Bob Buckley, Frank Dininno, Chuck Gates, Chuck Young
- Golf Course President – Jim Kennedy
- Community Manager – Mary Davis
- Finance Manager – Wendy Parker

WELCOME AND CALL TO ORDER OF SEPTEMBER HOMEOWNERS MEETING:

Gerry Buckley, President, called the meeting to order at 2:01 PM.

APPROVAL OF MINUTES:

A motion was made by Fred Chiccone and seconded by Tom Anfinson to approve the August 2011 minutes. The Board unanimously approved the minutes.

TREASURER'S REPORT:

- The Year-to-date (YTD) revenues were \$720,605.85. YTD expenses were \$430,553.77, or \$45,379.23 better than budget. Actual expenses for all major expense categories were more favorable than the budget. When \$37,188.68 in Other Income is added, the Net Income is \$327,240.76 compared to the budget of \$263,047.00 or \$64,193.76 better than the 2011 budget. Later in the board meeting, the Treasurer will recommend that the board increase the contribution to reserves by either \$11,500 or \$16,500 per month for the final four months of the year.

MANAGEMENT REPORT: Mary Davis

I. PROPERTY MANAGEMENT

A. Building Maintenance

Best Aquatic had to replace the Hayward North Star motor in the spa which burned out just prior to the Sept. 6 opening of the indoor pool/spa. Total cost for the motor and labor is some \$800. The damaged motor is being evaluated at a repair shop in Rehoboth to see if they can determine why we needed to replace the motor after only a year and half. The motor had a one-year warrant.

Best Aquatic had the lowest bid of \$41,732 for replastering and retiling the outdoor pool and baby pool. The Recreation Committee Sept. 14 recommended that their bid should be accepted. Pools and Spas Unlimited, Milford, DE submitted a bid of \$51,224 and Colony Pool Service, Wilmington wanted \$51,850 for the replastering work.

Herker has put in a bid of \$3,300 to replace the two concrete squares at the shallow end of the pool. Two other concrete companies have been contacted, but I have not yet received a bid.

The Pool Furniture was cleaned by two of our summer lifeguards for a total cost of \$250. All of the pool furniture, excluding the chairs, chaises, and tables that need to be repaired, has been stored by Best Aquatic in the underground storage area.

B. Property Maintenance

Parking Lot Sealing: Three bids for repairing and sealing the golf and homeowner parking lots have been received and reviewed by Chuck Gates. All three bids included repairing the cart barn ramps and sealing the path leading to the outdoor pool up to the concrete. After reviewing the proposals, Chuck has recommended accepting the bid from Matt's Management Family for \$8,916. Herker wanted \$12,606 for the repair/sealing work while Baker & Sons Paving priced the job at \$13,000.

Clubhouse Landscaping Issue: Recently, in informal discussions with Bruce, I asked if golf maintenance, when they water the golf clubhouse flowers, could also water the front clubhouse flowers. I also suggested, for uniformity of appearance, if golf maintenance when they plant around the golf clubhouse, could continue around and plant the same flowers in the front of the clubhouse area. Upon further discussion, Bruce suggested that since they are mowing almost every day during the season, they also could mow the entire area around the clubhouse which roughly would extend just beyond the tennis courts and around toward the third green and over towards the first green. This arrangement would result in a modification of Lawnwork's contract for next year to reflect this slight change, if it receives board approval. Note: Loeda Stango asked to go on record that this agreement was reached by Mary and Bruce without discussing it with her, the Landscape Coordinator. See Landscape Committee report for further details.

George West Electrician was called to repair streetlights 37, 15, 16, and 17 after golf maintenance determined that it was an underground problem that they were unable to repair. Apparently, an underground wire was damaged when streetlight 17 was knocked down by the destructive driver.

Homeowner Notifications: The owner of Lot 221 was notified not to park on an adjacent lot since it prevented the landscapers from mowing that lot. This owner was also told there was no way he could be compensated for a sprinkler head allegedly damaged during the road paving process.

The owner of Lot 247 was notified about the excessive number of cars parked at her rental home, frequently during weekends, and the fact that there is plenty of overflow parking at the clubhouse.

The owner of Lot 298 was notified about the "dangerous" placement of crepe myrtle trees on the edge of his property that obstruct the vision of drivers on McCoy when turning onto Bethany Loop. He said he would trim the branches to allow better driver visibility and that the goal is to shape to trees as they grow taller so that the lower branches do not block vision of the roadway.

The owners of Lots 316 and 145 were notified about weeds in the driveway while the owner of Lot 168 was notified about weeds in the flower beds.

The owners of Lot 175, 173, 36, 223, and 41 were notified that their lots or yards need to be mowed.

The owner of Lot 46 was notified to clean up the fallen branches and debris on their empty lot.

C. Architectural Review

The owners of Lot 179 were notified Sept. 1 that they are in violation of our covenants for installing a rear patio without receiving ARC approval or paying the required \$100 fee. They have 30 days to remove the patio before they will be notified again and a fine imposed.

An ARC application has been filed by the owners of Lot 239 to enclose and enlarge an existing deck. The required documents were included along with the \$100 fee.

II. LAND DEVELOPMENT

A. Recent Real Estate Activity

A Resale Certification form was filled out for the owners of Lot 304 and the required \$100 fee was paid.

Ann Nagle, 541 Bethany Loop sold her home to John and Lisa Cowan of Landenberg, PA for \$473,000. We received the \$500 fee from Tunnell & Raysor.

Nancy Kinnamon, Unit 3, Spinnaker Village sold her townhome to Allen and Faith Friedman, Pikesville, MD for \$285,000. The \$500 capital assessment was received from Tunnell & Raysor.

HOMEOWNERS FORUM: Nothing to Report

GOLF CLUB REPORT:

Jim Kennedy, President of the SPGC Board, reported that course conditions were adversely affected due to the hot dry summer weather that damaged fairways and greens alike. Repair efforts have started with normal fall aeration and over-seeding of the fairways and greens. It likely will take until spring before the damage is fully repaired.

SPGC has realized that course ponds on holes 12, 13, 16 and 18 need work to clean them. Jim, Bruce Deforest and Dick O'Leary toured the ponds with Todd Fritchman of Envirotech and expect to have a proposal from Envirotech on action to be taken to repair the ponds and pond benches. The objective is to keep each pond as an integral part of the Community's storm water management system, but to enhance them to be more aesthetically pleasing to homeowners and players. Once the ponds are cleaned up, the SPGC maintenance staff will manage the up-keep.

Tree management is also being pursued. There are dead trees and trees affecting green growth and health that must be removed. There are other trees, including trees overhanging cart paths, which must be trimmed. Cost estimates to complete the work are being prepared. The replacement bulkhead along the pond on hole 10 at the tee box will be installed in October. Snow plowing rates for the Villages was approved at \$120.00/hr.

Finally, the SPGC Board requested approval from the SPHA Board for access to the SPHA email data base for use by the SPGC to promote pro shop merchandise and golf rate specials to owners and players.

UNFINISHED BUSINESS:

Harris Teeter Refund – Jim Beachboard

- The paving of the additional section of Bethany Loop which adjoins the Salt Pond Plaza and connects with Fred Hudson Road has been completed. The final cost was just over \$47,000. The remainder of the \$50,000 provided by Harris Teeter will be refunded.

Eastbourne Easement – Gerry Buckley

- Mrs. Eastbourne has received the letter sent by SPHA legal counsel to advise the owner of the property that there is no basis to support access onto Jeremy's Branch. She is unhappy with the result and threatened that we will be hearing from her lawyer

NEW BUSINESS:

Attorney Ellen Feinberg Issue – Bill Johnstone

- Based on subpar performance during the Federico service it was recommended that we terminate our relationship with Ms. Feinberg. The board agreed.

Rezoning NE corner of Fred Hudson and Central Avenue/Cedar Branch– Gerry Buckley, et al.

- It was noted that the two residential properties on this corner have filed for rezoning to permit the establishment of a convenience store and/or gas station. Particulars of this proceeding have been posted in the SPHA newsletter/web page. Ms. Buckley announced that Salt Pond had filed a letter opposing the proposed rezoning and suggested that others in the Salt Pond community make their opposition known.

COMMITTEE REPORTS:

Architectural Review – The property at 102 McCoys Way replaced siding with a different type without ARC approval. The ARC would have approved the change if contacted. Hence, the owner has been advised to submit a request for approval and the \$100 fee. There is still an opening on the ARC, if anyone is interested, please contact Donna Villani. Also, after his resignation, the ARC would like to thank Ed Berger for his many years of service on this committee.

Clubhouse Maintenance – Discussion of leaks as discussed in management report and the possibility of moving up the plans the replace the clubhouse roof.

Clubhouse Rentals – Nothing to Report

Communications – Gary Clipp – Nothing to Report

Engineering - Jim Beachboard – Nothing to Report

Finance – Chuck Gularson – At Chuck’s suggestion the board discussed increasing the reserve contribution by either \$11,500 or \$16,500. The board approved a monthly increase of \$16,500 for the final four months of 2011.

Golf Club – Fred Chiccone – As discussed in Jim Kennedy’s remarks the SPGC requested the use of the “big” email list which is maintained by the SPHA to use to promote pro shop merchandise and golf rate specials to owners and players. After significant discussion including Gerry Buckley presenting Gary Clipp’s strenuous objection to such a release, it was moved, seconded, and approved that the email list would be released with the condition that any messages sent would prominently present an “opt-out” option which would be carefully observed by SPGC in future e-mailings. Dissenting votes were cast by Tom Anfinson and Jim Beachboard.

Golf Finance – Golf Financials – YTD thru August

Golf revenues year-to-date (YTD) through August were \$568,215.74. However, the plan was to have \$605,000.00; therefore, revenues were \$36,784.26 behind plan. This revenue shortage was in part due to the hurricane and the hot and then wet weather. The hurricane alone is estimated to have cost the golf club between \$11,000 and \$16,000 (based on last year’s income during that same period). Expenses were \$12,687.97 over what was budgeted, but other income was \$9,969.36 better than budget. In total, the net income before depreciation was a positive \$124,105.92. However, the budgeted net income before depreciation was \$156,114.00 or \$32,008.08 behind plan.

Nothing to Report

Insurance – Nothing to Report

Landscaping – Loeda Stango- As discussed in the management report above, consideration is being given to having the SPGC take on more of the planting/landscaping/lawn maintenance around the clubhouse. Loeda will meet with Bruce to scope out a division of the responsibilities so that pricing of the work and any necessary revision to the Lawnworks could be determined.

Legal – Bill Johnstone - We recently learned that the Schooner Village common areas had not been deeded over when SPA relinquished control of our property. That has been taken care of; I shall survey the remaining villages to see that all necessary deeds are properly recorded.

Ponds and Wetlands – Nothing to Report

Recreation – Gerry Buckley - Inside attendants will be undergoing recertification on CPR and AED skills. A valid certification will be a requirement for inside attendants.

Transportation & Safety – Nothing to Report

ADJOURNMENT:

Jeff Rupprecht made a motion to adjourn the meeting. Fred Chiccone seconded the motion. The meeting was adjourned.

NEXT MEETING: October 21, 2011

Respectfully Submitted by:

**Jeff Rupprecht, SPHA Secretary
Sept 23, 2011 (Revised October 12, 2011)**