

**SVHOA Board of Directors Meeting Minutes
Monday, November 11, 2024, 3:00 PM, via Zoom**

Present:

Kevin Kelly, President
Kim Van Horn, ARB Liaison
Rana Singh, Vice President
Chris Stas, Member
Suzanne Lyman, Secretary/Treasurer
Michelle Johnson, Property Manager

The meeting was called to order at 3:00 PM

Additions to agenda:

- Discussion of termite services in townhomes
- Need for 2 new ARB members

The agenda was approved.

Open comments:

Barbara Driscoll with New Hope Bird Alliance spoke about the “Leave Your Leaves” initiative, which has been introduced in Chapel Hill, Carrboro, Orange county and Hillsborough. They want to encourage people in Southern Village to participate by keeping more fallen leaves on the ground, as this helps moths, butterflies and bees as well as soil health.

The program would like for the Town of CH to switch leaf pick up to weekly yard waste pick up. Kevin noted this initiative was in keeping with Southern Village priorities/goals and referred the organization to work with the SV sustainability committee. Lynda Haake, another representative of the group, was present and noted she had already contacted Julie Vann of the SV sustainability committee, who wanted to wait until after the gas-powered leaf ban was effected before taking on the Leave Your Leaves program.

Spence Cowan from Highgrove was present to discuss funding for the trim and paint at Highgrove now that the roofs have been

replaced. He would like to keep the assessments the same and accrue funds to do the necessary trim work, but he acknowledged there was no consensus from other Highgrove townhome owners as to what to do.

Michelle stated she has some proposals for Highgrove. The proposed budget projects doing the maintenance in 2026, and Spencer is confident that the work can be done in the spring of 2026 and said most Highgrove townhome owners are amenable to this. The concern is the possible need to do some work earlier in order to avoid deterioration of the wood trim. Kevin suggested revisiting this in mid-2025 and Spencer agreed but stated there might be some immediate needs by that time. The Highgrove budget for 2025 has a line item for repairs that are immediately necessary to replace rotten wood, but Rana recommended Highgrove wait until they could afford to replace all wood trim with PVC, as was done at Westend townhomes. It was decided that Michelle would get a proposal from CTI for replacing all of the wood at Highgrove with PVC so that costs could be known and the timing of work could be further discussed with that knowledge as well as budget numbers. The current proposal only replaces the wood that is rotten.

Spencer stated that the need for a special assessment for these repairs would be unlikely, and that generally homeowners are not in favor of a special assessment.

Street Tree Proposal:

Michelle reported the Town of Chapel Hill is willing to take over the care of the street trees in Southern Village in 2025, but they do not provide any insect control and it is unknown if they proactively monitor the trees.

Suzanne noted long time SV tree contractor Davey only proposed pest treatment for about 10% of just the maple trees. Bob Murden said we have 450 maple trees and Davey proposed treating only 45 trees. Suzanne would like to hear from Davey as to how/why they chose just that particular species and those 45 particular trees, and not any others.

Chris brought up the question of how to reconcile tree pest treatment with environmental concerns.

Suzanne read from the Chapel Hill proposal, that they “will only prune or remove trees when necessary to ensure public safety or maintain proper sight lines, pedestrian or vehicular traffic, or signage. The town will also remove trees and stumps as needed and replant (at locations the town deems viable) when appropriate and funding is available, typically in the fall (November).”

Suzanne brought up the question of how to let Chapel Hill know when tree work needs to be done in SV. Their web portal “seeclickfix.com/chapel-hill” was mentioned by Kevin and it was agreed residents would need to report problems. Michelle will confirm with CH that this is the correct way to report tree problems.

Kim noted that the year 2025 was a good trial year to test CH taking over SV street tree maintenance, since it would save money in a year of budget limitations caused by the ponds project. She suggested she and Michelle work on a letter to be emailed to the neighborhood explaining the transition of tree responsibility, and also offered to write an article for Southern Village magazine

Parks at Highgrove and Edgewater:

The Edgewater park proposal to replace the swing set was presented. It would cost about \$7,000. Michelle said they have tried to fix just the broken top bar several times without success. It was agreed the \$7,000 SV budgeted line item for Parks in 2025 would all be spent on this initiative, due to the park’s popularity and constant/consistent use, though both Kim and Chris voiced concerns about spending the entire year’s budget on one park.

Highgrove park has a broken post and two proposals were submitted: one for the post alone (\$643) and one for replacing all of the posts (\$13,839). Suzanne stated that other than the one broken post the whole structure was quite sturdy according to her personal inspection of it. The \$13,839 proposal was to replace the whole structure; while it is under warranty and replacing the structure would be free of charge, shipping and labor would add up to \$13,839. It was decided to go ahead and only replace the broken post. There was a unanimous vote to allocate the \$7000 in the parks 2025 budget to replace the swing in the Edgewater park.

Ponds:

Suzanne gave an update on pond 3. Some last items were done to the satisfaction of the overseeing engineer, Ian Peterson of PS Ponds, and the pond was pronounced “finished” at a final cost of \$116,000.

Ian also reported Pond 4 does not need to be dredged at this time, therefore the dredging of Pond 1 could be done in 2025 (ahead of schedule). A quote for that work was submitted by Triangle Ponds for \$111,425. The current plan is for Pond 2 to be addressed in 2026.

The question of whether the Town of Chapel Hill agrees with our new schedule of repairs was raised. Michelle stated that she informed them of our plans and got no response; Kevin stated CH has been informed, knows we are taking action, and the Board will consider the lack of response to be tacit acquiescence by CH.

2023 Reserve study notes:

Actual needs vs the 2023 Giles Flythe SV Neighborhood Reserve study projections for 2025 - 2027:

Projections for 2025:

1) No provision currently needed for dredging of Pond 1, as per Ian Peterson of PS Ponds

2) Question of Chapel Hill grit to cover the walkways near Pond 2: Michelle stated that the Town of Chapel Hill would require borders if their grit was used, and this would be prohibitively expensive if the cost was in line with previous SV parks projects expenses that involved Town of CH grit and borders. The Board decided the path probably doesn't need grit and declined to take any action at this time.

3) Suzanne reported that the alley fund is on target with \$358,701 in hand; the reserve study projected that \$338,639 was needed at the start of 2025 to be prepared for fixes as needed. Also, the alley repairs were projected to be \$116,000 in 2025, however the current proposal for alley repairs next year is \$38,302, so the alley

fund is actually ahead of schedule and no assessments will be needed for alleys for 2025.

4) Reserve study projections for 2026 include repointing sections of neighborhood stone walls (\$8K). Kim said there is some erosion and mortar between stones gets degraded over time. Michelle reported that repairs are done where stones fall out and thinks that the walls are in good shape and the current budget for these repairs is sufficient.

Reserve study projections for 2027:

There were no projected repairs and Suzanne did not go beyond this date to look at projected repairs.

Reserves: Suzanne reported that we need to steadily increase our reserves for the projected need for the ponds to be dredged again in 2044, when the reserves peak at \$328,668. The reserve study used a cost of \$150,000 in today's dollars for dredging, and inflated the cost to \$328,668 in 2044 dollars.

However, it was noted that the current dredging costs are well over \$150,000, so the peak in surplus in 2044 is probably insufficient. When the reserve study was done in 2023, the \$150,000 was a reasonable estimate, however the costs have increased significantly. Kim also pointed out that pond 4 may need to be dredged by 2026-2027 and we need to put funds aside for that eventuality.

Proposed reserve study for townhomes:

Kim, a townhome owner, mentioned areas of rot in the fascia/soffits of her garage, the fact that fences facing the public alleys have not been painted in years and questioned whether there were other unforeseen expenses that may arise under townhome maintenance that is covered by HOA dues.

Michelle agreed some work should probably be scheduled and will solicit bids for a reserve study for all townhomes in order to be prepared. The Board agreed the cost of a townhome reserve study would be shared, and paid for out of townhome reserves on a per unit basis.

Treasurer's Report:

The proposed 2025 budget was passed unanimously.

There will be no alley assessment in 2025, it was \$120 last year. There will also be no increase in townhome monthly dues. The annual assessment for all SV homeowners will increase 15%, largely due to the need to fund the ongoing Pond project.

Chris expressed concerns that budgets be posted online for homeowners to vie. Michelle will share the budgets for individual townhome entities in Appfolio along with the alley and operating budgets.

On December 1, Mill House will send a letter to townhome owners to let them know what their monthly assessments will be in 2025, and also a letter on the annual assessment amount to the whole neighborhood.

Severing Land rights:

This subject was revisited after 6 months, raised due to a house for sale in SV that proposed severing the land/land rights from the structure in the sale of the property. Kevin reported that the SV house was finally sold without severing the land/land rights from the structure, and he believes the company that attempted to do that no longer sees this as a viable strategy in SV.

ARB Guidelines update:

Two ARB members are cycling off of the committee in early 2025, and there are potential new members, solicited via a neighborhood-wide email.

In 2025, the ARB committee will be looking at revising and updating the ARB guidelines so as to stay current with trends, yet maintain a feel of continuity in the neighborhood. Additionally, streamlining and clarifying the ARB approval process will be considered, with thanks to thoughtful input by residents.

Gas-powered leaf blower ban update:

There have been 18 complaints so far since the ban took effect, and 7 homeowners denied that they were not in compliance with the ban (ie, they maintained that gas powered leaf blowers were not in fact being used in their yards).

Suzanne has to date been the recipient of GPLB complaints, but wishes to decline to continue being that point of contact. It was decided Mill House would send notices of infractions to homeowners. It was further noted that 18 complaints since the ban took place is a very small number, compared to the 600+ number of homes with lawns, and it seems neighbors are largely complying with the ban.

Termite services for townhomes:

It was agreed that SV HOA townhome dues provide for annual wood destroying insect (WDI) inspections and treatment upon finding active infestations. SV contractors will also provide written notice/warnings to home owners of yard elements, etc that might encourage WDI infestation. These services should alleviate the need for any WDI-related repairs, which are not covered under SV HOA townhome dues.

The meeting was adjourned at 4:41 PM