

*Annual Meeting*

**ESTATE CHOCOLATE HOLE  
LANDOWNERS ASSOCIATION, INC  
(ECHLA)**

*March 31, 2009  
St. John School, Giff Hill*

The Annual Meeting was called to order by President Larry Boxerman at 7:15 pm. Paula Lambert, Treasurer, declared a quorum as follows: Of 231 eligible voting members, 93 (40%) are required per the bylaws for a quorum. 67 proxies and 37 members present in person yielded the quorum.

Larry welcomed the attendees and had the first time attendees introduce themselves. He then introduced the officers and directors. Diana Ripley was thanked for her many years of service. BJ Harris and Earl Thomas were welcomed as new board members.

The 2008 Annual Meeting Minutes were distributed in advance, and a motion was made, seconded, and unanimously passed to accept these Minutes as circulated, and the reading of the minutes was waived.

**PRESIDENT'S REPORT**

Larry summarized key actions taken by the board over the last year, including:

(1) *Pond Bay Club*—began construction at full speed, increasing the need for our monitoring to ensure they complied with agreement to do ECHLA work around the beach, access road, and parking area, and with VI rules and regulations in general. The board fielded many comments and complaints from neighbors during the year. Andy Arnold has continued to be the ECHLA representative for PBC. This year PBC applied for a reconsideration of their major permit including replenishing/renourishing the beach. ECHLA opposed these changes. But DPNR granted them with conditions.

(2) *Enforcement of Covenants & Restrictions*—encroachments into roadways became an issue in 2007 when it was voted that there would be a process established to deal with encroachments. That process has been completed, and actions were taken.

(3) *Neighborhood Crime Prevention program*—initiated by Governor and developed by Helen Simon for St. John with help from ECHLA Director Kevyn Salsburg.

(4) Larry commended the board for their great amount of effort this year.

## TREASURER'S REPORT

Paula reported that dues revenues totaled \$18,862. Road funds were as follows: East \$26,100, West \$37,773, North \$33,326. We earned \$1,249 in interest on the savings account, and \$4,034 interest on past due payments for a total of \$121,359. Expenses were as follows: \$10 bank charges, \$1,750 insurance, \$10,913 legal, \$33,400 legal action, \$3,412 accounting, office \$375, web \$409, postage \$318, rent \$2,000, property tax 2005 \$5,561, gross receipts \$28 (on insurance), East \$3,515, West \$5,922, North \$10,772, for a total of \$114, 326. Overall we are \$7,033 positive with \$186,648 total assets. Our accounts payable are not abnormal for this time of year. Motion to accept the report was made, seconded, and passed unanimously.

## ON-GOING BUSINESS AND OTHER ITEMS

**Leona Smith** was introduced as a guest.

**Pond Bay Club:** Andy Arnold updated the members on most recent events, including a great deal of construction in the last 12 months.

*Beach Renourishment* -- PBC intends to do a "test" area of two 50' sections where they will sift sand following the CZM approval of beach renourishment. There is great concern about how exactly the sifting will take place, and ECHLA wants to monitor it very closely. Beach renourishment is a real concern. All PBC marketing material shows a wide sandy beach. If this happens, will the sand migrate into Chocolate Hole and kill the sea life? There is concern CZM will not monitor or enforce the mandated procedures. The Department of Fish and Wildlife is also supposed to monitor this process. CZM has appointed a STX man who will supervise these test areas, too. Lisa Durgin advised that, despite opposition, the permit modification request was approved by CZM. But our concern is real, as adding sand to the beach is impractical --no south shore beaches are pure sand for a reason! PBC does have a double silt fence around the pond and the mangroves are being protected. The new focal point of the spa is to be the mangroves, as they are 'serene'. They seem to be doing a good job protecting the pond so far from run off.

*Swim and Dinghy Areas* -- The question was asked about a board position on the swim area with buoys, etc. Discussions are currently taking place with PBC about the size of a dinghy channel and swim area. It appears that PBC will have to resubmit for any water-side permitted activities. Completion (of Phase 1) is projected for June, infrastructure and roads in the fall, and a finished project for Thanksgiving.

*Beach Access* --The existing beach access was actually on their land and in exchange for use of the three half acres, they were to cut new beach access for ECHLA. Concern was voiced about parking for beach access, as there wasn't enough room for all. The final arrangement will be remote parking along the beach access road. After many discussions with the PBC, agreement was reached on the number of spaces and location of those spaces. This month the 13 spaces were dug out and a retaining wall and sidewalk are to

be built. Discussions continue on the location of a sidewalk as well as the size of the sidewalk. The PBC property was surveyed and staked. There will probably end up being some retaining walls to hold up the sidewalk. In surveying the opposite side of the road it was determined that the road encroaches on existing properties. This actually will allow ECHLA to straighten the road some and make it safer. PBC will pave the road and install the sidewalk at the end of their construction. The sidewalk will follow the PBC side until the intersection of Bovocoap Road where it will switch to the other side of the road.

*Waste Treatment* -- PBC has built a waste treatment plant and a cistern (the original two were filled in). With regard to noise and dust problems, dust is island-wide but PBC dust control has been pretty minimal. They had originally contracted with a local water provider to sprinkle the site, but this was not effective. As far as noise goes, there are some days they start before 7 am and go past 6pm. We have complained, and they have apologized.

**Enforcement of Covenants and Restrictions:** Handouts were distributed covering the actions from this past year and the proposed license agreement for encroachments into the roadways. President Larry noted that in the past few years with development of our neighborhood, there have been numerous violations of the C&Rs. Encroachment violations were documented and sorted based on seriousness. Those most serious were addressed by the board. Other violations were also addressed. Document attached. Dan McElwee, Kevyn Salsburg, Nancy D'Anna, and Larry Boxerman attended the mediation sessions. Discussion ensued regarding ongoing funding for legal issues. Now that the board understands the costs related to enforcement, it will consider these costs when determining how to proceed. Suggestions are to move money from road funds, or establish special assessments for legal work. Fining violators may also be an option in the future. In addition, the board will continue to review the C&Rs to bring them into harmony with present reality. The magnitude of the problem, now that six issues have been dealt with has decreased. The most egregious of the encroachments have been dealt with at this point. Consideration will be given to resources available when determining which to enforce from this point on.

Second hand out is a draft of the proposed encroachment license and is attached.

**Neighborhood Crime Prevention:** Board has been working with Citizens Integration Team, met with Administrator Smith and Sgt. Conow as well as attended CIT meeting regarding crime on St. John. Crime Stoppers has been effective at moving anonymous tips to arrests since its inception a few months ago. It is important to join Crime Stoppers as members since the membership dollars fund the program. Website is

[www.crimestoppersusvi.org](http://www.crimestoppersusvi.org) .

**Property Tax Status:** Beach parcels and access to west side of Hart Bay. An appeal has been submitted on the revaluation of these parcels. It is noted that the Upper Carolina Association was successful getting their value dropped to about 10% of the assessed value. Tax for 104A (triangle at Hummingbird way), one acre went from \$14,520 to \$105,000. 127C beach access, 0.6 acre, went from \$74,342 to \$617,000 (parking for the

beach). The board is looking into “limited use” status in order to reduce the tax values. Hart Bay Beach, 2.3 acre, is now at 170,000. Parcel 103, 0.14 acre, is now at \$215,000.

**Maria Bluff Parcel 560:** The original agreement with Maria Bluff, LLC required that ECHLA provide a deed to the spur road with a map number issued by the Cadastral Office and a tax clearance letter. Both these requirements have been met. The title company for Maria Bluff has required court approval of the transfer of the ECHLA estate roads to ECHLA before insuring the transfer. All necessary documents to obtain the approval have been filed, and we are awaiting a decision from the Court. In addition, a quitclaim deed has been sent to all Massac heirs requesting their individual consent to the transfer.

**Road Caucuses:**

West voted to keep dues at \$400.

North voted to keep dues at \$460.

East voted to keep dues at \$300.

## **NEW BUSINESS**

**Building code regarding wind turbines:** Bill Osborne hopes that they will be encouraged within policy guidelines.

## **ELECTION OF 2008-2009 OFFICERS AND DIRECTORS**

Motion to accept the following slate of officers was made by Miles Stair and seconded by Susan Murray:

President: Larry Boxerman

Vice President: Andy Arnold

Secretary: BJ Harris

Treasurer: Paula Lambert

East Directors: Dan McElwee and Ronnie Klingsberg

West Directors: Anna Foote, Abby O’Connor, and Lisa Durgin

North Directors: Kevyn Salsburg, Kathy McLaughlin, and Earl Thomas

A vote to accept this slate was unanimous in favor.

The meeting was adjourned at 8:55 PM.

Respectfully submitted,

B. J. Harris, Secretary