

*Annual Meeting*

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

*March 25, 2008  
St. John School, Giff Hill*

The Annual Meeting was called to order by President Larry Boxerman at 7:15 pm. Paula Lambert, Secretary, declared a quorum, as follows: Of 239 eligible voting members, 96 (40%) are required per the By-Laws to form a quorum. Sixty proxies and 36 members present in person yielded the quorum of 96.

Larry welcomed the attendees and introduced the Officers and Directors; he thanked Andy Arnold, outgoing President, and Eric Lambert, Vice-President and long-standing Board member and contributor, for their dedication to their offices.

The 2007 Annual Meeting Minutes were distributed pre-meeting. A motion was made, seconded, and unanimously passed to waive the reading of and to accept the 2007 minutes.

**PRESIDENT'S REPORT**

Larry summarized the President's Message identifying key actions taken by the Board over the last year, including:

- (1) Implementation of **Building Committee process enhancements**, designed to standardize the plan review and approval process, to assure all building efforts comply with the ECHLA building code, to include a final review by the Board and secure the landowners' acknowledgement of the results;
- (2) Investigation of how to respond to the **increased taxable value of four ECHLA-owned parcels**;
- (3) Assuring that the **Pond Bay Club Project (PBC)** proceeds in a resident-friendly fashion;
- (4) Completion of the **encroachment survey**, which documents encroachments on all parcels/roads and which is now the baseline for seeking remedy -- in a priority order set by the Board -- to those encroachments;
- (5) Enforcement of the prohibitions on businesses being conducted within the neighborhood, and beginning the **ECHLA Core Documents Update**, to reflect better today's va-

riety of owners -- full time residents, part-time residents, full time villa rentals -- now co-existing here, and to define more clearly what types of living arrangements will and will not be allowed in Estate Chocolate Hole.

## **FINANCIAL REORT**

Paula Lambert presented a written Income & Expense Summary as of February 28, 2008, reflecting Income of \$130,969.54 offset by expenses of \$83,976.42, yielding a net income of \$46,993.12. She verbally reported a Checking Account Balance of \$30,522 and Savings Account Balance of \$103,578, the majority of which is Road Fees reserve.

A question was asked regarding the Insurance premium of \$5,534. Paula described the premium for D&O insurance with Tunick as approximately \$4000 and the Roads policy premium with St. John Insurance (for \$1,000,000) as approximately \$1000 of the paid fees.

A motion was made, seconded, and passed unanimously to accept the Financial Report.

## **SPECIAL PROJECTS**

**Pond Bay Club:** The Pond Bay Club Overall Report was given by Andy Arnold, Vice President and the Board member designated to interface with the PBC. In the second quarter of 2007, the Pond Bay Club applied for changes to the profile of buildings, removal of the tennis court, and changes in traffic patterns on the site. Also in the second quarter of 2007, beach access was redefined; ECHLA's bay access road is currently on the Pond Bay parcel. A parking strategy for 12 parking spaces was designed and approved. The grading and earthmoving began again.

In October 2007, CZM approved Pond Bay's revised building plans, which can be seen at the Marketplace Sales office. In December Pond Bay had a traffic study done, to identify right of way and safety issues; signage will be created and placed on South Shore Road to identify the entrance to Pond Bay via Chocolate Hole East Road. The condition/health of the gut that feeds the salt pond was assessed; it continues to be healthy and will continue to be monitored.

In February, the Tahiti Open was held and the Senior Project Manager was sent to start the construction phase.

Pond Bay management and the Fire Department had proposed that the burnable debris created by clearing the land be burned as part of a training exercise. After Board discussion of the size of the piles to be burned, smoke and wind conditions, and the fact that this is a residential community with most residents or guests at home during the day, and with an on-site drive-through by St. John's Deputy Fire Chief Powell, it was mutually agreed that the proposal would be withdrawn.

Coming next -- **two walking access trails to the beach** will be defined while the earth-moving required to create the parking spaces is done. The 'road' on to the beach will be eliminated.

A question and answer period with PBC Manager Claude Dupree followed. In summary, the large number of construction vehicles, some of which are oblivious to the **noise and safety hazards** they produce, need to be monitored, and Claude is open to direct calls from residents with complaints against specific drivers or companies. They will attempt to keep the dust down by continual watering of the construction site. They will endeavor to keep all potholes caused by their equipment filled; when construction is completed, they will re-asphalt the roadway connecting Rt. 104 to the beach.

**The source of fresh water for Pond Bay Club** is, at present, dependent on (a) access to WAPA water from St Thomas, (b) routing it from the head of Jacob's ladder to the Pond Bay Club grounds by way of agreement with the Westin through their parcels, (c) Pond Bay's purchase of additional pumping equipment. No potable water will be gathered from the buildings' rooftops; they are likely to be at least partially 'green,' i.e. planted with greenery to reduce the glare to residents on the surrounding hillsides. They estimate 35,000 gallons water per day as the demand. The **waste water from the treatment plant** will be stored in cisterns for use in watering the grounds. Should agreement with the Westin not be reached in the next few weeks, Pond Bay will need to readdress the desalination plant option, one not favored by those present at the meeting.

Claude, in response to questions about customer backlash to the **misleading advertising in the Marketplace** (e.g. brick walkways down to the salt pond's edge, and buildings directly on a re-nourished sandy beach), called the model at the Marketplace 'inexact marketing material,' and he reaffirmed the Pond Bay Club's commitment to abide by the rules governing protection of the ecosystems there. He also stated that any mangroves removed at the salt pond to run pipes would be replaced, that there is likely to be only a gravel walking path (no golf carts) around the salt pond, and that additional sea grapes would likely be planted seaside.

**Building Code Enhanced Review:** This review was summarized by Lisa Durgin, West Director. Lisa emphasized that there was no change in the Building Committee charter, but that the procedures and standardized forms created a better paper trail, assurance that a full review was done, and provided for Board review and for homeowner acknowledgement of the review and any required modifications to their plans.

**ECH Wide Encroachment Survey:** Results of this survey were summarized by Larry Boxerman. He described the survey process as beginning with the maps created by BGM in 1996/98, showing the location of all boundary markers and existing encroachments for each parcel. The teams from all three areas proceeded with an on-site survey of all parcels and identified any additional encroachments. He described the range of encroachments; there are 'nuisance' items like a small rubble wall on an easement, which could be easily removed should ECHLA decide to use the easement, and at the other end of the

spectrum are safety issues, such as a solid wall extending seven feet into an easement that creates a line of sight problem for traffic. He asserted that all encroachments will be addressed in priority order with those involving safety issues, both in terms of emergency vehicle access and blind curve endangerment, being addressed first.

**Financial Reporting Review:** Paula Lambert, Treasurer, reported on this project. Kathy Laseter, CPA, was asked to assist in the preparation of ECHLA Tax Returns and to perform an informal review of ECHLA practices. As a result, ECHLA back-filed 3 years of tax returns to ensure our 'good standing' status. We have also set up a segregated mailing address, strengthened our Annual Program Reports for Non-Profits to the Lt. Governor's office, and set up distribution of the monthly financial report to the Board.

## ON-GOING BUSINESS

**Richart-Boulon Sale of Maria Bluff Parcel #560:** Nancy D'Anna, ECHLA's Attorney, reported on the progress this sale. She provided a brief history of the parcel, and stated that the buyer's title company wanted the local probate court to provide proof of the quit claim deed which granted ECHLA title to the Road parcels. She noted that the roads are the 'negative space' between the lots that Greg Miller's parcel survey identified.

**Proposed Changes to the ECHLA Covenants and Restrictions:** These were discussed by Kathy McLaughlin, North Director. Kathy noted that the neighborhood makeup is changing, and that this year the Board would focus on clarifying definitions related to building code requirements. She stated that the Board was considering a maximum square footage limit on buildings, but (in response to a question about esthetic restrictions) she and other Board members have as yet declined to pursue that; there were no volunteers to start a committee to define such guidelines.

## ROAD COMMITTEE CAUCUSES

NORTH, EAST and WEST residents broke into their respective groups to review the conditions of their roads and to set assessments for next year.

NORTH reported back that their assessment would stay at \$460 per parcel.

EAST reported that their assessment would stay at \$300 per parcel.

WEST reported that their assessment would be raised to \$500 per parcel, and that in addition, to address the Cruz Bay Road issues of non-residents' parking, lunchtime loitering, and general abuse, they would attempt a joint venture with the Westin and Cruz Bay Homeowners' Association to fund road signs and other 'barriers' to misuse of this private road.

## **NEW BUSINESS**

Larry Boxerman identified **participation in the Forest Stewardship Program** as one possibility to lower property taxes on at least one of our four 'common' parcels: the Park and Beach Parcel at Hart Bay. The Forest Stewardship Program requires a 10 year commitment of 3 contiguous acres, dedicated to one or more of several goals; it allows participants to save up to 95% in property taxes. Providing public Right of Ways to the beach through our parcels may be another way to decrease our property taxes. He asked for additional ideas to be presented to the Board as work progresses this year.

Larry reiterated that the **conversion of the Westin's hotel rooms to timeshares** had caused abuse of the private Great Cruz Bay Road. There have been Westin management changes and therefore interruptions in dialogue, so we are going to approach them, and the Great Cruz Bay Landowners Association, with a plan and ask them to share in its cost.

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

Paula Lambert read the proposed slate of officers and directors:

President: Larry Boxerman

Vice-President: Andy Arnold

Treasurer: Paula Lambert

North Directors: Kevyn Salsburg, Kathy McLaughlin, Earl Thomas

East Directors: Diana Ripley, Dan McElwee, Ronnie Klingsberg

West Directors: Lisa Durgin, Abigail Schnell

The position of Corporate Secretary, previously held by Stan Rose, has no candidate. The Board asks that anyone interested in this position, to please contact them.

A motion was made and seconded that these individuals be voted in by acclamation; the membership voted to approve the slate.

The meeting was adjourned at 9:10 pm.

Respectfully Submitted,

Robin Swank

*Interim Corporate Secretary*