

President's Update

3 MAY 2020

Dear Property Owners,

During this COVID 19 virus crises in our country the Board would like first and foremost to say that our hearts and prayers go out to anyone who is being impacted by the virus, both directly and indirectly. Our thoughts are especially with those who are at risk. Further, our thoughts are with those who are presently sick, to whom the Board extends its heartfelt wishes for a full recovery. The Board is truly inspired by the selfless healthcare workers, grocery store employees and truckers around our country. Unfortunately, SIP is a non-profit corporation, which is run by a volunteer Board. This Board is managing, budgeting and maintaining SIP. The non-profit corporation must answer to all Owners, who are investors, and must repair and maintain the roads, and other common elements, including extensive amenities. The previously referred to expenses are still being incurred, including but not limited to, insurance for said property, pool chemicals, landscaping, and bulk services. Further, in the wake of numerous hurricanes, the Board is still recouping from previous repairs and increases in insurance expenses. It is not only advisable, but necessary that this non-profit corporation continue to collect assessments from its members.

Again, the global situation is unprecedented, the Board will continue to monitor recommendations from the CDC, SCDHEC and the standard course of business and collections practices of other HOAs in our community. At this time, the Board simply is not in the position to alter the collections procedures of assessments, other than what has been directed by the government and the court system.

The Board would like to update you on what has taken place at SIP this past quarter:

1. **SIP Website.** The Board has made all of its actions as transparent as possible and has posted a plethora of information on the SIP website. Please visit the site.
<https://southislandplantationsc.com/>
2. **Docks.** Before rebuilding the SIP docks the Board wanted to double check to see if the docks could be moved to deep water. The old docks were not useable in low tide. Board members were told many times that the docks could never go any further than the original permit. Permitted deep water (over 6 feet at low tide) on Winyah Bay would increase the value of the SIP properties. Board Treasurer Teddy Dowling took on this project. The Board had an engineering hydrographic survey completed by a company that handles permitting and the results were most favorable. The hydrographic survey showed that SIP

could have deep water docks without encroaching on the federal channel thus having the most favorable consideration of approval. The Board has submitted new dock plans to the US Army Corps of Engineers and SC DHEC that will extend out to deep water. The deep water will be 8' at minimum low water (MLW). Our engineering firm expects approval of our plans. I have attached the plan to this letter. What does this mean for SIP? When approved, SIP will be able to put in deep water docks on Winyah Bay. The Board thinks this will be significant in terms marketing SIP as developers and buyers always want access to deep water which will allow SIP a variety of watercraft in our community. The long pole in this tent on this dock project is getting the permits approved. Once approved, the Board will plan and execute this project in phases. The first phase will be the initial dock platform that will lead out to the main dock system. As soon as the Board has the required permits the Board will execute Phase I. The Board will keep you posted on this project as the process unfolds. The Board is not planning on any increase in HOA fees or special assessments to complete this dock project. Again this deep water access is significant and should increase the value of lots in SIP as few other communities have deep water access on the Bay.

3. **Irrigation.** We continue to have issues with irrigation. The pump, pressure tank, and bladder have gone bad and have to be replaced. Given that the system is old and was neglected for over ten years it is not surprising. Most of the individual heads have been replaced and are ready to go when the new pump and accessories are installed. This will allow the landscaping contractor to slowly upgrade the common areas that were without water for over ten years. The Board is still in the process of getting bids and it is looking like we may have to restore irrigation in phases due to the neglect of the system over the years. Our first phase will be to restore irrigation in front of the gatehouse, along the road leading to the clubhouse and around the clubhouse. Irrigation has been most frustrating for the Board but we are working hard to make it operational which will improve the appearance of the community.
4. **Signs.** The new street signs and entrance were again delayed due to design issues but should be installed by June. Teddy Dowling is heading up this project.
5. **Clubhouse & Pool.** The clubhouse painting and furniture repair is complete. Special thanks to Board Secretary Mindy McVay, who designed the original clubhouse interior, for supervising this project. Earthcare was replaced for cleaning the clubhouse and Cleaning and More LLC was hired to clean the clubhouse. The Board replaced Earthcare with Palmetto Pools who originally handled our cleaning contract. Currently the pool and clubhouse are closed due to SC DHEC directives on COVID 19. FRS will keep the

community informed on re-opening. The security camera and clubhouse lock system is complete.

6. **Roads.** The sinkholes on the entrance road have been repaired.

7. **Landscaping Company.** The Board of Directors voted to terminate the landscaping company Earthcare because of contractual failures according to the contract. The Board has established very high standards to keep SIP a desirable place to develop and live. The Board awarded the landscaping contract to the Moore BROS. Landscaping inspections performed by First Service Residential (FSR) will be posted to the SIP website. Earthcare has filed a lawsuit against SIP. The Board has hired the Bellamy Law Firm in Myrtle Beach to execute an aggressive countersuit and defense. The Board and Bellamy Law Firm feels confident that SIP met all its contractual obligations regarding the landscaping contract while Earthcare did not.

8. **Board.** The current Board has been working in a cohesive and effective manner. Each Board member brings vast skillsets and experience. I will mention just a few here: VP John Thomas is a retired Naval Officer and Chairmen of the Georgetown County Council; Teddy Dowling is a highly successful builder in Florence SC and has invested heavily in SIP; Mindy McVay runs a highly successful Interior Design Business and did all the interior design work in SIP clubhouse, Jeff Cox runs several highly successful businesses in the area and has vast knowledge of the Georgetown area. Toni Olin is a highly successful real estate agent in the area whose office is on-site at SIP.

9. **Annual Meeting.** Due to COVID 19 the annual meeting will not occur in person at the clubhouse. It will occur as always per the by-laws but this year by telephone or WebEx. FRS will be mailing complete details to SIP members this week. The latest financial data will be included in the packet. The Board has been able to make a large contribution to the reserve account and SIP remains in good shape financially. SIP is experiencing increasing failure to pay HOA dues which in turn hurts all members but is taking aggressive actions through our management company, FSR, which will lead to court actions against those members that are failing to pay.

Dowling Homes continues to be our only active builder (Do we need more builders? Of course, but this is our only active builder now). Toni Olin, Board member, and the real estate agent on-site in the gatehouse office reports that another builder has inquired about purchasing lots in SIP for development. The area around SIP continues to see some modest growth so the Board will keep SIP members posted if the traction we have all be waiting for comes to fruition.

The Board is still seeing some positive activity despite the massive issues the virus has brought to our country.

In closing, the SIP BOD is doing everything possible to keep the property looking like a great place to live and assisting our current active builder and any other builders or buyers interested in SIP. STAY SAFE!

Kevin C. Dopf

President- South Island Plantation