

FINAL
ANNUAL MEETING MINUTES
of the Grapetree Area Property Owners Association, Inc.
January 21, 2023

Location & Time:

Grapetree Bay Hotel & Villas lobby. 4:00pm AST start

Board Attendance:

Tom Rodenhaver, Treasurer
Pooja Vachani, Secretary and Communication Committee Chair
Don Gray, Road Committee Chair
Andre Toussaint, Architectural Review Chair
Win Thomas, Beach Committee Chair
Naresh Boodhoo, Nominating Committee Chair
Celeste Jarvis, Board Member
Jeff Hennings, Board Member

Board Members Not in Attendance:

Open, President
John Morra, Vice President
Rick Richards, Board member

Meeting Opening:

Secretary, Pooja Vachani opened the meeting at 4:35pm. Sixty-three (63) properties represented via in person attendance & proxy. Pooja verified that a quorum was met.

Pooja began by asking for a motion to pass the 2022 Annual Meeting Minutes. The 2022 Annual Meeting Minutes passed unanimously. Tom Rodenhaver second the motion.

Guest speaker: Jessica Ward and Dr. Celeste Jarvis from The Nature Conservancy (TNC)

Note: This is a summary of this discussion.

Jessica is the director at VI TNC and she walked us through a few pages of her presentation. It is about expanding capacity as a hub, complementary to the nurseries at the reef. She said they are located at General Rock, Buck island, Cane bay. USVI has a critical niche and scientists and conservation practitioners visit and volunteer their time and expertise along with the local government programs. She detailed how asexual propagation techniques with micro fragmentation, where the parent colonies are collected to cut corals in small pieces like one square centimeter. It induces the corals to grow faster. She shared props of domes out of plaster or cement and added micro fragments to it so they can grow faster. The faster the coral grows, it can reach its reproduction stage quicker and create ways that they survive better in the eroding environment, otherwise the process can be 20-30 yrs long. East End Marine Park is working on a grant that allows us to restore about 150 acres of marine habitat and 50 acres of reef. Mass outplanting events for all the corals out in the hub is happening in your community. You may see a vessel with TNC logo out in various locations, so be familiar with these vessels that are doing important work. More details provided in the presentation attached and also on the gapoa.com website.

Q: How does the coral know it's mature to reproduce?

A: Jessica didn't know the exact answer but clarified that the size of the coral gets 100 sq cm they have to potential to produce their own gametes

Q: How does one volunteer for outplanting corals as a diver?

A: TNC operates within the offices of the American academy for underwater sciences. We have to dive with other scientific divers from UVI, DPNR, National Park services. Strict regulations require to work with only these specific entities and their certified divers.

Q: What is the health of our corals? Any benchmark #'s to share?

A: Reef has been hit by Hurricane Hugo in '89, bleaching events where temperature is so hot outside that warms the ocean and the coral algae cells' colors that help with photosynthesis (intake food) turn from colorful state to white and it's due to starvation. Florida marine is quite bleached and it traveled here.

Q: How can we bring more awareness to the community?

A: Donation always helps. Bring a friend and visit the East End Marine Park. The Lab in Estate Little Princess (down from 5 corners) is open on Tuesdays at 2pm for presentations and to meet the experts that will show you how these techniques work and educate you.

President's Report

Pooja spoke on behalf of the Acting President and VP John Morra. We thanked the Board and the members for their volunteer time and efforts. Thank you to Grapetree for hosting our meeting and providing food, Vidor Swamy for providing audio and music.

It had been a quiet year and highlights were Tropical storm Fiona got East End a lot of rain, filling up our cisterns. The community has been safe with no reported major incidents.

Today's meeting we have a couple of important things to discuss including the HOA fee increase by a \$100 proposed by the GAPOA Board members. HOA fee of \$300/year has been there for 8-10yrs and based on some estimates for road work, materials, labor, inflation, the increase is justified.

Slate of Officers, there are open spots available and we will make some announcements during Naresh's Nomination report.

Treasurer's Report

Tom Rodenhaver walked through the Treasurer's Report. Tom shared that GAPOA has approx. \$200,000 in the bank, and majority of these funds are parked for the construction of the South Ridge Road. The 2023 budget is forecasted to a loss of \$43,000 which is paving more roads.

Collections, Tom placed 7 liens on properties due to lack of payment. One of them foreclosed and paid up. One of them has 4 properties and stopped paying 2 years ago. Tom will be pursuing them to pay.

Q: Has the bookkeeping budget increased at all?

A: No, Debra's bookkeeping budget stays the same

Q: Why has the budget for 2023 increased?

A: Tom has made the assumption that the HOA fee increase will be voted yes and has projected that amount increase in the new budget. More discussion under the New Business section. ~\$85,000 is collected in 2022, roughly the same amount collected each year. Simple math is 300 properties in the HOA x \$300 HOA fee per year = \$90,000 per year if 100% pay. Usually some don't pay so roughly \$85,000 is collected each year.

NOTE: Debra Tyron, our bookkeeper for years, will be moving from the island to stateside. She will

continue to work remotely and be our bookkeeper.

Road Report

Don Gray, the Road committee chair shared that the roads committee includes GB Bucknell, Jim Pederick, John Morra, and Eldon Lambert. Eldon has worked very hard on the new portion of South Ridge Road. Rob Bidelspacher and Isabel Brady have helped as well, and he thanked all of them.

Road takes 80% of the GAPOA HOA budget which so approx. \$70,000 of the \$90,000 possibly collected. Issues to discuss:

1. **Overview:** Don corrected that GAPOA has 8 miles of private roads, not 12 miles as he initially thought. 4 miles are paved, 4 miles are dirt roads. Recently Grapetree hotel and they have agreed to pay for paving their side of the road which amounts to ½ mile of paved road. GAPOA burden of paved roads has gone down about 15% as the hotel chips in.
2. **Brush Cutting:** is done in January/February, it costs about. \$11,000 each time. The budget has enough for 2 brush cuttings, during the dryer part of the year the brush is still contained and in the fall it grows which is why the scheduled brush cutting ends up happening during January as we schedule the contractor. Once a year has been working effectively.
3. **Road Grading:** Every year GAPOA grades the 4 miles of roads, clearing the swales and culverts annually at a cost of about \$10,00. The grading of the roads is typically performed in the late April - early May time frame after the spring rains and generally last through the year. There is another culvert of interest, Hibiscus Road (off South Shore Road). It's a dirt road and the culvert is clogged which makes the rain water flush to the road and all debris ends up on the South Shore road. That culvert is owned by the Territory, Don was able to get Administrator Sanes, to address it and get that culvert fixed by Public Works and Fire service at no expense to the GAPOA HOA. The Fire service tried to fix it completely, more work to be done to have the culvert declogged and have the water end up in the retention pond on Grapetree Bay Road.
4. **Paving:** - has been moved to once every 2 years. It helps with saving \$5,000 a year to request road pavers to bid and we end up waiting on the other processes to complete. The cost of repaving a paved road is ¼ mile road x 10ft wide is about \$35,000 for 1.5 inches of asphalt. The cost of paving a dirt road is a lot more as you need 3 inches of asphalt so the cost has doubled. Road bed creation is costly by ¼ mile x 10ft wide is about \$150,000. One mile road x 10 ft wide road will be \$600,000 x 4 miles of current dirt roads = \$2.4M. Hence, dirt roads are not easy to pave as there is no budget for it.
5. **South Ridge Road:** is over by the Divi Casino and looking at it from S. Shore road, there are dirt roads right of the casino and that is South Ridge Road. In 2017, hurricane Maria washed up badly as it is a natural confluence as a runoff around this road. In 2018, contractors gave us estimates to repair the road and it was around \$100,000. In 2019, Jim Pedrick had discussions with Divi casino parent owners, Grapetree Shores, and was able to secure an agreement to get ownership of a road further to the right of the casino and use that to build out. It is a tedious process to get a survey, govt. to approve and it took a year. Title company took 6 months. And we took the title and the deed by March 2022. Initial contractor had estimated the cost based on mapgeo.usvi and it was not accurate. There was an adjustment with Emelyn's property after the final survey. In June 2022, we signed a contract with Eleven for \$10,000 and the cost of this gravel road is \$65,000. It is not the complete cost. Permit applications have taken 4 months to

put together due to a tax bill that was still under Grapetree shores which wasn't paid until Nov 2022. So, CZM has our final application and has sent letters to mail to the abutters. Emelyn-Morris Sayre should receive hers. We hope there is a hearing, public notice, discussion and we are not required to do a certified hydrological study which could be another \$10,000 and set us back 4-5 months. Next step after hearing will be the contractor building the road in 14 days. Two unknowns are, permit fees from CZM, we have budgeted \$10,000 and we have budgeted \$10,000 for hydrological study. Additional \$5,000 for contingency. Surveyors did not mark utilities and now there is a composite utility pole in the way. To remove a post is \$10,000 as per Hoglan. Permission to move with required Wapa CEO to approve which happened last week.

Q: When is the public hearing?

A: Not sure, Abutter letter might have better details

Q: Who maintains the territory roads?

A: GAPOA does not maintain South Shore Road or East End Road

Q: Why increase dues if there is money set aside for South Ridge Road and there is money available for \$140K-\$150K?

A: We have been conservative with paving and collected funds over 4-5 years to build South Ridge Road so it takes time to time to collect to get to those funds. And, the cost of paving roads and paving dirt roads is expensive (see calculations in the notes above). Directors/Officers insurance is \$10,000. Brush cutting is \$20,000 and grading of dirt roads = \$10,000. So, we have about \$40,000 for constant priced items and then rest goes to new projects.

Q: Have we factored inflation into these budgets?

A: Yes, hence the request to increase the HOA fee by \$100. We are seeing 7-10% increases in material etc.

Q: Are there any other road issues out there?

A: No

Q: Why is there no money dedicated to paving this year in the budget?

A: It did not end up as a line-item in the budget. So other items are called out, pending funds are for paving minus the \$25,000 in reserve funds. It should be about \$120,000 - \$130,000 for paving

Q: Can we get Grapetree hotel to pave the entrance (small roundabout circle before the hotel)

A: Josh Sayre, part owner, has agreed to pay 50% of a section of the road. They are interested in paving up to the hill and chipping in half if they are shared. More to be discussed on timing to fix this entrance.

Q: Why increase the HOA fee by 33%? There was a request to create a one-time assessment and we would get more folks paying their dues.

A: The process started last year to anticipate the inflation and estimates of road costs to increase. This year we vote, next year it goes into effect if HOA fees met $\frac{2}{3}$ required votes.

Q: Do property owners get a vote per lot in case they have multiple lots?

A: Yes, one vote is allowed per lot.

Pooja thanked Don for his hard work as he is stepping down as the Road Committee Chair. He is meticulous and organized to understand the tedious processes, steps, entities involved, and spent hours chasing each step to make good progress on Roads over his tenure.

Communication Report

Pooja acknowledged the new owners of GAPOA community. There were a few folks in Turner Hole including 55 Turner Hole. Highlights are:

- 130 members on the FB private GAPOA group. It is called GAPOA-STX. Link: <https://www.facebook.com/groups/gapoastx>
 - Please don't share personal information or promote your product/business in this group. This group is created to connect during any safety issues or ask questions
- Tim Hales did a great job with the <http://gapoa.com> website. It has a new look and has good documents, our bylaws, c&rs, annual meeting notes, financial & road reports etc. If there are any issues please reach out to us
- Debra & Tom set up a Zelle account to pay for the HOA fee electronically. Makes it easy if you don't have checks or write physical checks

Architectural Committee Report

Andre Toussaint thanked his fellow committee members, Isabel Brady & Tom Rodenhaver for their time and educating him on this process. The committee receives a building plan, design, set back, height of the building, Zone R-1 requirements.

We received 3 Architectural reviews that were approved for design in 2022, including, 43 North Grapetree Bay, 17 South Slob, and 2 E North Slob.

The Architectural review application is on the <http://gapoa.com>

Q: What's the timeframe for review?

A: Within a week is the goal

Beach Report

Win Thomas is the Beach Committee Chair. He thanked Celeste Jarvis & Sara McCambridge for being members of this committee and their help. GAPOA is in charge of Turner Hole, Grapetree Bay, and Smugglers. Beaches have been clean, volunteers and good citizens have been collecting any garbage. Sheryl Thomas and Win go out there and collect garbage at least once every 2 months. Beach usually needs to be cleaned up after the April Easter weekend. People picnic & camp all weekend for Easter and there can be trash to clean up after that event. More details will be shared for that particular clean up.

We have spent \$0 from the Beach budget in 2022.

Q: When is the Beach Picnic in 2023?

Jim Pedrick shared that Sara has scheduled the GAPOA Picnic for Sunday March 5, 2023 at Noon. Bring your own chairs, a dish to share, and your own drinks. Association will provide one entree - usually Lori's delicious fried chicken basket is provided.

Q: What happened to Smugglers beach sign?

A: Destroyed by a car or people. We have replaced them in the past with volunteer art but they keep getting destroyed. Emelyn offered to contact the East End Marine Park to replace a couple of beach

signs.

Comment from Rob Bidelspacher was that the Acting Chief Santos and Sergeant Ortiz after feedback from our last Annual meeting, the VIPD made signs for Police jobs and included Woman Police officers on the posters.

Legal Report

Pooja represented John Morra as the Legal Committee Chair. He has an attorney that has been confirmed to be retained. He is also the bylaws sub committee chair that falls under the Legal committee and John will chair that as well. If anyone wants to volunteer for this sub-committee and work on modifications to the bylaws, please reach out to John Morra.

Last year we formed a sub-committee for bylaws and a few folks backed out when they initially wanted to help. It fell apart and now we are going to try again this year. We also will have an attorney with a few topics under consideration such as Architectural rules as DPNR has approved container homes, noise complaints, etc.

Q: Who is the attorney?

A: We will share in due time, so people don't reach out directly as that is not effective.

Q: Is the attorney that is confirmed, does he/she own a property in GAPOA?

A: No, they don't have any conflict of interest with GAPOA

Nominating Report

Naresh Boodhoo introduced himself as the Nomination Committee Chair.

He ran through the slate.

Open, President

John Morra, Vice President

Pooja Vachani, Secretary

Tom Rodenhaver, Treasurer

Don Gray, Road Committee Chair

Andre Toussaint, Architectural Review Chair

Win Thomas, Beach Committee Chair

Naresh Boodhoo, Nominating Committee Chair

Naresh nominated Kerry Johansen as Road Committee Chair. He motioned, Pooja second that motion. Kerry is from North Dakota, he is a builder, he specializes in Roads and has been building roads his career.

Naresh nominated Pooja Vachani as the President. He put that in motion, Tom Rodenhaver second that motion.

Naresh nominated Judy Hodgerson for Secretary. He put that in motion, Win second. Judy is talented and enjoyable to be around. She has some good ideas for the Communication committee as well and will be the Communication Committee Chair.

All in favor, the Board was slated for positions for 2023.

If you would like to join the Board, please reach out to Naresh.

Naresh volunteered his wife Shabana Nadia Boodhoo to be the DJ for the March 5th picnic party.

Old Business

Does anyone want a Whatsapp group for the community so they can be connected via the Whatsapp group? Show of hands were a few folks, so we didn't quite get to it but can certainly form such a group as needed.

New Business & Closing

Increase HOA fees from \$300/year to \$400/year:

Floor was open for discussion around the increasing HOA fees by \$100 from \$300/year to \$400/year. Pooja's initial remarks were that 80-85% of the budget goes to roads and maintenance of roads. So keeping that in mind, with inflating cost of material and labor, and being in the position to have funds to anticipate these new costs, the Board proposed a \$100 increase. The HOA fees have not been increased for at least 8-10 years, and this increase is a 33% increase.

The process is to put this motion to vote, $\frac{2}{3}$ majority will be required for this to go into effect in 2024 dues.

There were a few folks who shared their concerns. In summary, the property owners who are on East End road or South Shore road shared that they do not benefit from road paving, road maintenance, grading, or brush cutting. 15% is saved as Grapetree hotel is chipping in, so the 33% increase is not justified and seems really high.

Other members chimed in and shared their point of view. In summary, the point was made that everyone benefits if the roads are paved, maintained and the brush is cut around the properties of those who don't think they benefit. The value of the homes are maintained at a standard or go up if the community is clean and more roads are built. The HOA fee has not been increased in 8-10 years. Historically, GAPOA has increased dues by 100% when the HOA fees were \$50/year to \$100/year many years ago. The Board in the past and current have been frivolous to stretch each dollar that is budgeted to get maximum use for our funds.

Q: How much was the HOA fee increased last time and overtime?

A: It went from \$100/year to \$200/year in 2007. In 2014, we went from \$200/year to \$300/year. So it is a decade increase so it is not really a 33% increase, it is a 5% increase. It is a \$8.33/month increase after 10 years of no HOA fee increase.

Jim Pedrick provided more historic context that we have never had enough funds to maintain our roads. We have very little to get by. This increase will not solve every road. 10 years ago a plan was put in place to re-pave paved roads and maintain 8 miles of road. \$300/year is not enough and \$400/year will not be enough either but we can do more and for the betterment of the community. We enjoy traveling on these roads, go on walks with our dogs, so we all benefit. Win Thomas added that when we pay property taxes, we pay for schools even if we may not have children.

Debra tallied 63 properties were represented including proxies. 58 Voted Yes, 4 Voted No. Pooja motioned that the HOA fee will be \$400/year starting in 2024. Rob Bidelspacher second the motion.

No new items were brought up.

Closing

Pooja closed the meeting at 5:53pm and thanked everyone. She motioned to adjourn the meeting, second and all were in favor to close the meeting.