

Annual Meeting 2020 Additional Information

Phased Development: Until Phase 2 and 3 become part of the WB HOA, they are under no obligation to communicate information to the WB HOA board. The WB HOA board had/has nothing to do with the initial sale of those properties, nor does the WB HOA board have anything to do with any secondary sales or builder agreements of Phase 2 or 3. The process involves deeding and platting the lots through Horry County into our WB HOA. The WB board has nothing to do with that process.

Residential Concerns: The primary concerns that we hear from residents involve the gates, security and speeding. The WB board has been actively researching and pursuing solutions to these 3 concerns. Concerning the gates, we have met with our gate contractor on several occasions and we have done independent research on gate operators, RFID scanners, Gate controls, camera systems, license plate readers, full monitored kiosk systems, rebuilding the gate panels and more.

1st Concern Gates: Changed the swing of the construction exit gate and have mounted the gate operators directly to a concrete base that is tied into the curb to prevent the operator from racking due to the torque of the motor opening the gate and heavy winds. We have monitored their operation over the last 6 months and have not had any of bending of the gate arms that we had in the past due to strong winds. Since these solutions seem to have fixed the concerns we had over wind damage, we decided to not replace/modify the gate panels at this time.

2nd Concern Security: This involves upgrading the gate, boat storage, tennis, clubhouse and database. The main focus was getting all the access points in WB on one easy to update, easy to maintain and cheaper to fix modern system. The new system will allow your amenity card to open the gates, tennis court, pool, fitness center, boat storage (if you own property in the storage area) and the kitchen (when rented) or on event nights. With everything on one system and one database, each access point gives a time stamp when used, allowing for accountability and ease of use by owners. No keys, no codes, just a simple swipe.

The new gate controller will communicate through WiFi to a VOIP connection, allowing it to be surge free from the analog phone lines which caused the last 2 boards to fry from lightning strikes. On the resident's side a 10inch iPad type touch screen will allow for easier searching.

All 8 cameras at the gates will be upgraded to full color and night vision with higher resolution. The entrance and exit gates at both entrances will have license plate cameras. We have had a few issues with vandalism, petty theft at job sites and excessive/reckless driving where the vehicles race out of the community when approached by security. The new system will capture the vehicles make and license plate, allowing us to properly report to law enforcement. There will also be 4 cameras added to the boat storage area allowing full 360 view of the area to hopefully prevent any crimes that might occur without proper security.

3rd Concern Speeding: The speed you're traveling if an accident were to occur with a pedestrian makes a massive difference in the predicted outcome of an accident. At 20mph a pedestrian has a 93% chance of surviving a crash or walking away without severe injury. At 30mph a 50% chance and at 40mph only a 25% chance.

The WB board along with the Traffic Safety Committee have dedicated a large chunk of time researching options that would best fit WB. We met with active and retired police officers, reached out to other CAMS community managers, spoken with our old security company and the 3 security companies we interviewed, took online seminars on traffic safety in HOA's and spoke to many industry reps selling traffic calming solutions, along with listening to our own WB residents' concerns and research. We considered Traffic Logix, speed humps, paint lines on roads, extra stop signs, adding extra speed signs and changing the speed limit to 15 or 20mph.

The conclusion from all of this gathered information was the purchase of the Traffic Logix system which will provide active speed feedback signs along with movable speed cameras. The Traffic Logix system warns drivers of violations by visibly posting their current speed. This system only penalizes the problem drivers who violate the community speed limit. Safe drivers are not affected or inconvenienced in any way. Traffic Logix primary purpose is community safety but

a collateral benefit is that fines will help pay for the system. The system is all automatic through cloud-based software, capturing vehicle speed, time of occurrence and vehicle identity. The data collected will help us better understand the extent of the speeding in WB and will allow us to automatically fine speeders. An appeal process is described below. This system, combined with the use of a radar gun from the security car, will reduce the speeding throughout the neighborhood.

As a private gated community, the HOA has a duty to enforce rules/speeds on the HOA roads and has the legal right to do so. A fine issued for misuse of the WB roads/speeding is not a legal citation traffic ticket, you do not get points on your license, you do not go to court. Instead, it is a fine per the CCR's. If you want to contest a fine, you go to a hearing that will be conducted by the Traffic Committee. More details on this will be provided as the system is implemented. The CCR's, speeding signs and rules and regulations are filed with Horry County giving the HOA the legal right to enforce the HOA rules and implement fines as required to be in compliance.

*Per the CCRs' ARTICLE XVI, General Provisions, Section 3. Fines. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, **a reasonable fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, Lessees or employees to comply with any covenant, restriction, rule or regulation, provided notice and hearing procedures set out in Article III, Section 23 of the By-laws are followed.** Once imposed, fines shall be treated as an assessment subject to the provisions for the collection of assessments as set forth in Article VIII, Section 6 of this Declaration. **These fines also are applicable to Builders who are responsible for their subcontractors' actions while in WB.***

The Traffic Committee has been expanded from 3 members to 5 members to better accommodate the extra work involved. The members will be Jay Deutsch (retired colonel), Dave Dailey (retired police), Ed Macaluso (retired police), Tom Gowen (retired police) and Ernie DiFulvio (active police). The Advisory Committee will be deactivated in 2021 and all questions and concerns should continue to go through the WB community manager Tami Roth troth@camsmgt.com or 910-239-5974.

Traffic Logix System

Traffic Logix Pros:

- 1) Is proven to reduce speeding, increasing overall safety.
- 2) Only affects speeders. Non-speeders will not be inconvenienced in anyway.
- 3) Does not slow emergency response.
- 4) Does not affect construction vehicles, no dropped nails or screws
- 5) Cannot damage cars.
- 6) Does not affect golf carts, bikes or pedestrians.
- 7) Does not affect drainage of water to storm drains.
- 8) Collects data on speed and times.
- 9) Can be moved around the community as needed.
- 10) Is all cloud-based software and automatically tracks and fines.
- 11) Can be easily expanded if needed
- 12) Cheaper to implement then other solutions.

Traffic Logix Cons:

- 1) It's a new system, non-compliant Residents and Builders may see it as a threat when fined.
- 2) It requires extra work from the Traffic Committee.
- 3) WB Maintenance will have an extra duty of moving the cameras and signs around the neighborhood per the Traffic Committee recommendations.
- 4) It is technology based so there is a risk of breakdowns, for this reason we purchased the extended warranty giving 5 years of coverage.

Speed Humps

Speed Humps Pros:

- 1) Forces vehicles to slow down as they approach the hump and pass over it to about 15-20 mph.
- 2) Does not require any additional work after installation.

Speed Humps Cons:

- 1) Need 80+ speed humps in WB Phase 1 to be effective - For speed humps to be effective in a 25mph zone they need to be spaced at 275-400 feet between humps. That equates to about 13 speed humps per mile at the maximum recommended distance of 400 feet. WB Phase 1 has 6.5 miles of road to cover. This does not include Phase 2 or 3.
- 2) The quoted cost of the speed humps in both rubber and pavement was about \$2,500 per hump, totaling over \$200,000. We would also need to add extra signage to warn vehicles of the use of speed humps.
- 3) At 13 humps per mile, this means to get from the construction gate entrance to the furthest house on the Moss Bridge cul-du-sac, about 1.6 miles, a driver would traverse 20 speed humps.
- 4) Each speed hump reduces emergency response time by 10-15 seconds. This equates to 3.5-4.5 minutes in lost response time to furthest sections of WB Phase 1.
- 5) Speed humps increase fuel consumption and pollution by up to 60%.
- 6) Extra wear on brakes and shocks and can cause underbody damage if hit at too quick of a speed.
- 7) Tend to cause noise pollution as vehicles are constantly accelerating and braking between humps.
- 8) With homes under construction, nails and screws can be bumped out as they drive over the humps.
- 9) Heavier vehicles cause excessive wear, they need to be repaired or replaced more frequently.
- 10) The speed humps also would need to be traversed by golf carts, bikes and pedestrians.
- 11) Can cause water in heavy rains to pool in the road.
- 12) There are many reports that residents and potential buyers do not like neighborhoods with speed humps and they can have a negative effect on home values.
- 13) Studies find residents do not like the use of speed humps, it punishes everyone for the actions of a few.

Extra Stop Signs

Extra Stop Signs Pros:

1. Inexpensive to install. Traffic Committee may still look at adding a few stop signs in key areas.
2. Would create breaks in speed in areas around Stop signs/intersections.

Extra Stop Signs Cons:

1. Would need to do much more than add extra stop signs, recall from the speed hump section we would need about 80+ stops. Adding extra stops at every intersection would give about 13 stops.
2. Extra stops could cause accidents. In general, a main road does not have 3-way stops for secondary roads. By adding 6 non-intuitive 3-way stops on WB Blvd there would be increased potential for accidents if vehicles were unaware of the stop sign and failed to stop.
3. Punishing all drivers with unnecessary stops for the action of a few speeders.
4. We already have a problem with many vehicles not stopping and rolling through the few stops we do have in WB, which again could lead to more accidents.
5. Stop signs increase fuel consumption and pollution by up to 60%.
6. They put extra wear on brakes.
7. They also tend to cause noise pollution as vehicles are accelerating and braking between stops.

Erosion Control Lake: The WB HOA and ARC have pre-approved two solutions for lake erosion control. Both solutions would be installed through the WB lake maintenance company to ensure consistence throughout the neighborhood. The Lot Owner requesting the shore erosion solution will be responsible for the upfront costs of installing either solution through a special one-time assessment through the WB HOA.

1. Planting of Juncus grasses along the shoreline. Juncus grasses are planted in the shallow part of the water up against the shoreline to help prevent wave erosion. They are resistant to animals and disease and will grow about 3-4' tall with a 2-3' spread. You can see these in the common area in Indigo Bay. They look natural and are environmentally friendly. The initial cost would be a one-time assessment paid for by the property owner requesting the plants. Cost is roughly \$11.25 per linear foot of shoreline; 60 feet of shoreline would cost \$675. After the initial cost of planting, since they are in the water and would be hard for a homeowner to properly maintain, the WB HOA will pay for the costs of maintenance as part of the lake contract. Maintenance on Juncus grasses is minimal once established. They will be sprayed as needed and then cut back once yearly during winter. The HOA will get a bulk rate for maintenance to keep costs low.
 - Pros: Natural look, slows down erosion along bank caused by wave action, provides habitat for fish and wildlife.
 - Cons: Needs yearly maintenance, growing time, will not hold back all erosion, planting done only in growing season March thru September, possible loss of plants from geese, turtles and fish, blocks access to lakes by boat or fishing.
2. ShoreSOX® Erosion Control system (soxerosion.com) halts soil erosion and re-stabilizes shorelines and hillsides using an open-ended containment system that is filled with a locally sourced organic media, such as blow-in mulch. ShoreSOX is designed with a knitted polyethylene soft armor cover that is lined with burlap. This gives SOX its maximum moisture retention capabilities that allows us to vegetate new living shorelines, even in arid climate conditions. The result is an immediately stable shoreline which adds aesthetic value to the property, improves the natural ecosystem, and eliminates safety risks for workers and maintenance staff. A new SOX living shoreline is expected to last several decades. Cost would be paid for by homeowner requesting the ShoreSOX at \$85 per linear foot of shoreline, 60 feet, would cost \$5,100. This is a semi-permanent solution that should last several decades. It holds the shoreline in place and looks natural on the water's edge. There is no extra maintenance by the WB HOA or homeowner once established.
 - Pros: Long lasting 20 plus years, reclaiming of lost lake banks, Sodded to water edge, No maintenance, Can handle heavy wave action and high and low water levels. Filters nutrient runoff, Unit can be joined together to provide seamless look.
 - Cons: Cost

Pool Leak Update:

The pool leak was discovered by the use of Cyanuric Acid (pool conditioner). This is a chemical commonly used in pools that use liquid chlorine as WB does. Cyanuric Acid forms a weak, easily breakable bond with the chlorine that protects it from the sun but allows it to unbind and attack pollutants in the water as required. This can save chlorine usage by as much as 8 times. Last year the board conducted a chlorine/chemical usage analysis on our pool and it was discovered that we were using more chlorine than we should be per standard pool calculations. We met with our new pool company in March after the analysis was completed and asked about the use of Cyanuric Acid to help save costs. The new pool company thought it was a great idea and recommended it. They were not sure why it was only in trace levels in our pool when they measured for it.

Fast forward through the year to the closing of the pool in October, the pool company informed us that throughout the summer season they could not keep the levels of Cyanuric Acid up in our pool. Cyanuric Acid does not degrade over time the only way to lose it is from splash out or a leak. The amount lost was more than could be attributed to splash out. At

that time, the board researched water bills back to 2016 and found that in general they were averaging around 250,000 gallons per month. The pool company felt that was abnormally high. With standard evaporation calculations, it should be averaging 45,000 gallons a month from evaporation and splash out. We estimate that we are losing about 6,800 gallons of water a day from the leak which with chemicals is costing WB an estimated 8-10K a year in lost costs. Along with the safety concerns that the water leak could be causing a washout/sink hole around the leak prompted the board to take immediate action and have the leak detection service performed. This problem wouldn't have been discovered without the monitoring of the Cyanuric Acid levels. It is possible this leak has been ongoing for several years or more.

When the pool was repaired in 2018-19 the leaks were obvious, you could see the cracks in the pools plaster, leaves and debris were being pulled to them. This leak could have been ongoing before that repair or it may be new. A full leak detection, which is expensive (\$27,000), was never completed on the pool as the leaks were thought to be obvious and there was no concern about the piping. There is no warranty on the work, nor can legal action be taken because the 2 leaks are not related. The leak detection company has found that our pool holds water when the filtration system is shut off. Meaning the leak is not in the pool bottom, which was what we paid to have fixed, it is in the piping. There is no way of knowing when this leak occurred, it could be recently or as the water bills suggest it could have been an ongoing leak for a while.

The pool leak detection is an involved process with many instruments and steps that will take several weeks to complete. We are confident the pool leak detection company will find the leak/s and our hope is to have the pool repaired before the 2021 season. We will keep the residents updated as this work continues.

Possible Gas Line to Phase 1 and 3A owners: The WB board meet with Dominion Energy on 12/4/20 to find out about the possibility of running natural gas to Phase 1 and Phase 3A. The gas company is preparing a quote for Phase 1 and 3A. Depending on the interest from Phase 1 owners, this may influence the costs the WB HOA would need to pay if gas was brought in. If there is a high interest in existing homeowners and vacant lot owners to convert to natural gas it may be no or low cost to the HOA. If there is low interest, then the costs incurred to WB will be higher. They cannot give a full quote until they understand the interest. A survey will be going out to all owners asking about your level of interest in converting and using natural gas.

Phase 1 and 3A do not have existing lines in place to support natural gas. The lines would need to be run throughout the Phase 1 and 3A using a combination of open trenching across vacant lots and underground boring under existing lots. The gas lines are run on 1 side of the road and are set about 6 feet from the edge of the road within the established right-away. At this time there are no plans drawn up on which side of the road the gas line would be run. There may also be sections where boring under existing lots is too far to travel and some existing lots would need to be trenched within the right-away. The energy company would pay for all repairs of open trenching to existing lots to include, sod, bushes, etc.

The timeline on the mainline pipe construction from start to finish in Phase 1 and 3A would be about 3-6 months. After all the main lines are put in, lot owners could then request tapping into the main line to bring gas into their home. The energy company would pay for this tapping fee and bringing the service up to your home. There will be more information available on this when the surveys go out.

At this time, we know that Phase 2 will be getting natural gas. We do not know if Phase 3 will be getting natural gas as that land is not sold at this time and the energy company cannot provide a quote or plan without an owner. We also do not know at this time if Phase 3 were to request natural gas, what easements they would use to supply the gas to that area.

Bridge Lighting Update: The board is in the process of getting 3 quotes from the electricians to run power to the two bridges and the gazebo area. After we obtain the final quotes the board will vote to move forward or not with the lighting plan for the bridges. The plan is to have 6 pole lights that are paid for by the WB HOA not Santee Cooper on each bridge. There will be 3 on each side, 2 at each end and 2 in the middle. We also plan to add 2 post lights on the front of the gazebo area. The goal is to better light the bridges to increase pedestrian safety at night as these areas are not well lit from the standard post lights. They should also dress up the bridges and make them more aesthetically pleasing.

Election and transition Elected Board:

- An election will occur at the 2021 Annual Meeting set to take place in November. An election committee will be formed not less than thirty (30) days prior to the annual meeting per the BY-LAWS.
- Reference: BY-LAWS OF WATERBRIDGE HOMEOWNERS ASSOCIATION, INC. Article, III, Board of Directors, Number, Powers, Meetings
- Section 5. Nomination of Directors. Except with respect to directors selected by the Class "B" Member, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Voting Members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.
- Section 6. Election and Term of Office. At the first annual meeting of the membership after the termination of the Class "B" Control and at each annual meeting of the membership thereafter, directors shall be elected by the Voting Members. Directors shall be elected to serve staggered terms as follows: One (1) director shall be elected to serve for a term of three (3) years; One (1) director shall be elected to serve for a term of two (2) years; and One (1) director shall be elected to serve for a one (1) year term. If additional directors should be added, they will be elected for such term as the Voting Members shall select.: Members of the Board of Directors shall hold office until their respective successors shall have been elected to serve any number of consecutive terms.
- Article II, Section 3. Annual Meetings. The first meeting of the Voting Members, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. The next annual meeting shall be set by the Board so as to occur no more than ninety (90) days and no less than sixty (60) days before the close of the Association's fiscal year. Subsequent regular annual meetings of the Voting Members shall be held within thirty (30) days of the same day of the same month of each year thereafter at an hour set by the Board. Subject to the foregoing, the annual meeting shall be held at a date and time as set by the Board of Directors.
- Important dates.
 - The period to bring in new Phases into our HOA ends on August 23th, 2021. Phase 2 and Phase 3 Declarants have until this date to decide if they will be part of the WB HOA.
 - Class "B" 10:1 voting rights end on August 23, 2021.
 - August 24, 2006 is the date the Declaration of Proactive Covenants for Waterbridge was deeded with Horry County. The above 2 dates are the 15-year expiration dates from that original document.
 - The Board plans to set up the Nominating Committee in the first week of September 2021. This will give time for a call for candidates and enough time to send the ballots out 30 days prior to the annual meeting that will take place in November.

Thank you,

Waterbridge Board of Directors