

**Seven Lakes West Landowners Association
Board of Directors Work Session
Tuesday, February 13, 2007
West Side Park Community Center**

Call to Order:

President Jim Meikle called the meeting to order at 8:04a.m. Present: Hugh Beckwith, Mary Anne Fewkes, Ray MacKay, Bill Mamel, Jim Meikle, Betty Milligan, Jo Nicholas, and Virgil Reid. Also present was Tony Robertson, Community Manager. Absent: Blaine Rowland. A quorum was established.

Secretary's Report:

A motion by Ray MacKay to accept the minutes from the January 9, 2007 Work Session was made. Jim Meikle seconded and motion passed. Motion by Virgil Reid to accept the minutes from the Special Meeting of January 17, 2007 was seconded by Ray MacKay and motion passed. Motion to accept the minutes of January 23, 2007 General Session was made with adjustment of the minutes to read as follows on the last page in regards to statement made by Barbara Lewis with Jim Meikle's reply being "Jim stated that being a private community, we did not have to have open meetings." Motion was seconded by Hugh Beckwith and passed. Adjusted minutes will be sent to Board members as well as website manager. Correspondences in regards to boat regulations, master gardeners and a member from another community researching gated communities were shared by Board members. The secretary accepted possible absences for the remainder of the month

Treasurer's Report:

Treasurer Virgil Reid explained the January check detail with the members. Discussion was held in regards to Association being tax-exempt and possible filing for reimbursement of past tax monies charged for supplies, etc. Virgil will research with Holly to see if they can set up a section of finances to track the information needed. It was suggested that the Association set up accounts with tax-exempt information being shared with firms as well as possibly moving towards purchase orders for supplies needed. Betty Milligan noted that Direct TV was still being paid even after the Board voted to discontinue services. Virgil will examine concern. Tony will also research information on Embarq for cable usage. He will also monitor usage of TV in regards to needing cable. Two other incidences were noticed in regards to wrong coding for exterminating company and purchasing WSPCC mats instead of renting. A suggestion was made that in future Board meetings that Holly Foster, financial assistant, be present when reports are reviewed. A motion was made by Ray MacKay to accept the check detail with Jo Nicholas seconding. Motion passed. Virgil then requested from Board members if expenses would be occurring within the last two months of the fiscal year. The Profit and Loss Budget was discussed in detail with regards to having revenues at the end of the year. Mary Anne Fewkes explained that there would be further Dam bills (as in her budget) of approximately \$20,000. Virgil then explained the Fund Status report with one CD maturing and rolling the monies into the Money Market account at Merrill Lynch. Two more CDs will be maturing in the near future. It was also noted that boat slip rentals will be an income coming in the future.

Betty Milligan suggested that the Board have a three year audit instead of the one year that had been approved by the Board. Cost of having a three year audit will be researched by Virgil and shared with the Board. Bill Mamel shared information that he had received from an accountant in support of having an audit especially with the change of treasurer's position. The reason for a dues increase in the budget is to build the reserves. The Association has to maintain the Dam reserves which is our main purpose of the community. The Board is asking all community members, homeowners and lot owners, across the board to contribute. Hugh suggested that Virgil prepare comparative balance sheets for discussion at the General Meeting. Virgil also suggested that when the auditor is completing a one year audit, if concerns arise, then have the auditor authorized to go back two years. He will also research cost of three year audit.

Action Items:

1. Boating Rules

Mary Anne Fewkes shared information that she had received on boat rules. A forum was held with the Sports Club members during the third week of January to review and answer questions regarding the proposed boat length and horsepower regulation. Jim Haggard chaired this meeting. There were over fifteen attendees and much input was received. Another meeting was held with some community members (Bud Sales, Bob Fewkes, Tim Copper, Ron Sheppard, Dave Carter and Mary Anne) and a decision was made to change the initial proposal regarding boat length and horsepower. The biggest concerns of all groups and emails were a) treating all people fairly; b) people not understanding the fact of being grandfathered; and c) understanding the need to change the rules. New boat information was shared as well as other research articles on boats. Mary Anne will share with the community the new proposal. The change would not go into effect until July 1, 2007. All boats registered before then will be grandfathered. The proposed changes are as follows:

- a) The maximum allowed length over all (LOA) of boats operating on Lake Auman: All boats—powered and non-powered: 22 feet 6 inches.
- b) The maximum power of the boat is not to exceed the manufacturer's recommended rating.

In regards to boat noise, Mary Anne only received two email with concerns on noise limitation. A community member has agreed to lend a decibel meter for recording. Mary Anne made motion to adopt the suggested Boat Noise recommendation presented by the Lake Management Committee that reads as follows:

“ Boat Noise: 88 decibels is the legal limit for boat engines at minimum idle rpm (measured with a decibel meter, 39 inches behind the transom at a height of 39 to 57 inches above the water). In addition, a boat will be in violation if it is found to be making more than 75 decibels of noise when measured from the shoreline regardless of speed or distance.”

Bill Mamel seconded and the motion passed. Mary Anne will present this information at the next General Meeting. Mary Anne will be writing rule changes needed as mentioned in the NCWRC agreement. The rules will be reviewed by our attorney. Information will then be published and presented at the April General Meeting.

2. **Request for programming:** Betsy Mikula, website and newsletter coordinator, requested to purchase MS Office and Student 207 Full Version software (\$149.00) to allow her the ability to publish documents to the website. An email motion was made by Betty Milligan with Jo Nicholas seconding with program being stored at the WSPCC since it is Association property. Discussion was held in examining the feasibility of purchasing other licensing portions in order to use program on other computers in the office if needed. Motion carried. Jo will notify Betsy to call Tony in regards purchasing.

Virgil Reid then moved to have the Board convene into Executive Session at 10:18 a.m. with Hugh Beckwith seconding to discuss legal affairs. At 11:03 the Board convened regular session. Virgil Reid made a motion the authorize Jim Meikle and Hugh Beckwith to represent the Association at an upcoming mediation. Ray MacKay seconded and the motion approved.

3. **Ballot Processing:** Jo Nicholas presented the Board with a “locked” box that had been made by Charlie Flinchum to deposit ballots. The process has always been to put ballots in a box in the office as they arrive, then lock the ballots in a safe, secure and fireproof file cabinet. The Board decided to have ballots that had already been deposited to remain in the locked file cabinet and use the new box, locked, to deposit remaining ballots. Two keys came with the box. The Board determined that Tony would keep one key and the other would be put in locked security box. Jo explained the three mistakes that had occurred and took total responsibility in the confusion. During the balloting process, she was concerned about the necessary changes to the candidates’ bios and eliminating two names on the ballot—not noting the change needed on the President’s letter (from six to four) and stamping the word “BALLOT” on the tan envelopes. The office staff did a tremendous job of completing the process. The major mistake of noting a March 28,2007 deadline that was an ERROR, Jo corrected the situation and postcards were sent to all community members to notify them of the error.

REMINDER: Votes taken after 2:00pm on March 18, 2007 will not be counted. The Annual Meeting date is Sunday, March 18, 2007 at 2:00pm.

Discussion was held that the Nominating Committee has traditionally been responsible for counting the votes. The Board asked Hugh Beckwith, Chairperson, to contact last year’s ballot counting team and ask them to join this year’s Nominating Committee to form this year’s team. The Board subsequently agreed that Mary Anne Fewkes and Hugh Beckwith would represent the Board as ballot counters.

4. **WSPCC Library:** Ray MacKay shared information of a committee that is trying to organize the many books that have been received. The committee will examine the books age and make decisions as to feasibility of its usage. Tony will contact the committee when the room seems full and discontinue accepting books until they are organized.
5. **Ticket selling at the Mail House:** A community member wanted to sell tickets at the mail house for an outside event. The Board decided that event tickets may be sold at the mail house for the Seven Lakes community activities. Other associations may post flyers on the bulletin board.

6. **Annexing Carriage Park Phase II and First Fairway:** Hugh Beckwith made the motion that “Pursuant to Section (b) (2) of Article V of the Article of Incorporation of Seven Lakes West, Carriage Park Phase II and First Fairway, each as defined in the Declaration of and consent to Annexation between Black Point Development, LLC, and Seven Lakes West Landowners Association, Inc., dated January 18, 2007, are hereby subject to the exclusive jurisdiction and administration of Seven Lakes West, and the owners of the lots created by the subdivision of these tracts shall be members of Seven Lakes West.” Ray MacKay seconded and motion passed.

Discussion Items:

1. **Outreach Program:** Jim explained that he had received information from Don Truesdale of the Seven Lakes Association about informing our community members about outreach possibilities in the county. Board members shared that community members already know how to locate information for outreach needs. It was decided that the information received would be shared in the newsletter and the website for community members usage.
2. **Septic Program:** Jim shared information on the history of the septic system program. At the time of its initial programming, the Board decided to not make it mandatory. A 75-79% compliance has occurred. A letter will be sent to those not participating to remind them again of how crucial this procedure is needed for the community and the lake. The Board agreed to investigate options for improving compliance, with the ultimate goal of reaching 100%.

Informational Reports:

1. **Community Manager:** Welcome back, to Tony. Tony stated that Board members and community members that sent cards, flowers and prayers during his illness, was much appreciated. Tony then shared items of interest for the Board:
 - A. Flood Plain complaints: Several community members had been told by the county that their property was in the flood plains. Tony went to Moore County office to examine information. Tony found that the county had outdated maps from FEMA, which he then shared the new information. All properties have been pulled back to the waterline—no properties are in flood plains.
 - B. Information is coming into the office on rentals of WSPCC and Johnson’s Point. Mary Anne and Patti Cleary will sit down with Tony to refine the rules and regulations.
 - C. A resident on Heron Drive want lots to have irrigation system installed. The area is in the common areas, therefore Ray will develop a study for the Board for next month’s agenda in regards to this situation.
 - D. A request from the Seven Lakes Lions Club to hold meetings at WSPCC beginning in July, 2007 on the first and third Thursdays has been received. The Board agreed and is excited to see the usage of the building growing.

- E. The Board will be hosting an Appreciation Luncheon on February 20, 2007 for the Community Center staff.
- 2. **President:** Jim Meikle shared two points of interest for the Board. First the Seven Lakes Civic Group is holding a meeting at 7:30 p.m. tonight with presentations being made from the County Commissioners and manager. Second, if any community members are needing directory assistance on their land or cell phones, there is a number to call for free assistance (Dial 1-800-FREE-411 or 1-800-373-3411).
- 3. **Lake and Environment:** Mary Anne Fewkes shared several items of interest.
 - A. Johnson Point—three handicapped picnic tables have been delivered and are in the gazebos. There are now ten tables at Johnson Point. Two more tables will eventually be added.
 - B. Dam—Dan Marks is writing specification for repairing the wet spot. The cost will be around \$40,000. Cars SPEEDING on the Dam continues to be a problem. Mary Anne has ordered information on speed bumps. Speed bumps at both ends of the dam are recommended. The Dam engineer has been asked to put into writing his recommendation for limiting traffic to non-commercial vehicles. Ray MacKay mentioned that the developer is not in favor of this recommendation. Mary Anne will discuss information with the developer in regards to this recommendation. Some changes are being made on the frequency and how we will survey the Dam.
- 4. **Infrastructure:** Ray MacKay shared several items of interest for the Board.
 - A. Street paving at White Drive is underway as well as the developer has completed the street paving at Carriage Park III.
 - B. Privacy Screening at WSPCC: Planting has been completed. Watering is being done on a weekly basis as needed by hoses from WSPCC until the Park's irrigation system is extended to this area in early spring.
 - C. Lakeway Mall: Second phase of plantings has been completed.
- 5. **Legal:** Hugh Beckwith shared information on two items of interest:
 - A. Beacon Ridge Villas. Twenty-five villas, at 2000 square feet plus, have been proposed on approximately 17 acres. The subdivision would have common area that would require separate maintenance by SLWLA a la Pinnacle. A discussion was held in regards to front set-backs which will be similar to the five villas already built. A motion to give Hugh Beckwith the authority to pursue negotiation of a development agreement with the owner and prospective builder was made by Virgil Reid and seconded by Bill Mamel. Motion passed.
 - B. Gateway II Tract: This is the 13 acres off Gateway Drive between Longleaf Drive and the East Gate/Highway 73. Ron Myers, the owner, has inquired about the Board's receptivity to a 20 home cluster development for buyers seeking an upscale but downsized and low maintenance alternative. Given that the community would reasonably be expecting single family homes on this tract, Hugh suggested that Ron Myers be invited to a General Session to explain his concept and solicit comments.

6. **Recreation:** Jim Meikle, in Betty Milligan's absence, shared information:
 - A. The Wine Tasting was another huge success.
 - B. There are still continue problems on the tennis courts with children rollerblading. Therefore a lock will be necessary for the gates.
 - C. The Easter Egg Hunt will be on Sunday, April 1, 2007 at 3:00 pm. at the WSPCC. More information will be coming.
 - D. Clarification on when the warranty company visited the tennis court will be shared to Betty from Tony.
7. **ARC:** Bill Mamel shared several items of interest for the Board.
 - A. The first two meetings of the ARC committee have been very good. The committee members are effective and efficient.
 - B. The developers continue to work cohesively with the ARC in regulations and are supportive.
 - C. Concerns of the ARC are antennas and fences. The committee is trying to resolve and "catch-up" on issues outstanding.

Topics for General Meeting

Topics for the February meeting will be Tony Robertson—Community Manager; Virgil Reid—Treasurer; Mary Anne Fewkes—Lake and Environment; Jo Nicholas- Vision Statement; Betty Milligan—Recreation and President's Report.

Adjournment:

Motion by Ray MacKay to adjourn the work session with Virgil Reid seconding was made. Motion carried with the meeting adjourning at 3:06 p.m.
Respectfully submitted,

Jo Nicholas, Secretary

Summary of Board Actions

- Approved January 9, 2007 Board Work Session minutes.
- Approved January 17, 2007 Special Board Session minutes.
- Approved with adjustments January 23, 2007 General Meeting minutes.
- Approved January, 2007 Check Detail.
- Approved the adoption of the Boat Noise Recommendation of the Lake Management Committee.
- Approved the request of Betsy Mikula to purchase computer program for publishing documents for the website and newsletter.
- Authorized Jim Meikle and Hugh Beckwith to represent the Association at an upcoming mediation.
- Approved the annexation of Carriage Park Phase II and First Fairway.
- Authorized Hugh Beckwith to pursue negotiation of a development agreement with owner and prospective builder of the proposed Beacon Ridge Villas.