

Seven Lakes West Landowners Association  
Board Work Session  
June 8, 2010  
West Side Park Community Center

**Call to Order:**

The meeting was called to order by President Ron Shepard at 9:00 a.m.

Directors present: Ron Shepard, John Hoffmann, Ed Silberhorn, Joe Sikes, Jane Sessler, Mick Herdrich, Karen Milligan, John Goodman, Adam Wimberly

Directors absent: None

Also present: Joan Frost, Community Manager

**Presidents Comments:**

President Shepard noted the Community Pool has opened on time and thanked Community Manager, Joan Frost, for the smooth operation.

President Shepard also updated the Board on final agenda of home mail delivery stating it will not be possible and future talks will not include the home delivery option.

He thanked Director Hoffman and his group of volunteers for the hard work and wonderful job working on the current mail house. Future discussion on mail delivery options will include: West End Post Office survey of possible cluster box locations, costs from LRP on building a new mail house and the option of all mail pick up occurring at West End Post Office for residents of SLW. All options will be presented to the community at a future date for discussion.

**Secretary's Report:**

Director Milligan asked for a motion to approve the minutes from May. Director Hoffmann made the motion, Director Herdrich seconded, motion passed 8-1-0 with Director Goodman abstaining due to his absence during the month of May.

**Treasurer's Report:**

Director Sikes asked for a motion to approve the check register for May. Director Milligan made the motion, Director Herdrich seconded, motion passed 9-0.

Director Hoffmann noted his budget for security maintenance will exceed its limit due to the work being done on mechanisms and arms at the gates.

Director Sikes stated he was already aware of the account overage.

Director Sikes reported he was in the process of sorting data to begin forecasting revenues due to the large number of members opting for the monthly payment plan for membership dues.

A forthcoming agenda item once data is compiled may include moving to an accrual based accounting system with the new dues system.

**Community Manager Report:**

Community Manager, Joan Frost, was happy to report the pool has opened on time with no problems.

Director Silberhorn asked if SLLA will be allowing SLW members to use their pool and if so will there be a fee.

Joan Frost said she will check and reply to the Board.

**ARC Report:**

Director Wimberly reported on the continuing investigation of installing a dock/deck on a pond at the Pinnacle's at Beacon Ridge. Liability issue has been solved but maintenance once constructed is a concern. Director Wimberly requested a confirmation that the Board wishes him to proceed to see this project to completion.

Director Silberhorn mentioned this a limited common element.

Director Wimberly noted his concern at setting a president for these to be requested at other locations.

Director Wimberly made a motion to approve the deck at the Pinnacles at Beacon Ridge working with ARC for details. Seconded by Director Shepard. Discussion had Director Sikes amending from "approve" to "do not object to". ARC has denied, Board must approve or deny. Motion called, approved 9-0.

### **Communications Report:**

Director Milligan announced the Incorporation Tutorial on May 24 at 7 p.m. Kara Millonzi will be present to discuss incorporation and then answer questions. It is open to SLW, SLLA, and McClendon Hills.

Director Herdrich mentioned he thought the forum was for SLW only based on his motion from May 25-that was the intent of the motion.

Director Milligan clarified this was not a specific discussion about Seven Lakes West but rather a "step one" talk about incorporation giving residents information.

Director Goodman noted as a Board committee, Communications, we should be looking at the perspective of SLW and have no business looking at other perspective of SLLA/ McClendon Hills/downtown. Director Goodman commented it is not appropriate to invite the rest of the community to anything that this Board is managing, creating or spending money. There will be a time after the Board gathers fact we can invite them, more statements to follow.

Director Goodman makes the motion to have the forums for the residents of Seven Lakes West.

Director Hoffmann concurs without repeating Director Goodman's statements and states Ms. Millonzi does seem an impartial source of information and the recognized state expert. One on one questions between our residents and Ms. Millonzi are the preference.

Director Sikes commented we cannot be exclusive- we cannot pretend we are not part of a larger community. At this point no one has defined the process of incorporation.

Director Herdrich commented there seemed to be a rush from various groups and some facts are missing.

Director Sikes replied the Board does not know the process so is it is hard to predict the sense of immediacy.

Director Silberhorn mentioned his letter from Senator Blake's read into last months minutes.

Director Hoffmann agreed with Director Sikes in the need for the meeting but again concurs with Director Goodman in regards to the venue being opened to Seven Lakes West only.

Director Shepard poses the question- is the meeting open to all or just Seven Lakes West?

Director Silberhorn asks the question of redundancy in having Kara Millonzi speak at the Forum.

Director Wimberly commented the process has the feeling of packing 10 pounds of agenda into a 5 pound bag.

Director Milligan suggested we form some committees from our Seven Lakes residents to compile appropriate data on the subject of incorporation.

Director Sessler stated that would be a redundancy to the Board motion made to educate not only the Board but the Seven Lakes West community. It needs to be done in the privacy of our own community.

Director Milligan repeats the motion for the forums to include Seven Lakes West residents only.

Director Hoffman objects to the wording and Director Goodman states he would like time to reword/refine his motion.

recess: 10:10 a.m.

reconvene: 10:20 a.m.

Director Goodman makes the motion: Related to incorporation, the Board of Seven Lakes West embark upon a comprehensive process of investigation and gathering of facts to include outside expertise, focus groups and scheduled meetings and discussions focusing on the needs and perspective of Seven Lakes West. This process should also lead to recommendations related to the issue of incorporation by the Board of Seven Lakes West for the residents of Seven Lakes West.

The motion is seconded by Director Silberhorn. The motion passes 7-2 with Milligan and Sikes voting against.

Director Silberhorn moves the Communication committee in conjunction with Director Herdrich be given the discretion to come up with the initial seminars and that the Board defer to their expertise in coming up with their dates and times.

Director Hoffmann seconds and asks to amend seminars to presentation. Director Silberhorn accepts the amendment.

Motion passes 9-0.

### **Community Events Report:**

Director Sessler stated the success of the Johnson's Point concert. Sailing clinic is back on in mid July. July 4th will be a big weekend with details coming at the June 22 work session.

### **Infrastructure Report:**

Director Goodman commented on the land at the back gate near the ditch could not be used for infrastructure purposes unless the large ditch is filled. It would remain wooded and at the July meeting he would present usage data.

Director Goodman stated the Landscape committee will start meeting again with Director Goodman's return. Director Hoffman and Joan Frost moving Cedar Pines in constructive direction to every-one's benefit. Verbal contract is being replaced with a specific written contract. Clearing on the back of the pond dams has been done and will need to be done regularly.

Director Goodman stated entries planning committee is set to present at the next Board meeting.

Director Goodman is working on culvert pipe replacement and road patching.

### **Lake and Dam Report:**

Director Herdrich asked for a motion to approve the Lake and Dam Rescue members.

Director Silberhorn made the motion, seconded by Director Hoffman, passed 9-0

Director Herdrich reminded all new boat stickers (about 750 decals so far) must be on boats by June 1, after June 14 at \$25 fine will be levied.

He also stated the burned dock on Pine Island is being investigated with testing for accelerent. Volunteer Charlie Flinchum will help to rebuild.

Director Herdrich reported that Dam Engineer Dan Marks is being scheduled to speak to the community in regards to the dam road reopening.

### **Legal Affairs Report:**

Director Silberhorn will report during executive session the negotiations for Parkwood.

Director Silberhorn reported negotiations on settlement of Lakeside Development lawsuit have resulted in a positive agreement and will be asking for a motion to approve the agreement unless there are further questions to be answered in executive session.

Director Wimberly stated this is a very positive thing for ARC and the community.

Director Hoffman remarked from a Beautification Committee stand point this is wonderful.

Director Silberhorn commented on the law suit involving Club House Commons. The lawsuit is the result of an easement given from the former developer to himself - an easement that says that land is as if it were annexed.

We have taken the stand that that is not appropriate. This is the third board to offer an annexation agreement and even with extensive compromises, no agreement has been reached. They have filed suit to have access to our roads and amenities with some parts of the suit demands still unclear.

Director Silberhorn stated the results of legal research on removal of the gates. This process under the Planned Community Act (47F-3-102) gives us the right to acquire, hold, encumber and convey in its own name any right title or interest, real or personal property provided that common elements may be conveyed or subjected to a security interest only pursuant to general statutes 47F 3-112. The statute 47F-3-112 says portions of the common elements maybe conveyed or subjected to a security interest by the association if persons entitled to cast at least 80% of the votes in the association or any larger % the declaration specifies agree in writing to that action.

Director Silberhorn stated our declarations do not call for more than an 80% vote of the entire membership. Removing the gates could be a majority Board vote but to benefit from any state funding the conveyance of our private roads to become public roads would need to take place at a majority vote of the membership (minimum 80% of the entire membership). We could as a community incorporate but we would get no benefit unless we not only took down the gates but also dedicated the streets.

#### **Safety and Security Report:**

Director Hoffmann reported SLLA Board has decided the options regarding admittance for SLW members to enter is with one of two options:

- 1.) buy a bar code from SLLA at \$25 per vehicle for 24/7 access.
- 2.) be invited and obtain a hang tag upon entrance.

Director Hoffmann stated at this time they are not recognizing decals.

Director Hoffmann reported SLW grace period for recognizing SLLA stickers (expired) is now over and only current decals will be recognized for entry into SLW.

Director Hoffmann will make his recommendation for policy going forward in executive session.

#### **Community Managers Report:**

Community Manager, Joan Frost, reported Judy Pendelton has gotten a price for removing the wall between the back office and the craft room. Director Milligan and Ms. Frost, after discussion, both recommend not removing the wall based on the future growth available to SLW. The 4th office near current CAS staffing could be used for personnel expansion in the near future. Currently Board members use it for work space and they would have to be moved to the office near the craft room. Ms. Frost suggested several solutions to accommodating additional stock of books for the library.

Director Shepard noted 500-600 more books could be placed using the upper shelves and utilizing some creative planning.

Director Sikes made the motion that we not accede to the library committee for expanded space. Director Sessler seconded, passed 9-0

Director Silberhorn made the motion we revisit the assignment of a liaison between the Board and Library Committee with appointment by the President. Director Milligan seconded, passed 9-0

Director Shepard made the motion to approve \$400 of WSP funds to revamp shelving to accommodate more books working under the direction of the new Library liaison. Director Silberhorn seconded, passed 9-0

**Recess: 11:20 a.m.**

**Reconvene: 11:43 a.m.**

**Member Comment:**

*Judy Pendleton* commented on efforts to try to comply with Director Hoffmann's request to obtain usage data for the library. She was disappointed at not expanding and asked who the liaison would be for the Library.

Director Sessler volunteered and was approved by the President to be the Library Liaison. Director Silberhorn asked the minutes reflect thanks to the Library committee for all their time and effort.

Director Silberhorn also stated a formal thank you to Director Hoffmann and his volunteers for their work on the mail house.

### **Executive Session:**

At 11:50 a.m. Director Shepard made and Director Silberhorn seconded the motion to enter executive session.

Without objection the meeting exited executive session at 12:55 p.m.

### **New Business:**

Director Sikes made a motion to approve the Lakeside/SLW settlement agreement including the dismissal of the lawsuit on the terms and conditions of the written document. Director Herdrich seconded, passed 9-0

Director Goodman made a statement concerning incorporation and asked Editor Greg Hankins if the Times has a position on Incorporation. He stated no but feels this is an important issue and will keep it in front of the public.

He stated his disappointed in the presentation on last week by Seven Lakes Study Group adding no negatives were presented and again reiterated his view of looking at the interests of SLW exclusively as an elected Board member.

He also stated as an individual and as an individual Board member (not speaking for the other Board members) that incorporation's is a terrible idea for Seven Lakes West. It is a one way road leading to the degradation of our lifestyles and upon a careful gathering of facts will reveal that our costs will not decrease but will substantially increase.

Director Milligan suggested going forward we not take Board time to air our personal opinions. It is rather the time to supply the community with relevant factual information on the topic of incorporation. She then referred to Director Silberhorn's research noting his statements to be clear under North Carolina law and presented in a format that was concise and easy for members to understand.

Adjournment:

Without objection the meeting adjourned at 1:10 p.m.