

**Seven Lakes West Landowners Association
Board of Directors Work Session
Tuesday, August 12, 2008
West Side Park Community Center**

Call to order:

President Jim Haggard called the meeting to order at 8:07 a.m.

Present: Blaine Rowland, Ed Silberhorn, Jim Haggard, Mary Anne Fewkes, Ed Tuton, Ray MacKay, Karen Milligan, Kathy Kirst, and Ron Shepard. Absent: None.

Also present: Tony Robertson, community manager.

Secretary's report:

The secretary distributed correspondence received since the last work session, and the absence calendar to the directors. Minutes of the July 8, 2008 work session, and the July 22, 2008 general session, were approved without objection.

Treasurer's report:

The treasurer provided a Funds Status dated 06/30/08, and a Profit and Loss Budget Performance report for July 2008.

The treasurer commented that the board must assure that expenses are properly categorized to assure that amounts are reflected accurately in board reports. Also, the board was informed that certificates of deposit are distributed among many banks to obtain FDIC coverage on all of these assets.

The treasurer's report was approved without objection.

Committee reports (as needed for clarification):

Architectural review:

No clarification required, other discussion deferred to Unfinished Business section of meeting.

Infrastructure:

Ray MacKay is in the process of preparing the contract for bids on additional perimeter fencing around the community. The board was polled on the idea of placing barb wire along the top of the fencing, and the concept received no support.

Lake and Dam:

Director Fewkes previously distributed a proposal from Marks Enterprises of NC, PLLC, for construction services to be provided in overseeing the dam remediation project. The cost of \$19,000 is within budget, and the legal director; having reviewed the proposal, detected no legal obstacles in the document.

Mary Anne Fewkes moved that the proposal be accepted, Ray MacKay seconded, and the motion carried 8-0.

Legal:

Ed Silberhorn reported that the plaintiffs in the lawsuit against the association did not obtain a summary judgment in the matter.

A new committee has been formed to assess transition to a mandatory septic management system. Bob Fewkes is chairing the effort and Bud Sales, Gerhard Hergenbahn, George Jenner, Jay Mikula and Terry Shaffer are on the committee. Presently, water quality checks are being conducted, and more testing will be needed prior to finalization of the effort. Mary Anne Fewkes noted that Paul Kirst would be increasing his testing frequency as well as the number of locations he tests in support of the new committee.

The legal director requested board approval of a small investment in software to assist in a project being chaired by Tom Moran to archive numerous legal documents pertinent to the community. Kathy Kirst moved that we provide approval, Ray MacKay seconded, and the motion passed 8-0.

Ed Silberhorn stated that rewriting Chapter 8 surrounding the process of enforcement of rules regarding “minor” infractions be deferred for board action until September, pending creation of a list, based on Board suggestions, of “minor” infractions derived from the existing rules.

Recreation:

Karen Milligan stated that about one-half of the tickets for the Margaritaville event have been sold. Live music from 7 pm to 11pm at Johnson point is planned, and net proceeds will benefit the CERT program. See the community newsletter for details. A beer tasting is slated for Oct. 10, and the annual Halloween “trunk or treat” event is scheduled for Oct. 31. A children’s Christmas party is being planned for the holiday season. The annual tree lighting ceremony for adults is slated for Dec. 7, and a live tree will be planted at the community center making this an outdoor event for the first time.

The community pool will close on Labor Day, culminating a successful pool season.

Security:

Blaine Rowland reported that the east gate is once again operational.

The president suggested formation of a “blue ribbon” panel of volunteers, under the direction of Blaine Rowland, to pursue obtaining an upgrade of the main gate railroad crossing. After discussion of the merits of the proposal, including participation of the developer, a poll of the board reflected approval of the concept. Blaine Rowland will seek volunteers. Community input will be obtained via the website.

Unfinished business:**Management company decision:**

The legal director indicated that the proposed contract with CAS, as amended to address numerous board concerns, is satisfactory from a legal perspective for the SLWLA.

A lengthy discussion ensued, with various directors sharing their viewpoints.

Ron Shepard moved that the contract be accepted, and Mary Anne Fewkes seconded.

The motion carried 6-2, with directors MacKay and Rowland dissenting.

Unfinished business (continued):

Office manning:

Ray MacKay moved that the office temporary be retained on a month-to-month basis at the pleasure of the board. Blaine Rowland seconded, and the motion carried 8-0.

Revised ARC standards:

Ron Shepard had previously distributed the latest revision of the changes to the board for review. Blaine Rowland moved that the revised standards be approved, Kathy Kirst seconded the motion. The motion carried 8-0.

Association vehicle:

The truck owned by the SLWLA is in poor repair, and higher usage is anticipated as the security employee begins random night patrols.

Kathy Kirst moved that the association acquire a new truck with the cost not to exceed \$22,000. Blaine Rowland seconded, and the motion carried 8-0.

Member comments:

Bud Sales stated that the issue of the railroad crossing upgrade is being driven by the railroad itself. The lease providing community access across the tracks at the main entrance is set to expire in eight years, and the railroad has the option not extend the lease in order to avoid liability in the event of an accident arising from a failure to upgrade the crossing.

New business:

Traffic calming:

Blaine Rowland stated that the association has the option to hire deputy sheriffs at \$30 per hour, two hours per day, three days a week, to monitor traffic with radar. He moved that we hire such deputies to monitor traffic and issue tickets, at random intervals each week. Ron Shepard seconded the motion which carried 7-1, director MacKay dissenting.

Rules and regulations update:

Ed Silberhorn presented a revised version of Chapter 3 (concerning Rules of the Road) of the Association's Rules and Regulations. The revisions came from the Traffic Calming sub-committee of Legal Affairs. The Board made certain suggestions which were incorporated and the revised Chapter was approved by the Board and sent to the Rules and Regulations Committee for insertion into its work product. The new version includes a new section on weight restrictions, golf carts, parking and handling of traffic infractions, among other matters. A copy of revised Chapter 3 as approved by the Board is attached.

CERT trailer ownership:

The CERT team is buying a trailer, and asked whether the SLWLA is willing to accept ownership should CERT request we do so. Ron Shepard made a motion that the association accepts ownership, and Karen Milligan seconded. The motion passed 8-0.

Ham radio antenna request:

Ron Shepard reported the request for a ham radio antenna by a resident at a previous meeting, and stated the ARC did not feel comfortable in making the decision in the absence of board input. A poll of the board was taken, and by 7-1; Mary Anne Fewkes dissenting, referred the decision back to the ARC for final disposition.

Proposed covenant change: Utility lot usage:

The long range planning committee, represented by Gerhard Hergenbahn, requested the board consider a change in Seven Lakes West covenants allowing lots to be used for other than residential purposes. Essentially, any non-residential use would require a 2/3 vote of the board, and input from owners within 300' of the property being considered for such use. After considerable discussion, Ron Shepard moved that the SLWLA go forward in obtaining a legal opinion from our counsel on the covenant change, and to find appropriate language to enable the proposed LRP project to be a feasible proposition. Karen Milligan seconded, and the motion passed 7-1 with director Fewkes dissenting.

Association archive project software procurement:

Ed Silberhorn moved for the expenditure of some \$1,000 to purchase hardware and software needed to archive "foundation" documents such as legal opinions, Etc. The lack of ready access to these documents has resulted in considerable use of time and unnecessary legal expenses in the past.

Ray MacKay moved we make the purchase up to \$1,000, Blaine Rowland seconded, and the motion passed 8-0.

Community manager comments:

Tony Robertson forwarded three requests from the Lake Auman Sports club:

1. Permission to install three park benches purchased by the club near the swimming area at Johnson Point. This request was approved by the lake and dam director.
2. The color of the benches to be approved by the lake and dam director.
3. A request to install signs designating fishing areas at Johnson Point was denied by the lake and dam director.

Executive session:

The meeting entered executive session at 1:44 p.m.

The meeting exited executive session at 3:24 p.m.

County attorney's letter:

Blaine Rowland made, and Kathy Kirst seconded a motion to respond to the Moore County Attorney's letter of 7/24/08 regarding well lot #2.

Adjournment:

Without objection, the meeting adjourned at 3:28 p.m.

Submitted by,

Ed Tuton, secretary