

MINUTES
SEVEN LAKES LANDOWNERS' ASSOC., INC.
OPEN MONTHLY MEETING
FEBRUARY 25, 2009 @7:30 PM – NCH

President Zielsdorf called the meeting to order at 7:30 pm with all Directors present. Also present were Community Manager Fulcher, Assistant Manager Beane, a representative from the Seven Lakes Times and approximately 40 residents.

PRESIDENT'S WELCOME AND COMMENTS:

President Zielsdorf thanked everyone for coming and advised them that a detailed handout of the budget was available.

APPROVAL OF MINUTES:

On a motion made by Director Shaver and seconded by Director Kindsvatter the minutes for **January 28** were unanimously approved. On a motion made by Director Kindsvatter and seconded by Director Galford, the minutes for **February 12 Work Session** were unanimously approved. On a motion made by Director Welch and seconded by Director Shaver, the minutes for the **February 12 Special Meeting** were unanimously approved.

MEMBERS COMMENTS:

Andy Lowe: Mr. Lowe voiced his concern about the gate repair proposals. Feels that the gates have been working great and do not need to be fixed.

Ed Sanchez: Mr. Sanchez thanked Mr. Fulcher, Director Shaver and Bob Darr for the excellent job that maintenance had done in repairing Lancashire.

Steve Hudson: Referring to Robert's Rules of Order, Mr. Hudson addressed President Zielsdorf directly in his request that Manager Fulcher's contract be disclosed to prevent rumor. President Zielsdorf answered by saying that the matter had been referred to the SLLA attorney for review.

REPORT ITEMS:

A. Survey Results: An open discussion was held on the survey results with the main topic of discussion being mowing. Both the Board Members and residents gave many opinions and suggestions. Director Shaver advised that the Maintenance Committee had put a halt to any decisions until they could research the situation as the Committee felt that the appearance of the community is more important than a few dollar savings. He plans to have his recommendations together before March 12.

- B. Water for Seven Lakes:** Community Manager Fulcher reported that he had attended a County Commissioners meeting in Carthage and gave recommendations to the Board as to what he believes should be done in order to protect the Seven Lakes area water supply. He feels that the community must get organized in pushing for water to assure that we get what we need as Pinehurst is being very aggressive and will take over. In his opinion, we need to organize Seven Lakes North, South and West and include McClendon Hills to set up a water district. An organized group could look at other options such as Montgomery County. Another option he suggested would be to put Robbins back on line and use Deep River. It would cost approximately 3.6 million dollars to run line from Robbins and would be a longer project. His thoughts are that if we had our own district, we would pay for what we use and not what others determine.
- C. Office Hours:** Manager Fulcher recommended extending the hours on Wednesdays until 7:00 pm but hold off on Saturdays. This was accepted by the Directors and will be effective Wednesday, March 4. There are to be two staff members in the office at all times during the evening hours.

ACTION ITEMS:

- A. Slalom Course:** On a motion made by Director Welch and seconded by Director Truesdell, it was unanimously approved to allow the formation of a Slalom Club, providing they provide proof of insurance, have a waiver signed and obtain permission from the Community Manager for times to operate.
- B. Open Water Swim:** On a motion made by Director Shaver and seconded by Director Kindsvatter, it was unanimously approved to allow the Sandhills Sandsharks to use Echo Lake for the North Carolina Open Water Swim taking place May 29 and May 30.
- C. By-Law to limit dues increases in FY 2009-10 & FY 2010-11 to street repaving or state mandated dam repairs (attached):** A motion was made by Director Shaver and seconded by Director Kindsvatter and the vote was unanimous to approve By-Law. After a question was raised by resident Steve Hudson it was decided that By-Law 4.11.1 would need to be changed in the next Work Session in order to protect this new by-law.
- D. Contact with ESC to upgrade barcode and camera systems at North and South gates:** A motion was made by Director Caulk and seconded by Director Truesdell to approve this contract. A roll call vote was taken with Directors Galford, Truesdell, Welch and Caulk voting yes, Director Kindsvatter voting no and Director Shaver abstaining.
- E. Person of the Year:** It was decided that this would be done via email voting.

DISCUSSION ON NEW POWER BOAT STICKERS:

On a motion made by Director Galford and seconded by Director Truesdell, it was unanimously voted to grant authority to the Community Manager to make the decision on power boat stickers.

COMMITTEE REPORTS:

Finance: Before giving his report, Director Galford stressed the need for the dues increase. He also asked residents to refrain from contacting vendors and contractors directly for quotes. **See attached report.**

Lakes & Dams: Director Truesdell reported that the Echo Dam EAP was received and approved without comment and he feels the other dams will be received soon.

Community Standards: Director Welch advised that his committee had not met in January but members of the committee have continued to follow up with violations and two had been brought to the Judicial Committee.

Architectural Review: Director Kindsvatter reminded everyone that any change must be approved by the ARB. **See attached for complete report.**

Beautification: **See attached.**

Maintenance: **See attached.**

Security: Director Caulk stated that it had been the quietest month we have had and fortunately he had little to report.

Recreation: Assistant Community Manager Beane encouraged all residents to come and watch the Open Water Swim taking place on Echo Lake in May. Spring and summer programs brochure should be out in 2 weeks. He has met with 3 representatives of playground equipment and is waiting on bids. There was much excitement from the residents when he announced that he was planning a trip to the new Ikea in Charlotte.

Community Manager: Mr. Fulcher advised that the annual meeting information would be in the mail by Friday, February 27.

BOARD VOTE ON PROXY FOR DUES INCREASE AND DIRECTORS:

Ballots were handed and the Board of Directors cast their proxy votes for the dues increase and the Board of Directors FY 2009/10.

ADJOURNMENT:

On a motion made by Director Caulk and seconded by Director Truesdell, the meeting was adjourned at 9:35 PM.

Respectively submitted

Brenda Massimo

ARB
February 2009

A. There was no new construction.

B. Additons/Alterations

1. Lot 2480 – 106 Tiverton – Hicks

Split rail fence – **Approved**

2. Lot 5 – 121 E. Shenandoah – Grantham

Stop work order on perimeter fence – not approved by ARB – the committee inspected the property and did not approve the fence. Chad will inform owners that it must be removed.

3. Lot 2137 – 159 Devonshire – JoAnn and Ray Hutchins

screened porch addition – **Approved**

4. Lot 1062 – Pineneedle – Billie Philllips

split rail fence – **Approved**

Beautification Committee
Feb. 23,2009

The Beautification Committee wants to give special thanks to Bob Darr and the entire maintenance department for their hard work on sprucing up and beautifying Seven Lakes. Dogwood Lane looks especially nice. The trees that were planted at Sequoia Point will someday be a real benefit to all you come there to swim or to watch swimmers.

This spring, our committee will finish its initial plan for Sequoia Point. As soon as the second horseshoe pit is completed, a fence will be put up to delineated the courts. New picnic tables and benches will be added and trash containers and cigarette butt receptacles will be placed at appropriate places. Annuals and a few perennials will be added for color.

The B.C. has assumed the job of cleanup for the pool area. That will start in April.

A new priority list is in the making with a focus on the entrances to SL N/S.

Feb. 6, 2009 Finance Committee Minutes: (Fulcher, Beane, Grout, Jones, Sanchez)

Budget

(Open for member comments and questions – announced Jan 28, Interlake, Signboard)
Galford opening comments:

COST OF LIVING COMPARISON DETAIL (Thanks and Available)

Available: Finance Committee Monthly Meeting Minutes, Audited Financials, Budget Book, 8 Yr. History on Capital (\$1,016,000), 8 Yr. Department Recap – Salaries, Bonus, and IRA, 8 and 13 page monthly statements, yearly comparisons

Survey/Comments: Lease stables, Yard Trash Pickup Fee, County support for Recreation, Bar Code dues credit, Graduated Amenity Fees [see *West Side Fee Schedule*], percentage cuts, vehicle sticker fee

Wage Increase: Maintenance Employee minimum wage increase consideration

Friendly Challenge to \$100,000 in Admin. Savers

OPERATING & CAPITAL BUDGET – LONG RANGE GOALS

Member Questions and Comments!!

Galford asked the concerned members to assist in presenting the budget data, but they declined and stated that West Side formats should be followed. A Seven Lakes Times Feb. 6 article compared the SLLA budget to West Side Budget. Therefore Galford and the Community Manager updated the budget narrative and expanded the summary data to include prior year budget and actual figures for comparison purposes. (NOTE: The Feb 6 article does not compare fees for the use of amenities. A Feb.20th Times article "Increased Westside fees draw questions" discusses reaction to the graduated amenities fee schedule.) Details of this Feb.6 meeting are reported in times dated Feb. 20, 2009 page 5.

Galford's response to Erskine requests for more "transparency" attached. (NOTE: The current policy was set after association members adopted practice of viewing documents without notice. One member took invoices to the County Prosecutor to pursue criminal charges. Another member called a vendor to arrange fuel shipment dates and signed a vending machine contract. The member also requested a transcript of the list of Investments as of 6/30/08)

Old (Finance Committee Members only)

Financial Report Review (note: 2 page will be attached to Open Session Agenda email)

Funds Statement – **Dalton** prepared computerized form

Date for finalized Balance Sheet Asset Listing – **Dalton** in March

Accounts Receivable Questions – **Dalton** (Is write up in Financial Procedures Manual?)

Bank Reconciliations – Grout reviewed

As previously reported the Auditors will comment on including a funds statement in Audited Annual Report issued by the Certified Public Accountants (CPAs).

Action Time Table Set

Feb. 12 BOD approved FY2010 Budget, and request for a FY 2010 and 2011 dues increase. Must Consider: Economy, Operating and Long range needs, Last Increase Date, Community Standards, How to get people to VOTE

New

Information Requests –

Next Meeting Date – to be changed due to Galford work schedule

TO: 7LLOA Board of Directors

Date: 24 February 2009

CC: 2008-2009 Maintenance Committee Members
7LLOA's Community Manager

1. Maintenance Committee Meeting: A meeting of the 2008-2009 Maintenance Committee was held on Thursday 18 February 2009 in the Maintenance Shop beginning 10:00 AM – 12:00PM. Resident Larry Yates had been invited to attend. Present at the meeting were Committee Members Jim Ball, Jim Caudill, Mike Cummings, Jay Kenzel, Andy Lowe, Community Manager Dalton Fulcher, Maintenance Department Supervisor Bob Darr, Resident Larry Yates and Committee Chairman Bud Shaver.

2. Approval of the 14 January 2009 Meeting Minutes: Andy Lowe submitted a motion to approve the 14 January 2009 Meeting Minutes which seconded by Jim Caudill. The Motion passed unanimously.

3. Maintenance Committee Chairman's Comments:

a. **What has been accomplished:** As noted below much has been accomplished during the tenure of the 2008-2009 Maintenance Committee including the assignment last fall of Bob Darr as Maintenance as Maintenance Supervisor: All of these projects were completed while maintaining the Association's buildings and infrastructure.

- (1) Completed construction of new building, cleaned-up and painted of older buildings inside and outside, constructed work benches, reorganized spare parts storage bins, set-up office and posted a area map and a yearly work calendar.
- (2) Cleaned out and reorganized equipment sheds and repaired four major items of equipment including relocation of steel storage racks.
- (3) Cleaned up maintenance debris site and held an auction to dispose of surplus items of equipment.
- (4) Mowed dams and weed-eated each dam's right-of-way. plus installing Christmas Tree reefs in Lake Sequoia.
- (5) Trimmed and cut back Association's North and South road right-of-ways and where required removed trees that could fall during a serve ice storm including beautification of Dogwood Lane and Cardinal Road woods
- (6) Winterized swimming pool and pool area.
- (7) Repaired stalls in the stables
- (8) Had the County Utility remove abandoned pump houses.
- (9) Installed additional lighting at all the lake shelters while planting 150 Longleaf Pines.

- (10) Installed drainage ditches and catch basin on Lancashire
- (11) In the process of cold patching road pot holes.
- (12) Waiting for warmer weather to complete repairing of the Post Office floors and striping the roads.

- b. **Chairman's Comments:** This is the last meeting of the 2008-2009 Maintenance Committee and I wish to thank and commend all of you for your contributions to the Maintenance Department's efforts during this last year. I don't whole will be the Association's 2009-2010 President or whether I will again be Chairman of the 2009-2010 Maintenance Committee. If I am selected to again be Chairman of the 2009-2010 Maintenance Committee it will have a role different from the past.

The Committee's roll will be tp develop long-range plans for equipment and infrastructure replacement plus road paving. It will involve itself in the Maintenance Department's day-to-day activities. At least that will be my recommendation.

4. Community Manager's Input: Mr. Fulcher advised regarding the County Utilities removal of their abandoned pump houses plus the creation of the Maintenance Department's 2009-1020 budget.

5. Maintenance Department Supervisor's Report:

- a. Refer paragraph 3a above for what has been accomplished since he assumed the responsibility as Maintenance Department Supervisor
- b. Proposed work/projects planned for the next thirty to sixty days:
 - (1) Paint both the Administration Office, North Clubhouse and Pool Shed wall.
 - (2) Clean and paint recreational equipment.
 - (3) Paint Light poles, tennis fence and Mail Room floors with a non-slip paint.
 - (4) Other projects.
- c. Whether to Mow or Not Mow Association road right-of-ways.
 - (1) There are 424 empty lots that at 10 minutes per lot would require two weeks of mowing at a cost of (\$11.00 per hour plus equipment and fuel) estimated at \$10,104 during the 26 week season
 - (2) A contractor cost for the 36 week season would be \$18,372.
 - (3) If we were not to mow what would be saved is one employee for 26 weeks plus fuel&equipment time. NOTE BELOW COMMITTEE'S RECOMMENDATION!
- d. Road repaving: The following areas need immediate repaving:
 - (1) Lancashire
 - (2) Firetree Road near Lake Echo
 - (3) Fox Run, and
 - (4) Dogwood
- e. Road Striping:
 - (1) Too what degree – how much?
 - (2) Cost - \$600-\$700 to fix the striping machine
 - (3) Currently have a paint inventory of 100 gallons or which some may not be useable. Depending on what must be accomplished may require an additional 50 gallons at a cost of \$30.00 per gallon.

- (4) Will need 20 traffic cones at an estimated total cost of \$400.
- (5) Will take the entire crew (5 employees) nearly 2 weeks at an estimated labor cost of \$2,600.
- f. Fertilized costs have tripled since last year.
- g. As warm weather approaches the Department must get the pool ready for the summer

6. Maintenance Committee Member Reports:

- a. **(Jim Ball) Equipment Survey: An inventory of both equipment costing more than \$2,500 and those costing less than \$2,500**
- b. **Jim Caudill (Beautification Committee) Waiting for warmer weather**
- c. **Mike Cummins (Roads):**
- c. **Jay Kenzel (Maintenance Area)**
- d. **Andy Lowe (Lakes & Dams):**

6. Maintenance Committee Chairman's Comments:

- a. Community Survey says we should cease mowing roadsides! Should we? The Maintenance Committee says the Department should "selectively" mow the Association road right-of-ways. The Department Supervisor should make a study and submit a recommendation
- b. Are there areas we should consider for contract mowing services? The Department Supervisor should make a study and submit a recommendation
- c. Although this committee is being disbanded some of the committee members have some on-going projects that must be continued in support of the Department..

Manila G. Shaver

Manila G. Shaver
Maintenance Committee Chairman

Item 3A

New

4.10.1 Pursuant to the authority granted in Section 12 of the Restated Northside Restrictive covenants, Section 27 of the Restated Southside Restrictive Covenants, and the By-Laws of the Seven Lakes Landowners' Association, Inc., the Board of Directors of the Seven Lakes Landowners' Association, Inc., establishes a Special Road and Dam Maintenance Account for the purpose of segregating the dues increase approved at the FY2009/10 annual meeting for FYs2009/10 and 2010/11, and these dues as collected in future years, that are specifically designated for road repaving and NC State mandated dam repairs. The funds so designated will be held in a separate segregated account and shall not be available for any other purposes without the prior approval of 75% percent of the members of the Board of Directors of the Association, and the prior approval of a majority of the members of the Association at either the Association's annual meeting or a special meeting called pursuant to the By-Laws of the Association.

The Treasurer of the Association shall provide complete accounting of this account, as well as access to the records of this account pursuant to the terms and conditions set forth in the Association's By-Laws.

New

11.1.1 Exceptions: By-Laws 4.10.1 and 6.6 may only be amended by action of the Board of Directors as required for approval of these By-Laws as set out in By-Laws **4.10.1** and **6.6** respectfully.

Item 3B

(Present)

6.6 Quorum of Directors: A majority of the number of Directors as fixed by these By-Laws shall constitute a quorum for the transacting of business. The act of the majority of Directors who are present at a meeting, at which there is a quorum, shall be the act of the Board of Directors.

(Proposed)

6.6 Quorum of Directors: A majority of the number of Directors fixed by these By-Laws shall constitute a quorum for transacting business. The act of a majority of Directors who are present at a meeting shall be the act of the Board of Directors, except for an act of selling property listed in Warranty Deed dated _____, for which an approval vote of seventy-five (75%) percent of the duly elected or appointed Board of Directors of the Seven Lakes Landowners' Association is required.