

Wolf Laurel Road Maintenance & Security Homeowners Association
Minutes of the Meeting of the Board of Directors
October 21, 2016

The meeting was called to order by President Beneke at 10:00 A.M.

Directors in attendance in person: Romero, Foster, McKnight, McCaghren and Moeller,

Directors in attendance by telephone: Ames and Smith.

Directors absent: Potts

Staff in attendance: Brown, Gwozdo, and Wyatt

Minutes: Upon motion made by **McKnight** and seconded by **Foster**, the minutes of September 16, 2016 were approved.

Finance: Louise Wyatt

Income increased this month by 8 homes and 5 lots. Roads is over budget on several line items and security continues to show regular expenditures. As per agreement, Clotfelter transferred a lot to RMS to pay the assessments on her other lots. This results in an increase in our lot inventory and lowers our receivables by one lot. **Romero** added the projected total year-end expenses are in line with the 2016 budget. **Beneke** noted that the reserve account initiated this year shows an amount of \$105,000. Two thirds of the Board must agree in order to spend any reserve funds.

Roads: Jason Brown

One weather event has been reported associated with the coastal hurricane. Reported 20 trees down impacting the roadways. Wind gusts 50 mph and insignificant rainfall.

The drainage project at the intersection of Buckhouse Rd. and Flame Azalea Rd. has been completed and all work is stable up to date.

The final mowing of all RROW's has been completed and all mowing equipment has been demobilized.

All gravel roads have been graded and compacted at least twice since last report.

The turnaround at the end of Siler Ln. has been graded, graveled, and seeded.

The paving repairs on Oakridge Ln. below the clubhouse and Hampton Gap above the mailboxes have been repaired. These repairs have depleted the rest of the 2016 paving budget.

Three No turnaround or exit signs have been installed one each on Curtis Ln., El Minor Ct. and Oakridge Ct.

The salt shed has been cleaned out and the rest of last winter's salt has been mixed with p-gravel and sand. We have approximately 100 tons of salt mix ready for distribution. The 2016/17 winter salt will be delivered over the next few weeks.

The ditch work along Meadow Ln. and matching gravel has been completed.

Wolf's Head Ct. matching gravel has been completed.

The access road has been completed for the helicopter landing zone on Wonderly Lane.

Equipment:

Cat 305 excavator has been serviced by CAT and the bucket pin and bushings have been replaced.

Cat 416 backhoe has had an internal hydraulic line replaced.

Ford L-9000 Dump Truck, all lights and trailer plugs have been replaced and rewired.

Installed snowplow bracket and wiring harness on the Black GMC 3500, this truck will use the old snow plow that was on the grey Chevy 2500 until a new plow is approved and the budget renews. New studded winter tires and rims will be installed next week.

New studded winter tires will be installed next week on the White Dodge 2500 and Green Chevrolet 2500.

All summer equipment is being demobilized and all winter equipment is being mobilized.

Other:

The POA has finished repairing the slide by the tennis court along the creek. Pending the facilities committee's recommendations, WLRMS is now prepared to move back the boulders on our side of the creek to widen the creek bed, and build a sloped wall to protect the RMS office with the rocks that were offered to the POA and not used.

The Roads Committee has met and agreed on a 3-year work schedule along with a total equipment inventory including life spans and an equipment replacement schedule for 2017. This schedule has been presented to the board for review and approval. Any questions on this schedule will need to be referred to Mr. Potts as chair of the committee. **Beneke** asked Brown to share his report to the Board on the Buck House Road project.

Brown: The scope of work done on this project is as follows:

Moved all brush, approximately 180 loads that were stockpiled in this area from various projects along the RROW's to the bottom of the slope and removed all vegetation and stumps from slope. Removed all trees and vegetation from the dirt stockpile above Flame Azalea.

Installed 120 ft. of 24 inch HD Pipe from the intersection of Flame Azalea to the bottom of the slope and built a diversion ditch from the end of the pipe to the natural drainage.

Moved 80 loads of fill dirt from dirt stockpile above Flame Azalea to slope below and built a compacted 2 to 1 fill slope from Buckhouse Rd. shoulder down to the bottom of slope.

Built a landing at the bottom of the slope and built an access road from Buckhouse Rd. to the landing and then onto Chestnut Ln. Finished grade and seeded all disturbed areas.

The reasoning behind this project:

The material was stockpiled in this area for the simple reason that this is the only piece of property that is owned by WLRMSHOA that could accommodate this much material without creating safety concerns. The original proposal was to burn the brush on site but weather did not permit for burning so it was used to make a landing for future disposal.

The reason this material was disposed of in this area is the fact that it is not cost effective to dispose of it off of the mountain. The cost of disposal at the stump dump is \$350.00 per load X 180 loads = we saved \$63,000 by retaining the material on the mountain.

The 24 inch HD Pipe was installed because the original 15 inch GC Pipe was deteriorated and installed improperly. This caused severe erosion and creating a potential safety issue along with a road and slope failure.

All the trees and vegetation were removed from the dirt stockpile to access more dirt in that area. The dirt was moved and slope was built to stabilize the road bank along Buckhouse Rd which had many failures and needed to be done for years. The landing was built at the bottom of the slope in order to make room for material for future projects.

The access road was built to transport the material to the landing. In the future this area will be used to dispose, stockpile, and or burn the brush that comes from future projects.

The pricing of this project:

The following items were within the annual budget:

120 ft. of 24 inch HD Pipe \$2,100, from RMS drainage budget

Seed and material \$1,000, from RMS drainage budget

Labor of WLRM employees, \$10,000 from RMS Payroll budget.

Equipment maintenance, \$2,000 from RMS vehicle & equipment budget.

Fuel \$750.00, from RMS fuel budget.

Outside the scope of budget was the rental of 2 dozers for a week costing \$3,500.

Security: Sandy Gwozdo

1. Patrol responded to house fire on Oak Ridge Lane. Fire was started by tree bringing down electric line. Jeep blocking driveway to home was ticketed. Fire department officials decided to fight fire from above on Wolf Laurel Rd. Patrol called me for assistance for traffic control.

Patrol also responded to property owner on Zebulon who had called EMS after a fall. It was noted that the Property Owner had attended the last Board meeting and had turned on all the outdoor lights.

2. The dogs on Phacelia continue to be a nuisance. We had three reports over the last month. One from property owner walking her dog on Tear Shirt who was met by the aggressive Shepherd. One from a neighbor who was confronted by the Shepherd while packing her car, and the third by a property Owner who was met by the owner of the dogs who was walking the two smaller dogs without leash. The property Owner was once again fined.

Patrol responded to barking dog complaint on Pisgah Pass and another on McKinney Gap. Patrol met with owner of the dog in both cases.

3. A Property Owner on Grouse Thicket reported gun shots and light shining in her windows at 2 A.M. Patrol altered schedule to investigate. Patrol found a vehicle on Ridgeway, above Chestnut Lane with a muzzle loader and a bow. The driver was down the bank. He admitted he had entered through the construction gate in the Preserve.

4. Patrol came upon a major water line break on Spring Valley and reported same. Cones were put out around wash out and during repair work.

Patrol reported open gate at the end of Town Mountain Rd to water company. Also gate at Big Bald was not secured after property owner had checked out the key.

5. Patrol removed numerous trees after a night of high winds. Roads Crew was called for assistance on the larger trees.

6. A number of vehicles driven by both property owners and delivery trucks were stopped on Wolf Laurel Rd for speeding and/or crossing the center line. The companies who own the delivery trucks were contacted.

8. Late night noise complaint at home on Upper Haw was addressed by DOS.

9. Patrol resolved problem for guests of Airbnb. Website sent the guests to an unsuspecting Property Owner who was very upset finding unwanted guests on her doorstep and called the gate.

Entrance had been given to the guests based on booking documentation that gate staff was presented. The property owners who had accepted the booking was alerted and warned that the gate would no longer accept booking documentation from the website and he would be required to notify the gate.

Committee Reports:

Communications & Community Relations: John Ames

1. September Board Meeting Notice – the email announcing the date, time and place of the September monthly Board meeting was sent September 9. The email directed property owners to go the WLRMS website to read the meeting agenda in advance of the meeting.
2. WLRMS Standing Committee Announcement – the email was sent on September 20 with directions to go to the WLRMS website to review a complete list of Standing Committee Chairs and membership.
3. CVRU Fee Town Hall Meeting Announcement – the email was sent on September 22 alerting property owners of the town hall meeting on October 9 at 9:00am in the Village Pavilion.
4. CVRU Fee Background Documents Announcement –the email alerting all property owners that CVRU Fee background documents had been posted on the WLRMS website for review was sent on September 28.

Insurance / Finance Committee: Willie Romero

The committee continues to work on the 2017 budget. As mentioned before, a 5% increase will be required. Additional information and full presentation will be given at the November Board meeting.

Current income is ½% above the 2016 budget and the expenditures are 4% below budget.

Insurance: The Board asked the committee to look into flood insurance due to the creek behind the RMS building. The committee has investigated and recommends that we do not purchase flood insurance due to the low risk. The committee has been looking at opportunities to lower our insurance costs and recommends:

1. Increase deductible on the RMS building from 1,000 to 5,000 at savings of \$504 a year.
2. Due to the age of our vehicles drop collision on all vehicles with the exception of the 2016 GMC for a savings of \$1,300 a year.
3. Pay premiums annually rather than monthly at a savings of \$1,617.

Beneke, on behalf of the Board commended Romero and committee for their cost saving recommendations. **Foster** suggested that the Board consider self-insuring by placing the savings in an insurance fund. **Romero** agreed that this would be a good step and promised to find a method to initiate.

Wyatt reminded the Board that the 5% increase should be taken to a vote. **Beneke** said that the vote on a 5% increase would take place in November prior to the adoption of the 2017 budget. He asked that Romero have the budget prepared by the November work session. **Romero** agreed saying that was the objective.

Property Owner **Lynn Cagney** asked why we are looking at a 5% increase if we have a reserve fund, an increase in income and 4% under budget. **Romero** explained that 4% under budget is as of the end of September and there are 3 months till end of year. Furthermore, for the first few months of 2017 there will be little income because the assessments are not due until the end of February.

Brown said that roads crew has completed projects this year that were overdue and only affordable as there was no rain. In almost every previous year there have been rains causing floods and washout costing \$10,000 to \$50,000.

Beneke stated that at the long range work session, all in attendance agreed that funding for roads is just inadequate. He reminded all that the roads funds must be used for roads and the security funds for security and the two could not be comingled. **Moeller** agreed and said that the 5% increase each year was more palatable to property owners then asking for a special assessment. Creating a reserve fund is essential for emergency events, equipment or special projects. He admitted he also questioned the need for a 5% increase each year prior to becoming a member of the Board. As a Board member he sees firsthand the costs and the budget. **Romero** stated committees were asked to start the budget process assuming there would be no increase. It becomes apparent that a 5% increase is needed to cover the rising cost of material such as stone, salt, fuel and equipment repair. He also stressed the importance of the reserve fund.

Road Use Fees: John Beneke

Beneke moved the Commercial Road use fee proposal be tabled and sent back to committee. So moved by **Foster** and seconded by **Romero**. **Beneke** called for discussion. **Moeller** suggested it just be canned. **Beneke replied** perhaps in the future the committee can find a way to address at least the heavy construction vehicles. **Beneke** called for vote and the motion carried all in favor. The matter was tabled and will be sent back to committee.

Legal Committee: Sharon Foster

1. Collection Matters

Brent has assumed full responsibility for our collection matters.

2. Covenant Enforcement

One of the Legal Committee's long-range goals is to increase awareness of and consensus on the covenants. As part of that effort, I have drafted a notice to new buyers of some of the

covenants that generate complaints when not abided. In addition, I am working on a letter to Lot Owners informing them of the Board's renewed commitment to uniform, fair, and completely impartial application of the covenants. The letter will also solicit voluntary compliance from those who may have benefitted from prior Board's lack of fair application of the covenants.

3. Notice of Resale

The POA has added the language I requested to their Notice of Resale, designed to facilitate the inclusion of deed covenant language.

4. Trademark Issue

Trademark cease and desist letters have gone out.

5. Election Procedures Bylaw Amendments

A Director has raised an issue regarding Lot Ownership and voting rights that I am researching before we vote on these amendments.

6. Policies With Respect to Standing Committees

All committees having submitted their summary of responsibilities and authority, the committee will work to standardize and develop final versions for discussion and vote prior to including them in the Handbook. Of particular importance will be the scope of authority vis a vis making decisions without a Board vote.

7. Alleged Encroachment by WLRMS on Private Property

A Lot Owner has alleged that we have encroached on his property on Upper Lookout as part of the road reconstruction. We are drafting a reply.

8. Pate Litigation

David Etheridge is proceeding to summary judgment.

9. Sarvis Lane Road Clearing Issue

This issue is under review by the Roads Committee and Legal.

10. Tony Martin Collection Effort

David Etheridge will depose Mr. Martin about his assets on November 14.

Road Maintenance & Equipment: Beneke for Potts

Potts presented a three-year plan at the last work shop which I'm hopeful we will accept and pass after approval of the 2017 budget. The three-year plan calls for drainage improvement and culverts on Wolf Laurel Road but no paving. It has been suggested that a report showing the work and costs will be made to the community on a quarterly basis.

Security: Rebecca McKnight:

The committee has met and developed a security budget for 2017. This was submitted to Treasurer Romero. We also developed a 5-year long range plan which has been submitted to the entire Board.

Property and Facilities: Larry Smith & Dick Moeller

The rocking commode has been repaired. The transfer of propane purchase from Blossman to Suburban is underway for the security gate and maintenance building. We may be obligated by contract with Blossman on the RMS building and are investigating this matter. The siding and repairs to the RMS building are already showing disrepair as the contractor used green lumber. **Beneke** asked if the contractor can be held liable. **Moeller** said he would contact him regarding the lumber, sliding door and a few other issues.

ARB: John DiPetta

Currently there are a half dozen construction projects in the community, the largest being the new construction on upper El Miner Dr. Next week Security and Roads staff will combine forces to assist with traffic control when the crane and modular are brought to the site.

Our committee has met several times and exchanged numerous emails as we review years of projects and fees in an attempt to determine a new fee schedule which will be both fair and compatible. We find that with Bob Super, as administrator, meeting the property owners and their contractors, the property owners are receiving recommendations regarding their project. We have received positive feedback on Super's suggestions and an appreciation for his expertise. In the spring, with the Boards approval the ARB will meet with contractors and property owners to explain the new Architectural Guideline, fee structure, and Covenants. This overview with question and answer session is intended to inform and eliminate the number of projects started without an ARB permit.

Long Range Planning: John Beneke

We discussed long range planning at a work shop a few weeks ago. John Ames asked each in attendance to list what he calls SWOT (strengths, weaknesses, opportunities and threats). In addition Ames suggested that a survey be sent to gather opinion from the community. Our objective is to present a 5-year plan, Wolf Laurel 2022, by early summer.

POA Liaison: John Beneke

Beneke called on **Fred Tygart, President of the WLPOA** for comment. **Tygart** asked the status of the work to be done by RMS on the RMS side of the creek below the tennis court and requested that the bank be moved back allowing for a wider creek bed. **Beneke** suggested that **Tygart** meet with **Moeller** and **Brown** who are in charge of the project.

Old Business:

Beneke apologized for the absence of a Blue Mountain Association ex officio, non-voting member. He said that after discussion with Barry Vaughn it was decided that each association's president would attend the other's meetings. Unfortunately, Mr. Vaughn was unable to attend today's meeting.

New Business:

McKnight in the absence of Potts announced that Ron Coppenbarger has joined the Road Maintenance & Equipment committee.

Audience Comments:

Earlene Shofi asked, what is the plan for the motel property? What fees are being paid and who is paying them? **Beneke** responded that at this time there are no plans. We do pay property taxes and an appeal will be filed for 2017 with Madison County based on the sale price. The building was stripped; there are no plumbing or electrical fixtures.

Mel Poole commented that the way to avoid the exaggerated rumors regarding expenditures by the RMS is transparency. He suggested a white board in the RMS building with a list of projects and cost.

Brown: The 3-year schedule developed by Road Maintenance & Equipment Committee spells out exactly the work to be done by Roads and the cost. **Foster** said that once the Board adopts the 3-year plan, it will be posted to the website and easily accessed. There is no reason why a white board could not be available; but I believe that fewer people will come to the office to view the plan than would view it on the website.

Mel Poole: There is a real need to be proactive and inform property owners what RMS is doing. When twenty trees are downed by a storm or a jeep blocked the drive of a burning home, people want to know.

Gwozdo: As the staff member who received the phone call and emails after an email is sent and the calls asking to be dropped from the email list, I believe we must strive for a balance. We must keep to the important and relevant topics. The closure of El Miner road next week is important; whereas 20 trees downed perhaps not so much. The downed trees and the house fire could be included in a general email with other events. Last year you combined a number of events into one email telling our property owners what the staff was doing and events on the mountain and it was well received. The property owners want to be informed, but they do not want to be bombarded.

Mel Poole: We are like the mayor's office and our concern should be police, fire, security and safety. We can keep it relevant and important to Sandy's point. We reach 60% of the property owners by email and our goal is 99.999%

Lewis Daniels: I believe we moved away from Mel's original suggestions. In order to communicate effectively with so many people it takes multiple ways. I don't know how many people would come to the office to review a white board, but it would be another option and perhaps worth a try. I

would suggest that the Board continue to find ways to communicate and I applaud your success so far.

Next RMS HOA Board meeting is scheduled **November 18, 2016, at 10:00 A.M.**

The meeting was adjourned.

Respectfully submitted,

Willie Romero
Secretary /Treasurer



9-30-16 financials.pdf



October 2016 - Finance Report.pdf