

Wolf Laurel Road Maintenance & Security Homeowners Association
Minutes of the Meeting of the Board of Directors
August 18, 2017

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

Directors in attendance in person: Beneke, McCaghren, McKnight, Moeller, Potts, Romero, Smith
Directors in attendance by telephone: Foster
New Directors in attendance in person: Kessler, Pendleton, Shook, Simmons
Staff in attendance: Brown, Connor, Porche, Rice, Wyatt
Audience: 15 in attendance

Minutes: Upon motion made by Romero and seconded by McKnight, the Minutes of July 21, 2017 were approved.

Finance: Louise Wyatt

Wyatt reported there was no change in the balance sheet. Wyatt also reported home collections were the same as they were this time last year. Lot collections were less than they were this time last year. The amount billed vs. amount collected for homes are at 95.6% and are 83.7% for lots.

Operating expense for road maintenance is 48.33% of the budget and for security the operating expense is 50.76% of the budget. Administrative expense for road maintenance is 64.57% of the budget and for security the administrative expense is 50% of the budget.

Upon motion made by McKnight and seconded by Moeller, the Finance report was accepted.

Roads: Jason Brown (written report read into the minutes)

All items in “ “ have been updated due to heavy rains since this report was originally written.

Since last report:

Wolf Laurel has received 5.33 inches of rain along with two heavy rain events. The damage from these two events was minimal. The heavy rains did however result in some washed out gravel roads, stopped up ditches, and clogged culvert pipes.

“ Since this report was written the evening of 8-15-17 Wolf Laurel has received another 2 ½ inches of heavy rain causing some moderate drainage issues and road damage”

Roads:

All gravel roads have been graded, rolled, and graveled where needed.

Ditches have been cleaned and graded where needed due to heavy rains.

“since Tuesdays heavy rains more issues have arisen and are being addressed in order of significant.”

Culvert pipes that were clogged due to heavy rains have been cleared.

“Since Tuesdays heavy rains more issues have arisen and are being addressed in order of significant.”

Day lighting of Puncheon Ln. has been completed along with re grading of the roadway and ditches from the intersection of Town Mt. Rd. to the first turn on Puncheon Ln. due to drainage issues.

The intersections of Buckeye Rd. and Bee Tree Ln. have been re graded and re graveled due to drainage. New culvert pipes will be installed as soon as weather permits.

All regular duties in the 2017-2019 WLRM Work Schedule up to this date have been done.

Most additional duties in the schedule have also been done with the addition of seven more projects that have been done out of necessity due to improper drainage.

WLRM also has three more preventative maintenance projects that are under way and will roll into next quarter if not into next year.

Equipment:

All equipment is in good running order and has been serviced.

Other:

The roads committee has met numerous times in the last month and have revised the 2-17-2019 WLRM Work Schedule to include all work done up to date including up to date spending per quarter. The work schedule is on track with budget and scheduling, so now the committee and I plan on moving the schedule into 2020 to keep up with the three year plan.

The revised 2017-2019 WLRM Work Schedule was presented at the 8-12-17 town hall meeting anyone else needing a copy should be able to obtain one at the office or online.

Security: Ken Porche (written report read into the minutes)

Received a call from a homeowner on Phacelia Lane about a dog that is owned by a renter in the house beside them. The dog was chasing and terrorizing their granddaughters. Ronnie and I responded and called Yancey County Sheriff Department. Deputy Wilson arrived and said he really couldn't do anything, but that he would talk to the renters who own the dog. Letters have been sent to the owner of the residence that the renters are living in. Have reported to Legal Committee to handle.

Responded to accident on Wolf Laurel Road in vicinity of Oak Ridge Lane. It involved two vehicles, one homeowner and a Summit Building Supply truck. The Madison County Sheriff Department was called. The Summit truck came around the curve too fast and lost load 1x12 quantity (10 boards) that hit the driver's side of the car. The Sheriff ruled that due to speed of Summit truck, they were at fault.

Responded to complaint from homeowner of loud noise. Found it to be construction crew above him who were working. I informed him of our work hours. He said it was too early.

Responded to noise complaint from neighbors on El Miner Court and another at El Miner Drive that the renters in house beside them were making too much noise and they could not sleep. I told both of them to take the noise inside and they complied.

I was asked to meet with two renters from Finney Lane. Their bar codes had been deactivated because one of the renters had had several complaints against her for speeding. They wanted to have their barcodes reactivated. I informed them that a letter had been sent to the owner of the house they were

rented, and that we are still getting complaints of one of them speeding. The one who has been speeding became very agitated, but they then departed.

Received call from gate re a tree down across road at Wolfs Head Court and that residents could not pass. I responded with roving patrol and cut tree into pieces small enough to flip out of the road.

Received call from gate re a homeowner feared lost on Lucas Lane. I went to the house, got description of gentleman and what he was wearing. Several homeowners were already searching in their personal vehicles. I talked to last person to see him and then began searching. As darkness was approaching, I called EOC and Sheriff Department. Before they arrived, the homeowner was found. Called off Fire and Sheriff Departments. I went to check on homeowner. He thanked us and responded that he had made a wrong turn.

Homeowner called and reported that someone was soliciting tree cutting in Blue Mt. area. They wanted it stopped. I tried to locate him but could not find him; also tried repeatedly to reach by phone. I told his brother, who works on the mountain, to tell him to contact WL Security.

Committee Reports

Communications & Community Relations: No Report

Insurance / Finance Committee: Willie Romero (written report submitted)

Romero reported that there was a healthy balance on deposit with approximately \$112,400 in the restricted reserve account, and \$605,000 in unrestricted funds available to cover anticipated ordinary operating expenses through year end. Monthly expenses average \$80,000 to \$81,000. Assuming no extraordinary expenses, we could end the year with approximately \$200,000 in unrestricted account. This does not take into account the expense for the septic system. Romero reported that Liability, Property, and Auto insurance policies renew in October, representing approximately a \$20,000 expense, with a substantial savings if paid in a lump sum. The finance committee was continuing to work on the budget, noting that the budget is actually two, as assessments for roads are earmarked for roads, and assessments for security are earmarked for security. He explained that by analyzing the expenditures for the first 6 months of 2017, the finance committee could draw a more accurate forecast of the coming year.

Legal: Sharon Foster

Follow up letters for Long Standing Covenant Violations will be sent to those who have not responded to the first Covenant Violation letter.

Materials are being prepared for the Town Hall Meeting – Covenants on September 9th.

Collections: Brent McCaghren: Collections continue.

Road Maintenance & Equipment: Charlie Potts

Potts reported that the 2020 year in the 3-Year Work Schedule should be added after the new board is seated and then approved by the new board so they endorse the third year in the plan. Potts also thanked Jason and his crew for all of their hard work.

Security: Becky McKnight(written report read into the minutes)

After I read Sandy's resignation letter at the July 21 Board meeting, several former Board members and several property owners expressed their appreciation for the years of service and commitment Sandy has given to this community and the RMS board. They also expressed concern that Sandy is treated fairly and that they hoped there was some way to accommodate her situation. The Board directed the Security Committee to consult with Sandy to determine her recommendations regarding her desire to work beyond her stated resignation date (August 1, 2017) and to establish procedures to ensure that RMS Security will continue to carry out its responsibilities.

The Committee did meet with Sandy on July 27. At that meeting Sandy requested to have a 90-day unpaid leave of absence from her duties as Director of Security beginning August 1, 2017, and recommended that Ken Porche be assigned as Interim Director of Security and Ronnie Rice be assigned Interim Assistant Director of Security for that 90-day period. After discussion, the Security Committee approved Sandy's recommendation. This recommendation was sent to the Board members, and it was unanimously approved. The report and the email responses from all eight Board members will be attached to the Minutes of today's meeting. A notice of Sandy's leave-of-absence and the interim assignments was sent out to all property owners.

It has been a busy time for Security since our last Board meeting, as noted in Ken's report he gave earlier. Security personnel continue to effectively carry out the responsibilities assigned to them.

Because of the upcoming solar eclipse on August 21, an email was sent to all property owners reminding them of the rules and regulations for vehicular traffic on Big Bald. The rules and regulations will remain the same as usual for this event.

As this is the last Security Report I will give, I want to thank the members of the Security Committee—Carol Krueger and Lewis Daniels. They have gone above and beyond what would be expected of them. A lot of security issues are urgent issues that have to be dealt with ASAP; and Carol and Lewis have always been very agreeable to meet at the last minute.

I would also like to thank all the security staff. They have made this Committee's work much easier. And I wish the new Chair of the Security Committee much success. He or she has an important job.

There is a new staff member at the gate, Lisa Rice, who is doing a great job.

Property and Facilities: Larry Smith & Dick Moeller

Smith reported that the agreement with POA was approved by the POA. The POA will proceed with the perk testing process for the septic system planned to replace the sewage treatment plant.

Smith also reported that a property owner placed RMS on formal notice that a declining tree located on the boundary line between the home owner and RMS property is threatening the property owner's home. Smith recommended having the tree cut down by a licensed contractor so the RMS will not be exposed to

liability should the tree fall on the house, and that the felled tree would remain on-site. As the cost was under the threshold amount, no vote was required for action. Brown will get bids on the job.

ARB: Tom Wrenn (written report read into the minutes)

New Applications Approved:

Major – 0
Interior - 1
Minor – 11
Tree – 7
Completed – 2

Bob Super since our June report has had 38 contacts with property owners and contractors plus has responded to 4 gate/site alerts.

Monthly Activity:

3097 El Miner	Minor Approval
23 Trillium	Minor Approval
202 Phacelia	Tree Approval
372 El Miner	Major Approval Interior
271 El Miner	Site Visit
593 El Miner	Site Visit
409 Upper Haw	Site Visit
296 Spring Valley	Site Visit
342 Granny Lewis	Site Visit – Extended Minor Approval
Chestnut Lane	Site Visit
709 Birch Spring	Site Visit - Minor Application
85 Bee Tree	Minor Approval
73 El Miner	Site Visit
709 Birch Spring	Site Visit Culvert
517 Hanging Rock	Minor Approval
55 May Apple	Email Contact
165 Lucas Lane	Tree Info Meeting
517 Hanging Rock	Minor Application
195 El Miner	Tree Approval
1430 McKinney Gap	Site Visit
23 Trillium	Site Visit
593 El Miner	Site Visit (Painting progressing)
165 Lucas Lane	Tree Approval
409 Upper Haw	Site Visit
874 Buckeye Road	Sign Off/Completed Project
11 May Apple	Sign/Off/Completed Project
790 Burch Spring	Minor Approval
321 Village Lane	Major Approval
134 Wolf Head Court	Minor Approval
271 El Miner	Site Visit
432 Spring Valley	Tree Approval
560 Spring Valley	Tree Approval
216 Hampton Gap	Minor Approval

173 Glenaire	Minor Approval
82 Painted Ridge	Minor Approval
330 Upper Lookout	Site Visit
243 Oak Ridge	Tree Approval
271 El Miner	Site Visit

ARB Concern-Response 8-3

We addressed an emailed concern of a resident which was referred from security staff to the ARB on August 1 concerning the work days/hours authorized under Section 3.3 of the Architectural Guidelines. This concern was shared immediately with all members of the AG and all agreed that:

1. These have been the work day/hours had not changed and were long standing in the community.
2. Construction work on the mountain is a short season and further restriction would cause greater costs for current and prospective home owners.
3. These hours are more restrictive than many development areas.
4. We considered them to be fair and reasonable and that no change was necessary.

On August 3, the ARB instructed staff send the following response to the resident.

“I have forwarded your concern to the ARB. They have responded that the new Architectural Guidelines maintained the long standing work hours for construction on the mountain. In considering the limited construction season of the mountain, all members agree that these hours have been and are reasonable. Further, the ARB will report your concern to the RMSB at the August meeting.”

Staff received the following reply: “Reasonable unless you happen to be vacationing next door.”

This is reported only as promised to the resident and as a matter of information to the RMSB.

Long Range Planning: John Beneke

Beneke reported that he met with most the presidents of the other entities on the mountain. They are continuing to work, in some form, toward moving Wolf Laurel forward and implementing the long range plan.

POA Liaison: John Beneke: No Report

Old Business: None

New Business/ Seating of the New Board:

Beneke welcomed the new members of the board, Jim Simmons, David Pendleton and Cynthia Kessler.

Smith requested that the minutes reflect that on July 22, 2017 the board received notification that John Ames submitted his resignation by electronic communications. The following day the president of the board acknowledged the resignation.

Nomination was made by Simmons and seconded by Kessler that Ed Shook fill the vacancy left by the resignation of Ames. A vote was taken: 8 in favor, 0 opposed. Motion carried.

Beneke opened the floor for nominations for President. Pendleton nominated Smith and was seconded by Moeller. A vote was taken to appoint Smith as President; 7 in favor, 2 opposed. Motion carried.

Smith opened the floor for nominations for Vice-President. Kessler nominated McCaghren, Smith seconded. A vote was taken; 9 in favor, 0 opposed. Motion carried.

Smith opened the floor for nominations for Treasurer. McCaghren nominated Simmons. Simmons respectfully declined. Foster nominated Romero, but did not get a second. Kessler nominated Moeller, and the nomination was seconded. A vote was taken; 8 in favor, 1 opposed. Motion carried.

Smith opened the floor for nominations for Secretary. Smith nominated Kessler and the nomination was seconded. A vote was taken; 9 in favor, 0 opposed. Motion carried.

Wyatt requested to know who would be the signatures on the bank account. Smith recommended Moeller, Shook and Simmons be appointed in substitution of the existing board signatories of Beneke, McKnight and Romero. A motion was made by McCaghren to accept these recommendations and the motion was seconded. 9 in favor, 0 opposed. Motion carried.

McCaghren made a motion that Simmons take over the chair of the Road Maintenance Committee. Smith seconded. 9 in favor, 0 opposed. Motion carried.

Audience Comments:

Amelia Woolf of Birch Springs Lane asked if board work sessions would be open to the public, except for matters appropriate for executive session such as employee issues, litigation, negotiation strategies and announced ahead of time. The Board will discuss at the next work session.

Gwynne Beneke of El Minor Drive commented that board meeting attendance has increased because the length of meetings has shortened to 1 to 1 ½ hour due to closed meetings. This audience member believed that the board should not open all meetings to every property owner on the mountain.

John Beneke of El Minor Drive commented that similar municipal meetings were required to be closed to the public. The board corrected the audience member that in states with sunshine laws the reverse was the case, all meetings of 2 or more elected officials are required to be public.

John Ames of Unakite Lane asked if this board was willing to, in the spirit of transparency and accountability, publish the plan of what the board intends to accomplish next year and report periodically on the board's progress. Larry Smith, President responded that the board's plan was to intensify focus on the roads of the community as its top priority for the year. A spirited discussion ensued, with Gwynne Beneke and John Beneke interjecting the long range plan into the discussion as a related issue. Larry Smith, President questioned that the long range plan that Gwynne Beneke and John Beneke seemed to be referring to was not the text of the one page version which was read into public minutes and distributed to the community at a town hall, but instead an expanded long range plan which was taken up in a closed work session and not disclosed publically. Larry Smith, President highlighted the differences between the two documents by reading excerpts from the expanded plan which proposed, among other things, a merger of WLRMS with the finances, the social assets, and the recreational assets of the Wolf Laurel

Country Club, the Wolf Laurel Property Owner's Association and other social and recreational organizations; the fair re-allocation of each organization's assets; the engagement of a paid professional management company; and governance by a single board of directors. Gwynne Beneke, John Beneke and John Ames commented that such excerpt unfairly presented the expanded long range plan; commented that the Wolf Laurel Country Club was not for sale; and insisted that the long range plan (the one page version) was now the "law of the land." Larry Smith, President reminded the audience that the board could replace, modify, or rescind the long range plan by a majority vote. Board members Kessler, Pendleton and Shook noted that the concept of the original question (the plan for the coming year), and the concept of a working long range plan adapted to the changing needs of the community, were not objectionable, and Romero added that it was important to adopt a business approach to every issue before the board. The board acknowledged the work of the long range planning committee and advised that the long range plan would receive additional attention in future work sessions and meetings.

Motion for adjournment was made by Romero and seconded by Kessler.

The meeting was adjourned.

Next RMS HOA Board meeting is scheduled **September 15, 2017, at 10:00 A.M.**

Respectfully submitted, **Cynthia Kessler, Secretary**