

**Wolf Laurel Road Maintenance & Security Homeowners Association**  
**Minutes of the Meeting of the Board of Directors**  
**June 15, 2018**

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

Directors in attendance in person: Kessler, Krueger, McCaghren, Moeller, Pendleton, Shook, Simmons, Smith

Directors absent: Romero

Staff in attendance: Brown, Connor, Porche', Wyatt

Audience: 7 in attendance

Smith reminded everyone of the Community Leadership meeting set for Saturday June, 16<sup>th</sup> at 1:00.

Smith announced there will be a free concert at the Upper Laurel Community Theater tomorrow night at 6:00.

**Minutes:**

Krueger moved to approve the minutes of the May meeting. Simmons seconded. Minutes approved 8-0

**Finance: Louise Wyatt**

Wyatt presented the May financial reports, reporting that income and expense for collections for both homes and lots were lagging behind last year: 78.7% collections for lots and 93% collections for homes. For expenses, road maintenance and security year to date is at 40% of the budget. Comparing May 2017 to May 2018 we are on target of where we were this time last year with expenses.

Smith noted that Wyatt had been very busy responding to request for information from the auditors. Moeller reported that the auditors confirmed that the audit would be completed by the end of June.

Kessler asked what will be done with the audit once the finance committee and the board has reviewed the audit. Smith said the audit will be available to the community to review. Smith also said he would want the board to sit down and take a critical look at the recommendations the CPA firm makes.

Smith reported that a recent contact from a gentleman unaware of his connection to an undeveloped lot (thinking that our billings were a scam) sparked interest in reviewing our oldest unpaid accounts, which are approximately 50 accounts, looking for similar situations or signs that the owners had abandoned their properties. The list of accounts had been reviewed and it was noted that these were lots sold in the mid-1980s and earlier, and RMS is in regular contact with the

owners. Kessler said that the list was self-healing because many are approaching transitions in ownership and the new owners will be paying current assessments going forward.

### **Roads: Jason Brown** (Written report read into the minutes edited to condense)

Since last report: Wolf Laurel has received a total of 12.30 inches of rain 2.92 inches of it fell on the 18<sup>th</sup> of last month over a 6 hour period another 3.00 inches of it fell the 2<sup>nd</sup> of this month over a 1 hour period causing significant damage the other 6.38 inches of rain fell what seemed like every other day in between.

### **Equipment:**

Installed the flat bed on the green Chevrolet pickup.

Installed new front tires on the John Deer tractor.

Serviced equipment.

Met with the Mahindra representative to go over the Mahindra on site.

Replaced bearing on tractor mower/ mower is still down waiting on parts and will possibly have to go in to the shop for repairs which will put WLRM well behind our already behind mowing schedule.

Replaced back window on green Chevrolet.

Replaced bucket teeth on CAT 305 excavator.

Repaired broken tailgate pins and hinges on the dump truck bed.

### **Roads:**

Checked all roads for damage from storm.

Re-graded all roads and cleaned out all culverts and ditches following the 6-2-18, 3 inch in 1 hour rain storm.

Removed brush from all roads and RROW's.

Repaired multiple washouts on Puncheon Ln. due to improper driveway drainage and heavy rains.

Repaired washout on McDaris Loop hill below Spring Brook.

Started mowing and weed eating roads, right of ways, obstructions, and ditches.

Built toe wall for slide on Chestnut Ln. in road right of way in coordination with the grading contractor.

Hauled in, spread, graded, and rolled 3 loads of railroad ballast and 5 loads of ABCM on Chestnut Ln. in the slide area. Also seeded and matted slide in coordination with the grading contractor.

Mobilized all equipment and materials for Buckhouse slide.

Cut in roads above and below Buckhouse slide and removed all trees and brush from job site in coordination with the grading contractor.

Repaired small creek crossing slide on Chestnut Ln. and dug out the remaining creek crossings.

### **Contracted:**

Freeman's Construction & CTS, LLC has replaced:

Damaged 40' section of 24" pipe on Chestnut LN.  
Damaged 40' section of 18" pipe on Oak Ridge LN.  
Damaged 40' section of 18" pipe on Town Mountain Rd.  
Damaged 60' section of 18" pipe on Oakridge LN.  
Damaged 40' section of 18" pipe on Unakite LN.  
Damaged 40' section of 18" pipe on Glenaire LN.  
Damaged 40' section of 18" pipe on Birch Springs LN.  
Damaged 40' section of 18" pipe on Chestnut LN.  
Damaged 40' section of 18" pipe on Grouse Thicket LN.  
Replaced three more so we are up to 12 culverts replaced.

Brown will look at the drainage budget and see if he will have more culverts replaced or stop at these 12.

In coordination with WLRM. WLRM located the damaged culverts, supplied 1- 16 ton load of gravel per damaged section of pipe, and supplied the pipe for each damaged section.

*"So far year to date WLRMS has invested \$3,452 in pipe, \$3,240 in gravel, and \$3,600 in contracted labor and equipment a total of \$10,292 plus tax into this drainage project taken out of the 2018 drainage budget"*

Marshall Stone Company has repaired:

The 2017 slide on Chestnut Ln. by digging out the upper road bank in the RROW and using that material to fill in the lower road bank in the RROW where the slide originally was. By doing so the slide was stabilized and the road was widened and moved over up to 8 feet for safe vehicular travel. A total of a 20 foot road was achieved equaling a 4 ft. shoulder, 12 ft. road bed, and a 4 ft. ditch.

The 2017 slide on Buckhouse Rd. , the same practice as above was used and the same outcome was achieved just on a much larger scale with a lot more rocks in coordination with WLRM.

*"So far year to date WLRMS has invested \$6,480 in gravel, \$1,500 in seed, matting, and hydro seeding, \$840 in pipe, and \$40,000 in contract labor and equipment totaling \$48,820 into these 2 slide areas that will be taken out of the 2017 storm damage fund"*

Marshall Stone Company is planning to move to the Hotel pipe project on Valley View circle next week.

Kessler asked about the stop sign situation at the intersection of Mountainside Townhomes, Big Bald and Wolf Laurel Rd. Brown said that the road striper was going to paint a stop bar at the stop sign that is already there. He has also ordered a sign that will warn drivers of the hidden driveway going to Mountainside Townhomes which will be placed right above the mailboxes on Big Bald.

Kessler reported in 2015 WLRMS signed a contract with the N.C. Forest Service as part of a Community Protection Plan Grant whereby the NCFS would perform "fuel mitigation" work along the road rights of way to provide improved access for first responders and firebreaks. The contract described NCFS clearing brush and debris from the road right of way, including chipping materials already cut by RMS for not to exceed 65 miles of road or \$70,000 worth of work. Kessler reported that RMS had performed their obligations under the contract and that she and Romero have been in

contact with the NCFS to follow through on their part of the work described. There is some urgency to pursue the matter before fire season consumes the time of the NCFS. The grant has been funded and will expire this year.

Brown has received numerous complaints from people being run off Big Bald Road by dump trucks that are working on a big construction project on Granny Lewis. People are asking if the curves on Big Bald Road could be striped to keep the dump trucks on their side of the road. Brown said that the striping contractor would strip all of Big Bald for \$1000. Simmons made a motion to have Big Bald stripped. Moeller seconded. A vote was taken: 8-yes, 0-no. Motion passed.

Brown reported he met with Andrew Moore from Water Quality about the hotel pipe project. The new pipe being installed will send the water straight down the creed whereas before the water was being sent into a bank and then down the creek. Mr. Moore approved RMS plans for the hotel pipe project. Mr. Moore said this would be an enhancement to the creek.

Mr. Moore found an issue on May Apple involving the newly constructed home and asked RMS to fix it. Brown informed him that it was an issue caused by the new construction and that RMS is not responsible for private property. Steve McKnight said that Bob Super, ARB Administrator, was aware of the problem and will be meeting with the property owner.

Brown said that Mr. Moore was on the mountain for about three hours and commented that he found all of RMS projects in compliance. He pointed out a few minor issues that needed to be dealt with, but RMS was aware of them and has plans to remedy them.

### **Security: Ken Porche** (Written report read into the minutes)

We had incident at the gate involving taking mail from someone (which included payroll checks) which we finally found out two days later that the other person's daughter had picked up and had put in safe and not told them. So as a result of this and two other instances we will no longer accept mail or envelopes or checks from people paying contractors. We are sorry for the inconvenience this may cause, but this has caused the guards to be fussed at and cussed at which is uncalled for.

As you probably know the Bar Code lane was down. The company who makes our gate system wanted \$1200 + Dollars for a replacement motor, plus labor. We found a new replacement on amazon from a company that handles the same brand motor for \$342.00 plus shipping and I replaced it which saved Security about \$1100. We have a lot of water getting into the box since speed calming devices have been modified. We are in the process of digging out and adding gravel around the gate arm box to try and control this. We will start fixing the gate equipment ourselves.

I started the safety enforcement on the 8<sup>th</sup> I have stopped several people, but only verbal warnings given.

This is the time for baby deer, I've had several calls already about them hurt or their moms have left them. Please don't disturb.

We had a delivery truck stuck coming off of Hanging Rock Rd. chuck responded and then called me in we took guardrail apart enabling driver to swing wider and he was able to get loose. There was no damage to road or guardrail. They thanked us and departed.

We had a call Sunday from a homeowner that they were walking in their yard next to road when they came upon some sharps (empty used syringes). I came up observed, and not having any way of properly disposing of them called Sheriff Dept. Three hours later they arrived and removed.

Porche' said security has talked to the dump truck drivers about crossing the middle of the road. They will continue.

Porche' invited property owners and the board to visit the gate house and ride with roving patrol to see what security is doing for the community.

Porche' then read a report on contractors and barcodes:

To: RMS Board

6-15-2018

From: Ken Porche' DOS

Subject: Barcodes

This is a request for permission to turn barcodes off for certain contractors and their employees. This would be about 60 workers and around 140 plus or minus barcodes

1. This would enhance the security for the home owners
2. This would give security the knowledge of the location of a contractor and their crew
3. This would give security and ARB the knowledge of the work that is being performed
4. This would give ARB the knowledge of the contractor or workers permit status
5. This would help to stop the night time coon hunting, and the day time turkey, and deer hunting that takes place.
6. This would stop the ones that are coming in late at night for reasons we don't know (such as the tree cutter coming in at 12:05am)

I thank you for your consideration on this matter.

Ken

Smith commented that contractors having barcodes is both a security issue and an ARB enforcement issue. Smith noted that some contractor have higher employee turnover than others, and do not remember to have RMS deactivate employee barcodes of former employees. Some

employees of contractors are entering at times and on days inconsistent with performing their regular work. Smith said that he assumed that when a contractor or employee of a contractor entered Wolf Laurel that the vehicle had to stop at the gate and identify which property would be visited, enabling RMS to easily cross reference permits for work. However, recently RMS was discovering construction projects in the middle or end of the project that had no permit with contractors entering using barcodes.

Shook added that this may not appear on the surface, but this is a pro contractor approach. He said that this board is pro contractor and in the long run, this increases security and will make it easier on the contractor because it puts the responsibility on the homeowners.

Porche' added that this will not affect contractor/property owners, just their employees.

McKnight agreed that this will help the ARB a great deal in getting the required permits filed.

[Action on this matter is taken up under new business later in the meeting.]

## **Committee Reports**

### **Communications & Community Relations: Larry Smith**

Smith reported another email blast was sent out to homeowners on obtaining ARB permits. He pointed out this protects the homeowner in many ways, especially when it involves variances.

Smith also said when RMS gets concerns/complaints from property owners he typically tries to respond within 8 hours. If a response requires some research, he might respond the next day.

### **Insurance / Finance Committee: Dick Moeller and David Pendleton**

The audit will be presented in the July work session.

### **Legal: Brent McCaghren and Cynthia Kessler**

McCaghren will be setting up a meeting with the collection attorney later this month. He will see what will be done with some of the judgments we are holding.

Smith reported a homeowner who was denied a lot combination in 2010 wants to submit another application for combination of the same lots. Smith told the homeowner to submit in writing all of the facts and why they want to combine lots. McCaghren said he had no problem with the homeowner submitting to the board any circumstances as to why we should consider re-opening their lot combination. Kessler commented when the board makes a decision on an issue, the board must be careful which issues to revisit and why, especially decisions made by prior boards. The first step of the process should be that property owner demonstrates sufficient change circumstances to justify the board to reopen the issue. Then, if the board agrees, the board would proceed to consider the actual merits of the issue.

### **ARB: Steve McKnight**

Since last month's report, the ARB has approved applications for 7 tree, 13 minor exterior, 2 major exterior and 1 new home construction. The new home is a spec house being built by Freddie Wallin at 1024 Pisgah Pass. This brings the total number of approved applications for 2018 to: 14 tree, 18 minor, 7 major and 1 new home. In reviewing applications or monitoring ongoing construction, Bob Super has so far made a total of 106 site visits this year.

I would like to thank Suehonor for the extra efforts she has made recently to assist the ARB. Bob Super has been away for about a week helping his son and his granddaughter with a project. Bob has, of course, been available by phone or by email. I have had to contact Bob a few times to discuss three situations. Bob and I agree that these matters need his direct involvement, and we have discussed how he will proceed when he returns next week. But in Bob's absence, Suehonor has been the one who has fielded questions from homeowners or contractors and has kept Bob informed regarding applications that needed to be processed. Bob and I both are very appreciative of the extra assistance she has provided the ARB.

### **Security: Carol Krueger**

Krueger thanked Porche' for the purchase and installation of the motor for the gate arm. Moeller agreed. Krueger reported the installation of the exit gate is going to occur around June 26<sup>th</sup>.

There was a meeting with Russell MacIntosh who is the construction supervisor for the Preserve. The meeting was very positive and MacIntosh is on board with securing the back gate and the construction gate. MacIntosh was going to contact the owners of the Preserve and will be getting back to us.

### **Road Maintenance & Equipment: Jim Simmons**

Simmons reported he rode the roads with Brown for 7-8 hours. Simmons said the road crew is doing a tremendous job. The subcontractors who have been hired to take care of the slides and the motel pipe project are doing a great job.

Simmons reported WLRM is still within budget.

Simmons said when the landslides are handled, May Apple will be addressed. Road bond will be spread to make the road a lot smoother. He said WLRM is not going to do a complete culvert replacement and re-contour ditches until the construction project on May Apple is complete.

The subcontractor is getting ready to start the motel pipe project.

Simmons mentioned that Brown saved shipping costs on some piping by requesting the smaller piping he needed be placed inside of the larger piping that had been ordered.

The road striping project is starting today.

**Property and Facilities: Dick Moeller**

Moeller spoke with Walker Ferguson. They are finalizing everything and hopes by next week WL can get the permit.

**Long Range Planning: Larry Smith and Cynthia Kessler**

Smith reminded everyone of the Community Leadership Meeting Saturday, June 16<sup>th</sup> at 1pm.

**Motion to establish Legacy Fund**

Each year RMS plans approximately \$500,000 in regular road maintenance work which is scheduled and budgeted and paid for by annual road assessments, but also schedules additional infrastructure work of approximately \$85,000 to \$95,000 which is not budgeted and depends on regular work coming in under budget and ahead of schedule. When there is a mild and dry year, RMS is able to accomplish the additional infrastructure work described on the schedule. This past winter was neither mild nor dry, and events occurred that damaged Wolf Laurel roads.

The purpose of the Legacy Fund would be to provide supplemental funding, as part of a total capital plan, to address annual unfunded infrastructure projects. The Legacy Fund would serve as a bridge funding the gap between budgeted work and scheduled unfunded infrastructure work. If budgeted funds were sufficient to cover annual infrastructure projects, the Legacy Fund would be used to advance future infrastructure projects. The Legacy Fund would not be sufficient to replace the need for a special assessment for larger projects, but would fund work that is needed whether or not a special assessment is planned, and is intended to be a complementary component to an overall capital plan for RMS.

The Legacy Fund would be a segregated account, restricted for specific infrastructure projects determined by the board of directors of RMS, requiring 2/3rds majority to authorize expenditures, to modify the terms of the Legacy Fund, or to dissolve the fund. Voluntary cash contributions would be received. Other gifting options would be evaluated at a later date based on the viability of the program. Specific infrastructure projects would be drawn from the 3-year road plan so as not to compete with the order of priority of the work set by the board. If RMS no longer adopts a 3 year road plan, then a list of small specific infrastructure projects will be selected by the board as candidates for the Legacy Fund. The initial goal of the Legacy Fund will be to raise \$64,000 per year for specific infrastructure projects.

Kessler moved to establish the Legacy Fund, Moeller seconded.

Shook asked to amend: Upon permission of the individual voluntarily donating, the board will publish formal recognition to the donors of the Legacy Fund.

Kessler accepted the amendment. A vote was taken: 8 – yes, 0 – no. Motion carried.

**POA Liaison: Larry Smith**

Smith attended the POA meeting. At the meeting, he expressed some concern about the size of material that was being used in the creek project below the tennis court. He was told the contractor/ expert doing the work knew what he was doing. Smith met with the expert and he was assured by the expert the work was being done properly. Smith showed him the work that was going to be done at the motel. The expert then suggested Water Control be contacted to look at the work that was going to be done at the motel. Brown brought in Water Control who said the motel pipe project was to his satisfaction.

## **Old Business:**

### **Motion to direct staff to erect mailboxes at Hampton Gap provided by the Post Office.**

Moller reported that the Post Office will donate approximately \$5K-\$6K worth of mailboxes. RMS will be responsible for constructing and installing the mailboxes.

Kessler moved to accept the voluntary contribution of mailboxes by the Post Office to be installed at the Hampton Gap site, seconded by Moeller.

Moeller noted the expense was coming out of securities budget. Roads had requested to move the existing mailboxes at Hampton Gap site so that the road crew can store material at the site, and will prepare an area for the relocation of the existing mailboxes and the installation of new mailboxes.

A vote was taken: 8 – yes, 0 – no. Motion carried.

### **Motion to direct staff to erect parcel boxes at Big Bald provided by Post Office.**

Moeller reported that the Post Office will donate \$1400 - \$1600 worth of parcel boxes. RMS will be responsible mounting these parcel boxes.

Moeller made a motion to direct staff to erect parcel boxes at the Big Bald site provided by the Post Office. Seconded by Pendleton. A vote was taken: 8 – yes, 0 – no. Motion carried.

### **Motion to direct the purchase of additional second hand parcel boxes.**

Moeller reported that we have located 12 X 12 second hand Post Office approved parcel boxes for \$75 per pair plus shipping.

Krueger asked if we are assured that the post office deliverer will use these parcel boxes. Smith said he is dealing with the Post Office to work this out.

Smith made the motion to authorize the purchase of 4 12X12 second hand parcel boxes for \$150 plus shipping. Seconded by Moeller. A vote was taken: 8 – yes, 0 – no. Motion carried.

### **Motion to suspend enforcement of Drone Policy for commercial purposes.**

Smith introduced the issue of the expanding use of drones for legitimate business use, for example, realtors making marketing videos of houses being listed for sale, and insurance adjusters performing inspections of roofs or other inaccessible parts of structures. McCaghren advised the board of their authority to make special exceptions to the drone provision citing 9.4 of the covenants.

Smith made a motion to make a special exception to the drone policy when it involves legitimate business use; provided that the drone operator notifies the gate of the location and purpose that the drone will be used and when the session will take place.

Krueger said she would like an application to be filled out and given to the RMS if anyone wants to fly a drone for these purposes.

Kessler suggested that exceptions be made on a limited case by case basis for the next 60 days to allow time for a written policy concerning drone use to be developed concerning drone use for commercial purposes and promotional materials. Krueger seconded. A vote was taken: 8 – yes, 0 – no. Motion carried.

## **New Business:**

### **President's recommendation for the Nominating Committee**

Smith announced the appointment of Dick Moeller as chairman of the Nominating Committee and announced the members of the committee: Tom Wrenn, Gene Woolf and Gayle Barr. Krueger made a motion approving the committee appointments. Simmons seconded. A vote was taken: 8 – yes, 0 – no. Motion carried.

McCaghren informed the board that Jim Hill was willing to serve on the Election Committee.

### **Motion to void the issuance of bar codes for contractors and employees of contractors.**

Krueger made a motion to void the issuance of bar codes for contractors and employees of contractors. Simmons seconded. [Please note full discussion of the issue earlier in the Security report.] A vote was taken: 7 – yes, 0 – no.

## **Audience Comments:**

Anthony Martin – There was a water line repair at Woodfern Lane and May Apple. Now the slope is toward the bank. He asked if RMS would contact Carolina Water to correct the problem.

Martin also raised an issue with a major renovation being done on Trillium Lane. When they were working on the septic tank they knocked trees down, but they did not get rid of the trees and brush which should have been cleaned up when the project was finished. He asked that someone take care of that situation, ARB or RMS.

Martin wanted to know the difference between ABCM/ bonding material/ crush and run. He asked if the board would get with the experts at the suppliers of these materials and have them give the

specifics of their material. He feels RMS is not using the correct material on the roads for the “driving surface”. Kessler said the board would check that out.

Next work session is July 11, 2018.

Next RMS HOA Board meeting is scheduled **July 20, 2018, at 10:00 A.M.**

The meeting was adjourned by President Smith.

Respectfully submitted, **Cynthia Kessler, Secretary**