

TIMBERWOOD MOUNTAIN ESTATES PROPERTY OWNERS ASSOC., INC.
(TMEPOAI)
1 Timberwood Drive
Marble, NC 28905

Board of Directors Meeting Agenda
July 21, 2012; 10:00 am

The meeting was called to order at 11:00 am by President, John Leder.

Margaret Rancourt moved to accept the Meeting Agenda as presented. Lew Houser seconded the motion and it passed.

Treasurer's Report – Gerry Wiggins presented the Treasurer's Report for April 1 through June 30. There was a lightning strike that damaged electronics on Well 5 in April 2012. A claim was filed with State Farm for repairs of \$3,225 less our \$1,000 deductible; the claim paid \$2,225.00. The premium was paid for another year's insurance. The premium has increased by approximately five percent.

We currently have 51 lots paid in full, 1 lot with a partial payment (Sharon to contact owners before filing lien), 3 lots unpaid, and 10 lots developer owned with payments being received. Jerry will present updated status of TDC account later in the meeting. David Crown moved we accept the Treasurer's Report as submitted and that we proceed with liens to be filed against the three lots that remain unpaid. Andy Rancourt seconded the motion and it passed.

David Crown presented an updated status of our budget through June 30, 2012. David also updated the status of repair and upgrading of Spring Branch Road. David has requested three bids for repairing drainage culverts, grading, and rocking all of Spring Branch. Two bids have been received at \$2,000 (Accent Homescaping) and \$2,430 (Timberwood Developers) which includes two more truckloads of rock than the \$2,000 bid. Third bid has not been received. This should fix Spring Branch for several years. A new home has been constructed on Lot 61 and the road impact fee has been paid by the owners. After discussion, it was decided that the repairs and upgrades would not be completed until we have proof that the Certificate of Occupancy (CO) has been issued. John asked about gravel work needed on Hawkeye Trail. Hawkeye will be assessed and rock applied if needed. Margaret moved to accept Timberwood Development's bid upon receipt of CO and provided the third bid is not significantly lower. John seconded the motion and it carried. Andy asked about grading of all dirt roads on annual basis and it was agreed that this will be an agenda item for the next meeting.

Jerry has also filed Corporation Annual Reports for TMEPOAI for 2010 and 2011 and he is listed as agent. This report is to be filed annually by April 15th at cost of \$25 per year. The NC Secretary of State had been sending the report to TDC and they forwarded it to us in 2012 with two years delinquent. This concluded the Treasurer's report. Margaret moved to accept as presented, Andy seconded and the motion passed.

Jerry reported that our March 7th appeal to County Tax Assessor's Office for reassessment of the increased value of the Timberwood lot at the entrance was denied.

Jerry and Sharon presented an updated status of TDC payments and Revised TDC Invoice per discussion at the April, 2012 meeting. Jerry moved that late fees not be charged, nor liens filed against lots owned by TDC

unless extraordinary circumstances come to our attention. A discussion ensued regarding the fees originally added because we felt an obligation to treat all owners the same. Jerry pointed out that late charges are punitive in nature and TDC took care of the development for several years past the time when 50% of the lots were sold and did not increase fees during that time. TDC has expressed that because they carried the load longer than necessary, they feel they should be given consideration. The lots that have been sold have included late fees paid to the Association. Waiving the late fees would do away with past due amounts owed on their lots and generate good will. A current TDC status report was distributed. See report for details. TDC secured past due fees on Lot 12 before lot was taken back and has forwarded that amount to the Association. 2012 fees on Lot 12 are to be prorated for portion of 2012 ownership. Jerry asked the Board to consider approving a motion to this effect. The floor was opened for discussion. It was brought up that infrastructure still has not been done by TDC as promised and it is felt that the money thought to be applied to those items was used for other TDC needs. Some members feel we have shown good will in not applying/enforcing fees thus far, and that coupled with infrastructure items presents a problem. If TDC were to agree to use proceeds from the sale of lots to complete infrastructure items it would go a long way. Jerry pointed out that lots sold may have had mortgages in place. Based on promises and good will some members feel the late fees of \$425 is a small issue and pointed out that we have allowed TDC to work off several thousand dollars. It was pointed out that TDC appeared to have "sharpened their pencil" on the latest bid. Board members still go back to the issue of treating all owners the same and feeling the Board has served all property owners as best we can. The majority of the Board thinks late fees need to be applied but agree not to place liens at this time. Jerry again moved that late fees not be charged nor liens filed unless extraordinary circumstances should come to our attention. David seconded the motion. Motion failed by vote of 3 to 4. Margaret moved to rescind the May, 2012 Demand Letter and send a new letter with late charges but no Liens to be filed against TDC property. Sharon seconded the motion and it passed.

The Board will invite (TDC) Jeff and John to the October 20, 2012 BOD meeting prior to the annual meeting to present an updated TDC plan for completion of items promised to Timberwood. John Leder will send an invitation.

Old Business

1. Update status of payments: Liens will be filed on the following unpaid lots:

Lot 49 Nelson Fernandez (\$550 for 2011 + \$550 for 2012 total \$1,100) Nothing received to date. Lien to be placed for \$1,100 for 2011 & 2012.

Lot 19 for \$525 + 25 = 550. Lien to be filed for \$550.

Lot 20 Eddie Oliphant We received \$325 to satisfy lien on Lot 20 for 2011. No payments received yet for 2012. E-mail requesting payment plan. SSC responded 4-6-12 with quarterly payment plan. Lien to be placed for \$525 + 25 = 550. The Board requested that Sharon attempt to contact the owners one more time prior to filing the lien.

Liens will be filed on Lots 19, 20 and 49.

TDC Revised Invoice as of July 19 includes \$113.88 for each of the 9 lots reflecting the total of \$1,024.94 owed at the end of 2011 after all credits were applied. TDC will be invoiced for 9 lots in 2012 plus Lot 12 to be prorated depending on the date it was taken back by TDC.

2. Mowing & Weeding - Reids Lawn Service Roadside/culvert cleanup performed for July. David presented a Scope of work for year-round maintenance. Scope includes items previously performed by both residents and contractors such as cleaning and trimming around mirrors, maintaining the gate and gate area, signs, wells including changing filters, long-arm mower at least every other year. This proposal is for 2013 and David will proceed with getting a firm cost for the Scope of Work by the October meeting. The Board agrees this is needed.
3. Timberwood Road & Well Upgrades – This item was tabled from the April meeting.

Margaret has sent a Thank You note to the Rogers for the contribution of road reflectors which have now been installed on the entirety of the paved portion of Timberwood Road.

We need to have new and reoccurring cracks on Timberwood Drive filled before winter. John Leder made a motion to have this work performed. Andy seconded the motion and it passed. David will arrange for this work to be done.

Review Well 2 Duke Energy bill- Jerry reported the electric bills for Well 2 have returned to normal for the last three months.

The BOD also discussed the need for further road repairs in several places due to settling of fill soil. The Board continued to discuss long term solutions to the road problem due to slippage of the mountain along the fill line. During the April meeting John moved we hire road engineering firm or soils firm to get assessment of trouble areas and repairs. Sharon seconded and it passed. Margaret amended the motion to set aside an amount not to exceed \$2,000 to pay for the assessment. Andy seconded and it passed.

David reported that he has spoken with Crisp Paving regarding the road issues and he confirms pilings would have to be driven in roadside soil and costs could be exorbitant. John will attempt to find a firm that can perform this scope of work to confirm options and costs.

Wells 3 and 4 still need to be upgraded re:insulation/piping/electrical. On July 21, 2012 a tree fell on Pump Station 2B destroying the entire pump station. Due to the immediate need to have the Pump Station repaired, the upgrades have been deferred until 2013 for action. David will add insulation inside the covers before winter.

New Business:

1. New Covenants & Restrictions being written for TMEPOAI for presentation to the membership at the Annual Meeting. Sharon and Margaret presented a draft to the BOD at April meeting. Comments were submitted by the members of the Board and have been incorporated into a new DRAFT presented at today's meeting. The entire Board reviewed, commented and agreed on language which will now be presented at the Annual Meeting for approval.

Thanks to Jerry & Carmen Wiggins for hosting the meeting today. The country breakfast was outstanding.

Next meeting 10:00 am, Saturday, October 20, 2012 prior to the Annual Meeting. Meeting to be held at the Blue Mountain Coffee & Grill.