

INDIAN LAKE CLUB, INC – Indian Lake Estates
Annual Membership Meeting
September 10, 2016
Minutes
D R A F T

The Meeting was held at the Lake Toxaway Fire Department and was called to order at 10:00 am.

Presiding: Michael Gould, President

Attending: Dick Hennig, Vice President, John McClung, John Pappas, Jeannette Lee, Treasurer, Barbara Pence, Secretary; Members of the Community.

Absent: Melba Hernandez

All Attendees introduced themselves.

State of the Community: (See separate addendum, “State of the Community” by Michael Gould, President

In addition to Michael’s comments, he notified the community of the following property ownership changes during the past year:

1. Rose Cook – sold her lot on Indian Lake Road to Robert Craighill and Wanda Bernhardt of St. Simons Island, Ga.
2. Fred Market – sold his lot on Toxaway Trail to Brooks and Lenna Quinn of Hilton Head Island, SC.
3. Dave Abrahamson sold his house on Indian Lake Road to Darrell and Marlene Bell of Monticello, GA
4. Hawkins/Peterson sold their home on Toxaway Trail to Danny Pate.

Indian Lake Club also acquired two lots on Toxaway Trail; Lot 5, Section 3 and Lot 23, Section 2. These lots are offered for sale at \$4500 each.

Quorum: The Secretary advised a quorum has been established with 36 lots represented.

Minutes: A motion was made to approve the minutes of the September 12, 2015 Annual Meeting by Everett Bedenbaugh, and seconded by Vivian Vlahon-Snyder. The minutes were approved.

Committee Reports:

Water:

1. Dick Hennig thanked Frank Campbell for his help this past year.
2. Water system has had no major problems this year and has been maintained by A&D Maintenance.
3. The well tank at the lake is 35-40 years old and is ready to be replaced. Dick contacted several companies; the only bid he received was from A&D Maintenance.
4. Cost estimated at \$45,000 - \$50,000. This bid was accepted and approved by the Board at the August BOD meeting.
5. Replacement work will begin in the early spring with no interruption or minimal interruption in water service.
6. Tanks were painted earlier this year at the request of the State of NC by Jackson Wine, a contractor from Brevard
7. During the past 2 weeks, we have had excessive use of water at both wells. This was attributed to human error at the Lake well and mechanical error at Toxaway well.

Roads:

8. Everett acknowledged the help of Dick Hennig in coordinating the repair of a collapsed culvert on Indian Lake Road and advised the culvert at Rainbow Lake was inspected as well.

See Separate addendum “Road Committee Report” for further discussion on Road Washout, Snow Removal, Roadside Maintenance and Guardrail replacement.

9. **Paving:** Everett advised that \$57,000 was spent on the asphalt paving project recently completed. He was impressed with their work, filling in potholes, etc.
10. Because of the dam repair project, there is no budget for paving in 2017.
11. Everett will inspect the roads to see what paving projects remain and will estimate and present this proposal at the next BOD meeting. Concentration will be on side roads as most of the major roads are in good shape.
12. Everett thanked his committee and Dick Hennig.
13. Everett recapped money spent on Roads: Washout \$14,000; Snow Removal \$3,000; Roadside Maintenance \$10,000; Guardrail replacement \$24,000; Paving \$57,000 for a total of \$108,000.
14. Gerry G. questioned cost of culvert. Dick Hennig explained the depth of the culvert caused the project to be so expensive.
15. Joanne R. questioned the culvert on Rainbow Lake. John Pappas advised that Foster Lake and Pond inspected and all is in good shape.
16. Michael advised that Rainbow Lake is no longer regulated by DENR because of its size.

Website: Everett stated his mission statement for the Website:

(See separate addendum “Website”)

17. He also stated the importance of the permanence of putting all of our documents on the website.
18. There are approximately 50 visits to the website weekly; recent updates are noted.

Lakes and Dams: John Pappas thanked his committee and stated that he would have an opening on his committee for another member after losing Fred Markert.

(See separate addendum “Lakes and Dams Committee Report”)

19. John congratulated the community and Beautification Committee for their work on the waterfront park this year. He felt it was a big improvement.
20. He also stated the fish population in the lake is good at this time

Architectural Control: Michael presented the report for Aleta and thanked the committee for their work this year.

(See separate addendum “Architectural Control Committee Report”)

21. Vivian questioned the length of time for approval for proposed projects; Michael advised 30 days would be the maximum time for approval. John McClung advised most approvals are made in 2-3 days.
22. Larry Pipkins questioned tree clearing regulations; Michael advised the Committee should be consulted before major tree removal.

Beautification: Anne thanked her committee and presented her committee report.

(See separate addendum “Beautification Committee Annual Report”)

23. Michael complimented Anne for her work at the Waterfront Park and entrance.

24. Anne advised the Christmas gathering will be December 18 at Mike and Vivian Snyder's home on Cherokee Circle.

Treasurer's Report: Jeannette presented her report

(See attached addendum "Treasurer's Report")

25. Jeannette advised that though we are setting aside \$100,000 for the dam repair, we really won't know until we have an approved plan and contractor bids.

26. She also advised that we keep a reserve of \$75,000.

2017 Budget Report: Jeannette presented her report and thanked her committee.

(See attached addendum "2017 Budget Presentation")

27. Discussion was held about reduction of assessments; this will possibly be considered by 2020 after dam repairs. Jeannette also reinforced the importance of keeping the reserve of \$75,000. Assessments will remain as they are for 2017.

28. Discussion was also held on future culvert problems. Everett advised our road crew is watching to be sure they are not clogged.

29. Jeannette advised we are in good shape; the only problem would be if the dam comes in higher than expected.

Audit Report: Gerry Gawronski, Auditor, presented his letter and advised that everything was in good shape and that the Treasurer has done a great job.

Nominating Committee: Everett reported the results of the voting for his committee which was made up of Everett as Chair, Jeannette Lee and Anne McClung. The results were that John McClung and Barbara Pence were re-elected to the Board with a count of 55 votes each.

Michael reminded the attendees that the Board Meetings are open to the community and encouraged participation from the Community. Michael thanked the Board for their work.

There being no further business, a motion was made and seconded to adjourn the meeting. The Meeting was adjourned at 11: 37 a.m.

Respectfully Submitted,
Barbara Pence, Secretary

ADDENDUMS

State of the Community Annual Meeting September 10, 2016

Good Morning! Since many questions may be answered during the presentations by each committee, please hold your questions until after the presentations. We will be pleased to respond to questions at that time.

Introduction:

The State of the Community is outstanding. Finances are sound. There have been no reported security issues this year. Roads have been repaved, and we have seen improvements to our infrastructure throughout the year.

Volunteers

Thanks to our volunteers for their help in maintaining our subdivision.

- **They have revamped the grounds at the ILE entrance, maintained the water front park and other common areas.**
- **They created the art work for the bulletin board**
- **They made financial donations for projects**
- **They organized the Wednesday socials, picnics and holiday parties and opened their homes for these functions.**

Board's Activities and Decisions

- **The Club's finances are sound and our reserves are sufficient for our budgeted infrastructure and any unforeseen obligations.**
- **We have had to place a lien on several properties to secure assessments that have been unpaid. Consequently, we have taken title to a property. We have also taken legal action against a property owner who is in bankruptcy and our attorney has been successful in court so we may participate in a distribution of assets. Otherwise, our accounts receivable are in good order, and the installment payments have continued to work well for residents and the Club.**
- **We have recently completed paving roads throughout the community. We also spent \$14,000 restoring Indian Lake Road after the deluge caused the culvert to collapse. The Road Committee has looked into other areas of concern and we are reasonably certain that the infrastructure is sound.**
- **The water system is in good order with minimal leaks and equipment failures. However, we have budgeted to replace the tank in the Lake Pump House next spring since the tank is 40 years old. Our contractor has advised us that we cannot expect the tank to last much longer.**
- **The Architectural Committee has revised the Regulations with the Board's approval as building activity has increased throughout the community.**
- **With respect to the Proposed Dam Repairs, we have not yet received approval from the North Carolina Department of Environmental Quality. However, we have been advised that we are near the top of the queue, and hope to have resolution during the next 12 months. We are financially prepared to make the necessary repairs as soon as possible.**

Closing:

As I announced in my last newsletter, I am not a candidate for President. Any success that I have had during the last 2 years has been attributable solely to the hard work and dedication of the Committee Chairs and the Board members who put in hours of work

throughout the year. I thank them for their support and you should, too. Each and every one deserves credit and appreciation, but I would like to single out Jeannette Lee, our Treasurer, for all the hard work and effort that she has done throughout the year. Jeannette has a full time job, many other responsibilities and has done an outstanding job for ILE. Thank you, Jeannette, for making my job easier and for all that you have done for the community.

Our mission is to extend and preserve the infrastructure of the community. In interpreting Covenants and regulations, we endeavor to balance interests between the individual property owner and the community interests as a whole. The objective is to ensure that all residents and property owners can enjoy our beautiful community. I ask you to keep this in mind with regard to future issues. If we all act as neighbors, conflict can be minimized.

John McClung has agreed to stand for the office of the President for the coming year. I am confident that the Board will elect him. John will have my full support as I continue to be a Board Member, and will serve as Architectural Committee Chair. Please provide the same support to John that I have had from you all, and we will ensure his success as well.

Thank you.



Road Committee

Annual Meeting 2016

Road Washout:

During the rain deluge in December the culvert under the road at 655 Indian Lake Road was breached resulting in a portion of the road failing. All 60 feet of the culvert had to be replaced and the road bed rebuilt. Repair cost was \$14,000.00. Dick Hennig stepped in to take charge of planning and overseeing the repairs. He is commended for taking care of this matter. Rebuilding of the roadbed was contracted to Buddy Owen and the asphalt was applied by Pisgah Asphalt

Snow Removal:

Another thanks to Dick Hennig for his efforts in securing a contractor, Buddy Owen. Buddy's work was satisfactory. The clearing of the roads after the 16 inch snowfall was a challenge and pushed his equipment to its limits. Cost for the season was \$3,126.00. The committee received a complaint that the snow plow left piles of snow in front of driveways. The complainer requested that the community take the responsibility for removing this snow. With the Boards approval the community was informed that it is each property owner's responsibility to clear their own driveway. This topic was addressed in the President's Newsletter – February 2016.

Roadside Maintenance Contract:

Myers Mowing and Lawncare, Inc. submitted the lowest bid. While the majority of Myer's work has been satisfactory some aspects of the work have been delayed beyond scheduled dates caused by problems such as equipment failures. It also appears that Myers may have overcommitted his resources. Cost for the last 12 months was \$9900.00.

The 2017 contract will be more specific on dates that jobs should be completed with possible penalties for failure to meet the schedule.

Guardrail Replacement:

The only available bidder was Asheville Fence Guardrail Contracting. They submitted two bids. One for a wooden rail, \$26,325 and the other for a brown steel guard rail, \$22,230. The aesthetics of the wooden guardrails were preferred but the additional cost could not be justified.

The Guardrail has been installed at a cost of approximately \$24,000.00. Some community residences have expressed a concern about the location of the Guardrail. The rail had to be placed as close to the roadway as it is to comply with standards. It was suggested that reflectors be placed on the guardrail. Plastic Guardrail Reflectors have been ordered and will be installed approximately every 25 feet (see illustration below). Cost should be approximately \$300.0.



Asheville Fence quoted removal of the old guardrail system at \$5,780.00. Even though the estimate was approved by the board of directors, it has been cancelled. Buddy Owen submitted a bid to remove the old guardrail for approximately \$1000.00. The post have been sawed off approximately at ground level and all materials moved. Thanks to Dick Hennig for his assistance in coordinating this work.



2016 Major Paving Project:

The following stretches of road were repaved this year. Priority was established based on **safety concerns, traffic density and esthetics of the neighborhood.**

Total cost for this project was \$57,000.00.

1. 151 feet from Hollar's driveway to beaver dam
2. 164 feet going uphill toward Hennig's
3. 455 feet from Mohawk Drive to Hair's driveway
4. 165 feet across Rainbow Dam
5. 121 feet from Noyes driveway toward Gibson house
6. 223 feet from Gibson property toward McClung's
7. 85 feet from McClung's property toward Naylor's
8. 72 feet beside Coggins' house
9. 207 feet from Five Points to above Pence's home
10. 90 feet in front of Timms' house
11. 360 feet from Abrahamson's toward Toxaway Trail
12. Patch pothole at intersection of Indian Lake Road and Toxaway Trail
13. Replace deteriorated culvert on Indian Lake Road near Mohawk Drive
14. Large patch on Quallia Trace

Looking to 2017:

With the anticipation of the Indian Lake Dam repairs consuming the bulk of the Club's funds in 2017, the Budget does not have any funds allocated for paving. The committee hopes that as 2017 unfolds funds will come available for paving. If they do the priorities will be any unsafe areas of primary roads and to start paving the spur roads. Cost for roadside maintenance and snow removal should be similar to 2016's cost.

Everett Bedenbaugh – Chairperson Road Committee

Gerry Gawronski Fred Petersen Pat Hawkins

Melba Hernandez

Ad Hoc Member Dick Hennig

Road Committee Projects

2015/2016

Road Washout	\$
14k	
Snow Removal	\$
3k	
Roadside Maintenance	\$ 10k
Guardrail Replacement	\$ 24k
Paving	\$
<u>57k</u>	
TOTAL	\$108k

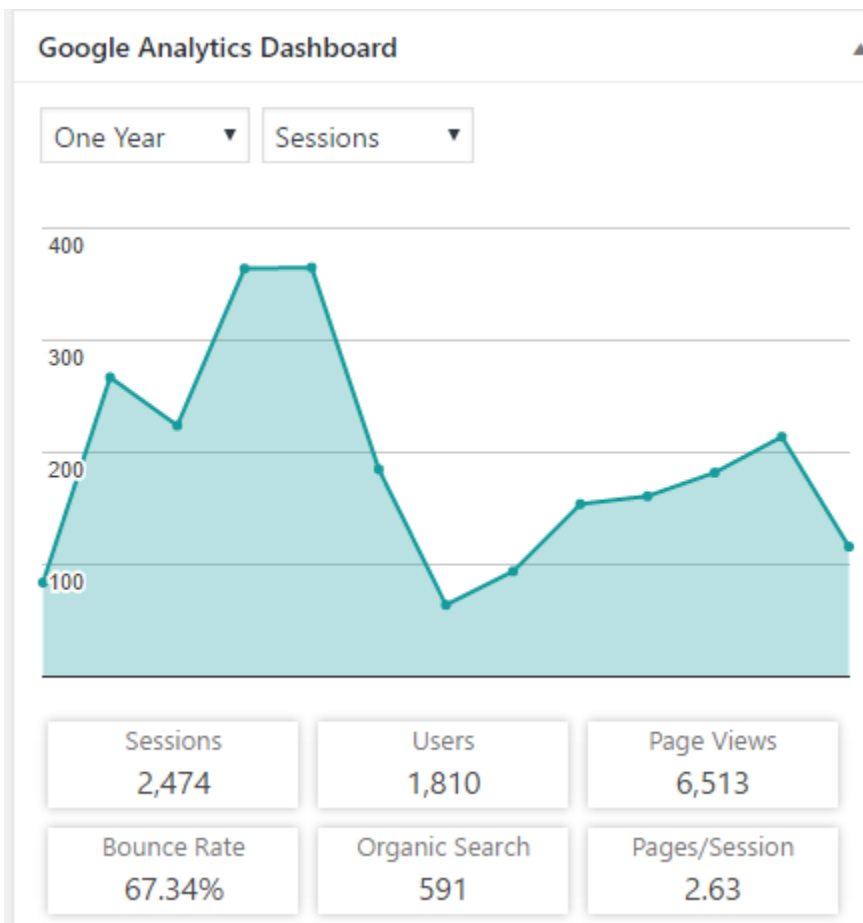


Website Report

Annual Meeting 2016

Why does the Club have a website?

The site is a communication tool to keep the property owners abreast of activities in the community, up to date with the actions of the Board of Directors, and as a historical depository of Club documents and pictures. A further function is to introduce the general public to our mountain retreat.



Everett Bedenbaugh - webmaster

Lakes/Dams Committee Report

September, 2016

Annual Report

Committee Members: John Pappas, Jerry Hollar, Fred Markert, Frank Campbell

Overview

2016 has been a quiet year for the lakes and dams. The lakes look fantastic and are doing well overall. Quiet in terms of unwanted guests (beavers, otters, groundhogs, etc.) and quiet in terms of dam repairs. We did not have any critter issues this year, with the exception of a snapping turtle sighting, but no action was taken.

Silt where the creeks enter the lakes is also a continuing problem in a few areas, but there is no easy fix. We continue to have a minor algae and grass problem, but we addressed them in June and will inspect again in the fall.

We did hear from DENR, now DEQ (Department of Environmental Quality) and we are in the review cycle, so hopefully we will get approval to make the spillway repairs that we have had in place for some time.

Dam and Lake Maintenance

1. **Dam Cutting** - We typically cut the dams 4-6 times per year. To date, we have cut the dams 3 times. Kenneth Myers has been leaving some growth at the foot of the dams and I think it has softened the look of the dams and is quite attractive.
2. **Algae/Grass** - We had the algae and grass treated in June by Mountain Lake and Pond and will consider another treatment if necessary in September. Indications are that we are in good shape here.

Mountain Lake and Pond is recommending grass carp for both lakes and we are planning to add 10 to Rainbow Lake and 25 to Indian Lake. The plan is to do this in the fall as transporting them in the summer heat is risky. This is a common practice that is well tested by our neighbors and an organic solution to lake grass.

3. **Critters** - No critter sightings this year. We did have a report of a snapping turtle but have not caught up to it. If you see a snapping turtle, please let us know.
4. **Debris at the Spillway** - You may have seen the giant stump that was further up the lake has floated down and is caught at the opening to the spillway. There is also debris in the spillway shoot as well. That was cleaned out in August.

Dam Repair

Indian Lake Dam - We did finally hear from DEQ (William Denton) Engineering and we are close to the top of the list of plans to be reviewed. Hopefully we will hear something soon. At that point, we are ready to make the repairs to the spillway. We have a potential contractor and have this budgeted. We will not drain the lake but will have to lower it 10 - 15 feet for a period of time (4 weeks or so) to make the repairs.

Rainbow Lake Dam - Met with Foster Lake and Dam and they are confident that the dam is fine and the culvert through the dam is fine. We are not planning any changes to Rainbow Lake. Ongoing maintenance includes cutting the grass on the dam and recent trimming of the rhododendrons along the edge of the dam that acts as the emergency spillway and maintenance access.

Lakes/Dams Committee

As most of you know, our volunteer committees make the community work. We want to thank the great work that Fred and Paula Markert have done for the community over the years and the Lakes/Dams

Committee. You may know that Fred and Paula have sold their property at ILE and Fred is stepping down from the Lakes/Dams Committee. We are looking to add to the committee and welcome your interest in joining our committee. Please let us know.

September 10, 2016

Architectural Control Committee Report for 2016 Annual Meeting, September 10, 2016

Committee Members:

Chris Bartol, Aleta Tisdale, Michael Gould – Chair

Dave Abrahamson resigned upon the closing of his home. John McClung will be ex officio, and Michael Gould will be resuming his former place on the committee and the chairmanship.

Thank you to all members for their work on, and dedication to, this committee.

Projects:

Houses:

1. The Gorman home was completed in November, 2015.

Other projects:

1. The Pipkins home new roof project was completed.
2. The Richardson home new roof project was completed.
3. The Gibson stone retaining wall project (to replace the existing rotting wood wall) was completed.
4. The Gorman stone retaining wall along the driveway was completed.
5. The Revie home new roof was completed.
6. The Bell home stone stairs to their dock project is underway.

Docks: No new docks.

Architectural Control Regulations Update from 11/1/2015:

1. This is the new wording for the rule pertaining to construction time:

The owner/builder shall plan to have the home or addition construction completed in eighteen months. Eighteen months begin at the time the construction site is cleared for building the ACC/ Board approved and permitted house and septic system or addition. An extension may be granted by the ACC or Board of Directors if mitigating circumstances exist.

Submitted by Aleta Tisdale

Beautification Committee Annual Report – September 10, 2016

Committee members; Anne McClung, Joyce Bedenbaugh, Madonna and Jerry Gawronski, Joanne Revie, Linda and Don Hair, Larry and Sandy Pipkins, Vivian and Mike Snyder, Barbara and Skeeter Pence, Jan Gorman.

Wednesday evening gathering began early May and the turnout weekly has been fantastic. Thank you to all who opened their homes when the rain prevailed. Also, a big thank you to Susan Scullio for coordinating every Wednesday gathering.

We have had a very busy and productive year. Over the course of the winter months capital improvements were made to the park. These improvements include,

a retaining wall at the dock.

canoe/kayak launching area.

paths cleared of roots and stumps.

a handrail all the way to the dock and then to the canoe/kayak area.

the path leveled and widened between the canoe/kayak area and the dock.

the cooking area of the park was expanded and a rail fence added for safety.

All paths were graveled.

The total cost of all improvements was \$4727.00

Once the threat of a frost passed in the spring our entry to ILE was given a facelift. The soil was amended,, old plants removed, new plants added, mulch added. The total cost was \$983.11.

We purchased 6 new aluminum benches for the park and the dock area. These are maintenance free benches so they will not require storage over the winter or the need for new paint. The old benches have been placed throughout the community for everyone's use when out walking. The cost of the new benches was \$841.44.

We had a Memorial Day picnic, a July 4th picnic and Labor Day Picnic. All were well attended.

Our Christmas party will be held on December 18th and our hosts will be Mike and Vivian Snyder on Cherokee Circle.

2016 ANNUAL MEETING FOR INDIAN LAKES CLUB INC.

TREASURER'S REPORT

2015 Finished out the year with income 24% over budget or an increase of \$27,791. This increase came from unexpected impact fees, past due assessments caught up by members, interest and handling, and a higher percentage of members paying assessments than anticipated. Expenses came in less than \$1000 over anticipated expenses.

2016

As of the August 26th, income received is 94.9% of our budget. Expenses are at 79.8% of budget with additional non budgeted expenses approved by the Board of Directors for guardrails, increased funds allocated to paving and a road washout in excess of \$14,000. Funds for these additional expenses came from accumulated savings. We have not yet been approved by DENRNC for the repair of the Dam, but the Board of Directors wants to continue with improving our infrastructure and community amenities. Currently, cash on hand is approximately \$174,647 after paying for these additional expenses. Remaining funds are earmarked for the remaining expenses for 2016, funds for the repair of the Dam, and emergency funds. Overall, I expect we will come at or below what was budgeted for total expenses, not including the BOD approved projects. The funds allocated for the repair of the dam for 2016 are \$100,000.

We have 10 properties that are unproductive. 2 were turned over to the Association in lieu of lien this year and are valued at \$4500 each. They have been listed with a Realtor, 7 are in bankruptcy court and one is currently in legal pursuit.

2017 BUDGET PRESENTATION FOR INDIAN LAKE CLUB INC.,

2016 ANNUAL ASSOCIATION MEETING

The 2017 Budget committee consisted of Michael Gould, Everett Bedenbaugh, Susan Sciullo, Janet Mailloux and Jeannette Lee. I want to thank each of you for your time, thought and comments in building and approving the 2017 budget.

After reviewing the needs of the community, THE COMMITTEE decided that assessments remain as they are with improved lots assessed at \$984 and unimproved lots assessed at \$840. Approximately 1/3 of the lots are improved and 2/3 unimproved.

Total income expected for 2017 is \$118,878.00 with 10 unproductive properties. Through negotiations with DENRNC, it is anticipated that our expense for the dam repair is increasing. For 2017, \$120,000 has been allocated for the dam repair. We have sufficient funds to cover this cost. If the cost came in higher, funds would have to come from reserve. The Committee felt it is important for us to keep a minimum reserve of \$75,000 for emergency use. The infrastructure expense for 2017 will be the removal and replacement of the water tank currently located at the waterfront park. The current system is in excess of 30 years old and has reached capacity for dependability. We have obtained quotes and will continue to search for new quotes for its replacement, but current quote come in at approximately \$45,000 - \$55,000. Paving would only be considered if the repair to the dam does not happen or comes in considerably lower than anticipated.

The Asphalt Loan program is officially finished with all members repaid in full.

Normal expenses, not including any infrastructure improvements or emergencies come in around \$60,000. The cost for improving the infrastructure prevent us from reducing the fees for the next couple of years. Once the paving has been completed throughout the community, it is anticipated that we will be able to reduce assessments throughout the community, with preference being given to unimproved lots. Should the repair for the dam come in higher than \$120,000, it will push us into 2020 budget before we can consider such a reduction.

