

**CHADWICK SHORES PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING ** MINUTES**

FINAL DRAFT

Meeting date: August 21, 2008

2. CALL TO ORDER

The meeting was held at the Sneads Ferry Community Building, and was called to order at 7:05 pm by Tony Gillespie, President.

Board members in attendance:

- Tony Gillespie – President
- Dick Miller - Treasurer
- Ellie Giles – Director
- Casey Barnes - Director
- Patty Whaley - 2007 Past President

Board members absent:

- Bill Keller - 2nd Vice President
- Bob Braxton - 1st Vice President
- Ryan Brummond - Director
- Janet Gargano - Secretary

2. MINUTES

Minutes from the July 17, 2008 meeting were reviewed. Motion to accept the minutes was made by Dick Miller, 2nd by Patty Whaley. All approved.

3. PRESIDENT'S REPORT -

Tony said it had been a quiet month. There was an interesting article in the newspaper, and some interesting responses by email. Tony said he was glad the information, whether accurate or not, was being passed. **Note:** the article was titled, 'Residents' dispute may end in lawsuit'. (referring to CSPOA) ** Jacksonville Daily News, August 11, 2008

COMMITTEE REPORTS

1. Treasurer –

The monthly financial reports were given to all board members and reviewed by Dick Miller. Tony noted that the water bill was significantly lower. Motion to accept the treasurer's report was made by Patty Whaley; 2nd by Casey Barnes. All approved.

2. Roads -

a. Casey gave the roads report. He reported that DEI has done work to fix some of the drainage areas to get the water out to the bay. They did one in the area almost across from Dale Drive at the lower Chadwick Shores Drive numbers, and then some work further down from Dale in the area of 427 Chadwick Shores Drive; they cut out the overgrowth for a better water flow.

- b.** DEI also repaired a broken culvert by Ron McElheney's house. It has been crushed through and someone had used a ditch-witch to cut some lines, either to run a cable or something else, and they cut through it.
- c.** DEI also cut some debris on the opposite side of the road in that same area where the ditch is, and this will allow the water to flow better. Casey said the debris had not yet been removed, but he will go by and check on it to be sure it has been taken away. (Casey made note that we are still holding the check to DEI)
- d.** Rich Civelli asked how the repair to the broken culvert had been made, and what was the material of the existing pipe (metal or corrugate). Casey responded that he could not speak to that; however Patty Whaley said she thought the pipe was corrugate. Rich asked if we could find out if the repair is temporary or permanent, and Tony said he would get the answer and let Richard know.
- a.** Tony said he had a roads issue on Everett Drive, where the sinkhole was repaired. He said it is getting a dip in it as if the substrate is continuing to give way a little bit. Tony said he has already emailed Chris Holman to contact the company who did the repair work.

3. Grounds and Maintenance:

- a. Well:** Ellie reported that Tony Gargano has gotten some prices, and we have an estimated cost of **\$9,300** using a 4-inch pipe rather than a 2-inch pipe.
- a. Winter flowers** – Mainscape will be planting the winter flowers at the front entrance. This was approved by the Board for the amount of **\$840.00**, which is basically what they charged for the planting of the spring flowers.
- b. Raised planter bed** - the planter bed at the "covenant sign" is going to be redone and landscaped by Mainscape, and the cost is **\$907.50**, also approved by the Board. The "sign" bed will start in September or October, and the winter flowers will be planted in October or November.
- c. A&B Landscaping** – Casey reported that A&B replaced the pine straw in the front area within the past week. They also put down black paper to control the weeds. Casey said he will check the work to be sure it has been done correctly and make sure it is paper and not plastic so the water can actually get down to the plants.

4. Welcoming - Dick Miller reported that three new residents have been welcomed the neighborhood by Dina Rodgers.

5. Covenants -

- a.** Tony reported that he cut the grass at the green house at the corner of Everett and Shellbank. He said the grass was over his waist, and it was the second time he has cut it. The property is being offered by Century 21; Tony called them and informed them CSPOA would be sending a bill for the cutting.
- b. Freezer** – Tony said he has removed a second freezer from one of the unimproved lots. He contacted the company which he suspected those freezers belonged to, and they assured Tony that no more of their freezers will end up on our lots. Tony also noted the good news, which is that the dump takes the freezers for free, so it did not cost the association anything.
- c. Parking** - Tony said we are still seeing cars being parked overnight on the edge of road, so he is going to proceed with sending out letters to the property owners informing them that the vehicles will be towed if they continue to be parked overnight.
- d.** Tony reported that he turned in one Certificate of Occupancy.

6. Amenities –

a. Boat ramp for the community: Tony asked to make a motion that we set aside **\$1000.00** and ask Steve Antinori if he will take on the CAMA restrictions and anything else required facilitating putting in the boat ramp. (the boat ramp was the **#1 amenity** voted on by the community for consideration).

Tony also asked if this amount had to be put in next year's budget because it was a capital expense; Dick responded that it is going to be put in.

b. Patty suggested we need to have the community lot surveyed before we do anything. She also wanted to know if it would be necessary to cut into the seawall. Tony said we could put the boat ramp beside the existing dock. Dick noted that we did not have to have a full survey; just to have a surveyor stake out the four points. He also asked if we could have CAMA just come out and give us their opinion as to if we can put in the boat ramp. Rich Civelli noted that from his experience w/CAMA some years back, he did not think a preliminary survey would be necessary before CAMA would come out.

c. Ellie Giles said she would try to help with this project.

7. Security -

a. Tony said he received some emails regarding a rowdy neighbor; lots of late night parties, wild people and crazy goings-on.

b. Lights – Dick Miller reported that a light is still out at the end of the pier, and another one doesn't go off during the day. Dick noted that the liability insurance policy covering CSPOA states that we must have lights on from dusk to dawn.

Casey brought up that the streetlight on Everett at the end of Fullard Drive has a bad ballast which causes it to flicker on and off continually.

Patty volunteered to take care of getting the lighting corrected/repared. She also suggested that we hire an electrician to do the lights at the dock, and Tony said he would handle the lights on the dock.

8. Legal - Tony reported that he received a letter from a lawyer, and he will be sending sending it on to our lawyer.

Old/Pending Business

a. Nomination committee – Linda Martin has volunteered to take head this committee, and has mailed forms out to the community asking for names to be placed in nomination for the 2008 Board of Directors.

b. Election committee – we are still in need of volunteers to help on this committee for upcoming November meeting. Kirsten Risch volunteered herself and her husband to help.

New Business

1. Mosquito spraying:

Casey brought up a question Bill Keller had asked him, and that was as to the whether or not the spray trucks had been in the neighborhood. Some residents in the audience said that they had seen the trucks spraying early in the morning. Patty said she had contacted the company about a week ago on this matter.

2. **Resident Directory** - Casey made a suggestion that we do a new Resident Directory, and Janet is going to take on the project. Tony asked that anyone willing to help on this to give Janet a call or sign up on the website to volunteer. It is mostly computer work and verifying telephone numbers.
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Tony opened the meeting to the community for “Good and Welfare”.

- a. Helen Milliken, 518 Chadwick Shores Drive, sent a note complementing the Board on “the wonderful job you are doing. It makes one feel proud to be living in Chadwick Shores”.

Mrs. Milliken also made a recommendation regarding **Lake Everett**, which is the large pond on Chadwick Shores Drive down past the corner of Fullard Drive. She feels that “for the beauty it would bring to the community”, the grounds around the pond might be trimmed and neatened. She also suggested that the pond be cleaned and dredged, as it has become a mosquito producing pond.

The board was agreeable to Mrs. Milliken’s recommendation; Tony is going to check the maps to see if this property belongs to the association, and if it does, we will have it cleaned up.

- b. Bill Goodman, who was present at the meeting said he would like to complement the Board, or whoever was responsible, for the **new appearance of our front entrance**. He said he had relatives visiting for the first time in several years, and they were really impressed at how nice the grounds look. Rich Civelli also voiced his praise of the work that was done; he said it was a nice surprise to see upon his return home after being away for several weeks.

Thanks go to Ellie Giles who headed up this project and coordinated the landscaping with Eric Hartwig of Mainscape. Great job!

- c. Mrs. Miethe asked what plans we have for the **boat ramp** if it is approved by CAMA; will it be located at the community dock? Tony answered that he had talked with her husband, Dennis, about this and the easiest thing to do would be to have two poured slabs 12 ft. x 20 ft., and one will be pushed out into the water and then the second will follow and that give you your ramp 20 ft. wide and 25 ft. deep, attaching to the dock so you would come off the dock to your boat.

Patty Whaley suggested that the big trees at the waterfront lot would have to come down, and it will totally change the whole look of the lot. She said it wouldn’t be for community picnics any longer, as it will be taken up with parking.

Tony noted that there was a ramp at that spot at one point in time. In fact, he said, our **Covenants** in Onslow County state that ‘under **amenities**, one of the things that can be done is the rebuilding or repairing of the boat ramp’; so there was a ramp there at one time.

- d. Rick Hamilton asked Tony “what was the **letter for the lawyer**”. Tony answered that the letter from the lawyer states that he represents one of our neighbors, and he has been made aware that “we have filed a **claim of lien** against them as was pointed out in a letter dated 11 of June from another attorney and the record clearly indicates this property is not within jurisdiction of your association and has no legal authority to file this”. The letter went on to say that it’s been referred to him (the lawyer) and he is prepared to file a lawsuit on behalf of those people “against the organization, against the officers of the Board, and the members of the organization in their individual capacities. The lawsuit will seek removal of the lien from public records, and seek compensatory and punitive damages”. Tony said it was a standard letter from a lawyer.

Rick Hamilton said he thought it was very important that everyone else know about the letter because without talking about it or putting it on the website no one else will know what's going on. Tony replied that in his last President's letter to the community he stated that we had some folks that were talking about suing us, some neighbors who were planning on suing the Board over \$100.00. Tony went on to say that the Board has accepted that risk, and we're going to take it to court and our Covenants are either going to stand up to a trial or they are not going to stand up – it's that simple. This is a win/lose situation for the community; it's a win/lose situation for the neighbors, and certainly it's a win/win for the lawyers.”

Tony went on to say that as he as stated and will continue to state, the Covenants that are filed in Onslow County have nothing whatsoever to do with the bankruptcy. The bankruptcy pertained to **168 lots and it reaffirms those 168 lot owners will be members.** He also said that the Covenant states, in the first paragraph, that it **supersedes all other covenants.** Tony said we can only do what the judge in Onslow County has said and that is what we are going to do, and we'll let the 'cards fall where they may', and if the Association wins, it's a 'done deal' and makes it really easy. If the Association loses, you have about one-half million dollars in property and one-half million dollars in money that will be somebody else's problem because “I won't be here to worry about it”.

Rick Hamilton responded saying, “that it just seems to me that this is a very important issue, and the people don't know that this is an issue and they don't know the gravity of this issue”.

Tony said, once again, that this issue has been put out in many a letter, it's been put out on the website, the Covenants are on the website, its been in the newspaper, and if people don't know, then it is because they choose not to know.

Rick Hamilton then asked Tony if he had read the bankruptcy to which Tony replied that he's read more documents than he's cared to read, has talked to too many lawyers, and “it's real simple. I can put 20 lawyers in front of me, and I can get 20 different opinions. So, the bottom line is very simple: we have a \$50,000 budget for the roads, there are 500 lots. A judge says that **everybody pays \$100.00** and they get their piece of it. – “I'm good with that”.

e. Mrs. Hamilton spoke to Tony saying; “I feel it is important, since you (Tony) have shared with these folks and maybe others too, that it's about the \$100.00 when you know very well it's not about the \$100.00”.

f. Responding to question from Rick Hamilton about talking to our lawyers, Tony said he could honestly tell him, (Mr. Hamilton) that “I have let the people know in every letter and on the website and the newspaper; I've done all I can do to let the people know”. Patty interjected stating that, “the people do know, they have known”.

Rick Hamilton then asked Tony if the people know that we are going to spend \$50,000 over \$2000 or \$3000. Tony asked Mr. Hamilton if he would then like to pay someone else's share for five or ten years? Tony said we are just going to let the lawyers handle this; that he is done arguing and trying to justify something as simple as the fact that **we have private roads in an association that have to be maintained.**

g. Pete Sturm spoke up and asked Tony what our attorney says right now about the liens on the people, and Tony answered that our attorney is ready to take this case and has told us to bill everyone or bill no one.

h. Patti Sturm asked Tony if the **exempt lots** were billed. Tony replied that there are lots that are exempt and are still exempt. The **original owners**, as per those Covenants, that have not changed hands, are still exempt. Tony cited one of the original photos, which Ellie Giles had given to him, taken of the community when was first established, and the photo shows a

huge sign that states you will have, 'this, this and this; a swimming pool, community house, etc'. Tony explained that those people were exempt because they took the original developer to court because they did not get what it was they paid for. Tony went on to say that he has the photograph, all of our records, electronically, from everyone of our meetings, including the meeting where a gentleman was asked who he thought was supposed to pay for our roads, and ***the exact words from him were, "I appreciate you people doing that for me"***. Again, Tony reiterated his words; "we will take it to court and let a judge decide."

i. Pete Sturm spoke and said what he doesn't understand is, "that you (the association) have had so many attorneys, and from the day I bought my land - my property, and all the way up to now, nobody said you could do it. Then, all of a sudden, bam, we're going to do it this way; we tried pushing it through the Covenants". Tony responded saying that you can have ten attorneys and ten opinions, so we will take it to court and let the judge deal with it.

Mr. Sturm said he hopes that when this get to court, we broadcast it by email or some **(rest of remark was unclear because of other voices overriding Mr. Sturm)**. Tony gave his assurance that when the case does get to court, we will send a letter out along with all the attorney's letters to every member, and we will ask everybody who wants to be there to come. "We are going to go to court, and the judge is either going to stand by it or throw it out."

(Loud discussions began taking place between people who were in the audience)

Ellie tried to get the point across that we need to get this matter resolved; she said we cannot have half the people paying and the other half not paying. "It is not fair", she said; "you live in the community, so support the community".

j. Pete Sturm directed a question to Ellie, "if someone says you are not authorized to vote for the Presidency, that is taking your rights away". Casey Barnes interjected saying "that is actually a bad example, and if one reads the Constitution of the United States, no one has the right to vote for the President of the United States".

Tony halted the highly charged discussion saying that we are neighbors now, and we are going to be neighbors when this is settled.

k. Linda Nelke, who was at the meeting with her husband, spoke up to say that first off, they do not live in Chadwick Shores on a permanent basis so they don't get to come to many meetings. But, she wanted us to know one reason why they don't come to more of the meetings - "this is a good example". (She was referring to the arguments that were place.) Linda went on the say that people here should be working together, and maybe try to smile once in a while.

l. Pam Coble spoke up to say that when you get to the bottom line, we each need to pay our own equal share. She went on to say that at the end of the day, it has nothing to do with the legalities or whatever. Pam said that when she moved here she did not have to join the association either, it was encouraged that you did join; and things change, things have gotten expensive, we have more people living here, more road expense. Now she said, we each need to pay our fair share, so just do the right thing!

More arguing started in the audience, and Tony called for a halt, saying this was exactly what we are trying to avoid - is confrontation between neighbors; we are neighbors now and will be neighbors when this is over.

Tony said that bottom line is that we don't have 'deep pockets'; the association doesn't have 'deep pockets'. He said the association is insured, and we are insured legally, and we are going to settle this to end these (arguments). Tony continued, "if a judge throws it out, you don't have a Board, you don't have a committee, you don't have to worry about it anymore, someone else will be running it (association).

m. Rich Civelli spoke and said, "look at who or what will get hurt in the end; what are we achieving for a principle?- is that what we're saying, a principle?".

n. Rick Hamilton said that this is not about \$200.00; "he wants the Board to be honest". Tony countered that we (the Board) couldn't more open and honest than we are or have been.

Patty Whaley took offense to Rick Hamilton's comment, and told him that she was very tired of him saying that we (the Board) are not honest, and we don't let people "know". She said she has let people know, that she was president for the last two years and she has let people know all the time. Patty also said she is tired of hearing from "you all that we don't inform the people". She also reminded Rick Hamilton that she has talked with him for two or three hours at his house; however, Mr. Hamilton said it did not seem to remember that. Tony said he, also, has had many neighbors at his house. Tony then asked for a motion to adjourn the meeting.

ADJOURMENT

Motion to adjourn the meeting made by Dick Miller, 2nd by Ellie Giles.

Meeting adjourned at 8:00 pm.

Submitted by,

Janet Gargano, Secretary