Board Members Present: Elmer Braxton, Russ Boalick, Dex Peach and Dale Camery.
Residents: Approximately 60 residents.
Time Meeting Started: 7 pm.
Time Meeting Ended: 8:30 pm.

**Agenda Item #1- Opening Remarks.**
Discussion: Elmer Braxton opened the meeting with a suggestion that residents who missed it should read the “Welcome to New 2017 Board and President’s Opening Remarks” section of the Minutes of the Monthly HOA Board Meeting for the month of January posted on the Abbey Glen web site. There they will find a reminder that, among other things, Board Members at Abbey Glen are volunteers who are not paid- and since that is the case- all should be treated with respect and should not have to be berated by residents.

Elmer next announced that the quarterly meeting format for 2017 would solicit resident’s questions in advance of the meetings. This will permit Board members time to prepare complete answers to the questions being asked.

**Agenda Item #2- Treasurers Report.**
Discussion: Dex Peach provided the following report as of January 31, 2017 and answered one financial related question submitted in advance of the meeting.

- For 2016, without considering insurance claim income and expense in 2016-
  - Total income for the year was $347,228.00 and total expenses were $341,575.00. As reported at the November meeting, we needed to adapt to cash flow issues related to the insurance claim and related expenses.
  - The operating fund balance as of December 31, 2017 was $25,544.00 which is about the amount we had hoped to carry over to 2017.
  - The reserve fund balance as of December 31, 2017 was $232,947.00 and there are no additional funds transferred to reserves based on 2016 results.

- For 2017, as of January 31-
  - The operating fund balance is $32,135.00 and that amount did not include a refund in process from Servpro for $3,536.00 for an overpayment related to the storm damage insurance claim for repairs.
    - Within the operating fund, $7,625.00 remains restricted for Phase IV (Abbey Glen West) Remediation projects still to be defined. In 2015 the Board approved using $8,000.00 of 2015 contingency funds and placed $8,000.00 more in the 2016 budget for Phase IV Remediation. To date $8,375 has been spent. This year the plan is to identify and prioritize projects that will effectively use these funds.
  - The reserve fund balance is $241,484.00. Monthly contributions in 2017 are $8,500.00.

- In January our 2017 insurance policy with Nationwide Insurance was renewed for $49,128.00 for another year. The 2017 premium is a 7% increase over the 2016 premium. We budgeted $48,000.00 for 2017, or a 5% increase and can absorb the difference.
• Most of the work related to the three trees that fell during the storm and insurance claim has been completed but there still are lose ends that involve costs remaining.
  ❖ Our Nationwide Insurance covered the costs of removing two trees from the tops of two homes, cleanup of water related damage and structural repair. Those costs totaled $70,049.00 The Insurance Company paid all these costs, except for the $2,500.00 deductible we paid. The resident’s homeowners insurance covered any personal property claims.
  ❖ The HOA had to pay for removing the tree debris left after the trees were removed from the houses. The HOA also will have to pay for removing a tree that the insurance company requested be removed as well as repairing the yard damaged by the tree removal and construction process and replacing the fence that had to be taken down. A ballpark figure for doing this work is $5,000.00 to $7,000.00. It’s a good thing that we have a contingency budget account of $16,900.00 in 2017.

Agenda Item #3- Building and Grounds Report.
Discussion: Dale Camery is the new person in charge of grounds maintenance. Dale told residents that seven (7) others residents have volunteered to work with him on maintaining the grounds at Abbey Glen. He said he would do his best- but there could be times when he might disappoint.

• Maintenance Request Forms. Dale reiterated the importance of filling out and submitting the Form. The procedure is necessary to ensure an understanding of what is required, what action is taken, and to have a historical record.

• New Landscaping Contract. Dale provided the following report on the ongoing work to award a new Landscaping/Grounds Maintenance contract for Abbey Glen.
  ❖ On February 24, 2017, Abbey Glen’s landscaping contractor, Color Landscapes, announced that effect that day the company was in Chapter 7 bankruptcy and no longer in business.
  ❖ In January 2017 the Board began planning for a new landscaping contract by preparing a 37 page Draft Contract Solicitation document. The Draft Solicitation was reviewed by a panel of 9 residents who have had prior experience maintain the grounds at Abbey Glen and recommended revisions incorporated.
  ❖ On February 1, 2017 a Bidders Conference was held at the clubhouse. Eight companies attended and were invited to submitted comments on the Draft Solicitation.
  ❖ On February 6, 2017 the Solicitation was released to the public. Six companies (including Color Landscapes) submitted Technical Capability Proposals on February 15, 2017. (A company’s technical capability is worth 50% of total possible award points.) These proposals are being evaluated by the 9 member Resident Evaluation Panel.
  ❖ On February 28, 2017 five companies (Color Landscapes had dropped out) submitted Price Proposals. Price proposals are being evaluated by the Executive Board. Each Price Proposal contains 39 separate prices for the
base year of performance and 39 separate prices for each of two option years. All totaled there are 585 separate prices to be evaluated.

- The contract being considered for award is a fixed-price incentive (award fee) type contract. This means our landscaping company could earn a bonus for delivering superior work. The amount of the bonus, if any, will be determined by a Resident Award Fee Panel. The target date for the award of a new contract is mid March.

**Agenda Item #4- Committee Reports.**
Discussion: Jan Peach, Chairperson of the Beautification Committee, reported that the Committee had held its first meeting in the New Year to map out project plans for 2017. Jan urged residents to get involved- either directly by joining the Committee, or indirectly by helping out in various ways like watering plants or pulling out an occasional weed.

**Agenda Item #5- Bridge Update.**
Discussion: Russ Boalick reported that 6 questions had been received prior to the meeting about the status of bridge construction. Russ stated that-

- The Board had spoken to an attorney about the possibility of legal action. The attorney advised that legal action should only be taken as a last resort because it would.
  - Ensure all work stopped until the matter was resolved.
  - Would most likely be protracted and thus expensive.
- The Board has been advised by SEI (the company that designed the bridge) that the culvert supplier, Contech, has fabricated the culvert and that it is on their yard in Concord, NC.
- The Board was planning during March to meet with 3 Eagles and the Gibsonville town manager; however, the Board received a letter from Nathan Sawyer. The letter states that-
  - “Because 3 Eagles was near bankruptcy, they had formed a new company, Nova Triad Partners LLC. In doing so part of their agreement was to make every attempt to satisfy their prior obligations as funds will allow but they are not in a position to guarantee all prior liabilities. If this new entity with its additional resources had not been formed, the bridge would not have been built.”
  - “They intend to fulfill this obligation as soon as possible but they are managing through a variety of financial issues. When digging the footings they encountered rock that had to be blasted which added $55,000.00 additional cost. This expense has been paid and they have just recently recouped the funds necessary to proceed with the culvert installation. They are writing a +/- $78,000.00 check this week to purchase the structure (already manufactured) necessary to support the stream crossing.”
  - “The bridge will cost an estimated $400,000.00 vs. the $200,000.00 when 3 Eagles made the original commitment to build it.”
  - “So far, half of this has been funded and paid for by their new organization. They are diverting as much capital as they can to the bridge as quickly as
possible but committing to a completion date is difficult. Please rest assured that they are trying to satisfy this prior obligation which they know is important to the Abbey Glen neighborhood despite their financial condition and strain it is causing their newly formed company.”

**Agenda Item #6- Reserve Study Update.**
Discussion: Dex Peach reported that current plans are to lay the ground work during 2017 to have a company perform an updated reserve study during 2018.

**Agenda Item #7- Mulch Delivery 2017.**
Discussion: Elmer Braxton reported that the Board has voted to continuing with part two of the three year program begun in 2016. In 2017 the common areas and areas inside patios and fenced-in yards between single-family homes will be done in the April timeframe. To do this it is first necessary to ascertain the amount of mulch needed which includes ascertaining which-if any- residents may want to opt out. This will be done as quickly as possible at which point the Board will contact the mulch company who will perform the work.

**Agenda Item #8- Community Inspection / Power Washing of Homes.**
Discussion: Elmer Braxton announced that the Board had compiled a data base of when each Abbey Glen home had been built. The plan is to use this information in conjunction with a community wide inspection to ascertain what maintenance work is needed (and when) on such items as roofs, paint, caulking, etc. The Board plans to utilize the services of a professional home inspector and to include the need for power washing each home.

**Agenda Item #9- Questions, Answers and Comments from Residents.**
Discussion; Residents asked the following questions.
- **Question:** Can the Board Provide a Percentage Breakdown of the $195.00 monthly HOA Dues by Major Budget Category?
- **Answer:** Following the meeting Dex Peach provided the following information.

<table>
<thead>
<tr>
<th>Budget Category</th>
<th>Budget Amount</th>
<th>% of Budget</th>
<th>% of $195.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative</td>
<td>$ 72,100.00</td>
<td>20%</td>
<td>$39.00</td>
</tr>
<tr>
<td>Landscaping</td>
<td>$102,376.00</td>
<td>28%</td>
<td>$55.00</td>
</tr>
<tr>
<td>Maintenance &amp; Repair</td>
<td>$ 14,225.00</td>
<td>4%</td>
<td>$8.00</td>
</tr>
<tr>
<td>Recreation</td>
<td>$ 12,880.00</td>
<td>4%</td>
<td>$8.00</td>
</tr>
<tr>
<td>Utilities</td>
<td>$ 39,980.00</td>
<td>11%</td>
<td>$21.00</td>
</tr>
<tr>
<td>Reserves</td>
<td>$102,000.00</td>
<td>28%</td>
<td>$55.00</td>
</tr>
<tr>
<td>Contingency</td>
<td>$ 16,900.00</td>
<td>5%</td>
<td>$10.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$360,821.00</td>
<td>100%</td>
<td>$196.00</td>
</tr>
</tbody>
</table>

- **Comment:** A resident questioned if AMG’s representative had followed proper procedure in conducting the November Annual Residents Meeting by not allowing a vote on the budget.
- **Comment:** A resident stated that he planned to introduce a motion to amend the by-laws to permit a vote on the annual dues increase prior to the November Annual residents meeting.
Minutes Prepared by Russ Boalick.