

Annual Meeting of Springdale Estates Association
November 10, 2015 Tabernacle Baptist Church, Leesville
Road, Raleigh NC

Registration / Social - 6:30 p.m. - Pizza provided Sign in sheet will be attached.

Call to Order (Jerry Goldberg, Vice President SEA) - 7 p.m.
Pledge of Allegiance

Approval of Minutes from 2014 meeting and motion passed to waive the reading and approve. Motion passed

Vice President's Report (Jerry Goldberg) Reported that there had been a great deal of dissension on the board. Acknowledged we will follow Robert's rules and allow all dues paying members to speak.

Treasurer's Report (Peter Anderson, Treasurer SEA) PayPal will be initiated this year for annual dues to avoid so much paperwork and time. Overview of the budget indicated 220+ dues paying members and others at the meeting who have just moved in willing to pay. Budget is on track with fence repairs accomplished and more to be done. Acknowledged that we had a 10% quorum so voting would be valid.

Elections (Jerry Goldberg)

- President - nominee, Jim Brennan. Call for nominations from the floor. Chuck Schuler was nominated. Overwhelming show of hands for Jim Brennan. Motion passed for Jim to become the 2016 President of the SEA.
- Treasurer - nominee, Peter Anderson. Call for nominations from the floor. Motion passed for Peter to serve for another two years as treasurer.

- **Secretary - Note:** The secretary position should have been voted on at the 2014 Annual meeting as Karen Rice's election in 2013 was to fill the last year of a vacated term.
This election is for a 1 year term. nominee: Karen Rice.
Call for nominations from the floor. Karen declined to serve any more time as secretary and nominated Candace Blevins. Motion passed and majority of hands Candace will be the 2016 Secretary of the SEA HOA.
- The SEA is in need of 5 nominees who wish to serve as Area Directors. The 5 Area Directors attend Board meetings, have voting rights, and may be assigned tasks to complete on behalf of the Board. Nominations / Volunteers will be taken from the floor. The VP decided to forego the election of the 5 nominees. There was dissension and in the order of time, and to give the VP time to contact other candidates that might be interested, we did not vote on this board of 5. The secretary provided the VP with the list of the current groups that is clearly delineated on the website and encouraged him to use this list to contact people before the end of the year by region.

Lake Committee Update (Monife Balogun-Van Cotter) Monife encouraged everyone to take a breath as there had been a lot dissension. She kindly provided copies of the Big Lake report by Dr. Rice. The lake is in good shape and is constantly monitored by Van Cotter. She commented that in the future we might like to build a fishing pier or boardwalk and this will be provided to a committee for review. Also, additional vegetation will benefit all and a plan will be worked on.

Presentation of Committees (Karen Rice) - Architectural, Don Mullins who will be retiring soon. Lake Committee, Van Cotter (sitting in is Monife Balogun) , Social, Sharon Waidler, Welcoming, Elizabeth Anderson, Book Club, Kath Danby, Garden Club, Karen Rice

Old Business:

New Business:

- Reading of the Board of Directors proposed changes to bylaws (Karen Rice)
- Members in good standing are free to speak on any matter of interest to the community. Members must observe rules of decorum. Each person will have up to 5 minutes to speak

New Business

Earlier this year, the Executive Board of Springdale Estates was presented with concerns regarding the validity and authority of the Architectural Committee.

The Executive Board of the Springdale Estates Association has voted to propose the following amendments to Article VI of our by-laws.

- 1 Remove from Article VI the standing committee listed as
6. Independence Day - The Independence Day Committee shall be responsible for planning and implementing the July 4th celebration.
- 1 Change the status of the Architectural Committee under Article VI to be a standing committee:
6. Architectural - The Architectural Committee shall be responsible for performing duties specified for the Architectural Committee in the Restrictive Covenants of Springdale Estates.

Please note: whether the by-laws are amended or not, the Architectural Committee will continue to operate as a committee under Article VI:

“In addition, the Board shall appoint such other committees as deemed appropriate in carrying out the purposes of the Association.”

Article VIII of the SEA by-laws describes the mechanism for making amendments.

“These by-laws may be amended by a majority vote of the membership at any special or annual meeting of the Association at which at least twenty-five (25) percent of the members paid-infull are present in person or by proxy, provided the amendment has been submitted in writing, read at a previous meeting, and published to the membership at least 10 days prior to the meeting at which the vote is to be taken.”

Allen Head addressed the meeting and made the following points:

1. The Architectural Committee, formed under the Covenants of Springdale Estates, no longer exists. The only way that could happen would be if all of the descendents of Lester O'Neil could be tracked down and agreed to it. Highly unlikely.
2. The Springdale Estates Home Owners Association (HOA) does have an Architectural Committee. Due to the length of its existence, and the precedence of the length of its enforcement of the covenants, it is the legitimate Architectural Committee of the Springdale Estates Homeowners Association.
3. Any homeowner, or group of homeowners, have the right to enforce the covenants. As such, The Springdale Estates HOA had the right to form the Architectural Committee, which is currently in place, from both the Covenants and its By-Laws.
4. The Springdale Estates HOA Architectural Committee would be recognized, in the courts, as the true Architectural Committee. This is due to the length it has been operating. It's

acceptance, during that long period of time, by the Springdale Estates HOA, would also be used as a basis of its legitimacy.

5. The fact Springdale Estates has an Architectural Committee is a good thing. As such it can protect the majority interests of the residents.

He assured the Board that the Architectural Committee, which has been in continuous service to this community since it was formed, is legal. SEA would prevail if challenges to the validity and authority of the Architectural Committee were brought in court. He advised that if we were updating the By-Laws one option to clarify could be made in Article VI and specify the Architectural Committee as a Standing Committee.

Comment from Chuck Schuler: 1) Mr. O'Neal's final survivor of merged companies dissolved in 1995, leaving neither declarant nor surviving company and thus ending the architectural committee.(Explanation: The restrictive covenants of each lot in Springdale described an architectural committee designated by the **declarant** (declarant meaning the corporation of Springdale Estates, Inc. whose President was Lester C O'Neal). When Mr. O'Neal's final merged company dissolved in 1995 there was no longer a declarant to designate an architectural committee and thus no longer was there an architectural committee.) (Mr.Allan Head is declarant for Headlaw Subdivsion's restrictive covenants)

2) Quoting from the Restrictive Covenants " protective covenants hereinafter set forth, each all of which is and are for the benefit of such property and for each owner thereof, and shall inure to the benefit of and pass and run with said property, and each and every lot or parcel thereof, and shall apply to and bind the successors in interest.... The point with this quote is that there is no connection between the covenants and SEA, but only between the covenants and the homeowner. The covenants

are completely separate from and the SEA can have no influence over them.

3) "No lot or combination of lots shall be re-evaluated in such a manner that will result in there being more than the present number of lots shown on said recorded plat." The point here is simply that the covenants are extremely well written and focused on protection of property and property owners.

4) "These covenants are to run with the land and shall be binding on all parties and all persons claiming under them...." The point here is that the covenants are designed for the benefit of the property owner and run with the land.

5)" If the parties hereto, or any of them or their heirs, successors, or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any person or persons owning any real property situated in said subdivision to prosecute..... " The point here is that individually or collectively as homeowners who own property under these covenants that we may take legal action against any entity that might seek to violate our covenants.

Other Comments: Headlaw properties, which Mr. Head is a declarant of, is not a valid property of Springdale Estates. This was disputed since the streets run concurrent to.

Adjournment.