

ANNUAL MEETING
May 20, 2012

The annual meeting of the Stockholders of the Nicholas County Development Corporation met on Sunday, May 20, 2012, at the Nicholas County Health Center, with 49 stockholders, and 6 guests present (including Sanitary Sewer District Directors & GRW Engineers).

CALL TO ORDER – President Kingsolver called the meeting to order, with each person present introducing themselves, and stating their lot section at Lake Carnico.

BALLOTS – A call was made for ballots, and two volunteers were selected to count them.

MINUTES – The minutes of the Annual Meeting held on May 15, 2011 were approved as presented.

REPORT OF THE TREASURER – Treasurer Roger Baird gave a lengthy financial report for the period ending March 31, and stated that the stockholders would receive a complete copy of the annual report for the fiscal year ending 5/31/12 at a later date. The report shows that the expenses far exceed the income now that interest rates are so low, and Mr. Baird stated that for the first time in many, many years it would not be possible to keep operating in the black. There were suggestions about how to keep operating in the black, and some even suggested closing the beach, however, it was reported that this would not be a good idea, because if it was closed to the public, there would have to be a guard fulltime to keep people from trespassing.

OTHER

BEACH AND DOCK – sand has been purchased and spread on the beach, and Mr. Sparks is again managing the beach. The Board has been working on repairing of the dock not only because it needs repairs, because of safety issues, but the liability carrier is demanding such. The state will agree to build a new dock if NCDC would enter into a 20 year contract with them, relinquishing any launching fees for this period, and our one half of the cost would be \$20/35,000. The Board is working on an alternative, since this cost seems to be excessive.

SEWER DISTRICT REPORT

Mr. Denny Gallagher, of the Sanitary Sewer District reported that the project was in full swing now, with Kenney, Inc. having been awarded the contract, and the bids coming in higher than anticipated is why the assessment per lot had been raised to \$4500 per household, with \$500 per extra lot staying the same, and the monthly fee at \$70, depending on water usage. The assessment fee will include a tank and pump (and will also include a second replacement pump). He said the project was moving along rapidly, and after approximately thirty days the plant will be completed as far as it can be, waiting on the dirt to settle. He stated the Officers did not like the higher numbers any more than anyone else and they were continuing to work on more grant money, but they had been told that in most projects the total grant money represents 66% of the total cost, and they were at the 66% mark; having also borrowed \$450,000 low interest funds. He stated that they would be installing curb boxes in October with a box on every property in the front yard. A gentlemen by the name of Ricky Burden will be visiting every property owner with a contract to be signed (also available at this meeting). and the money will be due by January. He stated the timeline for the project would be approximately 600 days from August. The Engineers stated that low interest loans were available to lotowners, and they could make an appointment to see Kristie Morris, at the Health Department, to obtain information on these.

Lengthy conversation followed, heated at times, with many people talking at the same time, with others not being able to hear any of the conversation, with the conversation seeming to be about the raising of the assessment fees, and how the NCDC Board should contribute money for the cost of the project. Some asked for a break down of the fees, which Mr. Gallagher said was available.

A question was asked about whether the Board or the District could take bids for electrical and plumbing services for the individual hook ups, and get the services at a much better rate for each household, and it was advised that the District could not, but some group probably could.

Mr. David Waggoner took the floor, stating that he 'was a parttime resident, and parttime residents should not have to pay as much as fulltime residents, and how could we get a letter raising the price, and it seemed the Board had lost sight of what the project was created for'. He also suggested that the Board should start collecting a Homeowners Association annual fee to raise money to operate the Corporation on, and of course not charge parttime residents as much as fulltime residents.

Mr. Baird stated that raising money by assessing homeowner fees was an option, but it would not be easy to collect, and he could not understand the great objections to the sewer fees as this had been planned for thirty two years.

Mrs. Porter, who is a new resident of the area stated that she would like to say that it is a very good project, a very good investment, and she was very glad to know the project was coming when she was looking to purchase property at Lake Carnico.

Mr. David Foster, (who is not a stockholder) proceeded to further explain how the Board needed to use a major part of their savings for this project to lower the assessment fee, and made a motion about the contribution of the funds, but was advised he could not make a motion because he was not a stockholder.

Then after further discussion, Mr. David Waggoner made a motion, later amended, after discussion was heard about whether a vote of the entire stockholders should be held, either by a special meeting held for this purpose, or by mailed ballot. The motion was then made to "Present to the Stockholders a paper ballot to use \$110,000 of savings to lower the cost of the full sewer project fee to lotowners." The motion was seconded by Mr. Don Bieting, and the vote was 27 for and 23 voting against. Mr. Jeff Randolph (not a stockholder) agreed to be present when the ballots were counted.

RESTRICTIONS AND BUILDING PERMITS – President Kingsolver reminded the stockholders that an application for any improvements of any kind must be submitted to the Architectural Review Board.

LAKE IN GENERAL- reminder that the Lake is a no wake lake, dogs must be under control, and no trash is permitted on the grounds, and it has a Wildlife Preserve designation.

BEAUTIFICATION COMMITTEE – Mrs. McCarty was commended for the job she does as Chair.

ART SHOW – Mr. Powell and Mrs. Johnson were commended for their work in making Lake Carnico a feature at the Art Guild.

INTERNET ACCESS – reportedly working fine.

WEB PAGE – Mr. Zachary reported that he had been delayed in building it, because of his job, and asked for help if anyone was interested.

DIRECTORY UPDATE – Mrs. Morrison who is in charge of the directory was present for any comments, and was commended for her work.

SOCIAL EVENTS – FALL PICNIC – SEPTEMBER 9, AT THE BEACH; Floatilla tie up –sometime first of July.

Mr. Powell announced that some residents of Lake Carnico were going to coordinate with the 400 mile yard sale, 5/31 thru June 3, to be held at own lot, and he had signs, etc. available.

Other – Mrs. Peters asked for help in getting damages made by Water District repaired. She stated that she had contacted them, but they had not made the repairs. Mr. Randolph said he would attend a meeting of the Water District and discuss this. She also complained about down or damaged trees, which she believed was on DC property, and the Board stated that they would study this further and see where the trees are. She also wanted to go on record for commending the Board for the hard work they do.

BALLOT RESULTS – Roger Baird, Douglas Darbro & Paul Tierney were elected to Board of Directors.

There being no further business the meeting adjourned.


Secretary