

**Merger Exploration Committee
Community Information Session Minutes
(Discuss proposed merger of Swim Club facilities into Biltmore Park [Homeowners'] Association)
September 6, 2011**

A special meeting of the Merger Exploration Committee of directors from the Biltmore Park Association and the Biltmore Park Swim Club was held on September 6, 2011 at the Biltmore Park Swim Club, 1067 Columbine Rd, Asheville, NC. The meeting was called to order at 6:04 pm.

Attendees: Merger Exploration Committee: Cathy McCartan, Charlie Hume, Kevin Mahoney, Luke Roberts, and Bobby Soule;

Biltmore Park Residents: Lisa Allen, Scott & Torey Link, Ed Danner, Judy Flynn, Bob Yaniello, Barbara Hall, Allison Broeffle, Darren Blum, Jason Diamond, Robert Zieber, Chris Savinsky, Jim & Joan Dworak, Cheryl Hagans, Virginia Wolff, Mark Whitney, Peter Wutschel, Alan Verm, Tad Dixon, Jan MacGregor, Tootsie & Bob Lamere, Wendy Adamson, Carolyn Griffon, John & Karen Rhodin, Lisa Lindsay, Chad Hardy, Garland Williams, David Wilhelm, James Weikart, Dana Lichty, Shari Skjoldager, Erskine Thrasher, Scott Link, Ken Hobbs, Timothy McNamara, Joel Ingram, David Buchner, Barry Krusch, Scott Barfield, Ellie Fulton, Heather Gordon, Michael Flynn, Elizabeth Brazas

Braeside Residents: Robin Elliott, Cate Rheney, April Cooke, Sarah Asbill

BPSC Non-Resident Member: Jim Stern

DISCUSSION:

The committee's primary goal is to provide a plan to guarantee continued success for the Biltmore Park Swim Club, currently a private club of Biltmore Park and Braeside residents, and up to 20% non-residents who have been sponsored by Swim Club resident members. The facility is currently valued at \$526K (Buncombe County Tax Assessment) and consists of 1.39 acres of land (\$160K), a 1144 SF clubhouse (\$212K), and Improvements (\$154K) which include a 3480 SF pool, two 693 SF restrooms/bathhouses, and a 384 SF pumphouse.

Kevin Mahoney opened the meeting by thanking everyone for their willingness to participate in the process; and stating that everyone will be treated with respect and courtesy; everyone has the right to their opinion; and that all who wish to speak will be able to do so unimpeded. The tone of the meeting was collegial and the discussion was informative and constructive.

Bobby Soule explained how the Swim Club came into being. The developer, Biltmore Farms (BF), initially erred by not including the clubhouse and the pool as an amenity as they have done in all BF projects after ours. From 1999-2004, BF managed the pool but wanted out of the pool business once they sold their last lot in 2004. The pool and facilities had \$600K debt attached, so many heated discussions among the parties ensued before the "Debt Agreement" was reached in 2005. The Biltmore Park Swim Club and BF entered into an agreement whereby if BPSC ran the pool and was solvent for 3 years, BF would pay off the debt. However, if at any time during the 3-year period, the club was insolvent, BF would take back the property for its own unrestricted use. In 2008, after 3 successful years of management, BF paid the debt as agreed and transferred ownership to BPSC. As part of the deed, BF retains the Reversion Clause, which means that at any point should the BPSC become insolvent, BF can automatically take the property. The fact that they have paid off the \$600K debt for the facility strongly suggests that BF will keep the property, rent it to another organization, and take the tax write-off. The deed also stipulates that the property can not be subdivided, so the clubhouse would also revert to BF.

Charlie Hume went through the briefing charts. Some highlights:

- Merger proposal is pro-active solution to guarantee that Swim Club facilities remain in neighborhood
 - Current business model is not sustainable
 - Reversion Clause puts property values at risk
- Swim Club Deed contains reversion clause in perpetuity whereby Biltmore Farms can automatically take back the property if the Swim Club fails to be financially solvent. BF has no restrictions on how it can use the property. Since they have paid off the \$600K debt on the facility, they will most likely rent facility to an outside organization and take the tax write-off. We have no control over the situation. Both the pool and the clubhouse would be lost as community assets since property can't be subdivided.
- Two-step Process Required for Merger
 - Majority of Swim Club's 157 Biltmore Park and Braeside resident members must agree to be merged into the Biltmore Park [Homeowners'] Association
 - Majority of Biltmore Park's 489 lot owners must approve changes to Bylaws and Declaration that would allow Swim Club facilities to become part of the Association
- Capital improvements schedules and financial status (operating and reserve accounts) indicate that both BPA and BPSC are in good shape
- To calculate 2012 pool budget, we started with 2011 budget of \$113K. Eliminated lifeguards for \$22K savings. Reduced maintenance by \$14K (this is the 2011 projected surplus); major repairs have been done so pool is in good shape for next year. Reduced/eliminated items that overlap with HOA.
- 2012 pool income consists of \$58,680 in dues income (489 lots x \$120) plus \$10K dues from Braeside members (assumes that current members renew) plus snack bar income.
- 2012 pool expenses include pool management (opening/closing at beginning and end of season; daily chemical monitoring and maintenance; and daily cleaning and opening); gatekeeper/snack bar manager salary; administrative management (similar to HOA); increased line item costs when compared to 2011 expenditures because of longer hours and 22 additional days in the pool season.
- Biggest change is moving from lifeguards to "Swim At Your Own Risk". Will require updating Swim Club policies and pool rules.

AUDIENCE MEMBER COMMENTS

Kevin Mahoney: We received 39 emails from people who could not attend this meeting (5 were questions; 10 oppose merger; 24 support merger)

Committee member responses to audience questions and comments are indicated in red.

- Lisa Allen: Pinchot. Moved here in 1999. When she purchased her home she was told that the pool would never be part of the community, that the YMCA would be coming. She wants the opportunity to decide whether her family wants to use the indoor pool at the YMCA or the outdoor pool in the neighborhood. Does not want to pay the increase in fees; concerned about over-crowding at pool, insufficient parking in lot, and making street difficult to pass if pool users park there.
- Scott Link: Olmsted. Wants to address insurance and liability concerns. You can only be successfully sued if you are found to be NEGLIGENT; just having a trail, playground, or pool does not mean you are at high risk for a lawsuit. Same as in your personal residence: if someone falls on your property but you are not negligent, you are not at fault. The association has liability insurance protection, and has a maintenance plan in place to keep all facilities in good condition. The neighborhood pool has a liability protection policy as well. If it becomes part of the HOA, the pool, clubhouse, etc. will be added to the BPA policy, and the combined premiums will be cheaper than the cost of separate policies.
- Ed Danner: South Braeside. Moved here in 2009. Disputes statements made in the meeting announcement that the pool is “enjoyed by all”; believes having a pool in the neighborhood has zero impact to property values. Has major concerns about increased liability to association members if we add a pool [He is from California where 2 drowning cases involving negligent lifeguards ended up with multi-million dollar payouts]. If he had kids he would likely be in favor, but he would not use the pool so he does not want to pay for it.
- Bob Yaniello: Burnside. Moved here in 1998. Has concerns about pool capacity if all 489 families were able to use the pool. Also skeptical that \$120 annual cost will cover pool facility expenses in the future.
- Barbara Hall: Kentmere. Moved here in 1999. Was told by her real estate agent that annual dues assessment (then \$185) would never reach \$200. Opposes incorporating the pool into the HOA; wouldn’t use it and expects major cost increases over time.
- Darren Blum: Burnside. Moved here in 2008. Most places have a pool. Not having lifeguards will help out on keeping cost down. Not concerned about pool capacity and over-crowding since not everyone will come at once. His major concern is that the way it is now, the pool can revert back to Biltmore Farms if insufficient membership means the Swim Club can’t pay its bills.
- Jason Diamond: Pinchot. Moved here 8 months ago. From Florida where every HOA has a pool; never heard of the pool requiring additional fees in addition to HOA dues. If people were told the pool would never be part of HOA or that dues would never increase, they should sue their realtors for lying. Wants to keep clubhouse as neighborhood amenity; it would be gone if BPSC goes under.
- Robert Zieber: Columbine. Moved here in 1998. Pool member since beginning (3 kids). Believes pool should be part of HOA but has questions about the budget. What is \$10K income? **Braeside dues amount from last year.** That income is not guaranteed. **True, but we hope Braeside members continue to support the pool.** Concerned about future expenses to maintain infrastructure since we don’t have a Reserve Study. **We will obtain a Reserve Study to use as a planning tool, just as we have done for HOA assets. It will list item life expectancy and replacement date along with annual reserve fund contribution.**
- Cheryl Hagans: Dearborn. Convinced that the Board has done due diligence in its investigation. In response to added dues cost...everything costs more. Pool is an asset to the community. They joined BPSC for first time this year and it was very positive experience. Guest policy allowing out of town visitors is a plus.

- Alan Verm: Olmsted, moved from Braeside. Normally a Swim Club member but because of extensive travel this summer, decided against the \$500 fee. Would be thrilled if it were included as part of HOA so people who would use it a few times in the summer but can't justify the high per-usage cost could do so. We all benefit from having a neighborhood pool; if facility is turned back to Biltmore Farms it would be very damaging. Asks people to put it in perspective: the cost we are speaking of amounts to 4 tanks of gas. If you live in Biltmore Park or Braeside you are already very blessed.
- Tad Dixon: Red Cedar. Full disclosure realtor. There are various studies talking about impacts to property values if the neighborhood has a pool or does not have a pool. In his personal experience, everyone considers neighborhood amenities when purchasing a home. Over 60% of the people he shows around the Asheville area want a neighborhood pool, largely for the social aspect of meeting their new neighbors. He considers the pool to be a positive point of differentiation between BP and other neighborhoods.
- Robin Elliott: Braeside, pool member. Wants to have Braeside pool membership at the same rate as for Biltmore Park residents; doesn't want Braeside to pay \$500 while BP pays only \$120. **Pool-unique costs equate to \$120. Additional items (e.g., insurance, office) are listed under BPA budget. All BP residents contribute toward the pool while Braeside residents can decide to join pool or not. Also, BP brings reserve funds for capital improvements that Braeside pool members who decide to join do not. That is why there is a cost disparity. Note that joining the pool will cost Braeside members the same as what they have paid in the past. Between HOA dues and pool membership, in the past BP folks paid \$875 while Braeside folks paid \$660 to join the pool. That was not equitable for BP residents. Under the HOA everyone will pay \$495, a considerable cost savings.** Does not like the Us vs. Them mentality between Braeside and BP and thinks different fees to use the pool will add to it. Thinks the majority of Braeside residents want to merge with the Biltmore Park Association, but acknowledges that there is a small but vocal minority who are opposed. **BP Board encourages Braeside to join BPA and become one association. All residents in both neighborhoods are paying the penalty for (another) developer error by Biltmore Farms. Note that BP residents pay \$375 while Braeside residents pay \$160 for the same amenities. That cost disparity is not fair to Biltmore Park residents.**
- Chad Hardy: White Ash. Moved here in 2001. Was part of committee that negotiated the Debt Agreement. Regarding overcrowding concerns: BF reduced membership fee from \$500 to \$225 to increase membership, yet no additional families joined. Does not believe this will be an issue. His major concern was that if a future HOA Board does not see value of having a pool, they may not fund it in the future. Has been convinced that that will not happen. If Swim Club merges with HOA, the Association will retain the clubhouse which is an important place where we can come together as a community. Can use it for community forums, AA meetings, faith groups, etc. Bottom line: do you want something or nothing, which is a real possibility if the property were to revert back to BF.
- **Kevin Mahoney read the Reversion Clause from the Deed filed in Book 2073, page 704: If the property shall cease to be used for recreational purposes...the property... shall revert without any action required... [Biltmore Farms, Inc.] shall be entitled to the immediate possession and use of the property without any court action or proceeding.**
- Erskine Thrasher: Braeside, formerly BP; has lived in neighborhood for 6 years. Considers the pool to be an important asset to the community. His entire family has formed lasting relationships and has close friendships because of activities at the pool and social events at the clubhouse.
- Barry Krusch: Columbine. Moved here in 2005. Was a long-time pool member but hasn't joined recently because kids are always gone to various activities. Our HOA dues are cheap, and we are getting the pool for a steal. This is an excellent financial deal: it is like someone giving you a Rolls Royce for free and all you have to do is pay to maintain it.

- Ellie Fulton: Woodvine. With the merger, the HOA would get to use the clubhouse for free. Currently we have to pay to rent it and we hold a lot of community activities there. BF has already paid \$600K debt on property so she thinks it is key to have them agree to waive the reversion clause. She is more confident that the pool will survive if it is owned by the HOA. She knows that having a neighborhood pool is a positive for property values. She is 100% certain that having a pool doesn't decrease property value. However having a poorly maintained pool would definitely have a negative impact on property values. Is surprised at how inexpensive our dues are when compared to other neighborhoods in the area.
- Heather Gordon: Woodvine. Wants to know if the committee considered having two types of pool membership. All homeowners could pay a small portion of their dues toward supporting the pool and clubhouse amenities. Those who frequently use the pool could pay an additional usage fee that would pay for pool operations. Because the amenity is subsidized by everyone, the frequent user fee could be less than current dues. **The committee considered this option but rejected it for two reasons: (1) This "Tiered Approach" is similar to the current BPSC business model which is not sustainable. You can't budget if you don't have definite membership numbers from year to year. (2) Our HOA documents require equal access by members to common areas, and they also prohibit operating a private club on Association common area. Charging some members additional fees for pool usage would violate our covenants on both points.** Believes the pool is a definite selling feature for the neighborhood. Considers the clubhouse to be a major community asset since it is used for the majority of our social activities (Halloween Happening, Spring Egg Hunt, and Cookie Friday).
- Scott Barfield: Chicory. Realtor. Has spent 16 years as a community developer and wants to reiterate how important it is that the community be unified. It is OK to freely debate a potentially divisive issue, but once a vote is taken it is important to end the discussion and move on. If a neighborhood can't "agree to disagree", it can get a negative reputation, which is bad for resale values.
- Judy Flynn: Has lived on South Braeside Court for 2 years. Came to the meeting opposed to the merger but has been influenced by what she has heard and now supports it.
- Chris Savinsky: Columbine. Chose to purchase in Biltmore Park specifically because it has a pool. Thinks \$120 annual dues increase is very small when compared to the increased resale value because neighborhood has a pool. Believes that most people who live in an HOA expect to have a pool as an included amenity.
- Michael Flynn: Kenton Lane. Concerned about over-crowding. What is the pool capacity limit? **We didn't have an answer at the meeting and are still researching. So far, we found NC Statutes for public pools (2004) and are looking for something more recent. The 2004 statutes established bather limits as follows: less than 5 feet deep, 1 bather per 15 SF; greater than 5 feet deep, 1 bather per 24 SF. Our pool dimensions would allow 79 swimmers (under 5 feet) and 96 swimmers (over 5 feet) for total capacity of 175 swimmers. Based on the peak numbers of swimmers during this past summer (from families who paid \$500 to join the Swim Club), we don't believe we would ever see anything approaching 175 people using the pool at any given time. Just as not everyone uses the trail, the playground, parks, etc., it is highly unlikely that everyone in the neighborhood would use the pool even if it is an available amenity.**
- Shari Skjoldager: With current membership, there has not been problem with over-crowding. Does not believe allowing more families will change that. Our pool is typical for neighborhoods of this size.
- Cate Rheney: Braeside Board Member. Wants to echo earlier comments about contentious situation between BP and Braeside. Sees different dues amounts adding to the problem. **Braeside pays less than BP in annual dues for same amenities (\$160 vs. \$375; pool membership plus dues is \$660 vs. \$875). Braeside residents have flexibility of joining pool or not. BP HOA brings reserve monies to the table that Braeside pool members do not. We encourage Braeside to join BP and become one association.**
- Mark Whitney: BPA Board Member. Wants to remind audience that the committee members are volunteers who have put a lot of time and energy into this analysis. Suggests that we split dues payments into 2 parts (January and July) to ease financial burden of proposed \$120 increase.

- Ed Danner: Is there adult swim time? **Yes. Adults can swim at any time. In the past we had kids exit pool for last 10 minutes of each hour for (lifeguard) safety break. Will have to work logistics of non-guarded pool. If we want to have longer adult only times, we can do so. We also have dedicated lap lanes. Will non-resident memberships be discontinued if pool becomes part of HOA? Yes; liability insurance issue.**
- Lisa Allen: Didn't realize HOA paid fee to Swim Club to use the clubhouse. Notes that it is important to control access to pool and clubhouse. Mentioned that there is no control over who uses the trail. **We have BP Residents Only signs but nothing else. Patrolling trail costs money but if we have BP identification that could be an option, similar to Biltmore Lake.**

EMAIL COMMENTS

- Sausan Campbell: Kenton. Increasing fees to keep pool viable for BP residents makes sense. Open to shared membership with Braeside residents. Pool is valuable amenity. Supports merger.
- Blair Holl: Ellicott. In favor of HOA taking over the pool. Pool helps property values for all BP owners; would be a shame to lose this asset.
- Patricia & Brian Smith: Heathbrook. Supports pool being part of our community. Agree that extra \$120 dues is an investment in our property values.
- Paula Youngblood: Olmsted. Appreciate efforts of pool board. Raising HOA dues to help pay for the pool is a fair way to cover costs. Every home benefits in real estate values by having a well-kept community pool. Doesn't want pool to be turned over to another entity or have it replaced with buildings. Can't imagine what not having the pool would do to property values.
- Jackie Steward: Dianthus. Served on first BPSC Board. Feels very strongly that Swim Club and HOA would both benefit from a merger.
- Michelle Payton: Heathbrook. Agree that HOA dues and pool should be combined. Saves pool members money (\$400+ per year). The choice is (potentially) being overcrowded or closing. Closing could mean many unknowns about how property would be used.
- Tootsie Lamere: Heathbrook. All in favor of the merger.
- Becky & Tim Davidson: Pinchot. BPSC members since moving to BP in 2005. In overwhelming support for a merger of the Swim Club and HOA. Their usage has decreased since kids are older, but believe it is right to support this valuable neighborhood asset. Extra \$10 per month is small price to pay for everyone being able to access the pool. Separate pool fees put a financial burden on a few for the benefit of the entire neighborhood, plus it can cause division among neighbors. They were surprised that the pool was not an included amenity; assumed that all homeowners would share in the cost
- Carol Higdon: Coopers Hawk. This is the best deal I have heard in a long time. Have never joined Swim Club because she would not use the pool, but the community needs it. Happy to pay a bit more dues to keep it and this is a practical way to do so.
- Callie Stingel: Holt. Merger is a great idea and will benefit all homeowners.
- Angie Wilson: Braeside resident since 1991. In the beginning their dues included Swim Club membership. The pool was a real plus as it helped people develop neighborhood friendships. Can't understand why Braeside would have to pay dues to use the pool while BP members would have it as part of their HOA membership. This undermines the definition of community.
- Steve Floyd: Columbine. Supports the merger of Swim Club into the HOA; it is needed to ensure the long term viability of the Swim Club.
- Jerry & Paige Krug: Braeside residents, former BPSC Board members. Swim Club is currently financially viable, but as facility ages, improvements will be necessary. Each year the Board faces uncertain membership income and must make conservative decisions regarding capital expenditures because of unknown membership levels. Having the Swim Club as part of the HOA is a logical solution and will allow preserve this valuable community asset.

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- Wes Jones: Columbine. Pool member. In favor of HOA owning the pool. Sees the pool as significant community asset, a gathering spot, very visible amenity. Adds to everyone's property values. Would hate to lose this asset, especially since BF plans if property reverts are unknown.
 - Gary & Diana Curran: Woodvine, moved here in 2007. The main reason they purchased in BP was the family-friendly, community-oriented neighborhood. Looks forward to making the neighborhood more inclusive by making the pool available to all residents. The pool is the best community meeting place and it makes our neighborhood a better, safer place to live. Considers HOA dues very reasonable when compared to similar Asheville neighborhoods (Biltmore Lake \$1000; Ramble \$3000). Raising annual dues by \$120 will still keep BP dues affordable and will not affect a buyer's choice to live here. He estimates that we paid a \$100K premium to live in BP and the fee increase is insignificant compared to value of BP home when compared to other Asheville neighborhoods. Realizes not everyone will use the pool equally, but that is true for the trails, parks, concerts, etc. BP is a better place because of these things. Whether he uses them or not, he wants BP to continue offering amenities that create an excellent quality of life for all of its residents.
 - Tom Brooks: Rosebay. In favor of the merger.
 - Dan & Jen Loizzo: White Ash. In support of looking into absorbing the Swim Club into the HOA.
 - Douglas Smith: Coopers Hawk. In favor of including the pool in the HOA.
 - Cathy & Craig Witty: Dianthus. Moved here 9 years ago. Pool members all along, but have only used pool 4 times in past 2 years. Continue to join because they see the value of having a community pool and clubhouse.
 - Lisa & Mark Lindsay: Burnside. Fully support the proposed merger.
 - Brian & Allison Lashley: Pinchot. In favor of swim club being part of HOA. Would hate to see this great amenity revert back to BF and unknown use. If all are members, dues are very reasonable.
 - Beverly Savinsky: Columbine. Supports merger of Swim Club into HOA. Beneficial for all from a social and a fiscal standpoint.
 - Steve & Pam Baker: Rosebay. In favor of proposed merger of Swim Club into HOA. Looking to the future, this makes sense. If fewer people join because of the economy, but would otherwise love to join and use the pool, the extra annual dues would be worth it vs. possibly losing the pool completely.
 - Jonathon Lawrie: We vote NO on the merger of the Swim Club and HOA. We do not want to increase HOA dues by any amount. We enjoy BP but the pool should be supported by the families that use it.
 - Paul Geoghegan: Chicory. Had many questions which were **answered via email reply and covered in the briefing charts**. He is not a proponent of the merger but wants to see all the facts before making final decision. Largest concern is increased liability on the HOA. Looks like a small percentage of families use the pool so he believes the benefit of having the club and increasing property values is very small. Thinks better plan would be to keep the clubhouse for HOA use and fill in the pool and expand the playground area. **This option can't be done. Per terms of the deed, the property can not be subdivided. If the Swim Club fails, the clubhouse and the pool would revert to Biltmore Farms.**
 - Gina Pieroni: Rosebay. Does not want to pay HOA fees for something they will not use. Bought house last year and this was not part of the dues. If it is voted in, and everyone decides to use the pool it would be overcrowded. If it is voted in, there should be strict pool hours for adults only for serious swimmers.
 - Billy & Flora Carter: White Ash East. Don't see any added value to him as a BP homeowner. Believes Swim Club merger would be a detriment to the HOA, an added expense rather than a benefit. This matter was presented to the HOA when Biltmore Farms conveyed the pool to the Swim Club in 1999, so his question is "Why is this matter being presented again when the HOA has declined the offer previously?" The \$45K cash reserve fund is not an enticement.
 - Cynthia Ackrill: Not in favor of the merger. Does not want HOA dues to increase and has no interest in the pool. I appreciate the contribution to the community, but believe it is a special interest that should be paid for by those who use it.

- Brian Methvin: South Braeside. Firmly opposed to the merger of the Swim Club and the HOA. Community has year-round pool access at reasonable cost via the YMCA. Closure of the pool will not decrease home values because of the presence of the YMCA. Since loss of the YMCA would be a bigger blow to the community, closing the pool may encourage members to join the YMCA. Seems unfair to ask entire association to subsidize a pool and swim team used by a small subset of the community. Longer term, a merger opens BPA up to large capital expenses. Suggests approaching the YMCA about merging the Swim Club with YMCA operations for operating cost synergies and improved usage. **This suggested option is not permitted. The Swim Club charter does not allow for merger with an outside organization such as the YMCA. To do so the club would have to be dissolved which would then cause the property to automatically revert back to Biltmore Farms per the Deed.**
- Bob & Amy LeClare: White Ash East. Opposed to the merger of Swim Club into HOA. This asset is NOT enjoyed by all. It is an asset that Swim Club members (BP and Braeside residents) who are bearing the burden are able to enjoy. They are not able to enjoy this facility in any way. For the association to expect BP residents to pay an additional \$120 per year on top of dues that are already much greater than what is paid by Braeside for an asset that we are not asking for and will not use is mind boggling. Believes idea that pool is an asset that increases property value is flawed because the higher annual dues could deter more potential home buyers than the pool attracts. He would prefer that the club be returned to BF rather than have a 30% dues increase.
- Bob & Barbara Messier: White Ashe Drive. Residents for over 10 years. Totally opposed to the proposed merger of Swim Club with HOA. This would place undue financial burden on many residents who have decided not to join the swim club. This merger and its financial impact would constitute another negative for living in BP. If current members are not able to support Swim Club, it should be closed and revert back to Biltmore Farms. It is unfair to expect all residents to support a facility which is enjoyed by only a few.
- Kay & Kent Withington: Dianthus. Would vote against the merger of the Swim Club into the HOA.
- Mary Speiker & Bob Krakehl: Columbine. They are not interested in using the pool, and don't appreciate the extra fees. They suggest opening the facility to the public for \$3 - \$5 per visit. With all the schools nearby the area would be flooded. **This is not an option. The Swim Club can't be run as a commercial facility or public pool. It is insured as a neighborhood pool and is limited to residential membership.**
- Bob Hogan: Viburnum. Questions **answered in briefing charts.**
- Elizabeth Brazas: West Olmsted Circle. Questions **answered in briefing charts.**
- Peggy Muldrow: Leucothoe. Was told that she would not be required to join the pool since she would not use the pool. This issue has come up in the past and did not pass since so many people do not use the pool. Understands that the pool may be a community asset, but it not to her since it will cost an extra \$120 in annual dues. She might be willing to increase dues \$50 per year to support maintenance of the facility, but she thinks people who use the pool should pay for it. Plus she can foresee fee increases each year for repairs, etc.
- Mary Lamantia: White Ash East. Is not in favor of proposal for 3 reasons: 1. No explanation of what would happen if pool reverts back to BF. Without that info, can't determine if reversion is a viable option. 2. Proposed 32% dues increase is high given current economic state. Pool operating budget seems high when compared to HOA budget. 3. Agree that pool is an asset to the community, and can point to its availability for potential buyers. Not a good idea to have the majority assume responsibility to maintain and operate a pool that few actually use. She believes the pool is an asset to the community as are the trails, parks, sidewalk, tennis courts, playground and proposes the following as a compromise: 1. Raise dues \$25-\$50 per year for amenity maintenance. 2. Charge additional fee for families who use the pool to pay for operating costs. The current \$500 BPSC membership fee can be reduced since HOA will be subsidizing maintenance. 3. Give every homeowner 2-4 passes per year for use when having visitors including grandchildren.

- Mike & Johnsie Hubble: Columbine. Has mixed feelings about the proposed merger. They would never use \$120 worth of swimming each year. But they wouldn't ever want to see the property turned back to BF. Doesn't think that the \$1200 paid in additional (pool) fees over 10 years would result in an equivalent increase in property value. Realizes that the clubhouse is a separate matter. Concerned with pool facility costs in the future. Concerned with increased liability if someone is injured or drowns at the pool. What happens to HOA if lawsuit payout exceeds insurance coverage? Concerned with on-street parking if more people use the pool. Concerned with over-crowding at pool. Would people who use the pool rarely or never be subsidizing those who use the pool frequently? For now \$120 seems to be a reasonable increase, but what about the future? HOA fees have gone up dramatically from when they moved in with no additional amenities except tennis court area. Trails are only 2 miles long, not the 5 miles promised by BF. This pool situation is another mess created by BF. Perhaps the committee could consider letting people who do not want to join the pool be grandfathered out but when their home is sold the new owners must join the swim club. This may not be practical but it may help keep the peace. This issue engendered a huge outcry and bitter meeting many years ago. Of course BF was trying to force the neighborhood into buying the pool from them, and many in attendance were outraged at having to join the pool. We hope the discussion is civil and that all sides are represented.
- Naguib Chitour: Dianthus. Supports merging the swim club with the HOA. This would benefit the community while adding value to home ownership. Incorporating the swim club would prevent Biltmore Farms from potentially repossessing it. Some homeowners may be reluctant to see their BPA dues increase substantially, but the benefits will outweigh these costs in the long run.

Meeting Adjourned: 8:30pm

Respectfully Submitted,

Catherine McCartan, Chairperson
Merger Exploration Committee