

March 15, 2021

To: Seven Lakes West Board of Directors

The attached formal complaint was submitted to the Community Advocate and Community Manager.

The complaint has been investigated and the following questions have been raised and addressed.

1. Was the Board justified in discussing the NC State study in executive session?

The answer is no.

The topic was not secret as it had been previously announced by the board President, published in the community E-Blast, and been discussed at an open board meeting. NC State representatives were invited to answer questions concerning the study that was earlier distributed to several community members. The NC State professors were not there to discuss contracts or negotiate pricing.

The topic did not meet any of the normally accepted legal criteria for an executive session.

- Consultation with the association's council
- Discussion of litigation or potential litigation
- Reviewing confidential personal information such as delinquent accounts or foreclosures
- Property purchases or contractual negotiations
- Personnel issues
- Disciplinary matters or rules violations of an association member

2. Was the Board justified in inviting certain members to attend an executive session?

The answer is yes.

According to Roberts Rules special invitees are permitted to attend an executive session.

However, the judicious and transparent approach would have been to invite members with differing viewpoints plus the members who were instrumental in working with the NC State professors and have more historical lake and dam knowledge and expertise than the other invitees to observe and participate in the discussions.

3. Was the E-Blast improperly used?

The answer is yes.

The community message board was designed and implemented in 2011. It was intended to be the official communication instrument of the board and to be used for two-way communication between community members and the board. Ideas could be expressed, questions asked, and concerns raised by members with the understanding that within reason, and if appropriate, they would be responded to by the board. Community members do have the right to question the board and its decisions.

The E-Blast, also an official SLW instrument, was designed for one way communication with SLW to convey news of events and other topics of community interest. The message board and E-Blast were not intended for use to call out or denigrate individuals, groups, or ideas and certainly not by the board.

Conclusions and recommendations:

- No good purpose can be served by proceeding with this complaint to a Judicial Panel hearing.
- The board misused the weekly E-Blast to criticize the difference of opinion of an individual with that of the board.
- The board should offer an apology to the complainant as nothing libelous or inaccurate had been stated.
- The board needs to become more knowledgeable of the policies and procedures relating to the governance of SLW; the roles, duties, and responsibilities of each board position; the rules governing board meetings and executive sessions; the roles, duties, and responsibilities of CAS and the CAS staff and how to best interface with CAS.
- The board should adhere to these guidelines and communicate more responsibly with the community.
- The Legal Affairs Committee should begin a thorough review of the NC Planned Community Act, Roberts Rules and our SLW By-Laws and then propose appropriate and necessary changes to our By-Laws that will specifically address and define future board actions.

Respectfully,

Ron Shepard

Community Advocate

Seven Lakes West Landowners Association

CC: Community Manager

Judicial Panel Chair

Attachment: Complaint to Community Manager and Community Advocate