

Middle Island Property Owner Association 2015 Annual Meeting

- Call to order and brief comments on transition
- Election of the Board
- Adoption of Bylaws
- Association committees: Opportunities for participation
- Architectural review committee: Brief report
- Finance Committee report:
 - Projected budget and annual assessments and fees for 2016
 - Construction impact fee; boat fees
- Infrastructure Committee report:
 - Completed infrastructure projects
 - An overview of the upcoming road construction
- Property owner input:
 - Changing the Middle Island Plantation sign
 - Installing an entrance gate.

Election of the Board

- Chuck Anderson and Melanie Robbins decided not seek re-election to the Board. We are grateful for their outstanding service and many contributions during this challenging transition to property owner management of Middle Island.
- The Nominating Committee recommended a slate of candidates composed of the remaining seven Board members, plus Robin Craven and Jeff Decker.

Adoption of the By-Laws

- The proposed revision of our By-Laws would bring our existing By-Laws into agreement with the Declaration of Covenants and Restrictions, adopted by the property owners in May.
 - Officers serve for 2 years, concurrent with their term as Board members

Association Committees

- Architectural Review Committee
- Finance Committee
 - Budget Subcommittee
- Infrastructure Committee
 - Maintenance Subcommittee
 - Safety Subcommittee
 - Project Planning, Implementation and Oversight Subcommittee
- Policy and Administration Committee
 - BHI Relationships Subcommittee

Please let us know of your interest in specific committees or issues, either by contacting a Board member or by emailing us at middleislandpoa@gmail.com

Middle Island Architectural Review Committee

- The Middle Island ARC is developing an Agreement with the Bald Head Association about the Middle Island architectural review process
 - Stage I Guidelines will be used, adapted to specific differences in our Covenants such as setbacks
 - Unique MI architectural design guidelines may be developed
- The ARC enforces MI covenants – property owners may contact us regarding safety and nonconformity issues
- The ARC will develop educational materials for property owners, realtors, and architects

Finance Committee: 2015 Assessments/2016 Projected Assessments

All Middle Island property owners have paid their assessments for the partial year 2015 - representing 108 of 108 lots.

A detailed 2016 budget proposal will be sent to property owners this Fall. It will be similar to the 2015 budget. At this point, we anticipate that 2016 annual assessments will be similar to the 2015 annual assessments in the covenants:

Improved forest lot (23)	\$2041
Improved East Beach lot (14)	\$1576
Unimproved forest lot (63)	\$1021
Unimproved East Beach Lot (8)	\$788

Annual increases are limited to a maximum of 5%, unless approved by 2/3's of the votes of property owners voting in person or by proxy at a special meeting. Special quorum requirements apply.

Finance Committee: Fees adopted

- Adopted a construction impact assessment for new construction and for major renovations: \$1 per heated square foot
 - Assessment defrays cost of road repair from construction vehicles, costs of architectural review process paid by MIPOA.
 - Assessment waived for the two houses already under ARC review, in part because of concurrent road construction.
- Adopted a supplemental assessment for annual permits covering boat dockage, boat storage, and launching ramp use
 - Details were provided in the meeting materials

Infrastructure Projects: Completed or Underway

- The pier to the Cape Creek dock was entirely rebuilt
 - Repaired damage from improper attachment of the aluminum gangway prior to turnover; new bracing and walkway built to meet code requirements
- Bulkhead at Bald Head Creek Dock was protected from damage from heavy traffic
 - Bollards now prevent access by heavy ICE vehicles and drive-through sightseeing
 - New parking area provides convenient access for property owners
- “Private roads” sign was placed at entrance to Middle Island
- Additional planned signage will improve safety at the beach access
- Additional beach access parking is being completed

Infrastructure Projects: Upcoming Road Construction

- Rebuilding our gravel roads is a high priority.
 - Rebuilding will reduce potholing
 - Rebuilding will make dust control easier and more effective
 - Rebuilding is required (and funded) by our turnover agreement with Young Entities
- The Island environment presents special contracting challenges
 - Limited number of contractors familiar with Bald Head Island
 - Logistical challenges transporting both equipment and materials to the island

Road Construction: Our Contracting Strategy

- After exploring several contracting options and soliciting preliminary bids, the Board adopted the following contracting approach:
 - Contract separately for gravel and for delivery of gravel to the island
 - Gravel can be delivered and pre-positioned for more efficient road rebuilding
 - Pricing on a per ton basis will provide flexibility and be more cost effective.
 - Contract with a road construction firm on an hourly basis for equipment and crews for the actual reconstruction of the gravel roads
 - The most likely contractor is Barnhill, a contractor with a fine reputation that will have crews on the Island working on Village roads this winter
 - Contract separately for effective oversight of the project on behalf of the Association

Association Responsibilities under the Owner Engineer Construction Manager (OECM) Strategy

- Develop sequencing and specifications for MIPOA OECM
- Bid stone quantities on a per ton basis from suppliers
- Negotiate delivery rates, barge fees and truck time
- Negotiate hourly rates for road restoration, grading, and compaction
- Develop and inform PO's of the schedule and sequencing plan
- Acquire and pre-position gravel prior to beginning of road construction
- Complete road restoration according to plan with OECM control
 - Hire and coordinate with the supervising engineer for day to day oversight

OECM bids will be a combination of competitively bid materials and delivery (bids already obtained as part of planning) and sole source road construction rates using negotiated supply/construction contracts

- Martin Marietta was lowest bidder on stone at \$27/ton FOB
- Baxley trucking was lowest bidder on delivery at \$9/ton plus barge and truck time
- Road construction companies would bid an hourly rate for equipment (with crew) for Phases 3-6 of the road rebuilding
- OECM budget would include a payment cap or not to exceed construction budget

Phased Road Construction

Phased construction will minimize inconveniences to property owners and assure an efficient road building process

- **Phase 1** – Pre-positioning of road building materials to assure timely availability
- **Phase 2** – a sequence of road segments will be rebuilt, beginning with the most distant segment as phase 2A, and ending with the segment closest to East Beach Drive
 - Each segment will be tilled and rebuilt with up to 6” of additional gravel as needed
- **Phase 3** – final application of calcium chloride to the roads to bind fine materials and suppress dust and final finishing of roads.

Preconstruction Logistics

- Plan will be posted on the website for MIPOA comment and community awareness
- Some significant inconvenience is inevitable with some temporary daily closures
- Road reconstruction work will take 4-6 weeks – the exact timing will depend on contractor availability
- Plan will be published to provide advance notice of construction dates
- Realtors, builders, and service agencies will need to coordinate house construction projects with the road construction schedule

Property Owner Input: The Naming Issue



Proposed Signage Options to Date



Property Owner Input: Controlling Access to Middle Island



Proposal for Enhanced Security and Gated Access: Background

Gated access has been discussed for a number of years. As promised, the Board has examined the issue carefully. Gated access would:

- reduce traffic on our private gravel roads, improving safety, reducing gravel road maintenance, improving air quality by reducing dust, and reducing potential liability for accidents;
- deter speeding on East Beach Drive and reduce traffic at the beach access intersection, increasing safety for pedestrians and bike riders;
- provide greater protection for the unique and fragile environment of Middle Island and the Maritime Forest Sanctuary;
- deter vandalism and littering; and
- in the opinion of some realtors, enhance property values on Middle Island.

Proposal for Enhanced Security and Gated Access: Background

There are disadvantages to be weighed against the advantages:

- Access gates require proximity cards and the inconvenience of stopping at the entrance
- Contractors, service providers, public safety and public works will need either card key access or temporary access codes
- Guests of property owners will need temporary access codes
- Some Island residents, accustomed to visit Middle Island without restriction, will object
- Some may see establishing a gated community as elitist

A more complete discussion of likely advantages and disadvantages is found in the document sent to you with the Annual Meeting materials.

Proposal for Enhanced Security and Gated Access: Recommendations

The ad hoc committee looking at access and security has concluded that the advantages of enhanced security and gated access outweigh the disadvantages, if:

- property owners support the proposal to enhance security and control access;
- the access control system is well-designed and minimizes possible inconveniences to property owners and their guests;
- public safety, public works, and other public services conclude that the system will work well for them;
- there are convenient ways for non-owners to experience Middle Island through nature tours conducted by the Conservancy; and
- our rationale is communicated effectively to the Island community.

However, the committee also recognized that this issue needs further discussion before final Board action, first among property owners and then with the Village, the Conservancy, and other interested parties including contractors and realtors.

Proposed approach to access control



Entrance to Middle Island

- A proximity card, a PIN, or an emergency vehicle siren opens the entrance gate
- A ground loop vehicle detector automatically opens the exit gate for a vehicle
- Video surveillance protects against vandalism

Beach Access / Bald Head Creek Dock Access

- A proximity card unlocks the gates
- Coming from the beach or the dock, an exit button unlocks the gate

Cape Creek Dock

- Padlocked gate on Cape Creek Road controls access
- Video surveillance protects against vandalism and unauthorized use

Technical details

- Each controller has all valid access codes and PINS needed for stand-alone operation
- Software allows easy activation/deactivation of cards and PINS

Property Owner Access: Proximity Cards

- Property owners would receive **property owner prox cards**
 - Each residence receives two cards.
 - Additional residence cards could be purchased if needed.
 - Lot owners with no residence on Middle Island receive two cards
- Property owner prox cards would operate the entrance gate, the beach access gate, and the Bald Head Creek Dock gate
- Property owner prox cards may only be used by property owners or by guests staying in their Middle Island residence.

Temporary Access Codes for the Entrance Gate

- Property owners would have **property owner-specific temporary access codes** that they could give to:
 - visitors coming to their homes. or
 - contractors and service providers who don't have their own proximity cards.
- New temporary access codes would be issued periodically, replacing the old temporary access codes.
- Temporary access codes may not be given to non-owners to allow them to tour Middle Island, unless accompanied by the property owner.

Others with Proximity Card Access to Middle Island

- **Regular contractors and service providers** may be issued contractor prox cards at the discretion of the Board
 - Owners may request a card for a contractor/service provider
 - These prox cards open only the Middle Island entrance gate
- The **construction impact fee** includes a packet of contractor prox cards
 - Cards are returned when construction ends
- **Transportation, Public Works, and Utility vehicles** would have entrance gate prox cards
- **Public Safety vehicles** would have cards that operate all gates.
- The **Conservancy** would have several entrance gate cards usable only by a Conservancy staff member leading a group tour or conducting Conservancy business on Middle Island.

Your Opinion Is Important

- We welcome questions and comments on this proposal now
- We welcome questions and comments that you send to us at:
middleislandpoa@gmail.com
- The Board plans to act in October to adopt, modify, or reject this proposal, so please send your comments in the next few weeks.