



## **Minutes of the Meeting of the Board of Directors November 5, 2018**

### **Call to Order**

Proper notice having been given to the Board members, the meeting, held at 48 Cape Creek Road and by conference call, was called to order at 5:03 PM. In attendance were Jeff Alpert, Lynn Barnard, Lou Anne Brown, Rex Cowdry, Fred Craig, Alan Reyner, Shawn Smith, and Cooper Young.

### **Approval of Minutes**

The minutes of the October 8 meeting of the Board were APPROVED without changes.

### **Report on Debris Removal following Hurricane Florence**

Crowder-Gulf, Landfall, and Island Contracting have done an excellent job of debris removal. They have made several passes for removal of leaners and hangers, substantial amounts of vegetative debris, and construction and demolition debris, but have not yet removed the single item of white goods by the Middle Island roadside. Lou Anne Brown will inquire when the final debris removal passes will be made so we can notify our property owners and will seek clarification on how removal of dead red bay trees will be handled both now and after the storm removal process.

There was general agreement that tree limbs encroaching on the right of way that pose a risk to travel or that are on the ground in the ROW will be removed by the Association, but that fallen trees on private property are the responsibility of the property owner.

### **Proposed 2019 Operating and Reserve Budgets and Proposed Dues**

The Reserve Study was postponed until next fiscal year. However, a preliminary study has been completed as served as the basis for some reallocation of budget items and adjustment of the annual reserve contributions. Next year, the cost estimates for asset replacement and the estimated useful lives of the assets will be refined for the full Reserve Study to inform additional adjustments that will be made in the 2020 budget process.

Jeff Alpert made a preliminary presentation of the Operating and Reserve Budgets and Proposed Dues. Several questions about the allocation of items to operating vs reserve budgets were raised, as well as questions about 1) the methodology underlying the annual reserve contributions, 2) whether sufficient funds will be available in reserves for vehicle replacement and catastrophic events, and 3) whether we should maintain a high reserve (at low interest rates) for unknown and unpredictable future events or rely on special assessments should some unpredictable catastrophe occur. Since the

detailed spreadsheet for the preliminary reserve had not been circulated with the proposed budgets, the Board agreed to review the material and hold a special meeting on November 12 at 5 PM to take final action on the proposed budget and dues and to set the date of the annual budget meeting.

### **Cape Creek Dock Report**

Alan Reyner presented his report following completion of the construction of the Cape Creek Dock. Since the previous oral report and preliminary written report, the estimated penetration depth of piles was revised and details about two cuts to the piles included in the final report. The Board discussed whether the written report should be supplemented by a red-line revision of the original plans to document all as-built changes from the original specifications, including measurement of the butt diameters of the piles. Cooper Young volunteered to make the necessary measurements and develop a red-line revision of the plans for the December meeting. The need for a roller (as specified on the plans) or metal angle at the edge of the dock to protect it during very high tides and storm surges was discussed; observations will be made at the next king tide.

Additional consultation is needed to determine the final approach to reconstructing the boat launch ramp. The kayak launcher will be acquired and added to the dock this winter.

### **Updates**

The **proximity card/electronic lock system** will be added to the Bald Head Creek floating dock by the end of January for its trial period before acquiring a second system for the beach access. Assuming the initial trial period is successful, the board will set policies regarding proximity card distribution, additional cards will be acquired and distributed, and the second system will be added at the beach access to deal with recurring problems with mechanical locks in a maritime environment.

The **drainage project** has substantially improved East Beach Drive drainage, but Fred Craig and Rex Cowdry have inspected the project and recommend three steps: 1) adding a low-cost additional grate at the main drain to reduce the likelihood of the drain being covered with debris (expenditure previously approved); 2) install one or two swales through the roadside ridge south of the main drain to re-establish some of the natural flow of storm water onto lots on the west side of the road; and 3) ask East Beach Drive property owners to refrain from placing mulch on the road side of the landscaped ridges on both sides of the road, since it washes down the road and obstructs the main drain. An email will be sent to East Beach Drive property owners.

Shawn Smith reported that in the next few days she will circulate a draft of a **survey of East Beach Drive owners about amending the Covenants** to equalize annual dues between Forest and East Beach lots and to allow all property owners to vote on - and pay for - special assessments for paving. The survey may be combined with the email about East Beach Drive drainage issues and discussed at the special Board meeting next week.

### **Property Manager**

Options to provide support to our property manager following Hurricane Florence were discussed. Lou Anne Brown or Brian Johnson will gather some additional information from David Ward relating to health insurance and EMS/Fire/EMT training plans. Further discussion was postponed until the special Board meeting next week.

**Adjournment**

The meeting was adjourned at 5:58 PM.