



2017 Annual Meeting and Annual Budget Meeting

<u>Agenda</u>	<u>Action Requested</u>
3:00 p.m. Call to Order and Approval of Agenda	Approve Agenda
3:05 p.m. Finance Committee <ul style="list-style-type: none">➤ Third Quarter financial report➤ Projected budget and dues for 2018	Discussion/Questions
3:15 p.m. MIPOA Architectural Review Committee Update	Discussion/Questions
3:20 p.m. Infrastructure Committee Updates <ul style="list-style-type: none">➤ Organization and Summary of Projects Since Turnover➤ Cape Creek Dock/Ramp Update	Discussion/Questions
3:30 p.m. President's Comments	Discussion/Questions
3:35 p.m. Update on Roads <ul style="list-style-type: none">➤ Timing of Road Decisions (5 minutes)➤ Gravel & Chip Seal Working Group update (5 minutes)➤ Asphalt Paving & Road Dedication Working Group update (5 minutes)➤ Property Owner Comments and Questions on Roads	Discussion/Questions

Adjournment

MIPOA Finance Committee Report

Financials – 3Q 2017 (available in hardcopy)

Proposed 2018 Operating Budget

Proposed 2018 Dues

Proposed 2018 Reserve Fund Budgets

(Meeting notices included links to these documents on our web site)

MIDDLE ISLAND PROPERTY OWNERS ASSOCIATION PROPOSED OPERATING BUDGET FOR 2018

EOY TRANSFERS OF 2017 OPERATING FUND BALANCE

Projected operating fund balance 12/31/2017		\$	10,500
Transfer to General and Administrative Reserve Fund (% of balance)	50%	\$	(5,250)
Returned to members as credit against 2018 assessment (% of balance)	50%	\$	(5,250)
Balance 1/1/2018		\$	0

Half of operating surplus returned to property owners as credit against 2018 dues

INCOME

Annual assessments	\$	145,330
Supplemental annual assessment for dock/ramp use	\$	3,338
Interest	\$	160

Annual assessments allocated to reserves			
Gravel Roads and Bridges Reserve Fund	\$	(11,500)	
Paved Roads Reserve Fund	\$	(4,213)	
Bald Head Creek Docks and Bulkhead Reserve Fund	\$	(5,750)	
Beach Access and Parking Reserve Fund	\$	(3,520)	
General and Administrative Reserve Fund	\$	(3,600)	
Cape Creek Dock Reserve Fund	\$	(6,575)	

Annual contributions to reserves totaling \$35,158 are based on estimated cost of replacement and useful life from 2015 Reserve Study. We will conduct another Reserve Study in 2018.

OPERATING FUND FOR 2018	\$	113,670
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OPERATING FUND EXPENDITURES

Administrative Expenses

On-site manager (MIPOA time) (Young time reduced 80%)	\$ 53,684
On site manager expenses	\$ 7,500
Less allocation to gravel road (10 hours/wk)	\$ (18,157)
Truck, tractor, cart (registration, pers prop, ICE, fuel, repairs)	\$ 2,000
Equipment purchase	\$ 1,000
ICE permits	\$ 550
Banking (security box, bank charges)	\$ 100
Electrical	\$ 1,850
Water	\$ 800
Equipment depreciation	\$ 765
Legal (if needed, from relevant reserve fund or misc/contingency)	\$ -
Accountants (dues, payroll, tax, audit)	\$ 5,844
Insurance genl liability, \$5m umbrella, D&O, employee acts, truck	\$ 5,850
Workers comp	\$ 3,166
Uncollected assessments (1%)	\$ 1,453
Repair storm damage of terminal section of beach access - max 2x per year	\$ 8,000
Dune stabilization	\$ 2,500
Landscaping (EBD, entrance and beach access)	\$ 3,000
Miscellaneous / contingency fund	\$ 3,000
Gravel Roads and bridges	
Maintenance of road and canopy (labor, allocated from manager)	\$ 18,157
Gravel, calcium chloride (1x/yr)	\$ 12,000

TOTAL OPERATING FUND EXPENDITURES 2018 **\$ 113,062**

The Association's share of David Ward's salary, overhead, and expenses will increase because of expected decrease in his time working for the Youngs. This is the main reason for increased operating expenditures and the average 3% dues increase.

Proposed 2018 Annual Assessments

	2015 Annualized Assessment	2016 Annual Assessment	2017 Annual Assessment	Proposed 2018 Annual Assessment	Estimated* Credit from 2017 Operating Budget Surplus	Estimated* Net 2018 Annual Assessment
Improved forest lot (N=24)	\$ 2041	\$ 2041	\$ 2041	\$ 2081	(\$ 76)	\$ 2005
Improved East Beach lot (N=15)	\$ 1576	\$ 1576	\$ 1576	\$ 1637	(\$ 59)	\$ 1578
Unimproved forest lot (N=62)	\$ 1021	\$ 1021	\$ 1021	\$ 1040	(\$ 39)	\$ 1003
Unimproved East Beach lot (N=7)	\$ 788	\$ 788	\$ 788	\$ 819	(\$ 30)	\$ 789

*Credit will be determined at the end of the 2017 budget year after our operating budget surplus is determined.

Annual additions
to reserves are
based on
Reserve Study

MIDDLE ISLAND PROPERTY OWNERS ASSOCIATION PROPOSED RESERVE FUNDS BUDGETS FOR 2018	Projected Fund Balance 1/1/2018	2018 Reserve Contributions (see note 1)	2018 Reserve Expenditures Budget	Projected Fund Balance 12/31/2018
Gravel Roads and Bridges Reserve Fund	\$ 99,666	\$ 11,500	\$ 23,500	\$ 87,666
Comprehensive repair/rebuilding of gravel roads		\$ 10,000	\$ -	
Trials of different gravel road maintenance strategies, consults			\$ 22,500	
Signage		\$ 500		
Bridges		\$ 1,000	\$ 1,000	
Paved Roads Reserve Fund	\$ 22,922	\$ 4,213	\$ 5,000	\$ 22,135
Repaving		\$ 3,413		
Signage		\$ 400		
Resolve ponding, erosion on East Beach Drive		\$ 400	\$ 5,000	
BH Creek Docks and Bulkhead Reserve Fund	\$ 7,528	\$ 5,750	\$ 1,000	\$ 12,278
Fixed Dock and Ramp - deck, railing, ramp, rip-rap		\$ 750		
Floating dock		\$ 2,000		
Bulkhead - assumes bulkhead will be replaced w/ pier to dock		\$ 2,000		
Bollards and signage		\$ 500		
Waterproofing treatment ²		\$ 500	\$ 1,000	
Beach Access and Parking Areas Reserve Fund	\$ 22,165	\$ 3,520	\$ 3,500	\$ 22,185
Finish gravel (blue slate #57) for parking areas			\$ 2,000	
Plank replacement		\$ 1,120		
Waterproofing treatment ²		\$ 1,500	\$ 1,500	
Signage		\$ 900		
General Reserve Fund	\$ 130,803	\$ 3,600	\$ 5,200	\$ 129,203
Cart		\$ 600		
Truck, tractor		\$ 3,000		
Paint boathouse (50%)			\$ 1,000	
Mag lock/prox card system, BH Creek dock & Beach access ³			\$ 4,200	
Cape Creek Dock Reserve Fund	\$ 100,922	\$ 6,575	\$ 101,000	\$ 5,697
Replacement of dock, ramp, equipment ³		\$ 2,500	\$ 65,000	
Rebuild Marina Launch Ramp, install scour protection ³		\$ 2,175	\$ 35,000	
Signage		\$ 100		
Paint boathouse (50%)			\$ 1,000	
Waterproofing treatment ²		\$ 1,500		
Surveillance equipment		\$ 300	\$ -	
TOTAL RESERVE FUND BALANCES	\$ 384,006			\$ 279,164
TOTAL RESERVE CONTRIBUTIONS AND EXPENDITURES		\$ 35,158	\$ 139,200	

2018 expenditures are to
improve gravel roads & try
several maintenance
strategies.
If chip seal or paving is
planned, the projects will
take place in 2019

Estimated cost of Cape
Creek Dock and Ramp
replacement project

Middle Island Architectural Review Committee Update

Middle Island Entrance Plantings

BHI ARC & Middle Island ARC Revamping Agreement Due to Merger of Stage I and Stage II Associations

- BHI ARC & Middle Island ARC meetings next week
- Revised agreement will be presented to MIPOA Board for approval

Relationship with BHI ARC

Adopting new BHI ARC Guidelines

Invasive species

Summary of Infrastructure Committee Work Since Turnover

Entrance fence, landscaping, security cameras installed

- Decision on gate postponed
- Traffic counter at entrance installed, trial of speed camera on gravel road completed

Beach access rebuilt –new frontal and primary dune crossings and gate area

- Considering proximity cards and magnetic locks to replace unreliable mechanical locks

Beach parking areas expanded – blue slate chip surfacing to be completed

Fixed dock on Bald Head Creek rebuilt

Pier at Cape Creek Dock rebuilt, security cameras installed

- Dock and ramp replacement planning underway

High speed internet and cable TV brought to every Middle Island lot

Gravel roads rebuilt to create >6 inches of aggregate base course

- Because of aggregate used, the surface has been problematic
- IC prepared 4 page single-spaced technical summary of six road options, including chip seal and asphalt paving, with pros, cons, and cost estimates
 - Board deferred action to determine whether the small surface stone problem was improving
- Maintenance strategies will be tested this Winter and Spring

Infrastructure Committee Working Groups and Collaborations

Cape Creek Dock and Ramp Working Group

- Design and contracting for replacement of Cape Creek dock and ramp

Gravel Road and Chip Seal Working Group

- Evaluate repair and maintenance options for gravel roads
- Examine feasibility and cost of triple shot chip seal

Public and Private Asphalt Roads Working Group

- Examine issues related to paving and dedicating roads to Village
- Evaluate cost of paving gravel roads as private and public roads

Finance Committee will collaborate with Infrastructure Committee to:

- Examine special assessments and loans, and
- Model special assessments and annual dues for each road option

Cape Creek Dock and Ramp

- The Marina, with 9 permitted boat slips, is both an appealing and a valuable asset
 - No new boat slips can be approved anywhere on Bald Head Island
 - The Boat House provides the only enclosed storage for a boat on Bald Head Island
 - Security has been improved with the installation of surveillance cameras covering the dock and parking areas
- Current dock is over three decades old and storm damaged
- Slabs of the current ramp are separated and undercut; the ramp is in very poor shape.
- The Board requested, and Young Entities generously provided, funds at transfer that will pay for much of the dock and ramp replacement

Existing Cape Creek Dock and Ramp

Brunswick County GIS Data Viewer

PROPOSED FLOATING DOCK & BOAT RAMP REPAIR
MIDDLE ISLAND HOME OWNER ASSOCIATION, NC
BALD HEAD ISLAND, NC (MIDDLE ISLAND)
BRUNSWICK COUNTY, NC

May 23, 2017

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NOTE:
PROJECT IS SURROUNDED BY PROPERTY OWNED BY
BALD HEAD ISLAND CONSERVANCY, NC

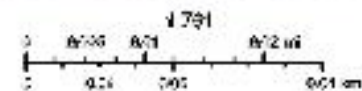


May 1, 2017

- Red: Band_1
- Green: Band_2
- Blue: Band_3



EXISTING GIS VIEW



ESRI, Inc. 2017

DESIGN, PERMITTING, AND PROCUREMENT WORK TO DATE:

- Redesign of the dock
 - New design with slips perpendicular to the tidal current providing greater docking capacity
 - Kayak and canoe launcher to broaden use and appeal
- CAMA submission to NC DEQ – decision pending
- Consultation with three dock builders, with preliminary cost estimates

REMAINING DESIGN TASKS:

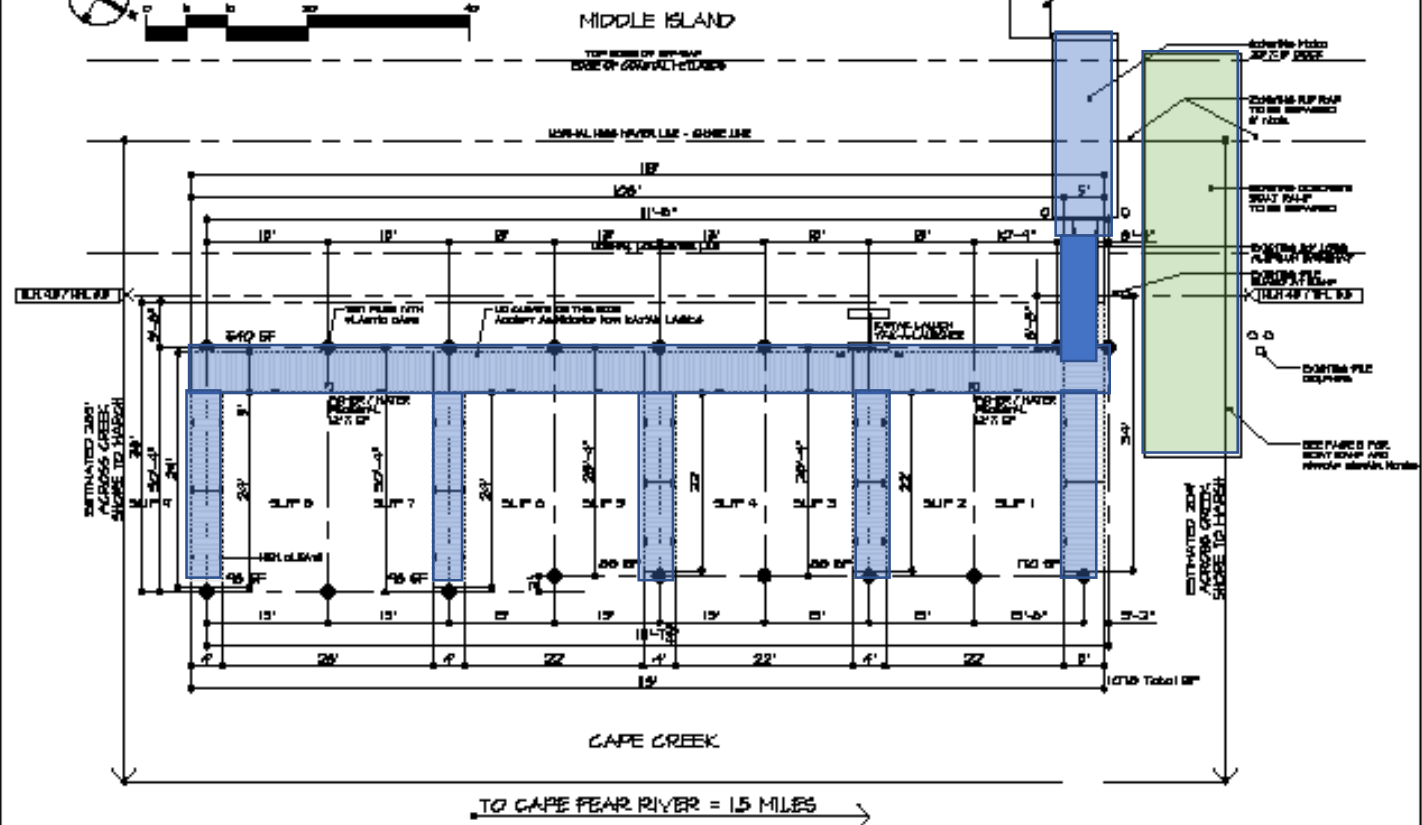
- Determine best approach to rebuilding boat ramp, including base for slabs, method of joining slabs, and scour protection
- Engineering consultation regarding dock/slip/piling design
- Development of full specifications for bidding

PROPOSED FLOATING DOCK & BOAT RAMP REPAIR
MIDDLE ISLAND HOME OWNER ASSOCIATION, INC.
MIDDLE ISLAND, NC (MIDDLE ISLAND)
BRUNSWICK COUNTY, NC

June 13, 2011 - Revised July 9, 2011 Page 4 of 5

PROPOSED PLAN

The diagram shows a circular lot with a proposed building footprint. The footprint is a rectangle with a smaller rectangle inside it. The lot is divided into four quadrants by a horizontal and vertical line. A north arrow is located in the top right corner of the lot.



PROCUREMENT:

- Development of full specifications including determination of whether to bid dock and ramp projects separately
 - Some dock builders have indicated that it would be difficult for them to do the ramp rebuilding
 - Working Group will also recommend a construction oversight strategy
- Infrastructure Committee and Board will review and approve final project plan
- Conferences with potential bidders as necessary
- Bid solicitations
- Contract award
 - Cape Creek Dock and Ramp Working Group provides Board with an evaluation of bids and bidders
 - Board awards contract
- Construction and oversight

President's Comments

- ☐ Entrance Gate
- ☐ Middle Island entrance sign
- ☐ Vandalism on Middle Island
- ☐ Racquet and Swim Club
- ☐ Publish Board meeting minutes
- ☐ Quarterly open Board meetings
- ☐ David's employment and compensation



Social media communication

**HELP
WANTED**

join our team

Timeline for Middle Island Road Decision

- ❑ **October – February** Goal: Gather the Facts
- ❑ **March – April** Goal: Single presentation of facts followed by pros and cons
- ❑ **May** Goal: Finalize presentation for Town Hall meetings, develop communication strategy and approve voting procedure and ballot
- ❑ **June - July** Goal: Educate property owners on the road options
- ❑ **August** Goal: Send ballots and strive to receive 100% property owner response
- ❑ **September** Goal: Annual Meeting: voting results/plans

Gravel Road and Chip Seal Working Group

Activities to Date

Repair of problem areas (particularly on steep grades)

Building on March 2017 options paper, consultations to identify best strategies and equipment to improve and maintain gravel roads

- Adding finer aggregate vs. reworking aggregate already in place
- Grader for scarification vs. specialized equipment for scarification and removal of stones (Harley Rake or Rock Hound)
- Calcium chloride vs. synthetic organic solution for consolidation & dust control

Review of chip seal advantages, disadvantages, costs

Review of existing plats and road engineering information

Determination of extent of narrow right of way and narrow base course

- CCR east of 2nd DRR intersection: Partial survey of 20 lot corners and mean high water to determine where 30' road right-of-way can be attained within additional Association property bordering the marsh
- Plat review of western 2400' of CCR (59 to gate): 20' ROW with lots on both sides
- Survey of width of aggregate base course at 36 locations along CCR

Gravel Road and Chip Seal Working Group

Winter and Spring Activities

Conduct trials of improvement and maintenance strategies and equipment

- Cape Creek Road beyond 61 CCR will be initial test beds

Determine immediate and long-term costs of most promising options

- Cost of outside contracting
- Cost of in-house maintenance incl. equipment rental vs purchase

Perform necessary short-term renovation of gravel road surface

Place calcium chloride or synthetic organic dust control

Evaluate triple shot chip seal

- Durability as a primary wear surface on gravel
- Additional cost estimates

Public and Private Asphalt Roads Working Group Options & Charter

- Currently, the working group is exploring:
 - Option 1: Paving the gravel roads with MIPOA responsible for ongoing maintenance of the roads
 - Option 2: Paving the gravel roads and turning over the roads to BHI Village for future maintenance
- Our charter includes:
 - Initial statement of pros and cons
 - Summary of the functionality, durability, and useful life of the proposed surface
 - Cost estimate (or a range of cost estimates) for each option
 - Initial capital cost
 - Private road option: the annual reserve contributions based on useful life and replacement costs, and annual operating costs

Asphalt Paving Working Group

Accomplishments and Next Steps

- Drafted questions for submission to the village to address:
 - Secondary or Tertiary Road designation
 - Right of Way usage
 - Variances on Right of Way and base requirements
- Completed Pros and Cons of each option
- Next Steps
 - Cost benefit analysis of each option
 - Continue to work with the Village to identify Mean High Water Mark on the section of CCR that borders the marsh
 - Impact of paving roads on property values

