



## **Minutes of the Special Meeting of the Board of Directors June 18, 2018**

### **Call to Order**

Proper notice having been given to the Board members, the meeting, held 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, Brian Johnson, Alan Reyner, and Cooper Young. Shawn Smith was unable to attend.

### **Consent Agenda**

The agenda was **ADOPTED**,

### **Discussion of the Chip Seal Option**

Members of the Board discussed whether to include the chip seal / tar and gravel paving options evaluated by the Working Group, given additional input from road contractors and several property owners. The Board concluded that there are both varying opinions and some unresolved questions about chip seal.

**MOVED THAT** the chip seal paving option would not be presented to property owners on the upcoming ballot. The motion was unanimously **APPROVED**.

### **Discussion of the Proposed Moratorium**

A moratorium on Board and Property Owner reconsideration of the pave and convey proposal was considered for presentation to the property owners on the upcoming ballot. The moratorium proposal reads as follows:

#### **MORATORIUM PROPOSAL**

In order to have a period of time without divisive debate on public and private roads, the following Moratorium would become effective if the property owners do not approve the proposal to pave the road to modified Village standards and convey the roads and road rights-of-way to the Village:

The Board shall not consider any proposal to pave and convey for a period of five years. Thereafter, any proposal to pave and convey shall only be considered by the

Board and presented for a vote of the property owners if the proposal is supported by a petition signed by owners of a majority of the Middle Island lots.

Several Board members questioned whether the Association's members could or should restrict the Board. Others believed that a vote of the full membership could bind the Board. The Board agreed to refer several questions to our attorney for an opinion:

- Do the property owners have the authority to restrict Board reconsideration of a proposal to convey Middle Island amenities to the Village for a period of 5 years?
- Do the property owners have the authority to require that a petition be signed by a majority of all lot owners before the issue can again be submitted for an 80% vote of the property owners?
- If the property owners have these authorities, what vote of the property owners would be required to adopt this moratorium – a majority of votes cast, a majority of the entire membership, or a 2/3 majority of votes cast or the entire membership?

**MOVED THAT** the Board approves the placement of the moratorium question on the ballot, subject to a review of the proposed moratorium by our counsel. **APPROVED** with 6 directors in favor and 2 opposed.

### **Discussion of the Ballot**

Two versions of the ballot were considered by the Board. Discussion focused on whether there should be an explicit vote for and against the proposal to pave the roads with asphalt to Village standards and to convey the road rights of way to the Village. There was no formal vote, but a majority of the Board appeared to favor the Forest and East Beach ballots that begin with an explicit vote for or against the proposal to pave and convey.

The ballot for East Beach Lot owners was considered first. By a vote of 5 to 3, the wording of the first question for East Beach owners was limited to the conveyance question, changing the wording from “pave the roads and transfer ownership of the road rights of way to the Village” to “transfer ownership of the road rights of way to the Village”. By a vote of 7 to 1, the vote to express a paving preference was removed from the ballot, since East Beach Lots do not vote on the key question of whether to impose a special assessment on Forest Lots to fund the paving of the roads.

The ballot for Forest Lot owners was modified to move the Moratorium question to the end of the ballot, and to word the two private road options as “I/we VOTE to...”

The Board also agreed to add the word “existing” to the term “gravel roads” on the ballots.

**MOVED THAT** the Board adopts the revised East Beach and Forest ballots (attached), pending receipt of counsel's review of the moratorium proposal. **APPROVED** unanimously.

### **Adjournment**

The meeting was adjourned at 5:52 PM.



## BALLOT (East Beach Lot Owners)

### VOTE ON PUBLIC VERSUS PRIVATE ROADS

- I/we vote **FOR the proposal to transfer ownership of the road rights-of-way to the Village**, preferring that they be public roads maintained by the Village.
- I/we vote **AGAINST the proposal to transfer ownership to the Village**, preferring that they remain private.

This proposal to transfer property to the Village requires the approval of **80% of all Middle Island lots**.  
This proposal also requires funding through a special assessment approved by **67% of all Forest Lots**.

### VOTE ON MORATORIUM

In order to have a period of time without divisive debate on public and private roads, the following Moratorium would become effective if the property owners do not approve the proposal to pave the road to modified Village standards and convey the roads and road rights-of-way to the Village:

The Board shall not consider any proposal to pave and convey for a period of five years. Thereafter, any proposal to pave and convey shall only be considered by the Board and presented for a vote of the property owners if the proposal is supported by a petition signed by owners of a majority of the Middle Island lots.

- I/we vote **FOR the Moratorium Proposal**.
- I/we vote **AGAINST the Moratorium Proposal**.



## BALLOT (Maritime Forest Lot Owners)

### VOTE ON PUBLIC VERSUS PRIVATE ROADS

- I/we vote **FOR** the proposal to pave the roads to Village standards and transfer ownership of the road rights-of-way to the Village, preferring that they be public roads maintained by the Village. I/we also vote **FOR** a special assessment of up to \$11,500 on each Forest lot.
- I/we vote **AGAINST** the proposal to pave the roads to Village standards and transfer ownership to the Village, preferring that they remain private. I/we also vote **AGAINST** the special assessment on each Forest lot.

This proposal to transfer property to the Village requires the approval of **80% of all Middle Island lots**.  
This special assessment for paving requires the approval of **67% of all Forest lots**.

### VOTE ON PRIVATE ROAD OPTIONS, IF THE PUBLIC ROAD OPTION IS NOT APPROVED

- I/we **VOTE** to pave the existing private gravel roads with asphalt and **APPROVE** a special assessment of up to \$8,500 on each Forest lot to pave the roads.
- I/we **VOTE** to retain the existing private gravel roads and to improve the gravel road maintenance.

The special assessments for the asphalt paving requires the approval of **67% of all Forest Lots**.

### VOTE ON MORATORIUM

In order to have a period of time without divisive debate on public and private roads, the following Moratorium would become effective if the property owners do not approve the proposal to pave the roads and to convey the roads and road rights-of-way to the Village:

The Board shall not consider any proposal to pave and convey for a period of five years. Thereafter, any proposal to pave and convey shall only be considered by the Board and presented for a vote of the property owners if the proposal is supported by a petition signed by owners of a majority of the Middle Island lots.

- I/we vote **FOR** the Moratorium.
- I/we vote **AGAINST** the Moratorium.

This proposed moratorium requires the approval of **50% of all Middle Island Lots**.



## BALLOT CERTIFICATION

This is a secret ballot. **Please send both this certification and the ballot(s) to:**

**Charles A. Pardee, Jr.  
 4097 Spring Island  
 Okatie SC 29909-4040**

Mr. Pardee will verify eligibility and will separate the ballot from the certification.

Owners of more than one lot should have received a ballot for each lot. Please complete each ballot. Only one certification is needed.

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**I certify that I am entitled to cast the votes for the following Middle Island lot(s):**

- Please list either street address(es) or lot number(s) for each lot.
- Only one owner needs to complete the ballot certification.
- East Beach Lots are ocean-front, second row, or Capel tract lots

**East Beach Lot(s):** \_\_\_\_\_

**Forest Lot(s):** \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Printed name:**

**If signing for a trust, corporation, or partnership, please give your title (e.g., Trustee, President, Partner) and the name of the entity:**

**Mailing Address:**

**Preferred email address:**