

**Colington Harbour Association
Board of Directors Meeting
November 17, 2009
Minutes**

Board members: Melissa McAllister, John Collins, Frank Hendrix, Don Brady, Stephanie Coleman, Keith Smaltz, and Rikki Schuster

Proceedings:

Meeting called to order at 7 p.m.

Moment of silence.

Keith Smaltz called for an approval of the agenda. Rikki Schuster made a motion to have the agenda items number eight and nine to be switched. This would allow the comments from the president first and the property manager second. This motion was second by Stephanie Coleman.

All board members voted in favor of switching the agenda numbers. Motion passed.

Keith Smaltz asked for a approval of the consent agenda. John Collins stated that he had a problem with the consent agenda with: B. the \$25 processing fee per year for monthly payments. Melissa McAllister made a motion to approve the consent agenda: A. Approval of the September 15, 2009 minutes, C. Pumping of the fuel tank, and D. Managers contract. John Collins seconds this motion, all board members voted to approve letters, A, C and D of the consent agenda. Motion passed.

Melissa McAllister made a motion to approve item B. on the consent agenda which was a \$25 processing fee per year for monthly payments. Rikki Schuster seconded the motion. John Collins wanted to discuss the \$25 processing fee. John Collins had concern under General Statute 47F -- lien of assessments -- as to the authority CHA had to assess a \$25 processing fee. John Collins read information from N.C. G. S. 47-F. Melissa quoted NC G.S. 47-F-3-116. E and explained that it was a processing fee, not a late fee. Melissa called for a vote on the \$25 processing fee. Votes in favor of the processing fee were - Melissa McAllister, Rikki Schuster, and Stephanie Coleman. Votes opposing the \$25.00 processing fee were made by Don Brady, John Collins, and Frank Hendricks. The deciding vote was made by Keith Smaltz who voted in favor of the \$25 processing fee. Motion passed.

Report or General Comments on the Architectural Control Committee provided by Bob Hopkins. In the past month the ACC committee has approved one house, several docks, enclosures underneath houses, and bulkheads. Bob also indicated they are handling some complaints that had come in concerning drainage.

Reports or General Comments from Crime Watch provided by Jerry Raveling: please see attached memo.

Comments from the floor:

Dolores Norton of 212 Soundview Drive wanted to know the procedure at the guard gate for visitors. Her expectation of security at the guard gate would include a list of all owners and tenants. Each visitor would need to give the guard gate the exact address as to where they are going, and how long they are planning to stay. She did not know if this was being done, but this would be her expectation of the security guards. She had an experience with a guest in which this procedure was not followed.

Reid Hinson of 132 Clipper Court had two items of information. There will be a Turkey Shoot in the common area park this Saturday at 3:00 to 5:00 pm. You will be hearing shotgun shots. Reid Hinson reported to the board that he along with Pete Turek, Jerry Raveling, Mary Ann Johnson have gone over the covenants in full. They have made their comments for revision and have gone as far as they feel is necessary with the covenants committee. The committee has giving the board its findings, and will await the board's decision concerning moving forward.

Terry Gannon 107 Craigy Court who works for FEMA gave an informative speech regarding FEMA and information on FEMA. Mr. Gannon stated that with the past storm we had just recently had, residents realize that flooding can come at any given moment. He stated that the most recent storm could be only a small taste of what could actually happen on the Outer Banks. It is his suggestion that this board seriously consider its own flood insurance program as it applies to Colington Harbour. Specifically a flood plan review in the Harbour showing what is in a flood area and what is not. The individuals that have enclosed the downstairs of their houses are at risk in case of flood. He stated that flood insurance would not cover the downstairs if they were in a flood zone.

Eric Morrison for 436 Colington had a concern regarding the new piers. He stated he was unable to carry a cooler through the entrance of the dock and that it appears to be smaller than before. He felt that the pilings were not sticking out far enough and that the piers were not long enough. During the most recent storm, he went down to the docks and stated that each boat was within 1 foot from the concrete edge of the bulkhead. He stated that if there had been a southwest wind blowing; all boats tied up at the piers would have been smashed into the bulkhead. This would be due to the fact that the pilings are too close to the bulkhead. He feels that you're unable to tie your boat up properly. He has lived in Colington Harbour for 25 years. He stated that he would have to worry about his boat constantly if it was tied up at the new piers.

Comments from the President:

Melissa McAllister reported that the board had advertised the position for Community Manager locally and had received several qualified candidates. After reviewing many resumes and having interviews with selected candidates, the board unanimously selected Johanna Beasley. Johanna has been with the Association as their bookkeeper and as of November 5, has agreed to be the Community Manager.

Melissa had received a complement from a member on how clean our streets are. Our maintenance staff is up each morning riding through our streets to make sure everything is clear before most of us are even up.

Melissa reported on the jetty repair: Carl Miller is working on the following: 1) he is in contact with the Duck research pier in an attempt to exploring a possible hydro-survey 500 foot north and south of the inlet and 300 to 400 foot West and 2) Carl Miller has informally contacted an engineer in Wilmington about jetty design suggestions based on the limited information from the Associations CAMA files.

Melissa asked for community help in trying to get any old pictures of the inlet park and beaches to the north and south. Also any drawings with jetty details and dimensions would be nice to have as well. Needed also, is a pilot to get aerial shots.

Melissa reported on the Marina repair. Currently, three engineering proposals for the main dock have been received:

- 1) Performance Engineering has a proposal for 10 by 40 main dock in an amount of \$1062.50 which includes preparing bid documents.
- 2) Coastal Engineering Surveying and Construction Engineering Services Inc. Their proposed bid is \$2800-\$3000 to do the design of the 10 x 40 foot main dock. This includes surveying as built and soundings as well as the engineering drawings.
- 3) Construction Engineering Services proposed a fee of \$935, and has agreed to do the construction drawings as well as a final inspection. This will certify that the dock has been built to the engineers certified specifications.

In order to repair the 10 x 40 Main dock, Melissa asked for a motion on one of the three bids or to continue searching.

A discussion on the three proposals was tossed around.

Melissa made a motion to accept Performance Engineering bid for construction of the 10 x 40 foot main dock replacement. Rikki Schuster seconds the motion. All board members were in favor of Performance Engineering. For the record, Stephanie Coleman did not vote. Motion passed.

Bulkhead replacement was the next topic discussed. A proposal for Everlast Engineering was given to CHA for \$350 for the engineering of 500 foot replacement bulkhead. This proposal cost includes a reduction in the fee in exchange for the requirement that we specify their product with no substitutions.

Melissa McAllister made a motion to accept Everlast Engineering for \$350 to get certified drawings. John Collins seconded the motion with discussion. All board members voted in favor of Everlast Engineering. For the record, Stephanie Coleman did not vote. Motion passed.

USA Fuels owned by Dave Douglas, who is a resident and member, agreed to removed the fuel from our fuel tank at a 50% savings. This 50% savings CHA was offered was his

gift to the Association. Please give Dave Douglas a call if you need purifying services or fuel needs.

Reports or General Comments provided by the Property Manager. Please see attached memo.

Reports or General Comments from 1st Vice President: Rikki Schuster

Rikki asked anyone who is interested in being taken off of the mailing list to please give Penny a call in the office so that she could take you off of the mailing list and you can view the newsletter online. This would reduce our labor costs, printing costs and the general costs associated with our newsletter. Rikki also stated that she was working on hopeful plans for a holiday function for our community children.

Reports or General Comments from the Second Vice President: Don Brady

Don would like to get permission from the board for a turkey shoot on Saturday, November 21, 2009. Rikki made a motion to allow permission for the turkey shoot and Melissa second the motion. All board members were in favor. Motion passed. He also reported there were two fake ceramic geese stolen from a yard on Harbour View Drive.

Reports or General Comments from the Secretary: Frank Hendricks

Frank reported that the quote he had received from Dominion power in regards to getting power at the finger piers was \$20,000; there was not a breakdown given on the \$20,000 price. Frank is expecting a breakdown of the \$20,000 so that he may give this to the board members at a future date.

Reports or General Comments from the Treasurer: John Collins

Last month the board approved the recommendation from the Investment Committee. This recommendation was to open a money market investment account. A capital account was opened at Gateway bank. This money market account yields 2.2%. The opening deposit into the capital account for Gateway came from a maturing CD and the contribution to the capital account which comes from the pre-paid accounts for this year. At this point all of our accounts are fully insured by the FDIC. John also pointed out that CHA is running at 32.2% over the first four months of the year. CHA is on line with the budget.

Old Business:

A. Sign for maintenance gate. Don asked to put this on hold; we will try to do this in house to reduce the cost of a sign. This sign was tabled.

B. Release of confidential memorandum from Dwight H. Wheless dated September 11, 1995 and associated memorandum dated November 1, 1995. Melissa made a motion to release this document because enough time had passed that this document would no longer be considered a confidential document and be opened to the membership. John

Collins seconds the motion. All board members voted yes to release the document. Motion passed. Document will be on the website, newsletter and office for viewing. See attached Documents.

New Business:

A. Assessment lien fee and processing fee: this topic was previously discussed in the consent agenda and was voted on. John Collins again stated his concerns.

B. Christmas bonus for employees. Rikki Schuster asked John Collins if the Christmas bonuses were included in the budget. John replied they were not and it would exceed the budget. Melissa made a motion to forgo the Christmas bonuses due to the budget and lack of funds this year. There was discussion on this topic. The discussion led to keep the CHA bonuses more in line with the bonus amount given to Dare County employees. Melissa made a motion for full-time employees to receive a \$50 Christmas bonus and part-time employees to receive a \$25 bonus. Stephanie Coleman seconds the motion; all board members were in favor and motion was passed.

C. Christmas bonus for Dare County Public Works. Stephanie Coleman made a motion that Dare County Public Works do not receive a Christmas bonus this year. Melissa McAllister seconds the motion. All board members were in favor and the motion was passed.

D. Penny Williams vacation time. Penny has not used any vacation time and is offering CHA to either pay her for her two weeks of vacation and she will work or she will take one week off in November and one week off in December. Rikki made a motion that Penny take her vacation time off. Melissa seconded the motion. All board members were in favor; motion passed.

E. Harbour Headlines articles. John Collins questioned that when reading an article written by the President, Melissa McAllister, did the article reflect the feelings of the Board of Directors or the feelings of Melissa the President? There was discussion regarding the newsletter articles. The newsletter will be emailed to each board member; each member should read the newsletter and then any questions or problems with the letter should be emailed to each board member so that everyone has the same information and knowledge of concerns. This way, all board members can be on the same page so to speak and that the article from Melissa **does** reflect a unified feeling of the board.

F. Front gate request by Roy to allow him to close off the second lane during non busy hours so that he can have more control over the flow of traffic. This topic was tabled and copies of the operating procedure will be reviewed.

G. LSI Marine Construction letter and response. On 10-27-09, LSI Marine Construction drafted a letter to Performance Engineering and carbon copied CHA. This letter was read by Rikki Schuster. LSI has offered to pay for an inspection of the finger piers by mailing a copy of the letter to Performance Engineering instead of addressing Colington Harbour

Association Board of Directors directly. Debate on this topic between board members and the floor were made.

H. Authorization requirements for approved projects or projects in process. Melissa agreed with John that there was a need for contracting with a construction manager for projects. Melissa had given a large amount of her volunteer time with current ongoing projects and she felt that no volunteer should have that much responsibility. All projects must have all Board Members approval before the authorization goes out if it is over \$500.00. The treasurer, John Collins stated that we must know what is going to be spent before the expenditures go out.

Debate on the costs of the finger piers between John Collins and Melissa McAllister continued.

I. Penalty and Interest waiver request. Board members went down a list of 15 requests from Homeowners who had made request to the board to waive the penalty and or interest amounts added to their assessment accounts. Each amount and reason was read and a decision for each request was made by the board members. Melissa made a motion to approve the waiver of penalty and or interest on numbers: 1,2,3,5,6,7,8,10,12 and 13. Stephanie Coleman seconded the motion. All board members were in favor. Motion passed. Melissa made a motion not to waive penalty and or interest on numbers: 4, 9, 11 and 14. Stephanie Coleman seconded the motion. All board members were in favor. Motion passed. Melissa made a motion that number 15 will be tabled until we can find out the status of the assessment amount. All board members were in favor. Motion passed.

J. Phase Three Quickbooks repair. These are balances that have been transferred over to the new owners after closing. Out of these 41 accounts, 27 are 3 years old, 5 are 2 years old, 7 are a combination of 2 and 3 years old and 2 are current. Melissa made a motion to cease Phase Three and cease to collect Phase Three accounts due to the fact that we do not have good legal standing in this issue. John Collins seconded this motion. All board members were in favor. Motion passed.

Meeting Adjourned 8:55 pm

COLINGTON HARBOUR ASSOCIATION

BOARD OF DIRECTORS MEETING

November 17, 2009

- Crime and Vandalism - October 21 to November 17, 2009: Two arrests of juveniles for B&Es of vehicles have been reported. No crime reports for Colington Harbour have been listed in the Coastland Times. A dramatic drop in B&Es occurred in the past month.

- Traffic: Speeding on Harbour View on the two limited view hills were reported to DCSO. They promised to speak to the violators to get them to slow down.

- Community Watch Volunteer Status: Two additional volunteers are pending ... making a total of 4 volunteers.