

**FINAL MINUTES
COLINGTON HARBOUR ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
APRIL 20, 2010**

Roll Call & Verification of Quorum: Melissa McAllister, John Collins, Don Brady, Stephanie Coleman, and Rikki Schuster. Present on behalf of Cape Management were Deke Bolte, Niels Moore, Cheri Pain and Sherry Martin.

Proceeding:

Meeting called to order 7:00 pm by President, Melissa McAllister. A moment of silence was observed.

Ms. McAllister requested a motion to approve the meeting agenda. A motion was duly made, seconded and unanimously approved accepting the April 20th meeting agenda as written.

Ms. McAllister requested a motion to approve the February 16, 2010, Board Meeting Minutes. Mr. Brady duly motioned, Mr. Collins seconded and discussion ensued. Ms. Schuster requested the second to last sentence in the section entitled "Vice President's Report" be stricken and replaced with "Rikki attended a Dare County Coalition of Substance Abuse meeting and reports that the organization is interested in teaming up with Colington Harbour in the future." Ms. McAllister requested correction of Ms. Coleman's name throughout the February minutes. Ms. Coleman requested a spelling correction under the section entitled "Comments from the Floor", the first comment should be attributed to Jim "Rose" instead of "Rhodes". Ms. McAllister observed several other misspellings in the minutes and motioned that they be tabled until corrected, Ms. Schuster seconded; all were in favor of tabling the February minutes.

Ms. McAllister motioned to approve the March 16, 2010, Board Meeting Minutes. Ms. Schuster seconded, discussion ensued. Mr. Moore explained that several typographical and technical errors had been corrected in the minutes. At this point, Ms. McAllister introduced Mr. Moore and Mr. Bolte from Cape Management; Mr. Moore in turn introduced Mr. Bolte, Ms. Pain, and Ms. Martin and explained their role as the Harbour's new association management team. Mr. Moore explained that the fourth comment under "Comments from the Floor" was from "Albert" Murdock, not Elmer. Mr. Moore also noted that the vote under "Comments from the President" should read "Melissa made a motion to appoint Bob Hopkins as ACC Chair. Don seconded, Stephanie abstained, and all others were in favor, thus the motion carried". A motion was made to approve the amended March 2010 minutes, Mr. Collins seconded, all were in favor, motion carried.

Report from the ACC: Mr. Hopkins reported that the Committee received nine applications since the last meeting; one for a major remodel, otherwise mostly fence requests.

Report from Crime Watch: Mr. Raveling gave the Crime Watch report. In addition to the items noted on the report (theft of a tackle box and a house party broken up by police), an owner stated that there had been a daytime breaking & entering on Soundview.

Comments from the floor: Ms. McAllister opened the floor to comments and requested owners keep comments to three minutes or less. Numerous owners spoke on a variety of topics. After all owners had an opportunity to speak, Ms. McAllister closed the floor and moved on to the monthly reports.

Manager's Report: Mr. Moore stated that Cape Management was aware of several issues with the assessment invoices that had been sent out in April – they were missing lot & section numbers, they didn't have a due date, etc. Mr. Moore explained that Association's prior manager had done the invoices before she left. The assessment invoices are due May 31st and the sooner they are paid, the better. Mr. Bolte gave the Manager's Report, attached, and thanked everyone for answering his questions and helping him settle into his new position. Mr. Collins inquired about wiring running to the pool house, which had resulted in power to the shed being disconnected. Ms. McAllister requested Mr. Bolte have a proper conduit installed and have the wiring buried.

Reports or General Comments from the President: Melissa explained a Housing Rehabilitation Assistance Grant Program available to Dare County Homeowners through The Albemarle Commission that can provide monetary assistance of up to \$40,000 each to homeowners who need to replace roofs, install more energy efficient windows and doors, or do other work to make their homes more energy efficient and more habitable. Homeowners who are interested in applying for the program may pick up information from the CHA office – eight homes in Dare County will be awarded assistance. To be eligible, one of the home's residents must be disabled or age 62 or older, there are also income limits.

Reports or General Comments from the 1st Vice President: N/A

Reports or General Comments from the 2nd Vice President: Mr. Brady stated that the new No Wake signs are in and requested help putting them in from someone with a boat. Anyone who is available to assist should contact Mr. Brady. Mr. Brady noted that new signs have also been installed at the maintenance yard. Mr. Brady also requested assistance from Maintenance to fix the men's bathroom downstairs. Mr. Brady also stated that the Board needs assistance on Saturday morning to bring in the salt for the pool. Mr. Brady requested the Board approve a donation of \$250 for the annual pig picking to be held on May 29th. Mr. Collins noted that the Board donated \$150 for last year's pig picking and stated at the Association does have the funds to make the donation this year as well. Mr. Brady motioned for a \$150 donation for the pig picking, Mr. Collins seconded, all were in favor and the motion carried.

Reports or General Comments from the Secretary: N/A

Reports or General Comments from the Treasurer: N/A

Reports or General Comments from the Board: N/A

Old Business:

- A. Draft Budget** – Mr. Collins stated that the proposed 2010/2011 budget has been approved by the Board, will be sent to all owners with the annual meeting notice in May, and will be presented to the ownership for approval at the annual meeting on June 12th.
- B. Covenants Revision** – Mr. Bolte reported that he has been trying to get an update from Mr. Wheless on the Covenant's revision; no response thus far.
- C. Long Range Planning Committee** – Mr. Collins reported that the Committee isn't ready to meet yet but will look at dredging, jetty replacement, reserve funding, etc.
- D. Restricted Swim Area** – Ms. McAllister explained that there isn't enough rope to do this; the association needs approximately 200' of buoyant rope if anyone has extra available. Ms. McAllister noted that the buoy purchase has already been approved.
- E. Paving** – Ms. McAllister stated that she has evaluated paving and the Association doesn't currently have the funds to pave all roads that are in need. Based on the Association's existing paving schedule which is kept on file in the office and going through the community to look at the roads, taking into consideration both pavement condition and drainage issues, Ms. McAllister put Rhodums at the top of the paving list. Ms. McAllister noted that Sunset, Lee, and Quork are also in bad shape. Ms. McAllister recommended Rhodums be addressed first, to include both paving and full swales. Ms. McAllister recommended Sunset also be paved with partial swales. Ms. McAllister recommended paving only for Lee and paving and minor adjustments for Quork. Ms. McAllister asked that the Board provide direction on paving prior to the annual meeting. Mr. Collins suggested obtaining pricing to address paving and swales for Rhodums and Sunset. Several owners were allowed to voice their thoughts on paving needs. Ms. McAllister assured owners that they would be notified well in advance of paving and would be given an opportunity to meet with the paving project manager and discuss potential impact to their property. Ms. McAllister agreed to obtain pricing for Rhodums, Sunset, Lee and Quork for the Board's consideration.

New Business:

- A. East Carolina Bank Account** – Mr. Collins stated that the Southern Bank account was closed and a new ECB account was opened because Cape has ability to deposit checks from their office into ECB via a check scanner.
- B. Sailing School/CYC Contract** – Mr. Collins explained that each board member received letters from three owners requesting this topic be added to the meeting agenda. The letters were read aloud and numerous owners had the opportunity to speak and ask the Board questions on this subject. Key points of discussion included:
 - a) Owners asked whether operation of the sailing school would expose the Association to liability. Ms. McAllister stated that sailing activities would not commence until the Association has been given proof of the school's insurance and a hold harmless agreement. Mr. Feltner noted that the school is also in the process of obtaining the certification required to run the sailing school.

b) Does the sailing school violate the Association's documents which forbid running a commercial business on CHA property? Mr. Feltner responded that CYC is a non-profit organization and the sailing school isn't a commercial business. The school is an introductory class and held only for the benefit of Harbour children. The children must be CHA residents but are not required to be CYC members. The school does not charge a fee but does accept donations to cover food and beverages for the children. Mr. Feltner explained that the school was accidentally posted in the newspaper as "open to the public".

c) Do the Association's documents forbid the rental of the Association's facilities to non-residents? Ms. McAllister said the Association owns the clubhouse and the attorney reviewed the Association's documents and issued a legal opinion stating that the Covenants do not forbid rental of the Association's facilities to non-residents and the decision to do so falls within the Board's scope.

e) Non-Profit Status: Could revenue-generating activities jeopardize the Association's non-profit status. Ms. McAllister clarified that non-profit status does not forbid the organization from making money and many HOA's generate significant revenue through the rental of their facilities and use those funds for maintenance and capital improvement projects. Ms. McAllister noted that last year the Association only generated \$4k from clubhouse rentals but could seemingly generate much more with proper marketing. Ms. McAllister stated that rental income could be used to fund paving or similar projects.

Comments from the floor: Ms. McAllister again opened the floor to comments and requested owners keep their comments to three minutes or less. After all owners had an opportunity to be heard, Ms. McAllister closed the floor.

Adjournment: A motion was made, seconded, and unanimously approved to adjourn the meeting at 9:05 pm.