

Minutes of the Annual Meeting of Old Nags Head Cove HOA May 27, 2023

Call to Order: by President Seth Johnson at 11:15 AM

Roll Call of Board Members in Attendance: Board members introduced themselves: Seth Johnson, President; Dave Masters, Jr., Vice President; Edwin Thomas, Secretary; Kim Ansell, Treasurer; Steve Pearce, Anna Sadler, Mary K Gay, David Carroll.

Certification of Proxies and Quorum: Notice of the meeting was sent out in early April in the Newsletter to all Members. A quorum is 10% of the membership which is 53. With registered attendance and proxies received a quorum was present.

Minutes of the May 28, 2022 ONHCA Annual Meeting: were included in the packet and posted on the website. *Moved by Steve Pearce and Seconded from the floor: To approve the minutes as submitted. Motion Carried.*

Report of Officers and Committees:

Treasurer's Report – Kim Ansell presented a comparative statement of revenues and expenses for the past fiscal year and for the 23-24 budget. There was one question on the internet/phone expense which includes a new business cell phone dedicated for the manager, a land line for the pool required by regulation and the internet feed for the Clubhouse. The Balance Sheet for the organization was also reviewed. *It was moved, seconded, and passed to accept the Treasurer's report.*

Candidates standing for Election to the Board: Seth commented that it was very positive to see 6 individuals willing to serve on the Board and stand for the 3 slots that are open. There are committee slots and other volunteer activities like social events and special projects that will need volunteers during the year. He encouraged additional participation. A brief bio of each candidate was included in the Board Packet and election proxy packets sent to members. Seth called on each of the candidates who were present to stand. The six candidates were: Amanda Williams, 206 W. Tarpon Ct.; Stephanie Powers, 4601 Blue Marlin Way; Emily Elliott 417 W. Barracuda; David Thompson, 4319 S. Hesperides Dr.; Bill Weeks, 4611 Blue Marlin Way; Jeremy Russell, 202 W. Danube St. *Seth requested that members cast ballots and turn them in to the tally committee while agenda business continued.*

New Business: After a brief break the meeting continued. Seth commented that the issue of the Bylaws being outdated and needing attention was identified 4 years ago and the Board began to review the Covenants; but Covid intervened and the Board had to manage the complexities around the pandemic. In October 2022 the Board retained legal counsel from Raleigh with expertise in community law and HOAs. During 2022 and 2023 Dave Masters, Steve Pearce, Ed Thomas, and Seth Johnson comprised a committee that worked extensively with the

attorney after a decision was made that the covenants needed to be restated and updated with current NC requirements. David Carroll was added to the committee in 2023 to help with communication to all HOA members.

Dave Masters thanked members who had responded with proxies and comments. Individuals had responded with edits for typos and details in the plat numbers listed for Old Nags Head Cove which had been carried forward from the 2001 documents. He reviewed a sheet of editorial changes that would be included when the new covenants are approved in the actual filing with Dare County. He reviewed the proxies and responses received before the meeting. He shared that if a low number of votes was received from owners between proxies and votes cast in the meeting that a motion could be made at the end of the meeting to adjourn and to extend the vote till a later date.

Dave reviewed some of the frequently asked questions raised by members in the meeting notice process. One frequent question was about the Architectural Control Committee, its intended purpose and what it would review. He reviewed that only existing homes expanding total square footage or footprint in a project with a cost of more than 25% of the assessed value of the property, and new homes would need to file with the architectural review committee. If no response from the committee within 45 days a project is deemed approved. No other projects are reviewed. It was explained that the main motivation for the review process was monitoring what Nags Head is approving and to preserve the single-family home status of ONHC. The move to build cluster homes in Wanchese was cited as an example of potential change risk in the future. Remaining with the original 1970s developer Covenants means that more onerous and detailed controls would remain in force and could potentially be applied in the future.

Another frequently asked question was: Do the restated covenants restrict rentals? Does the no commercial uses language restrict rentals. No, the language about commercial uses carries over from existing documents and does not refer to renting a property, or limiting that.

An additional question related to enforcement of covenants – many issues in the covenants are the same as Town of Nags Head and can be enforced by contact with the Town in the first instance. Homeowners Associations can have covenants that are stricter than the jurisdiction where they reside. Dave explained that the Town's enforcement would be contacted first. Then, the Board can send a notice asking for compliance and after a period of time take action to correct compliance if necessary.

After asking if there were more questions Seth declared a short recess for members to complete votes for new Board members and vote on the covenants and bylaws ballot.

After the break Seth opened the floor for any **Comments or Questions by members:**

- **Families with young children request for earlier pool hours for children.** Impression that adult swim had reduced hours for children. Response: Pool never opened until 11 AM before. The 10 AM adult swim was an addition and did not reduce hours for

children. Sizable group of residents wants a small amount of time for adult swim – staff tries to do its best for entire community. Most hours are open for families.

- **Question on burn barrels** – regulated by Town. Fire pits are legal and permit may be required for some applications. Safety is always required with red flag days.
- **Failing Bulkheads** – bulkheads are the responsibility of the lot owner. Board can send a friendly request, but no authority. Canals are controlled by CAMA – North Carolina Coastal Management Authority. Board is aware of two instances and will send letters asking for attention by lot owner.
- **Dredging of Canals** – Canals were last dredged around 2000 and recent measurements found that depths are generally the same as they were in 2000. The last time dredging the canals was undertaken it was a combination of Town, County, State, and Federal grants with a contribution from lot owners.
- **Boat ramp** – It was explained that a portion of the ramp has broken off and the repair requires a dam to be constructed to keep the area dry followed by stone base and approach to a new concrete section from the water line downward. This repair will take 4 to 6 weeks. Since the permitting process took so long the Board decided to keep the ramp open through the summer and accomplish repairs in the fall. In the meantime signs to “use at own risk” will be posted at the ramp and on Facebook. Advice will be posted to keep toward the dock when using the ramp to avoid the drop-off.
- **Unightly lots and junky vehicles** – Town of Nags Head has an ordinance that deals with removal of untagged vehicles.
- **Owners regularly having multiple visitors living in campers** – no habitation is permitted – this is an existing covenant that continues. Also, the Town has ordinances that restrict habitation and a complaint can be made to Nags Head.
- **Suggestion** – clubhouse is attractive and cannot be seen do to overgrown shrubs – **please trim the shrubs.**
- **General information** - Nags Head is proposing an increase in the tax rate. Reevaluation of property values coming in the next couple of years.

Thank you to Seth Johnson: Anna Sadler spoke for the Board and membership thanking Seth Johnson for his leadership through the pandemic and preparation to update Association Covenants and Bylaws as well as many behind the scenes communications to improve our community. *Sustained applause followed.*

Results of the Ballot for 3 Board Slots: *The 3 individuals elected were: Amanda Williams, Jeremy Russell, and David Thompson.* Seth congratulated the new board members and hoped the other candidates might serve on a committee or an upcoming special project.

David Carroll moved: “I move to adjourn the meeting and the vote on the amended and restated Declaration (Covenants), as well as the amended and restated Bylaws to Saturday

September 2nd, 2023 in the Old Nags Head Clubhouse pursuant to Robert's Rules of Orders and NCGS 47F-3-108." Motion was seconded by Steve Pearce. Motion approved.

Meeting adjourned at 12:45 PM

Total lots and votes = 521. 349 in favor (67%) required to approve Restated Covenants and Bylaws. *Annual meeting tally 267 total votes cast to date: 252 in favor; 13 against; 1 abstain; 1 against Covenants and for Bylaws. 97 additional approvals required from 254 owners who had not yet responded.*