

Minutes of the Members Meeting of Old Nags Head Cove Homeowners Association Saturday September 2nd, 2023

(Continuation of Adjourned Session and Vote on Restated Covenants of Annual Meeting May 27th)

Call to Order - the meeting was Called to Order in the Old Nags Head Cove Clubhouse at 11:05 AM by David Thompson, Vice President.

Roll Call – ONHCA Board of Directors Present: David Thompson, Kim Ansell, Anna Sadler, Jeremy Russell, David Carroll, Mary Gay, Edwin Thomas; Absent: Dave Masters, Jr., Amanda Williams.

Notice of Meeting and Quorum – Notice of the date of this meeting was in the Adjournment Motion made on May 27th which was posted on the website. The Spring Newsletter sent to Members gave additional notice. Total votes present including proxies constituted a quorum.

Approval of the Minutes of May 27th Annual Meeting – Moved by Mary Gay. Second by Dave Carroll. To Approve the Minutes. Motion Passed.

Committee Reports: David Thompson reported that the *Planning Committee* was being organized and activated. The Committee will review and recommend to the Board capital needs for ONHC community property in the near term and future, new projects and enhancements like improvements to the main entrance, as well as future community programming for social and recreational activities. Amanda Williams will chair the committee and additional volunteers are wanted. Several individuals were willing to serve and submitted their names to David.

Update Old Business Items from May 27th:

David T. thanked Dave Masters, Jr. who was out of town and could not participate in the meeting for all his efforts to create tables of all lot owners and track progress with responses from members. Dave M. assigned Board volunteers to make phone contacts. Spent hours answering people's questions and sharing information for understanding a complex subject. Dave M. arranged the email response system and recently added the DocuSign process to make responses easier for members.

David T. called on Edwin Thomas to give a progress report on responses to the Board request for approval of Restated Covenants and Bylaws.

Restated Covenants and Bylaws - Ed reviewed that the Board had identified that the legal documents for the Homeowners Association needed review and updating 4 or 5 years ago. Covid intervened and Board time was diverted to assure compliance with regulations for the association community facilities. In 2022 and 2023 the Board retained an attorney from the Jordan Price Law firm in Raleigh who specializes in community and association law in NC. At first the Board thought we were dealing with just the 2000 covenant revisions; but discovered

that the original covenants from 1970 were still in effect along with the revisions from 1998-2000. With the attorney's advice the Board made the decision to Restate the Covenants and Bylaws to clean up internal conflicts and comply with current law and regulations.

A task force of Seth Johnson, Steve Pearce, Dave Masters, and Ed Thomas worked with the Attorney for a year. After Board review and approval, we presented the Restated Documents to the membership early this Spring.

NC requires 67% of members/property owners for adoption of the documents. To achieve that high bar for approval the Board decided to use a combination of proxy votes and participants present at the Annual meeting last May to have a large enough response from all our members. It was apparent before the May 27th Annual meeting that we only had a total response for and against at that point of around 50% of owners – more time was needed for people to be able to review the documents, get questions answered, and respond. Proxies in NC are valid for 11 months. Thus, at the conclusion of the annual meeting a motion was made to adjourn the session of the Annual Meeting, and the vote on the Restated Documents and to reconvene on September 2nd at 11 AM in the Clubhouse for the continuation of the Annual meeting and the vote.

He thanked All who had responded, asked questions, and voted so far.

Ed reported for Dave Masters that - at the beginning of the September 2nd meeting that the vote to that time was: **314** in favor **16** against **10** abstentions **350** votes in favor are required for adoption *Outstanding votes not cast as of September 2nd were approximately 180 owners who had not responded.* This did not count any votes by those present at the meeting September 2nd.

Ed reported that given the status of the vote to date; that *only approximately 37 approvals out of the remaining 180 who had not responded were needed to achieve 67%.* A motion could be made to adjourn the September 2nd session as was done in May to allow people who have not responded to vote either for or against on the Restated Documents. There have been changes in ownership, addresses and emails out of date, and illness that have complicated contacting all owners.

He reviewed that some owners had scanned the documents and found typos and a phrase out of place that will be edited before the final documents are presented to the Dare County Recorder for recordation. None of these minor edits change any of the meaning or intent of the documents. He reminded the meeting that a one-page copy of the edits had been shared at the May 27th meeting.

Ed asked for questions, clarifications, and discussion about the restated Covenants and Bylaws:

Discussion followed - A question was raised about residents and pool fees for grandchildren who do not live in the members' home – the Board is aware of this issue and will review in the budget process in 2024. A question was raised if the Covenants protected property owners

from overgrown properties in bad repair that appear to be hazardous? Ed referred members to the board minutes posted on the association website. Minutes of Board meetings are always posted and list items the Board has discussed. All items mentioned at the May Annual Meeting had follow-up in the August 12 Board meeting and properties that are in deep disrepair and can present a health hazard or danger to neighbors have been discussed for action at the Board level.

Break - After the Question/Answer session David Thompson declared a 10-minute break for individuals who had not yet voted on the Restated Covenants and Bylaws.

David commented after the Break that another item following up on Old Business is the repair of the Boat Ramp which is now scheduled for mid-November and expected to take 4 to 6 weeks during which the ramp will be closed.

Comments or Questions by Members - After the Break the floor was open for any comments or concerns from members:

Failing bulkheads leading to damage to adjacent property bulkheads – what action can be taken? The Board has sent a letter notifying the lot owner of the concern and asking them to remedy the issue. Bulkheads are the responsibility of the lot owner, not the association. ONHCA does not own or control the bulkheads or the canals. A director suggested that a representative for the Town sits on the CAMA Advisory Board, and this could be an approach to see if CAMA can be involved in the issue.

A sailboat at the end of a canal that has been there for years appears derelict – what can be done? Association Manager Brenda Lowe reported that the boat was transferred to the current owner and is for sale.

Nags Head' increased tax rate, the upcoming reassessment of property values, and the Nags Head survey were discussed. Concern was voiced about the increased property tax rate followed by higher assessments. The assessment process in NC is completed with a very specific set of definitions and guidelines every assessor must follow. Assessors have guardrails that limit their decisions. There is an appeal process for assessments made in each cycle. Tax rates are set by the Town of Nags Head and Dare County – that result is a public process.

Some members had received postcards from Nags Head inviting participation in a planning survey and responded. It asked questions regarding support of higher density or taxes to fund affordable housing for workers and additional amenities in the Town. As well as current satisfaction and need for funding for additional police and fire protection. Any property owner can fill in the survey by going to the Town website. ONHCA major concern is that our neighborhood remains single family consistent with our existing and proposed restated covenants. A question from the floor was whether the Board has someone assigned to attend Town Council meetings? Various Board members have attended Board Meetings when the agenda has specific items that affect ONHC. Town council meetings are available as podcasts.

The Scope of the Architectural Review Committee includes monitoring zoning and code changes that may affect the status of ONHC Covenants. Additional volunteers are needed to staff the Architectural Review Committee.

In the general discussion clarification for what is the board's and what is a member's responsibility for covenant violations, or Nags Head ordinances, was raised? The example raised was a property that appears to be abandoned and is a danger to neighbors was used as an example. Where should an ONHC resident take a concern. A resident can always take a concern to the ONHC Board or if applicable to the appropriate Town department. Most of the time an issue relayed to the Town from the association carries the appearance of a group concern vs. an individual one. The Board has multiple options to resolve issues brought by ONHC residents.

David thanked everyone for their attendance and participation in the meeting.

Adjournment – Moved by Dave Carroll: “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 December 2nd, 2023, at 11 AM in the Old Nags Head Cove Clubhouse pursuant to Robert's rules of Orders and NCGS 47F-3-108.” Second by Missy Rotchford. Motion Approved.

All Members Meeting scheduled for December 2nd, 2023 at 11 AM ONHC Clubhouse.