

Beachwalk HOA Board Meeting Minutes – June 2014

A regular meeting of the Beachwalk Homeowners Association (“HOA”) Board of Directors was called to order at 4:05 p.m., June 11, 2014, by HOA President Pat Brennan. Board member Tom Moffitt also was present. In attendance were Beachwalk's property manager (Cindy Snead) and seven homeowners (Bill Bryan, Rick Morton, Walt Jankowski, Jim Craig, Jackie Wiebe, and Rich and Betty Hillman). With the quorum present, the Board proceeded to conduct its business.

Approval of the May 2014 Minutes.

Pat Brennan made a motion to approve minutes of the May 2014 meeting prepared by HOA Secretary Tom Moffitt. The motion was adopted.

Financial Report. The Board received the financial report made by property manager Cindy Snead. Cindy said that she made some corrections to the April financial reports to reflect money moved from certificates of deposit to the general reserve accounts. Cindy also discussed Beachwalk's water bill, which did not show any significant increase over the last six months even though the pool had been emptied and refilled recently before it was re-opened for the summer.

New Declaration and Bylaws. The newly adopted Declaration and Bylaws were recorded by the HOA attorneys in the Office of the Register for New Hanover County on June 6, 2014, and now are officially in effect. Copies will be made available to all homeowners on the Beachwalk website and by hard copy for those homeowners who do not have access to the website.

Filling Board Vacancy. Following the tally of the votes on the recently adopted new Declaration and Bylaws, Dave Duffrin resigned, and the vacancy of his Board seat now must be filled. Section 4.4 of the Bylaws provides that, when a director resigns, the vacancy on the Board must be filled by a vote of the homeowners at a special meeting held for that purpose promptly after the occurrence of the vacancy. The Board will conduct such a special meeting on August 9, 2014. In addition to the election, the Board will hold an informational meeting to bring homeowners up to date about developments relating to repair of the stormwater management system. Details about this aspect of the special meeting are set forth later in these minutes.

Kure Beach/Kure Dunes Issue. Cindy reported that HOA attorneys have attempted to contact Michael Davenport (Kure Dunes HOA President and also attorney of record for that HOA) to follow up on developments relating to the Town of Kure Beach's plan to sell the undeveloped lots the town owns that adjoin the line of Beachwalk lots closest to Kure Dunes. So far, there has been no progress made on this issue.

Maintenance Committee. There have been numerous actions taken regarding maintenance in Beachwalk.

1. South Pond Fountain: The worn-out electrical outlet for the pump has been replaced. However, the pump still only works intermittently. Jim Craig explained that the wire from the pump to the outlet is too long (400 feet instead of 150 feet) and too small in gauge handle the electrical load. This causes the wire to overheat and trips the breaker. The solution is to return the pump (which is under warranty) and to get the appropriate pump with the proper wiring.
2. Swimming Pool: Light bulbs and seals in and outside the pool are being repaired. This project is not complete because some parts are on order.
3. Beachwalk Entrance Lights: Ordering replacements for broken lights on the Beachwalk entrance is pending.
4. Pool Cabana Windows: Three new windows have been installed in the pool cabana.
5. Fence Repairs: The first three sections of the broken fence outside the clubhouse have been replaced and loose boards on the remaining portions of the fence are going to be re-attached.
6. Sidewalk: The concrete for the sidewalk leading to the rear door of the clubhouse has been poured and is drying.
7. Air Conditioning Unit: The new air conditioning unit for the clubhouse has been purchased and installed. The total bill was \$4,260 (The unit cost \$4,200 and necessary new wiring and circuit breakers cost \$60). Beachwalk was offered an annual service agreement for \$189, which includes routine maintenance in the Spring and Fall. The service contract offer was referred to the Maintenance Committee for review and recommendations for action.

Landscape Committee. There have been numerous homeowner complaints about the way the landscaping company is maintaining the lawns and landscaping in Beachwalk. Pat scheduled a meeting with the members of the

Landscaping Committee after the Board meeting to discuss improvements in the way the complaints will be addressed. In addition, the Landscaping Committee was asked to research and make recommendations by the October annual meeting concerning the Charter Cable box located on Beachwalk property.

Rewrite Committee Report. As noted earlier in these minutes, the proposed new Declaration and Bylaws were approved, have been recorded and now are in effect. The Board has requested guidance from the Rewrite Committee in making the transition from the former to the present Declaration and Bylaws.

Architectural Review Committee. The Board discussed the protocol for handling architectural review requests. The initial point of contact will be the chairman of the Architectural Review Committee, Bill Bryan. Cindy will forward the requests to Bill after she receives them. The chairman will communicate directly with the homeowner to ensure that he has a clear understanding of the request. He then will relay the request to the other members of the Committee (now Mike Gentile and Jackie Wiebe), and the Committee will review, investigate and make a recommendation to the Board for decision. The chairman will attend Board meetings and report on the Committee's work and progress on pending requests.

Bill Bryan reported that two architectural review requests are pending. One is a request relating to expansion of a deck at 325 Settlers Lane (George Schierle/Hermine Trauner), and the other is a request for installation of a hand railing at 518 Shell Drive (Valeta Schneider).

Stormwater Committee. Jim Craig submitted a written report on the activity of the Stormwater Committee. A copy of the report is attached to these minutes. He also made an oral report and answered questions. Jim said that the Committee is working with the HOA's professional engineer, Larry Sneed, P.E., on a conceptual work plan to be submitted to the Department of Environment and Natural Resources (DENR) by the July 1, 2014 deadline. He explained that Sneed had been selected to do the repair project in order to assure that after all the repairs are made Sneed could certify to the State that Beachwalk's stormwater management system is in compliance with all State requirements in order to get re-certified by the 2018 deadline. He believed that the conceptual plan due by July 1st could be set forth in a short 1-2 page letter.

Jim said that the Stormwater Committee is proposing a repair plan that will be cost effective and meet the goals of repairing the stormwater system and satisfying State permit requirements without the need for a special assessment, if possible. Presently there is about \$95,000 in the stormwater reserve that should be able to pay for the highest priority repairs, and there is sufficient money in other reserves to cover other necessary maintenance repairs. Jim said that Sneed would like to commence repairs in the Fall (at some point after the October annual meeting).

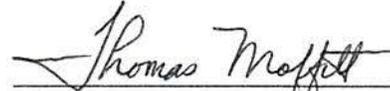
Jim also said that there are some no cost measures that should be taken now to limit erosion of the pond edges, such as leaving a vegetative buffer along the water's edge. Currently, the landscaping company is cutting the grass at the pond edges too low, in essence "scalping" the banks which is contributing to erosion. Jim recommended directing the landscapers to leave a buffer zone around the pond edges where the grass is left 4-6 inches high in order to eliminate erosional edges.

Finally, Jim said there are some areas that need immediate routine maintenance work now. One such area is behind the dam on the south pond in the ditch that carries water from Beachwalk to the town's drainage pipe. The eroded soil there has clogged the ditch. Water flow is blocked and cannot flow properly. A second problem area is in the ditch between the two ponds where there also are significant blockages. Jim has requested an estimate to clear the blockages from Value Added Construction Company – a company that currently is doing a lot of maintenance work for Beachwalk. [Addendum: after the meeting, Value Added submitted an estimate of \$1,440 to do the work.]

The Board members expressed their desire to work with the Committee and Sneed in the preparation of the conceptual plan to be submitted to DENR. The Board also intends to furnish copies of the submitted plan to Beachwalk homeowners to keep them informed. It is the Board members' position that the process of repairing the stormwater management system must be transparent. Homeowners must be informed about what we are planning to do; why we plan to do it; and how much it will cost. We also want homeowners input. To that end, the Board will schedule an informational meeting to be held on August 9, 2014, to address those concerns and get homeowners' input. This will be done in conjunction with the election of a replacement to fill the vacancy left by Dave Duffrin's resignation from the Board.

Adjournment and Scheduling of Next Meeting. Having concluded its business, the meeting was adjourned at 5:50 pm. The next Board meeting is scheduled for 4:00 pm on July 9, 2014.

This is the 9th day of July, 2014.


Thomas Moffitt, Secretary

Approved: 

Attachment

Update Report from Stormwater Committee (June 8, 2014)

Discussions have resumed regarding Beachwalk's plan for permit renewal of our stormwater system. It is important to recognize that our system is required by the North Carolina Department of Environment and Natural Resources (DENR) who will monitor all parts of the system, including the North and South retention ponds and connecting drainage ditches. The Beachwalk HOA is responsible for maintenance of the entire stormwater system and could face fines from the State if all of the system's components do not comply with conditions of the permit. Currently the system is out of compliance and DENR expects a conceptual work plan from Beachwalk by July 1.

Over the past several years, the Stormwater Committee have gathered information from special engineering studies and discussed the design and operation of our stormwater system with experts in the field of retention ponds. The Committee has selected an engineer (Mr. Larry Sneed of Coastal Stormwater Services, Inc.) to represent the Beachwalk HOA in negotiations with DENR and proceed with engineering plans for the projects leading to permit renewal.

At the present time, the details for the work on our stormwater system are not finalized but we can supply some general information for Beachwalk property owners.

1. The work will be conducted in different areas of Beachwalk according to a priority of importance, logistics and cost effectiveness. The high priority projects could start this Fall.

2. Construction activities will mostly occur on HOA property within the retention ponds and along easements on private property where drainage ditches and access strips are located.

3. The funds to cover the high-priority projects are largely available now in the Stormwater Reserve Fund (approximately \$95,000) that was collected over time from property owners for the specific purpose of maintaining the system with DENR oversight. Additional work may require funds from the Beachwalk Maintenance Fund. We are planning these projects so that no special assessments will be necessary from individual property owners.

While planning continues for permit renewal, the HOA would appreciate everyone's cooperation regarding lawn maintenance. Problems of bank erosion were identified by DENR a few months ago, and Beachwalk HOA hired a contractor to install temporary "wattles" to stabilize erosion in some areas. Although not entirely responsible for erosion and slumping problems, close-cutting lawns does not support a healthy vegetative cover with thick underlying turf that is more resistant to erosion. We have requested that the landscapers allow grass to grow somewhat taller (perhaps 6") as a buffer around the pond edges and along slopes bordering the drainage ditches. We ask that homeowners not contradict the HOA's guidance and make different requests to the landscaping company. This simple change in landscaping work is a very cost effective way to mitigate the erosion problems until more permanent solutions are completed.

Jim Craig – Chairman of the Stormwater Committee