

QG Recreation BOD Meeting 2/22/19

Quorum Established:

In-Person: Kristine Perry, Billy Sutton, Bonnie Moore, Kim Quinn, Sylvia Jurgensen

On- Phone: Ron Brown and Victor Santoro

Additional Attendees: Gary Ange, Jim Hepner (HOA President), and Ash Creech (Carolina Swim)

Meeting Minutes from 2-8-19 approved and posted to web site

1. Pool: Ron Brown invited Ash Creech (Carolina Swim) to attend the meeting to review pool status:
2. Carolina Swim Pool Overview:
 - In January, Carolina Swim submitted specifications for proposal. It is ~ 53K plaster, before full estimate and ~ 60K estimate for membrane. Since then, Carolina Swim has drained and removed the PVC membrane which revealed the entire history of the pool. Originally it was a concrete pool with a painted finish. At some point and time instead of painting the pool, it was plastered with paint left attached a poor bond applied. Because of the paint left behind and a poor bond the plaster probably delaminated and popped off wall. It is apparent that a 2nd layer of plaster was applied. The layer did not have the proper bond and created even more of an issue as the plaster continued to delaminate. Floor was then replaced with a PVC membrane. What do we do now?
 - Recommendation: 100% opinion to plaster (Ash, Ron and Victor). Preparation is the same regardless of plaster and paint so minimal difference in cost. Regardless of finish (membrane or plaster), we must go all the way back to original concrete. The cost difference is really in the prep work as to repair it correctly, Hydro demolition is required. Hydro demolition will strip plaster and paint back to concrete and remove the area where tile needs to be replaced. Prep adds ~9K....turnkey with plaster ~62,500. This estimate doesn't include re-filling of water. Additional details included in the estimate such as prep work and crack repair. Timing: 5 days prep, immediately be able to tile and replacement of fittings, etc. Hydro demo to plaster 3-4 weeks. Caroline Swim will need 15-16K upfront to cover Hydro demolition.
 - Hot Tub options, Carolina Swim recommends we fill it in or replace it as it is not properly functioning and has a drain line that was previously filled with concrete so it does not function properly. Some feel it is a rental asset and should be maintained.
 - *ACTION: Send a simple paragraph to Premiere requesting community opinion on Hot tub given we spent ~10K in previous year replacing pumps. Use Queens Grant email from Kristine.*
 - Pool Equipment: Need to receive an estimate for two options, Carolina Swim is preparing.
 - Sole Source justification not needed as there is only one company that can perform the Hydro demolition and plaster.
 - *ACTION: Need to amend pool storm damage claim on insurance when quote is received*
 - ***MOTION: We accept the bid from Ash Creech of Carolina Swim for pool repairs, by Billy Sutton, 2nd Sylvia Jergusen, all in favor, none opposed.***
3. Annual Meeting Agenda:
 - Special Assessment Update
 - WWTP, by-laws, amend covenants
 - Proposed changes to fiscal year to calendar year. That would mean we propose a 7 month budget followed by an annual budget for 2020 in November 2019. The board also needs to consider also changing the by-laws to have election of officers align with the calendar year.
 - Election of Officers, Bonnie Moore and Victor Santoro seats are up for re-election. The board needs to confirm if anyone other board seats are up for re-election.
 - Food and Entertainment Options: Covered Dish – Pig Pickin', BYOB, Live Music
4. WWTP
 - The WWTP Permit needs to be renewed (before March 2020). Permit is still in R&Q name but R&Q can not renew it because it does not own the common property where the WWTP is built on nor does R&Q operate any facet of the WWTP. All common grounds are owned by the Rec Association. This will require a Declaration(s) change which was previously proposed but did not pass the first-time support was requested. An affirmative vote of 67% of all members is required. State can step in and force the association to accept the permit, levy fines and in worst case

shut down the plant. Charles Meier (Rec Lawyer) working with Sam Potter (R&Q Lawyer) on the by-law and covenant changes.

5. Special Assessment

- Inquiries on H06 policy: Letter requested to separate storm damage versus pre-existing damage requested.
- Board has requested legal advice on penalty language on the assessment invoice.
- Draft invoice has been sent to board for review, comments submitted for consideration.
- Miller & Co. is set up to handle the special assessment. Checking account is set up via First Citizen. Authority is three signees on this account, Kristine Perry, Kim Quinn and Bonnie Moore.
- Board agreed to not increase Theft insurance value as coverage is up to 1M and at no point and time do we expect to have more than 1M due to the timing of the assessment payments.

6. Clubhouse:

- Three contractors interested. In addition, Greenhill is interested in clubhouse repairs. So there could be 4 bids.
- All bids requested by March 1st
- Need to ensure the number of bathrooms match the capacity.
- Two evaluations of the HVAC complete, both evaluations completed match.
- Need to have an electrical and plumbing evaluation.
- Need to be keenly aware of what equipment is tied to the WWTP before any demo starts.
- Gary to call Pender County Health Dept to inquire on # of bathrooms based on capacity and if a porta john would suffice for opening.
 - Moving forward assuming two stalls in each bathroom should suffice.
 - Pender County has confirmed a Temporary Bathroom can be utilized, see email attached with further details and requirements by the Town.

7. Premiere Contract Termination:

- Premiere has issued the Rec Association a 60-day termination letter effective April 30th.
- SHORT TERM SOLUTION: James Mathis, Wallace based, former Price Water House experience. James has presented a short-term proposal (until Dec 2019), \$1,500 transition fee, \$600 per month fee, \$80/hour rate for additional services, does not include filing taxes, special assessment or management service other than accounting. James will present to the board during the March 8th meeting.

8. Budget Review:

- Reviewed 12-month draft budget in detail. Draft #2 will be sent to REC BOD by 3/5/19 for review.
- Need a 7-month budget to review as well in case the fiscal year is changed.

9. Assessment Management Oversight

- Kim Quinn excused himself from the meeting. Kim will not be a part of this discussion or vote.
- Board proposed we reimburse KMQ, Inc. \$2,000.00 per month to offset expenses incurred by Gary Ange, employee of KMQ, Inc. managing the Assessment. By-Laws support this decision regarding reimbursement of its board members for services rendered. Gary will report to the board in regard to all Assessment projects. Gary has intimate knowledge of the community, pre-storm conditions, storm damage, insurance claims and estimates for repairs in many areas. He understands the desires of the community, the impact to the owners due to timing and the need to be up and running prior to the season (if possible) with the critical areas. Gary would continue to help the board gather estimates, oversee projects once the board approves a vendor, serve as eyes and ears on the ground in Queen's Grant and provide project status updates to the board.
- Board to reconvene no later than Feb 28th to continue discussions around Assessment Management Oversight.

Motion to close meeting by Bonnie Moore, 2nd by Sylvia Jurgenson, all in favor, none opposed.

From: Alexandra F. Perillo [mailto:aperillo@pendercountync.gov]
Sent: Friday, March 01, 2019 12:01 PM
To: Gary Ange
Subject: Queens Grant Question

Gary,

After discussion internally regarding the use of temporary bathrooms at the Queens Grant Public Swimming Pool and Spa, it has been decided that you are approved to use temporary self-contained restrooms that have hand washing capabilities. The use of standard port-o-johns is not approved as they do not provide the necessary sanitation requirements. This is a one-time approval due to the circumstances. Please keep the Pender County Health Department informed of the timeframe of repairs to the clubhouse and the pool.

Thank you! Have a wonderful weekend and please let me know if there is anything else I can help you with.

Best Regards,

"Lexi"

Alexandra F. Perillo

Environmental Health Specialist

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