

Informational Meeting  
Saturday October 17, 2020

Board Members Present: Kim Quinn, Kristine Perry, Jim Hepner and Ron Brown  
Board Members on Zoom: Sallie Dickinson, Victor Santoro and Jim McGee

There were approximately 25 homeowners on site with another 50 homeowners attending via Zoom. Mr. William Sutton served as Sergeant at Arms.

The meeting started at 10:00 am with President Kim Quinn reading a letter with his opening remarks. Mr. Quinn reiterated that this was not a Business meeting and no voting would take place today. Current Bylaws do not allow the Queens Grant Recreation Association to conduct business via electronic meetings. All ballots were mailed out and had to be returned by October 30, 2020. All information found in the packet was reviewed by the Board in the September meeting and then again 2 weeks prior to the packets being sent to all homeowners. Susan Griffin was instructed to remove the option of a parking lot being created between Buildings D&E from the community enhancements list before the packet was sent to homeowners. Bylaws do not require the Board to vote on items that are submitted to the Membership for a vote. Nor do the Bylaws require the Board to follow Roberts Rules of Orders unless it is a Business meeting which today is not. Homeowners have in the past asked that they have the ability to vote on individual items vs. a package of items. This packet addresses that concern and allows each item be voted on separately. All items on the agenda came from homeowners requesting the changes. One change that is included but not to be voted on is the item of boat trailer parking on the WWTP Repair Area. The language from Vince Dodge, Pender County Health Department Supervisor of Environmental Health advised us to not park, drive or store boats on the WWTP repair area. He went further and suggested the area be roped off in accordance with State Regulations. We are permitted for surface and subsurface irrigation. Our volume in the past has not required us to use the surface irrigation systems. We have had a couple of days this summer when we needed to use the surface irrigations system. Parking on this area would put us in non-compliance of our State Permit.

The proposed quarterly dues for the 2021 QGRA Budget are not changing. We did adjust some of the balances in different categories but there will be no dues increase. There is not a reserve study included in the 2021 budget nor are there any funds directed towards the reserve account. If the amenity fee passes the funds would be deposited into the reserve account. Once the fee passes, we should form a committee to determine how to use the funds. The committee should be made up of renters and non-renters.

Currently all enhancement items were presented to be voted on an individual basis. Have approximately 685 feet of day dock space. This would allow 27 boats to be docked if no boat was over 25' in length. The community docks are for everyone in the community. The Marina and QGRA jointly own a Major CAMA permit that will expire in 2025. That allows for dock space as described in the packet to be extended to the shell fish area which is determined by NCDEQ.

The Capital Assessment that was passed in January 2019. We have complete file and records for all purchases related to that assessment. If you have any questions regarding this please schedule a time with Susan and Gary to come to the clubhouse and review all of the documents. The pool went over budget due to unforeseen items. Sod went over due to additional repair from the bulk head install. Our reserve estimate was \$200K and it was stipulated that this money would be used for any overages or unforeseen expenses with this project. All estimates that were given were just that estimates. What was

QG like three years ago? What is QG like today? What QG is experiencing is growing pains. We are one of the communities that can provide beach access and Intercoastal Waterway access. The issues presented need to be addressed sooner rather than later. QG is a combination of older Ocean front condominiums, newer Sound Side duplexes and multi-family homes along with newer single-family homes. No doubt people want to be here at Queens Grant. Topsail has been discovered and QG has a favorable reputation. Every owner has the opportunity to vote yes or no on all items. If you vote no please provide constructive comments on the comment section to help guide the Board in future decisions.

Susan Griffin asked if the meeting could go off the agenda to allow Darrell Covington to address any WWTP concerns the homeowners had and to give an update of current condition of the plant. At that point Dan Turner asked to speak, he wants to know what the meeting is? The packet is listed as annual packet. The current Bylaws states that there should be a roll call and read the last year's meeting minutes. Mr. Quinn stated that this is extraordinary times and that it is a first for all of us. Charles Meier, attorney for QGRA, per the current orders of Gov. Cooper would not allow an annual meeting in the manner prescribed in the Bylaws and Statutes that require there be a meeting of a non-profit corporation once a year. Since there are more than 25 members of the QGRA it is not possible to hold an annual meeting in the clubhouse. The Governor has entered multiple executive orders which trumps some of the provisions of the statutes and our Bylaws. An Association could have the annual meeting virtually by Zoom but no voting can take place. There is no authority to have our meeting on Zoom without Gov. Coopers executive order. Therefore, we can have this meeting and there is no reason for a roll call or reading of last meetings minutes. There is no need for a quorum because there is no voting taking place today. The quorum will be determined by the number of ballots returned. Mr. Meier reiterated that there can be no voting taking place during the informational meeting. We satisfy the requirement that the HOA meet once a year. Homeowners can express their opinion as to the items that are up for vote. Mr. Turner then stated that since the meeting was called an annual meeting, a roll call or reading of last year's meeting minutes or proof of notice should be done. Mr. Meier said there is no reason that the minutes can't be read but he does not feel that is necessary. Mr. Quinn said that since this is an informational meeting the Board did not realize that this would be a point of interest for the homeowners.

Mr. Quinn then introduced Mr. Sutton who will be acting as Sgt. Of Arms during the meeting. Long time resident of QG, he has served on both the Sound Side and Rec Association BOD. His day job is District Court Judge which is why he has asked to be moderator. He states that keeping order in the court room with a Bailiff. He asked for all residents to self-regulate and be considerate of others during the meeting. Please do not bust out with comments please wait to be recognized before speaking.

Mr. McLean asked about electronic voting? Mr. Meier said that email of ballots is acceptable as well as text a picture of the ballots and send to Susan Griffin.

Susan Griffin then addressed the list of items that had been replaced and or repaired in WWTP that has cause the plant to be over budget. (Please see attached list). We recently replaced the radiator on the generator two weeks ago with no interruption of service to homeowners. Ms. Vause asked what are the overages YTD, which is \$13K. The point was made that the parts that are being replaced will extend the life of the Plant. Ms. Vause then asked are we doing the proper maintenance to ensure the longevity of the Plant. Darrel addressed this by stating that they have been working on issues since taking over the contract. He feels we have turned the corner and moving in the right direction. Any problems that have risen the QGRA has been quick to provide the parts and or money to make the repairs or replacements.

Ms. Vause stressed that this should be the #1 in our budget. Darrel talked about the life expectancy of different parts and stressed that the new system we are installing will help with the process of identifying problems before they become problems. He also feels we are taking adequate steps to provide proper maintenance. Mr. Quinn asked if it was fair to ask that if they were still trying to repair items that have been broken for quite a while and have not been addressed. Darrel said he has been here since November and not much has broken since then but they have been addressing old issues that had not been corrected in the past. Darrel said the new system that will be installed in November will make maintenance much easier. Mr. Quinn reminded that the current system was installed in 2008. Mr. Quinn was told that the previous plant was never maintained properly and if that had been done that plant would have been operational for a longer period of time. We find ourselves at that point now with this current plant and that we need to invest in the plant to extend the life span. Darrell agreed with Mr. Quinn. Mr. Adams stated the Bill Fox was staying with him during the work that has been going on and Mr. Fox said that QG is lucky to have Darrel on staff and he thinks we are lucky to have him. Mr. Hepner asked if we could move on from WWTP. Jeremy Lemaire asked if we have enough spare parts for the Plant. Do we have the spare parts needed and what was on site in November? Darrell said we have an adequate amount of spare parts. The Plant is not climate controlled so we do not need to store a lot of spare parts on site. Mrs. Ruby Bullard stated that the declarations amendment passed in May 2019 state that the disposal system has the highest priority other than taxes. She suggested that there should be a fund for WWTP maintenance and emergencies per the Declaration Amendment of May 2019. Mr. Ray McDonald asked about CAMA permits and Mr. Quinn stated that they were not WWTP. Mrs. Fuentes agree with Mrs. Bullard and wants to know where we stand. Mr. Quinn said we are early in the process and there is a reserve account of approximately \$135K with additional insurance money coming in. Mr. Scott Catapano stated that we had reserves that were used and diminished after Florence and we had reserves estimated to be at \$200K but that amount is currently at \$135K. He stressed that the priority of the community should be to build reserves for the WWTP before any community enhancements are voted in. Mr. Quinn responded that is one of the big reasons for passing the amenity fee so we can build reserves. Mr. Sutton stated that we were off track and asked for any more questions regarding WWTP.

Gary Ange addressed the Capital Assessment review. The packet is detailed for the capital assessment that shows where the \$1.56M was spent. The information includes where we went over and why we did. Landscaping and Sod for Building 8 at \$46,152 should be \$3K less due to not reinstalling the brick pavers behind Building 8. Susan and Gary are happy to meet with individuals to go over all of the documentation if there are questions. Mr. Quinn stated that we currently have \$135K in reserve with an approximate of \$15K coming from insurance. However, with Board approval we have spent \$23K for the new riser system for WWTP. The reserve account was also there to pay for overages for the Capital Assessment. Mr. Catapano stated that \$135K plus the insurance company plus what has been spent gets us closer back to the \$135K. Mrs. Bonnie Moore stated that she helped with the assessment estimates. Originally the estimate for the pool was \$9,500 but that did not include the torn liner that was not visible. Has the insurance company been contacted regarding the additional repairs for the pool been addressed to see if it could be reimbursed? Mr. Ange stated that he did not contact the insurance company. Mrs. Moore asked if we have passed the window of trying to recoup any funds from the insurance. Mrs. Moore then asked the Board to take up the task of asking the insurance company if we could recoup any additional funds for the pool repairs. Mrs. Vause took a moment to thank Bonnie Moore and Sylvia Jurgensen for coming in under budget to rebuild the clubhouse.

James Matthis reviewed the 2020 financials YTD. The packet included YTD through August but YTD through September is on line. Mr. Matthis said our budget was based on expenses of the prior year. The biggest issues are WWTP is over by \$13K mainly due to sludge removal of \$9K that was unbudgeted. The

remaining overage was maintenance issues that have come up. The 2021 budget is based on expenses from 2020 budget. Mr. Quinn asked if Mr. Matthis could predict where we would end up at the end of the year. Mr. Matthis stated that between now and the end of the year our expenses should be under budget. There are several items that we have improved upon by researching new vendors and getting better pricing. Mr. McLean asked is a reserve study would be beneficial for the Rec Association. Mr. Matthis agreed that a reserve study would be beneficial. He stated that the Board has been looking to have one performed but the timing was not correct due to the heavy assessments of the past few years. Mr. McLean asked the Board to consider ordering a reserve study as soon as possible. Mr. Quinn stated that the Board would consider a reserve study in 2021. Mr. Lemaire asked Mr. Matthis that he stated we should be underbudget through the end of the year even though we are overbudget at the time? Mr. Matthis stated that we will not be under budget for the year but the next three months we will be under budget. The winter months are more consistent so the normal monthly costs we are under budget on. Yes, the first 9 months we will be over budget but that is mainly due to WWTP expenses. Mrs. Moore asked if the budget was actually voted on and approved by the Board. Susan Griffin stated that the Board was presented the budget and that it was discussed and the Board agreed on the budget. Mrs. Moore stated that according to her experience that the budget should have been properly voted on by the Board before being presented to the community. Susan Griffin stated that it is not required for the Board to vote on items before they are presented to the community to vote on. Mrs. Moore expressed concerns over the budget not being formally voted and approved. Mrs. Bullard then asked Charles Meier under the Planned Community Act unless specifically expressed otherwise Board meetings have to be conducted by Roberts Rules of Order? Mr. Meier stated that only certain provisions of the Planned Community Act apply to QGRA because it was formed prior January 1, 1999. He asked Mrs. Bullard if her question was whether the Board had to officially vote and approve the budget before it was sent out. Mrs. Bullard stated that was not her question and then quoted the statute regardless of when the community was established and even those established before January 1, 1999 it lists 3-108C Meetings of the association and the executive Board shall be conducted by the most recent edition of Roberts Rules of Order. Unless the Declaration specifically states to the contrary. Our Declaration does not state to the contrary so should the Board be following Roberts Rules of Order? The applicability section is 1-102C the Roberts Rules of Order section is 3-108C. Mr. Quinn stated that he had another attorney research this matter and the attorney stated it is also questionable as to whether the Board is obligated to follow Roberts Rules of Order. The Planned Community Act states that unless the Bylaws state otherwise, Roberts Rules of Order should be followed for Directors meetings, however our Bylaws specifically require Roberts Rules of Order for our member meetings but does not specify for our Directors meetings. In conclusion there is no problem with the ballots or the members votes by ballots under the declarations by the required percentages. Mr. Meier stated that is a completely different question. The balloting is proper as far as the ballots being sent in lieu of members voting at this meeting. The question Mrs. Bullard asked is regarding Roberts Rules of Order, I would recommend that the Board meeting follow them. Mr. Quinn stated that it is recommended but not required. Mrs. Bullard then stated that by our Bylaws any amendment to the Bylaws must be approved by a majority of the Directors which should be done by Roberts Rule of Orders. The Bylaws that are on the ballot represent an incredible shift of power away from the membership to the Board and cuts down so that fewer people will be deciding the assessments and the fate of QG. The Bylaws allows the Board the right to liquidate a reserve fund for any purpose. It reduces the quorum repeatedly and taking away the power from the people and giving it to the Board members. This is not consistent with how QG was established and how we rely on running the place. Most of us are here for long term and Mr. Quinn you stated that you would be gone in a year. We need to vote for items that will be beneficial for the long term not necessarily for the short term. Mr. Quinn stated that is why it is brought to the membership to vote. If the Bylaws are voted down that is fine. Mr. Meier created the Bylaws and the only items that was asked

to be included was that the Sound Side and Ocean Side HOA Presidents have a seat on the Board and that the QGRA should be able to hold meetings electronically. Mr. Meier was asked to update the Bylaws and said that it would be cheaper to rewrite the Bylaws completely and get the Bylaws updated to the current language. He made the Bylaws consistent with current statutes. He tailored the Bylaws to fit the Declaration and Articles of Incorporation currently in place. He was not given any instruction as to how to construct the Bylaws. Mr. Quinn stated that if you don't like the Bylaws as they are vote NO and then give recommendations as to how the Bylaws should read. Mr. Hepner stated that the Ocean Side always follows Roberts Rule of Orders and that the QGRA does not follow Roberts Rules of Orders. The entire packet has not been approved officially by the QGRA Board. Ms. Vause stated that there is an expectation that anything that is presented to the Community should be approved by the Board. She recommended that committees be formed to review certain items before they are presented to the community. Mr. Shields who is on the Ocean Side Board stated that all meetings follow a certain procedure, someone makes a motion and then seconded and then a vote was taken. In the documents given to the community states that the community has the expectation of fair government. The statement of Updating Bylaws is false we are actually replacing Bylaws. The only fair remedy is to not vote on this packet and come together in the Spring and vote at that time. Mr. Quinn stated that was a fair statement from Mr. Shields and that he has the opportunity to vote NO on all items. Mrs. Fuentes stated there should be no vote because the items were not approved as they should be, there is nothing to vote on. We elect a Board for a reason, the Board is to represent all of us and do their due diligence to agree on what they present to the community is what needs to be done. This allows us that look at our Board members and respect what they have done. Mr. Quinn stated that was her opinion and Mrs. Fuentes stated that is a fact. There was no opposition except from Mr. Hepner and when he raised opposition the matter was discussed voted on and then removed from the packet. He had the opportunity to bring up any item that he was not comfortable with at the meeting. Mr. Blagiandro stated that he has read the minutes of the last couple of meetings and there is no record of motion, second and vote. The new Bylaws state that going forward Roberts Rules of Orders will be followed. This is done so that homeowners are properly represented in the Board meeting. If this process is not followed then the meetings are illegitimate and this meeting today is illegitimate. Mr. Meier stated whether Roberts Rules of Order apply or not the NC Non-Profit Corporation applies. The Bylaws states after 1983 the budget must be adopted by the Board before being presented to the community. Many Associations operate informally and some operate formally the packet presented to you should have been approved by the Board whether formally or informally. If it has not been approved then it can be approved after the fact which is often times done. Whether Roberts Rules of Orders apply or not I assume the items submitted were discussed and approved by the Board. Mr. Quinn stated in his opinion the Board approved in an informal matter the only Board Member that had opposition was Mr. Hepner. All other Board Members approved the packet. Mr. Hepner stated that the question was not directly asked to all Board Members. I suggest that we follow Roberts Rule of Orders and I was taken off guard by having to remove something from the packet. We are in a state of confusion and this is not the time to ask the community to make drastic changes to the community. Mr. Quinn stated that everyone has the opportunity to vote NO to items that they do not agree with. Mr. Meier then gave the example of the Amenity Fee which is an amendment to the Declarations. This will take a Super Majority of 2/3 homeowners voting to approve. The persons who raise the questions in regards to the items in the ballot packet being approved by the Board the answer is yes. Whether it was done formally or informally is up to the Board. The community has the opportunity to accept or deny each item that is up for vote. Mr. Hepner stated that the Bylaws were never discussed in a meeting. Mrs. Sallie Dickinson stated that she appreciates everyone's opinion. It is coming across that the Board do not discuss items. The packets that were sent out were received by the Board weeks in advance. At that point individual Board members could have said yes or no to any item included. We didn't then there was a meeting where we

discussed the packet again. I think I recall us voting on everything I sit on two Boards so I could be mistaken. I do know that this information was discussed ad nauseum and it was not a light decision. I urge everyone to become involved because it takes a lot of time and effort. I do want everyone to know that we take these items seriously and have the best interest of the community at heart. If everyone wants us to take an official vote on the budget, then can be done after this meeting. Mr. Santoro stated that there were informal discussions and I thought that was the direction of the meeting. There were items I agreed with and items that I didn't agree with and items I felt everybody will need to discuss. After hearing the opening statements of this meeting everyone was questioning how these items were handled. I think it was Ted Shields that recommended we reconvene in the Spring to discuss all of this. I think we should hold the vote and that my vote will reflect what I am hearing from the membership. I will probably vote NO and look to reconvene in the Spring. That way everyone can feel like they have had a part in it. The Board met to looking out for both the Ocean and Sound Side. There were items that were liked by different people at different times. There were times that we would agree to disagree and let it end up in the hands of the owners and let them make the decision. I believe that there is tremendous transparency by the Board by reaching out to people and getting their opinion. I believe Ruby Bullard mentioned that she doesn't feel what has been going on gives the members proper representation and by no means is that the case. I would like the members to feel that they have all the power to make the decisions here. I have always urged the Board to push for transparency whether it is Meeting Minutes or invite people to attend the Board meetings unless there are sensitive matters to discuss. If this is the way it goes then vote NO and we can revisit in the Spring. When discussing the Budget, it got to the point that there was no increase in the dues I was happy and let it go. It has never been the intent of the Board to power play or limit homeowners' input. Mrs. Moore stated that she appreciated the time the Board's efforts because it is a thankless job. She doesn't think the comments made today are calling into questions whether the items were discussed, but what concerns her is the fact that some items have been formally accepted and some items have not been. The confusion is what is the difference in those items? The meeting minutes in August. The minutes clearly state there was a discussion around putting a parking lot on the Ocean side between buildings D&E. There was a motion, seconded and formal vote. In September in the meeting minutes the item came up again and the motion seconded and formal vote for the item to be removed from the packet. The confusion is that some items have been handled very formally and other items have not. The concern is how to differentiate what is handled formally and what is handled not formally? It is my opinion that this community needs transparency and it has been an issue for some time. I made the effort when I served on the Board that all items discussed were appropriately documented before they were presented to the community. The purpose of the Board is to be the voice of the community. Mrs. Sylvia Jurgensen asked why there was a difference on how items were voted on. Mr. Quinn responded that he did not have a good answer as to why. I am ultimately responsible and in the last year I have had some opportunities along with medical challenges and I checked out for about 9 months. Queens Grant was not a concern for me and I put it on coast. The Board had several meetings without me and Susan Griffin stepped in and ran the meetings in my absence. I felt she did a good job in my absence and when I became involved again, I saw that the meetings were going well so I did not insert myself to have more formal meetings in order to not upset the apple cart. That's my mistake and I will take that and own it. In the future we will try and do better, I think we can do better and we have done better. We have been very transparent in my opinion. From a formality aspect we are not as formal as we should be but from a human aspect, we are very human.

Mr. Ron Brown has been on the QGRA Board for several years. He stated that we as a group on the Rec Board would never try to put anything over on the homeowners. The parking lot was taken off the agenda there are some other items that I don't agree with but it was decided to let them stay. To my

knowledge there was not a formal vote to put the items in front of the community but all items were approved by going around the room and asking. Mr. Catapano stated that there was a meeting in September which the video was released. Mr. Catapano stated that Mr. Hepner and Mr. Santoro did not know about the dock extensions until right before the meeting. The Board should be involved in the process of discussing what items are put before the community. Mr. Quinn stated the docks that were built were built for the benefit of the community. They were built for long term by a river builder. There was some criticism about the finger docks not being reinstalled. There was no benefit to me personally as there was no new dock installed in front of any of my units. There was no personal motive for me to install new dockage. There is 685 linear feet plus an additional 50 feet so there is no increase of dock space. We have a CAMA permit that allows the extension of the docks. There was a concern that we may have a dock shortage in the future. Mr. Hepner stated that he was not aware of the concern of dock shortage. The CAMA permit allows more dock space up to the shell fish line. If the permit expires and the shell fish closure changes then there may not be an opportunity to extend the dock. The permit is for floating docks and it was not possible to have the finger docks with floating docks. Due to the gangways. With finger docks it is more expensive to dredge and maintain the channels. When the Town of Topsail Beach dredging project the canal would not be usable with finger docks. Mr. Catapano asked if Mr. Quinn is on the Sound Side Board which Mr. Quinn acknowledged he was. Mr. Catapano asked again why this was not discussed with the Rec Board. Mr. Quinn stated that Mr. Catapano all you have to do is vote NO. Mr. Catapano asked if he could submit something for the community to vote on at the next annual meeting and Mr. Quinn stated that he could. Mr. Quinn then stated that last year's packet was not put together until a week before the meeting. Mrs. Moore commented that last year everything that was presented to the community was voted on by the Board. Mr. Blangiardo at the outset of the meeting Mr. Quinn you acknowledged that this is an unusual year. For whatever reasons for the lack of proper procedure, this packet should not be voted on at this time. All items need to be considered at a later time. The Board needs to get their act together and have formal votes. The Bylaws are pretty extensive rewrite that need to be discussed. Susan Griffin asked if there were any more questions for James Matthis regarding the 2020 and the 2021 budget. Mr. Rivenbark stated that his Dad was on the Board for many years. He had to clean out his Mother's house and he found a file of his father's documents. Every meeting he could find that whatever was brought to the Board there was a motion, second and a vote. Now you are asking us for \$100K assessment for boat docks. When were the CAMA permits obtained and Mr. Quinn stated we had to obtain the permits to do the seawall rebuild. The docks were a part of the permit to rebuild and or extend if wanted. Mr. Quinn stated that when obtaining the CAMA permit that we asked for more that what was expected in case the community wanted to extend the docks. Mr. Rivenbark stated that it is a normal practice to extend the permits especially during COVID. Mr. Rivenbark stated his last comment was on the amenity fee. His family has rented their unit ever since it was built. The comparisons listed had additional services compared to what is offered here at QG. To charge the renters a fee when full time people are not paying a fee is not right. I pay my Rec dues everyone uses the facility the same. If anyone can identify one of my renters not following the rules please let me know and I will have them evicted. We had a problem last year that I had the renter evicted and told the company not to allow him to rent again. Mr. Mick asked what the plan is for boat trailer parking. He does not want to have to drive 150 miles with a boat trailer and not have anywhere to park the trailer. Mr. Quinn stated that his concern is not where to park trailers but to stay in compliance with the State WWTP permit. There will be trailer parking back behind the WWTP but you will not be able to access from the community. You will access from Anderson Blvd.; we already have the easement and DOT thinks we are currently using the easement. The repair area needs to be roped off to preserve our permit. Mr. Mick does not see where the community can vote on the proposal. There are trailers that seem to be abandoned in the back and there is not room for additional trailers. What is the plan moving forward? Mr. Quinn recommended that an Outside Committee be

formed to look into options for trailer parking. It has been suggested that the lot be striped off and then lease a space. The main concern is taking care of the WWTP permit. Mr. Santoro wanted to address Ray regarding the amenity fee. I supported the amenity fee and being someone who rents myself, I think we could rethink it through so that it does not cost any of us renters. The fee should be absorbed by the renters. I witnessed some things over the summer that upset me as a QG homeowner. I used to rent through a company but over the years I have limited my rental to family and friends. I witnessed a U-Haul truck pull up to a unit on the Sound Side and pull out mattresses to stay in a unit. There were approximately 12-15 people staying in the unit. Why is it fair for me as a homeowner who only uses the property 3 months out of the year to pay the same as someone who rents their unit out weekly? These additional people create additional wear and tear on the WWTP, pool facilities and the community. I initially bought into the per bedroom but then after discussing with the HOA Board, I moved to a percentage fee base. I think the percentage fee is fair when trying to compare a 2-bedroom unit to a 4-bedroom unit. Then the Board decided to have two options \$5 per bedroom and 3% percent total fee. There isn't anyone that wouldn't pay an additional \$100 to stay at QG. I feel that we have the premier property on the island. I am aware that the fees are going to continue to go up. Not long ago we were paying around 1/3 of what we pay now per month. I feel that some type of amenity fee passing on the expense to the renters is a fair solution. I am not trying to divide the community. You can look at the water charge. I don't think that I should pay the same water fee as a 4-bedroom unit pays. I have no problem kicking a few \$ back to the community if we keep it a reasonable fee. I also think we should be able to charge for use of the boat ramp. I think we should cut out renters from using the boat ramp and make it owners only. Mr. Quinn thanked Mr. Santoro for his comments.

Mr. Cilento stated that he would like to comment on the boat trailer parking. There has been much discussion about the reason why most of us bought here was for the boat access. I understand that we are dealing with a permitting issue, however I feel more research should be done to come up with a solution that would be acceptable to both parties. I have done some research and the state of NC has done away with the statue on repair areas. However, the Pender County Health Dept had a stronger stand on the issue. The requirements of not having a fixed structure on the property and keeping the area pervious can be met. Let's find a work around and make this work for everyone. I am happy to help on finding that common ground. The amenity fee was my idea. I am sorry that it has been construed as a renter vs. non renter issue. I think that email that was sent out this morning and as long as our community can remain as beautiful as it is and we can shift that expense to people outside of the community then I think that is a win. We have been in community for 2 years and we are in about \$30K in assessments.

Mr. Hoyle stated that the amenity fee would be a dramatic paradigm shift. We have rented for the 9 years we have been here. It is being advertised as a cost to the renter but in reality, it will be a cost to the owner. If my property is marketed properly, I am getting the maximum amount I can get for that property, then the fee will come out of my pocket not the renter. Lewis Realty put a new \$100 admin fee for the upcoming season and that \$100 will come out of my pocket. It is a rent owner vs. non rent owner equation. This will be fraught with people that rent via Airbnb and will not report the rental. To me it is pitting owners against each other and I don't think it is a good idea.

Mrs. Moore stated that the boat trailer parking, QG has a great working relationship with the State. We need to petition the State about the utilization of the repair area to use for boat trailer parking. There are creative solutions that we can present to the State just like we did with the WWTP. I am asking the Board to go to the State and ask if we can use the repair area as empty boat trailer parking. Perhaps we have to return the area to impervious surface once a year. That would require a tractor and plow



behind. The gravel driveway will need to be remove. Before we say the boat trailer parking is going away let's try to be creative and find a solution. I sent an email out to the community regarding the amenity fee. I think in concept the amenity fee is a good idea. My concern is that it is a concept, you can hear it in the September meeting. If you vote it in right now how are we going to handle it? While I think it is a great concept, I think we should pause and form a committee to determine how the fee will be handled and how we will handle disputes, then I think we should put it before the community.

Mr. Adams appreciates all of the efforts of the Board. I have been here since 1999, my wife wanted to be on the ocean, my kids wanted a pool and I wanted someplace to put my boat. I am willing to be on the committee to try and find a solution to the trailer parking issue. I have information from Bill Fox regarding the WWTP. The idea of having parking near the public access will not work. Mr. Quinn stated that to keep in mind if Town of Topsail Beach ever gets sewer in place that all of that property reverts back to Mr. Rivenbark and you only have parking for about 9 boat trailers. Mr. Adams recognized that he was aware of that and stated we would address that when the time comes. Mr. Rivenbark wanted to address Mr. Santoro I spoke with my realty company every fee has to be shown on the rental agreement. The response was this will hurt your rent. It will affect the rental people and when trying to sell your unit if your buyer is considering renting the unit. Why are we charging renters who are here 120 days out of the year vs. people who have long term rentals. Mrs. Bullard regarding the amenity fee Mr. Bill McLean sent out an email regarding an alternative to an amenity fee which entails charging each unit for their water usage. To Mr. Santoro and Mr. Brown, I was not saying you were on a power grab. The Bylaws have not been properly vetted Mr. Turner asked if the results will be released. If a unit is sold who gets the vote? Mr. Quinn stated that we never release who voted how. Mr. Turner stated typically in a meeting there is a raising of hands if there is a motion brought on the floor. Mr. Quinn asked Mr. Meier regarding Mr. McGee. He has sold his unit but the sale will not close until next week. Mr. McGee has stated that he will be sending in his vote this week. How do we need to handle this? Mr. Meier stated the person who is entitled to vote is the person who owns the unit at the time of the ballot being submitted. The person is the owner of the property and it is postmarked properly then that is the valid vote. Mr. Meier then reiterated the ways ballots could be submitted. The privacy of the vote is a Board decision as to if that is made public. All of the items that have been brought up today as concerns can be deemed moot with a no vote. If the item doesn't pass then there will be no action moving forward. We have taken care of our requirement to have a meeting for 2020. There is no requirement for a meeting to be held in order to hold a vote on any item. There are plenty of opportunities for the membership to make decisions in the upcoming year.

Mrs. Vause suggested that there be a book exchange and asked the Board to come up with a convenient place and access for everyone. Mr. Quinn stated there is a book exchange at the Assembly Building in Topsail Beach. Mr. Quinn thanked everyone for their comments and said the Board will take everything under consideration moving forward.

These minutes are transcribed from the Zoom recording of this information meeting.

Submitted by Susan Griffin - *Susan Griffin*

