

***Sandpiper Cay Condominium Owners Association  
Board of Directors Meeting  
November 11, 2011***

The Sandpiper Cay Condominium Association Board of Directors met on Friday, November 11<sup>th</sup> 2011 at the Sandpiper Cay clubhouse. Steve Kinnier, Linda Craig and Pat Ambrose were present. Liz Puma participated via teleconference for the New Business portion of the meeting. Ansley Miller was present representing Village Realty. Owners representing fourteen units were also present. Board member Tom Watkins was absent.

Mr. Kinnier called the meeting to order at 1:04 pm and asked everyone to introduce themselves. He verified that a quorum was present.

**Owners Forum:** There was discussion on application that was submitted to the Town of Kitty Hawk to grant a conditional use permit to establish a motor vehicle service and repair business in units I&J of the existing Quail Run business center at 500 Sand Dune Drive. This is the retail shopping warehouse building that is directly in front on the 1600 and 1700 building of Sand Dollar Circle. A public hearing was held on Monday, November 7<sup>th</sup> at Kitty Hawk Town Hall and some of the owners attended and commented on this matter expressing concerns about the noise, fumes and increased traffic that will generated from allowing this type of business so close to the community. The Sandpiper Cay Board of Directors had also provided a letter that was included in the Town Council meeting packet expressing concerns. During its meeting, the Town Council deferred the matter until their next meeting on Monday, December 5<sup>th</sup>.

The owners discussed that owners who live out of the area most likely do not know that this is being considered. Following discussion, the Board decided that they will send a letter to all owners, residents and rental companies to inform them that this is being considered and encourage them to either attend the meeting on December 5<sup>th</sup> or write a letter to the Town Council if they are concerned with this type of business being approved.

Sandy Standley commented that since it was Veteran's Day, she wanted to thank all of the Veterans.

**Approval of Minutes:** The Board reviewed the minutes from October 17<sup>th</sup> 2011. On a motion by Ms. Ambrose and a second by Ms. Craig, all were in favor of approving the minutes as submitted.

**Financial Report:** A current Balance Sheet, Income Statement, General Ledger Detail Report and Accounts Receivable Report were presented. Mr. Kinnier also presented a 2011 Income and Expense spreadsheet with actual expenses for January through October and projected expenses for November and December. He stated that a new GL account was set up for approximate interest earned on the CD that was opened.

**Management Report:** Ms. Miller presented the Management Report.

- **Annual percentage yield:**
  - Checking Account: October - .15%
  - Money Market Account: October - .55%
  - Reserve Money Market Account: October - .50%
- **Website:** The website was updated following the last meeting.
- **Financial Reports:** The October financial reports were included in the meeting packet.
- **Roofs:** The updated roofing spreadsheet was included in the meeting packet. Recommendation of the next roof to be replaced: 1100 (Garden Style).

It was noted that this item would be discussed under New Business.

- **Septic Tanks:** There were no changes to the septic spreadsheet since the October meeting.
- **Hurricane Irene Cedar Shake Repairs:** The repairs to the shakes are continuing. The contractor will be working on the repairs one more week trying to repair the large sections that were damaged. Once the large sections are repaired, the maintenance department can begin working on repairs to the smaller sections.
- **New GL Accounts for Interest Earned on the OBX Bank CD:** 2 new GL accounts were created (3011 – Interest Income CD’s and 1004 – Interest Receivable – CD’s). A journal entry was entered on 9-30 and 10-31 for approximate interest earned.
- **Newsletter** – Management would like to mail a newsletter to the owners before the end of November. Information on the 2012 election, a parking reminder and information on installing hurricane shutters will be included. Any other items to be included should be provided to Village Realty by November 15<sup>th</sup>.
- **Hurricane Shutters:** The list of hurricane shutters in the community was emailed to the Board. **3401** – Accordion Shutters in White, **3407** - Accordion Shutters in White, **3406** - Accordion Shutters in White, **1607** – Roll-Down Shutters in White, **1503** - Accordion Shutters in White and **2205** – Roll-Down Shutters in White.

The current Rules and Regulations address hurricane shutters:

- Shutters must be white
- A licensed contractor must be used that provides a warranty
- The owner will be responsible for all maintenance and upkeep of the shutters

The owners of unit 3404 were notified that the Board had approved (via email) their request to install roll down hurricane shutters, but the color would be need to be white, not beige as requested.

The Board discussed amending the existing shutter policy to specifically address the type of hurricane shutters would be allowed in the community. On a motion by Ms. Ambrose and a second by Ms. Craig, the Board decided that they would allow either roll down shutters and accordion style shutters in white.

- A list of maintenance items completed since the last Board meeting was also presented.

#### **Unfinished Business:**

2012 Annual Meeting – Following discussion, it was decided that the Annual Meeting would be held on March 17<sup>th</sup> 2012 at Kitty Hawk Town Hall.

#### **New Business:**

1100 Roof Replacement – Mr. Kinnier stated that it appears from his projections that there will be enough money to replace one of the smaller roofs this year. Following discussion and on a motion by Ms. Ambrose and a second by Ms. Craig, all were in favor of replacing the 1100 roof in the same manner as 2400 with a slight pitch using B&M Roofing.

2012 Budget – Mr. Kinnier presented a draft of the 2012 budget. The budget increases the monthly assessment by \$5 to \$275 per unit per month. The entire \$5 is to be added to reserves and will not be spent in 2012 except in an emergency. The budget provides to continue replacing a couple of roofs a year and to address the repairs to the cedar shakes. Following review of the draft budget and on a motion by Ms. Ambrose and a second by Ms. Craig, the budget was approved as submitted. The full budget details will be mailed to all owners in the next couple of weeks.

Adopt Plan to Replace Shakes – Mr. Kinnier stated that until Hurricane Irene hit, the Board had been planning to address the replacement of the cedar shakes once all the roofs were replaced. However, the hurricane clearly demonstrated that the shakes, and the nails that hold them in place, are more fragile than originally known. In the process of repairing the shakes lost in the storm, the surrounding shakes were found to be very brittle, and larger areas of shakes had to be replaced, increasing the repair expense. The bottom line is that the Board must now develop a plan to replace the shakes sooner rather than later. Mr. Kinnier said that the Board is currently considering a plan to begin to replace the wood shakes, the funds for which would have to come from reserves. Such a plan would have to be a multi-year project, as the association currently has limited reserves, so only 5 or 6 buildings could be renovated per year. The Board is in the process of obtaining proposals for this project and is getting quotes on replacing the cedar wood shakes with either new wood shakes or with vinyl shakes. Mr. Kinnier provided pictures of a community in Virginia Beach that was developed by the same developer for Sandpiper Cay (four of the photos are attached to these minutes as Attachment I). The buildings are very similar and they have replaced their cedar shakes with vinyl shakes.

**Committee Reports:**

Landscape Committee – Ms. Craig presented a report for the Landscaping Committee since Mr. Watkins was not present. She stated that Mr. Watkins and Ms. Miller were walking the community and marking shrubs and trees that Beach Mowing will remove. These are the shrubs and trees that have not come back following last year's major trimming. Ms. Miller stated that something new would be planted in these areas, but not until the spring. She also stated that she and Mr. Watkins had met with the owner of Beach Mowing prior to the trimming of the shrubs this year and gone over the requirements.

Social Committee – Ms. Lawrence presented a report for the Social Committee. She stated that there were no more events planned this year. An article from the Committee will be included in the newsletter.

The next meeting dates were set for January 16<sup>th</sup> 2012 and February 13<sup>th</sup> 2012 at 1:00pm at the Sandpiper Cay clubhouse.

There being no further business, and on a motion by Ms. Ambrose and a second by Ms. Craig, the meeting was adjourned at 2:50pm.

Respectfully Submitted,

Ansley Miller  
Assistant Property Manager

*Attachment I – Photos of Buildings with Vinyl Shakes*

