

*The Village at Nags Head Property Owners Association
Annual Meeting
November 9, 2019*

The Village at Nags Head Property Owners Association met on November 9, 2019 at The Village Beach Club. Eighty-six properties were represented in person and eighty-three properties were represented by proxy. President Meade Gwinn welcomed everyone, established a quorum, and called the meeting to order.

Mr. Gwinn introduced the Board of Directors as Traci Madonia of Seaside South, Melvin Stone of Leeward Shores, John Juzwiak (VP) of The Ridges, Richard Thomas (Treasurer) of Captains Watch, Laurie Battaglia (Communications Committee) of Reflections, and Todd Farrand of Captains Watch, and thanked the Board for their hard work and for their service to the Village Community. He asked for a moment of silence in recognition of Veterans Day to honor all who served in the United States Armed Forces followed by the pledge of allegiance. Mr. Gwinn thanked Village Realty staff including Leslie Sanders, Emily Lewis, Kelly Green, Maslin Seal, and Sara Kristoff for their help with the meeting. Mr. Gwinn thanked the Beach Club employees Daniel Saunders and Liz Myers for the homeowner's wine and cheese social the evening prior.

Guest Speakers-Mr. Gwinn introduced Bryce Mendenhall, of Carolina Water Service. Mr. Mendenhall thanked the membership for the invitation and opportunity to provide an update on the status of the wastewater treatment plant renovation project. Mr. Mendenhall introduced several other key employees, Dana Hill (Area Manager) and Matthew Palmiter (Site Manager). Collectively, they explained the project scope of the upgraded facility. Mr. Mendenhall explained that advanced technology within the existing footprint was used, creating optimum results. He noted that the unappealing smell will never be fully eradicated but was reduced because of the upgrade. Mr. Mendenhall reported that the plant is currently permitted to process 400k gallons per day (peak usage). Currently, there is no plan to expand service. Mr. Gwinn thanked the group for their attendance.

Approval of Minutes-On a motion and a second, the owners dispensed with the reading of the minutes and approved them unanimously as submitted.

Mr. Gwinn introduced The Town of Nags Head Planning & Development Director, Michael Zehner. Mr. Zehner explained the function of his Department and their recent focus on investigating and mitigating stormwater run-off within the municipality. Mr. Zehner reported that the water quality was markedly improved in Nags Head and noted the construction of the new water treatment plant has helped. Mr. Zehner asked the membership to be careful with the chemicals used on lawns, plants, and roads. There is also a phone app that residents can use to track, and report localized flooding issues, obxfloodmaps.com. Mr. Zehner reported that the area flood maps are changing and will be available in June 2020. He cautioned the members whose homes moved out of a flood zone to not drop their flood insurance. To find the state/town flood maps, he pointed the membership to FRIS.NC.GOV. Mr. Zehner asked the members for questions. One homeowner asked him to address the groundwater issue. Mr.

Zehner explained that the water table is going up and down all the time and the Town's Hazard Mitigation Team is tasked with understanding and predicting these shifts. Mr. Zehner introduced the new Town of Nags Head Fire Chief, Randy Wells.

Chief Wells introduced himself and reviewed his resume. He is well versed in hurricane strikes and spoke on hurricane mitigation. Mr. Wells encouraged the members to have a mitigation plan in place which makes insurance claims easier to navigate. Mr. Wells also encouraged the members to evacuate if the order is given.

Chief Wells briefly touched on safety precautions around the home and encouraged the members to check their smoke detectors and replace the batteries each year. He also mentioned that if there is a gas fireplace in the house, one carbon monoxide detector must be installed on each floor. Chief Wells shared a few more safety tips such as installing a fire extinguisher, contrasting house numbers for easy identification, and increased caution when grilling and using turkey fryers. The Fire Department has mobility chairs available for those folks who need assistance to get onto the beach. Chief Wells welcomed questions from the members.

Mr. Gwinn introduced Criminal Investigator, Greg South of the Nags Head Police Department. Detective South cautioned the members about a current phone scam from the supposed IRS and the local Sheriff's Office requesting payment. He noted that neither office will ever ask for payment over the phone. Detective South reported that although the break-ins and burglary rates were down from 2018, he encouraged the members to install cameras or RING systems, as they are proven crime deterrents.

Detective South introduced the new Nags Head Police Chief, Phil Webster. Chief Webster introduced himself and reported his availability as 24/7, 365 days a year, and gave out his business/contact card.

Mr. Gwinn introduced Patrick Kelly of the Nags Head Golf Links. Mr. Kelly thanked his management team: Daniel Saunders-VBC, Liz Myers-VBC, Robert-F&B Manager, John Mebane-Lead Groundskeeper, Andrew-Head Chef. He reported that 2019 was a good year for the Club even though they were down for 1 month due to Hurricane Dorian. Club Corp, owners of the Golf Links and Beach Club, are supporting both businesses with capital in 2020 to install new siding, repair the bulkhead, repair the north sound access cart path, and install rip-rap at the 5th fairway.

Nominating Committee Report— Mr. Gwinn introduced the Chair of the Nominating Committee, Todd Farrand. Mr. Farrand introduced the Nominating Committee of himself as the VNH Board representative, Jim Musgrave, and Annette Ratzenberger. Mr. Farrand explained that Meade Gwinn, Melvin Stone and John Juzwiak terms are expiring this year, each with 9 years of service. Mr. Farrand expressly thanked them for their years of service to the community. Mr. Farrand presented the proposed slate of candidates of Beverly Head, Mick Jernigan, and Bill Riddick, for three-year terms. Mr. Farrand noted there were no written requests from owners and then

asked for nominations from the floor. Since there were none, the nominations were closed, and Mr. Jernigan, Ms. Head, and Mr. Riddick were elected by acclamation. Mr. Gwinn encouraged any interested members to sign up to serve on the Nominating Committee.

Mr. Gwinn reviewed the kayak storage facilities at both sound accesses and explained that those areas are for non-motorized boat launching only. The boats and trailers stored in the areas must be licensed with the POA and those licenses can be obtained through Village Realty.

Architectural Control Committee Report – Chair Jim Musgrave presented the report. Committee Members Beverly Head, Brenda Holloway, Suzanne Stillman, Todd Farrand, Pam Gwinn, and Vic Wiezek were introduced. Mr. Musgrave thanked everyone for their service. Mr. Musgrave explained the ACC is charged with administering and upholding the architectural guidelines as defined in the 7th Amendment to the Development Standards for The Village at Nags Head. They meet on the 3rd Monday of each month at 9 AM in the upstairs conference room of Village Realty. This year, the Committee reviewed 58 paint requests, 40 remodeling/addition or exterior modification requests, and 1 new construction application. He presented an overview of the application process and reminded new owners that any exterior change to the home requires approval. The required forms are located on the POA website and can be submitted to Kelly Green of Village Realty. Mr. Musgrave asked for any general questions. Mr. Farrand asked Mr. Musgrave to review the holiday decorations policy.

Landscape Committee Report – Ms. Brenda Holloway, a 15-year member of the committee, presented the Landscape Committee Report. The Committee consists of Keith Haglund, Brenda Holloway, Sharon Seggerson, Linda Ledwith, Meade Gwinn, Ray Bruce, Webb Fuller and John Lacey. The Committee is charged with the upkeep and maintenance of 45 common areas and their lighting and irrigation. They also regularly review the performance of the newly contracted grounds maintenance company, Grounds Pros. This year, the committee added two new beds, cleaned a large area at Baymeadow, and planted 250 wildflowers which were personally donated by the Holloway's. Ms. Holloway explained the major projects planned for 2020 are the new irrigation system at the main W. Seachase entrance as well as improvements to common areas. Mr. Gwinn thanked Ms. Holloway for all of her hard work this year.

Common Elements Committee – Mr. Juzwiak presented the Committee's report. He introduced the members as Bill Riddick, Bob Holloway, Earl Herald, and Bill Sport. Mr. Juzwiak explained the charter of the Committee and their role in budget planning with the Finance Committee. He explained that the Village facilities are 30 years old which means increased repair costs. Mr. Juzwiak reviewed the major projects completed; the soundside piers were rebuilt to be more resistant to storm damage, the sound access roads were regraded and stone added, the north sound access cart path intersection was rebuilt (shared expense with NHGL), all neighborhood wooden signs were repaired and painted. Mr. Juzwiak reported that the rebuild of the third beach walkway at Sundancer Ct. will be completed on April 1. Mr. Juzwiak asked for questions from the members and one member commented how great the beach access looked this year.

Communications Committee- Laurie Battaglia presented the Committee's report. She introduced Peyton Gwinn as the other member of the Committee. Ms. Battaglia explained that the POA's Facebook page is for community information, and the POA's website is for VNHPOA information. Mr. Battaglia mentioned the Committee was working on a homeowner survey to capture the changing demographic in the community to align with future needs.

Finance Committee Report-Mr. Thomas of the Finance Committee thanked the membership and Ms. Green for her help this year. Mr. Thomas explained the Association Resolution for Revenue Ruling 70-604 – Excess Income Applied to the Following Year's Assessment and noted that it should be dated 2019, rather than 2018 which was printed on the Resolution. He explained the Association's accountant had recommended this resolution be included in the minutes so that any reserve excess each year can roll over to the next year to avoid taxation. In the event there is no excess membership income at end of the year, the election is simply ignored. On a motion by a homeowner and a second by another, the Resolution was approved by acclamation.

Mr. Thomas reported that the Finance Committee's duty is to make sure the Association's reserve funds are protected by taking advantage of good CD rates and keeping the Reserve funding around 90%. Mr. Thomas informed the membership that on direction from the Finance Committee, the Village at Nags Head Board of Directors proposes an annual dues increase unless opposed. By a show of hands, the dues increase was adopted by majority. Mr. Farrand mentioned the dues stayed the same from 2006-2014.

One homeowner asked why the interest income does not match the balance sheet and Ms. Green explained the footnote on the back page of the budget explaining interest income line item. Mr. Thomas then took questions from the floor. One homeowner asked for the budget to be reformatted because it is confusing as presented.

At 12:10, Mr. Gwinn stated that the Finance Committee and the Management Company are available for explanations regarding the financials. The dues increase is to keep the community attractive and enjoyable and the Board of Directors takes fiscal responsibility seriously. The Association's third-party partners comment that it is being run properly.

Mr. Gwinn asked for questions or concerns from the floor. Ms. Bradlee asked about the cart roll back letters from the Town and Mr. Gwinn explained the Town is enforcing their Town Ordinance. He also explained that the Association pays for cart roll-back service. Another owner reported that the stickers on the recycling cans were incorrect and Mr. Gwinn stated he will work with the Town to address. He also explained why the pick-up went from 2 days a week to one; there are less renters on the west side and the volume dropped.

Lisa Aboud read a letter from NCIUA encouraging participation in a pilot program using different materials for roofs. She asked the Board why cedar shake is the only option. Mr. Farrand answered that the ACC has reviewed an array of alternative materials, but they found

issues with all of them such as products being discontinued leading to patchy roofs later. Cedar shakes are also one of the last defining features of the community.

Mr. Gwinn adjourned the meeting.

Respectfully Submitted,

Kelly Green

Association Manager