

Potomac Bay Estates Property Owners Association
Board of Directors Meeting
Minutes, February 10, 2017

The Potomac Bay Estates Property Owners Association Board of Directors met on February 10, 2017, at 4142 Newman's Neck Road, Heathsville.

Meeting called to order at 1:00 PM by President Dave Williams.

Present

Dave Williams
Tom Quigley
Martha Hulse
Frank Goyette
Ray Michelini
Jon Wergin
Joe Schlatter, Acting Secretary, non-member

Present via conference call

Sallie Mullen

POA members present

Kathy and Don Peebles

No proxies present.

All POA members were notified by email or postal mail of this meeting.

Board noted Sharon Murphy's resignation effective February 8. Board approved a motion to recognize Sharon's service to the Board, especially her detailed, conscientious work on the matter of the beach project and land swap with Lot 52.

Agenda

Agenda provided in advance to Board members via email.

Attachments provided to Board members included:

The President provided as read-aheads the Feb 10 meeting the completed documents directed for action in the Jan 7, 2010 Board. The Board directed activities included deed finalization; plat Certification; document recordation. Exhibit A, attached to these minutes is the Certified Plat, as prepared by the Association's surveyor, B. L. Stallings, Land Surveyor, LLC., in two pages.

Exhibit B is the original of the deed as prepared by the Association's counsel, Mr. Hunter Manson, Esquire reflecting the exchanges and conveyances of land between the Association and the Rowe's, and the understandings of those parties, all as shown in part in the Stallings survey.

Exhibit B, was recorded by the Clerk of Court for Northumberland County on January 27, 2017, [as previously directed by the Board, January 10, 2017]; this final document included the DEED

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OF GIFT, BOUNDARY LINE ADJUSTMENT AND MERGER documents, with notary of signatures for recordation.

Minutes

Board approved minutes for October 24 and November 18 meetings; minutes will be posted on POA website. Minutes for January 6 not complete; drafts will be distributed to Board members for approval. January 6 minutes to be posted on POA website as soon as approved by Board members via email voting.

New email notification system

Treasurer and Acting Secretary described new email system with improved addressing and reply capabilities.

Treasurer's Report

Treasurer reported:

- Dues and water bills due April 1; payments being received at same rate as previous years.
- Four lots have outstanding assessments; liens will be issued.
- FY 2017 budget performance to date is on track for all non-beach-restoration-project line items.
- Capital reserve account status and projections are on track.
- Beach project expenses are on track.
- Professional services expenditures (legal fees and surveyor fees) associated with Lot 52 land transfer are higher than anticipated.

Board discussed fact that legal fees were more than anticipated. The complications in reconciling and updating the deed made this transaction a challenging, technically difficult task requiring extensive legal counsel advice and surveyor expertise. Contributing factors were: the +/- 16 feet of lost shoreline; easements; riparian rights; boundaries between Lot 52 and POA common area; and, maintenance responsibilities.

Board concluded that, although expenses were more than anticipated, result is a clear, accurate, recorded deed and plat that resolve several long-standing issues dating back to 1990's:

- Boundaries between Lot 52 and POA common area
- Easements
- Maintenance responsibilities

Beach project funding

Board discussed source of funds to make final payments on beach project. POA may need to transfer some portion of Capital Reserve funds to pay for the legal and survey expenses.

Board approved revising FY2017 budget to include \$59,000 as approved by membership for beach project and \$16,500 (1) to pay unanticipated high professional legal and survey fees; (2) to use a limited amount of funds from Capital Reserves to pay unanticipated expenses; and, (3) to increase future contributions to Capital Reserve funds to replace funds used by beach project.

Board approved adjusting revenue side of FY2016 budget to reflect income from assessments, and, Rowe contribution.

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Board approved motion to allocate \$4,500 of voluntary contributions to self-help extension of observation deck built by contractor.

Board approved paying fees to Hunter Manson for professional services -- deed preparation, plat preparation, filing plat and deed.

Beach project status

The Secretary reported the exchanges of land, conveyances, and understandings reflected in the deed were approved by the Potomac Bay Estates Property Owners Association members entitled to vote on such matter by a vote of 27 to 1; verified the POA approval of Board actions.

The President reported all seven actions directed by the Board at the January 6 meeting were accomplished. Construction contract signed January 9, 2017; final plat dated January 26, 2017, and Deed were recorded on January 27, 2017.

The Board ratified the actions required by the beach project by three unanimous votes: YEA – 7; NAY – 0. All assigned actions were completed by the Beach Project Officer, Directors, President, Treasurer, and Secretary to date in a timely manner.

Permission received from Corps of Engineers to extend construction window for ten days to February 25 from original date February 15 to accommodate more production time to complete the design change to create a 20-25-ft gap between the existing BW and the new BW extension. Based upon observations during a recent storm, VMRC approved this change request by PBE for the purpose of creating greater protection of the bulkhead against potential nor'easters.

Water system:

Nothing to report.

Architectural committee.

One proposed house plan submitted; committee approved. However, lot purchase was not completed, construction proposal withdrawn.

Home sales

Closing for sale of Dudley's home at 111 Presley Drive is February 20.

Beach project signage:

Three signs to be installed on common area after beach project is completed. Board will review proposed signs at next meeting.

Next meeting: March 20, 10:00 AM, Williams' home.

There being no further business, the meeting adjourned at 4:35 PM.