



To: Middlesex Beach Association Property Owners

RE: Saturday, May 5, 2018 Community Meeting

Meeting will be called to order at 10:00 a.m. at St. Martha's Episcopal Church in Bethany Beach.

Now that winter is wrapping up and the temperatures are warming up, spring is finally here! Although November and December were unusually calm weather-wise, the Delmarva coast was hit a few times since the New Year. Our dunes, beach, and community as a whole have held up exceptionally well and experienced only minor damage.

Over the past few months, the Board has been very busy working on a variety of topics some outlined in previous emails, including our 2018 Community Survey (more below), and others included below in this Spring 2018 President's Letter.

Spring Community Meeting – May 5, 2018:

Please plan to attend this meeting for a chance to reconnect with your neighbors, vote on the annual assessment, and discuss what the Board has been doing in the off-season. We will be meeting at 10:00 AM at St. Martha's Episcopal Church in Bethany Beach. We encourage any and all community members able to attend to do so, especially if you are new to Middlesex this year. I hope that the weekend will be the start to a great summer for all!

Assessment:

The budget committee has worked for the past three months on developing a budget that funds the operations of the community. The proposed assessment for the upcoming fiscal year is \$2,250. This represents less than a 2.5% increase over the last assessment of \$2,200.

Special Meetings of the Members:

The Board has hosted three "listening sessions" this year, with one in January, February, and March. These sessions were moderated by Board Member Margie Cyr. The attendees at these Special Meetings of the Members shared their thoughts on multiple subjects including Parking, Usage of Beach, Size of Houses, Trash Collection, Occupancy Limits on Houses, Number of Allowed Bedrooms, FAR (Floor-to-Area Ratios), and rental fees. Each was well attended with the first one alone accommodating over fifty attendees.

We are compiling the final set of comments. Once they're completed, we'll be publishing them as a blog post on our website – middlesexbeach.org.

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Property Management Transition:

Our transition to Community Association Services, Inc. (CAS) from RIGHT Property Management has been going exceptionally well. RuthAnn Barnes, our new property manager, can be reached by email at RuthAnn.Barnes@casinc.biz or by phone at 800-883-0799 or 410-524-1500, extension 204. CAS has offices in Ocean City and Gaithersburg. The location of the Ocean City office is 8600 Coastal Highway, Suite 200, Ocean City, MD 21842. If you have not yet read their transition letter, we encourage you to do so at your earliest convenience as it provides important information about the company, paying assessments, and direct debit bill pay.

Emergency Contact Information:

Please provide CAS with an emergency contact phone number for your property. We had another cold winter that led to some frozen pipes. The number provided will not be published and it will only be used when there is a problem at your property.

Rental Fee:

At the September Board Meeting, several community members submitted a petition (the "Petition") to the Board requesting that the Board submit to the Community Membership a vote to institute a rental fee of 6-8% based upon the gross rental receipts received at the May Community Membership Meeting.

The Board of Directors for Middlesex Beach discussed and reviewed the petition that was submitted. We consulted and met with the Board's Attorney.

After consulting with our outside counsel, we believe the Petition requests the Board to enact a fee that the Board does not have the authority to enact. If the Petition was submitted to the membership of the community, and the required number of property owners voted for the petition, it still could not be enacted because the Board currently lacks the necessary powers to impose such fee.

In addition, the Petition did not make a distinction between a rental fee on commercial rental properties and residential rental properties. This distinction would be required for any Covenant change.

Finally, the Petition did not identify an economic justification for the proposed fee. Delaware law requires that homeowners' association fees be based on a reasonable and rational justification. Although the Petition referenced escalating costs created by summer rentals, these costs and burdens were vague and undefined.

For further consideration, a new petition would have to be submitted to the Board. The petition should request a Covenant change that would grant to the Board the authority to levy a rental fee. A properly worded petition could then be submitted to the community for a vote.

The Board notes that this issue has evoked strong passions on both sides of the issue. The Board does not, however, have a sense as to how many property owners would be in favor and how many are opposed, but the Board recognizes that each side is passionate about this issue.

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Beach Replenishment:

The U.S. Army Corps of Engineers (USACE) Philadelphia District has announced the schedule for the much-needed repair of local beaches. This project, which costs \$19,284,320 (note that this is not paid through MBA assessments), includes dune and beach repair to Bethany Beach, South Bethany and Fenwick Island. It will replenish 1,437,000 cubic yards of sand to those beaches. The work on this project will begin in Bethany Beach, move to South Bethany, and then to Fenwick Island. Work is scheduled to begin in downtown Bethany on May 15, 2018 and be completed in Fenwick Island by mid-to-late July. Construction is scheduled to proceed 24 hours a day, 7 days a week.

The replenishment project is only for public beaches and we will not be receiving any additional sand from this replenishment project.

Our Community Facilities Committee has been building up our dunes over the past several years, including this winter. We have installed many rolls of dune fencing along the beachfront which have worked exceptionally well. Additionally, we have constructed berms on both the north and south ends of our beach which have reduced potential damage to our main dunes in previous storms and the storms that we had this winter. These berms help to redirect water flow away from the main dune, and therefore, the oceanfront houses along Dune Road.

This is an excerpt from our March 2, 2018 Blog Post "Beach Replenishment." It can be read in full at middlesexbeach.org/2018/03/beach-replenishment. The first paragraph of this excerpt is a modified version of an announcement by the Town of Bethany Beach.

Beach Passes / Usage of Beach Committee:

The abuse of the current beach pass policy was brought to the attention of the Board. The Usage of Beach Committee discussed this problem along with several other beach related issues. After studying various alternatives, the committee proposed a number of recommendations. The Board discussed these recommendations as well other options during several different Board meetings. At both the November and December the Board voted to reduce the number of beach passes to one per property.

One of the alternatives considered by the Board was to fine or confiscate beach pass privileges from anyone transferring or selling their pass. Unfortunately, we do not have an effective method to enforce this policy thereby making enforcement sporadic and possibly arbitrary.

The Usage of Beach committee also recommended that we reduce the number of people permitted for each pass to 15. The Board decided to keep the number at 25 as an accommodation to the larger families that gather.

The Board attempts to make decisions that are right for the entire community. Any change means that there will be some people that are negatively impacted. The reduction of the beach pass to one will impact those that have been giving or selling

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their extra pass. There were also some members who felt that this would inconvenience some owners who rent but other owners that rent did not share this concern. It may also inconvenience some owners who like to congregate in two different groups. However, the benefit for our family friendly community is that it protects our most valuable asset, our private beach.

The Board plans to discuss replacement passes and/or other options for those passes that are unavailable for legitimate reasons.

Dune Road Paving:

The MBA has a contract with Matt's Paving to pave Dune Road, originally scheduled for the 1st week of October 2017. The project was on hold for a few months pending a review of suggestions (such as obtaining a survey and further widening the road) by the Fire Marshal. The Board has received multiple quotes from various companies to conduct a survey of the road and has selected Foresight Services. This survey will cost \$10,600 and is scheduled to happen within the next month. Depending on its results and completion date, paving will begin either in late April/early May or after Labor Day 2018.

2018 Community Survey:

After working diligently over the winter, the Board launched our 2018 Community Survey in February. To date, there have been 130 fully completed responses (about 53% of the MBA). An anonymous version of the results is being compiled and will be provided to the community at the May 5th Community Meeting. The results will also be posted to our website.

Ditches:

As you are most likely aware, the Pine Side ditches continue to be a problem. RuthAnn (our new property manager) contacted Representative Ronald Gray who checked with DNREC and Sussex Conservation on improving the flow of drainage along Kent Avenue. Travis Schirmer (DNREC) met with RuthAnn on March 8th at Kent Avenue and provided a topographical map of the drainage area and said that a height elevation survey would be beneficial. They are aware that the drainage pipe, by the Bayside Tennis Courts is not working properly and would not be easy to correct. He is writing a report and will send it to CAS.

Community Patrol, formerly referred to as "Security"

This year we have changed the name of our Security Patrol to better reflect their function in the Community – they are now the "Community Patrol". Our Community Patrol is in place to ensure that our Community Rules are being followed. These include MBA regulations relating to beach and parking passes, beach rules such as restrictions on smoking and pets on the beach, as well as noise and other nuisance complaints. Additionally, they are responsible for patrolling the Community during the season, with these same goals in mind. They are not public law enforcement officers, and we still rely on public law enforcement such as the Delaware State Police for our public safety and security needs.

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We have taken some steps to upgrade the Community Patrol. We have purchased a new, electric Cart for our Community Patrol Members as a replacement for the old gasoline powered cart. The Patrol will also have radios to better communicate across the width and breadth of the Community.

Finally, the Board received feedback at the last Community Meeting and in other venues that many community members want to see more consistent enforcement of our rules on those occasions when violations do occur. Our Community Patrol, along with the Board, will work together this season to ensure this consistency. In some cases, renters are the source of the violations. I want to remind all owners, who rent their properties, that the MBA owner is responsible for the acts of their renters and guests, at all times, so please take the necessary steps to educate your renters and guests on our MBA rules when they are visiting.

Happy Hours:

Mary Byrd has continued this tradition throughout the winter and is currently working on finalizing the summer schedule. Upcoming Happy Hours are posted on the website and they are an excellent and casual way for you to meet your neighbors. If you have not yet attended one, I encourage you to do so this summer, especially if you are new to the community.

Yard Waste:

Weekly Yard Waste (brush) collections began on March 14th. Brush and yard waste must be placed in separate trash cans, or separate PAPER bags, or bundled for easy pickup. If bundled, brush should be cut into approximately 4' lengths; bundles should be no larger than about 2 ft in diameter. Individual logs of up to 4" in diameter may be bundled with other debris. You must use cotton string or other biodegradable material to tie the bundles; no plastic or wire ties are allowed. Under no circumstances may plastic bags be used to hold brush or lawn debris. Bundles tied with synthetic string will not be picked up and the property owners will be charged a separate fee to remove these items

Please note that the Middlesex Beach policy is that if a pile of brush is left on Middlesex Beach property and it does not comply with the above requirements, it will be removed and the property owner will be charged a removal fee. This policy has been listed in the meeting materials for every spring meeting for the past several years.

We will have a Bulk Brush Pickup on May 14th. Any loose brush should be placed near the street for the chipper truck by Monday, May 14th. Please do not place your brush on Middlesex Beach property. MBA chipping will NOT include tree stumps, large trees, or any branches larger than 4 inches in diameter. Simply place your material in easy to manage piles by the street, on your own property, and back from the paved roadway. If you miss the announced brush pickup, all brush must be prepared as noted above for removal during the weekly brush pickups

Any loose brush material placed at the roadside after the Spring Brush Pickup will be

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removed at cost to the property owner.

Household Bulk Pickup:

A dumpster will be delivered on May 4th and it will be picked up on May 14th. The dumpster will be located on East Addy Road. Please do not place yard debris, chemicals, flammable/hazardous materials or oil/fuels in this dumpster.

Pet Waste Stations:

In response to a suggestion by a community member, the Board purchased two (2) pet waste stations. The first has been placed near the corner of Bridge and Beach Plum Roads. The second is pending a final decision as to the appropriate location on the beach side.

Comcast/Verizon/ThinkBIG:

We have received no further communication from any of these companies and they do not appear to be willing to expand into Middlesex as we are "too small."

Should any of these companies reach out to us in the future, we will be sure to share this interest with the community.

Parking:

The Parking Committee's objective is to preserve existing and provide additional oceanside parking spaces during the summer beach enjoyment season in a way that maintains equal parking opportunities for all MBA property owners.

At the February 10, 2018 Board Meeting, they presented multiple suggestions. The following decisions were made by the Board:

- The Board will send all Ocean Side owners a letter asking them and their tenants, as a courtesy to other MBA Owners, to please park on their properties (and not on the street) Fridays through Sundays during July and August.
- Each Owner will be issued 3 Parking Passes per property: 2 hanging tags and 1 decal. The Board will revisit the appropriate number of Parking Passes per property after the 2018 summer season.
- In connection with the repaving of Dune Road., MBA will be relining the pavement and parking spots. MBA will also designate and mark certain smaller spaces as "Golf Carts Only," and will endeavor to maximize the number of MBA-permitted vehicles of all types which can be parked on the Ocean Side.

Please also note that parking was one of the topics included in our 2018 survey.

Website:

At the end of November/early December 2017, SSL (Secure Sockets Layer) encryption was added to our website so all data you send is even more protected. This was done to better ensure that you can safely surf the site.

In the November Newsletter, we stated that we rolled out a new system allowing each

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MBA owner to create their own account to log in to the site, instead of having to remember one assigned to the whole community. At that time, only 46 accounts had been set up. As of this writing, 141 accounts have been verified and created. If you have yet to sign up, we encourage you to do so at your earliest convenience as important information cannot otherwise be accessed. We also hope that this will generate more active interaction with the website and facilitate better communication within the community. We have published a step-by-step tutorial on our Blog to help with the registration process.

A special thank you to Val Peizer and Jay Sella for their continued work on the site.

Dogs on Beach:

The Board has received several requests to relax the current prohibition concerning dogs on the beach. After researching this issue, the Board has reached a conclusion that since Middlesex Beach is not a municipality and does not have the authority to change Delaware State law, dogs are and will continue to be prohibited from being on the beach from May 1 through September 30.

Beach Patrol:

David Taylor has, once again, improved the resources available to our beach patrol. We continue to have one of the best patrols on the eastern shore. This is the result of the time that he volunteers to the community and the dedicated team that he has assembled.

Commercial:

Judy Bennett has continued to work with the commercial property owners on maintaining and improving their appearance. She continues to act as a liaison between the Board and these property owners.

Building:

The Building Committee had a very active offseason with multiple property owners improving their properties.

The process, covenants and construction rules appear to have worked very well in allowing property owners to improve their properties while balancing the rights of the neighbors.

These rules apply to new construction, remodeling, renovation or major repairs. A building permit is required for any project and only emergency work is permitted from July 1st until the Tuesday after Labor Day. Every property owner needs to refer to the website for all applicable rules and required permits before initiating any project.

Lawsuit:

Please note that the Board is in continued litigation with the Norman Law Firm, LLC. DMF Associates, Inc., trading as Bennett Realty, has joined this lawsuit as an additional plaintiff against Middlesex Beach Association, Inc.

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I cannot comment any further on this ongoing legal issue, but it is a matter of public record.

Nominating:

Sharon Adams is once again in charge of the nominating committee. We will have four open seats and the election for the four seats will be at the September community meeting. Please contact Sharon Adams if you are interested in running for the Board.

Closing:

I wish to thank the Board and the various committees after a very active off season. A special shout out to Margie for her coordinating and conducting the Special Meetings of the Members.

As always, please remember to keep a lookout for emails and periodically check our website for updates, specifically our Board Communications section.

Now it's time for us to roll out of this cold weather and get our beach chairs and umbrellas ready for another summer season!