

Motion to share in the Cost of the Marina Bulkhead Replacement Project, Adopted by QLCUO Board of Directors 08/03/26

What are the summary provisions of the adopted motion?

- QLCUO, the Association, shall contribute 50% of the cost of the marina-side bulkhead project as specified in the 2025 MillerDodson Reserve Study.
- In addition to the costs specified in the 2025 MillerDodson Reserve Study, the Association will set aside an additional contingency of no more than 10% of those costs. That is the cap on the Association contribution.
- The Association contribution is conditioned on
 - the marina slip holders, through Queen's Landing Boat Slip Marina, Inc., bearing the matching cost, and
 - the current dispute regarding ownership and responsibility for the bulkhead is resolved without the need for court intervention.

Why are we doing this?

The QLCUO Board believes the marina is an invaluable asset to the Queen's Landing community and its demise would have a long lasting negative impact on the substantial investment QLCUO unit owners have in their residential units.

What is the impact on Queen's Landing unit owners?

The funds for the Association contribution shall be raised by a special assessment to all unit owners. Those funds will be segregated and used only for the purpose of the special assessment. Effective January 1, 2027, unit owners may pay the special assessment all at once in advance, or monthly over 60 months, as follows:

	# units	% interest	TOTAL Charge to Unit Owner	MONTHLY charge over 60 months
one story-under two	49	0.133330	\$ 680.00	\$ 11.33
two-story over one	50	0.200000	\$ 1,020.00	\$ 17.00
stand alone unit	249	0.333330	\$ 1,700.00	\$ 28.33
unique unit	1	0.466670	\$ 2,375.00	\$ 39.58

In the event of the sale of a unit, the special assessment balance must be paid off at or before closing.

THE QUEEN’S LANDING COUNCIL OF UNIT OWNERS, INC.

MOTION TO SHARE IN THE COST OF THE MARINA BULKHEAD REPLACEMENT PROJECT

WHEREAS, in December 2009, in order to prevent the community marina, i.e. the Boat Slip Unit, from falling into further disrepair and the likelihood that the community marina would be sold to a non-residential unit owner and become a commercial marina, The Queen’s Landing Council of Unit Owners, Inc. (“QLCUO”) took ownership of the community marina through Queen’s Landing Community Marina, LLC, of which QLCUO is its holding company and sole member;

WHEREAS, after taking ownership of the marina,

- (i) a Declaration of Conditions, Covenants and Restrictions (“Declaration”) was recorded against the Boat Slip Unit;
- (ii) the Boat Slip Unit was subdivided into 63 separate units, i.e. 62 slip units and 1 unit consisting of the remainder of the Boat Slip Unit, including the walking path and bulkhead; and
- (iii) the 62 slip units were conveyed back to the marina owner with Queen’s Landing Community Marina, LLC maintaining its ownership of the remainder of the Boat Slip Unit, including the walking path and bulkhead; and
- (iv) each mailbox unit owner, by acceptance of their deed, agreed to be bound by the terms of the Declaration, terms that include paying, through their annual marina assessment, the cost for maintenance, operation, taxes, insurance, repair and replacement of the entire Boat Slip Unit.

WHEREAS, in order to maintain a direct line of communication with the marina, the QLCUO Board of Directors formed the Marina Executive Committee to be the liaison between QLCUO and the slip unit owners;

WHEREAS, in April 2012, the marina was incorporated and began operating under the name Queen’s Landing Boat Slip Marina, Inc. (“QLBSM”);

WHEREAS, since its inception, in accordance with the recorded Declaration, QLBSM has been operating the marina independent of QLCUO;

WHEREAS, the bulkhead running through the marina is in various stages of disrepair and is need of replacement over the next several years per the 2026 MillerDodson Reserve Study Report (“Bulkhead Replacement Project”);

WHEREAS, QLBSM is in the process of completing phases 1a and 1b of the Bulkhead Replacement Project with phases 2, 3, and 4 slated to commence between 2027-29 as outlined in the 2026 MillerDodson Reserve Study Report;

WHEREAS, a dispute has arisen between some slip unit owners of QLBSM, and Queen's Landing Community Marina, LLC and QLCUO regarding ownership of the bulkhead and the responsibility for maintenance, repair and replacement of the bulkhead;

WHEREAS, as the owner of the common elements appurtenant to the Boat Slip Unit and its failing bulkhead, and as sole member of Queen's Landing Community Marina, LLC, QLCUO has a substantive interest in the timely resolution of the dispute to ensure the Bulkhead Replacement Project remains on schedule, is timely completed by QLBSM, and the dispute regarding the ownership of the bulkhead and the responsibility for maintenance, repair and replacement of the bulkhead is resolved without the need to seek court intervention to resolve the dispute;

WHEREAS, Section 3.1 of the QLCUO Bylaws empowers the QLCUO Board of Directors to manage the affairs of the Council and to exercise the powers and duties of the Council, doing all such acts and things that are not specifically reserved to the Council; and

WHEREAS, in recognition that the marina is an invaluable asset to the Queen's Landing community and its demise would have a long lasting negative impact on the substantial investment QLCUO unit owners have in their residential units, the QLCUO Board of Directors proposes QLCUO, through Queen's Landing Community Marina, LLC's ownership interest in the marina, financially contribute up to but not exceeding fifty percent (50%) of either (i) the actual cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project or (ii) one hundred ten percent (110%) of the estimated cost of the Bulkhead Replacement as set forth in the 2026 MillerDodson Reserve Study Report, whichever is less, conditioned upon (i) QLBSM bearing the actual cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project so that the marina can continue to be an invaluable asset of the Queen's Landing community, and (ii) the current dispute regarding the ownership of the bulkhead and the responsibility for the maintenance, repair and replacement of the bulkhead being resolved without the need for court intervention.

NOW, THEREFORE, a motion is made that the following actions be undertaken to fund phases 1, 2, 3, and 4 of the Bulkhead Replacement Project as outlined in the 2026 MillerDodson Reserve Study Report and set forth in the instant motion:

1. **THAT**: As its sole member, QLCUO hereby authorizes Queen's Landing Community Marina, LLC to contribute up to but not exceeding fifty percent (50%) of either (i) the actual cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project or (ii) one hundred ten percent (110%) of the estimated cost of the Bulkhead Replacement as set forth in the 2026 MillerDodson Reserve Study Report, whichever is less, conditioned upon (i) QLBSM bearing the actual cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project, and (ii) the current dispute regarding the ownership of the bulkhead and the responsibility for the maintenance, repair and replacement of the bulkhead being resolved without the need for court intervention.

2. **THAT:** In order for Queen's Landing Community Marina, LLC to contribute its share of the Bulkhead Replacement Project, the Board of Directors of QLCUO is to create a line item on the QLCUO annual budget, commencing with the 2027 annual budget, to annually fund fifty percent (50%) of either (i) the actual cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project or (ii) up to but not exceeding one hundred ten percent (110%) of the estimated cost of the Bulkhead Replacement as outlined in the 2026 MillerDodson Reserve Study Report, whichever is less until such time as phases 1, 2, 3, and 4 of the Bulkhead Replacement Project are completed.

3. **THAT:** The Board of Directors of QLCUO shall determine the manner, method and timing for the capital contribution required to fund Queen's Landing Community Marina, LLC's share of the cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project.

4. **THAT:** That Marina Executive Committee is hereby authorized to establish a bank account at M&T Bank, Kent Island in the name of Queen's Landing Community Marina, LLC into which Queen's Landing Community Marina, LLC's is to deposit the capital contributions collected for Queen's Landing Community Marina, LLC's share of the Bulkhead Replacement Project which are to be held until such time as the Board of Directors of QLCUO authorizes the Marina Executive Committee to release such funds to pay Queen's Landing Community Marina, LLC's share of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project.

5. **THAT:** That all funds raised through the aforementioned annual budgeting process earmarked for the Bulkhead Replacement Project are to be exclusively utilized to fund Queen's Landing Community Marina, LLC's share of the cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project, with no raised funds for said project being diverted or otherwise used in any other manner without the expressed written consent of the Board of Directors of QLCUO.

6. **THAT:** No funds raised to fund Queen's Landing Community Marina, LLC's share of the cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project are to be utilized, directly or indirectly, to pay for any cost other than Queen's Landing Community Marina, LLC's share of the cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project.

7. **THAT:** The Marina Executive Committee shall oversee QLBSM's timely raising of sufficient capital to cover its share of the cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project, timely reporting to the QLCUO Board of Directors, QLBSM ongoing progress of raising the required funds to pay its share of the cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project.

8. **THAT:** In the event either (i) QLBSM, at any time, fails to timely raise, in whole or in part, its share of the cost of phases 1, 2, 3, and 4 of the Bulkhead Replacement Project, or (ii) QLBSM or any of its unit owners or their heirs, assigns, successors, insurers or lenders, now or in the future, file suit against Queen's Landing Community Marina, LLC or QLCUO that in any way relates to the ownership of the bulkhead or the responsibility for the maintenance, repair and replacement of the bulkhead, the authority granted to Queen's Landing Community Marina, LLC to contribute its share of the Bulkhead Replacement Project for phases 1, 2, 3, and 4, and QLCUO's funding of the Bulkhead Replacement Project as set forth herein, shall respectively automatically terminate without further action of the QLCUO Board of Directors. Upon termination, QLCUO

shall be under no obligation to fund, either in whole or in part, the Bulkhead Replacement Project and all funds not yet distributed by the Marina Executive Committee for the Bulkhead Replacement Project shall be held by the Marina Executive Committee until the QLCUO Board of Directors provides the Marina Executive Committee written directive on the manner and method by which it is to return the collected capital contributions to QLCUO.

9. **THAT:** Nothing in this motion is to be construed to obligate or otherwise instill upon QLCUO or Queen's Landing Community Marina, LLC, a duty or obligation to maintain, repair or replace the Boat Slip Unit or the limited common elements appurtenant thereto, including but not limited to, the bulkhead, piers, piling, docks, marina path, channel dredging, or otherwise bear any cost associated with the maintenance, repair or replacement of the Boat Slip Unit or the limited common elements appurtenant thereto.