

MINUTES
FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING
July 14, 2007

PRESENT: Messrs. Hummer, Buschur, Davis, and Davidson; Mmes. Cantley, McCormick, and Merrill; Messrs. Mathews, Gannon, and Newby by phone

1) Call to Order and Determine Presence of a Quorum of Directors: President Hummer called the meeting to order at 9:00 am. There was a quorum present.

2) Approve Minutes of May 12, 2007: The minutes of the June 9 Board meeting were approved as presented.

3) Discussion of Matters Deferred to this Meeting:

- i. PSD Request to Amend Inlet Bridge Agreement – defer to budget discussions
- ii. Election of Board Officers Process – per Mrs. Hines, most communities surveyed conduct their election process informally, but a few have a formal process. These will be presented to the Board in September.
- iii. Committee Members for Grounds Committee – defer to next meeting

4) Report from General Manager Kate Hines:

Crossovers: The recent high tides have washed away a great deal of sand from the south end of the Island. We have had to close crossovers 24, 26, 28, 29 and 31 because the drop off from the steps to the beach is larger than 15 inches and is unsafe. We notified the Resort and posted signs on both sides of each affected crossover. Tina Reeves met with Roger Wilson on the beach and he said that the problem stems from winds coming from the east. What we need is a southwesterly wind for an extended period. It could right itself in 6 weeks or it could take 6 months. We could try to bring sand in to place in each hole, but it would wash out with each tide. David Godley was contacted and has quoted us \$15,000 to make permanent extensions to these areas, but in the interim we have some very angry owners. Luckily, we do have many crossovers in between those areas that are still open – 23, 25, 27 and 30.

Discussion centered on the fact that the repair amount is not budgeted; the job can be finished in one week; whether we should wait and see if the areas will fill in with sand; and that it is the POA's responsibility to maintain the crossovers.

Motion approved to repair three crossovers as an experiment based on the depth and severity of the hole at a cost of \$9,000 and to inform all owners in the affected areas.

Bridges: We were notified that there was a problem with the footbridge over Blue Heron Lake. We have inspected it carefully and found that it is not safe to use, so we have closed it to all traffic. At a minimum, four pilings need to be replaced. A force main line that belongs to the PSD hangs from the bridge. I have requested bids to see what a repair would cost. To date, we have received a range from approximately \$7,800 to replace the pilings and repair the pickets and handrails, to \$38,000 to replace the entire bridge. Because the bridge is rarely used, except by fishermen, some members of the Road Committee suggested that it be taken down. The PSD needs to keep that force main line active and above the lagoon. They need it for the structure, and we have owners who bought property knowing they'd have this small POA amenity and view, so we have a responsibility to keep it up.

Discussion centered on the possibility of cost sharing with the PSD. Mrs. Hines reported that Mr. Wilson seemed receptive to cost sharing and was going to discuss with the PSD Commissioners at their next meeting.

Motion approved to approach the PSD regarding cost sharing and to secure more bids. No repairs will be made until after Labor Day.

Financial: General Fund: \$1,093,000; Cash reserves of \$2,110,000; Deposits for Right of Entry \$139,000; Accounts receivable \$12,800

--We are at 89% of budget for revenue and 41% of expense. We have collected 98% of 2007 assessments and will be filing 5 liens next week.

--There were 8 property transfers in June.

--The Finance Committee interviewed three investment firms yesterday. We have narrowed the field to two and are sending follow up questions. A recommendation to the Board regarding the creation and implementation of an investment policy for the FIPOA and a firm to handle the funds will be presented to the Board in September.
--For those Directors who chair committees, please start working on your budget requests for 2007. They need to be ready for the Finance Committee before the last week in August. The first draft will be presented to the Board at the September meeting.

Security: The committee met June 13th. Three of today's resolutions stem from that meeting. The first involves changing the Rules and Regulations – mostly just semantic. The second is for replacing the traffic counter, and the third is to replace committee members.

--In more recent news, there was a rash of break-ins to unlocked vehicles over the last weekend. So far, no one has been apprehended. An email was sent to all owners to remind them to lock their cars.

Roads & Drainage: The final plans for widening Tarpon from Skipjack to Rock Beauty are here. We sent letters to all owners affected by the plans – there are 29 parcels that abut Tarpon along that stretch – inviting them to come and see the drawings. As of Wednesday, we have received one bid and are awaiting two others.

Deer: Copies of the latest report from HSUS have been placed in each Director's box. Some highlights are as follows: There were minor changes in the deer population density from 2005 - 175 deer/mi² vs. 186 deer/mi². The sex ratio was 1M:1.6F in 2006 vs. 1M:2.1F in 2005.

--55% of the females recaptured were pregnant. The SpayVac preparation had a change in protocol so it was ineffective. The PZP primers and pellets are working better. Paula Gillikin is back on Island this weekend and again in August to check on the progress. The HSUS team plans to capture and treat up to 50 additional females and treat 45 this winter.

Discussion: A Board member questioned whether a push mail could be sent to owners apprising them of this information. There have been some negative comments heard from owners and they should know that one of the systems did not work, but that the deer population is now declining. It was also noted that this was an experimental program to begin with.

Action: Mrs. Hines to send a push mail to owners.

Club Advisory Board:

Notes from the last CAB meeting

- *Beach Club upstairs, formerly Tidal Hall, is complete and business is so - so.
- *Boathouse stairs are completed and a partition will be built to block view of the kitchen.
- *Credit card back-up system is working nicely.
- *The Resort is looking into purchasing a new POS system.
- *David Smith is serving as the interim Recreation director.
- *The Ambassador program is going better now and transportation has been secured (two vans). Still have some training issues at the pools.
- *Interns- 15 of 16 have stayed: one golf, one tennis, the rest Recreation
- *Tennis club looks great!
- *#15 Hole at Ocean Creek has some bad grass and needs to be repaired.

Discussion: It was noted that many members are unhappy with the way the Club is operating, especially concerning the beach area in front of the Beach Club, and plan to be in attendance at the July 16 meeting.

PSD:

Mrs. Hines was not able to attend the last PSD meeting and no representative was available today.

i. Resolution 443: To Adopt Changes to the Rules and Regulations

Proposed Resolution: That the Board of Directors approve the changes to the Rules and Regulations last amended January 14, 2007.

Motion approved.

ii. Resolution 444: Replace Traffic Counter

Proposed Resolution: That the Fripp Island Property Owners Association approve the purchase of new traffic counter; total costs not to exceed \$1990.

Motion approved.

iii. Resolution 445: Amend Committee Members on the Standing Security Committee

Proposed Resolution: That the Board of Directors appoints the following members to the Standing Security Committee: Jane Cuffe and Bob Young

Motion approved.

5) Committee/Other Reports - Covenants Committee: President Hummer recognized T Thomas, Chair of the Covenants Review Committee, who submitted a draft of the Committee's proposal. His comments included the following:

--This committee was first formed on July 9, 2005 with Budd Catlin, Ed Barnhart and T Thomas and has had the very able assistance of our General Manager and legal counsel.

--Its work has not been a simple matter, requiring the review of numerous declarations, covenants, contracts and understandings in existence between the property owners and the POA that had to be addressed

--It was the Committee's suggestion that it be treated as a working draft, to be reviewed carefully. He requested the Board be free with questions, not hesitating to ask them and to direct them to Mrs. Hines so she might see that each is answered and at the same time forwarded to the remainder of the Board.

--It was also recommended that there be an executive session with our legal counsel present, so that any legal issues or questions raised might be answered by him. A timeline for the adoption of the Covenants by our members was attached to the copy of the draft. The Committee suggested that until the Board actually adopts and recommends a final version of the new Covenants to the members, that discussions remain confidential.

6) Statement of Matters Deferred to Next Meeting:

1. PSD Request to Amend Inlet Bridge Agreement
2. Election of Board Officers Process
3. Committee Members for Grounds Committee

7) Next Meeting: There will be no meeting in August. The next meeting is scheduled for Saturday, September 8 at 9:00 am in the FIPOA Conference Room***, followed by an Executive Session to discuss the covenants

8) Adjourn: The meeting was adjourned at 9:55 am.

Respectfully submitted,

Mary Cantley
Secretary

*Minutes are not the official record of proceedings until the Board of Directors has approved them at the following meeting. Please hold this draft until you pick up the next meeting's draft that will contain corrections as made and approved by the Board.

** To participate in Board meetings by teleconference, owners may call 1-888-311-9051; then 56413#.

*** 07/20/07 -The September Board meeting has been changed to 8:00 AM.