

**FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING
DRAFT MINUTES
March 14, 2009**

PRESENT: Messrs. Mathews, Newby, Duncan, Hess & Morrison; Mrs. Merrill & McCormick; Messrs. Davidson, Gannon, & Case by phone.

1) Call to Order and Determine Presence of a Quorum of Directors: President Mathews called the meeting to order at 8:00am. There was a quorum present.

2) Approval of February 14, 2009 Meeting Minutes: The minutes were approved as presented.

3) Matters Deferred to this Meeting:

i. Resolution 489: Adopt The Trawler Mission Statement

Proposed Resolution: That the Fripp Island Property Owners Association Board approve and adopt The Trawler Mission Statement.

Discussion: It was felt that the first two sentences were appropriate for the mission statement; however the rest appeared to be policy.

Motion: Motion made to approve the first two sentences as The Trawler's Mission Statement. The Trawler panel may still draft a policy for the Board to approve later. Motion approved.

ii. Parking Committee Report/Resolution: Deferred again. Mrs. McCormick noted that there will be handicapped parking at the Rock Beauty beach access. Due to many concerns regarding golf cart parking only on beach access roads, the committee will be re-walking and reassessing these roads as a group.

4) General Managers Report: Kate Hines noted that ballots for Director for the Class of 2012 were mailed February 27. Percentage received to date – 23%, which is the same amount we received last year.

We mailed 1827 Covenant ARD ballots. 1416 ballots were received as of February 27, and they were delivered to the independent accounting firm of Robinson Grant on that day. They were instructed to open and count the ballots until a majority (915) was achieved either "in favor" or "against". The independent accounting report was received on March 3rd showing that the procedure was completed with 950 votes "in favor" and 21 votes "against".

It was noted that in preparation for the POA to take over the ARB, discussions are taking place with FIR staff re: responsibilities, scanning and storage needs.

Sawgrass Bulkhead: The permit was issued and the bulkhead work has begun. It should be complete by March 17.

Crossovers: Another doggie pot station will be installed at the Sawgrass side of the Sawgrass walkway.

Deer: The HSUS report of 2008 has been distributed to all directors and is posted online at <http://www.fipoa.org/news.html>. Between 2006 and 2008, deer numbers appear to have declined between 21-35% on Fripp and fawn: doe ratios have declined by 38-56%. There is also a trend for increased male: female ratios over the course of the study. The crew who have been working here since February say that they see a significant drop in the number of deer. Mrs. Hines will research the 5-year target percentage of deer reduction.

Financial:

- 2009 Assessments: to date we have received 92% or \$1,487,000 and \$198,400 in Road and Bridge Funds. This time last year we had received 94%. 3/1/08 – mailed 121 late notices; 3/1/09 – mailed 163 late notices.
- General Fund: \$1,442,000; Cash reserves of \$1,821,000 including investments adjusted for market value; Deposits for Right of Entry \$178,000.

- Accounts receivable for 2009 including unpaid assessments are \$159,700. We are at 85% of budget for revenue and 10% of expense.
- There was one property transfer in February.
- Bob Davidson reported that all Directors received current financial information from Bruce Jentner this week. He is encouraged but noted patience is needed. He requested Directors to study the material and he will answer any questions if need be.

Grounds: Mulch has been added along Tarpon and at both parks. The committee recently purchased four large planters, which will be filled with colorful flowers and placed at the guardhouse. The committee will meet again March 25. We have some 17-year-old broken valves at the front of the island, which will be replaced by Earthworx.

Lakes & Lagoons: There was a broken wire in the ground near the one aerator that was not working. It has now been repaired. The lagoon management company says that there is a high salinity rate and a low algae bloom which is the reason the lagoons are so brown. They will test the water to see if anything can be done to get it green again and stop the bubbles. An owner also suggested it could be due to the extreme temperature fluctuations this winter.

Roads & Drainage: REA contracting will start resurfacing work on March 16 (weather depending). Skimmer Cove drainage work has been delayed.

Security: No report – all has been quiet. Next meeting is scheduled for March 18.

Club Advisory Board: Met February 16. The fitness center has been cleaned and will be repainted when the new equipment comes (about three weeks). The survey results were discussed at length – only 1/3 of club members responded to the survey and many of the results were negative. The Club has worked to address each issue. The steps at Savannah’s will have better lighting soon. The lift at the Beach Club has been installed.

PSD: Met March 10. They have not yet received the quote from Freyssinet for repairing the Inlet Bridge. HGB&D started the annual bridge survey and topo work on March 11. All homes are now connected to the sewer system except one, which is to be demolished. A water line under the Harbor River Bridge has become exposed due to scour and requires sandbagging. The commission approved spending \$23,140 to make repairs. Another \$34,000 was approved to install expansion joints on the Harbor River Bridge.

The commission will be approaching the POA in May to amend the bridge agreement to include new language stating that “The Association agrees that the District shall pay and the Association shall reimburse the District for **all expenses** relating to operating, maintaining and insuring the Inlet Bridge.”

i) Resolution 497: Non-Standing Committee to Address Concerns voiced by Fripp Island Golf and Beach Resort

Proposed Resolution: That the Board of Directors appoints the following Members to the Non-Standing Committee to address concerns voiced by Fripp Island Golf and Beach Resort in a letter dated February 18, 2009: Bob Davidson – Chair, Jim Duncan, Joe Gannon and Dick Morrison; Ex-Officio Appointment – General Manager.

Motion: Motion made to approve the proposed resolution as stated. Motion approved.

ii) Resolution 498: Turtle Patrol Posting Save Sea Turtle Signage at Beach Crossovers

Proposed Resolution: That the Board of Directors approve allowing the Turtle Patrol to post Save Sea Turtle signs.

Discussion: There was discussion about keeping the signs up year-round for educational purposes, maintenance, and how to address items left on the beach each night. The Turtle Patrol will maintain the signs

and replace as needed. They already tag tents to request owners remove them. Security will not be responsible for enforcement.

Motion: Motion made to approve the proposed resolution. Motion approved.

iii) Resolution 499: Pave South Tarpon and Remora Ahead of Reserve Schedule

Proposed Resolution: That the Board of Directors approve resurfacing South Tarpon and Remora ahead of the Reserve Schedule at an expense of \$171,600.

Discussion: South Tarpon and Remora were scheduled to be resurfaced in 2010 and 2011; however, the PSD made many cuts in these roads during the sewer project. The Finance Committee had discussed investing 2009 budget surplus of \$228,000 with Jentner Financial; however, in consideration of the uncertain economic forecast, the Road Committee suggested that the POA invest some of these fund in road repairs now instead. The Finance Committee agreed. The quote to add South Tarpon and Remora to the already scheduled work is \$171,600. Items discussed were timing of current paving, drainage issues, need for OCRM permits for retention ditches, normal length of time for paving to last on Fripp is 18 years, paving down to the last house on South Tarpon excluding the circular drivearound, grading of encroaching sand, and installation of center line reflectors.

Motion: Motion made to approve the proposed resolution. Motion approved.

iv) Resolution 500: Send a Letter of Opposition to Senate Bill 30 to Senator McConnell and Senator Davis

Proposed Resolution: That the Board of Directors approve having President Mathews sign the letter opposing SB-30 (sample attached).

Discussion: Mrs. Hines noted this bill adds extra fees to each owner and is not favorable to any POAs.

Motion: Motion made to approve the proposed resolution. Motion approved.

v) Resolution 501: Create Equality of Cost to Property Owners when Paving Gravel Roads

Proposed Resolution: That the Board of Directors amend the existing Paving of Gravel Roads policy by inserting the following amendment after the first sentence: "Consideration for FIPOA participation in the cost of paving shall be considered when a gravel road is bordered by lots only on one side or lots bisected by a FIPOA road. Participation by FIPOA shall not exceed ½ of the cost of paving".

Discussion: Current policy states paving of gravel roads should be primarily at the expense of the adjacent property owners. The initiative to make phone calls and solicit support of the adjacent property owners should normally be with a neighborhood owner. The FIPOA will provide grading and drainage improvements as well as administrative assistance and information. According to current policy, FIPOA is in essence asking each property owner to pay for 9 feet of paving of an 18 foot street, until we come to a street with owners only on one side or the property is bisected by the FIPOA road. Then, the owners must pay for 18 feet of paving but the POA collects an assessment from only one side of the road. The amendment is an attempt to be fair to all owners. There are four areas that would be affected by a change in this policy; one being the end of Porpoise which we are talking about today. There are six lots with four owners (two lots in abeyance) in this unpaved area. The paving job is estimated at \$7500 with the POA's share being \$2500 (two lots) and individual shares being \$1250 each. The Porpoise owner who has initiated paving discussions was present and he acknowledged his neighbors are not all in agreement with expending these funds at this time. Items discussed were the cost of continued grading vs. paving, increased drainage issues, fairness to all, and current and future financial situations.

Verbiage in the resolution was discussed and it was agreed that it only binds future boards to consider participation in up to ½ of the cost of paving. Future cases will always have to come before the Board for approval. At that point, the question was called.

Motion: Motion made to approve the proposed resolution. Motion approved; 7 ayes, 2 nays.

5) COMMITTEE/OTHER REPORTS: None.

6) COMMENTS AND QUESTIONS FROM MEMBERS

(Q) Why was the Palmetto Edge item taken off the DRT agenda?

(A) The developer requested postponement to address DRT concerns.

(Q) How do we as owners get true information vs. misinformation?

(A) Legally the POA is bound to not have an opinion; any information must come from the developer, Palmetto Edge LLC, or Stuart Mitchell

(Q) What is the status of the water pressure at the drinking fountain at the park? The Women's Club wanted to fix it but the PSD said it was the POA's responsibility

(A) Mrs. Hines had not been told there was a problem until now, but she will discuss with our contractor.

(Q) A Board member questioned the results of the General Manager's evaluation.

(A) Mr. Mathews noted he had summarized all comments in an anonymous manner and reviewed the document with Mrs. Hines. It is not public information.

7) Statement of Matters Deferred to Next (May) Meeting:

i. Parking Committee Recommendations

8) Next Meeting: The next meeting is the Annual Meeting. It is scheduled for Saturday, April 11, 2009 at 9:00am at the Fripp Island Community Centre and All Faiths Chapel. The phone lines have been re-installed for teleconference participation.

9) Adjourn: The meeting was adjourned at 9:25am

Respectfully submitted,

Joe Gannon, 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 1-800-444-2801; then 5763474