

**FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING
MINUTES
June 13, 2009**

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

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

2) Approval of May 9, 2009 Meeting Minutes: An amendment was made to the General Manager's Report relating to PSD: "The PSD considered and rejected a request from Turtle Dunes 5WLP regarding the SeaGlass condominiums." The minutes were approved as amended.

3) Comments & Questions from Members: Mrs. McCormick noted the large audience present and requested approval from the Board to change the order of the agenda so comments could be heard first. This was approved.

A. At a public hearing on May 28th, proposed changes to the setback line were presented by OCRM. Their representative stated the changes would be effective on June 13th. Sen. Tom Davis managed to delay the deadline until July 17th and has also reserved time for interested parties to meet again on June 24th. Several owners expressed concerns about these proposed changes to the setback line. Major points covered were that this is not about beachfront owners only, but all property owners; apparent inconsistencies in OCRM's report; the need to find an attorney specializing in these cases; and that the County would not want to lose at least \$1 Million in revenues on affected properties. It was also noted that OCRM will accept written statements if owners cannot attend the June 24th meeting.

ACTION: Mrs. Hines will send a push mail about the meeting.

B. Page Miller noted that a previous request by an owner on Tarpon to build a bridge to his lot was denied by DHEC in 2007. A SC Administrative Judge has since overturned that decision and ruled in the owner's FAVOR. Last month DHEC, SC Coastal Conservation League and the SC Environmental Law Project appealed the approval of this permit to the SC Appeals Court. If you wish to know more about assisting with this effort, please contact Page Miller.

C. Page Miller noted that a prospective owner is requesting a permit to build a 521' dock at 39 Veranda Beach with an additional 20x20' roofed pier head and a 25' ramp to a 35' floating dock. This dock would extend from near Wardle's Landing dock toward the canal and end close to the mouth of the canal. Over 20 Fripp owners sent letters to DHEC expressing their concern and DHEC has scheduled a public hearing on this application for June 25th.

Action: Mrs. Hines will send a push mail about the meeting.

(4) Resolution 505: Adopt a Policy to Have Two Readings of Resolutions Before Voting on Them

Proposed Resolution: That the Board of Directors Adopts a Policy to Have Two Readings of Resolutions Before Voting on Them

Motion: A motion was made and seconded to bring back Resolution #505, which was tabled at the May meeting. Motion approved.

Discussion: Mrs. McCormick gave a brief overview of pros and cons of this resolution as discussed at last month's meeting. A Board member felt that a mechanism was already in place (tabling a motion) if more time was needed prior to voting. Two important points were **(1)** that two readings would provide for more transparency for the community and give time for input; and **(2)** there can be some difficulty in hearing when participating by telephone. When asked about the feasibility of this new process, Mrs. Hines noted there would be a small learning curve after only having one reading for many years.

Motion: Motion made and seconded to adopt the policy as presented. Motion approved; three nays.

(5) General Manager's Report: Kate Hines

OCRM: As previously discussed, a public hearing regarding proposed changes to the setback line has been held with another scheduled by Sen. Davis for June 24th. Rep. Erickson has been invited to join as well. Blow-ups of the proposed setback maps are available in the POA office if owners would like to see them.

ARB: The following permits have been issued: two re-roofing, two tree removals, 12 painting and maintenance, and one new house construction.

Crossovers: Supports and a trash can have been added to the crabbing dock and a step has been added to the landside on Crossover 21. A bike rack has been added there as well.

Financial: 2009 Assessments: to date we have received 96% or \$1,610,000 and \$213,500 in Road and Bridge Funds. We mailed 77 late notices on June 1st, 68 of the certified letters stating that payment must be received before July 1st or liens will be filed.

- General Fund: \$1,247,000; Cash reserves of \$1,699,000 including investments adjusted for market value; Deposits for Right of Entry \$180,000, ARB Bond Deposits - \$122,000.
- Accounts receivable for 2009 including unpaid assessments are \$68,000. We are at 91% of budget for revenue and 51% of expense.
- There were five property transfers in May.
- The Finance Committee met June 10th. Bruce Jentner brought the committee up to date on the investments. The market continues to recover slowly, making gains in our account since March. Bruce was directed to rebalance the account as planned in the POA investment guidelines.
- PSD is pursuing a G.O. bond thru Beaufort County to fund the upcoming bearing plate repairs to the Inlet Bridge. The Finance Committee recommends that as the PSD moves thru the bond process, the POA will need to be certain that the annual payment required to pay off the note is on deposit a year in advance. There will be a formal resolution at the July meeting.

Grounds: The committee met Thursday and evaluated the River Club wall area for long-term beautification. Much of the juniper will be removed and oleanders and other plants will be planted. Some palm trees in the way of magnolias may be removed if the Board and Beaufort County have no objections.

Roads & Drainage: We are still awaiting a bill for the striping and reflective pavement markings. We have had one complaint about the condition of Blue Gill and some of the other gravel roads are not in the best shape. We will try to get a grading crew out here in July.

Parking: The letters and maps were mailed to all owners on the affected streets on May 15th. There have been a number of concerned owners calling for explanation. The new signage is in the process of being installed. All 76 new signs should be installed by June 15th. Security knows that they will have new parking rules to enforce.

Security: Chief Binkowski and I met with Captain Horton of the sheriff's department to impress upon him the importance of pursuing the golf cart vandalism case to the full extent possible. The Chief noted this is a difficult case as all arrangements were made by debit card, Internet and cell phone. He now has the names of two of the teenagers allegedly involved and will be talking to them. No arrangements were made through the Resort. It was all online and anonymous. An owner questioned what redress he might have when a renter in a nearby house damages his property. It was noted that the first thing to do is to call Security, but that it is considered a civil matter. The next committee meeting will be July 15th.

Trawler: The final printed issue is scheduled to be delivered July 15th.

Club Advisory Board: Pool attendants this year will be interns and Club members. Logos on the signs are changing; all future logos will be updated with new colors. Stuart Mitchell indicated that Security will have authority on the golf courses, but we still await something in writing.

PSD: The water line has been repaired as of June 12. Conservation by alternate days for watering is in effect. The 8" water line was repaired on Friday May 29th, but failed again on Sunday the 31st. Clamps that had been

specially made to cover the holes created when the Embarq subcontractor cut thru the line failed. A 10-foot section has been completely removed and new ductile pipe has been sleeved into place with restraining joints. There was an 8" hole in the pipe.

--Concerning the OCRM setbacks, PSD will defer to POA until POA asks them to take a position.

Commissioner Bob Doyle noted the following: The PSD budget passed with no increase in water rates.

--Following the latest water leak, it has been determined that a completely new line is needed. DHEC requires a new engineering plan and Hussey Gay Bell is preparing drawings, which will be sent out to bid. An executive session has been held regarding insurance & legal ramifications.

Mrs. McCormick requested that for convenience, Resolutions 509 through 517 be approved by acclamation. It was noted that #510 should have added, "if desired" following "to form an audit committee".

- i. **Resolution 509** – Reappointment of a Chair and Appointment of Committee Members to the Standing Bridges Committee
- ii. **Resolution 510** – Reappointment of a Chair and Appointment of Committee Members to the Standing Finance Committee (amend by adding "if desired" following "to form an audit committee").
- iii. **Resolution 511** – Reappointment of a Chair and Appointment of Committee Members to the Human Resources Committee
- iv. **Resolution 512** – Appointment of a Chair and Reappointment of Committee Members to the Standing Roads & Drainage Committee
- v. **Resolution 513** – Appointment of a Chair and Committee Members to the Standing Security Committee
- vi. **Resolution 514** – Appointment of a Chair and Committee Members to the Non-Standing Appeals Committee
- vii. **Resolution 515** – Reappointment of a Chair and Committee Members to the Non-Standing Beach Committee
- viii. **Resolution 516** – Reappointment of a Chair and Appointment of Committee Members to the Non-Standing Grounds Committee
- ix. **Resolution 517** – Appointment of a Chair and Reappointment of Committee Members to the Non-Standing Parking Committee

Motion: Motion made and seconded to approve Resolutions 509 through 517 (with change to #510) by acclamation. Motion approved. To view the complete list, please see the following link:

<http://www.fipoa.org/volunteer.html>.

- x. **Resolution 518** – Approve Revised and Restated Guidelines for Committee Structure

Discussion: Committee Structure Guidelines have not been revised since 2007. The Beach Committee has been added and the Off Island Affairs and Long Range Planning Committees have been removed. The Future Finance Committee has been absorbed into the Finance Committee.

Motion: Motion made and seconded to Approve Revised and Restated Guidelines for Committee Structure. Motion approved.

- xi. **Resolution 519** - Approve a Contract for Common Area Maintenance

Discussion: Bid packages were mailed to 27 prospective companies. Eight met with the General Manager to go over what would be required. Seven submitted bids. The top three bids, in high to low order, are The Greenery, Earthworx, and Greenscapes.

Motion: Motion made and seconded that the Board of Directors enter into a contract for Common Area Maintenance with Earthworx. Motion approved.

At 10:00, Mrs. McCormick left as scheduled and President Mathews took over the meeting.

Mr. Mathews noted the previous discussion of the setback issue. He entertained the need for a resolution to develop a board subcommittee to address the setback issue and hire and work with an attorney of the committee's choosing.

Motion: Motion made and seconded as stated above.

Discussion: It was felt that there should be two Board members and four non Board members appointed, plus the General Manager. Subcommittee members are: David Case and Buck Mathews from the Board; Rich Combes, Edward Dukes, Dan McCormick and Stuart Mitchell as non Board members, plus the General Manager. It was noted that the deadline for comment is July 17th. Motion approved.

6) Committee/Other Reports: None.

7) Comments and Questions from Members:

(C) It was noted that a recent email from the Community Centre indicated they would be allowing boats and trailers to park in their additional parking area. Construction vehicles/trailers were also noted parked there this morning. Concerns were expressed with the unsightliness of this area and how it affects the island's ambiance.

(A) Although the POA has no jurisdiction over this area, Mrs. Hines will talk to a Community Centre representative to find their reasoning.

8) Statement of Matters Deferred to August Meeting: None.

9) Next Meeting: The next meeting will be held Saturday, July 10, at 9:00am in the POA Boardroom.

10) Adjourn: The meeting was adjourned at 10:15am.

Respectfully submitted,

David Case, 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