

**FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING
MINUTES
August 8, 2009**

PRESENT: Mrs. McCormick; Messrs. Davidson, DiSerafino, Hess & Morrison; Mrs. Merrill. Messrs. Mathews, Case, Duncan & 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 June 13, 2009 Meeting Minutes: The minutes were approved as presented.

3) Tents on the Beach: Janie Lackman, Turtle Patrol Coordinator, requested assistance and support from the Board and Security relative to sea turtle protection. She addressed issues with tents left overnight on the beach, lighting, and holes dug by guests. Beach ordinances and policies from other communities were discussed. Items left behind are currently tagged by patrol members. As Fripp is a private community, there are questions as to how much jurisdiction Security has for enforcement on the beach. We know we have none below the high water mark and not sure how much above. The definition of high water mark is to be researched. Stuart Mitchell noted tents are also a nuisance for the Resort and indicated they would be willing to assist in protection efforts. Security currently hands out a brightly colored notice of beach access parking and it was decided to use the reverse side for turtle protection rules. Jim Yeager will continue to pick up beach debris at Rock Beauty and also at Crossover 2 for an additional fee. It was also suggested to enlist the help of Senator Tom Davis, Representative Shannon Erickson and the Sheriff's Department to get jurisdiction on enforcement rules. Patrol members present were asked to stand and received a warm round of applause for their efforts.

Motion: Motion made and seconded to appoint an ad hoc committee to study structures on the beach and report back at our next meeting. The committee will be assembled by Mr. Mathews, Mrs. McCormick and Kate Hines and consist of representatives from POA, FIR, Security and the Turtle Patrol.

4) General Manager's Report: Kate Hines

Early Sunday, August 2nd, a vehicle ran into the guardrail on the Tarpon Boulevard Bridge by the FIPOA office. The impact from the car caused a large crack in the slab. Tom Gioiosa, Chair of the Bridge Committee, inspected it and had Tina Reeves contact Wilbur Smith Associates who have also now inspected the bridge. They recommended that we keep caution cones out to prevent further damage, as well as recommended securing the deck in the transverse direction. The individual who hit the bridge will be liable. Their insurance company has been contacted and we are awaiting the adjuster's report. Once the adjuster has been on site, the Board will be asked to vote to go forward with a contract to repair the damage.

OCRM Proposed Setback: The FIPOA hired Mary Shahid of McNair Law Firm to represent us in working to oppose the proposed changes to the oceanfront setback lines. With Sen. Davis' help of extending the deadline to July 17th, Mary was able to not only send a very thorough letter on the POA's behalf, but she also drafted a letter for owners to use as a template. We received about 25 copies of those letters. Bill Eiser of OCRM said that any answer from OCRM could be a very long time in coming.

ARB: The following permits have been issued: three new home construction, nine paint, 12 maintenance and repair, two home additions, one tree removal, and four new roofs.

Crossovers: Tina and Dan Schulz of Atlantic Marine walked all of the crossovers in preparation for the 2010 Budget. All crossovers are open and in good shape.

Financial:

- 2009 Assessments: To date we have received 96% or \$1,610,000 and \$213,500 in Road and Bridge Funds. We mailed 27 late notices on August 1st, and filed 17 liens in July.
- General Fund: \$1,140,000; Cash reserves of \$1,748,000 including investments adjusted for market value; Deposits for Right of Entry \$187,000, ARB Bond Deposits - \$107,000.
- Accounts receivable for 2009 including unpaid assessments are \$34,000. We are at 95% of budget for revenue and 68% of expense.
- There were five property transfers in June and one in July.
- The Finance Committee met August 7th. They discussed switching banks, but have some more research to do. They also discussed the current investment status - funds are moving in the right direction.

The Committee approved three separate motions.

- One is to accept the auditor's recommendation to take roads and common areas off the books per industry standard.

The other two motions are recommendations to the Board.

- First, the Finance Committee is in favor of removing the cap on the Road and Bridge Fund and increasing the special assessment starting in 2011. More information is needed from FIPSD regarding the cost of the bridge repair before that amount can be determined.
- Second, The Finance Committee recommends replacing the cpi formula used to calculate regular assessments using 2009 as a base year adding no more than 10% per year, also to start in 2011.

Lakes: We had two near fish kills recently, but were lucky enough to avoid them by turning on the aerators for a 24-hour period. The aerator near our building had to be returned for warranty work.

Roads & Drainage: We only received one bid for gravel work; the other company that expressed great interest never placed a bid. REA had promised to start on July 27th, but have been delayed again until August 17th. The committee will meet August 13th.

Parking: The new signs were installed June 15th. Security has stepped up enforcement of parking regulations since then. We have encountered some confusion regarding what the signage means, and had some pretty strong complaints from residents on Whiting. The committee met on site and walked the problem areas on July 24th. It was determined that some sign corrections needed to be made in order to allow emergency vehicles to pass.

Security: The Committee met July 15th. The Chief reiterated that golf carts are not allowed on the beach. He will allow handicap access on a case-by-case basis.

To help with parking issues, an additional sheet is now being handed out to incoming vehicles stating that beach access parking is limited and where parking is allowed. It has proven to be very effective.

Also discussed and finalized, two systems of push-emails whereby the Chief of Security can let owners know about issues. If it's an urgent matter, such as requesting help looking for vandals or a stolen golf cart, it will be titled "Security Alert" and sent only to full time residents. If it's less pressing, it will be titled "Message from the Chief of Security" and sent to all owners.

One of the alerts was sent this past Thursday regarding a recent spate of vandalism. Two more carts have been stolen and used for destructive purposes. Security has no leads on these incidents.

Trawler: The final printed issue was delivered July 15th. The deadline for articles for the September issue is August 20.

Club Advisory Board: There is now signage on the golf courses stating "Registered Golfers Only".

The suggested bocce ball court will be on hold until next year after assessing how well the one in Deer Lake holds up.

Many kudos were given to POA for sharing in cost of July 4th fireworks.

PSD: Beaufort County Council approved the second reading of the bond resolution for repairing the bridge bearings. Nobody offered comments at the public hearing just before the vote.

Ernie Wilson is working with HGBD to establish a date for issuing the RFP based on Council approval at the third and final reading on August 10th.

Commissioner Pat Reilly noted RFP's will go out on September 16 and a contract is hoped to be signed by October 15th. Additional information is available at PSD and in the POA office.

HGBD is working on a redesign of the Harbor Bridge water system to include enlarging the current 8" line to 10".

Although our water situation is not critical, owners were encouraged to watch their lawn irrigation practices. The PSD has encouraged the ARB to consider plantings that need a low level of irrigation on new home construction. They are also testing the efficiency of a rain sensor and may recommend them for all properties in the future.

The following two resolutions were approved without a meeting and are presented for information only:

Resolution 520 – Action without a Meeting: Computer for General Manager

Proposed Resolution: That the Board of Directors approves purchase of a replacement computer for the General Manager at a cost not to exceed \$750.

Discussion: The General Manager's computer is approximately four years old and is crashing on a regular basis. It will not survive until the August Board meeting. A replacement computer will cost \$750 including installation of all necessary programs. Funds to come from the 2009 Project Expense budget category.

Resolution 521 – Action without a Meeting: Additional Video Camera at Security Gate

Proposed Resolution: That the Board of Directors approve purchase of an additional video camera for the Security Gate and add more lighting at a cost not to exceed \$1,000.

Discussion: The Security Committee approved a motion to request funds not to exceed \$1,000 for purchase and installation of an additional camera and lighting at the Security gate. This will help capture images of vehicles leaving the island and may prevent theft. An image was not clear enough when a truck recently left with a riding mower on the back. Funds to come from the 2009 Project Expense budget category.

Resolution 522 – Purchase New Safe

Proposed Resolution: That the Board of Directors approves funds not to exceed \$790 for purchase and installation of a high capacity safe for 225 Tarpon Boulevard.

Discussion: The FIPOA has a small fireproof safe; however, with the takeover of the ARB the space is no longer adequate. We are proposing a larger safe. A new safe of the same size would cost \$500 and Jim Yeager has offered \$250 in exchange for installation costs. Funds would come from the Project Expense Budget

Action: Presented for first reading; second reading in September.

Resolution 523 – Bring Lighting and Sprinkler System into Fire Code Compliance in FIPOA Administrative Building

Discussion: During a recent liability insurance inspection, it was recommended that a licensed contractor inspect and perform specific tests. It was discovered that our lighting fixtures and placement do not meet code, as well as other deficiencies. None of these issues were noticed during the initial building inspection for Certificate of Occupancy or in any subsequent inspection. The cost to bring the electrical and fire needs up to code is \$4,175.00. Funds would come from the Project Expense budget. There was a lengthy discussion with questions asked about our liability, loss of insurance coverage, and which particular code was cited. These issues will be researched by Mrs. Hines.

Action: Presented for first reading; second reading in September pending further research.

5) Committee/Other Reports:

6) Comments and Questions from Members:

C) An alternative method of funding future bridge repairs was presented to the Finance Committee. This would entail specific fees for all car and truck traffic requesting access to Fripp.

A) The Finance Committee is aware of this recommendation and encourages everyone to think of ways not currently used to raise money.

Q) Could porta-potties or a small bathroom facility be installed on the beach?

A) Referred to Beach Committee.

7) Statement of Matters Deferred to September Meeting:

Resolution #522: Purchase New Safe

Resolution #523: Bring Lighting into Fire Code Compliance in FIPOA Administration Building

8) Next Meeting: The next meeting will be held Saturday, September 19 at 8:00am in the POA Boardroom. Please note the date and time change.

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

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