

**PROPERTY OWNERS ASSOCIATION BOARD MEETING
DRAFT MINUTES
January 16, 2010**

PRESENT: Mrs. McCormick & Merrill; Messrs. Davidson, DiSerafino, Duncan, Hess & Morrison; Messrs. Mathews, Case and 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 December 12, 2009 Meeting Minutes: The minutes were approved as presented.

3) Discussion of Matters Deferred to this Meeting:

Resolution 527 – To Adopt a Confidentiality Clause for the Board of Directors

Discussion: Mr. Crouse felt that he and Mr. Mathews should be in attendance for this discussion.

Motion: Motion made and seconded to table Resolution 527. Motion approved.

4) General Manager's Report

In accordance with the provisions of Article VII, Section 1 (b) of the Association's Bylaws, the Nominating Committee submits its recommendations of the Nominees to the Board of Directors.

There are two positions open for Resident Director. Nominees for Resident Directors for the Class of 2013, in alphabetical order are: Tom Hindes, Micki McCormick, Diane McGarry, Ernie Taylor.

There is one position open for Non-Resident Director. Nominees for Non-Resident Director for the Class of 2013, in alphabetical order are: Bob Layman, Wayne Kemmerer.

Resumes will be published in the March Trawler. Petitions for nominee may be filed until 4:30 pm February 15th.

OCRM setback lines: 188 owners, including the FIPOA, filed requests for contested hearings with the SC Administrative Law Court on January 8, 2010. The FIPOA paid for these filings on behalf of each owner and has been paying attorney fees to the McNair Law firm as well. Per a decision of a quorum of the Board via email, letters were mailed to these owners with copies of the filings and an explanation of the need for \$500 from each owner.

The Court has consolidated the cases into three groups – the properties on south Tarpon, those with a 20' setback, and those along the inlet. Our attorney is hopeful that the three cases will be further consolidated into one before we actually get to trial.

Tim Kana, PhD., Founder and President of Coastal Science and a registered geologist, has agreed to work with us on the appeal. Dr. Kana and his team will come to Fripp and compile data and set up baselines, transects, and gather ground truth data. He will then work to prove that the 1856 survey is in fact the outlier and use an objective scientific manner to show the data is not valid. President Mathews has assembled a group to oversee Dr. Kana. This group includes POA Director Dick Morrison, Steve McKay, PSD Commissioner Jim Parks, Al Santoni, and General Manager Kate Hines.

On January 14, Senator Tom Davis of Beaufort County introduced a bill that would remove Fripp from the 1988 Beachfront Management Act. The bill is SC 1051 and is residing in the Senate Committee on Agriculture and Natural Resources. An email blast was sent to all Fripp owners in the state asking them to contact their legislators and request support for the bill.

Discussion: Mrs. McCormick expressed appreciation to Sen. Davis for his support and effort in helping Fripp. She also recommended reading Mr. Robertson's email on Fripp-Notes.

ARB: ARB permits issued in December: one tree removal, four maintenance & repair, one roof, two porch additions, one dock/retaining wall, one elevator, five paint.

Crossovers: Major annual repairs are being made this week and next to the crossovers by Atlantic Marine.

Financial:

- Assessment Collections: There are still ten properties not fully paid for 2009. We have received 77% of 2010 assessments to date.
- General Fund: \$1,569,000; Cash reserves of \$2,026,600 including investments adjusted for market value; Deposits for Right of Entry \$188,000, ARB Bond Deposits - \$86,000.
- Accounts receivable for 2009 including unpaid assessments are \$17,700. We are at 107% of budget for revenue and 99.91% of expense.
- There were four property transfers in December.

The Finance Committee met January 15. A resolution will come before the Board in February regarding a Bylaw change for assessment calculation methodology and the Road & Bridge Fund cap.

Grounds: The deep freeze from Christmas thru January 14 was not beneficial to any of the plants on Fripp. Earthworx cut back every plant that froze at the entrance to the island, at the tower garden, and in Davis Love Park that will not come back in the spring. They also put a light layer of mulch for top dressing and filled the planters at the Gatehouse with winter plants.

Lakes: The new aerator was installed behind the POA office.

Parking: The committee met January 13 to begin discussion regarding boats/RV's/trailers parked on private property. The committee has many things to consider including what space currently exists on the island that owners could use, such as the marina and any land behind Don Peel's office; would granting short periods of time to allow the boats on properties and monitor that time be feasible; should a fee be charged to those bringing boats onto the island; would screening work; etc. We encourage ideas and questions from all owners on this complicated issue. There is no easy solution, and there will not be any immediate action taken.

The parking improvements for Crossover #22 are on hold so that all neighboring owners can see the design before installation. We plan to install the rope & post and all signage in late February.

Roads & Drainage: There was incredible flooding in December; 11.4 inches of rain were recorded at the PSD plant. The POA gravel roads did not fare well. The Earthworx crew made certain that all drains remained open and functioning throughout. We are talking to REA contracting to make sure that we are on the schedule for early March.

Security: Two more flat screen TV's were stolen from rental houses. This now makes a total of six. A Tiffany style lamp was also stolen. The Chief of Security had previously suggested that the properties, which are managed and use the same passkey be re-keyed, but that didn't happen. It was noted that the same passkey is used for 56 homes. He has sent an e-blast to local residents asking them to keep an eye out on vacant properties. It was also suggested that the POA contact the owners of these homes.

The Security Committee reviewed information for an educational hand-out which includes alligator, turtle, and deer information as well as beach access parking information, golf cart parking regulations, and the main rules & regulations brochure. More reviews will take place before final approval. We also discussed a volunteer patrol to help educate guests about the dangers of alligators and other wildlife. The next meeting is scheduled for January 20.

Trawler: The next deadline for articles is February 12th. This is an early deadline due to the candidate information.

PSD: The Inlet Bridge repairs are progressing on schedule with completion expected in March. Some of the pipe hangers supporting the water line pulled loose when the contractor began jacking the bridge. The loose hangers did not endanger the waterline, and the water department will bear the costs to repair them. The repair will provide a stronger attachment. They are also finding more spalling than they had thought they would. The old bearing plates definitely could not have been refurbished.

Permit applications have been submitted to OCRM for replacement of the Harbor River sub aqueous water line. The PSD's insurance company has paid \$163,000 for the temporary repairs performed to date. The PSD is going forward with replacement of the line while pursuing reimbursement from the responsible parties' insurance company.

Club Advisory Board: No meeting in December. The next meeting is January 18.

5) Committee/Other Reports: None.

6) Comments and Questions from Members: An owner expressed dissatisfaction with the upkeep and maintenance of Crossover 16 and distributed photos with areas of concern. Mrs. Hines will ask Tina Reeves and Dan Schultz of Atlantic Marine to meet him at the crossover next week.

7) Statement of Matters Deferred to February Meeting:

8) Next Meeting: The next meeting will be held Saturday, February 13, 2010 at 9:00 am in the POA Boardroom.

9) Adjourn: The meeting was adjourned at 9:20 am.

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.

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