

**FRIPP ISLAND PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
MINUTES
March 13, 2010**

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

ABSENT: Mr. Davidson; Mrs. McCormick

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

2) Approval of February 13, 2010 Meeting Minutes: The minutes were approved as presented.

3) Discussion of Matters Deferred to this Meeting: None.

i. Resolution 534 – To Amend the Bylaws to Change Language Regarding Basic Assessment Limitation; Add Annual \$100 Road & Bridge Assessment Without Accumulation Limitation

Proposed Resolution: That the Board of Directors recommends approval of the proposed amendments to the Bylaws and authorizes the mailing of such to all Members in good standing for their review and subsequent vote.

Discussion: The resolution is being presented for second reading with no changes. It was noted that the resolution contains two parts and that the Board is being asked to approve one resolution for a ballot that contains two votes. It was questioned whether separating the resolution into two resolutions would send it back to the Finance Committee or keep it at the Board level. As this was being presented by the Finance Committee, the consensus was it would go back to the Committee. It was also noted that owners could vote both yes and no on the two separate issues even though they were both included on one ballot.

Motion: Motion made and seconded to approve on second reading. Motion approved.

ii. Resolution 538 – Approve Wildlife Handout and Alligator Magnet

Proposed Resolution: That the Board of Directors authorizes distribution of the Wildlife handout and Alligator Magnet.

Discussion: The resolution is being presented today for second reading. There have been no changes.

Motion: Motion made and seconded to approve on second reading. Motion approved.

4) General Manager's Report

MISC: Ballots for the FIPOA Board of Directors for the Class of 2013 were mailed to all Members in good standing on February 26th. A typographical error was discovered after the mailing and new ballots were in the mail by March 4th. They are pink and have neon-identifying labels. Telephone calls have been made to those who have voted who do not have email addresses to make sure they send the new pink ballots back. Emails will be sent to all others. Percentage received to date – 18%; last year at this point we had received 23%.

OCRM Setback Appeal: Mrs. Hines traveled to Columbia March 10 to attend the Agriculture & Natural Resources Committee meeting. Senator Davis's bill had come out of the subcommittee with a recommendation from OCRM to make the revetment be the baseline. Essentially the revetment already is, so this didn't really accomplish anything. Sen. Davis proposed a compromise amendment to make the 20' setback be permanent. He was able to get the bill through the committee meeting. Two senators attached their names to the bill which will slow it down, but the bill will still make it to the senate floor. Sen. Davis will meet on March 16 with OCRM staff, Sen. Leventis and our attorney, Mary Shahid, to see if the objections can be quelled.

On the House side, there has been zero activity. Congressman Dwight Loftis and Representative Erikson have sponsored the bill, but they are not on the committee where it will be heard. We have now brought lobbyist Wayne Beam into the process to help with the House members and work out a plan of action, part of which will involve getting our SC owners to contact their House representatives.

Expenses to date are \$76,810. We have collected \$61,100 from affected owners for the filing fee and legal/engineering fees. Some are paying in installments.

ARB: ARB permits issued in February: 1 tree removal, 6 maintenance & repair, 3 roof, 1 house addition, 5 paint.

The Property Enhancement committee met on Feb 16. Martin Goodman was selected as the Chair; other members are Mike Jahn, Annelisa Bindra, Sam Graci and Cliff Spann. The committee divided the island into five sections, one for each member. At the March 16 meeting, the committee will identify what is an acceptable property condition per the ARB Guidelines and Amended Covenants. Once standards are outlined, the committee members will start reviewing their areas to see which properties need attention. The committee will also review mailbox conditions.

Crossovers: Mulch has been spread on several crossovers. The "Nantucket trash depots" donated by the Women's Club have been placed at crossovers # 2 and #15. This allowed the POA to place already purchased trashcans at the end of Tarpon and crossover #28.

Financial:

- Assessment Collections: There are still nine properties not fully paid for 2009. We have received 91% of 2010 assessments to date.
- General Fund: \$1,884,000; Reserve Fund - \$1,020,000; Road & Bridge Fund - \$825,000 including investments adjusted for market value; Deposits for Right of Entry \$181,000; ARB Bond Deposits - \$99,000.
- Accounts receivable for 2010 including unpaid assessments are \$221,200. We are at 88% of budget for revenue and 29% of expense.
- There were 0 property transfers in February.

Grounds: The committee will meet March 18, 2010.

Parking: The committee will meet April 7, 2010.

Roads & Drainage: The committee met February 18 with Richard Norris from REA to discuss material options and to get a better understanding of how frustrated we are with the length of time it takes to get them to respond when we call to schedule grading. REA came to the island the following week for 10 days to grade the gravel roads, but they had to depart for a job at MCAS and still have a great deal of work left to do. Many areas were too wet to make any headway at all. The crew should be here toward the end of next week. The committee has asked REA to test recycled asphalt at the intersection of Wahoo and Bonito and some other trouble areas off Bonito to see if it can hold up better.

Discussion: An owner noted that dirt roads are scraped twice a year and questioned whether all owners paid or was it just the owners on those particular roads. Mrs. Hines noted scraping expenses were paid from the General Fund. It was also noted that owners on Blue Gill and Pike are studying the need for paving those roads. In that case, they would assume financial responsibility.

Security: We have a new 2010 4-wheel drive Jeep Patriot that replaces the 2004 Chevy Trailblazer. There was a meeting last week with volunteers to discuss the possibility of reinstitution of Town Watch. About 15 people attended and some good ideas were discussed. The first thing that could happen is that these volunteers would talk non-confrontationally with guests about wildlife rules. The second thing that may happen is that the group would be the eyes and ears for Security. They would not interact with violators of any other rules, but would call Security if they saw anything. Bob Hess is waiting to see if more people express an interest.

Chief Binkowski has posted dates of the high school spring breaks and proms so that owners can be aware of who is renting their properties. Split shifts will be instituted to spread out our manpower during these times.

Employee decals are being scraped and new ones issued. 2010 Contractor decal applications were mailed March 10. The new DVR has been installed. The three new radios that "speak with" Beaufort County are here.

Discussion: (1) A Board member requested further information on the accident on March 11. The SC Highway Patrol was called and arrested a young man for underage drinking and possession. As he left the area of the Bonito Boathouse, he came around the curve and irretrievably damaged a 20' palmetto tree as well as totaled his truck. He refused all EMS and fire department medical treatment. Mrs. Hines noted the driver's insurance company has already covered the costs for tree removal. (2) A Board member noted that a family member living in New Jersey was unable to pass vehicle inspection with our FIPOA decal on the windshield. This is a known fact for NJ drivers and once their vehicle is inspected, they may request a new decal. (3) It was further noted that there are many instances of owners placing their decals on index cards to use in rental cars and have not appreciated being questioned by the gate officer. This is a breach of island and security rules and places the island at risk for liability. There will be an article in the next *Trawler* about this issue. (4) The Chief was thanked for his email blast regarding local high schools' prom and spring vacation dates. This is especially important to those who rent properties and he agreed to disseminate this information even earlier next year.

Trawler: The March *Trawler* is online with resumes of the candidates for the FIPOA Board. The next deadline for articles is April 20.

PSD: Accepted a proposal from Hussey Gay Bell & DeYoung to perform the inspection, design, and construction management for repair of the pile caps that was discovered while doing the other bridge work; costs not to exceed \$17,000. This was not part of the original project or 2010 budget. They also accepted a proposal from HGB for a hydrographic & topographic survey of the Inlet Bridge for \$16,985; this was in the 2010 budget. There was a sewage spill off the Maxwell Bridge line into the canal on March 7. About 280 gallons were spilled. The repair was made by the next morning.

Club Advisory Board: There has been a successful membership drive with a special promotion. Club Bylaws were finalized. The Bonito Boathouse is open with a new menu.

5) Committee/Other Reports: None.

6) Comments and Questions from Members:

1) A Board member questioned whether an owner's previous question about keeping his sailboat on the beach had been resolved. Mrs. Hines noted that boats are no longer allowed to be left on the beach. There was both written and oral communication and he understands the policy.

2) A property owner felt that recent articles in *The Trawler* regarding assessments, reserves, and the possible change in the Bylaws were misleading. His concerns involved costs for Inlet Bridge repairs, projected road upkeep, amounts maintained in the Road & Bridge fund and the Reserve Study itself. As the bridge is the lifeline to the island, he felt it was appropriate to remove the cap on the Bridge Fund and encouraged the Board to consider increasing the Roads & Bridge assessment. A PSD Commissioner agreed and suggested the POA talk to PSD Manager Ernie Wilson about putting together a plan on what he sees as future needs of the Inlet Bridge. A Board and Finance Committee member expressed his thanks for all comments and noted the committee tries to be fiscally prudent when making recommendations to the Board. In turn, the Board has the responsibility to have necessary reserve funds available when needed. He also noted that we are on the low end of assessments when compared to other Beaufort County communities similar to Fripp. Overall, it was felt that the Island is well taken care of thanks to the good management of the POA Board and Administration.

Action: 1) Refer discussion to the April Finance Committee and report at May Board meeting. 2) Sample of Beaufort County communities fees to be attached to these minutes.

7) Statement of Matters Deferred to May Meeting: None.

8) Next Meeting: The next meeting is the Annual Meeting and will be held Saturday, April 10, 2010 at 9:00AM in the All Faith's Chapel.

9) Adjourn: The meeting was adjourned at 9:45AM.

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