

MINUTES
FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING
December 9, 2006

PRESENT: Messrs. Hummer, Buschur, Davidson, Davis, Gannon, Mathews, Newby and Young; Mrs. Cantley; Mr. Hunter by telephone

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

2) Approve Minutes of November 11, 2006: The minutes of the November 11, 2006 Board meeting were approved as written. The minutes can be read online at <http://www.fipoa.org/minutes.html>.

3) Discussion of Matters Deferred to this Meeting:

i. Right of Entry Forms for Disaster Clean up Program: A draft post-disaster Right of Entry Form was presented for review. Mrs. Hines noted that two associations on Hilton Head have already had owners sign a debris removal agreement without requiring a deposit. Those association managers Mrs. Hines spoke with who have been thru a disaster said that it could take several months to finish cleanup, leaving plenty of time to contact individual owners for payment. A major concern is the FIPOA's financial responsibility after Phillips & Jordan finishes the clean up for private properties and presents its bill. Owner John Derrick was present to answer questions from an insurance company's viewpoint and several Board members noted they have contacted their insurance agents for opinions on coverage. The consensus was that owners should protect their property from further damage as soon as possible and should document any damage with pictures. With counsel's advice, new language has been included to the agreement that FIPOA may file a lien against the property if full payment is not received within 30 days of billing for P&J work and that money will be refunded to the owner if the cleanup cost is less than the deposit. There was discussion of whether the funds should be returned to owners or should they remain on deposit for the next disaster. It was noted that condominium owners are not covered under this agreement and should discuss coverage with their individual regime managers. We are working on a separate agreement with the Resort that would include our use of the golf courses as debris burn and removal sites.

ACTION: Motion made to approve a non-binding resolution of the Right of Entry concept subject to further definition of a Right of Entry agreement. Mr. Gannon agreed to assist Mrs. Hines in revising the agreement to include additional language regarding photos of property damage, the amount of the deposit, and whether an owner forfeits the deposit if the property changes hands. Deferred until the January meeting.

ii. Flag Lowering Policy: Reference was made to our current policy as outlined in last month's minutes, Dept. of Army information that was previously provided to Directors, and a memo Chief Binkowski wrote to Mrs. Hines re: display of the flag. There was a lengthy discussion as to whether the current policy was too restrictive, the default preference of honoring a request to have the flag lowered, and the burden on the FIPOA staff to make a determination of when the flag is to be lowered. It was agreed to add to 1(b) "immediate" relative of full-time property owners, and that the flag should be lowered when a memorial service or funeral is held on the Island.

ACTION: The policy will be rewritten with the recommended changes. It will be presented in resolution form at the January meeting.

4) Report from General Manager Kate Hines:

Financial: General Fund: \$600,000; Cash reserves of \$2,060,000; Accounts receivable \$9,400

--We are at 72% of budget on expenses and 105% of income for the year to date.

--The Finance Committee had to postpone its meeting to review the completed Reserve Study until Dec. 11.

--99.7% of 2006 Property assessments have been received to date. 2007 assessment statements were mailed on November 15. If you have not received your statement, please contact the POA office.

--There were eight property transfers in November.

Bridges: The Fiddlers' Trace Bridge is in process of undergoing a unique repair. The last inspection report showed moderate to heavy settling at the bridge approach and voids at the walls. We have contracted with Uretek of North Carolina to fill the voids with expandable polyurethane foam. Earthworx has started the project by adding riprap and fill dirt on the edges. Uretek will be here on Dec. 18. Total costs will not exceed \$17,500 and are within the bridge budget.

Roads & Drainage: All REA Contracting asphalt work is now complete. There is a bit of concern about one area in Fairway Club, but REA has promised to come back and make adjustments if it turns out to hold more water than a 24-hour puddle.

--There has been no further word from Wilbur Smith on the flap valve at #14 on Porpoise Drive. They are waiting to hear from OCRM.

--There have been several emails from Mr. Smiley and Mr. Bauer regarding the mess at South Tarpon, but still no solution. Apparently, there is something coming to us from their engineers to explain what they have done.

Crossovers: The panel decided to take out the boardwalk and add sand and a post and rope border to Crossover 21. This will be much cleaner and require less maintenance. Work will commence after Jan. 1.

Lakes: An electrical part needs to be ordered for the aerator behind the POA office. One on Blue Heron also is not functioning properly. The contractor was here yesterday and is trying to determine why it's receiving no power.

Grounds & Beautification: Annual roadside trimming to help the Security and Fire chiefs with visual access is complete. Palm tree trimming within POA rights of way will start after the first of the year.

Club Advisory Board: The new chair of the Club Advisory Board is John Derrick. The swipe card system is working. Each new Club card issued will be ready for the system, and when 95% of the cards have been mailed, the system will be activated. The fitness center was vandalized again; the new video camera should help deter it from happening in future. The Club is sponsoring the Festival of Lights from Dec. 8 to 12 for Christmas lights. The Boathouse restaurant closed right after Thanksgiving and will reopen on December 22. The Beach Club will close for 2 months after New Years' for decorating renovations and will re-open in March.

PSD: The Fire Department received a meritorious award from the state fire fighters' association for life saving efforts using the 6-wheeler and the Jet Ski. The PSD Budget and Planning Committee is looking at options to purchase a ladder truck. There is a \$12,000 contract for a preliminary feasibility study to look at alternative water supplies. The group is looking at two existing wells and will also examine underground storage capacity.

Appeals Committee: There were no appeals this month.

Miscellaneous: As required by the Bylaws, the 2007 election process has been distributed to each Director thru the agenda.

Comments were heard regarding the Profit and Loss statement and Security's traffic incident report. The dramatic increase in state violations is due to the enforcement of the requirement of a current U.S. driver's license.

5) Committee/Other Reports

Security Committee: The committee met Nov. 15. Among topics of discussion were: progress on the statistical analysis (which will be illuminating and widely disseminated); placement of the pedestrian crossing signs (committee voted to keep in center of the road); FIR meeting with Chief Binkowski re: background checks for new hires (they are going to start the process and wanted his input); and where high-speed cyclists should ride (on the road, not on bike paths). Year-end graphics will be discussed at the next committee meeting for presentation to the Board in January.

Nominating Committee: Three non-resident candidates and four resident candidates have consented to run for the upcoming three Board vacancies. It was agreed that a fifth candidate should be encouraged to run.

6) Comments and Questions from Members:

- Q.** Would the Board consider a contribution to the Community Centre's fund-raising effort?
- A.** It was noted that we do contribute \$500 to the Centre for letting us hold our annual meeting there but that would not preclude another donation.
- C.** A concern was expressed that a gaggle of geese was recently seen in Beaufort and that they might migrate here.
- A.** Geese do not remain long in areas where alligators are present.
- Q.** What is the new road that is for utility use only?
- A.** This is an existing road used by the PSD; only the sign is new.
- Q.** Do we have a report from HSUS regarding the deer staffer who was here last month? It seems like there are more bucks than usual.
- A.** We do not have a specific report; however, Dr. Rutberg has said that 71% of the herd has been tagged. Bucks are visible now because it is rutting season.

7) Statement of Matters Deferred to Next Meeting:

- Right of Entry Statement
- Finance Committee Results of Reserve Study
- Flag Etiquette
- Contribution to the Community Centre's fundraising effort.

8) Next Meeting: The next meeting is scheduled for Saturday, January 13, 2007 at 9:00 am.

9) Vote to go into Executive Session to Discuss Personnel Matters

10) Recess

11) Reconvene in Executive Session

12) Reconvene Regular Meeting; Announce Action Taken in Executive Session.

The Human Resources Committee presented Resolutions 416 and 417.

Resolution #416: Update Administrative Salary Plan, effective January 1, 2007.

Motion: Motion approved.

Resolution #417: Approve Recommended Changes by the Human Resources Committee.

Motion: Motion approved with the exception that sick leave time will not be increased to 2 weeks after 5 years.

13) Adjourn: The meeting was adjourned at 11:35am

Respectfully submitted,

Buck Mathews
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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