

MINUTES
FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING
February 9, 2008

PRESENT: Messrs. Hummer, Buschur, Davis & Newby; Mmes. Cantley, McCormick & Merrill; Mr. Mathews by phone.

ABSENT: Messrs. Davidson & Gannon

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) Approval of January 12, 2008 Meeting Minutes: The minutes were approved as presented.

3) Resolution 462: To Hire a Marketing Consultant

Proposed Resolution: That the Fripp Island Property Owners Association enter into a contract with David Warren for marketing advice; amount not to exceed \$1,200.

Discussion: David Warren, a consultant from Hilton Head, was present to discuss ways to market the upcoming covenant changes that the POA is proposing for a vote in 2009. The most important thing is to establish credibility with all owners, to keep them informed and comfortable with the changes, and to get them involved in their community. Several ways to accomplish this are by The Trawler, push email, website, special meetings, and direct mail. His will be mostly an advisory role by assisting Mrs. Hines. It was noted that we would need a 50% plus one (1) majority vote to pass the new covenants. It was also noted that a written proposal from Mr. Warren was necessary as soon as possible, and he indicated that it would be forthcoming.

Motion: Motion approved.

4) MANAGER'S REPORT

In relation to the South Carolina Parks, Recreation, Tourism (SCPRT) permit application to borrow sand from the Fripp inlet shoal, there will be a public hearing at the DHEC-OCRM office located at 104 Parker Drive, Beaufort on February 13 at 6:00PM.

The Nominating Committee has completed their task. Many thanks to Chair Rita Merrill, Curt Blake, Mary Cantley, Al Cooper, Rick DiSerafino, Arlene Grimsley and Stovall Walker. The committee recommends five nominees for three resident positions and two nominees for one non-resident position. The resident nominees are Jim Duncan, Bob Hess, Rick Raible, Dick Morrison and Ted Michals. The non-resident nominees are David Case and Richard Watts. The deadline for petition candidates is February 15th. Ballots will be mailed on February 29; the ballot count will be on April 1st.

There was a Beaufort County Development Review Team (DRT) meeting on January 23rd for conceptual approval of the Sea Glass Condominium project. There were questions from the DRT members about setback, buffer, and parking modulation analysis. The decision was to defer until the questions could be answered. A push email will be posted when the next DRT meeting date is announced.

Financial:

90% of 2008 Assessments have been received.

General Fund: \$1,200,000; Cash reserves of \$2,650,000; deposits for Right of Entry \$162,000
Accounts receivable including assessment collections \$230,400. We are at 80% of budget for revenue and 6.9% for expense.

There were four property transfers in the month of January.

Grounds/Environmental:

The HSUS team will be on island thru March 31st.

Trees along roadsides were trimmed between the Security Gate and the marina. They were trimmed higher than the annual trimming on a request from the marina to accommodate boat owners whose boats have flying bridges.

1500 daffodil bulbs have been planted in POA flowerbeds. Micki McCormick and Jim Yeager will be meeting soon to discuss plantings at the front of the Island.

Security:

The committee met January 16th. The detailed expenses for 2007 were compared to the budget (favorable with 91.8%).

911 hang-up calls were discussed. This is a call that comes to Security via Beaufort County dispatch. Some have come from homes, and we have resolved that issue by contacting the owners directly at their off-island number and telling them to speak to Embarq.

A larger problem comes from 1 Tarpon Boulevard. If a house is rented thru the Resort, the line goes thru their switchboard. When 911 is dialed, dispatch sees 1 Tarpon Boulevard as the address of the emergency. When there is a hang up from one of these calls, we have no way to find out where the call originated. After a bit more research to determine statistics, the committee will draft a letter for Board approval to send to the Resort regarding this matter. This has been an ongoing problem and needs resolution.

There was also discussion regarding parking on roadsides. Chief Binkowski and Chief Horton will measure roads to see where two-sided parking might be available. The committee agreed that any revisions to current parking policies must apply island wide and be approved by the Board.

The next Security Committee meeting will be Wednesday, February 20th at 3:00 p.m.

Roads & Drainage:

The committee met February 7th to go over the Tarpon widening project and to discuss upcoming projects. The Tarpon project is moving along. The contractor had encountered some interference problems with the PSD's 10" water line and the drainage work on the beach side of the road. Those problems have been resolved to the satisfaction of PSD, the contractor, and the engineers, with no delay to the job. Milling and resurfacing should begin in the next two weeks. We have received two quotes to resurface Marlin Drive from Dolphin to the end of Marlin. The job will be awarded soon.

PSD:

The next meeting will be held Tuesday, February 12th. Mrs. Hines, Commissioner Combes, and Ernie Wilson met with SC House Representative Shannon Erickson to ask for her help in stopping the PRT permit application to remove sand from the inlet shoal. Rep. Erickson said she'd see what she could do.

Club Advisory Board:

The Club is having trouble with push-emails. If you have changed your email address, please let them know (and us as well).

Discussion: It was suggested and agreed that the POA contact the many on-island clubs to acquire updated email addresses. It is known that some Earthlink addresses have been replaced with Embarq.

The information about our survey software program has been given to Gloria at the Fripp Club - they are interested in surveying Club members on a number of matters. They do survey renters upon departure.

The Food Court is on target to open on March 1st.

A bylaws committee has been appointed to have new bylaws written in time for the 2009 club year.

The Resort is negotiating to move the Fitness Center into a larger area.

They are looking at different ways to make the gates close and stay closed.

i.) Resolution 463: To Update the Reserve Replacement Study

Proposed Resolution: That the Fripp Island Property Owners Association enter into a contract with Miller, Dodson Associates for an update to the 2007 Replacement Reserve Study; amount not to exceed \$2,500. Funds will come from the Project Expense line item of the 2008 budget.

Discussion: It was noted that the fee for a Level II update is \$5,475; however this level is not needed. Miller Dodson is proposing that the current RRS can be updated at a cost of \$2,500.

Motion: Motion approved.

ii.) Resolution 464: To Approve Implementing a Long Range Planning Survey

Proposed Resolution: That the Fripp Island Property Owners Association Board of Directors approve posting the 2008 Long Range Planning Committee survey as attached online and mailing to those who do not receive email. Costs not to exceed \$800.

Discussion: There was a question regarding the wording of question #53 that referred to the number of full time residents on Fripp gradually declining. It was agreed that it should read, "appears to be declining." The POA administrative staff will research previous data to clarify. In addition, it was felt that question #56 should

be expanded to inquire whether property owners might wish to become owners of the amenities if there were a change in ownership.

Motion: Motion approved with the following change to add #57: "If/when the amenities are for sale, should the property owners be interested in becoming owners?" Diane McGarry, a member of the committee, will meet with Mrs. Hines to correctly phrase the question.

5) Committee/Other Reports:

Grounds Committee: Mrs. McCormick, Chair of the Grounds Committee, noted that the committee wrote two letters to the Resort about the oleander fungus on the plantings by the tennis courts; they are now gone. However, it was also noted that the wind protection has been taken away and one tennis player said he hoped that that they will be replaced either by the Resort or the committee.

PSD: Commissioner Pat Reilly noted that the wastewater and sewer vacuum system is complete, with all bills paid.

--Representatives of the PSD will be present at the February 13th meeting when the SCPRT discusses borrowing sand from the Fripp Inlet shoal for renourishment of Hunting Island. He also noted that the letters from property owners will be on record should there be problems with loss of sand and scouring of the bridge, and if so, DHEC and the Corps of Engineers would be apprised of all soundings results.

Discussion: Mrs. Rita Riley noted that the more owners present at the meeting, the more DHEC would listen and be aware of our concerns. She suggested that carpools meet at the POA office at 5:pm; Mrs. Hines will add this to the push email reminder.

6) Comments and Questions from Members:

(C) Mr. Dick Morrison presented President Hummer with a hand-made gavel. He then gave a commentary on what he considered the drainage fiasco of widening Tarpon Boulevard, especially in front of his house. His concerns are with our fragile island and environment. He hopes the Board investigates future projects in more detail before acceptance. He thanked Mr. Newby for his continued efforts in looking at all possibilities, but felt that the project was flawed from the beginning. He also expressed concern with the engineering firm of Wilbur Smith Associates. Mr. Newby thanked Mr. Morrison for his opinion but didn't agree with all his points. President Hummer noted drainage on Fripp is a very difficult task and this job will be a good lesson for future projects.

(Q) What is happening at Ocean Creek #16 at Wahoo and Bonito?

(A) Mrs. Hines noted that two owners had recently met with Stuart Mitchell and reported to her on the meeting. Stuart indicated that the FIR was looking at the feasibility of developing up to five lots in that area, but may have to move the lagoon. As the developer, they are allowed to develop undeveloped land, but as FIPOA, we are charged with being good stewards and keeping all owners aware of new developments. Mrs. Hines does send push email notices of DRT meetings.

(C) Some owners of lots are having to redesign their home plans due to not being able to cut trees.

(A) This may be an ARB issue and/or a county issue.

(C) Mr. Tom Ward expressed concern with the small island in Fiddlers that is in between his property and that of the Richman's, who both provide electricity to the POA for the aerators in the lagoon. He feels that the island should be left as natural as possible while the Richman's prefer the vegetation to be cut.

(A) Mrs. Hines noted that she had left him a voicemail asking to meet with both owners. He agreed to contact her when he is back on Island in late March.

(C) Mr. Steve Ranieri noted that owners on Porpoise Circle are interested in paving their road. He has received positive responses from 11 of 18 who would be affected, and has contacted contractors for prices. The FIPOA actually owns a piece of land where the mailboxes are, so we will be asked to pay a portion. The policy is that POA will pay to bring road grading up to par and will also pay if any drainage engineering is required. The owners pay for all asphalt. It was noted that President Hummer is a resident of Porpoise Circle and recused himself from all discussion.

MOTION: That the Board of Directors approves paying 1/18 of the cost to pave Porpoise Circle, with the cost not to exceed \$1400.

Motion approved.

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

8) Next Meeting: The next meeting is scheduled for Saturday, March 8th, 2008 at 8:00 am in the FIPOA Board Room.

9) Adjourn: The meeting was adjourned at 10:40 am.

Respectfully submitted,

Mary Cantley, 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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