

**FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING  
MINUTES  
June 12, 2010**

**PRESENT:** Mrs. McCormick; Messrs Davidson, DiSerafino, Duncan, Hess (arrival at 9:20 due to fire call), Hindes, Kemmerer, Morrison; Mr. Case by phone

**ABSENT:** Mr. Crouse

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

**2) Approval of May 8, 2010 Meeting Minutes:** The minutes were approved as presented.

**3) Matters Deferred to this Meeting:**

**i) Resolution 539 - Update Employee Holiday Policy**

**Proposed Resolution:** That the Board of Directors approves the updated Employee Holiday Policy, as attached to and made a part of this Resolution.

**Discussion:** This resolution is being presented for second reading. There have been no changes.

**Motion:** Motion made and seconded to approve the resolution as presented. Motion approved.

**ii) Resolution 542 – Anchor Retaining Wall on POA Right of Way**

**Proposed Resolution:** That the Fripp Island Property Owners Association Board approves funds not to exceed \$500 for installation of an anchor at the retaining wall between 006-B-022 and 007-A-001.

**Discussion:** This resolution is being presented for second reading. There have been no changes.

**Motion:** Motion made and seconded to approve the resolution as presented. Motion approved.

**4) General Manager's Report**

**MISC:** New silver/navy owner decals are now being issued. There are over 7,500 to issue and we appreciate your patience as we process your decal requests. Security will start scraping the old decals on June 30<sup>th</sup>.

**OCRM Setback Appeal:** On May 29<sup>th</sup> the POA held a Town Hall Meeting to answer questions regarding the appeal, the legislative activity, and the donation request. Buck Mathews led the meeting with help from Steve McKay and me. There were about 45 people in the audience and quite a few on the telephone. The power point presentation is available online [http://www.fipoa.org/news\\_files/OCRM\\_PwrPt.ppt](http://www.fipoa.org/news_files/OCRM_PwrPt.ppt)

Since the last report, S.1051 has been through further modification in the Senate, approved and sent back to the House. The House non-concurred so now it will go to conference. Three senators and three representatives will be appointed to the conference to try to come to an agreement on the bill. This will happen sometime on or shortly after June 15<sup>th</sup>. That agreed upon version would then go to both chambers for final vote. If we are very lucky, there will be no delays in either the senate or the house and then it will go to Governor Sanford's desk to be signed into law.

If you would like to ask Beaufort County Council to get involved, since this could have an enormous negative impact on the tax base, you can attend the public comment section of their next meeting which will be at 4:00PM on Monday, June 15<sup>th</sup>. They are meeting in the Hilton Head library, but there will be a videoconference available in the regular chamber at the Ribaut Road facility.

Expenses to date are \$120,000. We have collected \$109,525 in donations (\$69,600 which is 75% collection rate from directly affected owners) for legal/engineering/lobbying fees.

**Discussion:** There was a question about the amount of money needed for the appeal and the Board agreed they made the best estimate they could at the time. It was noted that voluntary requests for money were requested of both directly affected and other property owners. Regarding a cap on monies that the Board spends, it was noted neither the Bylaws nor the Covenants address this issue.

It was further noted that the Board has been acting in the best interests of the property owners and that the General Manager has given periodic reports of all expenditures. This is done in her monthly report. The Board is being asked to correct an error made, which has nothing to do with spending money.

**Action:** Jack Qualey, FIPOA attorney, will be asked for advice regarding spending caps.

**ARB:** ARB permits issued in May: 1 tree removal, 12 maintenance & repair, 4 additions, 8 paint, 2 new house.

**Property Enhancement Committee:** Reminder letters will soon be sent to owners of mailboxes that need repairs.

**Beach Issues:** People have been very helpful in following the Beach rules. Security started to collect items that had been left for over 24 hours **above the high tide line** on June 5<sup>th</sup>; there has not been much to collect. The beach patrol officer was collecting near 11:00AM, but she'll now go out closer to 9:00AM and work until 3:00PM.

The first Beach Sweep was postponed, due to tides, but the next one is now scheduled for June 30<sup>th</sup> at 8:30AM. The tide will be low then.

DNR contacted us to let us know that they will be on the island on July 7<sup>th</sup> at Crossover 16 to monitor for signs of oil from the BP oil spill. In the interim, you can go to the SCDHEC website to see what plans the state has regarding the gulf oil spill information for South Carolina:

<http://www.scdhec.gov/environment/gulf-oil-spill/index.htm>

**Crossovers:** Repairs have been made to Crossovers 26, 16, and the one at Ocean Point.

#### **Financial:**

Assessment Collections: There are still seven properties not fully paid for 2009. We have received 97% of 2010 assessments to date. 65 owners still have not paid assessments for 2010, 68 certified notices were mailed on June 1<sup>st</sup>.

General Fund: \$1,778,500; Reserve Fund - \$1,090,000; Road & Bridge Fund - \$632,000 including investments adjusted for market value; Deposits for Right of Entry \$180,000, ARB Bond Deposits - \$108,000.

Accounts receivable for 2010 including unpaid assessments are \$82,200. We are at 98% of budget for revenue and 82% of expense, but we need to factor in the added expenses of the OCRM appeal and the Inlet Bridge work, neither of which was included in the budget.

There were two property transfers in May.

**Grounds:** The Committee met June 9<sup>th</sup> and reviewed plantings. The beautifully filled planters at the Security Gate need some new plants from too much deer attention and too little water. Earthworx will get new plants and the committee will meet June 17<sup>th</sup> to replant again.

Contract bid packages were sent on June 2<sup>nd</sup> to seven qualified bidders. Bids must be in by June 21<sup>st</sup>.

**Roads & Drainage:** The Committee will meet on June 15<sup>th</sup> to look at what Gasque has come up with on Bonito to see if it might be feasible to extend the bike path to the marina. REA contracting says they are finally coming back on June 21<sup>st</sup> to finish gravel grading.

An owner noted that Security was doing an excellent job but questioned why there was such an extensive double yellow line on South Tarpon. It was noted that that area needs repainting and will be discussed at the next Roads Committee meeting.

**Security:** The Committee met May 25<sup>th</sup>.

After we received complaints about the Beach Club area, we stepped up enforcement in the area. We do have double yellow lines, a pedestrian crosswalk and signage in the area.

The new golf cart is here and is in daily use by the seasonal beach and parking patrol officer.

Wildlife Watch packages have been distributed to six groups.

**PSD:** Regarding the Harbor River Water line crossing, they received the construction permit from DHEC and have two bids for the job. There is a casing in the way that must be moved and PSD needs OCRM to act regarding who will move or pay for moving the casing. Collins Engineering completed analysis of the need to repair the pile caps on bents 6 thru 13 and found no repair is necessary. POA paid PSD \$17,000 for the HGB drawings and expects to be refunded.

Fiscal Year 2011 Budget was adopted.

Commissioner Santoni noted the following: Cape Romain will hopefully be starting to repair the casing in September and should be finished by the end of the year. The cost of this repair has reached \$475,000 and we hope to recoup 90% of that expense.

The new water line will be 10" wide, replacing the 8" wide current pipe that has been broken and patched. Recent diving estimates are that the existing pipe will only last for the next year at most before a portion of the pipe which is exposed has to be sand bagged.

**Resolutions:** Mrs. McCormick noted the Board's decision to have two readings on all resolutions; however, she requested that the Board waive that policy in order to have Resolutions 543 through 552 approved together on first reading, as long as 2/3 of the Board members agree. A new Board member was concerned that he was not on the Board when Resolution 543 happened and indicated he wished to be considered as present but not voting. It was decided to address Resolution 543 separately.

**i) Resolution 543: To Ratify a Prior Action of the Board**

**Proposed Resolution:** That the Fripp Island Property Owners Association Board of Directors hereby ratifies and confirms the unanimous decision of the Board of Directors described above and authorizes the filing of this confirmatory Resolution in the records of the Association.

**Discussion:** It was noted that that an apparent administrative error had inadvertently occurred by not recording correctly an action of the Board taken in Executive Session in May of 2009 in the next month's minutes. Emails for Directors confirm the action did take place.

**Motion:** Motion made and seconded that the minutes should reflect the following: In May of 2009, during Executive Session, the Board of Directors unanimously agreed to: (a) go forward with action both via the South Carolina legislature and the Administrative Law Court, if necessary, to appeal the Office of Coastal Resource Management's decision to revise the beachfront setback lines in May of 2009; and (b) authorize the hiring of Mary Shahid of the McNair Law Firm as the Association's special counsel in the case. Motion approved.

**ii) Resolution 544 – Appointment of a Chair and Reappointment of Committee Members to the Non-Standing Appeals Committee**

**iii) Resolution 545 – Reappointment of a Chair and Appointment of Committee Members to the Standing Bridges Committee**

**iv) Resolution 546 – Reappointment of a Chair and Committee Members to the Non-Standing Beach Committee**

**v) Resolution 547 – Reappointment of a Chair and Appointment of Committee Members to the Standing Finance Committee**

**vi) Resolution 548 – Reappointment of a Chair and Appointment of Committee Members to the Non-Standing Grounds Committee**

**vii) Resolution 549 – Reappointment of a Chair and Appointment of Committee Members to the Human Resources Committee**

**viii) Resolution 550 – Reappointment of a Chair and Appointment of Committee Members to the Non-Standing Parking Committee**

- iv. **ix) Resolution 551** – Reappointment of a Chair and Reappointment of Committee Members to the Standing Roads & Drainage Committee
- v. **x) Resolution 552** – Appointment of a Chair and Committee Members to the Standing Security Committee

**Motion:** Motion made and seconded to vote on Resolutions 544 through 552 today. Motion approved.

**Motion:** Motion made and seconded to approve Resolutions 544 through 552 as presented. Motion approved.

**xi) Resolution 553 – Grant John Fripp Villas Phase III Exemption from Beach Regulations**

**Proposed Resolution:** That the Fripp Island Property Owners Association Board exempt the owners of John Fripp Villas Phase III from following the FIPOA Beach regulations in front of the wind fence at the villas.

**Discussion:** A Board member questioned whether the Beach Tent Committee had seen this resolution prior to its being presented today. Mrs. Hines explained she had just found this letter in her “junk” email and presented it in the form of a resolution, based on the request to the regime manager.

Mr. Santoni of Phase III demonstrated with a tent and pictures that they were requesting only five tents of this sort be allowed to be placed by the wind fence. He noted that this was not a turtle nesting area; however, Ms. Lackman of the Turtle Patrol stated turtles crawled and dug four nests in that same area last year. It was questioned who gave Phase III the authority to erect a fence there in the first place, and Mr. Santoni stated they had sent a letter to OCRM.

Other concerns expressed were regarding jurisdiction, definition of high tide mark, how do we know who is staying at CJFV, exemptions have the potential for problems, and how many other people will think they can leave their tents and chairs by the Phase III wind fence.

Others commented that the beach looks beautiful and pristine in the mornings now...a few years ago it looked like an erector set at 6am. Many “turtlers” commented they had received positive comments from owners and guests about the cleanliness and beauty of the beach. Mrs. McCormick noted that she and other “turtlers” do more than look for and move nests; they all carry bags and buckets to pick up the myriad assortment of items left behind by guests. She commended the patrol’s never-ending dedication and efforts to keep the beach clean.

Owners in the audience and on the phone had questions and comments for the Board regarding the Board’s authority to make and enforce the beach regulations. It was noted that Security officers are authorized to enforce all state and local laws, with the same authority as a deputy sheriff.

A Beach Tent Committee member reminded all that they had agreed to try this program for one year and evaluate it at the conclusion of that period.

**Motion: Referred to Beach Tent Committee to present a recommendation at July meeting.**

**5) COMMITTEE/OTHER REPORTS:** None.

**6) COMMENTS AND QUESTIONS FROM MEMBERS**

**(C)** Ed Smith, an owner on Marlin with a trimaran, requested an exemption to keep his trimaran on the beach above the high water line.

**(A)** This will be referred to the Beach Tent Committee.

**(C)** An owner who is here for the summer with his family noted his teenagers were stopped often by a patrol officer for curfew violations. He also commented that he has witnessed owners being treated differently when it comes to traffic violations.

**(A)** Referred to Security.

**7) Statement of Matters Deferred to July Meeting:** Resolution 553 – Grant John Fripp Villas Phase III Exemption from Beach Regulations

**8)Vote to go into Executive Session to Discuss Strategy with Respect to Litigation**

**9) Recess**

**10) Reconvene in Executive Session**

**11) Reconvene Regular Meeting: Announce Action Taken in Executive Session**

The Board appointed Bob Young to the Architectural Review Board.

**12) Next Meeting:** The next meeting will be held Saturday, July 10, at 9:00 am in the POA Boardroom.

**13) Adjourn:** The general meeting was adjourned at 10:30AM; Executive Session was adjourned at 12:15PM

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