

Community Service Associates, Inc.
Board Meeting Minutes
October 28, 2014

CSA Chairman Charlie Ryan was absent due to a death in the family. Vice Chair Rob Marsac presided in his absence and called the CSA Board of Directors to order at 3:00 p.m., in the rear conference room of the Sea Pines Community Center.

1. **Roll Call**

Present:	Carolyn Adams	Steve Birdwell	David Borghesi
	Cary Corbitt	Paul Crunkleton	Mark Griffith
	Joe Kernan	Mark King	Rob Marsac
	Charlie Miner	Scott Richardson	Don Sigmon
	Michael Tucker	Chris Widnell	
Absent:	Charles Ryan	John Trunck	Mark Yarborough
Staff:	Bret Martin	Toby McSwain	Frank Nettles
	William Leitner	Jennifer Losch	Jeanne Pearse
	Mark Dowaschinski		

2. **CSA Operations Oversight Reports**

- a. **ARB Liaison Report** – Mr. Richardson said the only significant issue discussed at the meeting were the setbacks and concern over an oak tree in regards to a large home being constructed on two lots that had been combined.
- b. **Joint ASPPPO/CSA Short Term Rental Committee** – A copy of the meeting minutes were included in the board package. Mrs. Adams noted that in the fall, the committee planned to meet with rental agents who dealt primarily in Sea Pines to thank them for their cooperation in 2014. They would be asked for their input on any issues that had arisen. Limiting the number of guest passes called in by property owners was discussed, but no action was taken.
- c. **Gate Entry Committee** – A copy of the meeting minutes was included in the board package. Mr. Corbitt said that trolley operations for 2014 had been reviewed and routes were adjusted for 2015: trolley route hours of operation from May through September were reduced from midnight to 10:00 p.m.; the name of the *South Beach Trolley Route* was changed to the *Inner Plantation Trolley Route* and the trolley stop located in *The Shops at Sea Pines* will be moved closer in proximity to the Sea Pines Community Center for safety reasons. The Committee

has also budgeted \$60,000 in 2015, for the construction of kiosks at the trolley stops. The ARB approved preliminary construction plans, but after further contemplation, the committee was looking at different type of color for the red roof, something more appropriate for Sea Pines. Mr. Borghesi, CSA Treasurer, asked if these funds were coming out of the 20% increase of the additional \$1 from the Daily Gate Pass funds being set aside for trolley lot improvements. Mr. Corbitt said they were.

Mr. Corbitt said the trolley charters by property owners had generated \$51,000 in revenue so far in 2014, and additional charters are scheduled through the remainder of the year. A notice of this service will be appearing in the community newsletter to increase awareness of this service. The Committee is also researching an on-call type of free transportation service for property owners.

A meeting has been held with Santee Cooper to discuss parking lot improvements needed in the utility easements, but a commitment has not been made.

The committee also discussed increasing the price of decals, but no action was taken. However, it was decided to combine the HTYC and SCYC decals into the Pelican Pass. New property owner decals and ID Cards with the RFID chip to access the electronic gate at Tower Beach will begin to be issued in 2015.

At future meetings, the committee will be discussing the current honor system for bicycle rental companies making deliveries in Sea Pines and the creation of a sub-committee to market Sea Pines outside of the plantation. Mr. King would be chair of this sub-committee.

- d. **Landscape and Maintenance Committee** – Mr. Griffith thanked the board members for approval of the maintenance projects presented at the last meeting. Those projects are moving forward. The committee met in October, however, a quorum was not present so they just discussed some current issues, mostly their on-going projects. He encouraged board members to visit the Stoney Baynard Ruins, the work there is almost complete and only one property owner complained about clearing out the underbrush in the area. The smaller section of bamboo located on Greenwood Drive has been replaced with holly berry bushes and the committee is discussing the removal of the remainder of bamboo also. Other items discussed were: the creation of a color board to define the use of colors within Sea Pines and increasing the locations where CSA decorates with holiday Christmas lighting.

Mr. Crunkleton noted that the cell tower proposals will probably not move forward until the end of the year due to funding issues of the interested parties.

- e. **Long Range Strategic Planning Committee** – Mr. Tucker said the committee had made its presentation to the Executive Committee who has provided feedback. The team captains are now in the process of meeting and refining their initiatives and may be ready to present them to the board at their November 2014 meeting.
- f. **Safety and Security Committee** – Mr. Marsac said that gate entry revenue is up \$300,000 in comparison from 2013 figures. The number of incident reports is down for the month of October, especially break-ins, which was contributed to the recent arrest of a suspect by Beaufort County Sheriff's Department.

A new system which prints and tabulates the number of daily passes sold will be implemented at the gates. Mr. McSwain, Director of Safety and Security, explained the program and also noted that new property owner decals and ID cards with the RIFD chip to allow access through the automatic gate at Tower Beach would be issued in 2015.

Mr. Marsac further stated that the Bike Ambassador Program has been put on hold due to some liability issues which have arisen. These have been referred to legal counsel for their review. The restriction to use radar to issue traffic tickets within Sea Pines has not yet been resolved. The improvements for bike trail signage are on-going and safety initiatives are being taken into consideration. Some of the improvements may be similar to the initiatives in the strategic plan. Hilton Head Prep has begun working with the fire department as part of the Rapid Response Program and is progressing well.

- g. **Nominating Committee Update** – Mr. Marsac said the auditors have certified the mailing of the election ballots and they will be mailed out on November 1, 2014.
- h. **Finance Committee** – Mr. Borghesi said the summary sheet that explains the financial variances for the month had been well received. The Finance Committee was recommending approval of the CSA Service Agreements and an amendment to Chapter 14 of the CSA Financial Policy covering investments which are on today's agenda.

A meeting with CSA's Auditor to discuss 2014 tax implications for CSA was held. The auditor recommended researching if CSA can be re-classified at a 501 (c) (4) which would place CSA in a more favorable tax exemption status by allowing gate revenue to be exempt from corporate income taxes. Mr. Porter, a CPA in California has been contacted for his opinion on CSA's eligibility and the pros and cons of making this switch.

Mr. Martin said the Finance Committee reviewed a preliminary draft of the 2015 budget. Staff is waiting for additional information from the committees.

3. **New Business**

- a. **Acceptance of Un-audited September 2014 Financial Statements** – A copy of the un-audited financial statement was included in the board package and reviewed. Mr. Borghesi made the following motion which was seconded by Mr. Miner and was unanimously passed:

“RESOLVED, the CSA Board accepts the unaudited September 2014 financial statements as submitted.”

- b. **Approval of CSA Investment Policy Revisions** – Mr. Borghesi said the revisions were needed to clean up some of the language in this section and to allow CSA to make investments in a manner seeking to achieve the highest level of investment income with a conservative risk portfolio of fixed income marketable securities. He made the following motion which was seconded by Mr. Richardson and was unanimously passed:

“RESOLVED, the CSA Board approves the proposed revisions to Chapter 14 titled, *Investment Policy*, in the CSA Financial Policy as submitted.”

- c. **Approval of the CSA Service Agreements for 2015** – All of the service agreements for 2015 were slightly increased except for the Sea Pines Forest Preserve Foundation. Some minor language changes in connection with the new title of the President of CSA and the new office space for the ARB being deleted were also being proposed. Mr. Borghesi made the following motion which was seconded by Mr. King and was unanimously passed:

“RESOLVED, the CSA Board approves the CSA Service Agreements for 2015 as submitted.”

- d. **Ratify Vote on Approval of September 23, 2014 Meeting Minutes** – The CSA board voted on approval of the September 23, 2014 by email to expedite their release on the website and property owner review. Mr. Crunkleton made the following motion which was seconded by Mr. Borghesi and was unanimously passed:

“RESOLVED, the CSA Board approves the meeting minutes of the September 23, 2014, meeting as finalized by email.”

- e. **Approval of the October 3, 2014, Special Meeting Minutes** – A draft of the meeting minutes was included in the board package. Mr. Birdwell made the following motion which was seconded by Mrs. Adams and was unanimously passed:

“RESOLVED, the CSA Board approves the special meeting minutes of October 3, 2014, as submitted.”

- f. **Nomination of CSA Board Officers for 2015** – Mr. Marsac said CSA Board Chairman Ryan, in accordance with the CSA By-laws, had appointed Bob Mang, a former CSA, President/Chairman, and Messer’s Miner, Sigmon, Birdwell and himself as the Nominating Committee to come up with slate of officers for the CSA Board in 2015.
- g. **Appointment of Government Liaison** – Mr. Marsac said CSA Board Chairman Ryan had wanted to maintain an open line of communication with the various government entities and appointed Mr. Scott Richardson as a liaison to stay on top of issues that may affect Sea Pines. Mr. Richardson had served in the state senate and was in a good position to fill this role. The exact duties and responsibilities of the Government Liaison would be discussed in more detail at a future meeting.

4. **Old Business**

- a. **Traffic Task Force Update** – No one from the Town of Hilton Head had been in contact since the meeting with the Mayor on October 3rd and Mr. Ryan had stated at the Executive Committee meeting that he wanted to reactivate the Traffic Task Force to insure a traffic study was performed for the Sea Pines Circle and to follow up on the issues. Mr. Martin was added as a member to the task force.

A lengthy discussion was held on this topic and it was the sense of the board it was important to keep a line of communication open and have a seat at the table during future discussions on the LMO and a comprehensive traffic study.

- b. **Bike Ambassador Program Update** – This item was covered under the report from the Safety and Security Committee.

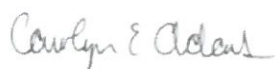
5. **Board Member Comments**

- a. **Update on The Sea Pines Resort's Renovations** – Mr. Birdwell said renovation of the Harbour Town Golf Clubhouse is progressing well and actually ahead of schedule. The Harbour Town golf course will be closed four to five months for re-grassing and installation of a new irrigation system beginning in May of 2015. Plans are being made to redesign the Ocean golf course which will be closed beginning in October of 2015. Davis Love III, is the designer for this player friendly course and meetings will be held with the community to share the new design.
- b. **Wine and Food Festival at Harbour Town** – Mr. Birdwell said plans are being discussed to hold a Wine and Food Festival in Harbour Town of next year, as part of *Springfest*. It would be more of an upscale, one-day event held on March 14, 2015.
- c. **The Bonfire Event** – Mr. Miner said the tickets for the event have sold out and holding an additional event in the spring is being discussed. Improvements in the Forest Preserve are still under discussion, but would mirror the quality of the improvements made at Tower Beach and Stoney Baynard Ruins.
- d. **Mayoral Forum Event** – Mr. Miner said the five candidates for Mayor of Hilton Head Island were in attendance for the forum held by CSA. Each candidate had relayed a clear understanding of their position on the issues. He thanked Communications Director, Jennifer Losch for organizing the event.

6. **Adjournment**

With no further business, the meeting adjourned at 4:15 p.m. The next CSA Board meeting is scheduled for November 25, 2014, at 10:30 a.m. in the rear conference room of the Sea Pines Community Center.

Respectfully submitted,



Carolyn Adams
Secretary

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