

Community Service Associates, Inc.
Board Meeting Minutes
April 28, 2015

CSA Chairman, Mark Griffith, called the CSA Board of Directors meeting 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	Cary Corbitt
	Mark Griffith	Joe Kernan	Mark King
	Charlie Miner	James Richardson	Scott Richardson
	Beverly Serral	Don Sigmon	Rich Speer
	John Trunck	Michael Tucker	Mark Yarborough
Absent:	David Borghesi	Paul Crunkleton	
Staff:	Bret Martin	William Leitner	David Henderson
	Jennifer Losch	Mark Dowaschinski	Jeanne Pearse

2. **CSA Operations Oversight Reports**

- **CSA President Operation Report** – Mr. Martin said the recent controversy over the construction and requirements for beach walks has prompted the Trustees’ of the Sea Pines Forest Preserve Foundation Board and CSA staff to review its *Beach Trust Policy*, associated covenants and government regulations. The Sea Pines Forest Preserve Foundation consists of the current CSA Board of Directors’ Officers, plus one other board member, whose responsibility is to protect the *Beach Trust Property*, an area of the beach defined as being between the high-mean water mark line and the end of private property owners’ lines.

The construction of beach walks are permitted by State and local laws to preserve the dune area of the beach. Since the *Beach Trust Covenants* prevent “structures” on *Beach Trust’ Property*, the Sea Pines Forest Preserve Foundation has jurisdiction over beach walks on *Trust Property* just as the ARB has jurisdiction over the design of such structures. Therefore, property owners need their permission to build a beach walk and must be in compliance with various State and Town laws. This board recently approved an updated policy which now requires a property owner to request an encroachment agreement for any new construction or major repairs to existing boardwalks. This policy will be posted on the website and mailed to property owners whose residences are adjacent to the beach.

Funding for the traffic study for the Greenwood Corridor (Sea Pines Circle to Governors Road) is going to be discussed with representatives from the Town of Hilton Head at a meeting next week. The cost of the traffic study is estimated to cost from \$25,000 to \$30,000.

Mr. Martin and staff are working on finalizing the Reserve Study and policy, and will first present a copy of the report to the Finance Committee for their review and comments.

The position for a Chief Operating Officer or Director of Finance has been posted and resumes are under review. The Director of Maintenance position was posted earlier, resumes have been narrowed down and interviews are being scheduled.

- **Property Owner Profile Development, Annual Survey and Brand Consulting Project**

Jennifer Losch, CSA Communications Director, gave an overview this CSA project:

- SCOPE - Develop a property owner database to house custom demographic and interest based owner profiles, improve communication strategies and initiate an owner survey to gain feedback on critical issues that affect CSA's planning for 2015/2016.
- SURVEY GOALS – Collect information for profiles of property owners including: interests, hobbies, preference of receiving communication from CSA and to measure the awareness of community affairs and the level of satisfaction of CSA's operations overall.
- TIMELINE for 2015: (subject to change)
 - April/May – develop profile database
 - May/June – develop survey questions
 - Mid -August – pre-alert of survey to owners
 - September – field survey
 - November – end of survey
 - January/February 2016 – report and recommendations

- **Board Orientation**

David Henderson, Director of Special Projects, was present today to give an overview of his job responsibilities. He explained that his background included being a graduate of Georgia University in Wildlife Management and he was initially hired to administer the deer management program in Sea Pines. Since then, his job

responsibilities have expanded and now include four areas: Special Projects, Forest Preserve, Wildlife Management and Operations.

Core Services (Special Projects) – Coordinate implementation of assigned construction and other projects, from concept to completion.

Core Services (Forest Preserve) - Supervise routine grounds maintenance and implement annual initiatives, including fundraising activities and promoting awareness of the Forest Preserve.

Core Services (Wildlife Management)

Identify and advocate for habitat enhancement opportunities in the community. Obtain necessary permits for management programs and implement in a safe, humane, efficient and least obtrusive manner to the community. Collect required data, submit reports, and coordinate donations to satisfy permit requirements.

Core Services (Operations)

Oversee CSA Community Center, Six Oaks Cemetery, Tower Beach and Sea Pines Forest Preserve operations. Identify current and potential revenues/expenses to assist with long range financial planning. Utilize internal communication resources to improve understanding of user groups' needs and desires for community amenities. Encourage use and enjoyment by identifying and prioritizing improvements, developing programming, establishing business standards and promoting awareness.

Overall, his Mission Statement is to: Lead, manage and provide oversight of special projects and operations. Provide support and assistance to CSA President, staff, board and committees as required. Maintain and develop professional relationships with outside agencies/entities. Interact with all members of the Sea Pines community in a courteous and professional manner and continually strive to make Sea Pines a better place to live and visit.

2014 Achievements

Projects

- Tower Beach
 - Assumed oversight of renovation project and completed on schedule
 - Organized ribbon cutting ceremony
 - Completed requested additions including cabling, benches, toe kicks, bike racks and landscaping

- Completed remodel of CSA break room and kitchenette
- Coordinated re-partitioning of CSA offices
- Successfully implemented Phase II of Baynard Ruins initiative
- Supervised installation of perimeter fuel break at Audubon/Newhall Preserve and heavy maintenance of Deer Island fuel break
- Updated and produced CSA bike trail maps, Forest Preserve map and activity guides, trolley handouts and trolley map panels
- Gathered WQ data for Beach Lagoon Canal, performed bathymetric survey and received proposal for organic layer removal in portions of canal

Forest Preserve

- Prepared and planted wildflower field
- Secured funding from ARB and installed replacement plantings in wildlife orchard
- Stocked catfish in Lake Joe and bass in Lake Mary
- Conducted annual electrofishing survey
- Filled vacant ranger position
- Coordinated and produced 2015 Forest Preserve Calendar
- Organized 4th annual yard sale and “The Bonfire” events
- Coordinated community tour and social event for CAI’s Large Scale Managers Meeting
- Engaged working group and reached consensus on potential improvement initiative

Wildlife Management

- Obtained permit, conducted annual deer population estimate and submitted report
- Obtained/implemented alligator and deer removal permits, gathered required data and submitted reports
- Replaced deteriorated bluebird boxes throughout community

2015 Priorities

Projects

- Facilitate development of color/material standards for CSA structures and landscape standards for open space maintenance
- Obtain permit/conduct organic layer dredge in portions of Beach Lagoon Canal
- Complete Baynard Ruins Phase III
- Forest Preserve
 - Support development of improvement initiative and create business plan
 - Establish spring fundraising event

- Replace Vanishing Swamp Boardwalk Operations
- Revise Six Oaks Cemetery plat to reflect current conditions and identify remaining inventory
- Create short and long range business plans for Six Oaks and evaluate potential expansions both inside and outside current footprint
- Identify/evaluate cemetery management software options and cost
- Identify and prioritize technology upgrades for Community Center Projects
- Install industrial fan at Tower Beach pavilion

Forest Preserve

- Promote Birdies for Charity initiative
- Install new donation tubes
- Install additional boat racks and replace deteriorated benches

Wildlife Management

- Conduct alligator and deer management programs Operations
- Use standardized online calendar for Community Center, Forest Preserve and Tower Beach
- Develop business practices for and promote awareness of Community Center, Forest Preserve and Tower Beach

- b. **ARB Liaison Report** – Mr. JR Richardson, the CSA Liaison to the ARB, said the approximate number of projects reviewed by the ARB based on escrow list were: 20 new homes under construction, 11 pools, 70 additions and alterations, plus approximately 50- 75 projects such as driveway changes and small repairs that do not require escrow deposits. The ARB also updated their guidelines to coincide with the new Beach Trust Policy and OCRM regulations for construction over the sand dunes.
- c. **Joint ASPPPO/CSA Short Term Rental Committee** – Mrs. Serral said the committee will be meeting on May 5th. Meeting agenda items will include a discussion on the brochure distributed to short-term rental properties and plans for a future meeting with rental agents. The Security Department is hiring temporary or seasonal employees to help with parking problems on the T-streets and other issues that occur during tourist season.

- d. **Communications Committee** – The Communications Committee membership is made up of the Chairmen of the current standing committees. This committee is focusing on developing a new type of database of property owners' preferences and is the one mentioned by the Communications Director earlier in the meeting. Later, a survey of the property owners will be conducted and a company called *StoryPowered*, will use analysis to recommend strategies and communication planning tactics for 2016,
- e. **Gate Entry Committee** – No meeting was held.
- f. **Government Liaison** – Mr. Scott Richardson said the USCB issue is still a concern to many island residents.

The second item generating a lot of interest, is a new tax reform bill introduced in legislature by Representative Bill Herbkersman that would reduce the current higher percentage tax rate that second non-resident home owner's pay. To off-set this change, a 1% sales tax increase is being proposed along with other concessions. He suggested this be publicized in the *Sea Pines Community Newsletter* and placed on the website. He will meet with Mr. Westerbeck who is following this issue for ASPPPO to decide what to place on the website and in the newsletter.

- g. **Governance Committee** – Mr. Speer said that all three of the Governance sub-committees had met on either April 27th or today, April 28th to map out their strategy. The three sub-committees are known as: Nominations and Board Orientation; Covenant Revisions and the CSA By-law revisions. They plan to have their recommendations to the Executive Committee in August 2015.
- h. **Maintenance, Enhancements and Special Projects Committee** – A copy of the meeting minutes was included in the board package. Mr. JR Richardson said that Phase III of the majority of work at Stoney Baynard Ruins is just about completed. The sign needs to be completed.

The committee is working on creating a standard *Sea Pines Look* for various areas such as: open space, lagoons, paving projects etc. The other issue that needs to be determined is if Sea Pines property owners like the *Manicured Look* (more plants or city look) or the more natural *Maintained Look*.

- i. **Marketing Task Force** – Mr. Tucker said the task force had met twice since the last CSA Board meeting. The group has been divided into groups to define marketing strategies for new home buyers, daily visitors and vacation guests, focusing on expressing the “WOW” factor that Sea Pines possesses. The task force plans on having a recommendation by the end of this summer.
- j. **Safety and Security Committee** – Mr. Tucker said the committee has been working on several items:
 - Greenwood Gate Entrance – Upgrading the signage that designates the proper lane for entry to a more pronounced design, similar to what the Department of Transportation uses. A sample sign is located in the rear of the CSA Building. This is a temporary adjustment in lieu of coming up with a better design and of how to finance the project.
 - New Property Owner Decals and ID Cards with the RIFD chip- The new decals and ID cards are now being issued to property owners. All decals will now have the new chip and will be used to monitor traffic coming in the gate and will be instrumental in determining a new design.
 - Cross Walks- A new type of material for bike and pedestrian roadway crossings is being researched and a recommendation to the CSA Board should be forthcoming.
 - Mr. Alfred, a committee member, is heading up a sub-committee to come with some ideas for safety on the leisure trails.
 - CSA is not part of a bike program consisting of volunteers who wear special t-shirts and assist bicyclists on Sea Pines leisure trails. This is in response to a legal opinion obtained.
- k. **Finance Committee** – Mr. Speer reported in Mr. Borghesi’s absence. CSA’s financial position remains strong. Jon Dickson, CSA’s financial advisor from Morgan Stanley Smith Barney, was present at their April meeting to speak on CSA’s investments which are doing well. The tax exempt status for CSA is still being processed and it is hoped to have a resolution by year end.

3. **New Business**

- a. **Acceptance of Un-audited March 2015 YTD Financial Statements** – A copy of the un-audited March YTD financial statement was included in the board package and reviewed. Mr. Kernan made the following motion which was seconded by Mr. Scott Richardson and was unanimously passed:

“RESOLVED, the CSA Board accepts the unaudited March YTD 2015 financial statements as submitted.”

- b. **Acceptance of the Audited Financial Statement** – The auditors have completed CSA’s audit for 2014 and expressed no concerns. Mr. Miner made the following motion which was seconded by Mr. Scott Richardson and was unanimously passed.

“RESOLVED, the CSA Board accepts the Audited financial statement for 2014 as presented.”

- c. **Authorization to Approve the Line of Credit Loan Agreement** – The annual agreement for a \$1 million dollar line of credit loan with BB&T, to be used for funding only in the event of an emergency, needs to be renewed with an increase to \$5 million. CSA also requested the agreement be for a three-year period, but a two –year agreement had been negotiated instead. The fees of the agreement were in line with standard charges. Mrs. Adams made the following motion which was seconded by Mr. Kernan and was unanimously passed:

“RESOLVED, the CSA Board authorizes signing the commitment for a Line of Credit loan agreement with BB&T as recommended by the CSA Finance Committee.”

- d. **Approval of the *Class A* Nominating Committee** – Mr. Griffith, CSA Board Chairman, nominated Charlie Miner, Michael Tucker, Richard Speer, Bob Mang as a past CSA Chairman and himself as Chairman of the *Class A* Nominating Committee for 2015. Mr. James Richardson made the following motion which was seconded by Mr. Speer and was unanimously passed:

“RESOLVED, the *Class A* members of the CSA Board approves Mark Griffith as Chairman and Bob Mang, Michael Tucker, Rich Speer and Charlie Miner as the members of the CSA *Class A* Nominating Committee.”

- e. **Approval of the Standing Committees and Charters for 2015** – The membership and charters for the Governance Committee, Legal and By-law Committee and the Communications Committee were reviewed. Discussion was held on Legal and By-laws Committee and whether this group should be a standing committee or a task force. This vote on this committee was tabled for more discussion. Mr. Tucker made the following motion which was seconded by Mr. King and was unanimously passed:

“RESOLVED, the CSA Board approves the membership and

charters for the Governance Committee and the Communications Committee as presented.”

- f. **Ratify Vote on Approval of the February 23, 2015 Meeting Minutes** – The CSA board voted on approval of the February 23, 2015, meeting minutes by email to expedite their release on the website and property owner review. Mr. James Richardson made the following motion which was seconded by Mr. Miner and was unanimously passed:

“RESOLVED, the CSA Board approves the meeting minutes of the February 23, 2015, meeting as finalized by email.”

- g. **Approval of Changes to Tower Beach Locker Rental Agreement** – President Martin and CSA staff recommend to adopt a policy that locker rental agreements be converted to a calendar year basis by prorating rents for existing locker holders. Upon expiration of the term of exclusive use (or the locker holder opts out before then), lockers will be assigned to the next person on the waiting list. No future lotteries will be held and a non-refundable deposit will be required for those on the waiting list likely to receive a locker in the next 12 months. Any deposit received will be applied to rent due once a locker is assigned. Mr. Kernan made the following motion which was seconded by Mr. Trunk and was unanimously passed:

“RESOLVED, the CSA Board approves the revisions to the Tower Beach Locker Rental Agreement as presented.”

It was also recommended the clean-up deposit currently required to rent the Tower Beach pavilion be waived. Access control to the pavilion is limited; therefore, identifying those responsible for leaving behind trash, etc. is problematic. An executed waiver already holds the homeowner responsible for any property damage. Mr. Miner made the following motion which was seconded by Mrs. Adams and was unanimously passed:

“RESOLVED, the CSA Board approves waiving the clean-up deposit currently required when renting the pavilion as long a waiver has been executed”

- h. **Approval of Confidentiality Agreement** – This item was tabled.
- i. **Approval of the Conflict of Interest Policy** – This item was tabled.
- j. **Encroachment Agreement for Lot 99, Otter Road** – The property

owner of Lot 99, Otter Road is requesting an encroachment agreement for a retaining wall consisting of railroad ties that are supporting the dirt under their patio. The maximum distance of the encroachment out into CSA Open Space is eight inches at one end. The materials used are in-line with other homes in the neighborhood and does not have a negative impact on the neighbors or CSA. Mr. Miner made the following motion which was seconded by Mr. Tucker and was unanimously passed:

“RESOLVED, the CSA Board approves the encroachment for Lot 99, Otter Road as presented.”

4. **Old Business**

- a. **Update on CSA Board Priorities** – President Griffith updated the board on the progress made on the board’s priorities for this year:
 - Plans are moving forward on a property owner survey and the creation of a database to profile preferences.
 - The creation of a new design to improve access through the gate is being researched and is underway, but it may take a while to finalize and fund any improvements.
 - Plans to make landscaping improvements along the Greenwood Drive corridor are underway. The land needs to be surveyed and a landscape plan developed.
 - Maintenance, Enhancement and Special Projects Committee are working on the creation of a set of standards on the various areas and aspects of the plantation.
 - Monitoring the USCB and a traffic study for Sea Pines Circle is moving forward.
 - A survey of Six Oaks Cemetery is underway to determine the actual amount of inventory that is available for sale.
- b. **Forest Preserve Update** – *Party in the Pines*, the inaugural spring Forest Preserve event was held at Fish Island on April 6th. The event was well received with around 240 attendees including adults and children. The event grossed approximately \$13,000 and netted around \$6,500 for projects in the Forest Preserve. The Forest Preserve, due to the efforts of CSA staff, was recently publicized in the Island Packet by winning their *Broad River Madness* bracket-styled contest. The Forest Preserve prevailed over Hunting Island State Park in the final round. David Lauderdale did a follow up article on the importance of open space in Beaufort County. The *Trip Advisor*, a world-wide travel site, lists the Forest Preserve as number 11, on a list of places to go in Hilton Head. The wetland delineation and identification survey, required for the proposed Forest Preserve improvements is currently underway.

c. **Update on USCB/LMO Traffic Issues** – Mr. Kernan, Chairman of the Traffic Task Force said the Town was going to do a traffic study in June of 2015 and the traffic engineers were to come up with a solution. He had also provided the ASPPPO Board with two Power Point Presentations at their April meeting, but time was too limited to fit it in today's meeting. The first presentation gave an overview of the progress and plans made by the Town's *Circle to Circle Committee, (C2C)* which was approved by a resolution of Hilton Head Island's Town Council:

- Develop a Master Plan for Coligny Circle to Sea Pines Circle down to the former Food Lion property on Palmetto Bay Road
- Develop a Vision for these areas and projecting future development
- Make recommendations to address infrastructure requirements

The committee plans to seek input from the public of Hilton Head Island. The most important thing he stressed at today's meeting was for property owner's to be in attendance at the Town's open meeting to obtain input from Sea Pines' residents on May 20, 2015, at 10:00 a.m. in the main room of the Sea Pines Community Center.

His second presentation focused on a preliminary evaluation outlining the steps to achieve balanced community development. The outlined steps were: *Vision, Plan, Regulation, Application and Implementation*, the focus being placed on the infrastructural network of the island. The infrastructure components included:

- Road System Network
- Sewage Network
- Water Supply
- Electrical Power
- Storm Sewer Network

The outline summarized that having a balanced community is a result of limiting its growth based on topology, acreage, environment and population of the community. (Mr. Kernan's full presentation can be found in ASPPPO's April 2015 meeting minutes.)

5. **Board Member Comments**

Mr. JR Richardson said that a representative from the South Island Public Service District would be happy to come to a Community Coffee meeting to address some of the current issues being addressed at the ASPPPO and CSA Board meetings. CSA Staff will contact the South Island Public Service District to make the arrangements.

6. **Adjournment**

With no further business, the regular portion of the meeting adjourned to go into Executive Session to discuss legal and personnel issues at 4:55 p.m. The next CSA Board meeting will be held on Wednesday, June 24th at 3:00 p.m. in the main conference of the Sea Pines Community Center.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Carolyn E. Adams".

Carolyn Adams
Secretary