

**Community Services Associates, Inc.
Gate Entry Committee Meeting
August 30, 2018**

On Thursday, August 30, 2018, a regular meeting of the Community Services Associates, Inc., (CSA), Gate Entry Committee, was held at the Sea Pines Community Center, Meeting Room. The meeting was called to order at 9:01 a.m. Co-Chairman Corbitt presided.

1. Roll Call

Present:	Cary Corbitt Paul Handy Tom McPhillips	Charlie Miner Bill Johnson Michael Tucker	Steve Birdwell Mark King
Phone:	Dana Advocaat		
Absent:	Bob Gossett Tom Wolfe	Don Sigmon Mark Griffith (Ex-Officio)	Michael Sole
Staff:	Bret Martin Toby McSwain	David Henderson Victoria Shanahan	Sarah McMillen Amanda Sutcliffe-Jones

2. Establishment of Quorum – Co-Chairman Corbitt

With the majority of Committee Members in attendance, quorum was met.

3. Approval of the May 10, 2018, Meeting Minutes – Co-Chairman Corbitt

The Committee reviewed the minutes of the May 10, 2018 meeting and agreed the following verbiage should be added to section 7: ‘Update – Motorcycles in Sea Pines’:

“The sub-committee estimated there are approximately ten (10) motorcycle owners in Sea Pines who wish to use their motorcycles to and from their home. Mr. McSwain - Director of Safety, Security and Transportation stated that if motorcycles were permitted to be ridden only to and from a Sea Pines Property Owner’s home that regulation would be very difficult, if not impossible to enforce.”

Mark King made the following motion to approve the meeting minutes as amended. The motion was seconded by Steve Birdwell and was unanimously passed.

“RESOLVED, the Community Services Associates, Inc., Gate Entry Committee, approved the minutes of the May 10, 2018 meeting, as amended.”

4. Tower Beach Parking Proposal – Co-Chairman Miner

Co-Chairman Miner withdrew his proposal regarding Tower Beach parking. Therefore, this item was not discussed.

5. Pass Revenues – Victoria Shanahan

Ms. Shanahan presented gate pass revenues and quantity of passes issued from January through July for this year (2018) compared with last year (2017) at both Greenwood Gate and Ocean Gate. In 2018, gate pass revenue was up by approximately \$80,000 compared to 2017. However, the quantity of passes issued in 2018 was down by approximately 10,000 compared to 2017. The higher quantity of passes issued in 2017 is thought to be due to increased commercial access to assist with Hurricane Matthew recovery process. It is thought the increase of revenue in 2018 is due to both the Daily Commercial Pass fee increase from \$6 to \$10 on June 1, 2017 and the Weekly Commercial Pass (\$40) that was introduced for contractors during February 2018.

The short term rental pass revenue was up in 2018 (January – July) by approximately \$100,000, compared to the same time period in 2017. This increase is due to the Weekly Rental Pass (\$20) that was introduced in April 2018, in addition to the \$15 advance purchase short term rental pass.

Annual decal revenue was up in 2018 (January – July) by nearly \$16,000, compared to the same time period in 2017. It is thought many businesses opted to purchase annual commercial decals at the start of 2018, instead of the Daily and Weekly Commercial Pass.

The committee requested to see a breakdown of passes issued at the Sea Pines Gates to clearly separate casual visitor passes from commercial passes as well as presenting various commercial pass revenues as a percentage. Ms. Shanahan will present this data at the next committee meeting (October 25, 2018).

CSA does not currently have the ability to record the number of vehicles entering Sea Pines, to include property owners, the property owners' guests and employees that work in Sea Pines. Midday and evenings tend to be more congested times of the day.

6. Sea Pines Trolleys:

i) History of the Sea Pines Trolleys – Victoria Shanahan

Ms. Shanahan presented in detail the history of the Sea Pines Trolleys, explaining how they started operating in Sea Pines and why. The Sea Pines Trolleys have been running in Sea Pines since 1997 and were originally owned and operated by an outsourced company. The funds used to operate the Sea Pines Trolleys was provided by the gate fee increase from \$3 to \$5 (\$2 per pass). The trolleys were originally introduced due to traffic and safety concerns within the Harbour Town area. In 2011, the CSA Board voted to bring the trolley operations in house. By doing this the CSA Board anticipated the savings to be \$800,000 in operating costs over a seven (7) year period. The Sea Pines Trolleys continue to be funded by the \$2 gate pass fee increase as well as \$.60 of the \$1 increase in 2014. During the following years: 2014 – 2017, between \$500,000 - \$600,000 has been recorded annually as excess gate revenue funds after direct Trolley expenditures.

The committee discussed if a sub-committee should be formed to research the Sea Pines Trolley operations further. Dana Advocaat made a motion to form a sub-committee to study the trolley expenditures, liability issues and to determine the number of visitors versus property owners that use the trolley. Co-Chair Minor seconded this motion. Tom McPhillips voted in favor. Co-Chair Corbitt, Steve Birdwell, Paul Handy, Mark King, Bill Johnson and Michael Tucker voted

against. With the majority of the Committee voting against forming the sub-committee, this motion did not pass. Instead, the committee discussed sharing the Sea Pines Trolley presentation with the Sea Pines property owners via email and / or during the Community Coffee.

ii) Scheduled Private Events – Toby McSwain

The Sea Pines Trolleys are scheduled for private events that have been sponsored by a Sea Pines property owner. Ten (10) private events have been scheduled for this year (2018). The approximate annual revenue from private Trolley Charters is \$60,000. Only two (2) Sea Pines Trolleys are currently scheduled for private events.

If CSA added to their fleet of trolleys, this would also increase the revenue received from private scheduled events.

7. Sea Pines Resort – Rights of Access – Victoria Shanahan

Ms. Shanahan presented in detail the ‘History of Sea Pines Plantation Access Rights and Easements’ and concluded the following information:

- The 1974 Covenants provided for a gate fee to be collected by Sea Pines Plantation Company and used for community services.
- The August 1987 Assignment granted certain rights to the Sea Pines Center, including approval rights relating to increases in gate fees.
- The November 1987 Assignment granted certain rights to the Sea Pines Plantation Company, Inc., which are now held by the Resort, including approval rights relating to increases in gate fees.
- The 1988 Declaration provided for the incorporation of CSA, the conveyance to CSA roads, rights of way and common areas and tasked CSA with enforcing the gate policy and also confirmed the rights of the November 1987 Assignment.

Ms. Shanahan confirmed CSA owns and controls the Sea Pines Gates and shall enforce the Gate Entry Policy, which shall not be changed unless written consent is received from all three (3) parties (Sea Pines Center, Sea Pines Resort and CSA).

Co-Chair Minor informed the Committee the right of an easement with veto right in the 1987 Assignment has been discussed in past CSA and ASPPO meetings; however, written legal opinion has not been received.

Co-Chairman Miner made a motion to accept the ‘History of Sea Pines Plantation Access Rights and Easements’ presentation as explained by Ms. Shanahan. The motion was seconded by Steve Birdwell. Co-Chair Corbitt, Paul Handy, Bill Johnson, Mark King, Tom McPhillips and Michael Tucker voted in favor. Dana Advocaat voted against. With the majority of the Committee voting in favor, the motion carried.

8. Gate Entry Policy Amendments:

i) Review 2019 Annual Decal Fees & Gate Pass Fees – Toby McSwain

The committee reviewed the annual decal and gate pass fees listed in Appendix A of the Gate Entry Policy. The committee were asked to review the red lined verbiage for approval, which includes:

- Casual Daily Visitor Pass – 2 axle vehicle with a single or double axle trailer at a fixed rate of \$12.
- Short Term Rental – weekly pass purchased at the Sea Pines Gate - \$20.

The Sea Pines Gate Officers are not able to determine if the individual purchasing a weekly pass is renting in Sea Pines or not and therefore, the correct pass type may not be issued. The Committee discussed whether to consider one fixed rate for weekly passes. The Committee recommend the Joint Short Term Rental Committee decide if the Weekly Short Term Rental Pass fee should be raised from \$20. If the Rental Pass fee does increase, the committee recommend additional funds received from the Short Term Rental Passes should fund a beach trolley and parking location within Sea Pines for non- Sea Pines Resort short term rental guests, Sea Pines property owners and guests. Once discussed, the Joint Short Term Rental Committee are to present their recommendations to the Gate Entry Committee, prior to the CSA Board for approval.

Co-Chairman Corbitt announced the Sea Pines Resort is desiring to discontinue the paid parking policy at the Sea Pines Resort's Plantation Club and Beach Club. The Joint Short Term Rental Committee will discuss further options for beach parking and transportation for non-Sea Pines Resort short term rental guests.

Mr. Johnson made a motion to prepare an easement lot within Sea Pines for beach parking and transportation for the use of non-Sea Pines Resort short term rental guests, Sea Pines property owners and guests. The motion was seconded by Mark King and unanimously passed.

The easement lot location to propose beach parking and transportation is unknown at this time, however, the committee agreed Lot 8 should not be selected for beach parking. The Gate Entry Committee will discuss which easement lot should be used for the proposed beach parking at the next committee meeting (October 25, 2018).

ii) Decals for HH Prep Staff (teachers) – Toby McSwain

Currently, one (1) HH Prep Decal is issued complimentary to HH Prep employees each calendar year. The committee agreed additional decals can be issued to the employee for a fee. This fee would be equal to the 'at cost' amount CSA are charged.

iii) Short Term Rental Pass Code – Toby McSwain

The committee agreed short term rental 'R-Codes' should be temporarily deactivated for those properties that are delinquent in the payment of the CSA assessment fee.

iv) New Short Term Rental Pass / Voucher – Toby McSwain

The Joint Short Term Rental Committee are to discuss if the short term rental vehicle passes and vouchers (\$15) that are purchased in advance should be raised.

v) Timeshare Owners and Guests (Marriott) – Bret Martin

Mr. Martin clarified the annual fee the Marriott Grande Ocean are required to pay CSA is a Community Services Assessment (gate entry fee for users) that is equal to a developed residential property owner's annual assessment.

The committee reviewed the Gate Entry Policy and agreed to remove Appendix F – Marriott Ownership Resorts Non-Exclusive Easement and Conveyance of Rights, public record.

vi) Retail Customers of Specific Merchants – Co-Chairman Corbitt, Victoria Shanahan

Ms. Shanahan has received a list of merchants that are contributing to the Community Fund on behalf of their tenants for the tenant's business and employee access. Two-hundred and fifty (250) complimentary passes are available to the merchant's customers for the calendar year. There are seventy-eight (78) merchants that do qualify for this pass type. CSA has not issued any of these passes and cannot until the software programmer has updated the guest pass system.

The committee reviewed this section of the Gate Entry Policy and agreed the verbiage is not correct as written. This verbiage will be corrected and sent to the committee via email for approval.

Mr. Johnson made a motion to approve the revised Gate Entry Policy as amended, with the corrections made. The motion was seconded by Michael Tucker and was unanimously passed.

9. ABDI Vehicle Decals & Property Owner ID Cards – Toby McSwain

ABDI Software gives CSA the ability to monitor traffic through the Sea Pines Gates. Mr. McSwain presented three (3) ABDI pass options and cost per pass:

1. Barcode Decal to place on windshield - \$8 each.
2. Headlamp RFID - \$13 each.
3. Hangtag RFID - \$12 each.

CSA currently pay \$0.60 for each decal; however, this decal type needs to be replaced each year. ABDI decals / hangtags can remain on the vehicle each year and be programmed 'on' or 'off' to reflect if the costumer has paid their annual gate entry fee. On average the ABDI decals have a five (5) year tag life.

The committee discussed whether to start charging for decals since the cost of these decals will increase considerably. Co-Chair Miner recommended that CSA continue to provide the decals as they currently do at no charge, as it is a cost of doing business. All committee members approved this recommendation. It was the general sense of the committee to recommend the CSA Board approve to keep the current decal fees the same in 2019.

10. Update - Motorcycles in Sea Pines – Paul Handy, Don Sigmon

During the Gate Entry Committee meeting held May 10, 2018, the committee received the following feedback from the property owners survey regarding motorcycle usage:

“The property owners survey asked Sea Pines Residential Owners if the current prohibited vehicle types should continue to be prohibited within Sea Pines. 86% (2,245) of property owners

chose to continue prohibiting motorcycle use within Sea Pines. 12.6% (329) of property owners chose to permit motorcycle use for property owners' only. 1.4% (36) of property owners chose to permit motorcycle use within Sea Pines."

Discussion previously took place regarding the proposed motorcycle policy and the difficulty in policing motorcycles entering Sea Pines.

The sub-committee reported their findings to the Committee regarding the motorcycle policy at the following local private communities: Shipyard Plantation, Port Royal Plantation, Windmill Harbour and Wexford Plantation. Motorcycle use is prohibited at Palmetto Dunes Plantation. The sub-committee found these communities do allow property owners to ride their motorcycle to and from their residential home and are required to store their motorcycle in a garage. Cruising around the communities on a motorcycle is prohibited. The local communities did not have any significant concerns with this policy.

Mr. Handy made a motion to allow the same practice of motorcycle use within Sea Pines. The following motion was seconded by Co-Chair Miner. Co-Chair Corbitt, Steve Birdwell, Bill Johnson, Mark King and Michael Tucker voted in favor. Dana Advocaat and Tom McPhillips voted against. With the majority of the Committee voting in favor, the motion carried.

"RESOLVED, the Community Services Associates, Inc., Gate Entry Committee, propose the CSA Board authorize motorcycle access for Sea Pines property owners only; to and from their residential property only. Motorcycles must be stored in a garage and must be registered with CSA to receive the appropriate decal. Cruising around the Sea Pines Community is to remain prohibited."

11. Update - Bicycle Company Contract – Toby McSwain

Since June 1, 2018, Commercial Bicycle Companies have been charged for all bicycles entering Sea Pines. The Sea Pines Gate Officer counts each bicycle entering Sea Pines to ensure the company is invoiced correctly each month. Mr. McSwain met with the Commercial Bicycle Companies on April 24, 2018, before this policy was in effect. During this meeting the Commercial Bicycle Companies discussed other ways to better this procedure. The majority were in favor of paying a onetime fixed annual fee to cover all bicycle deliveries for the calendar year to prevent traffic delays at the Sea Pines Gates.

CSA will continue to monitor this procedure and provide the Committee with more data in the next couple of months.

12. Gallery of Shops Update – David Henderson

Mr. Henderson presented three (3) potential site plans for the CSA- Sea Pines Pass Office where the Gallery of Shops Building is currently located. The designs showed the Gallery of Shops property line and the area that CSA is authorized to build on. There are sixty-two (62) parking spaces adjacent to the Sea Pines Pass Office (Gallery of Shops). In addition, CSA will have the right to use surrounding parking spaces near Staples.

CSA staff will work closely with architects, the Town of Hilton Head and adjacent property owners to obtain any approvals that may be required. Currently, a determination has not been made on the functions the facility will serve (and the associated design).

13. Member Comments

The committee received communication prior to the meeting, regarding the Gate Entry Committee Charter. Recommendations were made to amend the Gate Entry Committee Charter by deleting the following:

- 1. a. Advise the CSA Board to exercise its oversight responsibility concerning Sea Pines Gate Entry Policy and associated budgeting for gate entry revenue and expenditures.
- 2. a. 2. Evaluate and recommend the following for Board approval; in coordination with the Finance Committee and CSA Staff, the annual budget for gate entry revenues and expenditures.

Co-Chairman Corbitt responded to this request and confirmed the current Gate Entry Committee Charter is correct. The Gate Entry Committee do advise and make recommendations to the CSA Board relating to gate entry revenues and expenditures. Any decisions made by the CSA Board regarding gate entry revenues and expenditures are communicated with the committee co-chairs. It was the general sense of the committee to keep the current verbiage.

Three (3) Sea Pines Trolleys will be replaced for 2019. The committee discussed whether to order larger trolleys with a back porch. The back porch is an additional cost of approximately \$8,000 total for all three (3) trolleys. The back porch would allow for storage space for various items (strollers, bicycles, coolers etc.). Trolley riders can also enter and exit the trolley using the back porch. The design of the trolley chassis would allow for easy maneuver on the Sea Pines roadways and all trolleys would have seatbelts. Trolley #5 in the current fleet is the only trolley that is ADA compliant. The committee discussed whether to change the color of the trolleys. It is thought the original trolley color (red) was chosen to match the color of the Harbour Town Lighthouse. It was the general sense of the committee to recommend the CSA Board order three (3) new Sea Pines Trolleys with a back porch and to be red in color to match the current fleet.

14. Adjournment

With no further business to conduct, the meeting adjourned at 11:13 a.m. The next meeting is scheduled for Thursday, October 25, 2018, at 9:00 a.m. and will be held in Meeting Room Two at the Sea Pines Community Center.

Respectfully Submitted,



Cary Corbitt
Co-Chairman



Charlie Miner
Co-Chairman