

Community Service Associates, Inc.
Minutes of June 23, 2009 Board Meeting

President McLauchlin called the June meeting of the CSA Board of Directors to order at 3:00 p.m., in the CSA Conference Room. Mr. Kelley was thanked for arranging the tour of the CSA Maintenance and Security Departments.

1. Roll Call

Present:	Don Carlson	Don Sigmon	Fred Wynn
	Blaine Lotz	John McLauchlin	Audrey King
	George Minot	Mark King	Nikki McNamee
	Mike Hellman	Norman Harberger	Cary Corbitt
	Kathy Carter		
Absent:	Bob Gossett	Steve Birdwell	Bob Sowers
Staff:	Cary Kelley	William Leitner	George Breed
	Frank Nettles	Tracey McNeill	Jeanne Pearse

2. CSA Operations Oversight Reports

- a. **Maintenance** – The first phase of the 2009 re-paving work will be completed in two weeks. Prep work for Phase 2 has already begun.
- b. **Beautification and Amenities** – Mr. Pinckney’s report is progressing slowly. Some projects in the Tower Beach area that are not dependent on his report have been completed.
- c. **Security** - A copy of the Security Bridge Report was included in the Board package. Mr. Breed noted that \$5 daily pass sales for the first three weeks of June 2009 were higher than the same period last year.
- d. **Finance** – A correction was made to the Finance Committee minutes regarding the expiration date for the line of credit with Wachovia Bank. That line of credit expired May 31, 2009, not June 30, 2009. CSA now needs an alternate source of emergency funds for cleanup in case of a major storm, and the available options have been carefully considered. Mr. Minot made a motion to move forward with the \$5 million loan application with Union Bank of California within the next thirty days so emergency funds could be drawn on it by the end of July, if needed. The motion was seconded by Mr. Carlson and was unanimously approved.
- e. **Community Outreach** – Mrs. McNamee said the committee is currently working on re-doing the home page of the website and drafting a questionnaire that would solicit information and feedback from property owners. They are also working on an Information Program.

3. Approval of the Meeting Minutes

Board members reviewed the May 19, 2009 meeting minutes. A motion was made by Mr. Harberger to approve the minutes as amended. Mr. Hellman seconded the motion and it was passed unanimously.

4. **Matters for Board Decision**

a. **Defibrillator Policy** – The proposed policy was reviewed and Mr. Hellman made a motion to approve the policy as submitted. The motion was seconded by Mr. King and was unanimously passed. The policy will be posted on the website and a note concerning the policy will be included in the newsletter.

b. **Lot 12, S. Calibogue Cay Encroachment Policy** – The Board package included background information on a request for an encroachment agreement on Lot 12, S. Calibogue Cay Road. The property owner would like to build a seawall at the rear of his property which would require going onto CSA open space. He proposes that CSA swap 0.06 acres of its open space for 0.06 acres of the owner's property at the front of his property where the CSA-owned roadway encroaches onto his property. Mr. Hellman made a motion to approve the proposed encroachment agreement. The motion was seconded by Mr. Lotz and was unanimously passed.

c. **ASPPPO and CSA Service Agreement** – The ASPPPO Board reviewed the proposed agreement and has requested two changes: 1) Changing the automatic annual CPI adjustment to a requirement that the service fee be “reviewed and agreed upon annually by both the CSA and ASPPPO Boards”; 2) Changing the term “rent” to “facility usage fee”.

Mr. Hellman made a motion to accept the requested changes and Mr. Harberger seconded the motion. A vote was then taken and the motion was unanimously passed.

d. **Approval of New Maintenance Committee Members** – Mrs. Carter, Capital Improvement and Maintenance Committee Chair, made a motion to approve the appointment of Don Sigmon and Al Mason as additional members of the Capital Improvement and Maintenance Committee. The motion was seconded by Mr. Carlson and was unanimously passed.

5. **CSA Executive Committee Report**

a. **Annual Meeting Minutes (Draft)** – A draft of the 2009 Annual Meeting Minutes were included in the CSA Board package for the Board to review. These minutes will be presented for membership approval at the May 2010 annual meeting. Mr. McLaughlin plans to post the draft minutes on the website in the meantime. Board members had no objection.

b. **Legal Issues** - There have been no developments on the Coffee litigation. CSA is still waiting for the plaintiff's amended complaint to be filed. CSA will then file another motion to dismiss the case.

c. **Update on Home Foreclosures (Sea Pines)** – There are now twenty-three properties on the foreclosure list. The Town of Hilton Head Island has been contacted to see if they are willing to compel action by a property owner if safety issues arise with a property that is in foreclosure. The Town could accomplish this more promptly than CSA and ASPPPO can, because of the legal steps we would be required to take.

6. **Other CSA Activity Reports**

a. **Architectural Review Board** – Nothing new to report.

7. **Matters for Board Discussion or Future Decisions**

a. **South Sea Pines Dredging Status** – Mr. King reported that SIDA is now considering engaging a law firm, at SIDA's expense, to evaluate the feasibility of using a portion of the Sea Pines Forest Preserve as a community dredge disposal site. The study would produce a legal opinion on the permissibility of a dredge site in the Forest Preserve under the existing covenants as well as several related items.

It was the sense of the CSA Board that SIDA should undertake the proposed study since the legal opinions being sought are important to any consideration of the Forest Preserve option. Board members urged SIDA to aim for a totally objective and unbiased report.

8. **Adjournment** - With no further business to discuss, the meeting adjourned at 5:00 p.m. The regular monthly meeting of the Board is scheduled for Tuesday, July 28, 2009, at 3:00 p.m. in the CSA Board Conference Room.

Respectfully submitted,

Norman Harberger
Secretary