

Community Service Associates, Inc.
Minutes of August 25, 2009 Board Meeting

President McLauchlin called the August meeting of the CSA Board of Directors to order at 3:00 p.m., in the CSA Conference Room.

Mr. Birdwell of the Sea Pines Resort introduced Mr. Craig Ostergard as Mr. Mike Lawrence's successor as a Resort representative on the CSA Board. Mr. Ostergard was welcomed as a new board member.

1. Roll Call

Present:	Don Carlson	Don Sigmon	Fred Wynn
	Blaine Lotz	John McLauchlin	Audrey King
	George Minot	Mark King	Nikki McNamee
	Norman Harberger	Cary Corbitt	Kathy Carter
	Steve Birdwell	Bob Sowers	Craig Ostergard

Absent: Mike Hellman Bob Gossett

Staff: Cary Kelley William Leitner Jeanne Pearse

Observers: None

2. Special Presentation

None

3. CSA Operations Oversight Reports

a. **Maintenance Committee** – Mrs. Carter reported that this year's planned re-paving projects should be completed by early October (weather permitting). The Committee is working on the Three Year Maintenance Plan and should have a draft for the board to review in a couple of months.

b. **Beautification and Amenities Committee** – Mr. Carlson noted a minor correction to the Committee's minutes.

c. **Security Committee** – A copy of the Bridge Report was included in the board package.

d. **Finance Committee** – Mrs. Carter made the following motion which was seconded by Mr. Wynn and was unanimously passed:

“Resolved that the July 2009 financial statements are approved as submitted.”

e. **Community Outreach Committee** – Mrs. McNamee said the Committee's proposal for the CSA

website design project will be dealt with under *Matters for Board Discussion* on today's agenda.

f. **Commercial Committee** – A copy of the Commercial Committee minutes was included in the board package.

g. **Report of the Nominating Committee for Class A Board Candidates** – A copy of the Nominating Committee Report was distributed. The slate of Class A Board candidates includes Kathy Carter, Nancy Eldridge, John McLaughlin, George Minot and Florence Rosse.

4. **Approval of the Meeting Minutes**

Board members reviewed the July 28, 2009 meeting minutes. The following motion was made by Mrs. Carter, seconded by Mrs. King and passed unanimously.

“Resolved that the minutes of the July 28, 2009 CSA Board meeting is approved as amended.”

5. **Matters for Board Decision**

a. **Commercial Decal and Rental Pass Increase** – The Finance Committee recommended that the CSA Board approve the following increases as suggested by CSA staff:

<i>Type of Gate Entry</i>	<i>Amount of Increase</i>
Daily \$15 Commercial Truck Pass	\$10 increase to \$25
Weekly \$5 Rental Gate Pass	\$5 increase to \$10
Annual Commercial Decal	\$25 increase per decal

Mr. Minot made the following motion, which was seconded by Mr. Lotz and was unanimously passed.

“Resolved that commercial decal and rental pass rates will increase effective January 1, 2010, as follows: Daily Commercial Truck Pass from \$15 to \$25, Weekly \$5 Rental Gate Pass to \$10 and the price of each of the Commercial Decals to be increased by \$25.”

b. **Dredging Fact Finding Study** – The Executive Committee reviewed three bids from engineering companies, and recommends contracting with the Olsen Engineering firm for Phase I of their proposal at a total cost of \$5,000. The following motion was made by Mr. Minot, seconded by Mr. Lotz and unanimously approved.

“Resolved that the CSA Board approves the expenditure of up to \$5,000 for the Olsen Engineering firm to carry out Phase I of the fact finding study.”

c. **CSA Web Site Design** – The Community Outreach Committee requested funds to upgrade the functionality of the website. The Finance Committee has recommended approval of this expenditure. Mrs. McNamee made the following motion which was seconded by Mrs. Carter and was unanimously approved.

“Resolved that the CSA Board approves the expenditure of up to \$3,000 over the next 12 months to begin the re-design, set-up, subscription and training services with Association

Voice to upgrade the CSA website.”

d. Sea Pines Museum and Forest Preserve Foundation and CSA Service Agreement – The CSA Board reviewed the service agreement with the Foundation’s proposed changes. Mr. Minot made the following motion which was seconded by Mrs. Carter and was unanimously approved.

“Resolved that the CSA Board approves of the changes in the revised agreement and authorizes Mr. McLaughlin to sign on behalf of the CSA Board.”

e. Renewal of the Sea Pines Community Center Lease – The Finance Committee reviewed the proposal from The Club Group representing the owners of The Shops at Sea Pines offering four options to renew the lease on the CSA Community Center location. Discussion focused on: a) the possibility of incorporating the Center within a remodeled CSA Administration Building; and b) the financial justification for the Center, considering current levels of usage.

After discussion, the following motion was made by Mr. Carlson, and seconded by Mrs. King:

“Resolved that the CSA Board approves continuing the lease for the Community Center through the remainder of 2009 on the present terms, to allow time to renegotiate the lease for a one year extension.”

The motion was approved, with Mr. King abstaining and Mr. Minot in opposition. Mr. King will contact the owner of the Shopping Center for their response concerning the proposed lease extension.

f. Class A Appointee to the ARB – The Nominating Committee Report for the ARB appointments for 2009 was included in the board package. The Committee recommended appointing Joy Shapiro as the CSA/ASPPPO Alternate member. The following motion was made by Mrs. King, seconded by Mrs. Carter and unanimously passed by the Class A Board members eligible to vote on this matter.

“Resolved that the CSA Board Appoints Joy Shapiro as the CSA/ASPPPO ARB Alternate member.”

It was noted that the ASPPPO Board must also approve Mrs. Shapiro’s appointment.

6. CSA Executive Committee Report

a. Legal Issues Update – Mr. Kelley updated the board members on the ongoing Coffey litigation, the Rabeor litigation that was settled in CSA’s favor as well as a proposed land swap with a property owner.

b. Sea Pines Foreclosure Update – Mr. Kelley reported there are now twenty-nine foreclosures in Sea Pines.

7. Other CSA Activity Reports

a. Architectural Review Board – Mr. Lotz said the ARB is now prepared to take a position on the means of protecting neighboring properties from vehicular damage when construction or remodeling is

underway nearby. The ARB is prepared to approve the use of posts and ropes of a specified design that can be placed along the property line of the neighboring properties. The CSA Board considers this a positive step.

8. Matters for Board Discussion or Future Decisions

a. **2010 Budget Contingencies** – The Finance Committee recommended Board approval of contingency plans if economic circumstances make it necessary to reduce hold expenses to a lower level than called for in the CSA 2010 Budget. Contingency categories and the potential savings were described, as shown below:

Category/Priority	Recommended Action to Initiate	Estimated 12 month \$Value
A	Wage Freeze for >\$75K personnel	15.0K
B	Transponder Cost Sharing	6.2K
C	Dental Insurance Co-pay	10.0K
D	Medical Insurance Co-pay	18.0K
E	Wage Freeze for \$50-\$75K personnel	26.0K
F	401 (k) Match Adjustment	18.0K
G	401(k) Annual Fee	12.0K

The CSA staff and Finance Committee were commended for identifying what could be cut back. It was emphasized, however, that it would be unfortunate if these actions were necessary; and that none of these actions are necessary now.

b. Other Matters

- 1) Mr. Birdwell expressed concern over the Maintenance Department’s four day work week. He said the litter pickup on the weekend needed tighter control. He will keep in contact with Mr. Kelley with any future problems.
- 2) Mr. Kelley said there is a leaning tree on Fawn Lane that is located half on a property owner’s lot and half on CSA open space. The property owner is concerned that the tree presents a risk to his property. He is asking CSA to agree to have the tree removed, and to share 50/50 in the cost of its removal. It was the sense of the Board that the property owners request is reasonable.

9. Board Member Comments

a. **Hilton Head Airport Master Plan** – Mr. Birdwell said Beaufort County and the Town of Hilton Head are in the process of updating the master plan for the Hilton Head Airport. They are holding meetings on August 28th to obtain input from the general public. It was the sense of the Board that CSA should notify property owners of the meeting and encourage them to participate if they have an interest in this issue. Mr. Kelley will send an e-mail to Sea Pines residents about the meetings.

10. **Adjournment** - With no further business to discuss, the meeting adjourned at 4:50 p.m. The next regular monthly meeting of the Board is scheduled for Tuesday, September 22, 2009, at 3:00 p.m. in the CSA Board Conference Room.

Respectfully submitted,

Norman Harberger
Secretary