

Community Service Associates, Inc.
Minutes of September 22, 2009 Board Meeting

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

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
	Bob Gossett		

Absent: Mike Hellman

Staff:	Cary Kelley	William Leitner	George Breed
	Frank Nettles	Jeanne Pearse	

Observers: None

2. **Special Presentation**

None

3. **CSA Operations Oversight Reports**

a. **Maintenance Committee** – Mrs. Carter reported that this year’s re-paving projects are almost completed. Plans to renovate the Maintenance facilities will be presented for Finance Committee review at that Committee’s next meeting. Mrs. Carter noted that one of the pumps at the Lawton Canal Pump Station broke down just after its maintenance contract expired, but the supplier may cover the repair costs anyway. If not, the Town of Hilton Head will pay for the repairs, since this is part of the Town’s master drainage system.

b. **Beautification and Amenities Committee** – Mr. Carlson noted that Mrs. Joan Scully will be nominated next month as a new member of this Committee.

c. **Security Committee** – A copy of the Bridge Report was included in the board package. Mr. Breed said Sea Pines’ crime statistics are at their lowest rates in 20 years. The Security Committee recommends charging for the fishing permits it issues, with the resulting revenue to be earmarked for the Sea Pines Museum and Forest Preserve Foundation toward the cost of re-stocking the lakes.

d. **Finance Committee** – Mrs. Carter made the following motion, which was seconded by Mr. Carlson

and unanimously approved:

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

e. **Community Outreach Committee** – Mrs. McNamee noted that a copy of the proposed property owner survey was included in the board package. Any recommended corrections or changes should be brought to her attention promptly. The survey will be mailed to property owners by the end of September. She thanked The Sea Pines Resort for its donation of prizes for a drawing scheduled for October 27th. Winners will be drawn from those who return completed survey forms by that date. She thanked the Communications Committee for their assistance in getting the survey published.

The contract with Association Voice has been signed and there will be an update on the website improvement project next month.

4. **Approval of the Meeting Minutes**

Board members reviewed the August 25, 2009 meeting minutes. Mr. McLaughlin called attention to a change in format: Board motions are now shown in a separate paragraph under the discussion that was held. This makes it easy for the auditors and other readers to spot the formal actions of the board.

The following motion was made by Mr. Minot, seconded by Mrs. Carter and was unanimously passed.

“Resolved that the minutes of the August 25, 2009 CSA Board meeting are approved as amended.”

5. **Matters for Board Decision**

a. **Security Guidelines for Decal Violations** – This item was deferred.

b. **Realtor Gate Access** – A proposal was made to amend the Gate Pass Policy pertaining to real estate offices to assure uniform gate practices for all real estate offices operating within Sea Pines. A question was raised as to whether the proposed changes are fully consistent with existing covenants. It was decided to defer this item until a legal opinion is obtained.

Mr. Lotz made the following motion in this connection, which was seconded by Mr. Sowers and was passed with Mr. Minot opposing the motion.

“Resolved that Mr. Kelley is authorized to obtain a legal opinion to determine whether the proposed changes in Gate Pass Policy for real estate offices are consistent with the covenants, and to determine whether the real estate offices had paid their contribution to the Community Fund.”

c. **CSA Auditor (Vendor Selection)** - The Finance Committee recommended that the firm of Elliott Davis be hired as CSA’s auditor and tax preparer and to authorize Mr. Kelley to negotiate

the term of the contract (not to exceed four years). Mr. Harberger made the following motion, which was seconded by Mr. Birdwell and was unanimously passed.

“Resolved that the CSA Board approves hiring the firm of Elliott Davis as CSA’s auditor and authorizes Mr. Kelley to negotiate the length of the agreement which should not exceed four years.”

d. Renewal of the Sea Pines Community Center Lease – The Finance Committee recommended extending the lease on the CSA Community Center for the remainder of 2009 at its current lease rate and to further extend the lease for 2010 at an increase of 2%, with the CAM to be negotiated. After discussion, the following motion was made by Mr. Minot, and seconded by Mr. Carlson:

“Resolved that the CSA Board approves continuing the lease for the Community Center with The Shops at Sea Pines at its current rate for the remainder of 2009, and to extend the lease for 2010 at the existing rate plus 2%, with the CAM to be negotiated.”

The motion was approved, with Mr. King abstaining.

e. Participation Agreement Renewal – A copy of the proposed renewal of the Participation Agreement between CSA, SPR and the Harbour Town Merchants Association was included in the CSA Board Package. This is the agreement that establishes the shared funding of the Gregg Russell performances at Harbour Town. The Finance Committee recommends renewing the agreement with CSA’s participation rate being 25% instead of the previous rate of 28.60% and without any mandated annual increase. The following motion was made by Mr. McLaughlin, seconded by Mr. Lotz and unanimously passed.

“Resolved that the CSA Board approves the renewal of the Participation Agreement between CSA, SPR and the Harbour Town Merchants Association, with CSA’s participation being 25% and no annual increase.”

f. Waterway Property Appraisal Proposals – This item was deferred.

g. Appointment of a New Maintenance Committee Member – Mrs. Carter recommended board approval of Mr. Stephen J. Alfred as a new member to the Maintenance Committee. Mrs. Carter made the following motion in this connection, which was, seconded by Mr. Minot and unanimously approved.

“Resolved that the CSA Board approves the appointment of Mr. Alford as a new member of the Maintenance Committee.”

h. Appointment of a New Community Outreach Committee Member - Mrs. McNamee recommended approval of Mr. David E. Leininger as a new member to the Community Outreach Committee. Mrs. McNamee made the following motion in this connection, which was seconded

by Mr. Minot and was unanimously approved.

“Resolved that the CSA Board approves the appointment of Mr. Leininger as a new member of the Community Outreach Committee.”

6. **CSA Executive Committee Report**

- a. **Legal Issues Update** – Mr. Kelley updated the board members on the ongoing Coffey litigation.
- b. **Sea Pines Foreclosure Update** – Mr. Kelley reported that 16 Sea Pines homes are in foreclosure, 13 homes are bank-owned, three homes are in Chapter 7 and one home in Chapter 13.

7. **Other CSA Activity Reports**

- a. **Architectural Review Board** – Mr. Lotz said the ARB feels property owners near construction sites, who want to protect their property from damage by contractor vehicles, should pay for the placement and removal of the ARB-approved posts. It was the sense of the CSA board that the cost should be absorbed by the contractor responsible for the construction project. The ARC will be informed of the CSA board’s position to see if agreement can be reached.

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

- a. **Forest Preserve Guest Fishing** – This item was covered earlier in the meeting.
- b. **Forest Preserve Survey** – Discussions are taking place between CSA, the Sea Pines Museum and Forest Preserve Foundation, The Sea Pines Resort and ASPPPO concerning possible joint funding of a survey of the Forest Preserve. The survey is a necessary step toward the proper definition of the Preserve’s zones and the transfer of the Wildlife Habitat Zone to the Foundation.
- c. **CSA Building Renovation** – Mr. Kelley said architect Sam Wheatley prepared a scaled back plan for possible CSA building renovations. Mr. Wheatley will be invited to present the conceptual plans to the CSA board and answer any questions. Mr. Kelley said a thorough financial analysis will accompany any recommendations.
- d. **Security Committee Special Meeting** – Mr. Kelley said the Security Committee will hold a special meeting to discuss upgrading their audio equipment, and will present their recommendations to the Finance Committee.

9. **Board Member Comments**

- a. **Beach Sweep** – Mr. Birdwell said the Beach Sweep held in Sea Pines was a great success. Approximately 60 people participated. Mr. Birdwell was asked to provide the names to the Community Outreach Committee, so the participants can be thanked. Mr. Lotz said a several piles of debris from the Beach Sweep were not removed promptly. Mr. Kelley will have the Maintenance Department follow up on this.

- b. **Special Property Owner Golf Outing** – Mr. Birdwell said a special golf outing for property owners was going to be held on Sunday, September 27th on the Heron Point course at 1:00 p.m.

- 10. **Adjournment** - With no further business to discuss, the meeting adjourned at 4:55 p.m. The next

regular monthly meeting of the Board is scheduled for Tuesday, October 27, 2009, at 3:00 p.m. in the CSA Board Conference Room.

Respectfully submitted,

Norman Harberger
Secretary