

Community Service Associates, Inc.
Minutes of October 23, 2007 Board Meeting

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

1. Roll Call

Present:	Wayne Carbiener	Bob Hattersley	Pat Jenkins
	George Minot	Kathy Carter	John McLaughlin
	Don Carlson	Bob Sowers	Bob Gossett
	Steve Birdwell	Norman Harberger	John Trunck
	Mike Lawrence	Joseph Fraser	Gary Martin
Absent:	Jim Young	Paul Aikman	
Staff:	Cary Kelley	William Leitner	George Breed
	Jeanne Pearse		

2. Approval of the Meeting Minutes

Board members reviewed the September 25, 2007, meeting minutes. A motion was made and seconded to approve the minutes as submitted. The motion was unanimously passed.

3. Report of the Executive Vice President - Cary Kelley

a. **Project Updates** – The Greenwood Drive Re-paving Project is almost complete. The paving will be fully cured in about 30 days. Permanent striping will then be applied and reflectors installed. The project will be completed ahead of schedule and under budget.

b. **Repainting of the Water Tower at Tower Beach** – The work on the exterior of the tower is progressing. There has been no traffic or parking problems to date.

c. **Community Event Signs** – The Board discussed the pros and cons of installing a permanent display board in the median inside the Greenwood gate for the posting of information on community events. The display board would be more substantial and attractive than the sandwich board signs that have usually been placed there for a week or two in advance of meetings and significant events. Following discussion, it was the sense of the Board that temporary signs are actually more eye-catching than a permanent display board is likely to be. The Board agreed, however, that an effort should be made to improve the appearance of the temporary signs. Mr. Kelley will follow up on this.

d. **Recycling** - Mr. Kelley noted that the Beaufort County Council recently adopted a measure requiring all waste removal contractors to offer recycling pick up. In view of this, Mr. Kelley is not recommending a recycling drop off site in Sea Pines at this time.

4. **Finances**

a. **September Financial Statements** - The Board reviewed the current financial statements. The overall financial position remains favorable.

b. **Proposed 2008 Budget** - The proposed 2008 budget was included in the Board package. The vote on the budget is scheduled for the November meeting. The Finance Committee recommends that the 2008 assessment amounts be increased by the full percentage increase in the CPI.

5. **Discussion Topics**

a. **\$5 Gate Fee Agreement Amendment and Extension** – The Board package included a Memorandum of Agreement amending and extending the current Gate Fee Agreement which expires at the end of 2008. The terms of the proposed amendment and extension were worked out between Mr. Carbiener and representatives of several commercial entities. These commercial entities and the CSA Board must separately approve any amendment to the Gate Fee Agreement.

In discussion, several Board members said they consider the proposed Agreement premature and feel it should have involved broader participation and discussion. Mr. McLauchlin said it would be very desirable to incorporate the Gate Fee process in the Covenants, rather than handling it with Agreements separate from the Covenants. He described how this could be done without infringing on the approval authority of the commercial entities. Mr. McLauchlin then made a motion to table this issue until after the November 15th Reserve Task Force meeting, with the thought that a Covenant-based Gate Fee authorization process could be included in the potential covenant revisions being discussed at that time. Mrs. Jinkins seconded the motion.

Discussion followed. Several Board members spoke in support of Mr. McLauchlin’s motion. Mr. Carbiener encouraged the Board to support the proposed agreement. He noted that several years of Covenant negotiations have failed to produce agreement on terms relating to Gate Fees. Other Board members noted that approval of the proposed amendment and extension would not close the door on a Covenant-based process such as Mr. McLauchlin described. Approval would simply assure continuation of the \$5 Gate Fee regardless of the outcome of Covenant discussions or the passage of a Referendum.

Mr. McLauchlin’s motion to table failed by a vote of 9-5. Mr. Carbiener did not vote. Individual votes were as follows:

<u>Opposed</u>		<u>For</u>
Bob Sowers	John Trunck	Kathy Carter
Bob Hattersley	Mike Lawrence	Pat Jinkins
Steve Birdwell	Norman Harberger	Don Carlson
Gary Martin	Joseph Fraser	John McLauchlin
Bob Gossett		George Minot

Mr. Gossett then made a motion to approve the Amended and Extended \$5 Gate Fee Agreement as presented by Mr. Carbiener in the Board package. The motion was seconded by Mr. Birdwell and was passed by a vote of 9-2. Mr. Carbiener did not vote. Mr. McLaughlin, Mrs. Carter and Mrs. Jinkins abstained. Mrs. Jinkins said she felt the agreement was a good one, but abstained because she felt property owner representatives did not have enough time to review and add input into the agreement. Individual votes were as follows:

<u>For</u>		<u>Against</u>
Bob Sowers	John Trunck	Don Carlson
Bob Hattersley	Mike Lawrence	George Minot
Steve Birdwell	Norman Harberger	
Gary Martin	Joseph Fraser	
Bob Gossett		

b. Heritage Classic Foundation Proposed Parking Plan in Six Oaks Park – A map depicting the proposed parking area in Six Oaks Park was included in the Board package. The proposed area is CSA-owned property adjacent to the cemetery. This area can be accessed directly from the power line easement with no intrusion on the cemetery road or property. The area used for parking would remain in its natural state. Security personnel would control the access to the parking area. The proposed access route and parking area are currently marked with flags.

Following discussion, it was determined that Mr. Kelley would schedule dates for on-site tours of the area by Board members. Representatives of ASPPPO and CCPOA are also to be invited. The proposed parking plan will be placed on the November agenda for final decision.

c. Time Warner Cable Proposal and Hargray Update – At the September meeting a motion was made to postpone the signing of paperwork to join the Hargray litigation until a formal proposal from Time Warner was received and reviewed. Time Warner has submitted a proposal, but it now appears that FCC may soon make a ruling regarding the validity of exclusive franchise agreements in private communities. With that in mind, the Board decided not to take any action on this issue.

d. Proposal for Home Located at #1 Baynard Peninsula – The owners of #1 Baynard Peninsula has requested permission to relocate their driveway entrance from Baynard Peninsula to South Sea Pines Drive. The request has the support of the Baynard Peninsula POA. The POA recently took action to prohibit short-term rentals of Baynard Peninsula properties. The property in question is a rental property. The POA and the owners of #1 Baynard Peninsula have agreed that this lot will be released from the POA’s covenants and will no longer be considered part of Baynard Peninsula if the driveway is relocated as proposed. The owners of #1 Baynard Peninsula will cover all expenses associated with the driveway relocation and will be responsible for obtaining all necessary permits and approvals. The proposed change has been reviewed by the Beautification, Maintenance and Security Committees, all of which recommend approval.

Mr. Minot made a motion to approve the plan of relocating the driveway entrance from Baynard Peninsula to S. Sea Pines Drive. The motion was seconded by Mrs. Carter and was passed by a vote of 13-1. Mr. Carbiener did not vote and Mr. McLauchlin was opposed to the motion.

e. **Reserve Funding Task Force Update** – Mr. McLauchlin said the Task Force would like to schedule a meeting at 3:00 p.m. on Thursday, November 15, 2007 in the CSA Community Center to present their final report to CSA and ASPPPO Board members. The Board agreed and the meeting will be scheduled at the Community Center.

6. Standing Committees

Standing Committee reports were included in the Board package.

7. Board Member Comments

CSA/ASPPPO Board Member Elections – The election now underway for CSA and ASPPPO Board members is the first election since the CSA Board approved a revised policy for elections and referendums. That new policy states that the ballots are to be mailed by and returned to an independent contractor (an accounting firm) selected by CSA, and that this firm is to count the ballots and certify the final vote.

Some practical problems have come to light in the attempt to implement these procedures. The accounting firm suggests that their clerical duties be more limited, while retaining their oversight of the election process and certification of the election results. The modified policy would call for the contractor to visit the printer's location, verify the number being mailed, and randomly inspect the packages against the mailing list of eligible voters.

Different tallying procedures would apply to elections and referendums:

- For a referendum, the ballots would be returned to and tallied by the independent contractor who would certify the results and present them formally with written confirmation to the CSA Board. The CSA Board would publish the results.
- For annual CSA and ASPPPO board member elections, the numbered ballots would be returned to the CSA building. Ballots would be opened and tallied by a volunteer committee comprised of residents who are not members of a CSA or ASPPPO Board or Standing Committee. Once the committee completed the tally and the vote is closed, the contractor would randomly check the returned ballots, certify the actual vote counts and formally advise the CSA and ASPPPO Boards of the results. ASPPPO and CSA would publish the results.

A motion was made by Mr. Hattersley to approve the change to the existing CSA Board Policy for Election Ballots and Referendums as proposed by Mr. Kelley. The motion was seconded and was unanimously passed.

8. Adjournment

The meeting adjourned at 4:50 p.m. The next scheduled meeting date is Tuesday, November 20, 2007, at 3:00 p.m., in the CSA Board Conference Room.

Respectfully submitted,

Norman Harberger
Secretary