

Community Service Associates, Inc.
Minutes of October 25, 2006 Board Meeting

President Carbiener called the meeting of the CSA Board of Directors to order at 2:00 p.m., in the CSA Conference Room.

1. Roll Call

Present:	Wayne Carbiener	Pat Jenkins	Bob Hattersley
	Bob Bartlett	Kay Morton	John Trunck
	Norman Harberger	Julius Scott	Don Carlson
	Mike Lawrence	Jim Young	Joseph Fraser
	Paul Aikman	Bob Sowers	Bob Gossett
Via Phone:	Kathleen Speer	Gary Martin	Mike Lawrence (portion of meeting)
Staff:	Cary Kelley	William Leitner	Jeanne Pearse

Note re attendance: Kathleen Speer and Gary Martin were not present in person, but participated in the initial portion of the meeting by telephone. Mike Lawrence was present in person for the initial portion of the meeting, and participated by telephone in some later portions of the meeting. Mr. Harberger was present in person for all but the last 30 minutes of the meeting.

2. **Proposed Amendment to the 1974 Covenants Discussion** – President Carbiener said the negotiation team has made no progress toward agreement between the ASPPPO Board and the commercial interests concerning commercial contributions toward storm recovery. As a result, the current draft of the covenant amendment lacks the support of the ASPPPO Board. Mr. Carbiener feels property owners should be allowed to decide for themselves, by means of a referendum, whether the storm recovery amendment, in its present form, merits their approval. He believes property owners should have the opportunity to approve or disapprove a referendum before another hurricane season begins.

During the discussion that followed, several Board members expressed the feeling that there should be further discussions between representatives of ASPPPO and the commercial interests to see if their differences can be narrowed before presenting the proposed amendments to property owners. Board members noted that any further discussions must be concluded by December 31, 2006, if a vote on a referendum is to be concluded by June 1, 2007. A motion was made by Mr. Harberger that: (1) The CSA Chairman arrange for direct discussions between appropriate representatives of ASPPPO and the commercial interests, with the participants having until December 31, 2006 to see whether they can jointly reach an acceptable proposal for amending the 1974 Covenants; and (2) The CSA Board will determine, in January 2007, whether or not to proceed with a referendum, either on the terms

of the present draft or on such other terms as may result from these discussions. The motion was seconded by Mrs. Jinkins and passed without opposition.

3. **Approval of the Meeting Minutes**

Board members reviewed the September 26, 2006, meeting minutes. One change was suggested. A motion was made by Mr. Scott and seconded by Mr. Bartlett to approve the minutes with the suggested amendment. The motion was passed unanimously.

4. **Report of the Executive Vice President** - Cary Kelley

a. **Proposed Information Disclosure Policy** – A copy of the proposed policy on information disclosure was included in the board package. The policy defines categories of information that are disclosed routinely, information made available on request, information released on a restricted basis, and private or confidential information that is not released. A few refinements were suggested in the policy draft. Mr. Kelley will make the changes and a corrected copy will be included in the next CSA Board package.

b. **Lagoon Systems in Sea Pines** – Mr. Kelley commented on an article in *The Island Packet* concerning lagoons in Sea Pines. In the article, some people expressed the feeling that the lagoons should be treated as managed fish habitats. Mr. Kelley pointed out the regulatory distinctions between drainage systems and fish habitats, and the prohibitive cost of managing the lagoons as fisheries. He further explained that occasional fish kills in Sea Pines lagoons result from naturally-occurring temperature inversions that reduce oxygen in these shallow bodies of water. Board members concurred with Mr. Kelley's observations and conclusions.

5. **Finances**

a. **September Financial Statements** - The Board reviewed the financial statements. Revenue remains ahead of last year's figures at this same time. Payroll and Operating Expenses are under budget for the year. Cash balances are favorable.

b. **Review of the Proposed Budget and Guidelines for 2007** – Proposed budget guidelines had been distributed with the Board package. Assessment income projections for 2007 were based on an assumed increase of 3.5% in the Consumer Price Index (CPI). Currently, the CPI increase is not that high, so the budget may have to be adjusted accordingly. The actual assessment amount will be determined by November 15, 2006.

Discussion followed concerning investment income and revised cost estimates for re-paving Greenwood Drive. Also discussed were the potential benefits of leasing a tub grinder rather than buying a new one. Mr. Kelley will provide a lease-purchase comparison for the November meeting.

Mrs. Morton noted that CSA had been absorbing some costs that she didn't consider CSA's responsibility. The cost of security personnel at the Sea Pines Beach Club was one example. Mr. Carbiener said CSA did not plan to pay for security at the Sea Pines

Beach Club next year. If Sea Pines Resort requests a security guard, they will be billed for the costs.

The cost of maintaining the Sea Pines Circle was discussed. Mr. Carbiener said that he would make a recommendation that the Sea Pines Museum and Forest Preserve Foundation pay for the supplies and materials to maintain the circle and CSA will provide the personnel to do the work. It was the consensus that Sea Pines Circle is the gateway into the community and should be well maintained.

Minor changes to the budget were suggested and Mr. Leitner will present a revised copy with the changes noted.

6. **Discussion Topics**

a. **Request for Funding Beautification Committee Projects** – The Beautification Committee requested funds in the amount of \$30,000 for three projects:

- \$25,000 for the Utility Box Screening Program
- \$3,000 for spartina and cord grass plants around lagoons
- \$2,000 for planting African Iris plants on N. Sea Pines Drive

Mrs. Morton made a motion to approve the expenditure of up to \$30,000 for these purposes. The motion was seconded by Mr. Bartlett and was passed unanimously.

Discussion followed on the ongoing role of the Beautification Committee. The Committee was originally created to foster improvements for Sea Pines 50th Anniversary celebration. The Committee could go back to being a sub-committee of the Capital Improvements and Maintenance Committee. No action was taken on this matter.

b. **Nominating Committee Recommendation for the ARB Alternate Member Position**

Mrs. Morton reported that the Nominating Committee recommends Ann Bannister as the CSA/ASPPPO Alternate member on the ARB. Her term would begin on January 1, 2007 and end on December 31, 2007. Mrs. Morton made a motion that the Class A Directors approve the appointment of Ann Bannister as the CSA/ASPPPO Alternate member for a one year term. The motion was seconded by Mr. Scott and was approved unanimously by the Class A Directors.

Mrs. Morton reported that the Nominating Committee recommends Richard Weidman and Donna Watson as regular ASPPPO representatives on the ARB for a full three year term beginning on January 1, 2007. The Committee further recommends that Richard Weidman serve out the balance of the 2006 term of Mary Jo Carlson, who recently resigned as an ASPPPO representative on the ARB. The ASPPPO Board will vote on the new appointments at their November 14, 2006 meeting. Mrs. Morton commended the Nominating Committee members for their work.

7. **Standing Committees**

a. **Capital Improvement and Maintenance Committee** – A copy of the October Committee's minutes was included in the package.

b. **Beautification Committee** – A copy of the October Committee's minutes was included in the package.

8. **Board Member Comments**

a. **Community Center Task Force** – Mr. Hattersley said the group had held their first meeting at the Community Center. The Task Force consists of Arnold Windman, Dave D'Amico, Joseph B. Fraser, Julius Scott, and Ronnie Silett. He will keep the Board informed concerning the work of the Task Force.

b. **Approval of the Decal and Gate Pass Policies** – The status of the Decal and Gate Pass Policies was discussed. Mr. Carbiener said that Mr. Lawrence was still considering some changes. It was noted that the Board had not intended to make changes in these policies, but simply to approve a statement of the existing policies. The draft of that statement will again be taken up at the November agenda with the intention of taking action at that time.

9. **Adjournment**

With no further business, the meeting adjourned at 4:30 p.m. The next scheduled meeting date is Tuesday, November 28, 2006, at 3:00 p.m., in the CSA Conference Room.

Respectfully submitted,

Norman Harberger
Secretary