

Community Service Associates, Inc.
Minutes of September 26, 2006 Board Meeting

President Carbiener called the 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	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	
Absent:	Kathleen Speer	Bob Gossett	Gary Martin
Staff:	Cary Kelley	William Leitner	Jeanne Pearse

2. Approval of the Meeting Minutes

Board members reviewed the August 22, 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.

3. Report of the Executive Vice President - Cary Kelley

a. **Beach Club Parking Lot/CSA Encroachment Agreement** – The Sea Pines Resort is in the process of renovating the Beach Club Parking Lot. The redesign will improve safety and the appearance of the lot. The number of trees to be removed in this connection is well under the number permitted under the Beach Club covenants.

The Sea Pines Resort has requested a small encroachment into CSA's easement adjoining the parking lot. The encroachment would increase the number of available parking spaces by three. A plat map showing the proposed encroachment was distributed. CSA's attorney is working on an encroachment agreement that will include a release of liability clause for CSA. Mr. Carlson asked whether the encroachment into the easement would negatively impact any neighbors. It was stated that sufficient screening would remain. Following discussion, Mr. Bartlett made a motion to authorize the requested encroachment as depicted on the plat map distributed today, and which is to be recorded with the encroachment agreement. Mr. Fraser seconded the motion which passed by a vote of 12-1. Mr. Carlson explained that his opposing vote was based on the fact that he had not personally confirmed that the encroachment would not adversely affect the adjoining neighbors. Mr. Carbiener did not vote.

Mr. Kelley called the Board's attention to the fact that currently CSA Board approval is not necessary for encroachment agreements. Discussion was held. It was the sense of

the Board that all new encroachments onto CSA open space should have the approval of the Board and the encroachment policy will be updated to reflect this. Staff will observe that policy in all future cases.

b. Sea Marsh Golf Course Tree Mitigation – Mr. Kelley noted that 62% of the trees being removed for the Sea Marsh renovation are being taken from open space. He suggested that at least that percentage of mitigation planting should also be in areas designated as open space. He also proposed that a Wildlife Biologist be hired to suggest the type and location of mitigation plantings. Objectives should include maintaining wildlife habitat, blending with surrounding areas, and avoiding plantings whose ultimate size would create future problems for the adjacent golf course.

Following discussion, Mr. Carlson made a motion that CSA approves the proposed removal of trees in the open space as part of the Sea Marsh Golf course renovation project, subject to the following stipulations:

- I. Tree mitigation costs in the affected open space areas are the responsibility of Sea Pines Resort, including the expense of contracting with a Wildlife Biologist for planning the mitigation.
- II. In coordination with Sea Pines Resort, CSA will design, approve and supervise all required tree mitigation in the affected open space areas.
- III. At least 62% of the total mitigation plantings are to be done in open space.

The motion was seconded by Mr. Hattersley and was unanimously passed.

c. Master Map of Sea Pines Drainage System – Mr. Kelley noted that there is no overall diagram of the entire master drainage infrastructure in Sea Pines, including all pipes, ponds, ditches, etc. He has been in contact with Thomas & Hutton Engineers and proposes to have them prepare a master plan with funding from the 2007 Budget.

4. **Finances**

a. August 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. Quarterly Investment Summary Report – Mr. Leitner reviewed the current rates of return on CSA's invested funds.

c. Request for Funding Beautification Committee Projects – A number of electrical boxes are located between the 15th hole of the Harbour Town Golf Course and Plantation Drive. These boxes present an unattractive appearance. They are in a location that makes them difficult to service and there is little room for screening. The boxes are going to be relocated. It is anticipated that the Heritage Foundation will pay for the relocation of the boxes. The Finance Committee recommends approval of \$5,500 for the Beautification Committee to landscape the electrical boxes once they are moved. Mrs. Morton made a motion to approve the expenditure of \$5,500 for the cost of landscaping the boxes once they are moved. The motion was seconded by Mr. Carlson and was unanimously passed.

d. **Funding Request for Sea Marsh Golf Course Drainage Project** – The Finance Committee has reviewed the bids for the master drainage improvements to be carried out in conjunction with the Sea Marsh Golf Course renovation. The Committee recommends approval of a total expenditure of \$328,000 in this connection. Of this total, \$114,000 would be spent in 2006 and the rest in 2007. During the discussion that followed it was noted that these funds deal solely with drainage system improvements that are CSA's responsibility. Mr. Bartlett made a motion to approve the drainage project for a total of \$328,000 of which \$114,000 would be spent in 2006 and the remainder of \$214,000 allocated in 2007. The motion was seconded by Mr. Young and was passed unanimously.

5. Discussion Topics

a. **Update on the 1974 and 1988 Covenant Revisions** – Mr. Carbiener said he expects to be able send to Board members, within the next few weeks, proposed amendments to the 1974 covenants dealing with disaster recovery. The proposed amendments will reflect the results of negotiations that have been underway for some time. A special Board meeting will then be called to discuss the changes, and Mr. Carbiener hopes the Board will agree to a property owner referendum on those changes. He noted that these amendments will be much briefer and simpler than the comprehensive changes included in last year's covenant referendum. Mr. Carbiener hopes the entire process of Board review, property owner communication and referendum vote can be concluded by the end of this calendar year.

b. **Request for Approval of the CSA/Sea Pines Resort Land Swap for the Sea Marsh Golf Course Renovation** – The Sea Pines Resort wants to construct a new restroom in small portion of open space (.046 acre) adjoining the Sea Marsh course. In exchange, the Resort proposes that .046 acre of a nearby lagoon, now owned by the Resort, be deeded over to CSA as open space. Mr. Kelley has asked the CSA attorney to suggest the best way to handle this. The attorney recommends a property swap with both entities receiving a quit claim deed. Discussion followed on the appropriateness of the proposed swap. Mr. Young made a motion to approve the property swap of .046 acre between CSA and the Sea Pines Resort with quit claim deeds. The motion was seconded by Mr. Scott and was passed by a vote of 8-5. Mr. Carbiener did not vote; Mrs. Morton, Mrs. Jinkins, Mr. Sowers, Mr. Carlson and Mr. Bartlett were opposed.

6. Standing Committees

a. **Capital Improvement and Maintenance Committee** – The Fall re-paving projects have begun.

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

c. **Finance Committee** - Mr. Young reported that proposed budget guidelines for 2007 will be included in the October Board package. The Board will be asked to vote on the 2007 Budget at the November meeting.

d. **Security Committee** – A copy of the September Committee minutes was included in the Board package. Mr. Bartlett questioned the accuracy of one portion of the minutes. The matter was referred back to the Security Committee.

e. **Nominating Committee** – Mrs. Morton said the Committee’s proposed slate of candidates for CSA and ASPPPO Board positions will soon be sent to Board members for comments. She also noted that the CSA/ASPPPO candidates will be introduced at the ASPPPO open meeting on October 10, 2006.

7. **Board Member Comments**

a. **Lawton Stables** – Mr. Lawrence said the Lawton Stables are now under new management. The new tenant has signed a 10 year lease and has also committed to spending approximately \$350,000 for improvements such as a covered riding arena and a concrete slab to store manure so as to prevent contamination of the adjacent lagoons.

8. **President’s Comments**

a. **Community Center Task Force** –Mr. Carbiener said Mr. Hattersley has agreed to chair the Community Center Task Force at least through Phase 1, which will involve a detailed analysis of alternative courses of action. A copy of the Task Force charter was included in the Board package. Mr. Hattersley asked Board members for suggestions on members for the Task Force.

9. **Adjournment**

With no further business, the meeting adjourned at 4:35 p.m. The next scheduled meeting date is Tuesday, October 24, 2006, at 3:00 p.m., in the CSA Conference Room.

Respectfully submitted,

Norman Harberger
Secretary