

Community Services Associates, Inc.
Board of Directors Meeting
May 23, 2017

On Tuesday, May, 23, 2017, a regular meeting of the Community Services Associates, Inc., (CSA) Board of Directors, was held at the Sea Pines Community Center, main conference room. The meeting was called to order at 3:00 p.m. Chairman Griffith presided.

Roll Call

Present:	Carolyn Adams	Barry Barth	David Borghesi
	Cary Corbitt	Paul Crunkleton	Bob Gossett
	Mark Griffith	James Richardson	Scott Richardson
	Beverly Serral	Don Sigmon	Bob Sowers
	Michael Tucker		
Absent:	Steve Birdwell	Mark King	Charles Miner
	Richard Speer		
Staff:	Sandra Archer	Russell Fredericks	David Henderson
	Bret Martin	Jerred Mayse	Jean McElroy
	Toby McSwain	Victoria Shanahan	Amanda Sutcliffe-Jones

Mrs. Sutcliffe-Jones announced the change in venue for the upcoming Community Referendum Forum. Due to popular demand, the event filled quickly and another location with larger attendance capacity was sought. The forums will be held at the Sea Pines Country Club, at 9:30 a.m. and 6:30 p.m., May 30, 2017. Alternatively, there will be the ability to participate in either session via webinar.

Ratify Approval of the March 28, 2017, Meeting Minutes

The March 28, 2017, CSA, Board of Directors meeting minutes, were approved by email. Carolyn Adams made the following motion, seconded by David Borghesi and unanimously carried:

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approved the minutes of the March 28, 2017, meeting, as finalized by email”.

CSA Reports

CSA President’s Operations Report – Bret Martin

- Mr. Martin welcomed and introduced Russell Fredericks, the new Director of Maintenance, Community Services Associates, Inc. Mr. Fredericks relocated from New York, where he held the position of Director of Operations with the New York Central Park Conservancy. Mr. Russell graduated from Rutgers University with a BSc. Degree in Environment Planning and Design with a Minor in Plant Science.
- The Long Range Strategic Planning Committee is concentrating on how to elevate and recapture the status previously held by the Sea Pines community. The Committee will present a vision, with achievable measures, to the community later in the year.

- There have been requests from the community to extend the staffed hours at Tower Beach. Residents should have access from dawn to dusk, but due to the gate arm under repair, this is not possible. Currently, Tower Beach is staffed 7 days a week, 8:00 a.m. – 4:00 p.m., through Labor Day. The Safety and Security Committee is tasked with finding a solution to provide extended staff coverage at Tower Beach.
- Hurricane Matthew storm expenses are just under \$4,000,000 to date. Debris collection continues along Palmetto Bay Road and an agreement with Crowder Gulf has been reached to facilitate this pick-up. The storm has opened up site lines and views affecting the residences along Palmetto Bay Road. A temporary screening, green fabric, has been placed on a section of fencing and will remain for 2 years.
- A quitclaim deed from Land Asset Holdings Inc., granting two parcels of land at the entrance to Lawton Oaks as open space to CSA Inc., been accepted.

ARB Liaison Report – James Richardson

- In April, 2017, 5 new single residence applications were submitted. In addition, there are 10 large/23 small alterations, 2 pools and 63 other ongoing projects.

Joint CSA/ASPPPO Short Term Rental Committee – Beverly Serral

- The Committee last met on May 17, 2017, during which time, the possibility of providing a webinar for owner managed properties, was discussed.
- Gate pass sales are ahead, year-over-year, by 1,094 passes, representing approximately \$16,000 in revenue.
- Two recommendations to the Gate Entry Committee, awaiting formalization of language are: First, would like the number of weekly rental passes, per property, to equal the number of spaces on the hardscape of property. Extra vehicles could be left in the trolley lot. Second, to not allow rental guests to bring trailers behind their vehicles, into the community.
- There was a 20% increase in attendance at the rental company meeting. There has been an uptick in the amount of smaller rental companies that exist. These companies manage between 20 – 40 properties.

Communications Committee – Barry Barth

- The SeaPinesLiving.com website launched April 12, 2017. Sessions are up 83.67% year-over-year. There were 5,714 visits in less than 30 days. The average session duration is 3.25 minutes, compared with the industry standard being 2 – 2.50 minutes. The top pages visited were: Homepage, Property Owner page, 950 visits to “My Account” section, ARB, Governance and Visitors Passes. Website statistics will continue to be tracked and community feedback is welcomed.
- The Annual Meeting, May 8, 2017, was well attended in person. For the first time, for property owners unable to attend, participation was available via webinar. The webinar was well received and plans are to continue this option going forward for the annual meeting.
- The efficiency of the quarterly newsletter was discussed. It takes approximately 3 weeks to get the newsletter composed and distributed, by which time the news is already dated. Consideration of an e-newsletter, digital version should be given. This would allow us to

provide fresh news, more often, at a reduced expense. Sixty-two percent of our residents do not live here. A high number of our community opt for a hard copy.

- Currently, advertising in the newsletter is restricted to businesses located inside the community and does not generate enough income to cover the costs to produce the newsletter. There is consistent interest from outside the community to advertise.
- The Committee will continue to investigate outside advertising and sending newsletter digitally.

Gate Entry Committee – Cary Corbitt

- The last meeting was held May 4, 2017.
- Beginning June 1, 2017, the minimum cost of a commercial vehicle gate pass will increase to \$10.
- Requests to have property owner motorcycles granted entry to Sea Pines to travel to and from their residences is under review. A motorcycle ban was put into place by Sea Pines Security many years ago and is not part of the covenants. The next property owner survey will include this topic.
- The committee agrees that the Sea Pines trolley should pull off at Lawton Stables if requested. A trolley ad will run in Island Events.
- An increase to the daily gate fee is still under discussion. A financial forecast will be done indicating how much aid is needed and resulting shortfalls.
- On May 11, 2017, ABDI presented their Security, Management Software Application at the Sea Pines Community Center.
- A contract with Uber and CSA, Inc., has been finalized and signed. In April, there was a 7,000 increase in the number of drop-offs and pick-ups, resulting in \$14,000 revenue.

Circle to Circle/Traffic Task Force Update – Paul Crunkleton

- Palmetto Breeze is planning a pilot project from Shelter Cove to Coligny Plaza.
- Hilton Head Island Town Council approved funds for a PR firm to address: mid-island beaches, Sea Pines Circle signage and 278/New Orleans Road as an alternate route to Coligny.
- The Town approved a pilot project, permitting food trucks to operate at Driessen and Chaplin Beach and the affiliated parking lots. Bids will go out Friday.
- Under consideration, by the Town, is establishing a jitney between the parking lot to Chaplin and Burkes beaches.

Governance Committee – Richard Speer

In Mr. Speer's absence, there was no report given.

Government Liaison – Scott Richardson

- Jim Gant's term, on the Town of Hilton Head Island, Land Management Ordinance Committee expires shortly. Bill Johnson will seek appointment to the position. Prior, there was no representation from the south end of the island.

Maintenance, Enhancement and Major Projects Committee – James Richardson

- The Greenwood Drive landscape repair project is nearing completion.

- Completed major projects since last meeting include: major intersection signage and map kiosks installation, replacement of all leisure trail bollards with LED lights, shuttle pull off pad and installation of sod at the Ocean gate.
- Upcoming projects include: mulching/seeding exposed trolley lots, sod installation at the corner of Greenwood and Plantation Drives, switching out the flower beds the first week of June, install split rail fences at the powerline lot entrances, split rail fence installed near South Beach leisure trail and additional plantings and enhancements at the front gate.
- Ongoing projects include: leisure trail and road patching and paving, concrete beach walk repairs, road and street repairs, roadside flower bed definition, entrance to the CSA Administration Building and mulching and maintaining natural areas.
- Plantation Drive will be paved in the fall and has budgeted for. Specifications, contract and dates remain to be established.

Safety and Security Committee – Michael Tucker

- Scott Richardson has been added to the Safety and Security Committee.
- Concerns of owners on Snowy Egret, with trespassers seeking beach access, has been addressed. It was recommended that “no beach access/use beach path” sign be installed.
- A meeting of the Gate Entry Task Force, will be held May 24, 2017. Two new members, property owners in the Club Course area, Frank Jeffreys and Dennis Miller, have been added.
- There will be a Town Hall meeting in June, with traffic engineers present, to address gate concerns and accept feedback from property owners. Following community input, it is expected the engineers will bring a recommendation back to the committee, within 2 months. Concerns faced: getting individuals into the proper lane at Greenwood Gate, larger signs on Palmetto Bay Road from the Town, new signage at Greenwood Gate and adding paving markings on lanes.
- There is a safety concern at a crosswalk on Greenwood Drive, close to the South Sea Pines Drive intersection. Traffic turning onto Greenwood Drive needs to be slowed for the safety of those in the crosswalk.
- A civil engineer with the Town has recommended to either install 1 stop sign or 3, do not install 2.

A motion was made by Michael Tucker to approve the installation of a 3-way stop at the intersection of Greenwood Drive and South Sea Pines Drive. The motion was seconded by Scott Richardson. Bob Gossett and Donald Sigmon opposed. With the majority of the Board in favor, the motion passed.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approves the installation of a 3-way stop at the intersection of Greenwood Drive and South Sea Pines Drive.

Finance Committee – David Borghesi

- The Finance Committee met with the auditors in March. The auditor’s report to the Board was included in the Board package and distributed.

A motion was made by David Borghesi to accept the March 2017 financial statements as submitted. The motion was seconded by Barry Barth and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, accepts the March 2017 financial statements as submitted”.

A motion was made by David Borghesi to approve the funds for the Tribridge Agreement. The motion was seconded by Barry Barth and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approves up to \$35,000, to cover the cost of a 10 day assessment by Tridbridge, to evaluate and address CSA’s systems needs and potential integration with ABDI software.

- The Finance Committee reviewed the legal opinion for use of Hurricane Matthew’s Special Assessment funds with McNair Law Firm. The legal opinion is that the special assessment funds can be used for debris removal on CSA affiliated properties. To date, funds expended for the Forest Preserve and Six Oaks Cemetery have not been reimbursed to CSA. The majority of the funds for the Forest Preserve were expended to clean up the Beach Trust. Because the SOC has funds from operations, it was recommended that no assessment funds be used to pay for its debris removal. Because the Forest Preserve has little ability to generate operational revenues, it was recommended by the majority that funds expended in 2016 be reimbursed from Special Assessment funds.
- The fuel break, in Audubon Newhall Preserve, needs tree debris removal before normal maintenance can be accomplished, and special assessment funds can be used for that purpose. CSA maintains the fuel break to protect Sea Pines residential properties adjacent to the Preserve. The committee recommended that such costs be funded through Special Assessment revenues.

A motion was made by David Borghesi to approve Special Assessment revenues to be used to reimburse the Sea Pines Forest Preserve for expenses incurred in 2016 and to fund expenses related to the fuel break for Newhall Nature Preserve. The motion was seconded by Michael Tucker and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approves Special Assessment Revenues be used to reimburse the Forest Preserve for debris removal expenses incurred in 2016 and expenses to be incurred related to the fuel break repair in the Audubon Nature Reserve.

- To date, \$3,900,000 of Special Assessment revenues have been spent and there is \$2,400,000 available. Collections are ongoing. Property owners have taken advantage of the extended June 1, 2017, due date.
- A hydrology study by Mr. Pittman, suggests \$1,000,000 will be needed for systems repair by 2020 and an additional \$3,000,000 following that.
- The investment portfolio will be reviewed, quality measured and revisions to the Investment Policy made if appropriate. The committee is of the opinion that equity investments continue to be inappropriate for CSA holdings.

- The Finance Committee is not satisfied with the Hurricane Matthew insurance claim offer made by the carrier. The offer is not acceptable, precedence must be considered and outside advice will be sought.

Long Range Planning Committee – Michael Tucker

- The Committee has met twice since the last CSA Board meeting. The Committee is seeking modification to the 2015 approved Long Range Strategic Plan.
- A market specialist was consulted and emphasized that real estate values are enhanced by creating a unique, specific experience into the market place. There must be differentiating factors which set it apart from other communities/destinations. Such factors for Sea Pines could include: beaches, Harbour Town, Forest Preserve and the overall natural beauty.
- The Committee is reviewing the vision statement and will focus next on current and future finances and challenges.

Unfinished Business

Special Assessment Update – Victoria Shanahan

The Special Assessment update was provided earlier during CSA President’s Operations Report.

New Business

Acceptance of March 2017 Financial Statements – Victoria Shanahan

The financial statements were presented and approved previously under the Finance Committee presentation.

Approval of 2017 Committee Charters – Chairman Griffith

A motion was made by David Borghesi to approve the following 2017 Committee Charters: Finance Committee, Long Range Strategic Planning Committee and Major Enhancement and Major Projects Committee. The motion was seconded by Paul Crunkleton and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approves The Finance Committee, Long Range Strategic Planning Committee and Major Enhancements and Major Projects Committee, 2017 Charters, as submitted”.

Ratify Approval of Encroachment – Baynard Cove III – Chairman Griffith

A motion was made by David Borghesi, to approve the encroachment agreement for Lots D, E, Baynard Cove III. The motion was seconded by Scott Richardson and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approved the encroachment agreement for Lots D, E, Baynard Cove III, onto CSA Inc., open space, as finalized by email”.

Ratify Approval of 2017 Nominating Committee – Chairman Griffith

A motion was made by Scott Richardson to approve the 2017 CSA Nominating Committee membership. The motion was seconded by Paul Crunkleton and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approved the 2017 CSA Nominating Committee membership, as finalized by email”.

Ratify Approval of Quitclaim Deed/Six Oaks Cemetery/Power Line Easement – Chairman Griffith

A motion was made by Scott Richardson, to approve the acceptance of a quitclaim deed, power line easement, from Six Oaks Cemetery. The motion was seconded by Paul Crunkleton and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approved the acceptance of a quitclaim deed, for a power line easement, from Six Oaks Cemetery, as finalized by email”.

Approval of Tribridge Agreement – Chairman Griffith

Approval of the Tribridge Agreement was provided earlier under the Finance Committee discussion.

Approval of Quitclaim Deed from Land Asset Holdings to CSA – Chairman Griffith

A motion was made by Carolyn Adams, to approve acceptance of a quitclaim deed from Land Asset Holdings, Inc. to CSA. The motion was seconded by Paul Crunkleton and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approved acceptance of a quitclaim deed, for two parcels of land in Lawton Oaks, as open space, from Land Assets Holdings, Inc.”

Approval of Amended Membership/Gate Entry Committee 2017 – Chairman Griffith

A motion was made by Cary Corbitt, to approve amending the 2017 Gate Entry Committee membership. The motion was seconded by Carolyn Adams and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approved adding a residential member, as co-chair of the 2017 Gate Entry Committee and for the residential member to be Charles Miner”.

Approval of Amended Membership/Safety and Security Committee 2017 – Chairman Griffith

A motion was made by Paul Crunkleton, to approve amending the 2017 Safety and Security Committee membership. The motion was seconded by Carolyn Adams and unanimously carried.

“RESOLVED, the Community Services Associates, Inc., Board of Directors, approved adding an additional member to the 2017 Safety and Security Committee and for the member to be Scott Richardson”.

Review of Six Oaks Cemetery Rules/Applicability of Rules to Six Oaks Park – Chairman Griffith

- There has been conflict, at times, between simultaneous use of Six Oaks Cemetery and Six Oaks Park.
- CSA management will develop a set of rules to apply to the park use and also create a visual separation between Six Oaks Park and Cemetery. Until such time that this exists, management will continue to escort people from the park, when a complaint arises.

Board Member Comments

There were no further comments.

Adjournment

With no further business to come before the Board, Chairman Griffith adjourned the meeting at 4:45 p.m. The next scheduled meeting of the CSA Board of Directors, is Monday, June 26, 2017, 3:00 p.m., at the Sea Pines Community Center.

A motion was made by Scott Richardson to adjourn the meeting at 4:45 p.m. The motion was seconded by David Borghesi and unanimously carried.

Respectfully Submitted,



Carolyn Adams
Secretary