

Community Services Associates, Inc.
Board Meeting Minutes
November 1, 2016

The October 25, 2016, was rescheduled to November 1, 2016, due to damages suffered from Hurricane Matthew. The meeting was called to order by Chairman Mark Griffith at 3:00 p.m. in the large conference room of the Sea Pines Community Center. A revised agenda was distributed. The discussion and motion to increase the \$6 Daily Gate Pass fee had been removed due to the Gate Entry Committee and their sub-committee not being able to meet and provide a recommendation now.

1. **Roll Call**

Present:	Carolyn Adams	Barry Barth	Steve Birdwell	Dave Borghesi
	Cary Corbitt	Paul Crunkleton	Bob Gossett	Mark Griffith
	Mark King	Charlie Miner	JR Richardson	Scott Richardson
	Beverly Serral	Bob Sowers	Rich Speer	Michael Tucker

Absent: Don Sigmon

Staff:	Bret Martin	Victoria Shanahan	Toby McSwain	Beau Barnett
	Amanda Jones	David Henderson	Jeanne Pearse	

2. **Ratify Approval of the September 27, 2016 Meeting Minutes**

The minutes of the September 27, 2016 meeting had been approved by email. Mr. Crunkleton made the following motion, seconded by Mr. Scott Richardson and unanimously passed:

“RESOLVED, the CSA Board ratifies the vote on the approval of the September 27, 2016 meeting minutes as finalized by email.”

3. **CSA Reports**

a. **CSA President’s Operations Report** – Mr. Martin’s report focused on recovery efforts from Hurricane Matthew and the follow-up items from his last report were deferred:

- He is continuing to work with the Town of Hilton Head to communicate road right-of-way clean up priorities. Crowder Gulf has been working on some of the priorities as requested by CSA with a couple of exceptions. CSA placed higher priorities on Sea Pines’ secondary roadways and lower priorities were placed on the tertiary and primary roadways. However, the areas for debris removal are at Crowder Gulf’s and the Town’s discretion.
- Beach debris cleanup has occurred from Marsh Wren to Piping Plover, to be followed by the area of Piper Plover to Atlantic Point which may be in progress now. Mr. Martin plans on meeting with Town officials to discuss plans and requirements for dune and beach re-nourishment.

- Application for reimbursements from FEMA for storm clean-up has been submitted.
 - CSA staff has received several requests from property owners to use storage pods and RVs while repairs are made to their homes and legal counsel has provided agreements to be used for their temporary access. The vote taken by the CSA Board permitting this usage is on the agenda today to be ratified.
 - The CSA Building sustained damage from the hurricane causing offices to be relocated within the building while repairs are performed. Repairs may take until the end of November or maybe longer.
 - Trees and debris along the roadways and leisure trails continue to present hazardous conditions and warning signs have been posted.
 - Mr. Martin gave an overview of the Maintenance and Security Departments' post-storm activities:
 - Over 177 areas with numerous leaning trees and hanging limbs were identified and 108 of these areas have been cleared. Additional reports continue to come in.
 - 50 contractors have been working over 3,000 hours per week performing clean up. This is in addition to 614 hours of overtime worked by CSA staff.
 - Preliminary assessments have been made of the roads, leisure trails and beach walks.
 - Over 205 driveways were cleared enabling property owners access.
 - Two areas with major drainage issues have been identified.
 - Extra security patrols were added and an increase of incident calls were answered in response to activated alarms, traffic control, house checks and generally assisting property owners.
- b. **ARB Liaison Report** – Mr. JR Richardson said the ARB office inside the CSA Building had incurred both roof damage from a fallen tree and water damage. Their board has not held a meeting and staff members are reorganizing their office in other areas of the building. However, staff has received plans from owners consisting mainly of repairs as a result of the hurricane and their board may meet next Tuesday. Currently, no plans have been received for any homes that have sustained more than 50% damage. Mr. Richardson clarified his statement, in that the Town of Hilton Head have inspectors reviewing the damages homes have sustained and placing placards on these homes based on a percentage of the amount of damage they incurred. Homes with 50% or more damage have a red placard and must be rebuilt.

- c. **Joint CSA/ASPPPO Short Term Rental Committee** – Mrs. Serral said their committee meeting had been cancelled due to the hurricane. Their sub-committee has been working on guidelines for Sea Pines’ visitors, but are not ready to make their recommendation yet. Their recommendations, if approved by the CSA Board, may require a referendum to enforce them.
- d. **Communications Committee** – Mr. Tucker said their October meeting had been cancelled and he would be out of the country from mid to the end of November. Mr. Tucker recognized Mrs. Jones, Director of Communications, for her communication efforts before, during and after the hurricane. Over 43 emails had been sent to property owners keeping them apprised of the hurricane, the status of Sea Pines and on Hilton Head Island. The committee’s ongoing plans into 2017 were:
- The creation of Confirmation Station – to address and quell any rumors in the community and ensure the accuracy of information being circulated.
 - The new website design.
 - The community video for all property owners to share with their friends and relatives showing why owners chose Sea Pines as their home.
- e. **Gate Entry Committee** – Mr. Corbitt said their committee’s October meeting had also been cancelled due to the hurricane. However, the sub-committee reviewing gate pass fees would hold a meeting this Thursday at 11:00 a.m.
- f. **Circle to Circle Committee/Traffic Task Force Update** - Mr. Crunkleton said a meeting had not been held with Mr. Tom Lennox on October 7th due to the hurricane evacuation. Future meeting dates for the *Circle to Circle Committee* or the Traffic Task Force have not been set yet. Meetings may be held before Thanksgiving depending on hurricane recovery efforts which would take precedence.
- g. **Governance Committee** – Mr. Speer said two major components of the Governance Committee Charter, the IT and HR Sub-committees have completed their findings and will be submitting their recommendations for improvements at a Governance Committee meeting to be held on November 29th. The Governance Committee is also updating the orientation program for new board members and plans on opening the orientation program to committee members.
- h. **Government Liaison** -Mr. Scott Richardson said he had nothing new to report.
- i. **Maintenance, Enhancement and Major Projects Committee** – Mr. Richardson said their committee had met on September 1st and on the 19th to plan for future projects, but was unsure of budgetary restraints for 2017. All those plans may now change because of damage and recovery efforts from the hurricane. He will meet with Mr. Martin and Mr. Borghesi to discuss these issues.
- j. **Safety and Security Committee** – Mr. Tucker said their committee will meet tomorrow to discuss: allowing gate entry by bicyclists from outside the community; parking control and the installation of directional signage on Palmetto Bay Road

designating which lane to be in for entry into Sea Pines. He said safety concerns would be the deciding factor in any recommendations made to the CSA Board on these issues. He also suggested to hold a Town Hall meeting with property owners to identify and address any other areas that needed improvement. He closed by saying that many security cameras had suffered water damage or were totally missing because of the hurricane.

- k. **Report of the CSA Nominating Committee** – Mr. Borghesi said that requests were received from the community to extend the deadline date for the return of election ballots because of property owners being displaced from their homes by the hurricane. The Nominating Committee had made a recommendation to the CSA Board to extend the return date, which was within the authority of the board per CSA by-laws. A vote on this issue had been taken by email.

The date of the *Meet the Candidates Forum* was also pushed back to November 15th. A suitable date for all the candidates to be present could not be obtained so the candidate responses to the questions posed by the community would be posted on the website and available for property owners to view by November 4th. The ballots will still be mailed out on November 1st; the letter accompanying the ballots directs property owners to the website to view the candidates' responses to the questions; the *Meet the Candidates Forum* date change and the date the video of the meeting will be available on the website. The candidates' bios and reasons they are running for the board(s) will be included in the ballot package.

- l. **Finance Committee** – Mr. Borghesi said the Finance Committee had met and there was nothing of significance to report on the August 2016 YTD Financial Statements. However, he noted that hurricane and recovery efforts would significantly impact future financial statements. A draft budget for 2017 had been distributed to the Finance Committee's membership for review and a recommendation had been made to present it to the CSA Board of Directors for informational purposes. This had been done prior to the hurricane. The budget presented to the board today only reflected Major Repairs and Replacements and Capital Replacements as stated in the Reserve Study. The Finance Committee will need to review the revised budget at their November 21st meeting and the CSA Board will be asked for its approval at their November 22nd meeting.

Mr. Borghesi updated the board on the current financial status due to the hurricane recovery efforts. Clean up efforts and payroll will quickly exceed the cash on-hand of \$1 million dollars and another million by the end of November. CSA can draw down on its \$6 million line of credit with Morgan Stanly, but CSA will have to repay the loan. FEMA will be asked for reimbursement of the funds, but the actual process has yet to be determined. Need for a special assessment of property owners was discussed, but remains undecided at this point. However, by the end of the second quarter of 2017 the emergency funds will need to be re-established for the next emergency.

CSA's insurance coverage was discussed and was noted that it hasn't any coverage for roads, leisure trails or land. CSA's buildings, structures and equipment are insured, however, CSA faces the same unusually high deductibles as the residents are due to the damage being from a hurricane.

4. **Old Business**

a. **Update on Public Art Initiative** – Mr. Borghesi said the survey on the Public Art Initiative has been postponed and this project was temporarily on hold due to Hurricane Matthew disaster recovery efforts.

b. **Ratify Vote on Debris Removal from Hurricane Matthew** – It was necessary to take a vote by email to authorize President Martin to enter an agreement with the Town of Hilton Head so the disaster recovery process could be expedited. The motion was passed by the CSA Board. Mr. Birdwell made the following motion, seconded by Mr. Crunkleton and unanimously passed:

“RESOLVED, the CSA Board ratifies the vote as finalized by email to authorize Bret Martin to sign an agreement and hold harmless with the Town of Hilton Head to start removing debris from the sides of the roadways within Sea Pines.”

c. **Ratify Vote on Approval of Pods and RVs Temporary Access Within Sea Pines** – Some residents had already inquired to have temporary storage pods or to use their recreational vehicles to live in while their homes are being repaired from damages caused by the hurricane. Legal counsel provided agreements for temporary use of these items within Sea Pines due to the cause of damages. A vote to address these issues had been taken by email to expedite the process and passed. Mr. Birdwell made the following motion, seconded by Mr. Richardson and unanimously passed:

“RESOLVED, the CSA Board ratifies the vote as finalized by email to authorize CSA staff to sign an agreement with property owners for temporary overnight access for PODs and RVs within Sea Pines due to damage incurred to their dwelling from Hurricane Matthew.”

d. **Ratify the Vote to Extend the December 1st Deadline Date for Return of Election Ballots to December 15th** – A vote to extend the deadline date for the return of this year's CSA election ballots due to the hurricane had been taken by email and passed. Mr. Borghesi made the following motion, seconded by Mr. Crunkleton and passed unanimously:

“RESOLVED, the CSA Board ratifies the vote as finalized by email to extend the deadline date of the CSA Board election ballots from December 1st to December 15th due to damage within Sea Pines incurred from Hurricane Matthew.”

5. **New Business**

- a. **Acceptance of the Un-audited August YTD 2016 Financial Statements** –The August 2016 YTD Financial Statements were reviewed and Mr. Borghesi made the following motion, seconded by Mr. Barth and unanimously passed:

“RESOLVED, the CSA Board accepts the unaudited August 2016 YTD financial statement as submitted.”

- b. **Authorization to Draw Down on Line of Credit** – Mr. Borghesi made the following motion, seconded by Mr. Speer and unanimously passed:

“RESOLVED, the CSA Board accepts the recommendation of the Finance Committee to authorize the draw down on the line of credit with Morgan Stanley as needed for recovery efforts related to Hurricane Matthew at the discretion of Mr. Borghesi, Mr. Martin and Mrs. Shanahan.”

- c. **Review of the Draft Budget for 2017** – Mr. Borghesi and the board had reviewed the draft budget for 2017 earlier in the meeting.

- d. **Appointment of the ARB Members – Full and Alternate Member** – Mr. Griffith said that applicants interested in the open positions on the ARB had been considered, however, Julie Nelander had prior experience serving on the board and Terry Rosser wished to remain seated. Mr. Crunkleton made the following motions, seconded by Mr. Borghesi and unanimously passed:

“RESOLVED, the CSA Board *Class A* members appoint Julie Nelander as the Full Member of the ARB to serve a three-year term beginning on January 1, 2017 and ending on December 31, 2019.”

“RESOLVED, the CSA Board *Class A* members appoint Terry Rosser as the Alternate Member of the ARB to serve a one-year term beginning on January 1, 2017 and ending on December 31, 2017, contingent upon his approval by the ASPPO Board.”

6. **Board Member Comments**

Golf Courses RE-opening – Mr. Birdwell said Heron Point golf course would open tomorrow and Harbour Town golf course should open next week for play.

7. **Adjournment**


Mr. Scott Richardson made a motion to adjourn the meeting at 4:00 p.m. The motion was seconded by Mrs. Adams and passed unanimously. A question and answer session was held with the audience.

The next meeting will be held on November 22, 2016, at 3:00 p.m. in the large room of the Sea Pines Community Center.

8. **Executive Session**

An Executive Session was not held.

Respectfully submitted,



Carolyn Adams
Secretary