



Sea Pines Community Services Associates, Inc.

Sea Pines CSA Board of Directors Meeting September 27, 2022

A regular meeting of Sea Pines Community Services Associates, Inc., (CSA), Board of Directors, was held on Tuesday, September 27, 2022, via videoconference.

Present from Sea Pines CSA Board of Directors, were: Larry Movshin, Chair; Jim Kaskie, Vice Chair; Cary Corbitt, Secretary; Dave Borghesi, Treasurer; Carolyn Adams, Director; Steve Birdwell, Director; David Ellis, Director; Bill Johnson, Director; Mark King, Director; Cliff McMackin, Director; Charlie Miner, Director; David Pardue, Director; Tom Sharp, Director; Don Sigmon, Director and Greg Thomson, Director

Absent from Sea Pines CSA Board of Directors, was: Rich Speer, Director

Legal Counsel Present, were: Walter Nester, Burr Forman, LLP and Dawes Cooke/John Fletcher, Barnwell Whaley Patterson & Helms LLC

Present from Sea Pines CSA Staff, were: Sam Bennett, President; Victoria Shanahan, Director of Finance and Administration; Russell Fredericks, Director of Capital Projects and Community Development; David Henderson, Director of Special Projects and Operations; Jerred Mayse, Director of Maintenance and Facilities; Toby McSwain, Director of Safety, Security and Transportation; Amanda Sutcliffe-Jones, Director of Communications and Sandra Archer, Executive Administrator

Call to Order

Larry Movshin, Chair, called the meeting to order at 9:00 a.m., Eastern time.

Establishment of Quorum

With the majority of Board Members in attendance, quorum was established.

Executive Session

Approval – Sea Pines CSA Board of Directors, Call to Executive Session

A motion was made by Dave Borghesi to support the resolution, “Approval – Sea Pines CSA Board of Directors, Call to Executive Session”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved call to Executive Session”.

Sea Pines CSA Board of Directors Meeting Reconvenes, 10:05 a.m.

Sea Pines CSA Board of Directors meeting reconvened at 10:05 a.m.

Approval – Possible Actions Related to Executive Session

- Critical infrastructure and personnel matters, discussed;
- Notice of Appeal filed by plaintiff in the Jill K. Jinks, individually and as Trustee of the Jinks Heritage Trust, versus Sea Pines Resort, LLC; Community Services Associates, Inc. and Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board. Sea Pines CSA to file cross appeal;
- District Judge Norton, Federal Court, determined Sea Pines CSA did not have authority to call referendum, but did grant authority to Sea Pines CSA to file the Fifth Amendment and invoice and collect the Critical Infrastructure Assessment.

Ratify Approval – Sea Pines CSA Board of Directors Meeting Minutes, May 19, 2022 and Sea Pines Annual Meeting of the Members, May 3, 2022;

A motion was made by Dave Borghesi, to support the resolution, “Ratify Approval – Sea Pines CSA Board of Directors Meeting Minutes, May 19, 2022 and Sea Pines Annual Meeting of the Members, May 3, 2022”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, ratified approval of the Sea Pines CSA Board of Directors Meeting Minutes, May 19, 2022 and Sea Pines Annual Meeting of the Members, May 3, 2022, as finalized by email”.

Chair Remarks – Chair Movshin

- Primary focus during term, threefold: to work with Sea Pines CSA President to develop leadership structure that works within the community; to define necessary resources to fund the failing critical infrastructure and to keep the community comfortable with the communications process being maintained;
- Accomplished: Successfully led a corporation during an international pandemic; solved critical infrastructure funding through Referendum 2020;
- Ongoing: Revenue Task Force created to seek funding sources necessary to cover increased staffing levels, increased staff salaries and new positions, required to maintain the community at the appropriate standard.

President Remarks – Sam Bennett

- Hurricane Ian expected to be significant rain event for community, ground currently saturated;
- Storm preparation included, among others: lagoons lowered; intakes cleared, additional pumps at outflow areas staged, all equipment prepped, select staff on site 24 hours through storm duration, landscape contractor to assist with cleaning ditches and intakes and tree contractors on standby, should event include extensive wind damage.

Director Reports

Sea Pines CSA Directors provided updates on their respective departments: Capital Projects and Community Development, Mr. Fredericks; Land Use Management, Mr. Fredericks; Communications, Mrs. Sutcliffe-Jones; Finance and Administration, Ms. Shanahan; Maintenance and Facilities, Jerred Mayse; Operations and Special Projects, Mr. Henderson and Safety, Security and Transportation, Mr. McSwain.

Financial Report – Victoria Shanahan

- Recap of YTD/July 31, 2022, Financial Statements, provided;
- Balance Sheet and Income Statement, reviewed.

Acceptance – Financial Statements, YTD/July 31, 2022

The balance sheet as of YTD/July 31, 2022 was reviewed. Total liabilities and fund balances, on an accrual basis, were \$21,456,787, as compared to prior year, of \$23,265,318.

The income statement as of YTD/July 31, 2022, was reviewed. Actual revenues over expenditures were \$2,734,562, as compared to budget and prior year actual, of (\$3,008,589) and \$3,342,406, respectively.

A motion was made by Dave Borghesi, to support the resolution, “Acceptance – Financial Statements, YTD/July 31, 2022”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, as recommended by the Finance Committee, accepted financial statements, YTD/July 31, 2022, as presented”.

Approval – Amendment, Budget, 2022:

A motion was made by Chair Movshin, to support the resolution, “Approval – Amendment, Budget, 2022.” The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, as recommended by the Finance Committee, approves amendment to Budget, 2022, in the amount of \$340,000, to cover the cost of the mill and repave of Greenwood Drive from the Sea Pines Circle to Club Course Drive”.

Approval - Legal Committee, Establishment

A motion was made by Chair Movshin, to support the resolution, “Approval – Legal Committee, Establishment”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, at the direction of the Board Chair, approved establishment of a Legal Committee. Members with legal background, to be appointed by Chair Movshin at a future date”.

Committee Chairs provided updates on their respective committees, in conjunction with Staff Director reports. Committees included: Finance, Mr. Borghesi; Gate Entry, Mr. Corbitt; Governance, Mr. Kaskie; Land Use Management, Mr. Thomson; Maintenance, Enhancement and Major Projects, Mr. Sharp; Safety, Security and Transportation, Mr. Johnson; Short Term Rental, Mr. Ellis and Strategic Planning, Mr. Pardue.

Committee recommendations brought to Sea Pines CSA Board for approval, included: Gate Entry Committee, Mr. Corbitt/Chair and Governance Committee, Mr. Kaskie/Chair. Refer to New Business.

Unfinished Business

Update - Sea Pines CSA Revenue Sources Proposal – Chair Movshin

- Solutions for source funding, to address needs of additional staff members and increased wages, continues.

New Business

Announcement – Sea Pines CSA Board of Directors Nominating Committee Results, Class “A”, 2022

Mr. Johnson, as Sea Pines CSA Board of Directors Nominating Committee Chair, announced the Nominees for the Sea Pines CSA Board of Directors Election, Class “A”, 2022: David Ellis, Lee Ann Leahy, Ted Leavitt, David Pardue and Bob Quinn. For interested persons, Nomination by Petition applications, are due by October 1, 2022.

Announcement – Sea Pines CSA Board of Directors Nominating Committee Results, Class “B”, 2022.

Mr. Kaskie/Mr. Sigmon, as Sea Pines CSA Board of Directors Nominating Committee Co-Chairs, announced the Nominee for the Sea Pines CSA Board of Directors Election, Class “B”, 2022: Mark King. For interested persons, Nomination by Petition applications, are due by October 1, 2022.

Approval – Amendment, Sea Pines CSA Gate Entry Policy, September 27, 2022

A motion was made by Cary Corbitt, to support the resolution, “Approval – Amendment, Sea Pines CSA Gate Entry Policy, September 27, 2022”. The motion was seconded and unanimously carried:

“RESOLVED, Sea Pines Community Services Associates, Inc., Board of Directors, approved amendment to the Sea Pines CSA Gate Entry Policy, September 27, 2022, as recommended by the Gate Entry Committee, to read as follows:

- Part 1/Sea Pines Issued Passes, Section 1.2 Procedure, 1.2.6 b, Commercial Vendor Decal: Vehicles with commercial decals or commercial passes are not permitted in Sea Pines on the following days: Sundays, New Year’s Day, Easter, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day After Thanksgiving, Christmas Eve and Christmas Day. This restriction does not apply to pool companies, housekeeping companies and deliveries to commercial entities;
- Part 1/Sea Pines Issued Passes, Section 1.2 Procedure, 1.2.6 c, Commercial Vendor Decal: Commercial decals that permit 24hr access into Sea Pines can only be issued to select businesses approved by the Director of Security i.e., fishing charters, pool companies and residential and commercial maintenance;
- Part 2/Residential Property Owners, Section 2.1 Policy, 2.1.2 Multiple Owner Properties: Properties with multiple owners, e.g., residential properties titled to an LLC or Trust. Only the Trustee(s) of a Trust are considered residential property owners (this does not include Successor Trustees or Beneficiaries). Only

members of an LLC are considered residential property owners (this does not include the “agent” or “manager” of the LLC). Each residential property owner listed on a multi-owned property will be limited to one (1) property owner decal and property owner photo ID card each, not to exceed fourteen (14) owners/members. If LLC or Trust consist of husband/wife ownership – issue up to four (4) Property Owner decals total. Dependent ID cards and relative decals may be issued for multi-owned properties;

- Part 2/Residential Property Owners, Section 4.4 Hilton Head Plantation, 4.4.1 Policy: Sea Pines and Hilton Head Plantation share a reciprocal covenant alliance whereby each community recognizes the other RPO decal and allows entry into each other’s community. This reciprocal agreement does not apply to Hilton Head Plantation Property Owner I.D. cards. Authorized clearance issued under this section does not give Hilton Head Plantation Property Owners the privilege to use Sea Pines Property Owner amenities, fish in lagoons, use beach access and parking facilities or to access Sea Pines for business/commercial purposes;
- Part 2/Residential Property Owners, Section 4.4 Hilton Head Plantation, 4.4.2 Procedures: Complimentary access into Sea Pines is permitted daily during the hours of 7 a.m. – 1 a.m., with the Hilton Head Plantation Property Owner Decal affixed to the vehicle windshield. This type of decal only authorizes access into Sea Pines for leisure purposes. A Commercial Decal is required for accessing Sea Pines for Business/Commercial work;
- Part 3/Commercial Property Owners, Section 3.1 Policy, 3.1.5 Retail Customers: General: Business passes will not be issued to retail customers except for those customers returning to Sea Pines for fittings, warranty work, returning merchandise, etc. Sea Pines commercial tenants and property owners may use a Customer Code (C-Code) to schedule complimentary passes for their customers. No more than two hundred and fifty (250) daily passes can be scheduled using the C-Code in one (1) calendar year. Once the commercial tenant has exhausted the number of customer passes issued, their customers are required to pay the standard Sea Pines entry fee for the remainder of the year.

Approval – Sea Pines CSA Board of Directors/Committee Meeting Schedule, 2023

A motion was made by Cary Corbitt, to support the resolution, “Approval – Sea Pines CSA Board of Directors/Committee Meeting Schedule, 2023”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved the Sea Pines CSA Board/Committee Meeting Schedule, 2023, as presented”.

Ratify Approval – Sea Pines CSA Committee Meeting Minutes, Website Posting:

A motion was made by Jim Kaskie, to support the resolution, “Ratify Approval – Sea Pines CSA Committee Meeting Minutes, Website Posting”. The motion was seconded and unanimously carried:

“RESOLVED, Sea Pines Community Services Associates, Inc., Board of Directors, as recommended by the Governance Committee, approved Sea Pines CSA Committee Meeting Minutes be posted to the Sea Pines Living website, upon simple majority of Committee Members approval”.

Ratify Approval – Encroachment Agreement, Baynard Cove, Lot F

A motion was made by Chair Movshin, to support the resolution, “Ratify Approval – Encroachment Agreement, Baynard Cove, Lot F”. The motion was seconded and unanimously carried:

“RESOLVED, Sea Pines Community Services Associates, Inc., Board of Directors, ratified the vote on the approval of the encroachment agreement, Baynard Cove, Lot F, as evidenced by the as-built survey Surveying Consultants, Inc., Terry G. Hatchell Registered Land Surveyor, May 19, 2022, into CSA open space, as finalized by email”.

Ratify Approval – Encroachment Agreement, Baynard Cove, Lot 29

A motion was made by Chair Movshin, to support the resolution, “Ratify Approval – Encroachment Agreement, Baynard Cove, Lot 29”. The motion was seconded and unanimously carried:

“RESOLVED, Sea Pines Community Services Associates, Inc., Board of Directors, ratified the vote on the approval of the encroachment agreement, Baynard Cove, Lot 29, as evidenced by the as-built survey Nandina, Inc., d.b.a. Sea Island Land Survey, Inc., Justin R. Kesselring Professional Land Surveyor, June 13, 2022, into CSA open space, as finalized by email”.

Ratify Approval – Encroachment Agreement, Twin Pines, Lot 29

A motion was made by Chair Movshin, to support the resolution, “Ratify Approval – Encroachment Agreement, Twin Pines, Lot 29”. The motion was seconded and unanimously carried:

“RESOLVED, Sea Pines Community Services Associates, Inc., Board of Directors, ratified the vote on the approval of the encroachment agreement, Twin Pines, Lot 29, as evidenced by as-built survey, T-Square Surveying Company, LLC William J. Smith, Registered Land Surveyor, January 12, 2022, onto CSA open space, as finalized by email”.

Adjournment

With no further business to come before the Board, Chair Movshin adjourned the meeting at 11:42 a.m. The next regularly scheduled meeting of the Sea Pines CSA Board of Directors, to be held Tuesday, November 15, 9:30 a.m., via videoconference.

Respectfully Submitted,



Cary Corbitt
Secretary