

2:00 p.m. – KICA Administration Conference Room

Present: Faith Dodge, President Joe Bunting, Staff
Dick Sula, Vice President Joe Croughwell, Staff
John Wilson, Treasurer Joseph Stephens, Staff
Russ Warren, Secretary Norm Shea, Staff
Dwight Freeburg, Director Dave Achey, Staff
Avril Fenwick, Director Carrie McGregor, Staff

Absent: Buddy Darby, Director

1. Call to Order, Verify Quorum – Mrs. Dodge called the meeting to order at 2:00p.m. with a quorum of Directors by Mmes. Dodge and Fenwick and Messrs. Freeburg, Sula, Warren, and Wilson.
2. Approval of Minutes
 - A. September 6 Minutes (enclosure) – **Mr. Freeburg moved approval of the September 6 board minutes. Mr. Wilson seconded the motion. Those in attendance carried this vote unanimously.**
3. Administrative Reports
 - A. Joe Bunting, General Manager
 1. Presentation by Tom Siewicki, NOAA (National Oceanic and Atmospheric Administration) – Mr. Siewicki presented on NOAA’s activities and the mutually beneficial relationship between NOAA and Kiawah Island. The Directors thanked Mr. Siewicki for his presentation.
 2. Mail Votes – No mail votes this month.
 3. New Item: Request to allow horse and carriage on Kiawah – The Resort requested the Board allow horse and carriage to run from the Sanctuary to Turtle Point Clubhouse, not on the Parkway, from Thanksgiving to New Year’s Day. **Mr. Warren moved to approve the request with the stipulation that the horses wear diapers, that the horses and carriages be trailered on and off the island each day, and that this is a one-time approval for the time period of Thanksgiving through New Year’s Day. Mr. Freeburg seconded the motion. This vote was carried in favor of the motion with a vote of 5-1 with Mmes. Dodge and Fenwick and Messrs. Warren, Freeburg and Wilson in favor, and Mr. Sula opposed.**
 4. Member Comments from September 6 board meeting (enclosure) – Mr. Bunting reviewed the responses to member comments.
 5. Policy Resolution (enclosure) – **Mr. Sula moved approval to no longer have an overlap of Corporate Treasurer terms. Mrs. Fenwick seconded the motion. Those in attendance carried this vote unanimously.**
 - B. Joe Croughwell, Director, Security and Safety
 1. Security/Covenant Compliance
 - a. Covenant Compliance – no stats.
 - b. Security (enclosure) – status reports for August and September.
 - c. Employee Safety Committee (enclosure) – status report for September meeting.
 - C. Teresa Cooper, Controller: Presented by Joseph Stephens, Assistant Controller
 1. Approval of Robinson-Grant as Auditor of 2005 Financials (enclosure) – **Mr. Freeburg moved approval of Robinson-Grant as KICA Auditor for 2005 Financials for an amount in the range of \$20,900 - \$22,400, plus out-of-pocket expenses. Mrs. Fenwick seconded the motion. Those in attendance carried this vote unanimously.**
 2. Maintenance Facility (enclosure) – status report.
 3. Sandcastle Elevator (enclosure) – status report.
 4. 2006 Budget Process (enclosure) – status report.

4. Committees

A. Committee Chair Reports

1. Finance:

- a. FAC Investment Presentation (enclosure) – Presented by John Wilson, FAC Board liaison. The Finance Advisory Committee recommended that KICA invest in \$500,000 of 5-year Treasury Inflation Protection Securities (TIPS) at the October 25 Treasury auction. **Mrs. Fenwick moved approval of the recommendation. Mr. Freeburg seconded the motion. Those in attendance carried this vote unanimously.**

2. Security and Safety

- a. Traffic Engineer's Recommendations (enclosure) – Joe Croughwell, Director, Security and Safety, presented the SSAC's recommendation for KICA to accept all the traffic engineer's recommendations. Staff will inform members of the speed changes via Digest and bulk email. **Mr. Wilson moved approval. Mrs. Fenwick seconded the motion. Those in attendance carried this vote unanimously.**
- b. Flyway Drive (enclosure) – **Mrs. Fenwick moved approval of relocating the "YIELD" sign on the east side of the Flyway Drive median to the west side of Flyway Drive, and to replace the current "YIELD" sign with a "MERGING TRAFFIC" sign. Mr. Sula seconded the motion. Those in attendance carried this vote unanimously.**

3. Community Center

- a. Policy for Admission to the Sandcastle (enclosure) – The Community Center Advisory Committee recommended the Board approve to allow significant others, adult children dependents, grandchildren dependents and parent dependents who reside in a household with a member as evidenced by the address on a generally accepted photo identification card, such as a drivers license. **Mr. Warren moved approval of the recommendation. Mr. Freeburg seconded the motion. Those in attendance carried this vote unanimously.**
- b. Art Policy Resolution (enclosure) – The Community Center Advisory Committee recommended the "Sandcastle Displays" section be deleted from Policy Resolution P-02-17, permanent art be purchased and approval of the concept of an annual art show at the Sandcastle for all island artists to display their work. Mr. Freeburg suggested this item be tabled until such time that the Directors receive more input from the Art Guild and other members of the community. **The Board's consensus was to table the item until a town-hall style meeting has been held on the topic. The General Manager will secure time acceptable to Art Guild members in November.**

4. Land and Lakes Management:

- a. Constructed Wetland (enclosure) – Norm Shea, Director, Lakes Management, reviewed the project and requested final approval to proceed with the project, subject to licensing with the Resort and the University of South Carolina. **Mr. Sula moved approval. Mr. Wilson seconded the motion. Those in attendance carried this vote unanimously.**
- b. Pond 32 Dredging (enclosure) – Norm Shea, Director, Lakes Management, reviewed the project and requested approval to proceed with the project with bids coming in by December 12, 2005. **Mr. Sula moved approval. Mrs. Fenwick seconded the motion. Those in attendance carried the vote unanimously.**
- c. Dunes Management Guidelines (enclosure) – The Land and Lakes Management Advisory Committee heard from several members and regimes in regards to the Draft Dunes Management Guidelines. The Directors received all member input to date. The LLMAC revised the Guidelines based on these comments. This draft will be provided to attendees of the October 18 town-hall style meeting to discuss the issue. **[Directors asked that staff provide comments from October 18 meeting to them ASAP.]**

B. Board Liaison Reporting Process

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1. John Wilson
 - a. Finance – The FAC is focusing on the budget and will provide that for the Board at the December board meeting. The members of the FAC now have online access to documents relevant to the committee. This saves paper, money and staff time.
 - b. Security and Safety – Yvonne Johnstone, KIGR Security, gave a presentation to the SSAC on items the Resort and KICA could work more closely on. To gain valuable details, a target meeting will be held on that topic alone. The committee also reviewed outsourcing security operations and felt there was not enough cost savings to outweigh the benefits of having security in house.
 2. Russ Warren
 - a. Community Center - no September meeting. Projected completion date of Sandcastle second floor is November.
 - b. Covenant Compliance – Letters went out to 70 owners in Inlet Cove and Sparrow Pond to bring regime properties up to the community standard for building maintenance. Letters were also sent to the regime managers and presidents to make them aware of the situation.
 3. Dick Sula
 - a. Community Services – The Volunteer Recognition Luncheon will be Saturday, October 29 at Osprey Point from 12:00 – 2:00 p.m. This is a “bring-a-buddy” event to help gain more volunteer candidates for KICA committees. An interest inventory form for the same purpose will be in the November Digest. The committee will be staffing a booth at the antique car show at Freshfields Village on October 8 from 10:00 a.m. – 3:00 p.m., and will be holding the educational course, “KICA 101,” on December 10.
 - b. Human Resources – The HRC discussed salary increases and will recommend approximately 3% increase in salaries. The committee has also been discussing the increase in cost of health insurance and a strategy of how to handle the increase.
 4. Dwight Freeburg
 - a. Major Repair and Replacement – The Sandcastle Second Floor completion date is set for November 8. The MRRC will be ready to present paving of the Kiawah Island Parkway to the Board at the next meeting. The Maintenance facility should be completed this week. Two estimates have come in for Cinder Creek bulkhead erosion control. Both bids were in excess of the budgeted amount. The committee will consider whether to go back out to bid or not.
 5. Avril Fenwick
 - a. Land and Lakes – The Lead Horticulturist, George Bell, is considering using an outside landscape designer as a consultant for the flowerbeds. The committee is reviewing the Governors Drive rights-of-way landscape for improved appearance. One problem the committee is faced with is how to resolve fishermen opening the gates to the island’s ponds. This can lead to flooding problems within the Community Association and could cause damage to private property.
 6. Faith Dodge
 - a. Amenities Task Force – Interested Association members met on September 28 to discuss island amenities. Ron Tedesco reported on the state of tennis on the island and Jerry Wilson reported on the state of fishing on island. The full Amenities Task Force will meet on November 30.
5. Unfinished Business
- A. Development Agreement – Mrs. Dodge reviewed the requested changes to the Development Agreement. They are listed below:
 - a. Exhibit 18.1: KICA has asked to have the word “permanently” added and to include section 2 of our Covenants in this Exhibit. The last sentence on pages 2 of Exhibit 18.1 now reads, “hereby permanently waive its right to appoint a majority of the Board of Directors of KICA under Article III, Sections 2 and 4 of the KICA Covenants...” Number 3 states that KICA use Trenholm Walker as our legal counsel unless he declines such representation due to a conflict of interest for a given

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matter. KICA has requested the additional wording, “or if a majority of the board of KICA determines that there is a conflict of interest with respect to a particular matter.”

- b. Page 23 - #18 (a) Waiver: Wording read, “within 30 days after effective date of this agreement...” KICA has requested the wording be changed to, “As of the effective date of this Agreement, Property Owner shall be deemed to waive its right to appoint a majority of the KICA board...”
 - c. Page 24 Section 18 (d): KICA has requested a change in wording from “prior notification” to “Unless there has been prior approval by a simple majority vote of the members present at a duly called meeting of the membership under the KICA Covenants...”
 - d. Old Development Agreement - 15. Section (a) (vi): KICA has asked that the language from the existing Development Agreement, Section 15 (a) (vi) be left in. This wording refers to use of lands currently devoted to golf and tennis purposes remain for these purposes for a period of approximately 95 years.
 - e. 16 (f), Captain Sam's Spit: KICA understands the wording presented in the October 3 draft provides that prior to conveyance of any roadway and rights-of-way, KRA will obtain and provide to the board a certification from a licensed civil engineer with at least 20 years experience in South Carolina coastal development, that such roadway/right-of-way, in such engineer's considered professional opinion, will not unreasonably be subject to tidal erosion from the Kiawah River." KICA is interested in additional consideration in this regard.
 - f. Exhibit 10.3 And Exhibit 13.5, Discrepancy - The Settlement: There is only one curb cut approved by the Town Planning Commission for The Settlement subdivision off Kiawah Island Parkway. This is shown on Exhibit 10.3. We have asked and the Town has indicated they will delete the last sentence of Item No. 4 of Exhibit 13.5, which referred to three curb cuts. This would assure that only one curb cut would occur.
 - g. Cassique Subdivision: The matter of the Cassique subdivision's right to access Kiawah Island has been raised incidental to the Development Agreement. In 2001, KICA negotiated an agreement whereby Cassique property owners would pay a partial assessment to KICA in exchange for access. KRA had the right to grant this access without compensation and agreed to do so as a concession to additional traffic across our roads. That agreement stipulates that KRA would not extend bulk access privileges to other off-island developments. The Cassique agreement is not part of but does reference the 1994 Development Agreement. An addendum has been requested by KICA to reference any future Development Agreements as well.
- B. Non-Agenda Item – Mr. Sula gave accolades to President Dodge for her strong work and tireless hours of devotion to the Development Agreement improvements. The other Directors gave assent.

6. New Business – no new business

7. Adjournment - Having no further business to conduct, the meeting was adjourned on motion duly made and seconded.

8. Member Comments

- A. Sandy Tedesco, 525 Bufflehead Drive (handout) – As the 2006 President of the Art Guild, Mrs. Tedesco stated the Guild would disagree with the previous statements regarding art at the Sandcastle. Artists feel discouraged by the amount of rules to hang art and find it difficult to comply with those rules. They would like to support the art of residents in the community, and ask that the board become aware of what residents and resident artists prefer.
- B. Bill Wert, 184 Glen Abbey – Mr. Wert said he would block out Council Chambers for the November 7 Board meeting if KICA would like to hold its meeting in an alternate location. Mr. Wert also wanted to

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thank President Dodge and Mr. Sula for their invaluable inputs into the Development Agreement, and he is very pleased that TOKI and KICA have worked so well to create positive changes on Kiawah Island.

- C. Carol Fishman, 247 Saltgrass Court – Mrs. Fishman wanted to reinforce the importance of rewording the section in the Development Agreement regarding legal counsel and a conflict of interest.
- D. Sandy Tedesco, 525 Bufflehead Drive – Mrs. Tedesco would like to know who is responsible for noise complaints against the Resort using loud machinery to cut grass at 6:00-6:30 a.m., as this is an ongoing problem for her.
- E. Don McIver, 185 Glen Abbey – Mr. McIver feels there is a safety issue on the Parkway in regards to maintenance crews cutting grass on the curbs, cutting limbs, adjusting irrigation, etc. during rush hour construction traffic from 7:15 to 7:45 a.m. Monday through Friday. Mr. McIver suggested having the Land Management Department's workweek be Tuesdays through Saturdays and have this work be done on Saturdays as the vehicle count is lower and there are fewer large trucks on the Parkway.

Submitted by

Approved at the November 7, 2005 meeting

Carolyn R. McGregor
October 4, 2005

Russell G. Warren
Secretary