

Present: Faith Dodge, President
Dick Sula, Vice President
John Wilson, Treasurer
Russ Warren, Secretary
Dwight Freeburg, Director
Avril Fenwick, Director
Buddy Darby, Director
Tammy McAdory, Staff
Joe Croughwell, Staff
Deborah Retalis, Staff
Carrie McGregor, Staff

1. Call to Order, Verify Quorum – Mrs. Dodge called the meeting to order at 2:05p.m. with a quorum of Directors by Mmes. Dodge and Fenwick and Messrs. Darby, Freeburg, Sula, Warren, and Wilson.
2. Approval of Minutes
 - A. January 9 Minutes (enclosure) – **Mr. Freeburg moved approval of the January 9 board minutes. Mr. Wilson seconded the motion. This vote was carried unanimously.**
3. Administrative Reports
 - [B. Security Report took place prior to the General Manager’s Reports]
 - A. Joe Bunting, General Manager reported by Tammy McAdory, Director, Governance & Communications
 1. Mail Votes –
 - a. PGA Database Request (enclosure) – On January 11 the Operations Committee approved release of the KICA database following resolution A-04-01 guidelines, to allow the PGA to send a postcard to the Kiawah Island Community Association membership.
 - b. Date of Record Revision (enclosure) – On January 12 the Operations Committee approved revision of the Date of Record for the 2006 Annual Meeting materials to January 25, 2006 from January 30, 2006. This was due to ensure plenty of time for the printer to have the material posted in the mail by February 1.
 2. Executive Session – no January 9 Executive Session
 3. Member Comments from January 9 Board meeting (enclosure) –Ms. McAdory reviewed the member comments from the January board meeting.
 4. Committee Chair Policy (enclosure) – Staff requested approval of the policy as revised to note the change from the 1994 to the 2005 Development Agreement. **Mr. Warren moved approval of the policy as revised. Mrs. Fenwick seconded the motion. This vote was carried unanimously.**
 5. Pond 067 – Ms. McAdory reviewed the status of Pond 067 project. The project funding was transferred to a different organization (USC) that did not agree to the project terms previously agreed to. Therefore, the project was cancelled.
 6. Unimproved Properties Request on Assessments – Ms. McAdory reviewed the properties in question. The board voted each property separately. **Unanimous consensus for staff to continue research and submit recommendations for Ruddy Turnstone and Eugenia. Assessment due dates will be extended to the end of March. Mr. Sula moved approval to assess the property on Surfsong as unimproved. Mrs. Fenwick seconded the motion. This vote carried unanimously.**
 7. Resolution P-05-13: Board Meeting Procedures – **Mr. Sula moved approval of the addition of the mail vote practice to the resolution. Mrs. Fenwick seconded the motion. This vote was carried unanimously.**
 - B. Joe Croughwell, Director, Security and Safety
 1. Security/Covenant Compliance
 - a. Covenant Compliance (enclosure) – status report for January
 - b. Security (enclosure) – status reports for December and January
 - c. Employee Safety Committee (enclosure) – status report for January meeting
 - C. Controllers Report, Deborah Retalis
 1. Year-End Financials – The 2005 Year-End financials are complete and will be in the March board packet. Auditor will be onsite this week.
 2. Assessments were due January 31. To date, KICA has an outstanding balance owed of \$500,000.
 4. Committees

- A. Finance Advisory Committee: TIPS Purchase (enclosure) – Charlie Larsen, chair of the FAC, presented the FAC’s recommendation for the Association to purchase \$500,000 of Treasury Inflation Protection Securities in April 2006. After some discussion, **Mr. Freeburg moved approval of the recommendation. Mr. Wilson seconded the motion. This vote was carried unanimously.**
- B. Board Liaison Reports
1. Avril Fenwick
 - a. Land and Lakes – As reported previously, pond 67 project will not occur. The Turtle Pond project is on hold due to bids coming in above budget. Jim Jordan gave the “State of the Beach” presentation to the committee—this helped the committee understand what is going on and why the erosion is occurring. 16 “Danger Alligator” signs are missing. The Plant Rescue Program is in place. 53 letters were sent to members with building permits but only 15 responded. The committee plans to put a second blurb in the *Digest* to help make members aware of the program.
 2. Dwight Freeburg
 - a. Major Repair and Replacement – Cinder Creek erosion project is underway. This is approximately a 4-month project. The Terrapin Island Bridge’s independent inspection is complete. The committee expects it to be available for review at the February 9 MRRC meeting.
 3. Dick Sula
 - a. Community Services – A committee member will attend Thursday Night Dinners to help welcome new members to the community. Celebrate Kiawah is finalizing plans; The Fabulous Kays will play poolside and John Holenko will play on the second floor. “Healthcare in America,” the first lecture in a series of lectures will be February 24 at the Sandcastle.
 - b. Human Resources - The committee has analyzed the employee survey. The results will be given to employees at the “State of the Association” address. The turnover rate for 2005 was 52.27%. The committee will be reviewing the records to see what of this percentage is voluntary separation and what of it is involuntary separation.
 4. John Wilson
 - a. Security and Safety – The committee is looking into fine-tuning the speed limit changes. Off-islanders are the largest offender in speeding and reckless driving on the island – especially contractors. The committee has asked for an increase in CCSO patrol to help control the issue. The TOKI representative on the committee suggested KICA become involved in the patrolling and ticketing process. The committee has a large amount of concerns and although no final decision has been made, it believes KICA as enforcement is probably not a good idea.
 - b. Finance – It has been a push to finish the year-end statements and audit. The goal is to have the draft audit available by February 21.
 5. Russ Warren
 - a. Covenant Compliance- KICA is responsible for surveying the trashcan violation situation and TOKI is responsible for enforcement. The reports have increased, but they aren’t being addressed. President Dodge and Mayor Wert will meet to discuss this issue. The committee will focus on fences, gutters, screens and missing boards in February. March and April’s focus will be on bare spots.
 - b. Community Center – The CCAC and CSC will coordinate when working together on member activities. This has been addressed in the 2006 draft charters. A resolution to art hangings in the Sandcastle will be determined when the first floor renovations are complete. The Cinder Creek bulkhead erosion project is underway with a large barge on site.
 6. Faith Dodge
 - a. Communications – The *Digest* is consistently improving. Any comments and suggestions are welcome.
5. Unfinished Business
- A. Bridge Conveyance Policy (enclosure) – the enclosed addendum to SOP 76A specifies requirements for the conveyance of wooden vehicular bridges. **Mr. Freeburg moved approval of the policy. Mrs. Fenwick seconded the motion. This vote was carried unanimously.**
- B. Beach Erosion – Mrs. Dodge reviewed the discussion that took place at the board’s working session indicating TOKI’s role is protector of the beach. After reviewing the timeline and financial obligations of the Town,

Mrs. Dodge suggested KICA pay 25% of the construction costs only, not to exceed \$500,000. This would be only for only this one current renourishment project and would have strictly defined, written terms. No money would be contributed until the Town had secured the necessary permits and a responsible bid had been accepted. **Mr. Sula moved approval of the above terms. Mr. Freeburg seconded the motion. This vote was carried unanimously.** Mrs. Dodge's statement will be in the March *Digest*.

- C. Art Policy – No action will be taken on this issue until the first floor renovations of the Sandcastle are complete. The Renovations Committee received all the information from the open meeting.
- D. Non-Agenda Item – Annual meeting packets were sent out last week. Included in the packets were four proposals to amend the covenants.

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. Tom Winkleman, 297 Surfsong – Mr. Winkleman asked what account would be used to fund the \$500,000 contribution to the Town for beach erosion. Mrs. Dodge responded that the board had researched the item and it would be taken from the Major Repair and Replacement fund, not from a special assessment. This was allowed in the Covenants under Article V, Section VI.
- B. Wendy Kulick, 38 Marsh Edge Lane (handouts) – Mrs. Kulick provided a printout of her questions for the board (attached as exhibit A). She first asked about Terrapin Island Bridge. She was curious about its repair history and what the cost would be to repair the bridge in its current condition. (Pictures provided as Exhibit B). Mrs. Kulick asked what the criteria are that the MRR committee uses for determining when planks for bridges need to be replaced, and other than the bridges to Summer Islands, what wooden bridges are KICA's responsibility. Mrs. Kulick then asked about super-assessments: what document created the super-assessment and when, what properties are subject to them, and how much money has been collected? Finally, Mrs. Kulick asked about proposal 2 of the Annual Meeting packets—exemptions from Reserves Fee for certain transfers. She wanted to know who conducted the analysis for KICA indicating “the current amount of these reserves is believed to be more than ample for the reasonably foreseeable capital projects,” and what would the cost be to resurface the entire parkway? She noted that several weeks ago KRA sold a \$2.5 million piece of property to a related entity. She wanted to clarify that if this had taken place after March 19, 2006 then KICA would not receive a contribution to reserves fee. Mrs. Kulick suggested that given the potential for confusion on the proposals, perhaps KICA should hold a town-hall style meeting to help clarify the issues. She wanted to know why the issue of the CTR transfer fee weren't addressed in the ensuing 12 years since its inception and would this exemption apply to the Resort for property it currently owns and might choose to divide and sell?
- C. Charlie Lipuma, 201 Horned Grebe Court – Mr. Lipuma thanked the KICA Directors for voting to share in the cost of beach renourishment.

Submitted by

Approved at the March 6, 2006 meeting

Carolyn R. McGregor
February 7, 2006

Russell G. Warren
Secretary