



KICA Board of Directors Meeting
November 5, 2007
2:00 pm – Sandcastle

Present: Russ Warren, Chairman
John Wilson, Vice Chairman
Dr. Paul Roberts, Treasurer
Dr. Armand Glassman, Secretary
Dr. Hal Fallon – Member Director
Russ Crane, Member Director

Joe Bunting, COO
Tomi Moore, Staff
Tammy McAdory, Staff
Deborah Retalis, Staff
Norm Shea, Staff

Absent: Buddy Darby-Developer Director

1. Call to Order, Verify Quorum – Chairman Warren called the meeting to order at 2:03 p.m. with a quorum present of directors Warren, Fallon, Glassman, Crane, Wilson and Roberts.
2. Approval of Minutes –September 4, 2007 (encl¹.) (AHO²) – **Dr. Glassman moved approval of the September 4, 2007 board minutes, as submitted. Mr. Crane seconded the motion. The vote carried as follows: Directors Fallon, Glassman, Crane, Wilson and Roberts voted in favor. Chairman Warren abstained.**
3. Chairman's Opening Comments – Chairman outlined the agenda for the membership in attendance.
4. Mail votes-
 - A. Establish a business brokerage account with Fidelity Investments (enc.) (Summarized AHO)- At its October meeting the Finance Committee recommended that the board purchase a brokerage account with Fidelity. The committee stated that by having an approved purchase method it could conceivably take advantage of financial opportunities. The Financial Controls Manual still requires four signatures before any investment purchase can be made, including investments from this new Fidelity account. All directors voted unanimously in favor via mail vote. *There was discussion was about whether 4 or only 2 signatures should be required on the new Fidelity account. No vote was taken.*
5. Operations Initiatives –
 - A. Mosquito Misting Systems update- At its last meeting, staff informed the

¹ Enc.-enclosure

² AHO- Audience Hand Out

directors of 22 known mosquito misting systems. Only two of these systems were registered at that time. Since the last meeting, there have been 24 mosquito misting systems registered. There are nine more systems known to staff that are not as yet registered. Compliance efforts are proceeding. KICA staff reported there are four mosquito misting system companies with customers on Kiawah. Staff also reported it is working with consultant, Joe Conlon, to obtain information on "green products" for misting systems.

B. COO's Operations Report- The COO highlighted the recent and upcoming community events with a PowerPoint presentation.

C. Budget Variance Report 3rd Quarter (enc) (AHO) - The controller, Ms. Retalis, summarized the third quarter budget variance report.

6. Board Action Required (VOTES)

A. Gate Access Policy- (enc.) (summarized AHO) - The gate access policy was last revised two years ago. However, a revision of this document was again made necessary in order to revisit both regulations and practices. Staff sought approval or disapproval of the revised gate access policy. Legal has reviewed this document. Once approval is received, staff will complete an overview of the rules and regulations handbook to incorporate these changes from the board. Staff would also make the new rules and regulations handbook available on the Web site. **Dr. Glassman moved to approve the 2008 gate access policy, as submitted. Mr. Crane seconded the motion. The vote carried as follows: Directors Fallon, Glassman, Crane, Wilson and Roberts voted in favor. Chairman Warren abstained.**

B. 2008 Budget - (enc.) (summarized AHO) - Following the budget timeline, staff prepared the 2008 budget. Included in the budget are assumptions covering revenues, expenses, capital expenditures and staffing levels. These have received review by HR Committee, Major Repair Committee, the Finance Committee (2 reviews) and the KICA directors. Staff requested approval, further revision or disapproval of the 2008 budget. **Dr. Roberts moved to approve the 2008 budget, as submitted. Dr. Glassman seconded the motion. The vote carried as follows: Directors Fallon, Glassman, Crane, Wilson and Roberts voted in favor. Chairman Warren abstained.**

C. Resolution to Designate COO as 401(k) plan sponsor point of contact (enc) (summarized AHO) – Staff sought formal board vote to designate COO as the point of contact as 401(k) plan sponsor and require that COO communicate with board annually via internal report indicating compliance with the administrative requirements of the 401(k) plan as plan sponsor. **Mr. Crane moved to approve the resolution to designate COO as 401k plan sponsor point of contact. Mr. Wilson seconded the motion. The vote carried as follows: Directors Fallon, Glassman, Crane, Wilson and Roberts voted in favor. Chairman Warren abstained.**

D. KINHC Grant Request- Curlew Court (enc.) (summarized AHO) – Staff requested board consideration to approve or disapprove a grant of \$100k for conservancy solely for the purpose of conserving and preserving land at 765 Curlew Court. To date, the board has approved \$400k of the \$500K available to the conservancy. **Dr. Roberts moved to approve conservancy's request for a \$100K grant to purchase Curlew Court. Mr. Crane seconded the motion. The vote carried as follows: Directors Fallon, Glassman, Crane, Wilson and Roberts voted in favor. Chairman Warren abstained.**

E. Board Overview of Directorship – Annual update - (enc.) (summarized AHO) – The *Overview of Directorship* document is provided annually to members who are interested in submitting for a seat on the board of directors. Staff requested approval, further revision or disapproval of revised *Overview of Directorship*. **Mr. Crane moved to approve the 2008 board overview of directorship, as submitted. Mr. Wilson seconded the motion. The vote carried as follows: Directors Fallon, Glassman, Crane, Wilson and Roberts voted in favor. Chairman Warren abstained.**

F. Rhett's Bluff Rules – Consideration of Revision (enc.) (summarized AHO) –The COO requested board consider rules revisions at its September meeting. During that meeting, the board tabled this item to give board an opportunity for further discussion and revisions. There were two subsequent meetings of directors to address possible revisions: October 1 and October 18. Legal review also occurred. There are three primary changes: 1) to correct the language to show that KICA owns the facility, not KRA. (The transfer occurred in 1994.), 2) to address noise from entertainment and 3) to include info that environmental spills cleanup costs are the responsibility of the member or guest boater. *Item #13 will be corrected from "Boat storage may be available for rent for a free from Kiawah Resort Associates" to "Boat storage may be available for rent for a fee from Kiawah Resort Associates."* Staff sought board consideration, approval or disapproval of Rhett's Bluff rules revisions. **Dr. Roberts moved to approve the revised Rhett's Bluff rules. Mr. Crane seconded the motion. The vote carried as follows: Directors Fallon, Crane, Wilson and Roberts voted in favor. Dr. Glassman opposed. Chairman Warren abstained.**

G. Rhett's Bluff Construction Project (enc.) (summarized AHO) - The amount budgeted for Rhett's Bluff restrooms and gate is \$277k. Project went out to bid and low bid is approximately \$310k. Financial Controls Manual does not allow staff to award a contract that is 5% or \$25k over budget. Staff requested board's approval to increase the project budget to \$326,141, which would be the low bid plus a 5% contingency. Low bidder is Cook Construction who indicates that they can commence within one week of receipt of the County's permit (pending) and that substantial completion would occur within 100 calendar days. **Mr. Wilson moved to approve the increase the project budget to \$326,141. This includes the low bid plus a 5% contingency. Dr. Glassman seconded the motion. The vote carried as follows:**

Directors Fallon, Crane, Wilson and Roberts voted in favor. Chairman Warren and Director Glassman abstained.

7. Items for General Discussion

A. Land Search Report- Mr. Wilson reported the developer has indicated it will provide boat storage until 2010. Mr. Wilson stated that Island Storage at Bohicket and River is offering boat storage at a reasonable price. Mr. Wilson also gave a status report on the search for land for commercial pass offices.

B. Strategic Planning Report - Russ Crane reported the amenities and environmental sub-committees are making excellent progress and both plan to have their reports completed by early to mid December. This will leave the remainder of December and January for the board to review, with a goal of plan completion by March 2008.

C. Director Liaison Reports- no reports were given.

8. Adjournment - Having no further business to conduct, the meeting was adjourned at 2:56 p.m. on motion duly made and seconded.

Submitted by

Tomi Moore
November 7, 2007

Armand Glassman
Secretary

KICA Minutes
November 5, 2007
Approved -1-7-08
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