



**Board Meeting
Monday, May 2, 2016
1 p.m. – Sandcastle**

Minutes

Attendance:

Bruce Stemerman, Chair
Marilyn Olson, Vice-Chair
Rajan Govindan, Treasurer
John Connolly, Director
Lynn Morgenstern, Director
Dave Singer, Director
Townsend Clarkson, Developer Director

Staff: Jimmy Bailey, COO
Carrie Newbern, Board Secretary
Shannon White, Operations Manager
Maggie Hawkins, HR Director
Tammy McAdory, COMM/Outreach Director

1. **Call to Order.** Chair Stemerman called the meeting to order at 1:00 p.m. with a quorum of directors.
2. **Chair's Opening Comments.** Chair Stemerman thanked the outgoing directors, for their service and welcomed the returning and new board members to the board. Chair Stemerman thanked staff for the great Celebrate Kiawah event.
3. **Approval of Minutes – (enclosures).** **Director Morgenstern moved approval of the Mar. 7 and Mar. 11 board minutes. Director Connolly seconded the motion. The vote carried unanimously.**
4. **Treasurer's Report –** Director Govindan reported that all expense variances at this time are small and favorable. CTR's as of March were \$23k less than budget and are anticipated to be \$250k below budget in May. Director Govindan discussed that project overruns due to unknown circumstances are listed as emergency repairs, not project overruns. He suggested the board discuss this.
5. **New Business**
 - A. **Conservancy Presentation.** Mr. Dick Fishburn gave a presentation on the "Evolution of the Kiawah Conservancy."

COO Bailey announced the addition of Jane Ovenden as KICA's new Director of Finance and Tony Elder, KICA's new Director of Security.

 - B. **Sandcastle Renovations Discussion** (enclosure) - COO Bailey reviewed the current status and outstanding issues. After some discussion board consensus was for COO Bailey to bring optional plans for next steps to the board at the July meeting.
 - C. **Nominating Committee** (enclosure) – COO Bailey reviewed the need for, and challenges of, the nominating committee. The board consensus was to have the Governance Committee review and bring back to the board for a vote.
 - D. **Town Hall Purchase –**
 1. **Financing** (enclosure) – The Finance Committee unanimously supported financing 100% of the town hall purchase to take advantage of historically low

rates, preserve cash for future flexibility and to spread the loan over current and future owners. **Chair Stemerman moved approval to finance the purchase of town hall as recommended. Director Clarkson seconded the motion. The vote carried unanimously.**

2. **Due Diligence/Rezoning** (enclosure) – COO Bailey reported on three due diligence items contained in KICA’s agreement with the Town of Kiawah: (1) Satisfactory Environmental Report, (2) Satisfactory Structural Engineering Assessment and (3) Rezoning of the property. The first two items have been completed. COO Bailey reviewed the different allowances under Community Services and Commercial zoning categories. After some discussion, board consensus was to continue moving toward commercial zoning status.

E. **Unbudgeted Expense Request** (enclosure) – After review, **Director Singer moved approval of the repair. Director Olson seconded the motion. The vote carried unanimously.**

F. **Eugenia/KICA Access** (enclosure) – COO Bailey reviewed the situation. Board consensus was to move forward with the options presented.

6. COO Reports

A. **Unbudgeted Expense Report** – COO Bailey reviewed the additional emergency expenditures since the March board meeting. **Director Govindan moved major project overruns be reclassified from the emergency fund to the project. Director Singer seconded the motion. The vote carried unanimously.**

B. **Major Repair and Replacement Report.** COO Bailey reviewed the 2016 MRR projects and answered questions relating to them.

C. **Livability Report** – COO Bailey reviewed the Livability statistics, including encroachment, safety issues, Comcast complaints and covenant compliance issues.

D. **Miscellaneous Updates.** COO Bailey thanked staff for its work on Celebrate Kiawah and congratulated Chair Stemerman on a successful Motoring Retreat. He announced that the Town’s groundbreaking ceremony for its new town hall is Tuesday at noon. Finally, he congratulated KICA staff members Dianne Bifalco, Bob Grafing and John Buice on a job well-done while the Director of Finance and Director of Security positions were vacant.

7. **Other Board Member Comments.** Director Connolly asked if the initial push to remove tallow trees from the island was complete. COO Bailey responded that the initial push was very effective and that KICA’s budget has an annual expenditure dedicated to tallow tree removal.

8. **Adjournment.** There being no further business to conduct, the meeting was adjourned at 2:50 p.m.

Submitted by:

<u>Carrie Newbern</u>	<u>7/12/16</u>
Carrie Newbern, Secretary	Date