



**Board Meeting  
Monday, January 9, 2017  
1 p.m. – KICA Sandcastle**

**Minutes**

**Attendance:**

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

Staff: Jimmy Bailey, COO  
Shannon White, Operations Manager  
Jane Ovenden, Director, Finance  
Tammy McAdory, Director,  
Holly Newman, Secretary

**Absent:** none

1. **Call to Order.** After making brief comments about Boardwalk 22 and Security issues, Chair Stemerman called the meeting to order at 1:18 p.m. with a quorum of directors.
2. **Chair's Opening Comments.** Chair Stemerman introduced the candidates for Board election; Cathy Pumphrey and Ben Cheatham.
3. **Approval of 11/7 Minutes (encl).** Director Morgenstern moved approval of the minutes with clerical corrections, Director Connolly seconded the motion. The vote carried unanimously.
4. **Approval of 12/20 Minutes (encl.).** Director Connolly moved approval of the minutes with clerical corrections, Vice Chair Olson seconded the motion. The vote carried unanimously.
5. **Treasurer's Report.** Treasurer Govidan reported:
  - As of November 30, actual expenses were very close to budget, excepting a surplus of the 2016 SAA. YE closing is in progress and the audit report is expected for the Annual Meeting.
  - A review of prior years' MRR is in progress.
  - 2017 variances expected due to pipe repairs and Hurricane Matthew expenses.

Treasurer Govidan recommended to move monies from the general fund to the MRR fund. Chair Stemerman requested the FC review this recommendation and bring a formal proposal to the Board at the next scheduled meeting.

## **6. New Business.**

- A. KIU Rate Increase.** Becky Dennis and Craig Sorensen presented their case for rate increase. (PPT enlc.)
- B. Named Storm Policy.** Director Morgenstern moved to approve with clerical edits, Director Clarkson seconded the motion. The vote carried unanimously.
- C. Boardwalk Construction Policy.** Director Clarkson moved to table the issue for further discussion. Director Connolly gave second to the motion. All were in favor.
- D. 80% Calculation.** COO Bailey reported that the calculation becomes null as of 1/1/18 and this is the final calculation to determine developer rights. No action is required at this time.
- E. FC Charter Amendments.** Director Connolly moved to approve with clerical changes, Director Morgenstern gave second to the motion. The vote carried unanimously.
- F. Covenant Amendment (encl).** COO Bailey presented the proposed change to the covenants. Director Connolly moved approval as presented, Director Morgenstern seconded the motion, noting clerical changes. The vote carried unanimously.
- G. Annual Meeting.** Director Clarkson moved to approve the Rules of Conduct with clerical changes and the Ballot with the addition of a write in option. Director Connolly gave second to the motion. The vote carried unanimously.

## **7. COO Reports**

### **A. 2016 Unbudgeted Expense Report.**

- MRR Reserve Emergency Expenditures for drainage repair at Turtle Point Golf Course, Hole 11 was approved by COO Bailey due to their emergency nature. The work was completed in December 2016 in the amount of \$169,940.00

### **B. Major Repair and Replacement Report.**

- 2017 projects are well under way w/ a major drainage repair project at Cougar Point, unrelated to the emergency repair, including pond dredging and a change order to dig and replace as spin casting became unavailable due to pipe condition.
- Approved and scheduled for immediate start are the Summer Island Bridge repairs and the Rhett's Bluff Dock System replacement (a Hurricane Matthew expense). COO Bailey reported on the status of MRR projects noting roads and bridges currently under review are expected to be seen in the 2017 budget. Budget Process Update. COO Bailey reviewed the budget process and timeline.

**C. Miscellaneous Updates.** COO Bailey reported on the following:

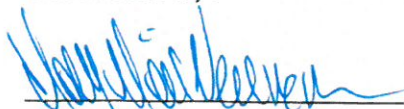
- A meeting of concerned members was attended by Tony Elder, Director of Security to discuss security concerns on the island. The meeting was well attended and lasted approx. 3 hours. A follow up is being scheduled and a document presented, post meeting, by Denise Baker will be shared with the Board. COO Bailey explained that KICA engages in premises security and that complete Island security is shared by many entities. Mr. Elder was asked to identify possible areas of improvement upon his hire and was able to share many enhancements and changes to alleviate concerns. All members are urged to call 911 for all emergencies.
- Johns Island Task Force is working towards road improvements that can be agreed upon. A deadline, of May 2017, was noted for completion of a 3rd lane, inbound to Johns Island from the Gelegotis Bridge to the Maybank Highway intersection.
- COO Bailey's meetings with each staff member are complete and the process of synthesizing key themes is under way.

**8. Other Board Member Comments.**

- Director Morgenstern thanked Denise Baker for the proactive approach to the security issues, thanked Tony Elder, Director of Security, for answering all security questions presented and commented that a communication showcasing the solutions in process should be showcased.
- Director Connolly provided a reminder that the Annual Meeting is March 3, 2017 and urged those present to attend.

**9. Adjournment. There being no further business to conduct, Director Olson moved to adjourn, Director Connolly seconded the motion, the meeting was adjourned at 2:39 p.m.**

Submitted by:

  
Holly Newman, Secretary

3/6/17  
Date