

KIAWAH ISLAND  
**COMMUNITY**  
ASSOCIATION

**BOARD OF DIRECTORS**

**Meeting Minutes**

**September 13, 2021 at 1 p.m.**

**Virtual Meeting**

Board Members Present:

Dave Morley, Chair

Jerry McGee, Vice Chair

Alex Fernandez, Treasurer

Sandy Devine, Secretary

David DeStefano, Director

Brad McIlvain, Director

Beth Zampino, Director

Gaye Stathis, Director

Townsend Clarkson, Developer Director

Staff Members Present:

Shannon White - Interim COO

Ellen Festa, Executive Assistant

Emily Jenkins – Communications Specialist

Member Attendees: 55

Recording of Meeting: <https://www.youtube.com/watch?v=FEJM5WHgJPA>

**1. Member Comments – Agenda Topics**

- Dissenting comment on Cassique contract – due to costs, tax status, staffing issues and impact to level of security for KICA.
- Annexation issue – would like to hear comments from Board on that. Dave M. will address in opening comments.

**2. Call to Order**



Chair Dave Morley called the meeting of the Kiawah Island Community Association Board of Directors to order at 1:07 pm.

### 3. Opening Comments

- Comments by Dave Morley on proposed Andell West Annexation. Board met first time this morning to discuss. Shannon met with Town to better understand timelines. Decision likely several months away. "It was decided that we could start by spending time to better understanding the project and determine the critical questions that we have, which could inform a decision on KICA's position...I do want to clear up one piece of confusion. The development and/or annexation does not in any way automatically allow membership to KICA and the only way for those people to be included as KICA is with a vote of the community. There are questions about the overall impact on the island that need to be understood, but KICA membership can only be decided by the current KICA members." Brad McIlvain and Gaye Stathis will lead the effort to identify questions & issues and we will have open discussion at the Oct 4<sup>th</sup> Board meeting.

### 4. Administrative

#### a. Ratification of E-Vote – Cassique Security **(Vote)**

Alex Fernandez commented that Taxes will need to be paid on the net income derived from fees paid to KICA for providing security services per agreement with the Cassique HOA.

**Vote Passed. (6) In favor** – D. Morley, J. McGee, G. Stathis, B. Zampino,  
S. Devine, T. Clarkson

**(3) Not in favor** – B. McIlvain, A. Fernandez, D. DeStefano

#### b. Ratification of E-Vote – Approval of July 2021 minutes **(Vote)**

**Vote passed unanimously (9-0)**



## 5. Reports

### a. COO Report – Shannon White

#### **Sandcastle**

- Extended facility hours 7 am – 8 pm, water aerobics now to start at 9 am. Looking at additional fitness class options.
- Heating of Family pool – site work is underway - platform construction first followed by install of heaters. Board approved \$144K for the project - \$108K contracted to spend, plus an additional \$6K for landscape mitigation.

#### **Drainage projects**

- Projects routinely start post Labor Day. Contracted \$700K project to repair metal storm water drainage pipes on west side of Greensward to Conifer, under the Parkway and into Oyster Rake neighborhood. Project is underway.

#### **Flood mitigation**

- (2) projects are currently out to bid. The projects include the install of an additional pipe on western side of Sea Marsh and eliminate the “bowl” on the Kiawah Island Parkway at Green Dolphin intersection.

#### **Pintail Pond**

- Sustained some infrastructure damage to the pond bank close to the trail at Pintail Pond during Hurricane Irma. Designed and received permitting to start work on install of wooden bulkhead – contracts are signed, materials ordered – scheduled to finish end of Nov. Project cost: \$68K

### b. Treasurer’s Report - Alex Fernandez

#### **Finance Report**



- Alex commented about having to pull our financial reports. We are making corrections to errors detected – they are back on website as drafts. Auditors will be on-site Sept 20-22 to review corrections made.
- Finance Committee meeting on 9/22 will also review errors found and corrections made – Auditors will attend this meeting and questions will be addressed.
- YTD – July financials are delayed and will be posted once all information is corrected and updated. Numbers reported below are as of June 30, 2021:
  - a. In great shape running strong to CTR – over \$2M – significantly over budgeted. Last year we collected \$3.8M. These funds strengthen our reserve.
  - b. Commercial access fees up 20% - lots of island activity.
- Expenses: Below budget by \$200K – should be on or below budget by year end.
- No concerns, no issues with our Financials.

**c. Kiawah Conservancy**

There are a few properties which are owned by the Conservancy and are still classified as A2 undeveloped properties and are used as collateral. As such, these properties are assessed. The Financial Controls Manual authorizes COO to write off amounts up to \$5,000 provided it is reported to Board. This is done annually and for 2021, we will be writing off General and Flood assessments for these properties in the amount of \$3,952.

**6. New Business**

**a. Kiawah Partners – request to expand Rhett’s Bluff Dock**

Dave Morley clarified that this is not a Vote, was never intended to be a vote. This is simply a discussion with the community to understand the proposal, get the right questions to ask and then this would be a future meeting where this would come to a Public vote.



Proposal from Kiawah Partners to expand the Rhett's Bluff dock by 20 ft. at the western side. Currently used by KICA Members, Tidal Trails, GoKiawah. Kiawah Partners is offering to build and pay for the expansion. Staff has no objections – Kiawah Partners is responsible for obtaining permitting and ARB approval, must match existing materials and aesthetic and approved by KICA Land Mgmt. Alex would like to see plan/rendering of what it will look like.

Clarified that the new dock extension would not change usage – still no overnight boat storage or jet ski launch allowed. KICA would be responsible for ongoing maintenance once completed, as the dock extension will become our asset.

Discussion about assets that are not covered by insurance for various reasons, ex: Boardwalks, docks etc. We use reserve funds for these kinds of repairs in the event of damage due to storms. Discussion about access to and use of town waterways, state waterways, private docks, no wake signage, boat speed limit signs etc.

#### **b. Board Outreach & Education Committee**

The Board Outreach & Education Committee is assembled, will focus on education and outreach. Clarified that the Committee no longer makes recommendations. Materials to be assembled with information on what it means to serve, responsibilities, time commitment. Public announcement on committee members will go out once applicants have been notified.

Timeline is in place:

- Open houses scheduled for 10/12 and 10/13 – one in person, one virtual.
- Applications open 10/14 for 1 month – will close on 11/15.
- Normal process will be followed: assemble info, produce candidate videos, conduct interviews.

Caveat is how the pending Board Expansion litigation will impact this timeline. We will deal with this accordingly and modify timing if that impacts the timeline.



## 7. Board Member Comments

- David DeStefano – Annexation. Surprised that we found out same time as everyone else. Expressed concern about potential change of political makeup of the Town as a result of all the new residences in the proposed development. Currently there are no off-island residents that vote.

## 8. Member Comments

- **Governance** – Status of critical initiatives related to Governance within KICA and other entities. Brad indicated they are working on it, doing analysis to easily understand our CCRs and By-Laws. Not going as fast as they'd like, but it is important work. Sandy stated they were first trying to simplify language in CCRs to a more current, understandable state. Other events have taken precedence over this project, but we will be putting more energy and emphasis into it.
- **Agenda items** – Agenda seemed short given some current issues such as recent vehicular accident, speed limit changes, stop sign issue, annexation issue, Director of Finance replacement and high number of board e-Votes.
  - Commented that we not refer to stop sign issue as a Con – safer is a good thing, more safety should not be a Con.
  - Google Maps has wrong speed limits – please look to address correcting this once speed limit issue is resolved.
    - Shannon White commented on recent accident and update on victims' recovery. Stop sign and speed limit issues both discussed at Aug 19 meeting – currently both issues are being addressed by the Security Task Force as they develop recommendations. Both topics will come back to public meeting for final vote. Google Maps challenging to correct but will work on this once speed limits are changed. Director of Finance position is open on Indeed, seeking a CPA qualified candidate.
    - Beth Zampino – Board is looking at reducing e-Votes taken between meetings.



- David D commented that Security Task Force is looking at all issues related to stop sign and the various different options.
- **Rhett's Bluff Dock extension** -Ensure that new dock extension does not infringe on neighboring homeowner's dock. Please give consideration to the potential impact from the neighbors' perspectives.
- **Bike path signage** – Zero signage on bike paths that state cars have right of way.
- **Enforce bike safety rules collectively with Resort and KICA.**
  - Consider signing a waiver when renting bikes, provide bike safety guidelines to help them understand important biking rules on the island. Safety should be first.
    - Jerry stated that the above 2 points are good points and all are being addressed by the Security Task Force.
    - David D added that we do need to also look at bike path sight lines, not just cars. For non-residents and non-renters, no official information or bike path rules or safety is provided.
    - Gaye added that more information needs to be provided about pedestrian right of way rules/laws here in SC and how they apply on Kiawah. Bike path signs are very small and we need to look at ways to improve the visibility of that signage.
  - Discussion about history of signage on Kiawah, and how it's been minimized. Look at ways to work with ARB to change with the times - signage should be a safety issue, not an ARB issue. Task Force to look at signage to build consistency on size, location and color.
- **Comments on boat wake zone and guidelines in this area.**
  - Pedestrian crossing, can we get clarification whether State Laws apply on Kiawah. If so, what are plans for signs stating pedestrians have right of way.
- **Portfolio Value Summary**



- o For the past two years, there have been no additions to our net investments – why?
  - Alex commented the Finance Committee will be looking at this and addressing.
  
- **Task Force Meetings** – will those meetings be public?
  - o David D – commented that the task forces only make recommendations. It would be cumbersome if they are opened to the public. Public input will be received at public board meetings. All studies and information received is shared with the Task Force as part of their review. There are many solutions and options that the Task Force is reviewing.
  - o Jerry – look to sit down with the ARB and discuss our challenges to come to mutual understanding of what changes need to be made to address changes on the island.
  
- Suggestion to paint leisure trail stop signs a brighter or more reflective color, to make them more noticeable.
  
- Thank you for addressing all the issues related to Finance. Kudos and thanks for Sandcastle extended hours and water aerobics changes.
  
- **Monarch Butterflies** - Gaye extended invite to Monarch butterfly presentation at Sandcastle Sept 29<sup>th</sup>
  
- **Roberts Rules of Order**- Is there an update on this? Dave M. stated we have reached out to a parliamentarian – doing our homework on what are implications of using Roberts Rules.
  
- **ARB**
  - o Community frustration with ARB. Is KICA in a position to change structure of ARB due to thresholds, and increased number of sales?
    - Dave M. –Need to understand the implications of how this would work once we reach the threshold?





- Brad – We have passed the threshold where we don't need ARB consent to covenant changes. However, no threshold related to ARB transferring. Development agreement with KIP and town runs till 2026. Overlapping things, no simple answer.
- Sandy D. – look to develop feedback from community about ARB, what's working, what's not working regardless of where it lands. Capture general themes from the community.

- **Hurricane Fund / Assets**

- o How many uninsured assets does KICA have besides dockage and boardwalks?

- Alex - Docks/Boardwalks not insurable, vehicular bridges not covered, however, we do have deductibles on some assets such as roofs etc. Roads & trails are covered by small policy. Previous board approved a policy to hold \$500K in reserve for storm repair. This will be discussed during the 2022 budget process.

- **Pedestrian crosswalk**

- o Consider moving pedestrian crosswalk immediately after the V-gate farther east. Bikers/pedestrians need to cross over 2 separate traffic lanes which is dangerous. Please add to security task force agenda.

- **Front Gate signage**

- o Signage on which lane to use should be moved as it is confusing as to what is a pass vs bar code. Sign at stop sign states pass office to right. Would like to ensure Security Task Force is looking at all these issues and addressing fluidity of traffic moving through the Main Gate.
  - Jerry - all good ideas that Task Force will look at, including crosswalk at second gate. Dave D – will look at crosswalk issue to minimize pedestrians crossing over 4 multiple lanes of traffic at second gate – moving crosswalk



may help. Town is looking at making changes to the Beachwalker intersection which will impact the main gate.

### ● Annexation

- o With all concerns and potential impacts to Kiawah members, would like to encourage the Board to step up and get ahead of it instead of waiting for it to become a done deal.
  - Dave M.- agree we need to move forward in our understanding. It will be a discussion at the Oct 4<sup>th</sup> meeting as we gather more information, understanding and questions.

### ● Preserve

- o What are enhanced services? No written standard, not clear what extras they are paying for. What is right thing to do for residents who have been paying for these services that are undefined?

Dave M – information about services provided was discussed at community meeting prior to Preserve vote. KICA has subsidized the Preserve for years and this information was used in calculating assessment.

Dave D clarified paid services as irrigation, mowing and pine straw that is not provided to other areas.

### ● COO Position

- o Update on external search to fill COO position
  - Dave M. – should have announcements shortly, but giving Shannon the time in position before deciding if it's worth the time and expense of an outside search.

### ● Electric equipment

- o Brad gave quick update on electric equipment – delays in delivery due to COVID.



With no further business, the meeting adjourned at 3:03 pm

Respectfully submitted,

*Ellen Festa, Executive Assistant*

DRAFT

