

KIAWAH ISLAND
COMMUNITY
ASSOCIATION

BOARD OF DIRECTORS

Meeting Minutes

December 6, 2021 at 1 p.m.

Virtual Meeting

Board Members Present:

Dave Morley, Chair

Jerry McGee, Vice Chair

Alex Fernandez, Treasurer

Beth Zampino, Director

Brad McIlvain, Director

David DeStefano, Director

Gaye Stathis, Director

Amanda Mole, Developer Director

Board Members Not Present:

Sandy Devine, Secretary

Staff Members Present:

Shannon White - COO

Ellen Festa, Executive Assistant

Emily Jenkins – Communications Specialist

Tony Elder – Director of Operations

Member Attendees: 41

Recording of Meeting: <https://www.youtube.com/watch?v=Twd-i73agrU>

1. Member Comments – Agenda Topics

- Comment on change in board meeting format in December from community conversations to a formal meeting.
- Concerns about the stop sign and speed limit discussion. Comments that not enough documentation shared with the members. Member did meet with representatives of the Security Task Force and received good information at that discussion. Questions to be answered include: When will this be implemented, when will we know that the speed limit changes have been effective and how will enforcement be handled? Member reiterated the benefits of a stop sign, as it can be moved in quickly and can impact traffic immediately.



- Comment on role of Finance Committee (FC) in relation to audit. According to AICPA – audit committee may not be made up of FC members. Board should consider appointment of an Audit Committee. FC does not satisfy that requirement.
 - Alex F. stated that the board historically has not had separation of Audit Committee from FC. He indicated the issues will be looked at and will come back with a recommendation.

2. Call to Order

Chair Dave Morley called the meeting of the Kiawah Island Community Association Board of Directors to order.

3. Opening Comments

- Dave Morley expressed the board’s condolences and sympathies to Sandy Devine and her family for the sudden passing of her husband.

4. Administrative

a. Approval of 11-8-2021 Minutes (**Vote**)

Approve with following amendments:

- Page 2 – correct 2020 budget reference to 2022.
- Page 4 – original Finance Committee recommendation for 0% assessment increase – should be corrected to 3%.

Vote Passed: (7) In favor – D. Morley, J. McGee, G. Stathis, B. McIlvain,
A. Mole, D. DeStefano, A. Fernandez

(1) Abstained – B. Zampino (Not present at Nov mtg.)

(1) Not present – S. Devine

5. Reports

a. KIU Rate Increase Report

- Craig Sorensen & Becky Dennis reported on a potential rate increase that KIU has filed for.
 - Reported on Capital Projects, Service Enhancements and highlights
 - AMI implementation – new meter technology. KICA can assist with communications when they are ready to roll it out



- Proposed Rate increases:
 - Residential 9%
 - Commercial 8%
- If approved, new rates will go into effect in June of 2022
- Last rate increase filing was in 2018 based on 2017 expenses
- An 8% rate increase for 6 months was accounted for in our 2022 Budget

b. COO Report – Shannon White

Sink Hole Issue

- Sink hole developed this morning adjacent to the curbing at Otter Island Rd. in the outbound lane. Garbage truck involved – tow truck on the way. Our Engineers are on-site and contractors will be doing initial repairs in the morning. Outbound lane currently closed.

Berkeley Electric upgrade project

- Undertaking a significant electrical upgrade project starting in 2022. It will run down Kiawah Island Parkway, along Governor’s Drive to the Berkeley substation near the mansion site. Due to the scope and size, it is being coordinated with Berkeley, KICA, ARB, KIU and TOKI. Members may expect to see removal of underbrush at sites through the end of the year. Construction to begin in 2022.

Staff Updates

- Director of Finance – interviews continue
- Director of Security – have several interviews scheduled this week.

Marathon

- Reminder to the membership that the annual Kiawah Marathon is this Saturday and there will be road closures starting at 7:30 am. The route is different this year, so there will be different road closures and this information is posted on the KICA website. Sandcastle will have a delayed opening on Saturday at 2 pm due to racers still being in the area.



c. Treasurer's Report - Alex Fernandez

Audit

- Audit team proceeding with the 2021 Audit – first presentation will be to the Finance Committee in February, followed by board approval in March and then presentation to the membership.

Preserve Assessment (Vote)

- The board asked Alex F. to review the financials for the Preserve segment assessment. The Preserve's segment assessment received the same 3% increase for 2022 as the general assessment. After review of the financials, Alex F. has determined that a 3% increase to the Preserve's segment assessment is not warranted at this time. Numbers are similar to previous budget figures and there are some outstanding items that may lower their costs. He is recommending a 0% increase to the Preserve segment assessment for 2022 and they will revisit the Preserve financials at the end of 2022. Motion to approve made by Alex F. and seconded by Dave DeStefano.

Vote Passed: (8) In favor – D. Morley, J. McGee, G. Stathis, B. McIlvain,
A. Mole, D. DeStefano, A. Fernandez, B. Zampino
(1) Not present – S. Devine

6. New Business

a. Finance Committee Charter (Vote)

- Finance Committee (FC) updated the Charter and made several changes:
 - Chair of the FC will be the Treasurer of the board, unless the board deems an exception is necessary.
 - FC members' terms changed from 3 years to 4 years, with staggered terms for continuity
 - FC members will resign if elected to the board.
 - Review of operating results and budget variance reporting changed from monthly to quarterly.
 - Changed review of KICA's capital projection spending plans from 10 years to 5 years
- Motion to approve Charter made by Alex F. – seconded by Brad M.



- Comment by Dave M. to remain open as to how the Audit functions within the Finance Committee as per members' comment. Alex F. agreed and will have the FC look at this issue.

Vote Passed: (8) In favor – D. Morley, J. McGee, G. Stathis, B. McIlvain,
A. Mole, D. DeStefano, A. Fernandez, B. Zampino
(1) Not present – S. Devine

b. Reserve Fund Policy (Vote)

- We did not have a Policy in place for the Finance Committee and board to manage our MR&R reserves. This policy establishes guidelines for the Finance Committee and future boards. Alex F. made a motion to approve the Reserve Policy, seconded by Jerry M.
- Approve with the following amendment:
“maintain up to 50% funded level over the life of the infrastructure replacement”

Vote Passed: (8) In favor – D. Morley, J. McGee, G. Stathis, B. McIlvain,
A. Mole, D. DeStefano, A. Fernandez, B. Zampino
(1) Not present – S. Devine

c. Security Task Force

i. Speed Limit Changes (Vote)

Tony Elder presented a proposal recommending the standardization of speed limits on Kiawah Island Parkway, Governors Drive, and Ocean Course Drive to 30 mph, except for gate areas. If approved, Security Task Force will implement a comprehensive communications plan so that the community is aware of when the changes will be in effect. In addition, they will review data collected at the end of first quarter in 2022 to see if the changes implemented are having the desired effect. After review of all the information presented, a motion to adopt the speed limit changes was made by David DeStefano and seconded by Jerry McGee.

Vote Passed: (8) In favor – D. Morley, J. McGee, G. Stathis, B. McIlvain,
A. Mole, D. DeStefano, A. Fernandez, B. Zampino
(1) Not present – S. Devine



- ii. **Intersection of Flyway, Bufflehead & Glen Abbey (Vote)** Today's vote is just on the speed limit reduction on Flyway. There has been no decision yet on the 4-way stop sign as there are interim steps that will be taken before approving a stop sign.

Tony Elder presented the recommendation to continue to monitor the increased line of sight, as previously accomplished, and reducing the speed limit on Flyway Drive from 25 mph to 20 mph to increase safety at this intersection. Jerry M. commented that the Task Force understands the passion and concerns many members have about this issue and that they will not be dismissed or ignored. He feels this is the best first step we can take to achieve a safer enforcement. This was supported by Beth Z. who thanks the task force for all their hard work and feels all the work and the plan to monitor and track results is a great start to improving things in this area.

After review of all the information presented, a motion to reduce the speed limit on Flyway was made by David DeStefano and seconded by Jerry McGee.

Vote Passed: (8) In favor – D. Morley, J. McGee, G. Stathis, B. McIlvain,
A. Mole, D. DeStefano, A. Fernandez, B. Zampino
(1) Not present – S. Devine

d. 2022 Annual Meeting – Shannon White, COO

- Some key dates for the upcoming board election for 2022:
 - December 8th – Date of Record for the election - any closings after this date will not be eligible to vote.
- Candidate Video Interviews are complete and will be published to the community on December 28th.
 - Brad McIlvain commented on the potential to release candidate information earlier than December 28th. Those without email will receive packets via US Mail and they will be mailed by December 27th.
- Meet the Candidates evening – January 5, 2022 at the Sandcastle 4 pm – 7 pm.
- Vote opens on January 10th and closes on February 9th
- New board members will be seated at the Annual Meeting on March 11, 2022



7. Board Member Comments

None

8. Member Comments

4-way Stop

- Member commented on need for line of site analysis for pedestrians.
- Member inquired about putting in a crosswalk.
 - Tony Elder stated this is being looked at as part of the overall holistic assessment of what needs to be done in this area.
- Member commented that it is disappointing that we are using the fact that there have been no accidents as part of the criteria.

Flyway / Bufflehead

- Member question: Can we work with ARB to put signs up that say Local Traffic Only?
 - Tony E. stated that it is being looked at.
- Member asked if moving bike path near the Vanderhorst gate area further east is still being considered?
 - Tony E. said it is still being considered, but need to address multiple issues and it is on the Security Task Force agenda.

Berkeley Project

- Member question: If there is significant digging involved, will it impact existing bike paths and any work being done as part of the upcoming road improvement project?
 - Shannon W. stated they don't work on the roads specifically, they are meeting with all the entities to see exactly where the work will be and we'll get more information out to the membership. Dave D. said there's very little excavation – they utilize a multi-directional boring machine that does most of the work underground.

KIU Rate Increase

- Seems like a significant increase – Shannon will send the member the link to KIU so he can see more information about what went into the increase.

Financial

- Member asked for information about how to apply for the Finance Committee.
 - Alex F. indicated there are no current open positions but directed him to KICA website.



- Member also asked what happens to surplus funds.
 - Alex F. directed him to the financials / balance sheet and that we're working on showing more information about how it's broken down.

Reform it Now

- Member question: There is a petition circulating to help influence the town to change their ordinance related to development processes. Has the Board discussed whether they will support this effort? Would the Board agree to publicize this in our weekly communications?
 - Brad M. and Gaye S. are working on a statement related to this and we can publish this on our website. The board will then review and vote on this electronically. We will include the link to Reform It Now in our communication.

Speed Limit Change

- Concerned about increase of traffic on Governor's once the speed limit on Flyway is changed. Consider revisiting this impact.

Wi-Fi Phone Cable

- Member had raised this issue back in August to look at providing alternatives to Comcast for Wi-Fi, phone and cable services that could be offered as a KICA amenity to the membership. It appears we used the same company to do research that negotiated Comcast – seems like a conflict of interest. Concerned about Comcast and their reputation of poor service.
 - Shannon W. clarified – we did contact Hotwire – they do not service this area. We use CCG and it is an independent 3rd party consulting firm. Alex F. indicated it is on the agenda to look at, however, other recent priorities have taken precedent.

With no further business, the meeting was adjourned at 3:06 pm.

Respectfully submitted,

Ellen Festa, Executive Assistant

Approved by Board of Directors: January 10, 2022

