

KIAWAH ISLAND
COMMUNITY
ASSOCIATION

BOARD OF DIRECTORS

Meeting Minutes

July 11, 2022 at 1 p.m.

Virtual and In-Person Meeting

Board Members Present:

Jerry McGee, Chair

Beth Zampino, Vice Chair (Virt)

Lisa Mascolo, Director

Brad McIlvain, Secretary

Alex Fernandez, Treasurer

Amanda Mole, Developer Director

Board Members Not Present:

David DeStefano – attending County Planning Commission meeting

Staff Members Present:

Shannon White, COO

Mark Ruppel, Interim Director of Security

Tony Elder, Director of Operations (Virt)

Ellen Festa, Executive Assistant

Member Attendees: (15)

Recording of Meeting: <https://www.youtube.com/watch?v=RF4gz68oyPc>

1. Member Comments – Agenda Topics

- Member asked what the top speeds are recorded at the intersection of Bufflehead and Glen Abbey. Will the Board consider redoing analysis for that intersection for pedestrian crossing? Jerry stated that speed data will be reviewed in the 2nd Q Traffic report later in the meeting and then Board will see what our priorities are, but we will take it under advisement.
- Member asked if all Board Members complied with the Conflict of Interest policy and were any conflicts identified?
 - Brad stated that all Board members have signed the COI.



2. Call to Order

Chair Jerry McGee called the meeting of the Kiawah Island Community Association Board of Directors to order @ 1:10 p.m.

3. Chair Comments

Jerry commented that it is an interesting time on Kiawah with a lot of change. There's a great deal of construction going on and the island is more popular now than it's ever been. Everyone feels the strain, and we're doing our best to attend to all your comments. A number of bodies govern the island and interacting with those bodies is an important part of what the Board has to do. We want to have good relations with all of our partners, and ensure we have open and clear channels of communication. There are challenges with that, and it's not always clear what each entity does - we need to be more transparent. Board has agreed that they will reach out in a collaborative way to understand things so we can be of better service to the membership. We are dedicated to hearing from you – the challenges are not going to go away, but we are hard at work addressing the issues.

4. Administrative

a. Approval of June 6, 2022 Minutes **(VOTE)**

Vote Passed: (6) In favor – J. McGee, B. Zampino, B. McIlvain,

A. Fernandez, A. Mole, L. Mascolo

(1) Not Present – D. DeStefano

b. Ratification of e-Vote – Purchase of Backup Server **(VOTE)**

Vote Passed: (7) In favor – J. McGee, B. Zampino, B. McIlvain,

A. Fernandez, A. Mole, L. Mascolo, D. DeStefano (*Voted Yes electronically*)

c. Ratification of e-Vote – Purchase of upgraded Firewall at Sandcastle **(VOTE)**

Vote Passed: (7) In favor – J. McGee, B. Zampino, B. McIlvain,

A. Fernandez, A. Mole, L. Mascolo, D. DeStefano (*Voted Yes electronically*)



5. Reports

a. COO Report – Shannon White

- July 4th weekend - Sandcastle welcomed 3,200 people - up from 2,600 in 2021. July 4th holiday welcomed 1,116 people - up from 808 in 2021. Still an upward trend from 2019. Castle Grill revenue was over \$10K each day. July 4th – gross was over \$17K.

Projects

- Phase II of the road paving project is complete. One phase remains and our engineers are working with Banks Construction now to finalize the schedule and that will be shared with the community.
- We continue to work on smaller metal drainage pipes. Nu-Pipe is working on a \$400K drainage repair project in the Sea Marsh neighborhood. Pipes have been cleaned and video done. New cured-in-place liners have been ordered and this repair work is scheduled to begin this week.
- Summer Islands bridge re-decking project – currently delayed due to supply chain issues as we wait on these large timbers.
- Article and video regarding the newly installed electronic gate at Beachwalker outfall – allows us to electronically open/close the gates in conjunction with tide cycles, even when personnel are not on the island or we cannot access the island due to storms. Next drainage basin project will be at Canvasback Pond.
- KICA working with Stantec on final planning and bidding of our last flood management project scheduled to begin this fall.
- Land management team has begun LOS on main parkways starting at KI Parkway and Governors.
- Meeting with A/V companies to improve video and audio quality in Bobcat Hall so should see more improvement by Sept Board meeting.
- Brad asked about the smaller bridge at Falcon Pt. – Shannon will ask engineers about it.

To Do: Ask engineers about the small bridge at Falcon Pt.



b. Treasurer's Report - Alex Fernandez

- CTR money continues to come in – 42 closings on the island in June. As of June 30, we have surpassed CTR budget of \$2M for all of 2022. We are at \$2.07M.
- 990 Tax form is now on the KICA website for members to review. Additional form was filed for Cassique contract, there was no tax consequence. The Cassique contract will not continue as of July 31, 2022 as per agreement with all parties.
- Alex provided an update on delinquent accounts as of July 11 – \$25,725 in overdue assessments remain with 9 liens filed.
- 2nd Quarterly Financials will be published next week.

6. New Business

a. Investment Policy changes

- Alex reviewed (2) recommended changes by the Finance Committee.
 - Investment Policy will show that our Investment Manager will now manage our short-term Cash on hand. We have a substantial amount of cash (\$14M) that is not generating any investment return and surpasses the protected \$250K FDIC. The cash has been moved into short term funds (i.e.: Treasury bills) that will generate investment return.
 - Asset Allocation ranges will be modified. Equities guidelines will increase to 35% with an acceptable range of 30-40%. Cash guidelines will move to 2% with an acceptable range of 0-5%.
- Alex stated that we have had our current Investment Manager for 4 years. Per our policy, we should go out to bid every 3-5 years. The Finance Committee voted to go out to bid to check the markets. RFP letter is going out today with responses requested by August 15th. FC will review the bids between August 15th and September 1st, conduct interviews and come back with a recommendation by October 1, 2022. No issues with the current Investment Manager who will be included in the RFP.
- Alex made a motion to approve recommended changes, seconded by Brad.

Vote Passed: (6) In favor – J. McGee, B. Zampino, A. Fernandez,
B. McIlvain, A. Mole, L. Mascolo

(1) Not Present – D. DeStefano



b. Annual Charter Review

- **Human Resources Committee**

- Beth Z. reviewed recommended changes by the HR Committee.
 - Membership changed from 3 KICA members 4
 - Conflict of Interest policy to be signed by all Committee members
 - Added the word ‘annual’ in compensation ranges giving Staff the leeway to review compensation as market conditions warrant.
 - HR Committee to provide Staff with any assistance they made need.
- Beth made a motion to approve recommended changes, seconded by Jerry.

Vote Passed: (6) In favor – J. McGee, B. Zampino, A. Fernandez,

B. McIlvain, A. Mole, L. Mascolo

(1) Not Present – D. DeStefano

- Short discussion on making all the Charter language standardized.
- Jerry M. announced that Carl Ritchie, Director of Security will be leaving KICA on July 22, 2022. He thanked Carl for all his work and welcomed Mark Ruppell as Interim Director of Security.

c. 2nd Q Traffic Report (Mark Ruppell)

- Mark presented the 2nd Q Traffic Report (see presentation)
- Discussion about a 4-way stop sign at the intersection of Flyway, Glen Abbey and Bufflehead. Jerry suggested that we install a 4-way stop sign as a pilot. He agrees that we need to try something. If it doesn’t work, it can be removed. Jerry stated that this will be discussed at the next Security and Task Force meeting. Brad and Beth both commented that they support a 4-way stop sign at this location.

d. Governance Task Force Update (Brad McIlvain)

- Task Force has met several times – we looked at what we would be focusing on.
Divided topics into 5 areas:
 - Clerical definition issues
 - SC statute – make sure that we comply with the SC Statute



- Board and member processes (Focus on By-laws to make sure they are up to date)
 - ARB design controls
 - Board members - who should be on the board, voting rights etc.
- So far we've identified some clerical definition changes. The task force has done review and comparison of State Statute to the Covenants. Good news is we are pretty much in compliance. We began discussions about ARB which has been helpful. We have learned that there had been a fair amount of discussion between ARB and KICA to begin the transfer of some of the non-new construction work to KICA. It had been stalled at some point, but there's a basis out there to start from.
 - The only Board Officer position that has a defined role by State Statute is the Secretary. In that role, the Secretary oversees Corporate Records. We have begun the process of scanning all of our Corporate Records into electronic versions that will be searchable as opposed to maintaining these records in binders.

Member Comments

- Member asked if the computer issue at KICA has been resolved. Shannon stated that we're currently fully operational – still have a few things to work on.
- In favor of a stop sign at Flyway and Glen Abbey intersection.
- Would be helpful if we received quarterly reports from all the Committees and Task Forces.
- Member agrees that in the spirit of disclosure and communications, a regular publication of agendas and minutes from the Committees and Task Forces is important. Not doing it sends a message that they are not important, when in fact they are and do important work.
- Member comments about the Board's communication to the Community about Island Development. Would like to see the Board not focus on what legal rights the Board has, but urge them to consider representation of the homeowners, despite whether you have a legal obligation or not. Urged to act in a leadership role.
 - Jerry stated that the communication was intended to advise our community that we hadn't determined what our standing was. Did we have a seat at the table, and if so, what were the limits on that? The legal aspects don't drive us, they support us in our mission. We do need to have a stronger voice, but we also need to understand what all of our members want. Is it 100 passionate people? Is it 2,000 passionate



people? It's also important that we don't become adversarial with all involved, i.e.:
Town, Resort, Partners.

- Member thanked the Board for taking up the stop sign issue. Would like to know what the top speed was clocked at the intersection. Also commented that Low Risk is combined with compliant. Believe these two categories should be reported separately.

With no further business, Jerry M. asked for motion to adjourn. So moved by Alex and seconded by Brad. Meeting was adjourned at 3:35 pm.

Respectfully submitted,

Ellen Festa, Executive Assistant

