

KIAWAH ISLAND
COMMUNITY
ASSOCIATION

BOARD OF DIRECTORS

Meeting Minutes

July 10, 2023 at 1 p.m.

Virtual and In-Person Meeting

Board Members Present:

Jerry McGee, Chair

Beth Zampino, Vice Chair

Lisa Mascolo, Treasurer

Kevin Donlon, Director

David DeStefano, Secretary (Virtual)

Alex Fernandez, Director

Amanda Mole, Developer Director

Staff Members Present:

Shannon White, COO

Dale Schoon, Director of Finance

Ellen Festa, Executive Assistant

Tony Elder, Director of Operations

Leah Burris, Director of Communications

Mark Ruppel, Director of Security

Member Attendees: (20 In Person / 36 Virtual)

Recording of Meeting: https://www.youtube.com/watch?v=z9C_H5IsBos

1. Call to Order

Chair Jerry McGee called the meeting of the Kiawah Island Community Association Board of Directors to order @ 1:00 p.m.

2. Member Comments – Agenda Topics

Member Ginny Bush: Comments on By-laws – enormous time spent by Task Force, numerous public discussions and submission of comments – feels most issues have been clarified. Would like to hear the Board’s positions on Roberts Rules and Term Limits as well as a summary of community comments on these 2 controversial issues.



Member Brad McIlvain: Comments on lack of progress on By-Law vote. Task Force made recommendations on Term Limits and Robert's Rules and community clearly in favor of Term Limits and Robert's Rules. Feels Board is not being clear on comments received. Why is Board discussion on these matters private? Comments on Survey results and Board position on customer satisfaction standards. Would like a financial report by the Treasurer.

Member Maura McIlvain: Comment on Security update and data related to speed of bikers. Is the low speed of bikes being included in the data? Pointed out an inconsistency in appendix related to speed limit on Flyway. Comment on survey and # of participants vs. # of comments – need to ensure we're asking the right questions in our survey. *Recording broken up. Comments on cell service and 5-star community standards.

Member Philip Mancusi-Ungaro: Speeding on Bufflehead – observed cars at 50 mph which is scary. Comments on Governance TF, was very happy with his experience but not happy with how things have changed and that TF is not being included in the ongoing discussions – doesn't feel it's appropriate for private discussions. Feels cell service is the Town, not KICA, but Town has authority for co-location on cell towers.

Member Kim Kaess: Wanted to verbally comment and underscore their dissatisfaction with the new Sandcastle access policies, ask that the Board respectfully look at our comments. Commended Amy Cook on her handling of this difficult situation.

Jerry said it is a process and has agreed that we will look at all the data at summer's end to see what changes or accommodations can be made, or to stay on the path we've chosen. Understands it is a very passionate subject and they are going to ensure all feedback is taken into consideration.

3. Chair Comments

4. Administrative

a. Approval of Minutes (VOTE)

a. Approve June 5, 2023 Minutes

Jerry M. asked for a motion to approve the minutes. So moved by Lisa M., seconded by Kevin D.



Vote Passed: (7) In favor – J. McGee, B. Zampino, K. Donlon,
A. Fernandez, A. Mole, D. DeStefano, L. Mascolo

b. Ratification of E-Votes N/A

5. Reports

a. COO Report – Shannon White

Sandcastle - 4th of July

Thanks to Security and Sandcastle teams who were here throughout the holiday. Sandcastle welcomed 3,649 people from July 1 through July 4 – higher than our 2022 total of 3,200. 59% were KICA members, 32% were provided complementary access and 9% were paying guests.

CRU Catering did a brisk business with \$54K in sales, also higher than 2022. Thank you publicly to both of our teams who were overstaffed and worked to assist members and guests throughout our busiest weekend.

Infrastructure:

Currently working at Eagle Point on Phase 2 of bulkhead.

In planning for upcoming projects:

- Receiving bids for leisure trail center line and restriping of stop bars and crosswalks from Main Gate to Boardwalk 32.
- Separating project 6 of the flood management projects. Seeking bids for those now.
- Scheduling Inlet Cove drainage modifications for post Labor Day
- Working on designs for Boardwalks 14, 15 and 16.
- Submitted to ARB: Widening of Allee Oaks walk bridge, Flyway Drive and Bufflehead crosswalk design, Boardwalk 13 design and temporary directional signage for leisure trails.
- Working with Design Works, who designed the Cinder Creek boathouse, on additional canoe and kayak storage and restroom facilities at Eagle Point. Looking to get designs done and get in the 2024 construction budget.



Alex F. asked where we are with engineering report on roads.

- Shannon stated we've received and reviewed road evaluation report and have gone out to bid for initial price estimates that will be provided to Board later this month. Alex requested the Board receive a copy of the report. Shannon will send that out.

b. Finance Report – Lisa Mascolo / Dale Schoon

Lisa M. reported that Finance Committee (FC) is engaged in a fair number of activities:

- Investment Sub-Committee (Paul Hough, Bran Petranovic and Dale S).
Discussion on June 22 with respect to our Investment Strategy – meeting again in mid-July to discuss further.
- Sub group focused on Reserve (Paul Hennessy, Paul Hough, Debbie Diddle, Jim DiLella and Lisa along with Shannon, Tony and Dale). Met on June 30th to discuss high level points/strategies, will be scheduling another meeting.
- Finance Controls Manual (FCM) (Jeff Porter, Paul Hennessy, Lisa Mascolo, Debbie Diddle, Bran Petranovic). Last update was mid-2022. There's a number of things that have come up over the past several months that we want to take a look at as it relates to the FCM.
- Budget Strategy - top of the priority list given that we're moving into Budget season. We want to take a look at some strategies such as zero based budgeting etc. (Jim DiLella, Paul Hennessy, Bran Petranovic and Lisa Mascolo)
- Audit Committee – there have been some robust discussions. FC is not of one mind on this, whether it should be part of the FC or the Board – ongoing conversation on this. It was discussed as part of the Auditor selection process, which we'll cover later on in the meeting.

CTR

Dale S. provided an update on where we are with CTR – currently at \$1.819M - tracking well even with the revenue from the Cape being pushed out into 2024. Jan-April averaged \$200K per month, May \$327K, June was \$688K. Dale confirmed we are tracking on budget without the Cape.

Alex asked if the Reserve Study is available. Shannon will follow up on this.



Lisa also stated the Q2 Financials will be posted next week.

c. Joint ARB Task Force Update

Kevin D. provided an update on the Task Force. Over the past few months, the focus has been on fact collection and analysis. The Task Force published a preliminary report that went out to the Community on June 14th and we received over 90 comments from members. We held an open Community meeting on June 20. Didn't have a big attendance, but those that attended were helpful in providing additional feedback. Planning to publish survey results this Friday, with a link to all comments and summary of work group with key points. During July and August, we will move into Phase 2 – we stated the problem, put some objective facts out and now what are some proposed solutions. Hope to have this out in the fall.

David D. commented on current audio/video quality in Bobcat Hall. We continue to experience issues in this building. Tony Elder reported that we'll be moving to fiber within next 30 – 40 days and this should alleviate these issues.

d. Q2 Security Report – Mark Ruppel, Director of Security

Mark provided the Q2 Security Report (see presentation). Introduced Zach, our new Bike Patrol officer. Mark also clarified Member Maura McIlvains 2 comments earlier: Speed of bikers is not included in the data. <15 mph. Flyway speed limit in Appendix was a typo. Reported on (1) security enhancements, (2) traffic calming initiatives, and (3) speeding enforcement.

Discussion on delays with signage, related to ARB approvals and vendor problems.

** Recording quality issue.

6. Old Business

a. 2023 Member Survey – Leah Burriss, Director of Communications

Leah presented detailed results of the Member Verbatim comments that were submitted as part of the 2023 Member Survey.

Board Comments:

Overall takeaway is to look at better methodology to extract and analyze the data.



- Alex – On enforcement category, improve home maintenance enforcement.
- David – Can we tell # of properties which answered? Satisfied vs. very satisfied – different interpretations on this. Would like to see higher very satisfied.
- Beth - Break the verbatims among the Board, specific to board members assigned to committees. Board members should all read comments on the Board itself.
 - Send relevant verbatims to specific task forces
 - Form sub-committees.
- Alex - Look at breaking out comments by property, full time vs part time. Differences or same in this.
- Jerry – will look at a possible distribution of all verbatim comments without identifying information. We will take this as a request. No timeframe know yet. to membership in a form for
- Amanda - shared comments on ARB data, households vs. comments, # of open permits (Applications) vs. # of general interaction comments. Suggests a standalone ARB survey, in order to get good ARB feedback.
- Jerry – Work with Leah on how to develop a deeper analysis.

b. Discussion of Revised KICA By-Laws

- Kevin provided update: Released latest By-law draft to community on June 19, received 84 comments. We've been very open, held an open meeting with Board and community on July 6th. Consolidated all comments into themes which we reviewed in great detail. Encourage members to watch the video of that session. There are still some open questions from members, 7 items going to legal counsel. Board will meet again on next steps, review responses from counsel and probably hold another open meeting. Term Limits and Robert's Rules are still being addressed by the Board and will be decided.
- Discussion about how and when comments are being received by community members to the Board, they should be directed to the portal. Everything that has been received is documented on spreadsheet Kevin has distributed.
- Discussed having a special meeting with Board before Sept. Board meeting to have it ready for vote.



- Discussion about Term Limits and Robert's Rules in Executive Session today.

7. New Business

c. Selection of KICA Auditing Firm (VOTE)

Sub-committee comprised of Lisa Mascolo, Jim DiLella, Michael Petrecca, Jeff Porter and Dale Schoon completed the process to select a new auditing firm for KICA. The timeline was as follows:

- May 9 – 15 – RFP Questionnaire developed and sent to 12 Firms
- June 2 – 13 – 5 Proposals received & reviewed by sub-committee: resulted in 3 invitations to interview
- June 19 – Sub-committee met to discuss approach with candidates
- June 28 – Three firms presented with Q & A to/from the sub-committee on Key topics: Timing, 990 completion, internal controls, prior auditor transition, etc. o Sub-committee unanimously agreed on selection of Forvis (see attached firm summary)
- July 5 – Finance Committee met to discuss selection and recommendation.

It is the unanimous recommendation of the Finance Committee that the Board approve Forvis as KICA's auditor with the intent of securing a 3-year contract for audit and tax services. Contract would include the 2022 990 and the 2023 – 2025 fiscal year audit and 990 tax return. Lisa made a motion to accept Forvis as our Auditor, seconded by Alex F. Alex F. stated that we make sure Forvis complete the 990 no matter the circumstance.

Vote Passed: (7) In favor – J. McGee, B. Zampino, L. Mascolo, A. Mole,
K. Donlon, A. Fernandez, D. DeStefano

8. Board Member Comments

Alex F. commented on Formal Board Agenda and Executive Board agenda and feels there are still too many private things being discussed in Executive Session.

David D. doesn't feel discussion about the By-Laws, specifically Roberts Rules and Term Limits, should be in Executive Session. Should be in public session and Board positions known. Jerry stated that at the open meeting on July 6th, this info was shared and encourages people to look at the video. Lisa was not at the July 6th meeting, so publicly



shared her position that she is adamantly for Term Limits (1 term only) or as an alternate 2 terms with 3 years separation. Also opposed to Robert's Rules unless parliamentary in place.

7. Member Comments

Member Roger Warren: Represent a member of the Association that provides the largest amount of \$ to do what you do. Appalled at the behavior. Been involved in leadership in many different areas and have been on many boards...I don't understand this toxic environment and why it's happening in our community. This is a special place, with special people. This is not working. This is embarrassing and isn't who we should be. Must be a commitment with everyone involved to take toxicity, anger and suspicion out of it and come to some level of agreement. May not always agree, but intolerance of other opinions is driving this to a place we don't want to go. Challenging you all to do better and be part of the solution and stop going after each other.

Commented on Flyway and the 20 mph speed limit. What is so special about Flyway? He has notified all Resort staff to not use Flyway. However, need to also notify members who are speeding – not just employees and contractors. Selective enforcement is unfair. Challenge you to do this. Never will be perfection in this. If serious, need to notify members.

Member Lin O'Leary: Comments on Kiawah River Estates and if we're going to look at fees to come on to the island. They are using all the amenities, not just Resort amenities. Can this be put on a Board Agenda for discussion?

- Jerry stated it is on the Security Task Force agenda for their next meeting.

Ms. O'Leary commented about survey and the 92% of people who love the ponds. Different issues for those that live on them, should clarify who actually live on the ponds, which may change the results.

Bike paths need to be cleared, too many fronds hanging over.

Comments about accountability – Preserve plantings, some irrigation still not working, some plants and grasses are dead and trees in distress. Where is the accountability for our landscaping project?

- Jerry said he will go through the Preserve and look at the issues. He offered to ride around with Lin sometime this week.



Member Maura McIlvain: Board minutes on website are incorrect. Comment on survey verbatims, people took the time to write in, so please give it attention. Please also focus on the change in dissatisfaction levels expressed in the survey related to the Sandcastle. Please be aware of other things on our bike paths and bridges that impact passage, i.e.; fishermen etc. – it’s not just foliage.

Member Virginia Cepeda: Urges the Board to please review the request to convey roads and drainage in The Pointe to KICA. Started the request in March of 2022, and would like to move forward with this request and have the Board approve the request when you discuss in today’s Executive Session.

Member Larry Wolahan: Complimented KICA on Pond maintenance – excellent job. Observed island access by someone with a Governor’s Club card – is this proper procedure? Beach parking around the island in different areas is being reduced due to Resort expansion, please consider this in respect to KICA members.

Member Philip Mancusi-Ungaro: Speeding continues to be an issue, haven’t seen a Sheriff’s vehicle around lately, need to look at enforcement. Bufflehead speeding is also still an issue. I’ve raised this before, at a loss as to what to do. Waiting on temporary signage, but why does ARB need to approve signage for public areas for public use?

- Alex F. commented on Flyway speed limit as referenced by Roger earlier, it was originally reduced due to the hill and visibility.
- Beth also was in agreement with Phil on Bufflehead speeding.

Jerry asked for motion to adjourn. So moved by David D., seconded by Lisa M. Meeting was adjourned at 2:33 p.m.

Respectfully submitted,

Ellen Festa, Executive Assistant



BOARD OF DIRECTORS
Executive Session Summary of Actions
July 10, 2023

NOTE: KICA's legal counsel has stated that it is best practice for KICA to report executive session votes, so that they are recorded in the public minutes and made available to KICA members via the website. On advice of legal counsel, we will make an appendage to our public meeting minutes, which contain an excerpt from executive session minutes of any action the board has taken. As a reminder, executive sessions are for privileged, confidential and/or sensitive matters, which the board does not believe should be discussed in public.

Jerry McGee called the meeting to order at 3:42 p.m.

Alex F. left the meeting at 4:10 pm.

Votes Taken During Meeting:

- Approval of June 5, 2023 Minutes
Approved. Vote Passed: (6) In favor / (1) Not Present

No other votes were taken.

Meeting was adjourned at 6:30 p.m.

