

Board of Directors Meeting Minutes

January 6, 2025 at 3 p.m.

Beachwalker Center and Virtual

Directors Present:

Kevin Donlon (Chair), Dwight Williams (Vice-chair), Lisa Mascolo (Treasurer), Paul Hennessy (Secretary), Cherie Gallagher, David DeStefano, Amanada Mole (Developer Director)

Staff Present:

Shannon White (COO), Dale Schoon (Director of Finance), Sarah Bond (Director of HR)

Members Present:

12 members in person; 18 members online

1. Call to Order:

Chair Kevin Donlon called the meeting of the Kiawah Island Community Association Board of Directors to order at 3 pm.

2. Member Comments on Agenda Topics:

Member Brad McIlvain: Commented on Rules and Regulations. They are vague, ex: parking on the streets. Need to be made clear with no ambiguities.

Member Maura McIlvain: Commented on Rules and Regs. There are ambiguities, gave a number of examples. Urges that the document be reviewed for clarity and ambiguities. Commented on fishing from the bridges – still needs to be looked at from a safety standpoint. Look at who to call within KICA if a dangerous violation is observed.



Member Phil Mancusi-Ungaro: Comments on Rules and Regs – feels community workshop should be held.

3. Chair Comments – Kevin Donlon

Kevin announced the February Board meeting will be moved from Feb 3 to Feb 10. Kevin also read the following statement:

“A great deal of confusion was caused when a member recently asserted that KICA was not acting in accordance with the Covenants as it developed and adopted the 2025 budget, specifically with respect to the maximum annual increase. While KICA received a legal opinion regarding limits on the Maximum Annual Assessment in 2012, a second opinion was requested from our legal counsel this past month. I can report that this second opinion affirms the understanding that any Maximum Annual Assessment is cumulative and that current and prior boards have managed increases as permitted under the Covenants. Please also note that our current assessment rate remains well below the permitted Maximum Annual Assessment.

It had also been asserted recently the Board pursues outcome based legal opinions to support its point of view. I can assure you that such assertion is not true. The staff and Board act fairly when they seek direct and honest advice from our legal counsel, and I believe our counsel delivers their advice with integrity.”

4. Administrative

a. Announcement of Votes in Executive Session

At the Executive Session earlier today:

- Approved December 9, 2024 Exec. Session Minutes
- Excluded 3 members from 2025 election due to non-payment of Assessments
- Voted 5-2 against releasing legal opinion re: maximum assessments. David and Cherie voted Yes.

b. Announcement of Electronic Votes – All Votes were unanimous

- 12-20-24 – Approval of Roundstone Healthcare Contract

c. Approval of Minutes

- i. Kevin asked for a motion to approve the December 9, 2024 minutes. So moved by Lisa M., seconded by David D.

Vote Passed: (7) In favor

K. Donlon, D. Williams, L. Mascolo, P. Hennessy, A. Mole,
C. Gallagher, D. DeStefano



5. Reports

a. COO Report – Shannon White

Director of Safety & Security Update

We are currently searching for our next Director of Safety & Security. We have been getting a very good response to the job advertisement and some initial phone-screening interviews began in late December. Interviews will get underway now that we are past the holidays. We will also be utilizing Dwight's expertise, as we narrow down the initial applicant list.

Infrastructure Projects

Gulfstream Construction is back on island to continue the Flood 6 project, this time installing drainage line down Yellowthroat Lane to Osprey Point Golf Course hole 13. We do still have metal plates in place on Governors Drive, where the other new drainage line was installed. Asphalt companies were closed through the holidays, so we are now working on scheduling to have this road repaired, but the cold weather this week will likely hamper an asphalt repair this week.

A contract has been executed with **Banks Construction** for \$1.2 million in paving, which we expect to begin in February, weather depending. The roads which will be paved under this specific contract are:

Angler Hall	Glen Abbey (<i>Flyway Drive to Kings Island</i>)	Piping Plover Lane
Arrowhead Hall	Goldenrod Court	Sanderling Court
Belted Kingfisher	Halona Lane	Snowy Egret Lane
Bluebill Court	Horned Grebe Court	Sweetgrass Lane
Clay Hall	Jackstay Court	Turnberry Lane
Cotton Hall	Kill Dee Court	Walker Cup Lane
Dungannon Hall	Kings Island	Whimbrel Road
Fish Hawk Lane	Kings Island	Winged Foot
Forestay Court	Masters Court	

Members on these roads will receive an email from KICA, giving specific information on dates and what to expect. We also need to repair and repave Royal Beach Drive. Two of the four new home construction projects have now been completed on this road. The final two projects is scheduled to be complete in June, so we will schedule this paving work for Q3.



This month, **Watts Builders** will be completing the V-Gate enclosure for our security team.

A couple public service announcements...

Our World, is getting underway again – Thurs, Jan. 16 - with our first presenter, Frank Abagnale, whose personal story was told in his autobiography and later the movie *Catch Me if You Can*. This event sold out at 180 seats. If your plans change, please cancel your reservation, so others may attend.

Sandcastle will be closed from Sunday, January 26 through Sunday, February 2 for maintenance and training.

b. Finance Report – Dale Schoon – Director of Finance

Lisa M. thanked Dale and his team for the great work on the 2025 Budget. Finance Committee meets on Jan 30 and is currently working on an update to the Financial Controls Manual. Other topics for discussion include how much cash we should have on hand and where it will be kept.

Dale provided an update on assessment billing process: Member Portal is now up, bills will be mailed and emailed starting tomorrow (e-mails will be staggered). 2024 Assessments were all collected with the exception of (3) that have liens. CTR is \$4.9M against a budget of \$4M. Audit preliminary work has begun.

Paul H. commented on needing to understand the logic and mechanics of the Funded Depreciation Account which is approx. \$3M. Lisa M. the Finance Committee is planning to discuss at their next meeting and should have more information about an approach at that time.

c. HR Committee Update – Sarah Bond, Director of HR

Committee meet in December to discuss changes to COO Review process.

More aligned with Board services calendar instead of calendar year. It is now underway and should be wrapped up prior to the last BOD meeting in March. HR Committee participated in the RFP for the Employee Benefit program.

Lisa asked about frequency of benchmarking and market trends for salaries. Sarah said we are and are in line with market trends. Lisa also commented on offering Pet insurance as a benefit. Sarah will look into it.

d. 2025 Election Update



Cherie provided an update. We have 3 candidates openly campaigning for the 2 open seats. Held a well-attended community forum on January 3. Individual Meet the candidate videos for Phil Walpole and Tim Hazel are now posted on website and Bran Petranovic Meet the Candidate session is on January 9th. Vote opens on January 13 at noon.

6. Old Business – N/A

7. New Business

a. ARB Task Force Recommendation (VOTE)

David D. makes a motion that we accept the recommendation of the ARB Task Force and proceed to negotiations with Kiawah Partners on the transition. Seconded by Cherie G.

Discussion: Paul H. recommended that the negotiation be subject to final review by the Community and a separate vote by the Board be included in the motion.

**Added this to the Motion. Any final negotiation will be subject to final review by the Community and a separate vote by the Board.

Cherie had a question on the Livability group and what happens to them?

Kevin D. said compliance on aesthetics would move into the new Design Review Group. Livability would be more enforcement of both Design guidelines and rules and regs items.

Lisa encourages the next Board to carefully consider the risks associated with this transition. Be careful on how this is composed especially when the Board composition changes every year. Concerns about attracting the necessary talent to do this and urges caution on how the Design Review group gets staffed. It's more complicated than we think it is.

Paul agrees, it's important that we get this right, we can't afford to screw this up. David said it's important that we come to an agreement with the Partners, otherwise there will be no transition.

Cherie commented that she appreciates that the new Rules & Regs have been aligned with any new ARB set up and KICA Safety & Security. (ex: Life on Kiawah and Your Kiawah Property)

Amanda commented on all the work and activities that go on outside of the ARB that need to be addressed and handled. Design with Nature needs to be understood. SOP has been shared with the Board, better approach is to not start



the wheel from the beginning and focus on the transition timeline to ensure success. Other areas include transfer of archives and stored knowledge, composition of the Review Group itself and consideration of privacy issues if the group includes voting members of the community.

Kevin commented on the need for dedicated volunteers and how this increases that need.

Lisa asks how are we going to handle any risks, feels the transition should include identifying and/or mitigating risks.

Kevin feels it's the responsibility of the Board to decide if risks are being addressed, KP has agreed to work with us. Board will eventually vote on the final transition plan and would ensure any risks are being addressed.

Vote Passed: (6) In favor

K. Donlon, D. Williams, L. Mascolo, P. Hennessy,
C. Gallagher, D. DeStefano

(1) Abstain – A. Mole

b. Discussion on Revised KICA Rules and Regulations

Shannon gave an introduction of the revised Rules & Regs and the process that has been followed including the need for Community feedback. The document has been revised to incorporate feedback received, made it easier to navigate and defines the enforcement section clearly. Tried to make it more user friendly by dividing it into different sections. Life on Kiawah, Your Kiawah Property – added in rights of appeal, and what actions would require Board approval. There will be a Community Workshop scheduled for this to give the community the opportunity to provide their feedback.

Paul said that Member Phil Mancusi-Ungaro's comment has been addressed and that the community will be involved via a working session.

Cherie made several comments: Definitions – Member (LLC) – not all officers, managers, directors of an LLC have Sandcastle access - clarify this item. Make a distinction between a Member guest pass and a Renter guest pass. Recreational Vehicles and appearance of e-bikes in the document should be clearer. Have a different definition for motorized vehicles (scooters, e-bikes etc.). Would also like to see if we can put it an exception for the use of e-bikes for members who are disabled.

David made several comments: Clarify Members include spouse and dependent children. Word in Legal Entity definition “juridical”. What is this? Add definition for



road shoulder. Change Sunrise to Sunset – Cinder Creek/Rhett's Bluff are used after dark. Comments and discussion on Business in Home section, what's allowed vs not allowed, use of remote technology, type of business, parking etc. Take out the word exclusively. Need permission for heavy equipment on roads if for an extended period of time.

8. Board Member Comments

Kevin asked where we are with new A/V equipment. Shannon stated we're waiting on revised proposal and quote based on changes requested (i.e.: wireless mics). Once we receive that, order will be placed.

David D. commented on the automatic gate at the V-Gate has been down for 12 weeks and Rhett's Bluff automatic gate also out for 3-4 weeks. He's received complaints about the metal plate on Governor's Drive and the fact that the project was not handled well.

Paul H. commented on the Vote and the Amendments. Many members have commented that we're doing it wrong. Board agrees with doing a full re-write but not at the expense of time sensitive amendments that the Community has requested. They are strategic and not harmful to the Community. A full re-write would be long and expensive and needs to be well planned.

Dwight W. commented on the loss of Mark Ruppel and Jimmy Brennan in Security. Thanks to the rest of the KICA staff for stepping up. He will be involved in looking at the candidates for the positions and hope to get professional security personnel that understand access control systems and integration. Paul asked for an update on the Front Gate. Dwight said we don't have a solution yet, lots of moving parts with multiple complex systems. We have involved the Resort and they are supportive.

David commented that it's not just technical, but who gets on the Island. QR signage should be made permanent – they worked well.

Dwight added that the goal is to bring in more high-tech capabilities with a clear integration coupled the proper rules and regulations so we have a clear understanding of who has access to what, when and where.

Cherie stated she supports Paul's comments on the Amendments and hopes the Community supports them as well. Regarding Amenities and Rhett's Bluff – the Board and the



Amenities Committee is very aware of the history here as well as the restrictions. The Rhett's Bluff community is not supportive of any efforts and made it clear they would sue KICA if any type of development was done there. Amenities Committee is stalled and not doing anything right now. Cherie just wanted the community to be aware that they are trying to find ways to be creative, but it is challenging.

9. Member Comments – Any KICA Topic

Member Maura McIlvain: Comments on 10 items. Amenities – Ocean Course Drive property, Front Gate roundabout status, Bike signage. Internal Controls Audit, failure of road plates on Governor's Drive, Legal advice waiver, comments on risks associated with ARB take-over – don't see the risk, Voting abstains to quorum, Right of Appeal in Rules and Regs. Commented on Mark Ruppel leaving – discussion was ended due to personnel matters not being discussed in public.

Member Steve DiCapua: Expressed concerns that the vote is not clear as it relates to the amendments. Had a question on the Enforcement Amendment and if this grants KICA the right to lien before being adjudicated in court.

Paul clarified that a rule violation can result in a lien, but in reality has never resulted in a lien. The Amendment actually provides more protection for the members and required Board approval before any lien is

Member Brad McIlvain: KICA has never been able to assess fees or liens. Comments on legal advice and what our lawyers say. If we discuss it, we waive our right to privilege and should disclose. Felt there was enough time to do a full re-write of covenants.

Member Lisa Snowden: As neighbors and volunteers, I thank you for your service. Have we considered looking outside the gate for additional amenity opportunities?

Member Phil Mancusi-Ungaro: Will the new A/V system have Bluetooth speaker capability for hearing aids. With Mark Ruppel and Jimmy Brennan gone, who is acting Security?

Shannon said that Darryl Smalls in third in command with Jody Forrest and Shannon overseeing as Department Heads.

Commented on release of legal advice and documents. Threatened legal action does not mean you can withhold legal documents. Be more open to helping the Community understand why decisions are being made.



Member Larry Wolahan: Comments on Director of Security – does Staff know what did we tell them?

Kevin D. said both individuals resigned and staff was fully informed.

Comments on Gate security and the road damage and plates on Governor's Drive. Feels handling this was totally insufficient. Comments on contractors who are distributing pine straw around the island and causing traffic back-ups. More focused on efficiency and cost savings rather than islanders. Board should be more involved in management of roads.

10. Adjourn

Kevin D. asked for a motion to adjourn. So moved by Lisa M., seconded by Paul H. Meeting was adjourned at 4:39 pm.

Respectfully submitted,

Ellen Festa

