

PDPOA
Board of Directors
6/15/06

Board Members: Ed Batten
 Phil Burger
 Rich Femano
 Gloria Henley-Smith
 Bob Houlihan
 John Joseph
 David Nelson
 Phil Porter
 Bill Thomas
 Peg Weschke

Members:
Dean Eayre
Larry Shaff
Wes Warren

General Manager: Bob Sharp
Asst. GM: Andrew Schumacher
Security Chief Allan Davis
ARB Beth McDowell

President Phil Burger called the meeting to order at 2:00 pm.

The minutes from the previous meeting were approved as presented.

President's report - Phil Burger

Phil discussed a proposed revised capital budget. The proposal is to increase the budget from \$588,000 to \$763,000. The Long Range Planning committee asked the Board for approval. Included in the new budget is \$5,000 for satellite phones that can be used in an emergency. Ed stated that the 2006 projected cash flow supports the proposed plan. It was further explained that there is buffer in the proposed plan and it is a not-to-exceed proposal. The Board approved the plan unanimously.

Phil announced that the Resort Communications committee is being formed. The first meeting is set for June 28. The committee consists of PD business partners, such as the hotels, contractors, rental agents, etc. Committee members from the Board will consist of Ed Batten, John Joseph and Bob Houlihan. Additional members will include representatives from the Marriott and Resort Quest.

At the last Board meeting Dr. Nate Dixon had asked for support in a proposed zoning change. Wes explained the situation: the Town would amend the PD master plan to incorporate the property as part of PD for zoning purposes only. It would allow certain specific uses. If it was rezoned as commercial it would be open to a wider range of uses. While the Town has the right to amend without any approval, they would prefer to have

PD's support. Phil made the following proposal: "The duly elected Board of Directors of the PDPOA hereby endorses the action of the Town of Hilton Head to rezone the Hunter Building for retail use, including a physical therapy center." The Board approved the proposal unanimously.

Phil stated that the Town recently realized that a number of businesses in the Plantation Center were not properly zoned. As pre-existing businesses they have the right to continue operation. The Town wants to bring these businesses into conformance by rezoning the Plantation Center. Phil made the following proposal: "The duly elected Board of Directors of the PDPOA hereby endorses the action of the Town of Hilton Head to rezone the Plantation Center for its existing uses." The Board approved the proposal unanimously.

ARB – Beth McDowell

Beth presented the following activity report:

New construction	37
Under review	19
Demolition	0
Completed/final inspection pending	18
TOTAL PROJECTS	74

Larry Shaff asked if any new information has been found regarding OCRM approval for construction on the lagoon. It was explained that information is still being sought on this topic.

General Manager's report – Bob Sharp

Work is continuing on the leisure path. The area in front of Ocean Cove should be poured next week.

The tide gate work is progressing. Two of the seven gates have been installed. The work should be completed by mid-July at the planned budget.

APAC has provided a paving price. Approval has been given and they will schedule the work.

A disaster recovery plan has been completed consisting of both an escape and recovery plan. It is currently under review.

The vandal issue has been resolved. There was approximately \$1,200 in charges resulting from the damage, which has been paid. The boys have done some community service work. Bob felt that they are truly sorry for their actions. Phil said he made an executive decision not to have the vandals come to the Board, with anonymity being a key issue.

Treasurer's report – Ed Batten

May's income exceeded budget, and expenses were under budget. Ed commented that cash flow looks good for the balance of the year. Approximately 80 delinquent assessment fees were turned over to the attorney for collection. Dave asked if a property owner has to pay a premium. Ed explained that they have to pay the assessment, all interest that incurs at 1 ½ % per month, and they have to pay legal fees.

Ed stated that some management performance goals will have to be reopened as a result of our Human Resource employee leaving. The goals will have to be re-approved.

Investment policy and processes are being developed and will be brought to the Board in the near future for review and approval. Ed thanked Andrew, John and Rich for their help on this matter.

Communication committee – Phil Porter

Phil said he is finalizing the July issue of the Perspective. An email blast of proxies is being done to avoid the need for including an additional proxy ballot in the September newsletter.

Covenant Compliance – Dean Eayre

Dean reported that towels on railings are the number one complaint. Dean explained the procedure for issuing fines. The committee is working with rental companies to put signs in rental units informing renters of the towel policy. The problem of trash cans not being kept in the service area seems to be resolved.

Nine citations have been issued with the intent being to resolve issues as opposed to generating revenue.

Lagoon committee – John Joseph

All six sections of the lagoon now have a captain. Each captain is recruiting a team of rangers. Reports will be brought to the committee each month before a home owner is contacted.

Multiple reports of excess speed have been received regarding several boat owners. One has been contacted.

The new ARB guidelines for pool backwash will be used by the lagoon committee.

A lagoon policy, procedure and guideline statement will be developed.

Queen's Grant lawsuit – Wes Warren

Work has been going on to resolve the issues following dismissal of the suit. Queen's Grant is working to define the issues that they want the PD Board to consider.

A joint announcement has been agreed upon, and will appear in the next Perspective.

At the second meeting the Queen's Grant representatives were informed that as a result of the dismissal of the suit, collection of the delinquent regime fees will be pursued.

A third meeting took place with the Queen's Grant Council of Regime Presidents. The key issues brought up at the meeting were the right to do Saturday work and the status of the damaged guard gate.

Nomination committee – Dave Nelson

Interviews will be held in early July. Another request for candidates will be included in the July Perspective.

Regime committee – Bob Houlihan

The committee met and reviewed hurricane preparedness, evacuation and recovery plans.

Member comments

Larry Shaff asked why there was no yard pick-up last week and if a cost adjustment is made. Bob said a call is made to the refuse company when a no-pickup complaint is received. Larry also asked if there would be advance notice before paving begins. Bob said there would be a posting on the bulletin board.

A resident asked about the status of road striping. Bob explained that it would be done in about two weeks. He further explained where the striping would be placed. The resident further commented that the bike path is not being used and people continue to use the road. Bob believes that the cross-hatching and striping should improve the situation. If it does not, the path will be re-evaluated. It was also stated that the present stripe will be left in place and will be allowed to fade away.

Wes Warren made a request that the Board include \$10,000 in the next budget to cover the cost of 2,000 acrylic stands that would have 8-10 of the most important rental rules. These stands would be distributed to rental agents for placement in rental units.

Bob Sharp reported on his investigation of the cost of an improved bulletin board. The board that he found would cost \$2,500 installed. It would be 60" x 62", lighted and include the PD logo. This will be included in the next budget.

Larry Shaff asked about the status of the section of leisure path from Port Tack to Mooring Buoy. Bob explained that he was allotted \$135,000 for this year, and will continue until funds run out. This section of the path is presently being marked and then will need approval from the Town Engineer and the tree lady.

A resident asked that the white stripe that remains from the old bike path be blacked out. Bill Thomas suggested that this be considered after the current striping and signage is completed. Bob said he would review the situation with the engineer.

Larry Shaff asked about the date for beach re-nourishment. Phil responded that unofficially he understands it to be after Labor Day.

Bob Houlihan said that he had an inquiry from a resident regarding the status of the single gate and who is the new owner of the Marriott property. Phil responded they have no information on this as of yet. The single gate will continue to be pursued.

The meeting ended at 3:00 p.m. There was no Executive session.