

SIPOA and Club Agreement
Community Meeting 01/16/19

Island Stormwater Drainage

Background - Process

- Discussions between SIPOA & Club regarding stormwater drainage issues go back many years.
- Latest resolution efforts took more than 2 years.
- In late 2016, SIPOA & Club Boards authorized respective Executive Committees to negotiate.
- Efforts continued through 2017, reaching impasse in Jan. 2018. Restarted March 2018 with smaller negotiating teams meeting face-to-face in mid-year.
- Final agreement reached on October 6th.
- 20-year contract signed December 12, 2018.

Background – Interconnected Systems

- When SIPOA formed in 1984, each entity agreed to maintain own facilities.
- SIPOA has spent \$\$\$ over the years on lakes, pipes, pump stations. Club has also invested \$\$\$.
- Despite these efforts, recent rain events and storms have emphasized need to consider island drainage as a whole.
- SIPOA pipes and regime pipes feed SIC lakes, which feed SIPOA and SIC outfalls.
 - Systems are interconnected.
 - Water knows no boundaries.

Background – Past Work

- SIPOA has relined ~ ½ of pipes under its control.
- SIC has relined 3 major “shared use” pipes.
- SIPOA maintains 3 pump stations installed in 1970’s.
- SIPOA dredged key lakes in 2015.
- SIC dredged key lake/outfall in 2018.
- Because of prior work, SI residents have 2nd highest discount levels in SC - FEMA flood insurance.
- Many reports on SIPOA website –
 - “Document Archive” under www.discoverseabrook.com “For Owners”

Background - Recent Agreement

- Resolves long-standing issues associated w/ CO #16/17 stormwater pipe
- Supports shared belief that it is in our mutual interest and benefit to have a properly functioning and maintained drainage system
- Recognizes that water only cares about gravity, not property lines
- Has clear deadlines and accountabilities
 - Helps address the #1 concern (drainage/flooding) as stated by PO's in recent survey

What's In the Agreement?

- Drainage study – island wide. Planned for 2019
- 6 “shared use” stormwater pipes
- Stormwater outfalls
- Property owner drainage tie-ins
- Golf course lake management
- Sealoft swale

“What’s in” - Drainage Study

- Joint, independent, island-wide
- Pipes, lakes, outfalls, pump stations
- Total cost < \$300k
- Shared 77%/23% SIPOA/SIC (ratio of managed high ground)
- Includes property under regime ownership
- SIPOA is project management lead and will receive fee from SIC.
- Outcomes: Capacity, adequacy, maintenance needs (system installed in '70s & 80s)

“What’s in” – Shared Use Pipes

- 6 “shared use” or “interstate” pipes, including CO 16/17
- Pipes drain SIPOA/regime properties, also cross SIC property
- 3,482 ft of SIC’s 39,577 ft.
 - (SIPOA owns/maintains >80,000 ft)
- 3 relined by SIC mid-2018, 499 ft., cost \$204k
- One concrete – undamaged, 910 ft
- One short line still to be done, 119 ft
- Shared future maintenance costs: 70%/30% SIPOA/SIC
- SIPOA to take maintenance easements on all shared use pipes once surveys and necessary documentation received.
 - Adds less than 5% to SIPOA’s pipe maintenance responsibility over long term.

Easement Agreement Pipes

- Drainage structures
- Drainage pipes
- Easement Agreement

Total Length: 3364 ft



0 0.05 0.1 0.2 0.3 0.4 Miles

CO# 16/17 Background

- This shared use pipe installed on Club property in 1999, requested and paid for by SIPOA.
- Maintenance easement was never executed.
 - Exhaustive research couldn't determine reason.
- Ownership and maintenance responsibility in contention ever since.
- Pipe sustained damage during 2015 floods and again during Hurricane Matthew (2016). Resulted in golf course subsidence and nearby property flooding. SIC repaired damaged pipe in both instances.
- 2016 MOU tried to resolve issues. Terms not fulfilled.

“What’s in” – CO 16/17 pipe

- Drains major basin including Island House, parts of SI Road & High Hammock Road
- Villas included: Pelican Watch, Spinnaker, Beach Club, Dune Crest, Ocean Winds, High Hammock, Shadowwood, Wedgewood, Tarpon Pond, Treeloft.
- Around 1800 ft. long, some already under SIPOA easement
- One of 2 outfalls from Dune Crest pump station

“What’s in” - CO 16/17 pipe, cont’d.

- Inspected by Club mid 2018. SIPOA confirmed can be relined.
- 34% of basin acreage is Club’s; 48% villas, 18% SIPOA roads (66%).
- Relative drainage benefit analysis performed by SIPOA staff.
 - Result: Most of benefit to SIPOA/regime property — 70% SIPOA, 30% Club
- Cost of relining shared 70%/30% SIPOA/Club
- Conservative estimate: ~630k total or less (440/190k)
- Shared future maintenance costs -- 70%/30% SIPOA/Club

“What’s in” - Stormwater Outfalls

- 2018 SIPOA report quantified conditions. Some deemed critical - accumulated dirt hindering/blocking flow.
- SIPOA cleaned 2 critical ones in early 2018.
- SIC cleaned 1 critical one in mid 2018.
- 11 of 60 outfalls are on Club property, several from pipes that originate with SIPOA (Pine Needle, Tarpon Pond etc.).
- Contribute to villa flooding (Tarpon Pond, Sealoft etc.)
- SIPOA will get permits for entire Island project, each entity to clean its own outfalls.
- Combined effort will simplify permitting, minimize costs, max competitive bidding.



Outfall Channel Condition

• Outfalls

% Blocked with Sediment

— 0%

— 10 - 90%

— 100%



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Comptech, AeroGRID, IGN, i-cubed, and the GIS User Community

“What’s in” - PO Drainage Tie-ins

- Some properties are below elevation of adjacent golf courses. Impacts drainage, localized standing water.
 - E.g., Baywood, Gnarled Pine, Otter Lane
- SIPOA permits sump pumps & drainage lines to road/storm drains. Somewhat unsightly.
- Club will permit tie-in to some golf course drains, if property meets defined criteria. Some sump pumps will be allowed.
- Helps address long standing localized problems as island is built out.

“What’s in” – Lake Management

- Island lakes and lagoons interconnected and important for overall drainage
- Water bodies silt up and become marshes if not maintained. Can block outfalls and hurt drainage.
- SIPOA lakes & lagoons inspected and dredged as needed per 2014 and 2017 studies
- Club will adopt similar management plan by end 2019. Development underway already.

“What’s in” – Sealoft Swale

- Small ditch/swale runs along golf course @ Sealoft.
- SIC plans to clean out adjacent outfalls to see if that will help drainage issue
- If that doesn’t solve problem, SIC will enlarge swale capacity consistent with engineering recommendations
- Beneficial mainly to Sealoft owners

Financial Implications

- There are no payments between SIPOA/SIC and vice versa, except minor project mgmt contributions.
- There are 3 joint projects, 2019 and 2020
- Incremental cost to SIPOA is ~\$675k
 - Less than \$300 per property
 - No special assessment
 - Handled as part of normal budgeting process
 - Going forward, SIC pays 30% for maintenance of all shared use pipes granted easements in this agreement

Summary

- Agreement developed in cooperative good faith
- SIPOA negotiators fully aware of their fiduciary duty to all property owners
- Agreement extensively reviewed and vetted by respective outside counsels
- Addresses long-standing, important dimensions of Island storm water system
- All PO's benefit; equitably participate in costs proportional to benefits derived