

**LOWCOUNTRY ECONOMIC ALLIANCE
MEETING MINUTES
MAY 21ST, 2012
9:30 AM
MALPHRUS INTERNATIONAL IBC
10 PINCKNEY COLONY ROAD, SUITE 400
BLUFFTON, SC 29909**

- I. CALL TO ORDER
1. INTRODUCTIONS
 2. ROLL CALL BY SIGNATURE

In Attendance: Gary Kubic, Jerry Stewart, David Tigges Guests: Marvin Jones, Tom Upshaw, Steve Riley, Mayor Billy Keyserling, Casey Conley Absent: Marty Sauls, Andrew Fulghum, Matt Creech

- II. DISCUSSION OF JASPER COUNTY RESOLUTION

Mr. Tigges opened the discussion by acknowledging that the Board had received notification from Andrew Fulghum last week that Jasper County Council had taken action on a resolution regarding their participation in the Lowcountry Economic Alliance. The resolution indicated that LEA would no longer represent Jasper County on economic development efforts and that Jasper County intended to join the Southern Carolina Alliance. (Jasper County Resolution attached).

Mr. Tigges also stated that this resolution makes the status of their participation a legally conflicting situation. It appears the Jasper County appointed directors are no longer serving as Directors of LEA since Jasper County limited their authority which is not possible. The only way for Jasper County to limit its director's authority is to remove them. This position is also supported by phone conversations between Mr. Stewart and Mr. Sauls. Additionally, LEA has no members therefore there is nothing to resign from. Mr. Tigges argued the question is a matter of interpretation of Jasper County's actions and its impact on the LEA moving forward. If the Jasper County appointed are directors and continue to push to dissolve a viable entity and say they cannot vote on other issues they will have violated their fiduciary duties. A lack of any participation by Jasper County in the current meeting and conversations with Jerry Stewart and two of the Jasper County representatives suggests that are no longer investors in the Alliance therefore no longer voting directors.

Mr. Marvin Jones, attorney for Jasper County and guest to the meeting stated on behalf of the County that Jasper County believes there is no longer an Alliance. Once they removed themselves from LEA, the Alliance ceases to exist. Mr. Jones contends that an Alliance cannot exist with one County. Jasper County's position is that the only action left of LEA is to dissolve.

Mr. Tigges requested that the minutes reflect the current LEA Articles (See attached) LEA is a separate corporate and legally no single county or director can dissolve the corporation.

He further reminded the Board and asked that the minutes reflect Article V of the LEA Bylaws.

ARTICLE V
REGIONAL RESPONSIBILITY

Board members individually and collectively shall be considerate of the entire Region's needs for economic development and shall not, in any way, limit their actions, interests and concerns to the geographic area in which they live, conduct business or represent on the Board

There was unanimous agreement among the three current Directors that they in fact have a quorum and would continue the work of the Alliance and the remaining agenda items.

III. CONSIDERATION OF DIRECTORS

Mr. Tigges moved adoption of the following new directors to include a waiver of the current Policies and Procedures.

Mr. Anthony Barrett - Town of Bluffton

Mr. Steve Riley - Town of Hilton Head

Mrs. Jane Upshaw - University of South Carolina Beaufort

Mr. Dean Moss - Town of Port Royal

Mr. Jon Verity - City of Beaufort

Mrs. Jan Baxter - Palmetto Electric Cooperative

The motion was seconded by Gary Kubic and unanimously adopted.

Mr. Jones asked to note that the existing bylaws require that 2/3 of the Directors are required to elect new members and in his opinion we did not have the necessary number of Directors in attendance.

IV. OFFICERS DISCUSSION

The Directors agreed to delay the election of a new Chair until the next meeting when the new members could be present. However, Mr. Tigges expressed his concern of the current Treasurer, Councilman Marty Sauls and his possible breach of fiduciary responsibility to the corporation.

A motion was made by Mr. Tigges to remove Councilman Sauls as Treasurer and replace him with Mr. Gary Kubic. Seconded by Councilman Jerry Stewart and unanimously adopted.

V. CONSIDERATION OF STAFF CONTRACT

Mr. Tigges noted that the staff contract with Lowcountry Consulting contains a 60 day notification of cancellation provision. He wanted to be sure all Directors were aware that the contractual termination date is June 24, rather than May 31st as discussed on a prior occasion.

No action necessary by the Board or taken.

VI. OTHER BUSINESS

Discussion was held regarding the need for further review of the Jasper County Resolution and the possible need for additional legal counsel to provide input moving forward. Staff was instructed to prepare recommendations for additional legal counsel for future consideration by the Board. No action was taken.

Staff requested direction on handling future prospect requests considering Jasper County's resolution. Board members agreed that staff is to remain Regional in work scope and to forward Jasper County prospects requests to Andrew Fulghum once received.

VII. ADJOURN

Motion to adjourn by Gary Kubic ,and seconded by Tigges. Motion carried.