

# TOWN COUNCIL MEETING

Kiawah Island Municipal Center  
Council Chambers  
February 6, 2018; 2:00 PM

## MINUTES

I. **Call to Order:** *Mayor Weaver called the meeting to order at 2:00 pm.*

II. **Pledge of Allegiance**

**Present at the meeting:** Craig Weaver, Mayor  
John R. Wilson  
Diana Mezzanotte  
Jack Koach  
Chris Widuch

**Also Present:** Stephanie Monroe Tillerson, Town Administrator  
Dwayne Green, Town Attorney  
Petra Reynolds, Town Clerk

III. **Approval of Minutes:**

A. Minutes of the Town Council Meeting of January 9, 2018

*Mr. Widuch made a motion to approve the minutes of the January 9, 2018 Town Council Meeting. The motion was seconded by Mrs. Mezzanotte and the minutes were unanimously approved.*

IV. **Mayor's Update:**

Mayor Weaver stated that the beach scraping project has been completed and thanked Mr. Jordan and staff for the work done to obtain permits and getting the project done despite the weather obstacles. He reported that dunes were renourished along 15,700 feet of beach with 62,800 cubic yards of sand being moved. The project was completed at a cost of approximately \$198,000.00, \$75,000 under the approved budget. He also thanked the Resort and Kiawah Partners for their financial contributions to the project.

V. **Citizens' Comments (Agenda Items Only):**

**Wendy Kulick – 38 Marsh Edge Lane**

Mrs. Kulick questioned why the Executive Session item is not being discussed in public noting that because an attorney is involved does not mean the discussion has to be in Executive Session.

Mrs. Kulick asked who from the Town would be attending the meeting and seminars at the State House next Tuesday regarding off shore drilling and seismic testing.

**Virginia Abbott – 4304 Sea Forest Drive**

*"I am speaking today to urge Town Council to reaffirm your opposition to seismic testing and oil and gas exploration and production offshore of Kiawah Island and the entire South Carolina Coast. Your previous resolution was made on June 6, 2017. The statement is incomplete. It is also unclear to which governing body this was sent.*

The resolution was made before the January 4, 2018, proposal by Secretary of the Interior, Ryan Zinke, to proceed to permit drilling and seismic air gun surveying in most of the U.S. continental shelf waters, including the Atlantic outer continental shelf.

An article in the January 26th "Post and Courier" states that the Charleston area islands are uniting in a suit to block the search for offshore oil. The list of islands participating includes Isle of Palms, Seabrook, Folly Beach and Sullivan's Island. Kiawah Island is conspicuously absent from the list. The South Carolina Environmental Law Project (SCELP) plans to file suit on behalf of the beach communities at no cost to them. I am asking that you reaffirm your objection to seismic testing and drilling for oil and gas off the South Carolina coast by sending a new resolution to the Bureau of Ocean Energy Management before the close of public comment on March 9, 2018. In addition, I am asking that you join with our neighboring island communities in the federal lawsuit.

The Kiawah Town Council resolution of last June is no longer strong enough to express the concern for the protection of the Kiawah beach. The beach is the basis of our tourism draw and our property values. Allowing just the possibility that oil and gas drilling might be allowed off the South Carolina Coast, with the attendant threat of a catastrophic oil spill, will lower our property values.

Now is the time for the Town of Kiawah Island to step up and let its voice be heard to protect our beach at all cost."

**VI. Consent Agenda:**

- A. Ordinance 2018-01** - to amend the Town of Kiawah Island Code of Ordinances by creating Chapter 8, Fairness in Lodging Act Compliance in Article 4, Finance and Taxation, to begin partnering with the South Carolina Department of Revenue in order to increase compliance on tax payments from rental properties - **Second Reading**

*Mr. Widuch made a motion to approve the first reading of Ordinance 2018-01 to amend the Town of Kiawah Island Code of Ordinances by creating Chapter 8, Fairness in Lodging Act Compliance in Article 4, Finance and Taxation. The motion was seconded by Mr. Wilson and was unanimously passed.*

**VII. Old Business:**

None

**VIII. New Business:**

- A. 2018 Committee Appointments**  
- **Board of Zoning Appeals**

Mr. Koach recommended the appointment of Jay Lewis to the Board of Zoning Appeals for a three year term.

- **Environmental Committee**

Mrs. Mezzanotte indicated that four members have left the Committee and recommended the appointment of new members Michael Guzniczac, Pam Wilson, Scott Nelson, Beverly Gholson and the reappointment of the other current members.

- **Public Works Committee**

Mr. Wilson indicated the current members of the Public Works Committee are requesting reappointment to the Committee.

- **State Accommodations Tax (SATAX) Committee**

Mr. Koach indicated the current members of the State Accommodations Tax Committee are requesting reappointment to the Committee.

*Mr. Wilson made a motion to approve the appointment or reappointments of members of the Board of Zoning Appeals, Environmental Committee, Public Works Committee and the State Accommodations Tax Committee. The motion was seconded by Mr. Widuch and was unanimously passed.*

**B. Approval of the Kucera Proposal for 2018 Aerial Orthophotography Services**

Mayor Weaver stated that the Kucera Proposal was discussed and recommended to Town Council at the last Ways and Means Committee Meeting.

*Mr. Widuch made a motion to recommend to Town Council to approve the Kucera Proposal for 2018 Aerial Orthophotography Services in the amount of \$29,900.00. The motion was seconded by Mrs. Mezzanotte and the motion was unanimously passed.*

**IX. Other Business:**

**A. FEMA proposed Flood Maps discussion**

Ms. Tillerson stated that currently changes to the FEMA (Federal Emergency Management Agency) flood plan maps are being proposed. Building Services staff is evaluating the changes and will make a determination on if there is any negative impact of the proposed changes, and if the Town will act on the proposed changes or to accept the proposed changes leaving open the option to make changes later by ordinance, if necessary. She stated the flood plan maps being proposed show an elevation decrease across the Island from one to five feet depending on the area, and may substantially decrease the cost of residents' flood insurance rates.

Ms. Tillerson stated that information on how residents and property owners can view the current and proposed maps will be made available on the Town's website. The proposed map changes are in the "comment period" that is open until April 18<sup>th</sup> during which residents and property owners can appeal the process or submit concerns.

**B. Budget Report for Period Ending 12/30/2017**

Mrs. Szubert presented the Town's Balance Sheet as of December 31, 2017 and Budget to Actual Report for the first six months. The Budget to Actual Report is compiled on the cash basis and all the funds are consolidated.

As of December 31, 2017, the Town's governmental funds combined have an ending fund balance of approximately \$15.9M, a decrease of approximately \$800K from June 30, 2017. This result is anticipated at this point in the fiscal year as the Town receives the majority of the General Fund largest revenue, business licenses fees in the third quarter and the cost related to completion of the of the new Municipal building. Of \$15.9M approximately 35%, or \$5.6M is available for spending at the Town's discretion (unassigned fund balance).

Overall, for the first six months the Town's revenues appear reasonable for this time of the year and in line with the expectations. Consolidated revenues of \$3.4M were approximately \$80K or 2% lower than budgeted. This variance is attributable to the timing of the monthly collection of the Local Option, Accommodations and Hospitality Taxes.

With 50% of the year lapsed at the end of December, expenditures to date are approximately \$3.6M or 52% of total budgeted expenditures. The small variances are mostly related to timing with the few exceptions that will carry throughout the year. Insurance cost is 17% higher than budgeted due to increase in bridge coverage premium. Maintenance cost will exceed budgeted amount and for the first six months is 15% over the budget. In the second quarter, the Town also incurred costs related

to the cleanup and partial beach renourishment after Hurricane Irma that totaled as of December 31, 2017 \$85K and \$112K respectively.

Capital expenditures are in line with the budget. The negative variance in Municipal Center construction cost is related to timing. This project is completed and closed. The total cost of the project is approximately \$8.8M, which is \$416K, or 5% less than original budget. Mayor Weaver commended all those involved in the project for coming in under budget.

**X. Town Administrator's Report:**

Mr. Lameo reported on a project in the area outside the roundabout on Betsy Kerrison which falls under the Town's purview. He stated that he contacted the State due to concerns with ponding across the roadway along with a dip in the outbound lane. The State has agreed to do sampling to make a determination on the structure safety of the roadway, scraping the easements, replacing the damaged guardrail on the outbound lane, and repaving the roadway. The sweetgrass that has been removed is being transplanted to areas along the Parkway and will be replaced with Breeze grass which stays smaller and is an evergreen.

Mr. Lameo also reported that the areas along the Parkway that were damaged in the storm have been repaired and the landscaping replaced.

Ms. Tillerson reported that Mr. Lameo and Mrs. Szubert is meeting with FEMA on submitting for reimbursement on the approximately \$85,000.00 spent on storm clean up.

**XI. Council Member:**

- a. Committee Updates
- b. General Comments

Mrs. Mezzanotte stated that she attended the meeting of the Charleston Visitors Bureau (CVB) and reported on their work with the County, City and businesses to identify ways to address labor shortages, parking and affordable housing. She also confirmed with Council on scheduling a presentation for the CVB on how the Town is funding is spent.

Mrs. Mezzanotte reported on the seven events presented in February by the Arts Council, two of which are sold out.

Mr. Wilson stated he attended the Charleston Area Transportation Study Committee (CHATS) meeting. He indicated that most of the project did directly affect Johns Island with the exception of a newly titled project of Maybank improvement phase 1, 2, and 3. The project was to include improvements on Maybank Highway from the Stono River to Bohicket Road. In reality the projects were resurfacing the road and adding a bike lane that already exists, and the addition of turn lanes. The third phase is the addition of a pitchfork configuring of three lanes coming of the bridge coming on the Island. An alternative to the pitchfork configuring was presented by Mr. Roberts and dismissed by the County. Even though concerns on the lack of any projects on Johns Island roads were expressed to the Chairman of the Committee, no additional projects are expected.

Mr. Wilson reported the CVB has been instrumental in filming the "Cars on Kiawah" show to be nationally televised in 2019 on the Velocity Channel. The Golf Resort has offered to provide the accommodations for the film crew.

**XII. Citizens' Comments:**

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick reminded there is a tax credit allowance of \$1,250.00 for those qualifying property owners who spend more than 5% of their income on the cost of insurance coverage.

Mrs. Kulick commented on the time spent by Ms. Tillerson and the facilitator on the useful information presented at the Council Retreat. She questioned if Council would be scheduling or consider approving any of the policies and future planning presented by staff at the meeting and questioned the cost for the facilitator to prepare the information and attend the first day of the Retreat. Mrs. Kulick commented the Retreat was not live streamed or recorded and asked if that should be done in the future, and also suggested providing an opportunity for resident input and reaction during the Retreat.

Mrs. Kulick asked for clarification on a comment made during the Retreat in which there was discussion of all the rose bushes planted instead of native plants, asking how did this happen, who approved it and how come nobody knew.

**Mayor Weaver responded by stating that he did not envision there would be a follow-up meeting to talk specifically about strategy or the recommendations discussed at the Retreat, but pointed out that during the budget process is when Council debates and makes spending decisions on special projects and priorities along with the allocation of resources.**

**Mayor Weaver indicated that all monthly expenses paid are listed on the Town's website.**

**Diane Lehder – 306 Palm Warbler Road**

Mrs. Lehder reiterated the comments made earlier by Ms. Abbott and as she did at last month's meeting urged Council to renew the Town's opposition to the project and to sign on with SCELP's efforts to pursue this in court.

Mrs. Lehder stated that at the January meeting Mr. Roger Warren suggested the Town poll its resident on this issue. She commented that it was a simple request which she could support and indicated it was her opinion that taking no action was an inadequate action at this point in time.

**Dennis McGill – 100 Pleasant Valley Drive**

Mr. McGill indicated he was impressed by the ability to view the Town Council meetings online and questioned when the Retreat would be put on line.

**Ms. Reynolds responded that she was not able to live stream the Retreat in the meeting room area of Council Chambers so it will not be available online.**

Mr. McGill commented on the shading of the windows stating that you could not see in the windows from outside with the shades down adding an extra layer of protection.

Mr. McGill asked on the status of the Federal case against the former Town Administrator and Treasurer and if any member of Council had been interview by the defense.

**Mayor Weaver responded that there had been no additional information to add to what had been previously reported and that no member of Council had been requested to be interviewed.**

Mr. McGill asked on the status of the Mercer Group salary study had been reported.

**Mayor Weaver indicated the study is complete and a recommendation is scheduled for the April Ways and Means Committee meeting.**

Mr. McGill commented on the Executive Session and stated that he did not think all legal options necessary are privileged and the items to be discussed does not seem to be since it is a question on the attorney's opinion.

***Mr. Wilson made a motion to move into Executive Session to receive legal opinion from the Town Attorney on a matter related to the anticipated challenge by the South Carolina Environmental Law Project to seismic testing and drilling in the Atlantic Coastal waters. The motion was seconded by Mrs. Mezzanotte and was unanimously passed.***

**XIII. Executive Session:**

- A. To receive legal opinion from the Town Attorney on a matter related to the anticipated challenge by the South Carolina Environmental Law Project to seismic testing and drilling in the Atlantic Coastal waters.

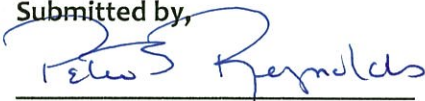
***Mr. Koach made a motion to return back to Regular Session. The motion was seconded by Mrs. Mezzanotte and unanimously passed.***

Mayor Weaver stated that no votes were taken and no decisions were made that would bind the Town during the Executive Session.

**XIV. Adjournment:**

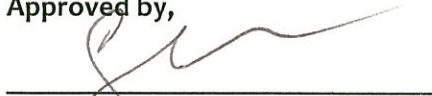
***Mr. Koach motioned to adjourn the meeting at 3:52 pm. The motion was seconded by Mrs. Mezzanotte and carried unanimously.***

Submitted by,



Petra S. Reynolds, Town Clerk

Approved by,



Craig E. Weaver, Mayor

3/7/18

Date