

TOWN COUNCIL MEETING

Kiawah Island Municipal Center
Council Chambers
June 5, 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
Dorota Szubert, Town Treasurer
Dwayne Green, Town Attorney
Petra Reynolds, Town Clerk

III. **Approval of Minutes:**

A. Minutes of the Town Council Meeting of May 1, 2018

Mr. Widuch made a motion to approve the minutes of the May 1, 2018, Town Council Meeting. The motion was seconded by Mrs. Mezzanotte and the minutes were unanimously approved as amended.

IV. **Mayor's Update:**

Mayor Weaver reported the Town, along with Seabrook, hosted a "Meet the Candidates" event for the two Republican primary candidates, Joe Qualey and Jenny Costa Honeycutt. The candidates will be representing District 9 and voting on issues affecting Kiawah and Seabrook, as well as James Island, Folly Beach, and parts of West Ashley and Johns Island. Mayor Weaver stated that he and Mayor Ciancio asked each candidate a series of questions on behalf of their residents and the answers differentiated the candidates in both their styles and views. He stated the voting would be held at the Municipal Center and encouraged voters to participate.

Mayor Weaver gave an update on the DHEC Office of Coastal Resource Management (OCRM) proposed changes to the 40-year baseline and setback line. He noted the public comment period changed from November 2017 to April and is currently at July 15 with an adoption date sometime in September. Following the Beach report from Coastal Science and Engineering, a letter was submitted to OCRM stating the Town's position that OCRM's proposed lines are in error not properly reflecting where the primary dunes are error and recommended to return to the current existing 2009 40-year baseline and setback line.

Mayor Weaver indicated that several property owners have independently asked OCRM to extend the line more seaward but clarified that in sending formal a recommendation to OCRM, the Town was not trying to prejudice the views of any separate entity that is privately submitting an appeal.

Mayor Weaver reported that the former Town Treasurer that was indicted on federal charges of wire fraud has changed his plea to guilty and will be entering the sentencing phase. He noted there had not

been any information on any plea of the former Town Administrator. He noted that the Town Attorney attended the hearing and would make additional comments later in the meeting.

V. Citizens' Comments (Agenda Items Only)

None

VI. Presentation:

A. Charleston Area Convention and Visitor's Bureau

Mrs. Mezzanotte explained that the Charleston Area Convention and Visitor's Bureau (CACVB) is a not-for-profit destination marketing organization that helps Kiawah with its travel and tourism strategies and are supported by a portion of the Town's State Accommodations Taxes along with Visitor's Bureau in the lobby of the Municipal Center. She introduced the staff in attendance at the meeting as Ms. Lori Smith, Vice President of Operations, Mr. Chris Campbell, Director of Communications and Strategic Planning, Ms. Suzanne Wallace, Director of Education and Training and Ms. Angie Day, Assistant Director of Sales, and Mr. Walter McCants, Director of Visitor Services.

Ms. Smith gave a PowerPoint presentation which included, the mission and overview of Explore Charleston organization. Ms. Smith reviewed a breakdown of the revenues which come from local (accommodations tax), state (destination-specific grant) and private funding (various programs). She reviewed the state accommodations tax charges and a breakdown of the funding process. The division by nine municipalities showed Kiawah providing seven percent of their total revenue.

Ms. Smith reviewed expenses showing eighty-seven percent go to marketing, group sales media, and public relations. She indicated that marketing increases awareness and an estimated \$17.1 million is spent on sales and marketing initiatives. She emphasized the platforms of print, broadcast, billboard & digital/online advertising, and event support, highlighting examples of a major focus on group sales, and high-end leisure and travel.

Ms. Smith reviewed a few of the future opportunities which included evolving into a destination, marketing, and management organization, having a role in bringing solutions to issues with workforce development, transportation, and infrastructure along with managing issues with short-term rentals.

In further discussion, Mayor Weaver asked if visitors are coming to Kiawah for the beach, golf, resort amenities or the environment. Ms. Smith stated that the Kiawah Island community is different from other islands communities, is a "Crown Jewel" and attracts a different high-end traveler looking for an island escape environment and exclusivity.

VII. Consent:

- A. To Consider Approval of the Island Beach Services, Beach Patrol Contract Amendment**
- B. To Consider Approval of the Hydro Enterprises Proposal for the Parkway Bridge Embankment Stabilization Project**
- C. To Consider Approval to Engage the Firm of Tobias and West, LLC to provide Structural Engineering Consultant Services**
- D. To Consider Approval of the Summit Cleaning Services Contract Amendment**
- E. Ordinance 2018-07 - To Amend Article 9 – Building and Building Codes, Chapter 4 – Permits, Licenses and Fees, Division 1 – Permits – **Second Reading****

Mayor Weaver made a motion to approve consent items A through E if there was no request to remove any of the items to be voted on separately. The motion was unanimously approved.

VIII. Old Business:

- A. Ordinance 2018-08 - To Adopt the Fiscal Year 2018-2019 Budget for The Town of Kiawah Island, SC (7/1/18 Through 6/30/19) – Public Hearing and Second Reading**

Mayor Weaver opened the public hearing for Ordinance 2018-08 to adopt the fiscal year 2018-2019 Budget.

With no public comment, Mr. Widuch made a motion to close the Public Hearing. The motion was seconded by Mr. Wilson and was unanimously approved.

Mr. Wilson made a motion to approve Ordinance 2018-08 - to adopt the Fiscal Year 2018-2019 budget. The motion was seconded by Mrs. Mezzanotte.

Ms. Tillerson stated there was one slight change to the budget from the first reading. The Ways and Means Committee recommended, and Council approved, the consideration to amend the Island Beach Services (IBS) contract for an additional \$1,800 month or \$21,600.00 annually to cover the lease at 32 Sorel Road for a permanent home for their equipment storage, parking, and needed beach access. One of the minority owners of IBS is working with the owner of the property to purchase the property, and the approved stipulation was that the Town would not start paying the additional cost until they close on the lease and would have to be resubmitted for approval in February of 2019.

Following the discussion, the motion to approve the Fiscal Year 2018-2019 Budget was unanimously approved.

IX. New Business:

None

X. Other Business:

None

XI. Town Administrator's Report:

Mr. Lameo on three Public Works Committee projects the Town is currently working on. The first was the Parkway bridge project. Phase one included some minor repair work identified in a routine, bi-annual inspection, and has been completed. Phase two is the erosion stabilization project adjacent to the bridge caused by the recent hurricanes. The project is under contract, but is not yet underway.

The second project, resurfacing of the Kiawah Island Parkway, is underway with an engineering company examining the roadway and drainage from the roundabout to Beachwalker Drive. The report should be completed in the next couple of weeks.

The third project, still in discussion phase, would put in a right turn lane at Beachwalker Drive to relieve some of the traffic congestion at the entrance to the County Park.

Ms. Tillerson reported that staff performance reviews are underway and will be reflected in a merit increase, typically applied annually on July 1st. An aggregated 4% increase has been budgeted allowing for a 2-6% individual merit increase based on performance.

Ms. Tillerson stated the Town engaged the Mercer Group to review the competitiveness of the current employee salaries was completed this year. The review resulted in Council approving the re-grading of several employees and concluded that most employees are being compensated at a level below the midpoint of their salary ranges. The study also recommended a lump-sum increase to the four employees currently paid below their minimum salary range.

Ms. Tillerson stated she was working with the Mayor and Town Attorney on her request for a small pot of money of \$3,000.00 to \$4000.00, approved by Council, to provide small one-time, cash rewards to recognize any outstanding achievement by an employee. She is confident that additional costs should be able to come out of the current, approved budget, and additional funds will not be needed.

Mr. Green confirmed the filing of a lawsuit against Webster Rogers, the former auditors for the Town, for not notifying the town of fraudulent activity that was going on between 2011-2015. The lawsuit has been filed in the Court of Common Pleas and served on the attorney for Webster Rogers. Doug McMillan is the attorney handling that case on behalf of the former auditors' insurance carrier.

Mr. Green updated Council on the proceedings in a plea hearing in Federal District Court against former Town Treasurer on May 27th. Judge Michael Duffy went through a litany of items in the indictment, all of which Mr. Gunnells admitted to, including a scheme between him and the former Town Administrator to defraud the Town. Mr. Gunnells plead guilty to the single count of conspiracy to commit wire fraud. The former Town Administrator, Ms. Rucker, had not yet entered a plea. Mr. Green stated the likely outcome would include a probationary period along with payment of restitution.

Mr. Green gave an update on the commendation of 122 Turnberry Court stating that the conditional appraisal had been completed and are awaiting access to the interior to obtain the fair market value of the property and structure. To this point, the property owners, living in Ohio, nor the lien holder, a former Seabrook resident, have not responded to legal service. Mr. Green stated he is comfortable that all parties have been served in the manner they needed to be and the condemnation process is going through the statutory steps and is moving forward as quickly as possible making sure not to open the Town to any liability. He gave an estimate of late summer, early fall, for completion of the Summary Judgement process.

XII. Council Member:

- a. Committee Updates
- b. General Comments

Mrs. Mezzanotte stated she had no report regarding the Arts Council, whose season starts again in July. The Sea Level Rise Committee is focused on is reviewing a draft of the written report and hope to finalize the report by early September.

Mr. Wilson reported there is a Council of Governments meeting next Monday and a Charleston Area Transportation Study (CHATS) meeting a week from Monday. He noted that the current governor has expressed support of the completion of I-526 which is significant because he will have the ability to appoint members on the Infrastructure Bank.

Mr. Wilson reported at the last meeting of the Johns Island Task Force concern was raised on the City of Charleston Planning Commission approval of the development of 200 homes in the vicinity of the John's Island Executive Airport. He indicated that along with the additional traffic it could restrict the operations or eventually closing the airport. Mr. Wilson stated the Mayor sent a letter to the Chairman of the aviation board expressing concern because the airport is an important gateway to Kiawah for conferences along with the PGA and could be a way to elevate congestion at the Charleston Airport in the future.

Mr. Wilson stated the preliminary report on the Parkway indicates that the structure of the Parkway is in good shape. If the report comes back that the project only requires only resurfacing, it would be great cost savings to the Town. He noted that the Sea level Rise report would be taken into consideration during the re-engineering phase of the project.

Mr. Wilson stated on the Beachwalker Drive Improvement project; the Mayor is in discussion with the Partners on the land that may be required to put in a turn lane into the County Park along with developing an RFP for the engineering and design of the project.

Mr. Widuch reminded everyone that Disaster Awareness Day would be held next Wednesday, June 14th from 2:00 pm to 4:00 pm in Council Chambers of the Municipal Center.

Mr. Koach notified Council of a vacancy on the Board of Zoning Appeals. There are currently no candidates for the position. The Board meets approximately six to eight times a year, is not time consuming, requires only brief training, and no prior experience.

Mayor Weaver added that the Johns Island Growth Management Committee has scheduled a second meeting for June 26th, at the Berkeley Electric office on Maybank Highway. He indicated that it has been six weeks between meetings and is looking forward to updates.

Mr. Wilson added that at the *Meet the Candidate* event, Ms. Costa-Honeycutt expressed her support for the completion of I-526 while Councilman Qualey was against the completion.

XIII. Citizens' Comments:

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick commended Council for listening to last month's concerns, though not in its purview, in regard to the Fire District's promise for use of land, at no-cost, to house the temporary trailer while their station was being replaced. Since the land was no longer available, she asked if Council was aware of any update.

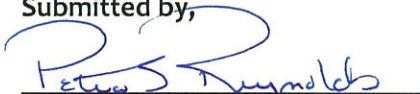
XIV. Executive Session:

None

XV. Adjournment:


Mr. Wilson motioned to adjourn the meeting at 4:30 pm. The motion was seconded by Mr. Mezzanotte and carried unanimously.

Submitted by,



Petra S. Reynolds, Town Clerk

Approved by,



Craig E. Weaver, Mayor

7-16-2018
Date