

## TOWN COUNCIL MEETING

Kiawah Island Municipal Center

Council Chambers

October 2, 2018; 2:00 PM

### AGENDA

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  
Petra Reynolds, Town Clerk

III. **Approval of Minutes:**

A. Minutes of the Town Council Meeting of September 4, 2018

*Mr. Koach made a motion to approve the minutes of the September 4, 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 stated that following Hurricane Florence, Mayor Tecklenburg, and Mayor Summey in conjunction with a number of other area Mayors including Mayor Weaver created the Lowcountry Mayor's Disaster Relief Fund. Its purpose is to help citizens in the counties and towns in North and South Carolina impacted by the storm. The fund was formed through Coastal Community Foundation, and any citizens who would like to donate can find a link to the foundation on the Town's website.

Mayor Weaver announced that on Thursday, October 4<sup>th</sup> the Town would be hosting a "Fall Back to Kiawah" event from 4 to 7 pm on the Municipal Center back lawn. There will be entertainment by the Robbie Madison band to enjoy along with food and beverages for sale. The event is an opportunity for residents to come and see the beautiful Town Hall back lawn and enjoy what is hoped to be good weather.

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

**Wendy Kulick – 38 Marsh Edge Lane**

Ms. Kulick stated that she and her family had the opportunity to visit Atlanta while evacuating during Hurricane Florence. She urged folks to visit there stating the Aquarium and Botanical Gardens were gracious enough to significantly reduce their admission fees, and their hotel waived the pet fee. She stated that it was her understanding that refugees from North and South Carolina were able to attend the Braves games free of charge, also adding that people could not have been more hospitable.

## David DeStefano – 31 Burrows Hall Road

Mr. DeStefano stated that as the Chairman of the Public Works Committee (PWC) he wanted to discuss the process of meeting notice. He was disappointed in the late notice of the last special meeting of his committee, which came via email one and one-half hour before the meeting was set to begin. It was his opinion that on such short notice each member should have been contacted by phone or the meeting should have been scheduled for later that day.

Mr. DeStefano indicated he was aware of only two members of the Committee in attendance at the meeting, with one of the members resigning and another member not happy that he could not attend. Mr. DeStefano indicated that only one of the bidders, Kimley Horn, was contacted by phone.

Mr. De Stefano indicated that in his opinion agenda material was a little skewed because in analyzing the design services requested, all three bids were competitive. He stated that as the Chairman of the PSW he had no idea if this was the proper recommendation to Council but would not object because of the very tight time frame to complete the project.

## VI. Presentations:

### A. Greene, Finney, and Horton FY 2017/2018 Audit Presentation

Ms. Emily Sobczak with Greene, Finney, and Horton made a presentation of the Town's Fiscal Year 2017-2018 audit report. She reviewed the Town's audit with a PowerPoint presentation to highlight the results of the audit and the financial condition of the Town as of June 30, 2017. Items discussed were:

- Responsibilities of the Town and of the Audit firm
  - Reviewed the ongoing process of internal controls that the Town used throughout the year and described her agency's role in evaluating these processes and suggesting improvements.
  - Auditor opinion – the Town received an “*Unmodified Opinion*” or clean opinion of the year's financial information, deeming it correct and accurate
  - Town's Financial Condition
    - Good financial condition as of June 30, 2018
  - Town's General Fund Balance; Revenues and Expenditures which was 159.6% of 2019 budgeted expenditures and other financing uses
    - Total Fund Balance of \$8 million – and an increase of \$1.2 million from the previous year
    - The non-spendable fund balance is \$115k for prepaid items
    - The unassigned fund balance is \$7.9 million
      - Revenues - \$5.7 million for 2019; \$606k or 11.4% higher than budget
        - \$2.5m in business licenses
        - \$1.3m in building permits
        - \$793k in franchise fee revenue
        - \$548k in local options sales tax
        - \$356k in environmental service fees
        - \$387k in all other revenues
      - Business licenses were higher than budget by \$303k
      - Building Permits were higher than budget by \$180k
    - Expenditures - \$5.1 million; \$120k (2.4%) greater than budget
      - \$3.8m in general government
      - \$21k in judicial
      - \$666k in public safety
      - \$315k in tourism and recreation
      - \$273k in capital outlay
    - General government \$132k over budget primarily due to expenditures related to the scraping of the sand along the dunes in the current year
    - Other departments were fairly consistent with the budget
- Totals for All Funds

- Revenues-\$9.6 million
- Expenditures-\$7.8 million
- Other Items of Note
  - Total capital assets were \$14.4M – an increase of \$80k from 2017 due to the following:
    - \$695k in additions including \$427k related to the construction of the new municipal center, \$177k in infrastructure, \$74k in signs and fences, \$14k in computers and software and \$4k in equipment
    - \$614k in depreciation expense
    - Net dispositions of approximately \$1k
  - \$32.7M in outstanding general obligation bonds with approximately \$367k in principal and interest due in the fiscal year 2019
  - It will be important for the Town to define the provisions of an OPEB Plan to determine the financial impact.
- Compliance
  - No findings noted
  - No Single Audit was required for the fiscal year 2018
- Management Letter -
  - Recommendations – No items to report
  - There were no significant recommendations from Greene Finney, which Sobczak credited to Ms. Szubert and her staff who worked very hard to make improvements, refine processes and remain diligent in maintaining effective internal controls for the Town.

Mayor Weaver commented on the numerous changes that have been implemented in the past few years to the Town’s financial systems, processes, and checks and balances. He indicated that the auditors have reviewed those changes and have expressed that they are comfortable the processes in place continue to be effective and properly maintained.

Mayor Weaver stated the item, not on the agenda was the second reading of Ordinance 2018-12 to amend the Town’s Beach Lighting Ordinance, which had its first reading at the last month’s Town Council meeting. The second reading has been indefinitely pulled from the agenda. After discussions staff concluded that the ordinance requires further review and more comprehensive changes. The intent will be to bring this ordinance back to Council prior to turtle season 2019.

## VII. New Business:

### A. Kiawah Native Plant Week Proclamation

Mayor Weaver read the Kiawah Native Plant Week Proclamation, which declares the third week of October as “Kiawah Native Plant Week” to recognize the essential value and importance of Kiawah’s native plants to the Island’s history, landscape and environment. He stated that in conjunction with Native Plant Week there will be a number of Kiawah Conservancy related programs taking place encouraging planting and conservation of native species along with a “Grow Native” database that is still under development.

### B. To Consider Approval of the Proposal from Kimley-Horn for the Beachwalker Drive Improvement

Mayor Weaver stated the Kimley-Horn proposal was discussed and recommend for approval by the Ways and Means Committee.

***Mr. Wilson made a motion to approve the proposal from Kimley-Horn for the Beachwalker Drive Improvements. Mrs. Mezzanotte seconded the motion.***

Mr. Wilson explained that he and Town staff felt that the process for selection of a firm to research, design and construct an additional turn lane to Beachwalker Drive was taking too long and running

against a deadline. Mr. Wilson further stated if the approval of the engineering did not take place now, there would be no chance the project would be completed by Memorial Day of the next year. He reviewed the process that included the three bidders making personal presentations to the Public Works Committee, and an addendum in which the Committee requested additional information which required a rebid. He indicated that the re-bid proposal from Kimley-Horn was substantially lower than the other bidders. After review of the proposal by two members of the Public Works Committee and Town Staff along with a discussion with Kimley-Horn for clarification on some items, all present felt the bid covered all the requirements at a much lower price.

***Following the discussion, the motion to approve the proposal from Kimley-Horn was unanimously passed.***

C. To Consider Approval of the Carolina Waste Contract Amendment for Two (2) Compactors Installed at Kestral Court.

Mayor Weaver stated the approval of the Carolina Waste Contract Amendment for Two (2) Compactors Installed at Kestral Court was discussed and recommended for approval by the Ways and Means Committee.

***Mr. Widuch made a motion to approve of the Carolina Waste Contract Amendment for Two (2) Compactors Installed at Kestral Court. Mrs. Mezzanotte seconded the motion, and it was unanimously passed.***

D. To Consider Approval of the Proposal from Watts Builders for the Demolition of a Residential Structure located at 122 Turnberry Street

Mayor Weaver stated the approval of the proposal from Watts Builders for the demolition of the residential structure located at 122 Turnberry Street was discussed and recommended for approval at a special call Ways and Means Committee meeting prior to this Town Council meeting.

***Mr. Widuch made a motion to approve of the Proposal from Watts Builders for the Demolition of a Residential Structure located at 122 Turnberry Street. Mr. Wilson seconded the motion.***

Mayor Weaver stated the approval of the proposal is in anticipation of a court order. The approval will allow the Town to move ahead with the demolition as quickly as possible when the order is received without having to wait for the approval process. Mr. Green indicated that since nothing has been filed in opposition, the court hearing will be set, and the order is anticipated by the end of October.

***Following the discussion, the motion to approve the proposal from Watts Builders was unanimously passed.***

VIII. **Other Business:**  
None

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

Ms. Tillerson gave an update on the ongoing trash concerns and matters with HOAs. She reported that both she and Mrs. Szubert have been working with the property management companies and have resolved all the issues with Ravenel and are stilling working with Poston and Company. Ms. Tillerson reported that letters have been sent to the HOA homeowners advising them of the options they can select from with the exception that if the home is on the rental program, the requirement of having twice-a-week backdoor service still applies.

Ms. Tillerson reported that three of the HOA's managed by Poston have elected to remain with the twice-a-week backdoor service. The last HOA, Greenslake Cottages, the issues center around the placement of trash receptacles on porches. Even though it has been the practice, Carolina Waste Management was unaware of the practice and have informed the Town that Carolina Waste Risk Management has made the determination that policies do not allow the receptacles to be brought down steps by the workers. She noted that there are difficulties with limited space and no common area in the cottages and has requested that Carolina Waste Management meet with her, Mrs. Szubert and Poston representatives on site to see if a resolution could be worked out.

Ms. Szubert added that sixteen out of the 288 residents contacted by mail had requested the change to curbside service.

**X. Council Member:**

- a. Committee Updates
- b. General Comments

Mrs. Mezzanotte reported on the upcoming Arts Council Events:

- Piano Bar tomorrow night with Robbi Maddison
- Micah McLaurin Sunday, October 7, 2018, at Church of Our Saviour
- David Holt Presents Festival of Mountain Music on Sunday, October 21, 2018, East Beach Conference Center
- Pure Theater which was scheduled for October 14<sup>th</sup> had to be canceled.

Mr. Wilson congratulated Ms. Tillerson, Mrs. Szubert and their staff members on the hard work done resulting in a successful and clean audit. He stated that he felt that it was reasonable to say the Town is now in the best controlled financial environment that it has ever been in and will hopefully continue. He also stated that staff had produced the Comprehensive Annual Financial Report (CAFR) which is available on the Town website and encouraged the residents to take a look at it.

Mr. Wilson reported he attended last week's CHATS (Charleston Area Transportation Study) meeting and updated Council on the conversation with Kiawah's Highway Commissioner on the bump coming off the Island. Transportation staff is adamant that they are not going to fix it yet but will monitor the situation. Mr. Wilson reported on the Charleston County Council meeting which included discussion on Johns Island's road improvement allotted funds being diverted, the Pitchfork project and that the I-526 is apparently back on the table, but he seemed cautiously skeptical.

Mr. Widuch gave an update on Station 6, near Flyway, he reported that it looks like the completion has been moved to December 15th. The delay has been attributed mostly to Hurricane Florence and also to the late arrival of roofing materials. He indicated that the final roofing is due to complete today, the window installation will finalize the encapsulation of the building, and no further delays are expected.

Mr. Widuch reminded residents that there is a St. Johns Fire Commission vacancy starting in December. He indicated that if any resident of Kiawah is interested in learning more about the position, to contact him or Ms. Tillerson to provide some background information prior to the official posting period.

Mr. Widuch reported the next Town e-Blast would include information on absentee voting in the December Municipal Election.

Mayor Weaver commented on the first joint meeting between the Town Council, ARB (Architectural Review Board) and KICA (Kiawah Island Community Association) Board to discuss the Sea Level Rise report. All three groups were invited to discuss recommendations and have questions answered by the

Sea Level Rise (SLR) Committee members. Mayor Weaver described the meeting as a good starting point and expects subsequent meetings to continue to follow up on the issues and suggestions that have been raised by the SLR group.

Ms. Tillerson added that the fourth Quarter Town Notes would be published later this month and include Municipal Election Candidate biographies.

## **XI. Citizens' Comments:**

### **Marilyn Green Larach – 1082 Terrapin Court**

Ms. Larach read from the following statement:

*My name is Marilyn Green Larach. I live at 1082 Terrapin Court, Sparrow Pond, Kiawah Island. I am a citizen of Kiawah Island and a concerned Greenslake Cottage neighbor.*

*On September 20, 2018, Ms. Szubert informed Ms. Coxe, the Poston manager, who provides service to Greenslake that Carolina Waste has a company policy that they don't service customers unless trash and recycling containers are at ground level. I am surprised to hear of this policy because Carolina Waste has been servicing the Greenslake cottages with their raised trash enclosures for many years. This was the first time that I have heard of this policy or the Town's concerns regarding elevated trash/recycling containers.*

*I wish to point out that there is no common property within Greenslake on which to place dumpsters. Greenslake properties are tiny and there is little space to build new trash enclosures that would be on the ground. Building new ground-level trash containers will destroy what little greenery surrounds these homes and/or eliminate much of the small driveways that they have. Any new ground-level trash enclosures will not lead to the elimination of the current elevated trash enclosures because they contain the HVAC system for each Greenslake cottage.*

*I find it remarkable that Carolina Waste's accepted bid for solid waste service was silent as regards any requirement for ground-level trash enclosures. Like much of Kiawah, the majority of Greenslake properties are rented so having renters bring the trash containers to the street and then return them to their current concealed location is not a realistic option. In addition, one (of 2) full-time Greenslake resident is a 90-year old widow who lives alone. Having her bring the trash/recycling containers to the curb from its current location is an unrealistic expectation also.*

*Now I am being told Carolina Waste's new owner, Waste Connections, wishes to terminate all solid waste/recycling services for any Greenslake cottage that does not bring their trash cans and recycling containers to the ground level effective November 1, 2018.*

*I have a question for TOKI's attorney, Dwayne Green, Isn't Waste Connections required to honor the contract that the Town signed with them before the start of this fiscal year?  
If yes, how can this problem be occurring?*

*I will point out that it is impossible for the Greenslake cottages to come into compliance with a Town mandate that all trash enclosures be at ground level by November 1. November 1 is 21 business days from now and the Town has not yet even notified Greenslake cottage owners of the issue.*

*For those of you who have not had the pleasure of renovating a residence on Kiawah Island, here are the steps that each Greenslake Cottage owner is going to have to take.*

- 1. Obtain a contractor or architect to design a ground level trash enclosure.*
- 2. Submit the design to the KICOA regime for review and approval.*
- 3. Submit the design to the Kiawah Island ARB for review and approval. Pay the permit fee to the ARB.*
- 4. Obtain a TOKI permit for construction of ground level trash enclosure. Pay the applicable fees to TOKI.*
- 5. Remove shrubbery/driveway to create space for the ground level trash enclosure.*
- 6. Have contractor execute approved plans which will include pouring of a concrete pad as well as erecting enclosure.*
- 7. Have ground level trash enclosure construction inspected and approved by ARB/TOKI before it can be used.*

*Surely, TOKI needs to come up with an alternative solution, so they can continue to carry out one of the core services to those who reside within the Town limits.*

*Thank you for your time and attention.*

**Mayor Weaver stated that he hoped that the previous comments made by Ms. Tillerson showed that the Town is taking this dilemma seriously and that staff and Council Members have looked at the situation, and there has not been a resolution yet but work with the property management company is ongoing. The answer is a work in progress.**

**Wendy Kulick – 38 Marsh Edge Lane**

Mrs. Kulick stated that at the last KICA board meeting Mr. Bailey stated that the utility, which is now owned by Southwest Water Company, informed KICA that Southwest would be seeking a water rate increase to go before the Public Service Commission. She asked if Southwest Water Company has reached out to the Town or if the Town has had any conversations with Southwest Water. She noted that one of the main concerns when Southwest took over was that they have a history of applying for significant increases every two or three years.

Mrs. Kulick seconded Mayor Weaver's comments on the first Sea Level Rise workshop. She suggested that the next meeting be live streamed for those who cannot attend.

Mrs. Kulick addressed Mr. Wilson on the County Council road decision and questioned if County Council provided any indication on where the funding for 1-526 would come from.

**Mr. Wilson indicated that a definitive answer was not given, the assumption that has been discussed at CHATS is that some would be provided by Sales Tax, some from Federal Guide Share Allocations, and some from the County with nothing definitive.**

**Mayor Weaver stated that he had basically the same information on the water rate increase. He indicated that he was informed by the utility company that they were considering a rate increase application sometime in the fall but knew nothing more significant and has not seen details on what the request would be.**

**David DeStefano – 31 Burrows Hall Road**

Mr. DeStefano discussed his concerns regarding the low-speed vehicles. After asking residents for their opinions, he believes the majority are overwhelmingly opposed and would like to ban the use of low-speed vehicles in the Town. Mr. DeStefano clarified that the law states these low-speed vehicles are not “glorified golf carts” they have to be certified at the manufacturer's facility, can only be on a road of 35mph or less, cannot exceed 25mph, have to get up to 20mph in a certain distance and be equipped with all standard automotive safety equipment. He stated that most of the low-speed vehicles seen driving around the Island have no safety equipment and are “glorified golf carts.”

Mr. DeStefano would like to see the Town of Kiawah ban these vehicles and would also like to see the Town move swiftly on the issue before more residents purchase the vehicles. He indicated that State law provides that any municipality or County can ban these vehicles in the interest of safety. He also addressed that if KICA could ban them on private property. According to state law, a gated community can allow golf carts on their roads, same 35 mph or less, but they can only be operated within 4 miles of the garage they are kept in. This precedent set by the state limiting the use of these vehicles in gated communities, even if the Town's ordinance is not enforced by KICA, would limit these types of vehicles traveling from the first gate to Freshfields, one of the most dangerous roads on the Island, and also put a deterrent on the rental companies.

DeStefano is concerned for safety reasons, particularly mothers holding young children in their laps, and implored the Town to ban these vehicles.

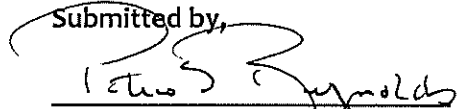
Mayor Weaver stated he is confident that the Town in conjunction with the Community Association, both having different jurisdictions, will take a serious look at this issue for the reasons that Mr. DeStefano raised.

XII. Executive Session:  
None


XIII. Adjournment:

*Mr. Wilson motioned to adjourn the meeting at 3:38 pm. The motion was seconded by Mr. Widuch and carried unanimously.*

Submitted by,

  
\_\_\_\_\_  
Petra S. Reynolds, Town Clerk

Approved by,

  
\_\_\_\_\_  
Craig E. Weaver, Mayor

11.14.2018  
Date