

TOWN COUNCIL MEETING

Kiawah Island Municipal Center

Council Chambers

November 5, 2019; 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
Chris Widuch, Mayor Pro Tem
Maryanne Connelly, Councilmember
Dan Prickett, Councilmember
Klaus Said, Councilmember

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

Notice of the meeting was posted with the Media 24 hours in advance, according to the Freedom of Information Act. All Town Council meetings are recorded for a complete transcript

III. **Approval of Minutes:**

A. Minutes of the Town Council Meeting of October 1, 2019

Mayor Pro Tem Widuch made a motion to approve the minutes of October 1, 2019, Town Council Meetings. The motion was seconded by Councilmember Prickett, and the minutes were unanimously approved.

B. Minutes of the Town Council Special Call Meeting of October 22, 2019

Mayor Pro Tem Widuch made a motion to approve the minutes of October 22, 2019, Town Council Meetings. The motion was seconded by Councilmember Prickett, and the minutes were unanimously approved.

IV. **Mayor's Update:**

Mayor Weaver began by explaining the Citizens' Comments process. He asked that speakers limit their comment time so that everyone has the opportunity to speak, to be succinct, mindful of duplicate comments, and to be courteous and respectful to other speakers. He also reminded speakers that Public Comments is not a debate nor a two-way conversation but instead an opportunity for Council to receive input on community concerns in order to make better decisions.

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

Members of Town Council received numerous emails of public comment addressing concerns on the proposed amendment of the Short-Term Rental Ordinance and Regulations. A copy of the comments can be found at the Town Clerk's Office or on the Town's website www.kiawahisland.org.

During the public comment period of the meeting, the Council also heard similar comments both for and against the amendment. Persons who spoke included:

Elizabeth St. John – 14 Bufflehead
Allen Allred – 581 Whimbrel Road
Kay Burroughs Ballenger – 3 Eugenia
Jim Jarosik – 425 Sea Lavender Court
Mariellen Perugini – 24 Rhett’s Bluff Road
Patrick Wilkie – 148 Broomsedge
Wendy Kulick – 38 Marsh Edge Lane
Sara Whitford – Denver, CO on behalf of Exclusive Resorts
Toula DiGiovanni - 51 Cotton Hall
Eniko Nicolais – 718 Glossy Ibis
Illene Olanoff – 7 Greensward Road
Wade St. John – 14 Bufflehead

VI. Presentation:

A. Fiscal Year 2018/209 Audit Presentation – Mauldin Jenkins

Mr. David Irwin, a managing partner with the audit firm of Mauldin Jenkins, gave an overview of the Town’s financial audit of the fiscal year ending June 30, 2019. He presented the auditors’ discussion and analysis, an internal document prepared for the benefit of Council, which gives general information on the firm, a summary of the discussion points, and a synopsis of accounting standards that will be implemented in the future. Mr. Irwin reviewed the following discussion points:

- **Auditor’s Responsibility**

The responsibility of Mauldin Jenkins, as external auditors, is to express opinions on these financial statements based on our audit. Mauldin Jenkins planned and performed their audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

- **Opinions**

Mauldin Jenkins has issued a clean or unmodified opinion on this year’s audit report. The respective financial statements are considered to present fairly the financial position and results of operations as of and for the year ended June 30, 2019.

- **Internal Controls**

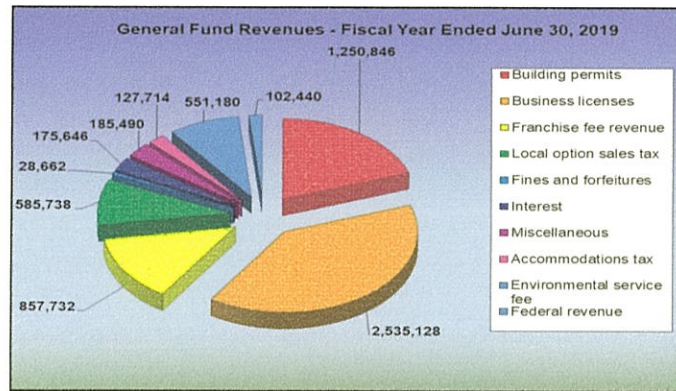
Mauldin Jenkins has no audit findings to report or found no deficiency in the internal control over financial reporting. The issued report is included in the independent auditor’s report.

- **Financial Statements - CAFR**

A Comprehensive Annual Financial Report (CAFR) goes beyond the standard financial reporting required by accounting principles generally accepted in the United States. The Town’s CAFR was submitted to the Government Finance Officers Association (GFOA) and was reviewed and deemed to merit the award of the GFOA’s Certificate of Achievement for Excellence in Financial Reporting.

- **Financial Statements**

The Auditors Discussion & Analysis (AD&A), is included as a condensed overview of the Town’s financial statements. The presented financial statements included three components; 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements, along with the Management’s Discussion and Analysis as prepared by Town management.



During the discussion of the financial statement, General Fund Revenues, and Expenditures, Mayor Weaver pointed out that Kiawah Island does not impose a property tax and that the Town's finances are all economy driven. He also thanked Ms. Szubert, Town Treasurer, and her staff for their efforts in the completion of the audit.

VII. Consent:

Mayor Weaver stated that the four consent items were reviewed and recommended to Town Council for approval by the Ways and Means Committee.

A. To Consider Approval of the McCormick Taylor Kiawah Island Parkway Conceptual Plan

Mayor Weaver stated the Kiawah Island Parkway improvement project, over the next year, will include a total repaving of the Parkway from the roundabout to the main gate. The project is to be primarily resurfacing. The discussion included consideration of elevation of the roadway, the addition of curbing to protect landscaping, and, in conjunction with the Resort, the addition of permanent turn lanes to the property near Freshfields.

The approval of McCormick Taylor conception plan will allow the engineering firm to issue an RFP (Request for Proposals), not including the elevation of the roadway or the addition of curbing, both not being cost-effective.

B. To Consider Approval of the Contract with Outdoor Spatial Design for the Kiawah Island Parkway Landscape Design

The Town released an RFP for Landscape Design along the Parkway in conjunction with the Parkway repaving project. Outdoor Spatial Design was recommended as the Landscape Architect to provide design services.

C. To Consider Approval of the Professional Services Agreement and Contract with Three + One

D. To Consider Approval of the Town Attorney Contract for Joseph Wilson

The Town released an RFP for a Town Attorney. A selection committee reviewed the submittals and recommended the approval of Mr. Joseph Wilson effective January 1, 2020.

Councilmember Pricket made a motion to approve consent items A, B, C, and D. The motion was seconded by Councilmember Said and was unanimously passed.

VIII. Old Business:

A. To Consider Approval of Ordinance 2019-08 - An Ordinance Repealing Article 15, General Offenses, Chapter 8, Short-Term Rental Permit and Regulations of the Kiawah Island Municipal Code; by Amending Article 14, General Regulations and Adding Chapter 5, Short-Term Rental Application and Regulations – Second and Final Reading

Mayor Weaver highlighted and reviewed the changes made to the ordinance since the first reading;

- Intra-family transfers of property can include the transfer of an STR license or a Provisional Lot License (PLL).
- Destination Clubs and Private Vacation Clubs are not permitted in the Town’s Zones R1, R2, and R3 unless the Destination Club complies with the requirements listed in Sec. 15-805 C.
- If an STR owner receives three violations (defined found guilty by admissions or by the Municipal Judge), then their license is subject to revocation for a twelve-month period.
- The application fee for properties subject to caps reduced to \$500.00. The fee for properties not subject to caps remains at \$200.00.

Mayor Pro Tem Widuch made a motion to approve the second and final reading of Ordinance 2019-08 - An Ordinance Repealing Article 15, General Offenses, Chapter 8, Short-Term Rental Permit and Regulations of the Kiawah Island Municipal Code; by Amending Article 14, General Regulations and Adding Chapter 5, Short-Term Rental Application and Regulations. Councilmember Connelly seconded the motion.

Councilmember Connelly stated that she fully supported the Town’s mission to protect and preserve the residential character of the community and the island’s unique natural environment while balancing the economic vitality of business development on the island.

Councilmember Prickett stated while this is a problematic issue, members of the Council as elected representatives have to keep in mind if they are doing their best to represent the long-term interests of all the residents and property owners of the island, including large stakeholders. In doing so, there has to be a balance of conflicting short-term interests, and in his opinion, an outstanding job has been done to work out a balance that begins the process of the work that will continue to have the island be successful and prosper.

Mayor Weaver made additional comments on the challenges of dealing with this difficult issue and that establishing regulations that balance and satisfy the interests of everyone can be problematic. Over time, as the interests, ownership, and character of Kiawah Island change, these regulations will evolve as well, and it will be up to the community and future Town Councils to making the necessary changes as required.

Councilmember Said indicated concern after hearing comments on the misconception that the members of the Council do not represent the residents of the island and that decisions made were to be used as future stepping stones. Any decision made is grounded by hard work and thoughtful discussion with consideration given to all residents and property owners.

Following the discussion the second reading of Ordinance 2019-08 was unanimously passed. Council voted as follows:

Councilmember Maryanne Connelly	yes
Councilmember Dan Prickett	yes
Councilmember Klaus Said	yes
Mayor Craig Weaver	yes
Mayor Pro Tem Chris Widuch	yes

B. To Consider Approval of Ordinance 2019-07 - An Ordinance to Amend Chapter 12, Land Use Planning and Zoning of The Town of Kiawah Island, By Amending Article II, Division 3, Section

12-102. – Principal Uses and Use Regulations; Article IV, Section 12-374. – Definitions; and Adding Article I, Division 3, Section 12-107. – Short-Term Rentals – **Second and Final Reading**

Mayor Pro Tem Widuch made a motion to approve the second and final reading of Ordinance 2019-07 - An Ordinance to Amend Chapter 12, Land Use Planning and Zoning of The Town of Kiawah Island, By Amending Article II, Division 3, Section 12-102. – Principal Uses and Use Regulations; Article IV, Section 12-374. – Definitions; and Adding Article I, Division 3, Section 12-107. – Short-Term Rentals. The motion was seconded by Councilmember Said and was unanimously passed.

IX. New Business:

A. To Consider Authorizing the Mayor Pro-Tem and Town Administrator to initiate a study of the property value and public policy implications of Kiawah’s brand positioning, to include study scope, initial screening of consulting firms, costs, and approaches for inclusion of key stakeholder groups

Mayor Weaver stated during discussions of the STR Ordinance different views were expressed that could be attributed to an unclear understanding of what is happening in the Kiawah real estate market. Before consideration of the ordinance changes, conversations took place that exposed concerns on the state of property values if Kiawah was a resort, a residential community, or both, preservation or decision on the Kiawah brand, and where Kiawah real estate was heading.

Mayor Weaver, in an effort to better understand Kiawah property values, proposed to engage an independent firm to provide an analysis of Kiawah property values, market, and brand. Provide data to understand better the market, property owner trends, and actions the community entities can take. He stated the Town would fully fund the study with approval of the involvement of a cross-section of the community, including the Community Association, the major developers, real estate firms and a mix of full-time and part-time property owners to provide a proper scope and ensure the credibility of the study.

The proposal for Council consideration is to move forward with approval for Mayor Pro Tem Widuch and Ms. Tillerson to bring back to Council a specific recommendation on study scope, initial screening of consulting firms, proposed cost, and an approach on the inclusion of key group representation. The intent would be that the study is completed by the middle of the year.

Councilmember Connelly made a motion to authorize the Mayor Pro-Tem and Town Administrator to initiate a study of the property value and public policy implications of Kiawah’s brand positioning, to include study scope, initial screening of consulting firms, costs, and approaches for inclusion of key stakeholder groups. The motion was seconded by Councilmember Said and was unanimously approved.

B. To Consider Approval of the 2019/2020 Kiawah Conservancy Project Funding

Mr. Jim Jordan stated the Town has partnered with and provided financial support to the Kiawah Conservancy for many years. During Fiscal Year 18-19, the Town provided \$70,000 from County ATAX to support five different Conservancy programs. In Fiscal Year 19-20, the Town has again budgeted a line item of \$70,000 to support Conservancy projects providing topics relevant to the Town.

The Kiawah Conservancy submitted three funding proposals for this fiscal year to the Town’s Environmental Committee, which were reviewed and discussed at the Committee’s October 10th meeting. The Conservancy’s proposed projects are as follows:

- | | |
|--|----------|
| 1. Groundwater Table Research and Monitoring | \$50,000 |
| 2. Marsh Vulnerability Study | \$19,000 |

3. Native Plant Symposium

\$18,000

Mr. Jordan stated that the Environmental Committee was generally supportive of all three projects but felt that the Groundwater Table Research and Monitoring and Marsh Vulnerability Study provided the most value and addressed the issue of flooding and sea-level rise, which is a significant issue for the Kiawah community. The Environmental Committee recommended the approval of the Groundwater Table Research and Monitoring and Marsh Vulnerability Study, which were within budget, and if funding was still available to revisit the Native Plant Symposium.

In response to Mayor Pro Tem Widuch's question, Mr. Jordan explained the Groundwater Table Research project proposed would be the first phase of a multi-phase project to monitor groundwater across Kiawah Island, with a focus on salinity level and water table height. Studying the groundwater will provide valuable information to prepare for vegetative die-back of dominant forest species, policies regarding the island's drainage infrastructure, promotion of salt-tolerant landscape plantings, and siting for landscape low impact development practices.

Mayor Pro Tem Widuch made a motion to approve funding of the Kiawah Conservancy Groundwater Table Research and Monitoring and Marsh Vulnerability Study to revisit the Native Plant Symposium the funding is available. The motion was seconded by Councilmember Prickett.

Mayor Weaver asked that funding be contingent on securing the professors and support students from the College of Charleston who will be performing the studies. Mr. Bunrick, with the Kiawah Conservancy, indicated arrangement had been made with Professor Tim Callahan his expertise and for the selection of a graduate candidate to participate in the Groundwater Table Research project. Dr. Norm Lavine, with the Low County Hazard Center, will be providing services and expertise on the Marsh Vulnerability Study.

Following the discussion, the motion was unanimously passed.

C. Alligator Audit Update

Councilmember Connelly stated that over the past three months, a workgroup including Mr. Ben Cheatham - Kiawah Island Community Association (KICA), Ms. Liz King - Resort, and herself. Additional resources were Mr. Jim Jordan – Town Biologist, Matt Hill – KICA Land and Lakes Management, Dr. Tom Rainwater – Research Scientist from Clemson -Tom Yawkey Wildlife Center.

The purpose of the study was to assure that every effort was made to protect the public, protect the wildlife, eliminate legal liability exposure, and to retain alligators as an essential element of the Kiawah experience.

The Workgroup Review and Evaluate:

- The property owner and visitor awareness of alligator presence
- On-site signage
- Owner/visitor communications
- Intervention protocols resources including record keeping
- Training adequacy of island resources
- Population control

Public and Property Owner Communications:

- Training
 - Create a training video for KICA Security Staff at the gate
 - Golf operations
 - Andell Inn dock

Signage:

- 1) Add additional "DANGER" signs where necessary
 - Resort Golf Courses
 - Night Heron lake areas
 - River Course (golf)
 - Andell Inn dock
 - Any paths heavily traveled where there are no signs
 - Areas where alligators bask that are near bike paths
- 2) Add new smaller placard to all signs, so language differences among guests and children are understood
- 3) Add smaller signs to decks on rental accommodations
- 4) Check all bridges and docks for alligator signs
- 5) Add signage to fishing areas asking fisherman/women to stop tossing bait into lakes

Public and Property Owner Communication:

- 1) Add alligator awareness statement on the back of visitor passes
- 2) Include an explanation of the responsibility of homeowners to notify renters of alligator information in a rental license
- 3) Include alligator safety information in the rental unit information
- 4) Continue to educate property owners about alligator through Town publications
- 5) Avoiding confrontation with alligators and unsafe human behavior
- 6) Post information online
- 7) Investigate language translation

Alligator Handling and Behavior Education:

- 1) Record keeping
- 2) Town to educate security members and deputies on the protocol for handling alligators and record-keeping
- 3) Continue Nature Center programs on alligators

Separating Alligators from People Avoiding Encounters:

- 1) Identify heavily traveled paths for prevention signage and barriers
- 2) Evaluate the use of islands ramps reviewing platforms with the goal of increasing distance between human and alligators
- 3) Floating platforms:
 - Positioned in the deeper areas of the lake and secured with an anchor
 - Existing floating platforms are at Night Heron and Surfsong/Governors Lake
 - Test different platform styles and sizes to determine alligator preference
 - Learn to style man-made basking areas
 - Positioned on the shallow edge areas of the lakes
 - Look at artificial and natural logs.
- 4) Fencing and vegetation
 - Install fencing and vegetation a distance from lake edge to allow gators to continue to bask on the lake edge
 - Provide a clear indication that people should not cross the fence line.

Alligator Population Control Policy

According to the professionals, alligators self-regulate their population. Of course, all nuisance alligators should be removed immediately and disposed of. Our population has been consistent for years. Questions about removing larger alligators are asked frequently, but in reality, a large alligator can be 50 -60 years old, and it provides a sense of order among the population. Removal could be more disruptive then realized.

X. Town Administrator's Report:

Ms. Tillerson gave an update on Hurricane Dorian. She stated the Town has expensed out \$568,000 to date, with some bills still outstanding with a total estimated expense of \$750,000. A reimbursement call with FEMA will take place but is only for the public portion. With the reoccurrence of hurricanes as an annual event, the Town has taken the precaution of budgeting funding for clean-up expenses.

Ms. Tillerson gave an update on STR (Short-term Rental) enforcement stating that she would be presenting to the Ways and Means Committee a proposal with two options to include increasing evening code enforcement with additional full-time staff or contracting for additional services as an extension of the public service and code enforcement provided by Island Beach Services on the beach. Ms. Tillerson also stated that Ms. Edgerton is working on a webpage on the Town's website that will focus on the STR to provide specific rental information for residents, renters, and property management companies.

XI. Council Member:

- a. Committee Updates
- b. General Comments

Councilmember Prickett reported that the Arts Council Annual Report is out in hardcopy and will be online shortly. He paid tribute to all the partners who, without their support, the events could not be possible.

XII. Citizens' Comments:

Wendy Kulick – 38 Marsh Edge Lane

Ms. Kulick thanked Council members for listening to comments on the STR ordinance and suggested that an acknowledgment of the passing of former Mayor Bo Turner be placed on his picture in the lobby.

XIII. Executive Session:

None

XIV. Adjournment:

Councilmember Connelly motioned to adjourn the meeting at 4:15 pm. The motion was seconded by Mayor Pro Tem Widuch and was unanimously passed.

Submitted by,



Petra S. Reynolds, Town Clerk

Approved by,



Craig E. Weaver, Mayor

1-9-2020

Date