

TOWN COUNCIL MEETING
Municipal Center Council Chambers
December 7, 2021; 2:00 PM

Minutes

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

II. **Pledge of Allegiance**

III. **Roll Call:**

Present at meeting: John D. Labriola, *Mayor*
Dan Prickett, *Mayor Pro Tem*
Maryanne Connelly, *Councilmember*
Dr. Scott Parker, *Councilmember*

Absent: John Moffitt, *Councilmember*

Also Present: Stephanie Tillerson, *Town Administrator*
Joe Wilson, *Town Attorney*
Petra Reynolds, *Town Clerk*
Brian Gottshalk, *Public Works Manager*
Becky Dennis, *Kiawah Island Utility*
Craig Sorenson, *SouthWest Water Company*
Lauren Rust, *Lowcountry Marine Mammal Network*

IV. **Approval of Minutes:**

A. Minutes of the Town Council Meeting of November 2, 2021

Councilmember Parker made a motion to approve the minutes of the November 2, 2021 Town Council Meeting. Mayor Pro Tem Prickett seconded the motion, and it was unanimously passed.

V. **Mayor's Update:**

Mayor Labriola announced that on January 11th, 13th, and 14th Council would be having a Planning Retreat at Town Hall. The three workshops:

- January 11th from 11:00 am to 1:00 pm
- January 13th from 1:00 pm to 4:00 pm
- January 14th from 9:00 am to 12:00 pm

The Retreat will be for Council and Senior Staff, but the Community is welcome and encouraged to attend.

Mayor Labriola stated that the retreats are an important part of the activities' planning to support the town's mission and goals. It provides an opportunity to review the plans from the prior year and develop those objectives to accomplish in 2022. It will also provide an opportunity for Council and Senior Staff to review current projects, upcoming goals and discuss strategic planning.

At the January 11th workshop, one critical area of review will be the Town's zoning ordinance and state statutes on annexation and zoning. Part of the review will discuss the sequence of events that took place with the Andell Tract development project. There has not been any further activity with the project offering an opportunity to reevaluate the process used, the context of annexation laws, and the Town's zoning ordinance to see if changes are necessary with the review and approval process.

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

Diane Lehder – 306 Palm Warbler

Ms. Lehder stated that she had an opportunity to do a cursory review of the application. She had several concerns that she would hold until the end of the meeting, expecting some would be addressed during the rate increase filing presentation.

VII. Presentation:

A. Kiawah Island Utility Overview of the Rate Increase Filing

Mr. Sorenson began the presentation by reviewing the mission statement of SouthWest Water Company, the parent company of Kiawah Island Utility (KIU). Ms. Dennis provided a review of the activities and accomplishments over the past years, which included dealing with COVID and recent storms, capital projects, service enhancements, community service efforts, and new certifications.

Mr. Sorenson gave an overview of the rate increase filed with the Public Service Commission (PSC).

- KIU needs to adjust rates to cover increased expenses, maintain and improve the water and wastewater utilities. The last filing was in 2018, based on expenses from calendar-year 2017.
- In preparation for the filing, the Office of Regulatory Staff requested a Cost-of-Service Study to ensure the rate design is appropriate
- Notice was filed with the Public Service Commission for increased revenues on November 30. Based on the length of the process, new rates would be effective in June 2022.
- The rate adjustment is a highly regulated legal process that includes intense financial audits, a formal discovery process, sworn testimony, and numerous requests for information
- Intervenors on behalf of public
 - Office of Regulatory Staff (ORS)
 - Department of Consumer Affairs (DCA)
- A Public hearing for customer comments will be set in advance of the PSC hearing
- Proposed increases to water and sewer rates as:
 - Residential ~ 9%
 - Commercial ~ 8%
- Regional/Southeast CPI (Consumer Price Index) increased 13% from July 2017

Councilmembers posed questions on the rate increase percentage in 2018, how often and what indicator prompts a rate increase filing, rate increase percentage, and the Town's participation in previous rate increase filings.

VIII. Consent:

- A. To Consider Approval of **Ordinance 2021-14** - An Ordinance to Amend Article 4, Finance and Taxation, Chapter 3, Municipal Business Licenses– **Second and Final Reading**
- B. To Consider Approval of **Ordinance 2021-15** - An Ordinance to Amend Article 9 - Building and Building Codes, Chapter 4 - Permits, License, and Fees, Division 2 - Licenses, Section 9-201. - Licenses – **Second and Final Reading**
- C. To Consider Approval of **Ordinance 2021-16** - An Ordinance to Amend Article 14 – General Regulations, Chapter 5 – Rental Applications and Regulations, Section 14-504 – Rental Business License, Section 14-505 - Short-Term Rental Property Caps, Section 14-509 - Revocation or Suspension of a Short-Term Rental Business License, Section 14-510 – Appeals to Town Council – **Second and Final Reading**

Mayor Labriola stated that the three consent items were carryovers and received their first readings at the November Town Council meeting.

Mayor Pro Tem Prickett made a motion to approve the second and final reading of Ordinance 2021-14, Ordinance 2021-15, and Ordinance 2021-16. Dr. Parker seconded the motion, and it was unanimously approved.

IX. New Business:

A. To Consider Approval of **Ordinance 2021-10** - An Ordinance of The Town Council of the Town of Kiawah Island Amending Section 15-306 (Noise) of the Kiawah Island Code of Ordinances – **First Reading**

Mayor Labriola stated that the noise issue had been discussed at two previous Council meetings and the concerns and comments expressed were incorporated in the proposed ordinance presented.

Councilmember Parker made a motion to approve Ordinance 2021-10 to Amend Section 15-306 (Noise) of the Kiawah Island Code of Ordinances. Mayor Pro Tem Prickett seconded the motion.

Councilmembers engaged in an in-depth discussion of special events and regular maintenance operations beginning before 10 am. The suggested language changes provided clarification and would allow for non-amplified Town approved special events and maintenance operations to begin at 7 am. The revised ordinance will be presented at the next Council meeting for approval.

Following further discussion, the motion to approve the first reading of Ordinance 2021-10 was unanimously approved.

B. To Consider Approval of the Proposal for Beachwalker Drive Pedestrian Safety Improvements

Mayor Labriola stated the proposal for the improvements to the leisure trail and the intersections along Beachwalker was presented by Mr. Gottshalk to the Ways and Means Committee. Following review and discussion, it was recommended for approval.

The single bid received in response to a Request for Proposals (RFP) came from Truluck Construction for \$360,349.00. Town Staff met with Kimley Horn and Truluck to discuss the quote and revise the total cost to \$299,868.00.

Councilmember Parker made a motion to approve the Truluck Construction for the Beachwalker Drive Improvements. Councilmember Connelly seconded the motion, and it was unanimously passed.

C. To Consider Approval of the Proposal for Garage Improvements

Mayor Labriola stated the proposal for the improvements to the garage at Town Hall was presented by Mr. Gottshalk to the Ways and Means Committee and was recommended for approval.

The design developed by LS3P was put out in an RFP and received three proposals. Duke Commercial Construction, LLC was the lowest responsive bidder.

Mayor Pro Tem Prickett made a motion to approve the proposal from Duke Commercial Construction for the Garage Improvements. Councilmember Parker seconded the motion, and it was unanimously passed.

D. To Consider Approval of the Proposal for the Android App.

Mayor Labriola stated the proposal for the development of the Android version of the Town's app was presented by Ms. Braswell to the Ways and Means Committee and was recommended for approval.

The proposal from Populace was for \$13,500.00.

Councilmember Connelly made a motion to approve the proposal from Populace for the development of the android version of the Town's app. Councilmember Parker seconded the motion, and it was unanimously passed.

E. To Consider Approval of the Town Attorney Contract Services Agreement with Joseph Wilson

Mayor Pro Tem Prickett made a motion to approve the Town Attorney Contract Services Agreement with Joseph Wilson. Councilmember Parker seconded the motion, and it was unanimously passed.

F. To Consider Approval of the Prosecuting Town Attorney Contract Services Agreement with Adam Young

Councilmember Parker made a motion to approve the Town Prosecuting Attorney Contract Services Agreement with Adam Young. Councilmember Connelly seconded the motion, and it was unanimously passed.

G. To Consider Approval of the Amendment of the STR Code Enforcement Contract with Island Beach Services

Mayor Labriola stated that the amendment would extend the contract with Island Beach Services for Code Enforcement for two months, from December 2, 2021 to February 1, 2022.

Councilmember Connelly made a motion to approve the STR Code Enforcement Contract amendment with Island Beach Services. Councilmember Parker seconded the motion, and it was unanimously passed.

H. To Consider Approval of the Off-Duty Deputy Contract with the Charleston County Sheriff's Office

Councilmember Connelly made a motion to approve the Off-Duty Deputy Contract with the Charleston County Sheriff's Office. Councilmember Parker seconded the motion, and it was unanimously passed.

I. A Request From the Lowcountry Marine Mammal Network to Consider a Letter of Support to Make Captain Sam's Inlet a 'No Wake Zone'

Ms. Tillerson stated the recommendation for Council to consider a letter of support comes from the Environmental Committee.

Ms. Rust requested Council, in the form of a letter, support the Lowcountry Marine Mammal Network petition to make Captain Sam's Inlet a 'No Wake Zone.' The request is being made for three reasons:

1. Safeguarding dolphins, which are federally protected, against any act that alters their behavior. It has been documented that boats riding through the inlet above an idle speed have been disruptive.
2. Protection of the critical feeding habit for strand feeding dolphins.
3. The bystander's misperception that it is the Town's responsibility to protect the area even though anything on the water is the responsibility of DNR (Department of Natural Resources).

Councilmember unanimously agreed to support the Lowcountry Marine Mammal Network petition to make Captain Sam's Inlet a 'No Wake Zone.'

J. To Consider Approval of the 2022 Meeting Schedule

Councilmember Parker made a motion to approve the 2022 Meeting Schedule. Mayor Pro Tem Prickett seconded the motion, and it was unanimously passed.

Mayor Labriola introduced the new members of Town staff. Craig Harris will serve as Public Safety Director. Michael Nardelli will be working with Mr. Gottshalk in the Public Works Department. Ruthie Foster will be working with Ms. Braswell in Communications.

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

- XI. **Council Member:**
- a. Committee Updates
 - b. General Comments

Councilmember Parker commented on his first year of service on Town Council as enjoyable and eye-opening. Town Staff is extremely professional and a pleasure to work with, and he found the other Council members a delight to work with. He stated he was glad he ran and was elected to Council.

XII. **Citizens' Comments:**

Diane Lehder – 306 Palm Warbler

Ms. Lehder thanked Council for the opportunity to share her concerns with the KIU rate increase application to the PSC. She questioned if anyone had read the application yet and encouraged everyone to do so.

After her cursory review;

- She questioned whether using 2020 as the “test year” was a fair year to use. The COVID shut down caused many to stay on or escape to the island, which may have caused an unusually high usage of water and sewer services.
- She discussed her perception of the percentage increases
- She noted that the (CPI) cost of living index in 2020, the test year, was 1.4%
- She noted concern with the request for additional incremental pipeline costs related to the construction of a secondary water line
- She questioned KIU asking the commission to continue to set its rate based on the operating margin method

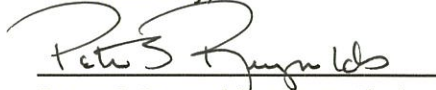
Ms. Lehder state there is no question in her mind that KIU deserves an increase. She posed the questions; who would step up to represent property owner interests, who will drill down into this application to assure that any approved increases are fair not only to KIU but to those who ultimately pay the bills and provide the profit?

She urges Mayor Labriola and members of the Town Council to file to intervene in this process so that property owners can be comfortable that they are fairly represented as this application makes its way through the PSC’s rate adjustment process.

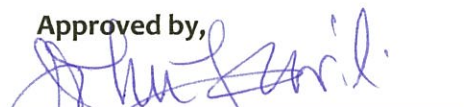
XIII. **Adjournment:**

Councilmember Parker made a motion to adjourn the meeting at 2:58 pm. The motion was seconded by Councilmember Connelly and was unanimously passed.

Submitted by,


Petra S. Reynolds, Town Clerk

Approved by,


John D. Labriola, Mayor

1-14-2022

Date