

**TOWN COUNCIL MEETING
KIAWAH ISLAND MUNICIPAL CENTER
COUNCIL CHAMBERS
OCTOBER 4, 2011; 2:00PM**

Minutes

- I. Call to Order: Mayor Orban called the meeting to order at 2:00pm.**
- II. Pledge of Allegiance:**
- III. FOIA:** Notice of this meeting has been published and posted in accordance with the Freedom of Information Act and the requirements of the Town of Kiawah Island.
- IV. Roll Call:**
- Present:** **G. Steven Orban, Mayor**
 Alan L. Burnaford
 Charles R. Lipuma
 Greg A. VanDerwerker
 Fran Wermuth
- Also Present:** **Tumiko Rucker, Town Administrator**
 Dennis Rhoad, Town Attorney
 Kenneth Gunnells, Town Treasurer
 Lakesha Shannon, Town Clerk
- V. Approval of Minutes:**
- A. August 30, 2011 Town Council Special Meeting**
Dr. VanDerwerker motioned to approve the minutes of the August 30, 2011 Town Council special meeting. The motion was seconded by Mr. Burnaford.

Mrs. Wermuth commented that a complete coverage of the meeting record is not being received, and requested that all of her remarks be included in the record. She stated that if full minutes are not recorded, the minutes become subjective to the editor of the notes. She stated that so much information is missing from the minutes on the lengthy discussion between Council and Mr. Rhoad regarding the procedures for the Utility Task Force and the ratification by Town Council. Mrs. Wermuth also commented on a motion made by Mr. Lipuma during the August 30th meeting in which he motioned to award the contract for legal service to Haynesworth Sinkler Boyd. She stated that the motion followed considerable discussion about the fact that the task force was appointed as an advisory committee and all actions had to be ratified by Council. She stated that there is an obvious problem with what took place in the August 30th meeting as the contract with Haynesworth Sinkler Boyd was

executed on August 22nd. She commented that the vote was unnecessary since the contract was already executed.

Mrs. Wermuth stated that during the August 30th meeting, Dr. VanDerwerker explained that his reason for wanting to attend the Utility Task Force meetings was to obtain as much information as possible to make an informed vote.

Mrs. Wermuth requested a full account of the minutes, not an edited version. Mayor Orban commented that the minutes are not a word-by-word transcript, but rather a written record of salient points made during the meeting. Mrs. Wermuth stated that a full version of the minutes should be completed, because who would determine what the salient points were.

Mr. Lipuma commented that the full Council meeting is recorded and available to any citizen who would like to listen to the entire meeting. He stated that rather than recording every word in the minutes, every Council member has the right to request that their comments be included. Mrs. Wermuth stated that she has listened to the recording and has been unable to hear it clearly. She has also asked other Council members to listen to the recorder, as there may be a problem with the quality of the system.

Mayor Orban commented that much of the discussion is back and forth comments among Council and does not add to the decisions made during the meeting. He stated that he does not recommend any changes to the policy for completing minutes and suggested that Mrs. Wermuth submit her comments if she so chooses.

Mr. Rhoad commented that minutes are distinctly different from a verbatim transcript. He stated that he is unaware of any prohibition or requirement should the Town decide to adopt a policy for verbatim transcript minutes. Mr. Rhoad stated that verbatim transcripts were never provided by any of the municipalities he has represented, and most governmental entities do minutes as a summary of the meeting. He stated that a court reporter prepares a verbatim transcript of the Towns BZA Committee meetings because they are a quasi-judicial body whose decisions can be appealed.

Mrs. Wermuth commented that an accurate reading is needed rather than a subjective reading if the minutes are to be depended upon for a record of the meeting.

The minutes of the August 30, 2011 Town Council special meeting were approved 4-1, with Mrs. Wermuth voting no.

B. September 6, 2011 Town Council Meeting

Mr. Burnaford motioned to approve the minutes of the September 6, 2011 Town Council meeting. The motion was seconded by Mr. Lipuma.

As previously requested during the September 6th Council meeting, Mrs. Wermuth requested clarification on whether the 60-day requirement for the notice of referendum would be met if second reading of Ordinance 2011-07 took place on today. Mr. Lipuma suggested that the minutes be approved prior to discussing Mrs. Wermuth's request.

The minutes of the September 6, 2011 Town Council meeting were approved unanimously as amended.

VI. Citizens' Presentations or Comments:

None

VII. Old Business

A. Second Reading Ordinance 2011-06: Residential R-2-O Overlay Zoning District

Dr. VanDerwerker motioned to approve second reading of Ordinance 2011-06. The motion was seconded by Mr. Lipuma and carried unanimously.

B. Second Reading Ordinance 2011-07: Special Election

Dr. VanDerwerker motioned to approve seconded reading of Ordinance 2011-07. The motion was seconded by Mr. Burnaford and passed unanimously.

C. Employee Handbook

Mr. Lipuma explained that he has worked with Mrs. Wermuth and Mrs. Rucker for about six months to complete revisions to the Employee Handbook. He read a summary of the changes which noted that a large part of the revisions were amendments to employee benefits relating to paid time off (PTO), sick leave and holidays. The objective of the handbook review was to include as many of the various Council members detailed revisions as possible, and/or legally appropriate, while maintaining the policy language that provides particular legal protections. Once adopted by Council, the Employee Handbook will become effective January 2012. Mr. Lipuma stated that the annual employee holidays have been reduced from 13 to 11 and include the following:

Holidays

- | | |
|-----------------------------|------------------|
| New Year's Day | Labor Day |
| Martin Luther King, Jr. Day | Veterans Day |
| Presidents Day | Thanksgiving Day |
| Memorial Day | Christmas Day |
| Independence Day | 2 Personal Days |

He stated that paid time off was separated to distinguish sick PTO from other PTO, which includes vacation and other personal time. The total PTO days were reduced as follows:

<u>Length of Continuous Service</u>	<u>Days/Hours</u>
6 months – 1 Year	10 days/75 hours
1-4 Years	20 days/150 hours
5-9 Years	20 days/150 hours
10-14 Years	25 days/187.50 hours
15-19 Years	25 days/187.50 hours
20+ Years	30 days/225 hours

Mr. Lipuma stated that these sections were one of the main focuses of reviewing the handbook. Policies from other local municipalities were used as a comparison, and the Town's policy is competitive and fair.

Mayor Orban stated that the handbook review was prompted by the large amount of PTO carryover time which became a liability on the Town's balance sheets. He stated that the maximum PTO carryover time has been reduced to 15 days which include 5 sick days and 10 other PTO days.

Mr. Burnaford motioned to approve the Employee Handbook. The motion was seconded by Dr. VanDerwerker.

Mrs. Wermuth clarified that she was part of the Employee Handbook Committee early on; however, she cannot take credit for the good work that has gone into the handbook. She commented that there are still some things she disagrees with, but overall she can vote in favor.

The motion passed unanimously.

Mrs. Wermuth questioned the \$20,000 which was budgeted for the Employee Handbook. Mr. Gunnells clarified that the amount was for Labor Attorney fees.

VIII. New Business:

A. 2012 Health Insurance Subsidy

Mr. Burnaford motioned to approve the 2012 Health Insurance Subsidy. The motion was seconded by Mr. Lipuma.

Mr. Lipuma explained that the Health Insurance Subsidy will increase from \$150 to \$175, and the increase was unanimously recommended by the Ways and Means Committee.

The motion passed unanimously.

B. KIGR Emergency Debris Agreement

Mr. Burnaford motioned to approve the KIGR Emergency Debris Agreement.

Mayor Orban stated that Council has received a draft copy of the KIGR Emergency Debris Agreement. He stated that he has received a completed copy from Roger Warren, KIGR Director, which contained an error in the insurance amount. The error has been corrected; however, a formal approval has not been received from Mr. Warren. Mrs. Rucker stated that she has received thumbs up approval on behalf of Mr. Warren acknowledging the change in the insurance limit from \$2 million to \$1 million, and provided Council with an executed copy of the agreement.

Mr. Rhoad asked if the KIGR agreement is the same as the current debris agreement for Orange Hill. Mayor Orban stated that the only difference is in the Compensation section which states that there would be a \$5,000 fee should the Town ever use the land.

Mrs. Rucker stated that Mr. Warren will initial the original copy of the agreement to acknowledge the \$1 million change in the insurance limit.

Mrs. Wermuth requested to table the approval of this item. She stated that there are differences in the language between the agreement received in the Council packet and the agreement presented during the meeting. She requested time to read the document before voting.

Mr. Burnaford withdrew his motion to approve the agreement.

Mayor Orban motioned to table the item until next month to allow Council time to read the agreement and to obtain Mr. Warren's signature. The motion was seconded by Mr. Lipuma and passed unanimously.

C. Town Server Replacement

Mr. Burnaford motioned to approve the Town server replacement. The motion was seconded by Dr. VanDerwerker.

Mrs. Rucker stated that the life of the existing server has been extended beyond the provided manufacturer's warranty. She stated that additional warranties have been obtained; however, the Town's IT provider is unable to further provide the additional warranties. Mrs. Rucker stated that the Town has experienced slow response times and the server had to be shut down and rebooted several times over the past few months. She stated that the server is showing evidence of wear and is becoming unreliable. The budgeted \$25,000 would provide the Town with a new server that is well equipped with warranties and the technology needed to support the smooth operations of the

Town. Mr. Lipuma noted that the Ways and Means Committee unanimously recommended approval of the server replacement.

Council voted unanimously to expend up to \$25,000 for the replacement of the Town server.

D. 2010-2011 Annual Audit Report

Mr. Burnaford motioned to approve the 2010-2011 Annual Audit Report. The motion was seconded by Dr. VanDerwerker.

Mrs. Wermuth stated that she did not receive a copy of the audit report. Mrs. Rucker stated that a copy of the report was delivered to each Council member on Monday.

Mr. Gunnells stated that Town has received its audited financial statements for the fiscal year ending June 2011. The audit was completed by Webster Rogers audit firm and noted that no management letters or SAS 112 comments were received. Mr. Gunnells commented that the Town did a good job this year and reported appropriately based on Generally Accepted Accounting Principles (GAAP). Mayor Orban commented that the Town has under run its budget and increased its surpluses for the fiscal year. Mr. Gunnells stated that there was an overall increase in funds with revenues in excess of expenditures in the amount of \$963,000 or 7%. He also noted that the General Fund had \$356,379 of revenues in excess of expenditures, and a contribution was made to Charleston County from the Victims Assistance Fund. Mr. Gunnells stated that a copy of the 2010-2011 Annual Audit Report will be available on the Town's website.

E. BZA Request for Review: HVAC Unit Replacements

Mayor Orban stated that he received a letter from Ron Ritchie, BZA Committee Chairman, requesting that the Town review the current HVAC unit replacement code. He commented on a case heard by the BZA Committee in which a homeowner's HVAC unit failed underneath the house. The replacement unit had to be installed on the side of the home and raised up to meet the current flood zone codes. Mayor Orban commented that the HVAC units are located underneath many of the older, smaller homes. These homes do not have large side yard setbacks and it is difficult to find a location for the units. He asked if Council would like the Planning Commission to review the issue and determine if some allowance should be provided to owners of smaller homes who need to replace their HVAC unit. Otherwise the BZA would have to hear each request on an individual basis.

Mr. Burnaford suggested that the issue be reviewed by the Planning Commission for recommended changes to the Town ordinance. This would prevent the BZA from having to hear several individual cases. He stated that the units will eventually have to be removed from underneath aged homes and

elevated to the current flood level. Mr. Burnaford also commented on the possible issue of noise if the side yard or rear yard setbacks are reduced. Mayor Orban asked if it would be possible to revise the Town ordinance to handle this issue or should the BZA continue to hear individual cases. Mr. Burnaford commented that it would be best to amend the Town ordinance. Mayor Orban stated that he will send a formal request to the Planning Commission to request a review of the current setback codes and determine if this issue can be handled without going to the BZA on an individual basis.

Dr. VanDerwerker commented on the issue from the perspective of noise and stated that there are baffles and noise absorbers on the market to help address the issue.

F. Permitting for Organized Beach Events

Mayor Orban commented on a recent incident in which a resident was ticketed for having wine bottles on the beach during a charity event. In accordance with the Town ordinance which states that no glass is allowed on the beach, the resident was given a ticket by Beach Patrol. He asked Council if the Town should consider revising the policy somewhat to allow glass on the beach for organized beach events. He stated that it is almost impossible to fully enforce the issue, and he feels that citizens should not be harassed if they have a glass of wine on the beach and place the bottle back in their wine carrier.

Mr. Burnaford commented that he would not be in support of allowing glass on the beach because it could not be controlled.

Mrs. Wermuth suggested that the rules for glass on the beach be relaxed during an organized beach event.

Dr. VanDerwerker commented that the issue is too complicated and stated that glass should either be allowed or not allowed on the beach.

Mr. Lipuma stated that he is concerned with teenagers having beer parties on the beach, and he is reluctant to allow glass on the beach.

Mayor Orban stated that the Town ordinance is very clear and it would be unfair to ask that beach patrol use their judgment to enforce the issue.

Mr. Rhoad stated that there may be people who are unaware that the Town has a prohibition against glass on the beach. He commented on the recent incident and stated that the beach patrol officer was only enforcing the rules; however the timing was bad and there were no plastic containers available to pour the wine into. He suggested that the Town remind citizens by email blast that glass is not allowed on the beach.

She stated that a hard and fast rule in any case is not the way to handle an issue. Mrs. Wermuth commented on the incident and stated that a phone call may have been in order to determine how the situation could have been handled. She suggested that beach patrol be given some leeway to make a judgment call in this type of situation.

Mr. Rhoad stated that code enforcement uses discretion at all times. He commented on the recent dog off the leash incident on the beach. He stated that code enforcement gave the individual several chances before issuing a ticket. Mr. Rhoad stated that he spoke with the citizen ticketed for glass on the beach and was told by the individual that he did not want to break the law, but the only other option would have been to stop the event. He stated that there was a mutual resolution to the law enforcement aspect of the situation.

Mayor Orban suggested that a permit be issued to allow glass on the beach for organized events.

Mr. Rhoad suggested that the issue be reviewed by the committee that is currently reviewing the request for fires on the beach. Mrs. Wermuth stated that glass bottles have been one of the concerns with allowing fires on the beach.

Mayor Orban directed Mrs. Rucker to review the current ordinance and provide a draft of any necessary changes that may be needed to allow glass on the beach for organized beach events. He stated that Council would review the information and decide whether the changes should be incorporated into the Town ordinance.

IX. Committee Reports:

Dr. VanDerwerker:

Dr. VanDerwerker reported on the Environmental Committee and stated that staff has been very active in bird banding and migrating. Staff will also cooperate with the Kiawah Island Habitat Conservancy in a grant funded project for red knot bird evaluation. There were recent deer-vehicle and bobcat-vehicle collisions reported on the Island. The Town is working to clear up insurance issues with the Resort for the Invasive Plant Study. A public presentation on the Invasive Plant Study will be presented by Dr. Joel Gramling on October 11th at 3:00 pm in the Town Hall Council Chambers. The ADA upgrades to the Municipal Center are on track and final plans are expected this week. KPOG has applied to repeal the proposed utility rate increase to reserve their right to make comments.

Mr. Lipuma:

Mr. Lipuma provided an overview of upcoming Arts Council events. The first event of the Piano Bar series will be held at the Sandcastle on October 5th at 5:00 pm, and the second event will be held on October 12th. The Sound of

Charleston event will be held on October 16th at the Holy Spirit Catholic Church. Michelle Amato will perform on October 20th at the Turtle Point Clubhouse. Superior Donuts will perform at the Turtle Point Clubhouse on October 30th. Mr. Lipuma stated that the Arts Council will sponsor an outreach concert series at Holy Spirit Catholic Church which will feature 5 events to include: Sound of Music, Celtic Christmas, Charles Wadsworth Chamber Group, Charleston Symphony Orchestra and Piccolo Spoleto Preview. Special letters of invitation have been sent to over 60 local churches on Johns and Wadmalaw Islands inviting their parishioners to attend the events. The events will be held at Holy Spirit Catholic Church for the convenience of those who live in the area.

Mrs. Wermuth

Mrs. Wermuth reported on the Public Safety Committee and stated that Town Council referred the issue of fires on the beach back to the committee for further discussion. Mrs. Wermuth stated that she will set up meetings with members of the Sandcastle Committee, KICA Security and Town Code Enforcement to discuss the issue. Permitting is already allowed under the Town's Municipal Code and the Public Safety Committee recommends that the permitting authority remain with the Town as advised by the Town Attorney. The first meeting with the group is scheduled for October 7th at 9:00 am at Town Hall. Mrs. Wermuth stated that she attended the second meeting of the 2012 PGA Traffic and Safety Committee and they are in the first stages of developing a plan. The next meeting will be held in November which would allow the subcommittees' time to meet and provide further feedback to the committee as a whole. The Public Safety Committee will meet on October 18th at 3:00 pm. She stated the committee currently meets once per quarter and have discussed possibly meeting more often since some issues have come up. The committee may also consider temporarily meeting on a monthly basis as the 2012 PGA date nears to address any issues that may arise. She asked what steps are needed to change the committee meeting schedule. Mayor Orban responded that as committee chair, Mrs. Wermuth would have the authority to change the meeting schedule as needed.

Mr. Burnaford

Mr. Burnaford reported on the Johns Island Roads Committee. He stated that there has been no satisfaction to the County Council from the State regarding I-526; therefore, County Council will likely have no discussions of the Greenway and I-526 until a resolution of their contract for I-526 is received. Mr. Burnaford stated that he will forward the Town's noise ordinance to the Planning Commission for review as it is currently unenforceable. He will also request that the Commission review the Town's Short Term Rental Agreement since it is where most of the noise issues arise.

Mr. Rhoad stated that the City of Charleston has a very detailed noise ordinance and suggested that the Town review it.

X. Town Administrator's Report:

Mrs. Rucker provided Council with a map from Charleston Chamber that includes Kiawah Island. She stated that the map is distributed to visitors and tourists to the area. Mrs. Rucker stated that bids are currently being advertised for the Greenbelt Project and are due by October 17th at 3:00 pm. The Town received notice from KICA that they will no longer assist with the holiday décor. The Town has advertised bids for this project which are also due by October 17th at 3:00 pm. In preparation for the October 25th referendum, the Town Election Commission met along with representatives from the County Election Commission and the legal team from Haynesworth Sinkler Boyd Law Firm. All preparations are complete and absentee ballots are available. Mrs. Rucker requested that Council and Committee Chairs provide any updates they may have for the Comprehensive Plan Report Card as she would like to have the document available for the November Council meeting. Mrs. Rucker stated that the Town is currently in the process of year end preparations which include employee salary and performance evaluations. The Town will roll out the recently adopted Employee Handbook and a meeting will be held with all employees to provide adequate notice of the handbook changes. There will also be a member from Young Clement Rivers available to provide a detailed explanation of the various changes to the handbook so that all employees fully understand their employment expectations with the Town.

Mr. Lipuma asked if the budget needs to be adjusted for Labor Attorney fees. Mrs. Rucker stated that the budget was spent almost in total on the Employee Handbook updates and no funds remain for employee related items; therefore, Council may need to amend the budget or approve funding from contingency for any employee related legal matters that may arise. Mr. Lipuma asked that Mrs. Rucker discuss this issue during the next Ways and Means Committee meeting.

Mrs. Rucker stated that the Town is currently in the process of coordinating benefits with the State and other supplemental insurance providers for the annual Employee Insurance Enrollment which must be submitted by October 31st. Mrs. Rucker stated that she is currently reviewing the Palmetto Pride Grant application and looking for valuable projects the Town can complete this year such as the Native Plant Exhibit Garden in the Town Hall parking lot, as well some of the additional landscaping needed to complete the Greenbelt Project portion of the Beachwalker fishing pier. Mrs. Rucker stated that she will provide an advanced financial training course at the upcoming Municipal Association Annual Municipal Clerks and Treasurers Meeting on October 25th. Mrs. Rucker thanked Council for allowing her to attend the ICMA Annual Conference in Milwaukee during which she was able to gain a large portion of the 40 hour training required for her Credentialed Managers certification. Mrs. Rucker stated that Council has received an open invitation

to attend “Thursday Night Lights” hosted by the St. Johns High School football team on October 6th at 7:30 pm. She stated that Principal Runyon has encouraged Council to attend and be recognized during the halftime show for their charitable contribution to the football team. KICA has provided a notice of road closures on Governors Drive from October 4th – 6th to complete work on the Cinder Creek Bridge. The Town received a notice that a public hearing will be held at East Beach Conference Center on October 20th at 6:00 pm to receive comments and testimony on the recently submitted KIU application to the Public Service Commission for rate adjustments.

XI. Mayor’s Report:

Mayor Orban stated that the Utility Task Force will hold its second public information session on the potential KIU acquisition on October 5th at 7:00 pm in the Council Chambers. Information will be provided to citizens in preparation of the October 25th referendum.

Mayor Orban stated that Arcadia Publishing, a Mt. Pleasant based company that publishes pictorial history books of communities, has contacted the Town requesting to publish a book about Kiawah Island. The company is noted as the leading publisher of local and regional history. The books are about 128 pages and feature about 180-200 photos. The company would need assistance in collecting photos and short writings about the history Kiawah. Mayor Orban asked if there would be any interest in the project and suggested that the Communications Committee lead the collaboration of the project along with KICA, KDP and the Resort. There is no cost to the Town; however, the Town would have to complete the work of providing the photos and information. The Town would receive a number of copies when the book is completed, and additional copies can be purchased at a 40-50% discount of the original price of \$21.99. The Town would also receive a royalty after a certain amount of books are sold. The information would have to be submitted to the company within six months and an additional three to four months is needed for the company to edit and complete the publication. Mayor Orban commented that someone would have to be willing to devote the time and lead the effort to complete the project. Mayor Orban directed Mrs. Wermuth to meet with Island entities to determine if there is any interest in the project.

XII. Correspondences:

None

XIII. Citizen Comments:

Wendy Kulick, 38 Marsh Edge Lane

Mrs. Kulick commented on the UTF public information meeting and encouraged more attendance from citizens. She commended Mayor Orban and Mr. Lipuma for their willingness to answer questions and for presenting the pros and cons of the proposed acquisition. Mrs. Kulick commented on the October 20th Public Service Commission public hearing at East Beach

Conference Center and encouraged citizens to attend as the meeting is being held right across from the Michelle Amato concert at Turtle Point Clubhouse. Mrs. Kulick suggested that KICA send out an instant newsflash to remind citizens that absentee ballots are available if they plan to be out of town during the October 25th referendum.

Marilyn Olson, 4985 Green Dolphin Way

Mrs. Olson suggested that the Planning Commission consider expanding the noise levels to include commercial generators and chillers that encroach on the quality of life of neighbors on Kiawah. She suggested contacting the ARB for assistance as they have dealt with challenges from commercial generators being placed in newer homes, and AC units being replaced by chillers in large homes.

XIV. Council Member Comments:

Dr. VanDerwerker

Dr. VanDerwerker thanked Mayor Orban and Mrs. Rucker for their work on securing two hurricane debris removal sites.

Mr. Lipuma

Mr. Lipuma stated that the Kiawah Island Comprehensive Beach Management Plan was approved in 2006 and a five year review and update is due this year. He stated that Jim Jordan, Town Wildlife Biologist, will coordinate the plan update.

Kiawah Build Day will be held in conjunction with the Sea Island Habitat for Humanity on October 14th at Joeva Cove in West Ashley. Mr. Lipuma encouraged residents to volunteer and commented that they will receive a t-shirt, free lunch and a tremendous amount of satisfaction from helping to build a house for deserving neighbor.

Mr. Lipuma commented on the Short Term Rental Agreement and mentioned an incident of an over occupied rental unit. He stated that he attempted to locate the rental occupancy standards and found that only a draft version was available. Mr. Lipuma recommended that the rental occupancy control standards be updated and formally completed and codified. Mayor Orban directed Mr. Burnaford to forward the issue to the Planning Commission for review and completion.

Mr. Lipuma provided an update on the Utility Task Force Committee. He stated that the activities are proceeding as scheduled and the Committee have engaged the legal firm of Haynesworth Sinkler Boyd and the engineering firm of Jacobs Engineering in the acquisition process. Members of the task force visited the Seabrook Island Utility and Kiawah Island Utility and gained valuable information on the utility operations. He stated that the referendum voting will be held on October 25th and encouraged everyone to come out and

vote as the election is very important to the Town and the rate payers. Mr. Lipuma stated that the first Utility Task Force public information session was held on September 30th and two additional meetings will be held on October 5th at 7:00 pm and October 15th at 9:00 am in the Council Chambers. He commented that he was a little disappointed with the attendance at the first meeting. He stated that the Committee is on schedule to have all the necessary information in hand by the November 9th deadline as required for advising KDP of the Town's decision to exercise its right of first offer for purchasing the utility. Mr. Lipuma stated that the public information PowerPoint presentation is available on the Town's website. Seabrook Island Utility advised the Committee that a municipality can operate a utility at a lower cost and with more advantages than a private company, resulting in lower rates.

Dr. VanDerwerker commented that there have been some hesitations from residents regarding the October 25th referendum due to a lack of enough information to vote yes or no. He stated that residents can vote yes on the first referendum so that the information can be received, and there would be a second chance to vote no on the referendum to approve the funding if they feel it is too much. Mr. Lipuma stated that a bonding referendum would be necessary if the purchase amount is over a certain amount; however Council could purchase the utility without a referendum vote if the amount is low. Mr. Lipuma read the referendum question into the record, "Shall the Town of Kiawah Island be empowered to acquire by purchase, operate, and maintain a waterworks and sewer system?" He stated that a yes vote gives the Town the right to acquire the utility; however, the purchase would be dependent upon the pricing negotiations. He stated that there would likely be a second referendum on bonding, and a yes vote would give the Town the right to make the purchase. He stated that the bonding referendum would come after a price has been negotiated with KDP, and any contract would have to include language stating that it would be null and void should the electors vote against the bonding. Mr. Lipuma commented that by state statute, the Town could purchase the utility without a bonding referendum if it is purchased under a certain dollar amount. The Town could acquire a Bridge Loan to make the purchase until the bonding is approved. Mr. Lipuma stated that Jacobs Engineering is currently completing an assessment of KIU.

Mrs. Wermuth

Mrs. Wermuth commented that the Town can do a better job of advertising the UTF public information meetings on the website and suggested that the meeting notification be listed on the first page. Mrs. Wermuth stated that she does not understand the reason for having the meeting calendar if only one or two meetings are noticed. She stated that special meetings are noticed on the Meeting Notifications page with no order to the way they are listed. She suggested that more meeting information be provided and that meetings be listed front and center on the website. Mrs. Wermuth stated that the public information meetings were not listed in the most recent edition of Town Notes

and could have been included on the first page. She also stated that the Town could have asked KICA to notice the meetings on their board.

Mr. Lipuma asked Mrs. Rucker if KICA was asked to place the meeting notices on their website. Mrs. Rucker responded that KICA has not been asked to post the information, but they could be asked if it is the will of the Council. Mrs. Rucker stated that the public information sessions were noticed in the latest edition of Town Notes within the text of the front page article. She stated that the Town is limited in the amount of publication that can be advertised for any election and/or public referendum. Mrs. Wermuth stated that a public hearing of this magnitude should have been included in the list of meeting notifications and not within the text of the article so that people can recognize the dates. Mrs. Rucker stated that state law prohibits the Town from participating in activities that may influence the outcome of an election which includes the preparation of any print material on Town equipment, and any activities that utilize Town resources or staff. She stated that the Town has been very cautious in how the public information meetings were advertised. The election articles in the September and October edition of Town Notes were vetted by the UTF legal team.

Mr. Lipuma stated that UTF PowerPoint presentation is not meant to be a sales pitch, but rather a means to provide public information and the pros and cons which will help the voters make an intelligent decision.

Mrs. Wermuth commented that notifying a community of a public hearing is not advocating. She also stated that there have been a lot of issues on the table regarding the KIU acquisition and much of the discussions have been held in closed session. Mrs. Wermuth stated that she was escorted out by the Sheriff when she attempted to attend a meeting when the engineering firm was going to be selected. Mrs. Wermuth stated that she does not understand why a Council member would not be allowed to sit in on the meeting. Mrs. Wermuth stated that she was not attempting to participate, but wanted to obtain as much information as possible to make an informed decision on October 25th. She commented that there needs to be more people in the community who are willing to come out and become more aware of what the issues are.

Mrs. Wermuth stated that she attended the recent OCRM public hearing and made a statement. She later received an MP3 audio version of the hearing from Mr. Burnaford who thought her comments were made as a member of Town Council. Mrs. Wermuth stated that she left the statement hanging and did not clearly indicate what she meant; however, she certainly did not mean that she was speaking on behalf of Town Council, but rather that she was a member of Town Council. She stated that she used the term "I" and not "we" in her statement. Mr. Burnaford also questioned her reference to piping plover nests. Mrs. Wermuth agreed that she spoke incorrectly in that reference as she meant to refer to Wilson plovers, which are state listed as nesting on Kiawah

year round. She stated the piping plovers are found on the beachfront and in the inter-tidal areas from August to April; however, the point still stands. Mrs. Wermuth commented that it is clear that she does not speak on behalf of Town Council because she is in the minority on this issue. She commented that the majority is made up of three members who were on Council when the 2005 agreement was agreed to.

Mr. Burnaford

Mr. Burnaford shared an article from the Los Angeles Times that was written by a Kiawah visitor. He noted an insert from the article which read, “As I drove away from South Carolina Sea Islands I found myself saying, if I ever get to Heaven I hope it’s a little bit like Kiawah.” He commented that this statement should be remembered as issues arise, because there are people on this planet that view it as a blessing to live on Kiawah.

XV.

Adjournment:

Mr. Burnaford motioned to adjourn the meeting at 4:12 pm. The motion was seconded by Mr. Lipuma, and carried unanimously.

Submitted by,

Lakesha Shannon, Town Clerk

Approved by,

G. Steven Orban, Mayor

Date