

TOWN COUNCIL MEETING
Municipal Center Council Chambers
November 3, 2020; 2:00 PM

MINUTES

I. Call to Order: Mayor Weaver called the meeting to order at 2:00

Present at the meeting: Craig Weaver, *Mayor*
Chris Widuch, *Mayor Pro Tem*
Maryanne Connelly, *Councilmember*
Dan Prickett, *Councilmember*
Klaus Said, *Councilmember*

Also Present: Stephanie Tillerson, *Town Administrator*
Joe Wilson, *Town Attorney*
Petra Reynolds, *Town Clerk*
David Irwin, *Mauldin & Jenkins*
Lee Bundrick, *Kiawah Conservancy*
Mark Permar, *Kiawah Partners*

II. Approval of Minutes:

A. Minutes of the Town Council Workshop of October 6, 2020

Mayor Pro Tem Widuch made a motion to approve the minutes of the October 6, 2020 Town Council Workshop. Councilmember Said seconded the motion, and the minutes were unanimously approved.

B. Minutes of the Town Council Meeting of October 6, 2020

Mayor Pro Tem Widuch made a motion to approve the minutes of the October 6, 2020 Town Council Meeting. Councilmember Prickett seconded the motion, and the minutes were unanimously approved as amended.

III. Mayor's Update:

Mayor Weaver stated that now that the State and National elections have passed, the attention is now shifted to the Town's Council and Mayoral election. The election will be taking place on Tuesday, December 1st and the Candidates' Night sponsored by the Community Association has been scheduled for Thursday evening, November 12th. The event will be held virtually, with the Community Association and the Town communicating how residents can participate in the discussion format. He encouraged everyone to tune-in and to ask questions and to hear from the candidates.

Mayor Weaver took the opportunity to review the events that transpire in the Town following the election. He indicated that following the election, the County would take two to three days to certify the election results. Members of the current Council will continue in their roles until that process is completed and the members of the new Council are sworn in, so there is a full Town Council meeting scheduled for December 1st.

Mayor Weaver reminded the candidates that two months ago Council took action to reaffirm the Town's current emergency ordinance concerning face coverings and restrictions on occupancies and restaurants, which expires on December 5th; therefore, the new Council will need to take some action quickly on the ordinance to either extend, not extend or extend with some variation.

Mayor Weaver stated that following the Sea Level Rise report, an informal group began working on the framework for an adaptive management process. A part of the plan was creating a survey for resident and non-resident property owners. The survey was completed, and at the December 1st Town Council meeting, the group will be presenting the results of the survey along with a narrative or report on the key findings with regard to the first steps of an adaptive management plan.

Mayor Weaver followed up on his report that Charleston County is moving towards receiving input on the Main Road Corridor, Segment C project. The project consists of three segments of which Segment C is the widening of Bohicket Road. He stated that the roads' safety and functionality are critical to Kiawah residents, property owners, visitors, and businesses. He encouraged residents to go to the website to evaluate all the alternatives and pointed out the need for a strong Council and Community involvement.

IV. Citizens' Comments (Agenda Items Only):

None

V. Presentations:

A. Fiscal Year 2019/2020 Audit Presentation – Mauldin & Jenkins

Before the presentation, Mayor Weaver individually thanked all the Audit Committee members, Andy Capelli, James Williams, Alex Fernandez, and John Ross, for their contributions.

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, 2020. He presented the auditors' discussion and analysis, an internal document prepared for the benefit of the Council, which gives general information on the firm, a summary of the discussion points, and a synopsis of accounting standards 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 conducted the audit in accordance with governmental standards and generally accepted auditing standards.

- **Opinions**

Mauldin Jenkins has issued a clean or unmodified opinion on this year's audit report, which is the highest level of assurance that can be provided. The respective financial statements are considered to present the financial position and results of operations fairly as of and for the year ended June 30, 2020.

- **Internal Controls**

Mauldin Jenkins has no audit findings to report or found no deficiencies or material weakness in the internal control over financial reporting despite the pandemic experienced in the past year. The audit was completed three weeks sooner than the past year due to the finance department's exceptional work.

- **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 (MD&A) as prepared by Town management.

During the discussion of the financial statement, General Fund Revenues, Expenditures, and Footnotes, Mr. Irwin pointed out that Kiawah Island does not impose a property tax, that the Town's finances are all economy driven, and that the Town has a very healthy General Fund balance. He also thanked Ms. Szubert, Town Treasurer, and her staff for their efforts to complete the audit.

Mayor Weaver asked Mr. Irwin to update the direction and thinking on pension liability and any potential impact on the Town. He indicated that in past years the Town's exposure to the State's underfunding was a footnoted amount, now the potential shortfall shows as a liability.

Mr. Irwin explained that the implementation of GASB (Government Accounting Standards Board) 68 required the Town's portion of the net pension liability be recorded on the Financial statements. Day-to-day operations are not affected by the reporting and are strictly for the government-wide financial statement reporting component. It is a future liability based on a certain number of actuarial assumptions and does not affect the general fund balance. The purpose GASB 68 was to highlight that the state's pension plan is underfunded.

B. Update on the Groundwater Table and Marsh Vulnerability Studies - Lee Bundrick, Kiawah Conservancy

Groundwater Project – Provided a quick recap of the project. In July 2020, the project had 15 wells installed across Kiawah Island. Six additional wells have been installed since then to duplicate several conditions that affect groundwater. Solinst Leveloggers were installed in all wells to gather data on water level and temperature, with a select few gathering information on conductivity.. For the presentation, data from the monitoring well at the Rhetts Bluff Boat Landing were shown. Data from a weather station on Kiawah Island capturing accumulated rainfall and tidal data from the Kiawah River Tide Station were also shown. Additional analyses on groundwater will continue pending approval of the phase II proposal to the Town of Kiawah Island.

Marsh Vulnerability Project – Provided a quick recap of the project. Previously, marsh shorelines between 1977 and 2017 were created for the areas surrounding Kiawah Island. Charleston College created a mapping product to illustrate erosion as red areas and accretion as green areas. Examples from the marshlands near Bass Creek, the Kiawah River Bridge, and Rhetts Bluff were shown. The area around Bass Creek shows net erosion and accretion, but the creeks have increased sinuosity – likely due to increased volumetric flow in the creeks. The marsh east of the Kiawah River Bridge shows net erosion and is likely the focus of future restoration projects. A video graphic was shown of the change in land cover on Kiawah Island between low tide and high tide in early May 2020. Additional analyses on marsh conditions will continue pending the phase II proposal's approval to the Town of Kiawah Island. An additional method was presented to the Conservancy in October, which will be included in the Phase II proposal and will have State-wide implications for understanding marshlands.

VI. Old Business:
None

VII. New Business:

A. To Consider Approval of Ordinance 2020-12 - An Ordinance to Amend the Fiscal Year 2020-2021 Budget for The Town of Kiawah Island, South Carolina (7/1/20 Through 6/30/21) – Public Hearing and First Reading

Mayor Weaver opened a Public Hearing on **Ordinance 2020-12**. Hearing no comments, Mayor Weaver closed the Public Hearing.

Mayor Weaver stated the budget amendment was discussed and recommended for approval by the Ways and Means Committee.

Ms. Szubert indicated the Ways and Means Committee reviewed the budget focusing on revenues where it was noted that the revenue income was better than projected. Also reviewed were items that were tabled and reconsidered for approval in the budget amendment.

1. **Personnel Cost:** - This change would result in an approximately \$20K increase in the Town's cost.
 - Optional Deferred Compensation Match Program - 401(k) or 457(b)
 - Currently, the Town contributes 50% of eligible (after one year of employment) employee's contribution to 401(k) plan up to \$3,000.
 - Current cost to the Town (for FY2020) was \$19,256.
 - Proposed change:
 - Increase the Town contribution from 50% to 100%.
2. **Website Redesign** - An estimate for the Town's website redesign \$100k.
3. **Environmental Projects** – a total of \$16,400:
 - Dolphin Stewardship Program – Collect data on dolphin behavior at Captain Sam's inlet and educate beachgoers about proper dolphin viewing etiquette. (\$4,400)
 - Shorebird Stewardship Program – Volunteers educate beachgoers regarding nesting and migratory shorebirds. Provide equipment and T-shirts (\$1,000)
 - Bluebird Box Program – Volunteers build, maintain, and monitor more than 200 nesting boxes on the island. Materials and equipment (\$1,000)
 - Bobcat SGA Research and Outreach – Provide funding for videos and other educational materials as well as SGA lab tests (\$10,000)
4. **Portable Radios** - Total cost after programming fees and taxes is \$66,544
Twelve portable radios; 2 radios for the Town's staff for \$5,079 and 10 for the Beach Patrol in the amount of \$54,220 to replace current older version radios.
5. **Air Purification System** – a total cost of the project is \$15,985
It is an air scrubber system to help remove airborne viruses.

Mayor Weaver stated Exhibit "A" of the budget amendment shows increased revenues of \$461,301.00. Ms. Szubert clarified that the figure is a full-year projected total. Updating the actuals in accommodation taxes for the first quarter and using the same assumptions for the second, third, and fourth quarters. Exhibit "A" of the budget amendment shows a potential spending increase of approximately \$219,000.00 if all considerations are approved.

Mayor Weaver stated that what is being voted on is the budget based on the amounts of the items discussed. He clarified that while the revised budget with the potential spending may be approved, some individual items will still require Council approval for the actual expenditure or policy change.

Councilmember discussion included the need for a policy change, Council approval, and that Ways and Means discussion pointed out that some of the items were not ready for consideration.

Councilmember Connolly made a motion to approve the first reading of Ordinance 2020-12 - An Ordinance to Amend the Fiscal Year 2020-2021 Budget for The Town of Kiawah Island, South Carolina (7/1/20 Through 6/30/21). Councilmember Said seconded the motion.

Mayor Pro Tem Widuch indicated that Ways and Means discussion of item 1. **Personnel Cost** suggested the \$20,000.00 figure was not based on actual modeling but rather a placeholder. Councilmember Said clarified that the original proposal for consideration included increasing the Deferred Compensation Match Program from 50 % to 100% and included an increase in the contribution cap from 3000.00 to 5000.00. Taking both changes together made the figure of \$20,000.00 uncertain, but a proposal of just the match increase makes the dollar amount more accurate. Mayor Pro Tem Widuch indicated that he would not support the proposal, expressing that he felt it was bad policy to make this change mid-year.

Mayor Weaver reviewed the additional proposals;

2. **Website Redesign** - An estimate for the Town's website redesign \$100,000.00, Council members supported.
3. **Air Purification System** – a total cost of the project is \$15,985, Council members supported.
4. **Environmental Projects** – a total of \$16,400, Council members supported with Mayor Pro Tem Widuch expressing that while he would support the environmental projects' funding, he objected to the funding Dolphin Stewardship Program.
5. **Portable Radios** - Total cost after programming fees and taxes is \$66,544, Council members supported. Mayor Weaver indicated that he disagreed with the number of radios requested and that the purchase would have to be approved before the expenditure.

Mayor Pro Tem Widuch made a motion to amend the motion for the approval of Ordinance 2020-12 by removing the \$20,000.00 for Item 1. Personnel Cost from Exhibit A. With no second, the motion failed.

Following further discussion, the motion to approve the first reading of Ordinance 2020-12 was unanimously approved.

- B. To Consider Approval of **Ordinance 2020-13** - An Ordinance to Set the Salaries for the Mayor and Council Members of The Town of Kiawah Island - **First Reading**
- C. To Consider Approval of **Resolution 2020-05** - A Resolution to Set the Salary for the Judge of the Municipal Court of The Town of Kiawah Island

Councilmember Prickett stated earlier in the year Mayor Weaver asked him to identify any significant strategic risks that the Town faces and to make an assessment as to the Town's preparedness to address those risks. He indicated that of the nine risks identified; one was that there was the potential for Town Council and Mayor turned over every two years until this current election. This risk was addressed by staggering the elections and extending the terms of Council and the Mayor to four-year terms giving continuity and reducing risk. Another risk identified was that the Town has a relatively small pool of legal residents to draw from to populate its committees and its elected and appointed positions. The challenge of finding civic-minded people willing to put in the time and effort and willingness to work as a team with other entities has existed for several years and will continue as the Community continues to grow. This requires the Town to do everything possible to attract the best people and asked Council to consider a stipend to Kiawah's Mayor, Council members, and the Municipal Judge to recognize their commitment, service, and the multitude of additional work involved in those positions.

Councilmember Prickett recommended and asked Council to consider a stipend of \$1000.00 quarterly or \$4000.00 yearly for members of the Council and the Municipal Judge and \$2,000.00 quarterly or \$8,000.00 yearly for the Mayor, to be paid quarterly. He noted that the Mayor's stipend is higher because of his dual responsibilities as the legislator and the chief executive officer of the Town.

Mayor Weaver added his comments that he had been a strong proponent of the recommendation, in the eyes of the public, professionalize the Town's leadership organizations, and they see staff as professional, competent, and capable along with the elected leadership. He also noted that the intention was to make the recommendation earlier this year but was delayed due to Coronavirus and budget shortfalls. With issues relative to the budget looking otherwise, the consideration's timing is dictated by the requirement that the ordinance's approval is required to come before an election to take effect.

Councilmember Connelly made a motion to approve the first reading of Ordinance 2020-13 - An Ordinance to Set the Salaries for the Mayor and Council Members of The Town of Kiawah Island. Councilmember Said seconded the motion.

Following further discussion, Mayor Weaver called for a roll call vote.

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

A unanimous vote passed the motion.

Councilmember Said made a motion to approve the Resolution 2020-05 - A Resolution to Set the Salary for the Judge of the Municipal Court of The Town of Kiawah Island. Councilmember Prickett seconded the motion.

Mayor Weaver called for a roll call vote.

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

A unanimous vote passed the motion.

D. To Consider Approval of the 2021 Charleston County Off-Duty Deputy Contract

Mayor Weaver stated that the contract was discussed and recommended by the Ways and Means Committee.

Councilmember Connelly made a motion to approve the 2021 Charleston County Off-Duty Deputy Contract. The motion was seconded by Mayor Pro Tem Widuch and was unanimously passed.

E. To Consider Approval of the Amendment to the Island Beach Services Code Enforcement Services Contract

Mayor Weaver stated that the amendment to extend the current contract for one year was discussed and recommended by the Ways and Means Committee.

Mayor Pro Tem Widuch made a motion to approve the Amendment to the Island Beach Services Code Enforcement Services Contract. The motion was seconded by Councilmember Said and was unanimously passed.

F. To Consider Approval of the **Third Amendment to the 2013 Amended and Restated Development Agreement by and Between Kiawah Resort Associates and Town of Kiawah Island affecting Parcel 13B Lot1**

Mayor Weaver stated that a workshop was held to review the amendment prior to the last Town Council meeting. Mr. Parmar presented the request from Kiawah Resort Associates (Kiawah Partners) to amend the Development Agreement relating to densities and building sizes in a part of Parcel 13.

Mr. Taylor gave an overview of the request from Kiawah Partners for an amendment to the 2013 Amended and Restated Development Agreement. The request focuses on Lot 1 of Parcel 13 Beachwalker Drive situated north of Southern Pines or Duneside and north of Timbers, noting a similar request was made and approved in the previous year for Lot 2. Parcel 13 has an entitlement of 234 dwelling units, is

zoned R3, and allocates 129 dwelling units for Lot 1, along with the Community Association's agreement to place access and construction limitations. The request asks for a specific increase in the number of dwelling units per building; two of the multi-family buildings having up to fourteen dwelling units, two buildings having up to ten units with the remaining four having up to eight units reducing the total number of entitlements from 129 to 100. The other component would be a reduction of the buildings' height from four to three stories in the areas closest to the Duneside development.

Councilmembers asked for clarification from Mr. Parmar on the building heights of the other buildings in the proposed development and a presentation of the proposed request to all the surrounding neighborhoods and any objections or concerns express following the presentation.

Councilmember Prickett made a motion to approve the Third Amendment to the 2013 Amended and Restated Development Agreement by and Between Kiawah Resort Associates and Town of Kiawah Island, affecting Parcel 13B Lot1. The motion was seconded by Councilmember Said and was unanimously approved.

G. Discussion of the Municipal Code Section 15-209, Fireworks and Explosives

Mayor Weaver indicated that an issue had again been raised with Town's Municipal Code on the use of fireworks. The code states that no fireworks are allowed on Kiawah unless approved by the Town at its discretion. He indicated that there had been concerns and complaints made about the noise that can bother residents as well as their pets. He noted that while there is no time for comprehensive review and recommendation by this Council, he wanted to discuss the issue to make the next Council aware of the concerns.

Mayor Weaver stated that historically the Town has approved, through a permitting process, the large community firework displays at the 4th of July and New Year's celebrations for the Resort. Over the years, there have been requests to allow professional fireworks at special occasion events such as weddings. In the past several years, an average of four to five private permits have been approved, but now areas used for the displays have been developed, and a residential community less tolerant of the fireworks' noise.

Mayor Weaver asked for direction from the Councilmembers on if they wanted to see the Town change its practice on firework displays' approval. The action could be no change, a ban on all fireworks except the Community displays, or limit the number of permits issued per year.

Councilmember Connelly indicated residents had expressed concerns about the impact of the loud noises on their pets. She agreed with Ms. Tillerson's suggestion that the Town could maybe put out a notification to alert residents about when and where the firework displays will occur.

Councilmember Prickett agreed that the issue needs to be evaluated and then considered by the next Council.

Mayor Pro Tem Widuch indicated that his current input would be that the Town is more restrictive and not less.

Councilmember Said stated that with the development of Ocean Park, the concerns with private fireworks would only increase and agreed that there should be a very small number of permits looking at the time of day along with other restrictions.

Mayor Weaver asked the Town Administrator and staff to review the current data, gather input from the organizations who are requesting permits and the impact a change would have on their business,

along with more detailed input on residents' concerns and then present a set of recommendations to the next Council.

VIII. Town Administrator's Report:

Ms. Tillerson stated that the deadline for submitting letters of interest for the Municipal Court Judge vacancy expired last Friday. The Town received fourteen letters of interest. She stated that she asked Mr. Wilson and Judge Strauch to review the submissions and to create a list of candidates. The list will be passed on to the new Mayor and Council to consider and select the appointment for a new Municipal Judge.

Mr. Gottschalk indicated that a great deal of demo work had been done clearing some of the Parkway's overgrown areas. The completed work will be reviewed to ensure all contractual work has been completed and thanked the Resort and Mr. Otter for allowing the field across from the track as a staging area for the plants arriving soon. He indicated that the thought is that planting work will begin near the Mingo curve area, working down the Parkway finishing at the roundabout.

IX. Council Member:

- a. Committee Updates
- b. General Comments

Councilmember Connelly indicated that the Mayor requested her to prepare a Shark Protocol for the Town. With help from Ms. Williams and Ms. MacDonald from the Public Safety Committee, Mr. Edgerton with Beach Patrol arranged a conference call with Mr. Burke, who retired from the Florida University Museum of Natural History and is the curator emeritus of International shark attack file and an expert on sharks and their behavior. She presented the following protocol to be followed in the case of a shark sighting or attack in the Kiawah beach waters:

Kiawah Island Shark Protocol

Reporting Responsibility:

The Director of the Kiawah Island Beach Patrol and its lifeguards are responsible for monitoring the water for the presence of sharks in the swimming area. They have been trained to recognize sharks common to their area of responsibility as well as shark behavior that may be considered threatening.

They perform an assessment to determine the following:

1. The location of the shark and the type of movement
2. The distance to the shore and swimming area
3. Whether the persons involved in aquatic activity should be advised to leave the water.

If Beach Closing is appropriate:

1. The Beach Patrol advises swimmers to leave the water until such time that the immediate threat appears to have abated. Since shark behavior is unpredictable, this may involve a fixed period of time until it can be determined that the threat is over.
2. The Director makes a determination regarding notification of the Mayor and the Town Administrator.

The Case of Shark Bites/Shark Attacks

1. The Beach Patrol will follow the agency's overall emergency response plans and any specific plans that may exist for shark bites. 911 is notified.
2. The Mayor and the Town Administrator are notified
3. The Town Administrator will notify the Town Communications Director

Councilmember Prickett reported that the *Planning Commission* would be holding a meeting tomorrow. He also reported that the *Arts and Cultural Events Council* is evaluating potential programs 90-days in advance to determine if a performance will be cancelled.

Mayor Pro Tem Widuch complemented Ms. Szubert on the excellent report and thanked her and Ms. Tillerson for their work.

X. Citizens' Comments:

Mr. Jerry Lander – 104 Surfscoter Lane

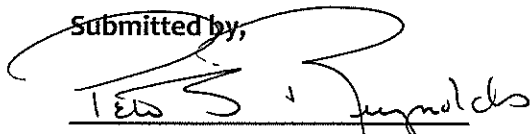
Mr. Lander questioned the Short-Term Rental (STR) regulations regarding the parking of bicycles on his property. The STR regulations state that bicycles must be out of sight from sunset to sunrise on rental homes only but not for full-time residents. Mr. Lander stated that an inquiry with the Town received a prompt response and explanation from the compliance clerk and an inspector sent to walk the property. The inspector noted that the property had no other place that bicycles could be parked out of sight.

Mr. Lander expressed his opinion that the current regulations that only apply to those who rent their homes are too strict. He also indicated that the Town's regulations were discriminatory when full-time residents are not subjected to the fines. He asked that Council consider looking at the regulations.

XI. Adjournment:

Mayor Pro Tem Widuch motioned to adjourn the meeting at 6:02 pm. The motion was seconded by Councilmember Connelly and carried unanimously.

Submitted by,



Petra S. Reynolds, Town Clerk

Approved by,



Craig E. Weaver, Mayor

12.2.2020

Date