

TOWN OF SEABROOK ISLAND
Town Council Meeting of September 24, 2019

MINUTES

After the pledge of allegiance, Mayor Ciancio called the September 24, 2019, Town Council meeting to order at 2:30 p.m. Councilmen Crane, Gregg, Finke and Wells, Town Clerk Allbritton and Town Administrator Cronin attended the meeting. The meeting was properly posted, and the requirements of the SC Freedom of Information Act were met.

Minutes:

The Town Council Budget Workshop Minutes of August 15, 2019, the Town Council Budget Workshop Minutes of August 22, 2019, the Town Council Minutes of August 27, 2019, the Emergency Town Council Meeting Minutes of September 3, 2019, and the Special Town Council Meeting Minutes of September 17, 2019, were all unanimously approved as written.

Financials: Mayor Ciancio reported that the total fund balance for the period ending August 31, 2019, was \$5,033,763 and was down slightly from one year ago when our fund balance was \$5,074,375. Unrestricted Revenue for August was \$99,552. On a year to date basis, Unrestricted Revenue amounted to \$1,068,245. Not including \$700,000 attributable to use of the General Funds and Road Improvement Fund balances, our year to date unrestricted revenues are about 87% of our anticipated 2019 total unrestricted revenues. Expenditures for August totaled \$80,065, with the major expenditures being Wages & Benefits and Contracted Services, which include beach patrol, IT and landscaping. For the month of August, unrestricted revenue exceeded expenses by \$19,487. Our year to date expenses totaled \$848,180. On a year to date basis through the month of August, unrestricted income has exceeded our year to date expenditures by about \$220,065.

Citizens/Guests Presentations, Comments: None

Reports of Standing Committees, Commissions, Boards:

Public Safety/Club Long Range Planning Committee – Councilman Gregg

Public Safety Committee – Councilman Gregg reported that the Public Safety Committee did not meet in September. Their next meeting is scheduled for October 21, 2019.

Disaster Recovery Council – The Disaster Recovery Council will hold an “after action review” session for Hurricane Dorian response on Friday, September 27. A short survey was offered to DRC representatives to aid in preparation of the “after action review” session agenda. It is expected that, time permitting, progress on action items from the improvement plans from previous training and exercise sessions will be reported.

Hazard Mitigation Plan Update – The Charleston County Project Impact Hazard Mitigation Plan Committee met on September 18 and approved the 2019-2020 update of the Charleston County Regional Hazard Mitigation Plan. Councilman Gregg notified Town Council of the completion of the 2019-2020 update of the Charleston County Regional Hazard Mitigation Plan and its availability on Charleston County’s website and of the completion of the process for recertification of the Town’s Community Rating System documentation. Councilman Gregg stated that a memorandum summarizing the changes of the Hazard Mitigation Plan update has been provided to Council in their packets. As requested by the Charleston County Flood Plain Management Coordinator, these notifications of Council will be confirmed in writing to Charleston County by the Town Clerk.

Public Relations/Communications – Councilman Crane reported that a monthly island-wide HAM radio test had been held on September 15. The results of the test were normal.

Special Projects/Beach Administration – Councilman Wells

Dolphin Education Program – Councilman Wells reported that 18 Dolphin Education Program volunteers have spoken to over 1,000 beach visitors since the program started this year in April and approximately

92% were positive experiences, 7% neutral and less than 1% were negative. There have been over 600 dolphin sightings. More than 800 brochures have been handed out to visitors to the beach, local businesses, rental offices, etc. Councilman Wells also commented that the Town had won an award this year from the Municipal Association of SC for the Dolphin Education Program.

Community and Government Relations - Councilmember Finke – No Report

Ways & Means – No Report

Planning Commission – No Report

Board of Zoning Appeals – No Report

Reports of Ad Hoc Committees:

Accommodations Tax Advisory – No Report

Reports of Town Officers:

Mayor-

Beach Patrol Issues – Due to concerns raised by residents regarding the performance of the beach patrol over the last several weeks, the Mayor suggested that, beginning next year, Council might want to consider:

- Specifically, identifying a councilmember to work with the Town Administrator to oversee the performance of the beach patrol.
- Posting the identified councilmember's cell phone number on the Town website so that people can call with questions or comments regarding the performance of the beach patrol.
- Paying greater attention to the beach patrol orientation at the beginning of each season and have the identified councilmember participate with the Town Administrator in the orientation. The training should specifically include how they should respond to comments and questions from people using the beach.
- Begin reviewing beach patrol performance periodically throughout their contracted period and check for consistency with Kiawah regarding citations issued there.

Mayor Ciancio stated that he had been generally satisfied with the performance of Island Beach Services, but there is room for improvement.

Town Administrator/Zoning Administrator- Joe Cronin

Beach Patrol Update – Town Administrator Cronin recapped results included in the Beach Patrol report through mid-September. Beach patrol personnel have only been working weekends since Labor Day and will finish up the season with the last weekend in September. If their contract is renewed for 2020, it is anticipated that they will begin to patrol in March or April

Audit RFP Update – The Town Administrator reported that the Town's audit RFP had been sent out and the deadline for sealed bids is 2:00 p.m. on Friday, September 27, 2019.

Landscape RFP Update – Town Administrator Cronin reported that he has been working with Councilmen Gregg and Wells on the Town's landscape RFP and that it should be finished in the next 30 days or so.

Exterior Maintenance IFB Update – Funding was included in the 2019 budget for exterior repairs to the Town Hall and the Town Administrator stated that he hoped to move forward with those in the next 30 days.

Shred Event – The Town Administrator reported that Shred 360 would be at the Town Hall on Friday, October 11, from 10:00 a.m. to 1:00 p.m., for the Town's fall shred event. The event is free and open to the public.

Town Council Members – See Above

Utility Commission – Commissioner Vancini reported that net income for the Seabrook Island Utility Commission for the month of August was \$46,616 and net cash flow, after debt service and capital outlays, was \$19,765. The lack of rain during August and the many visitors to the island contributed to water sales

for August being higher than expected. For the year to date through August, the net income was \$98,323 and the net cash flow was \$46,348. At the end of August, the available capital reserve is \$2,700,000.

Petitions Received, Referred or Disposed of: None

Ordinances for First Reading:

- **Ordinance 2019-11:** An ordinance to adopt a budget for the Town of Seabrook Island, South Carolina, for the Fiscal Year beginning January 1, 2020, and ending December 31, 2020.

Mayor Ciancio reviewed a few highlights from the Town's 2020 budget:

In 2020, the unrestricted revenue is projected to be \$1,331,500, which is an 8.4% increase over 2019. The unrestricted revenue is made up primarily of:

- Business License fees, collected by the Town and the Municipal Association of SC will provide almost 49% of unrestricted revenue
- Local Option Sales Tax will provide 19% and
- Franchise Fees (Berkeley Electric, AT&T and Comcast) will provide 16%.

In addition, the Town has restricted revenue made up of State Accommodations Tax (\$142,500), County Accommodations Tax (\$50,000) and Alcohol Tax (\$5,000). Interest will be accrued for each of the restricted funds.

In 2020, the Town's expenditures coming from the General Fund, are made up primarily of:

- Salaries and benefits, which makes up 35% of the Town's expenses
- Contracted Services – Beach Patrol expenses, IT and landscaping – will make up 19%
- Professional Services – accounting, auditor fees, engineering services, legal and others – will make up 14% and
- Utilities, insurance and expenses related to operating the Town Hall will make up approximately 7%.

The Mayor then asked the Town Administrator to go into further detail on the Town's 2020 budget. The Town Administrator commented that the budget was being done a little earlier than usual so that both readings of the ordinance can be held, and the budget adopted before the Town election on November 5.

The combined budget, with all funds considered, is \$2,024,000 and this is an overall decrease of 7.1% from 2019. Total revenue for the General Fund is estimated to be \$1,331,500 and total estimated expenditures are the same. The Town Administrator gave highlights of the revenue and expenditures affecting the General Fund and reviewed the budgeted receipts for revenue and expenditures for the Restricted Funds – State Accommodations Tax, County Accommodations Tax and the Alcohol Fund.

The Town Administrator stated that the Town is establishing new Designated Funds in 2020. These funds will have no external restrictions, but Council is simply setting the money aside for a specific purpose. On paper, the budget shows all previous fund balances, except Restricted Funds, being transferred back into the General Fund and then a budgeted amount is being transferred into each of the newly established Designated Funds - the Emergency Fund (\$2,000,000), the Road & Drainage Fund (\$500,000), the Town Facilities Fund (\$250,000) and the Vehicle Replacement Fund (\$15,000). He explained that there is no direct revenue source for the Designated Funds; but they can be replenished, if Council wishes, from surplus funds remaining at year end. The balance left in these accounts at the end of the year will roll over and remain in that account. The Emergency Fund will be used for hurricane or disaster related expenses. Any money collected from FEMA or the State for reimbursement of expenses will go back into the Emergency Fund. The Road & Drainage Fund is

for capital projects dealing with Seabrook Island Road and drainage problems along the roadway or Town Hall. The Town Facilities Fund will be for capital projects at the Town Hall. The only expenditure, being considered for 2020 for this fund, is building a garage to house Town vehicles. The Town bought two new vehicles in 2019 and the Vehicle Replacement Fund will be used to accumulate funds to purchase replacement vehicles, when necessary. There will be no expenditures from that fund in 2020.

The Town Administrator stated that, currently, we are budgeting to have a non-restricted fund balance at the beginning of the year, of \$3,927,694 and the estimated fund balance at the end of the year is expected to be \$1,162,694. These figures are expected to be significantly higher when the 2018 audit is finalized.

A public hearing on the budget ordinance will be held on October 22 at 2:15 p.m. or comments will be considered that are made on the Town website by Friday, October 18th. The 2020 budget is available on the Town website or a copy can be picked up at the Town Hall.

Councilman Gregg made a motion to approve Ordinance 2019-11 as presented to Council for first reading. Councilman Crane seconded the motion and the vote to approve was unanimous.

Ordinances for Second Reading:

- **Ordinance 2019-09**

An ordinance amending the Town Code for the Town of Seabrook Island, South Carolina; Chapter 32, Waterways and beaches; Article II, Beachfront Management; Division II, Restrictions; Section 32-44, Domestic Animals/Pets; so as to amend the dates, times and locations upon which domestic household animals/pets are permitted on beaches within the town, and other matters related thereto.

Mayor Ciancio stated that there had been no changes to this ordinance since first reading.

Councilman Gregg made a motion to approve Ordinance 2019-09 on second reading as presented to Council. Councilman Crane seconded the motion. Dale Leibach, a town resident, stated that on behalf of the Dog Advocacy Working Group, he wanted to express his appreciation to Council for the time and attention that had been given to this ordinance but that he was disappointed about the dog regulations in the area of Camp St. Christopher. Councilmember Finke reminded everyone that it was not just the Camp that was being considered by having dogs on leash at all times in this area. There were dog owners who wanted a place to take their dogs where dogs would always be on lead, and Council had been trying to balance all property owner's wishes. She also stated that the ordinance would be reviewed after it had been in effect for a year. It was pointed out that the ordinance will be effective 30 days after adoption in order to change signage and publicize the changes to the ordinance. The vote to approve the motion was unanimous.

- **Ordinance 2019-10**

An ordinance adopting a settlement agreement between the Town of Seabrook Island, Atlantic Partners II, LLC, BRP Kiawah, LLC, and Balfour Beatty Construction, LLC, relating to the issuance of an encroachment permit for a proposed 200-unit Senior Living Facility on Seabrook Island Road, and other matters related thereto. Councilman Gregg moved to adopt Ordinance 2019-10 as presented to Council. Councilman Crane seconded the motion and the vote to approve was unanimous.

Miscellaneous Business: None

Citizens Comments:

Frank Stare, a resident of SBI, asked if the Utility Commission would consider replacing the landscaping that screens one of their buildings on Old Drake Drive that houses equipment. Lee Vancini, one of the Utility Commissioners stated that the Commission will take a look at the issue.

There being no further business, the meeting was adjourned at 3:25 p.m.

Date: October 22, 2019



Town Clerk