

TOWN COUNCIL MEETING
Kiawah Island Municipal Center
Council Chambers
May 3, 2016; 2:00 PM

AGENDA

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

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: Charles R. Lipuma, Mayor
John D. Labriola, Mayor Pro-Tempore
Mary Q. Johnson
John Wilson
Craig Weaver

Also Present: Stephanie Monroe Tillerson, Town Administrator
Dorota Szubert, Town Treasurer
Dennis Rhoad, Town Attorney
Petra Reynolds, Town Clerk

V. Approval of Minutes:

A. Minutes of the Town Council Meeting of April 5, 2016

Mr. Wilson motioned to approve the minutes of the April 5, 2016 Town Council Meeting. The motion was seconded by Mrs. Johnson and the minutes were unanimously passed.

B. Minutes of the Special Town Council Meeting of April 18, 2016

Mr. Weaver motioned to approve the minutes of the April 18, 2016 Special Town Council Meeting. The motion was seconded by Mr. Wilson and the minutes were unanimously passed.

VI. Citizens' Comments (Agenda Items Only):

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick commented on the recent Kiawah Island Utility (KIU) stock transfer to a third party. She noted that in checking the Public Service Commission (PSC) docket, in 2012 the Town intervened regarding an internal stock transfer after the filing deadline. She questioned why the Town did not do so in this stock transfer and urged Council to again intervene. Since the stock transfer was never presented to the PSC, she did not believe it was a legitimate action for the Utility to be taking.

Mrs. Kulick expressed her concern with the Town's potential funding of the "Party in the Park" event stating the Ways and Means voted to recommend contributing \$50,000. She reiterated her suggestion that the Town reject the request made by Kiawah Partners. She felt that any funding from the Town used to support a commercial real estate activity would not be appropriate. Mrs. Kulick stated even though she made several requests, the salary line does not reflect the individuals who earn more than \$50,000 per year.

Mrs. Kulick commented her feeling that allowing the four Town employees who were overpaid to repay monies owed with no interest over a three-year period was in essence providing loans to those individuals, and questioned where in the budget these repayments are reflected.

VII. Old Business:
None

VIII. New Business:

A. Ordinance 2016-03 – An Ordinance to Adopt the Fiscal Year 2016-2017 Budget for the Town of Kiawah Island, SC (7/1/16 through 6/30/17) – 1st Reading

Mayor Lipuma stated a Public Hearing for Ordinance 2016-03 was held prior to this meeting. One comment was made against funding of the "Party in the Park" event which was repeated again at the meeting.

Mr. Labriola stated there had been a through discussion the Fiscal Year 2016-2017 Budget at both the Budget Workshop and at the Ways and Means Committee meeting. He reviewed each page of the Budget highlighting notable items with Council members making additional comments;

- Funding for the New Municipal Center
- Deputies' Salaries – budgeting for 4 deputies on three daily shifts
- Calculation of Charitable Contributions and reducing the current amount by \$50,000.00
- Environmental Committee budgeting and Funding of the Conservancy for a total amount up to \$100,000.00 provided the project goes through an approval process beginning with recommendation by the Environmental Committee and final approval by Town Council. In so doing the Conservancy does not have to request funding from any other Town sources
- The addition of a communications specialist
- Revised SATAX recommendations and the placeholder for sponsoring "Party in the Park"
- The elimination of contracted building services thru SAFEbuilt

Mayor Lipuma stated that since it is the first reading of the budget changes can and will be made. With regards to the placeholder for the Town funding "Party in the Park", he felt that Council should make a deliberate decision based on more information. Further discussion and decision on the additional staffing, funding of "Party in the Park" and Charitable Contributions will take place at the next Ways and Means Committee meeting

Mr. Labriola made a motion to approve the first reading of Ordinance 2016-03 to adopt the Fiscal Year 2016-2017 Budget. The motion was seconded by Mr. Wilson and was unanimously passed.

B. Approval of the Contract of and Stipulation of Settlement as it Pertains to the McGill Lawsuit

Mr. Labriola made a motion to recommend to Town Council they approve the Contract of and Stipulation of Settlement as it pertains to the McGill Lawsuit. The motion was seconded by Mrs. Johnson.

Mayor Lipuma stated the Ways and Means Committee recommended approval of the Settlement Agreement.

Mr. Wilson pointed out that in addition to the fees paid to the Town's Attorney an additional amount of approximately \$40,000 was expended in legal fees defending the Town against the lawsuit.

Following further discussion the motion was unanimously passed.

C. Approval of the Mutual Release Agreement as it Pertains to the McGill Lawsuit

Mayor Lipuma stated the Ways and Means Committee recommended approval of the Release Agreement.

Mr. Labriola made a motion to recommend to Town Council that they approve the Mutual Release Agreement as it pertains to the McGill Lawsuit. The motion was seconded by Mrs. Johnson and unanimously passed.

D. To discuss and request Approval to Amend the existing Communications Committee Charter

Mr. Weaver explained the purpose of amending the existing Communications Committee is to reconstruct or dissolve the Committee as Committee of Council, in which a member of Council Chairs and runs the Committee, to a Staff Committee. He stated the membership of the Committee would remain the same with the exception of the Town Administrator or her designee acting as the Chair and the member of Council's role changing to a Liaison. The Staff Chair would make the decision when the Committee would meet and on discussion items or topics.

Mrs. Johnson questioned if the Committee or Group will still comply with the state code of laws which requires meetings be publicly notices, an agenda, and minutes. Mr. Rhoad confirmed meeting will follow the requirements of the South Carolina Freedom of Information Act and the public will be able to attend meetings.

Mr. Weaver made a motion to dissolve the Communications Committee charter and thereby dissolving the Communications Committee as it currently exists. Mr. Wilson seconded the motion.

The administrator will create a new charter for the Committee.

Following further discussion Mayor Lipuma called the question and asked for a roll call vote;

Mr. Weaver	Yes
Mrs. Johnson	Yes
Mr. Labriola	Yes
Mr. Wilson	Yes
Mayor Lipuma	Yes

The motion was unanimously passed.

IX. Committee Reports:

Mr. Wilson reported on the *Audit Committee* meeting which reviewed the first 9 months for the Town financials and received a status update on recommendations from the FY 2014/15 audit. He indicated the Committee was pleased with the progress made and the work that had been done. He stated the Committee also made suggestions on changes in the present check handling process.

Mr. Wilson reported on the meeting with Wells Fargo with regard to the financing of the New Municipal Center. He indicated he was very pleased with the flexible terms and interest rates.

Mr. Labriola asked Mr. Wilson to expand on the progress made on the audit recommendations. Mr. Wilson stated all of the items had been addressed, most cleared at the time of the audit or shortly thereafter.

Mrs. Johnson reported on the Piccolo events on Kiawah and the Charleston area Piccolo Spoleto programs events. She stated the last *Arts Council* event “Piccolo comes to Kittiwah” will be on June 8th at Mingo Point. *Arts Council* meeting on May 5th.

Mrs. Johnson reported on Environmental Committee events;

- 2 bobcat dens found – one with 2 female kittens, one with 2 males. Photos were put on the website and Facebook.
- 5 collars (3 females, 2 males) deployed
- The nesting area was closed to all traffic on May 2nd
- Town Biologists participated in the Kiawah Conservancy Earth Day event in Night Heron Park on April 22
- Turtle Patrol - Nesting patrol activities will began on Monday, May 9th
- Breeding Bird Survey starts May 18th
- Environmental Committee meeting on May 10th

Mr. Weaver – no additional report

X. Town Administrator’s Report:

Ms. Tillerson addressed the prior comment on the salaries by stating the information can be found on the Municipal Association of South Carolina’s website. Position and salary amounts

for those over \$50,000.00 and the salary range for those under \$50,000.00 are posted annually.

XI. Mayor's Report:

Mayor Lipuma reported on the unique and well attended ground breaking ceremony earlier which kicked off the construction of the New Municipal Center.

XII. Citizen Comments:

Dennis McGill – 100 Pleasant Valley Drive

Mr. McGill commented on Mr. Wilson's earlier calculation of the expenditure of legal fees, the process of the previous Council in the purchase of the Betsy Kerrison property, the mediation process prior to the approval of the settlement agreement. Mr. McGill stated he felt that he was responsible for pointing out the overpayment of the former Town Administrator and Treasurer.

Roger Warren – 39 Cotton Hall

Mr. Warren commended Council on taking the step to disband the Communication Committee and agreed there are supervisory and accountability functions of the Committee that are better left to staff.

Mr. Warren expressed his concern on Council function in determining how "community money" is spent. He asked as Council goes through the budget process it use caution in the funding those items with a reasonable assurance the Community supports.

Michael Shalosky - 49 Burroughs Hall

Mr. Shalosky stated with the Town taking over the permitting process, as a contractor he cautioned the Town to be mindful of the liability involved with having 100% of the responsibility for the inspection and permitting process.

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick questioned if meetings had been scheduled or held with Elliott Summey, Joe Qualey, and others to discuss the roads situation in the County.

Mayor Lipuma indicated the original meeting with Mr. Summey was canceled but a meeting was scheduled with Mayor Ciancio and Paul Roberts to discuss the roads situation.

Mrs. Kulick questioned if the Town's Attorney met with the U.S. Attorney yet to find out why no action has been taken against the former Town Administrator and former Town Treasurer about their alleged embezzlement of funds from the Town.

Mr. Rhoad indicated several messages have been left with Investigator Durr to set up a meeting but no response had been received to date. Mayor Lipuma added he considered drafting a letter to Mark Sanford's office in the hopes of getting a reaction to our request.

Gregg Bragg – 176 Marsh Island Drive

Mr. Bragg questioned if the amount of \$40,000 stated to have been spent in legal expenses was in addition to the amount paid to the Town's Attorney.

Mr. Wilson clarified the amount was the cost of outside legal expenses for this case.

Kathy Pumphrey -525 Bufflehead

Mrs. Pumphrey expressed her appreciation for Council giving immediate answers to questions when possible.


XIII. Council Member Comments:

None

XIV. Adjournment:


Mr. Labriola motioned to adjourn the meeting at 3:45 pm. The motion was seconded by Mr. Weaver and carried unanimously.

Submitted by,



Petra S. Reynolds, Town Clerk

Approved by,



Charles R. Lipuma, Mayor

06/10/16
Date