

TOWN OF SEABROOK ISLAND
Town Council Meeting of January 28, 2014

MINUTES

Each member of Council was given a copy of the Town's fourth quarter online marketing review and Jenny Ferrara, from Obviouslee Marketing, gave a presentation on the results by speaker phone. Some of the main points brought out by the review were that web traffic and adwords were down from the third quarter, which is usually the trend for the fourth quarter, and there was a 22% increase in the number of visitors to the website versus 2012. A copy of the presentation is attached to the minutes.

After the pledge of allegiance, Mayor Ahearn called the January 28, 2014, Town Council meeting to order at 2:30 p.m. Councilmen Ciancio, Gregg, Romano and Turner, Town Administrator Pierce, Town Clerk Allbritton and several guests attended the meeting. The meeting was properly posted and the requirements of the SC Freedom of Information Act were met.

Minutes – The minutes for the December 17, 2013, Town Council Meeting and the Special Town Council Meeting with Stan Barnett, dated the same date, were unanimously approved.

Financials – Mayor Ahearn reported that revenues for December 2013 were \$46,000 more than budget and, for the year to date, more than \$186,000 over budget. In 2013, there was \$54,000 more revenue than in 2012. Expenses for December were \$17,000 more than budget and, for the year to date, \$36,000 less than budget. The Town spent approximately \$50,000 more in 2013 than in 2012. The excess of revenues over expenditures for the year was \$222,391.59. Mayor Ahearn is concerned that the Town does not have enough money in the Emergency Fund since the balance in that account is a little less than \$1,000,000. The Mayor would like to see the Emergency Fund brought up to \$1,200,000 but would like to wait until the February Town Council meeting to decide how much money will be added to the Emergency Fund. Councilman Ciancio reminded Council that the Town has the ability in case of emergency to issue General Obligation Bonds or Bond Anticipation Notes in the amount of \$4,000,000 so there are alternative means of funding, but we would prefer not to borrow.

Citizens/Guests Presentations, Comments:

- Molly Waring, from the Charleston Area Convention & Visitor's Bureau, had planned to attend the Council meeting but did not come due to weather conditions.
- Councilman Ciancio introduced Larry Mattox, from VC3. Councilman Ciancio stated that there are a number of features of the telephone and computer equipment offered by VC3 in their proposal to the Town that would make an evacuation situation for the Town relatively seamless from an information and technology standpoint. Mr. Mattox explained that, with the cloud services provided by VC3, data would be removed to a data center more than 100 miles inland. With Virtual Office Advantage (VOA), the Town would also no longer have computers and servers. VC3 could also replace the Town's aging telephone system with a modern, hosted system. With the computer system and the telephone system, the "brains" would be located elsewhere so that, if Town Hall employees evacuated, they would be able to take their phone with them, plug into a data jack elsewhere and be able to carry on with business. The employees would also be able to work from any computer or mobile device. Town data would be in a secure environment that would be 100% backed up, with redundancy of the data being backed up in Charlotte as well.

With VOA, there is a one time cost and a recurring monthly cost for 10 "seats" at the Town. The Town could provide IPADs to Council, which would count as five seats, and could make it easier for the Town to go paperless at council meetings. The other five "seats" would be work stations located

at the Town Hall. The other feature offered by VC3 to the Town is Voice Advantage. There would be a one time cost and monthly recurring costs with the system offered by VC3, and the Town would incur no other additional costs for phone service or lines.

Councilman Ciancio commented that the Town is generally required by ordinance to obtain bids on services such as this; however, the ordinance provides for an exception where a supplier of goods or services, such as VC3, is a single source provider. Town Administrator Pierce attempted to find other companies that could provide the same services in one bundle but has not found a company that offers both phone and computer services such as VC3. Councilman Ciancio stated that we will need the analysis in writing saying that this is a sole source that the Town cannot replicate if bids were solicited. Also, Council needs an analysis of what the Town is spending now for these services versus how much we would be spending with VC3. Councilman Ciancio also recommended calling two or three of the references to get feedback about VC3's services.

Reports of Standing Committees, Commissions, Boards:

Governments Relations – Mayor Ahearn reported that there is already a coalition of Mayors along the coast and he has received an invitation to a meeting. Next week, Mayor Ahearn will be attending the Hometown Legislative Action Day in Columbia and attending Session A of training for municipal officials. Mayor Ahearn also stated that he would like to have a Ways & Means meeting before the next Town Council meeting and after the Seabrook Island Property Owners Association and Club general meetings.

Community Relations – Councilman Romano reported that expansion of the dry dock storage at Bohicket Marina is on hold but could possibly be brought up at a later date. Councilman Romano also stated that he met with the Gateway Committee, which is the task force that is dealing with the requirements and needs of moving the gate house. Another meeting will be held in a couple of weeks. The Property Owners Association (POA) Long Range Planning Committee met but Councilman Romano was unable to attend. According to the minutes, some of the items discussed were the annual survey, Gateway Project and the strategic plan. The POA Long Range Planning Committee has been renamed the POA Planning Committee and are now looking at two to five years in the future.

Community Relations – Councilman Gregg reported that the Seabrook Island Club Long Range Planning Committee has not met since our last Town Council meeting.

Communications/Planning Commission – Councilman Turner reported that he has attended two Planning Commission meetings and will attend another meeting next week. The chairman, Janet Gorski, has a good outline of what needs to be done to update the Beachfront Management Plan, and responsibilities will be assigned at the next meeting. It does not appear that the Town will have to hire a lot of outside help to update the document. Councilman Turner stated that he feels that the Town needs to let people know that the Beachfront Management Plan is not a plan to continuously expand our beach.

Planning & Development – Councilman Ciancio reported that an Accommodations Tax meeting was held on January 13th. At the meeting, Councilman Ciancio gave statutory background for the Accommodations Tax, its sources and restrictions on use, etc. Jenny Ferrara, from Obviouslee Marketing, attended the meeting and explained the Town's advertising and public relations plans for 2014. Representatives from the Bohicket Merchants Association also attended and made a request for funding of \$12,500 for Kick-It at Bohicket. In exchange for their sponsorship, the Town gets recognition on banners, printed material, advertisements in *The Post and Courier* and other publications. Town maps and brochures are made available for guests coming to these events and the DJ also mentions the Town's sponsorship periodically throughout the evening. Councilman Ciancio reported that the Accommodations

Advisory Committee voted at the January meeting to make a recommendation to Town Council to approve the Bohicket Merchants Association's request of \$12,500; and, since this amount is not included in the advertising and public relations budget for 2014, Council will have to approve this expenditure. Councilman Ciancio moved to approve an expenditure of \$12,500 for Kick-It at Bohicket for 2014. Councilman Romano seconded the motion and the vote to approve was unanimous.

Councilman Ciancio reported that this year's advertising/public relations budget is \$125,000, the majority of which will come from County and State Accommodations tax receipts. The Town website will be refreshed to reflect the recommendations of the Branding Committee at a cost of \$700. An expenditure of \$2,000, which is one-half of the Charleston Area Convention & Visitor's Bureau (CACVB) Travel Council Gold membership, has already been paid. As part of this membership, the Town has brochures at five of the CACVB's visitor centers. It also gives the Town an opportunity to advertise online and in CACVB publications, as well as a descriptive listing on their website, and advice on when travel writers will be visiting our area. An expenditure has also been made for a 1/3 page ad in the April through July issues in *Garden and Gun Magazine* for a total cost of a little more than \$17,000.

Councilman Ciancio reported that the United States Senate recently passed a motion permitting debate on The Homeowner Flood Insurance Affordability Act. This Act would delay implementation of Biggert-Waters for at least a four year period. This will come to a vote in the Senate within the next couple of weeks and has a strong likelihood of passing. There is also a companion bill in the House, but supporters are less optimistic that it will pass. Yesterday, the White House suggested that Congress re-examine the issue and provide flood insurance affordability targeting those it describes as economically distressed policyholders.

Public Safety – Since Council had already had an opportunity to review the Memoranda of Understanding between the Town and the Seabrook Island Club and Bohicket Marina, Councilman Gregg made a motion to approve the Memoranda and proceed with the execution of the documents. Councilman Ciancio seconded the motion and the vote to approve was unanimous.

Councilman Gregg reported that he and Councilman Romano met with representatives of Camp St. Christopher on January 17th about the draft Memorandum of Understand between the Camp and the Town. Councilman Gregg stated that he is waiting to hear back from the Camp on a marked up copy of the Memorandum. Once the Town and the Camp have agreed upon text, the Town could still be months from getting approval to entering into the agreement since the Camp must first get approval from the Diocese.

There was a meeting of the Public Safety Committee on January 10th and another meeting will be held on February 3rd. Councilman Gregg stated that the Public Safety Committee is reviewing the Comprehensive Emergency Plan and will collect proposed changes to the Plan.

Councilman Ciancio stated that he and Mayor Ahearn met with the Mayor and Mayor Pro Tem of Kiawah Island last week to discuss cooperation of the two islands on a number of issues. One of the things discussed was a coordination of the two island's disaster recovery efforts, not necessarily in terms of cleanup, but in terms of consistent communication before and after an emergency with residents.

Ways & Means – No Report

Planning Commission – No Report

Board of Zoning Appeals – No Report

Reports of Ad Hoc Committees:

Accommodations Tax Advisory – See Planning & Development

Reports of Town Officers:

Mayor - Mayor Ahearn reported that he and Councilman Ciancio had met with Teri Lash and Mike Morris, from *The Seabrooker*, last week. Ms. Lash says the *The Seabrooker* is incorporated as a non-profit corporation and has sent paperwork to Mayor Ahearn to show that this is the case; but, so far, the Town has not seen any proof that the IRS has allowed them to file as a non-profit. The Town can contribute money to a non-profit organization but Town Council has made the decision not to do this in the past because there are so many worthwhile charitable organizations. Red Ballentine, when he was Mayor of Seabrook Island, started a newsletter, *The Town Flyer*, in order to get information out to residents about Town issues and events. Red Ballentine and Fred Bernstein, Teri Lash's father, later started to put together a more formal newspaper, *The Seabrooker*. Since the Town had previously gotten information out by means of *The Town Flyer*, Town Council decided to use *The Seabrooker* for the same purpose and had contributed money early on while the newspaper was getting off the ground. The Town now has a website where news and information can be accessed by residents, property owners and visitors. Another newspaper also publishes the Town Council minutes and other news. Should the Town pay one newspaper to publish minutes and not pay the other? Mayor Ahearn stated that *The Seabrooker* provides a valuable service to Seabrook Island and includes useful information specific to Seabrookers and that he personally would like to see the newspaper survive and flourish. Mayor Ahearn also suggested that the Property Owners Association (POA) could take over *The Seabrooker* as a POA publication and cover the cost of publication and mailing with the assessments collected from property owners. After much discussion, Council decided not to make a decision on the issue at this meeting.

Councilman Ciancio commented that Council had agreed to establish a Community Rating System Committee with the Mayor naming the chairman and staffing for that committee. Councilman Ciancio offered to provide Mayor Ahearn with some names that he would like to recommend.

Town Administrator – No Report

Town Council Members – See Above

Utility Commission – Jeff Bostock, Chairman, reported that the Utility Commission had a positive cash flow of approximately \$100,000 in 2013 due to receipt of a check for \$70,000 from the new hotel at Freshfields. Chairman Bostock stated that the Utility Commission water rates have not gone up since 2010 even though Charleston County has increased their water rates for years; and, for at least the next three years, they will be going up approximately 5% per year. Because of these increases in the cost of water, the Utility Commission has been discussing establishing a policy for increasing water rates on Seabrook Island consistent with what the Utility Commission is paying to Charleston County; and, if such a policy is adopted, it will begin in January of 2015. Chairman Bostock also reported that the Utility Commission has approved a contract with Utility Services Company, Inc. for annual maintenance of the elevated 500,000 gallon water tank for \$48,000 a year for the next 5 years. This contract will provide for routine maintenance of the tank, plus painting the tank and recoating the inside of the tank. After five years, the price drops to \$25,000 per year plus inflation increases.

Petitions Received, Referred or Disposed of: None

Ordinances for First Reading: None

Ordinances for Second Reading:

Ordinance 2013-07, An Ordinance to Rezone Certain Property Located at 3271 Privateer Creek Road (TMS #147-07-00-090) – Councilman Turner moved to adopt Ordinance 2013-07 on second reading.

Councilman Romano seconded the motion and the vote to approve was unanimous, except for Councilman Ciancio who recused himself from the vote.

Miscellaneous Business:

Citizens Comments: None

The meeting was adjourned at 5:07 p.m.

Approved: February 25, 2014

Faye Allbritton, Town Clerk