

**MINUTES
PAWLEYS ISLAND TOWN COUNCIL**

DATE/PLACE: January 09, 2017
 Pawleys Island Chapel

PRESENT: Mayor Bill Otis, Mike Adams, Ashley Carter & Sarah Zimmerman

ABSENT: Rocky Holliday

PUBLIC COMMENT

No one has signed up for public comment.

APPROVAL OF DECEMBER 12, 2016, DECEMBER 22, 2016 SPECIAL MEETING MINUTES

Sarah Zimmerman made a motion to approve the December 12, 2016. Mike Adams seconded. All in favor.

Mike Adams made a motion to approve the December 22, 2016 meeting minutes. Sarah Zimmerman seconded. All in favor.

MR. DURANT: APPEAL OF GEORGETOWN COUNTY GROIN PERMIT AS AN INTERVENER

Town Attorney, was not present but Mayor Otis spoke with Mr. DuRant prior to the council meeting, who said the Clerk of Court for Judge Linsky told him that there was a document on Judge Linsky's desk that she thought he would sign and once they are signed they will be sent out but nothing has been received yet.

RESOLUTION TO APPROVE THE MAYOR AND ADMINISTRATOR SIGNING A CREDIT APPLICATION TO SOUTH STATE BANK IN THE AMOUNT OF \$2,000,000 TO INCLUDE WITH THE SCPRT APPLICATION FOR BEACH RESTORATION FUNDS

Mayor Otis stated that he met with Tim Kana and Steven Traynum from CSE to discuss an overview of where we are on beach renourishment including an application for PRT for matching funds. The town needs to show PRT how much money we have on hand to commit to the project, and to provide a written commitment from a bank for the balance of the funds necessary to complete the project. They concluded that the best approach was to find out how much we could borrow from the bank that we could reasonably repay over a 4 to 5 year period from the accommodations tax, without going any further than that in terms of raising money. South State Bank had already proposed a commitment to us of tax exempt financing up to \$2,000,000 on a 5-year amortization. This will require that the town hire a recognized bond attorney to provide the necessary opinions to the bank. There are 2 options, that being #1 to do all the work necessary so if we wanted to use this source again in the future, all we would have to do is modify the work that is being done now and this would reduce future costs possibly by half and this opinion could cost \$15,000 to \$20,000. #2 we would just use it this time and be done with it – this would cost \$10,000 or so.

Ryan Fabbri noted that he just wanted council to understand what our financial situation would be if we decided to borrow this money. For years this Town has operated with the comfort of a very healthy beach fund balance; if the Town moves forward with this plan it would completely deplete the fund in addition to taking on \$2,000,000 in debt.

The next 5 years of local accommodations taxes would be used to pay off the debt before we could begin to rebuild the beach fund balance. If we had to spend \$500,000 to clean up the island as we just did after Hurricane Juquin, we would have to borrow that money. Mike Adams stated that on the other hand this money is to be used to get us an engineered beach which would then satisfy FEMA's requirements for them to reimburse us if we needed to renourish our beaches after a major storm. Ryan Fabbri indicated that FEMA would only reimburse us 75% of that cost, even with an engineered beach. Ashley Carter said other points to consider would be that if we had another major storm, the accommodation tax money could be slow in coming in because homes could not be rented, or if property owners decided not to rent their properties anymore it would reduce the revenue we could receive to build up the accommodations tax account. **Sarah Zimmerman made a motion to approve The Bank Financing Resolution borrowing \$2,000,000 for the beach renourishment project with terms to be determined. Mike Adams seconded. All in favor.**

RESOLUTION TO SUBMIT AN APPLICATION TO SCPRT FOR BEACH RESTORATION FUNDS IN THE AMOUNT OF \$6,200,000 AND COMMITTING TO TOWN MATCHING FUNDS AND FUNDS NECESSARY TO COMPLETE THE PROJECT

Mayor Otis stated that this resolution is to approve the application to PRT for \$6,200,000 in matching funds, and the Town of Pawleys Island commitment to the local funding requirements necessary to complete the beach renourishment project as described in the SCRPT application for funds. **Sarah Zimmerman made a motion to approve the Beach Renourishment Financing Resolution, and submission of the application to SCPRT for \$6,200,000 for beach restoration. Mike Adams seconded. All in favor.**

FINANCIAL REPORT AND 2017 MARKETING BUDGET, ACCOMMODATIONS TAX COMMITTEE

Lauren Joseph, from the Georgetown County Chamber of Commerce, does the Town's marketing for tourism. She reviewed the Town's audited financial report and the 2017 marketing budget. See attached 2017 marketing budget. The next A-tax meeting will be in February. **Sarah Zimmerman made a motion to approve the 2017 marketing budget overview and the audited financial report through June 30th 2017. Mike Adams seconded. All in favor.**

ACCOMMODATIONS TAX COMMITTEE VACANCY

Mayor Otis stated that Robert Levine has accepted the Chairperson position in the A-tax Committee and has recommended Bill Caughman to fill Wendell Cantrel's vacancy. **Sarah Zimmerman made a motion to approve Bill Caughman to fill Wendell Cantrel's vacancy on the Accommodations Tax Committee. Mike Adams seconded. All in favor.**

APPROVE CORINNE TAYLOR AND DAVID TEEMS TO ADDITIONAL 2 YEAR TERMS ON THE A-TAX COMMITTEE

This had been done at the last meeting.

PROPOSED GOLF CART ORDINANCE – FIRST READING

Mayor Otis stated that there has been a lot of discussion on Pawleys Plantation's intent to create a new entrance/exit onto Rybolt Road. They have proposed to Georgetown County that they open this as a second entrance/exit to be used only for golf carts, low speed vehicles, bicycles and motorcycles but no automobiles. The Georgetown Planning Commission told Pawleys Plantation that they consider this to be a major change so they will have to advertise this and hold a public hearing before this is done.

The board has petitioned the South Carolina Highway Department to reduce the speed limit on the South Causeway from 40 to 35 mph to allow them to take Golf Carts from Pawleys Plantation to come onto Pawleys Island. This has created a lot of opposition outside of Pawleys Plantation in the Rybolt Road community. Mayor Otis wrote a letter to the Highway Department opposing the speed reduction on the South Causeway. Folly Beach requires golf carts to have a permit to drive on their island. Council had a rough draft of a golf cart ordinance for the Town. It requires anyone driving a golf cart on the island to register with the Town of Pawleys Island for a fee of \$10 to be valid from January 1 to December 31 each year. They must show proof of registration with SC Department of Motor Vehicles, the address on registration must be within 2 miles of the Town limits located on the North or South Causeways, proof of insurance and a certification stating they understand laws related to golf carts, etc. **Sarah Zimmerman made a motion to have first reading of the golf cart ordinance. Mike Adams seconded. All in favor.** Out Town attorney will review and revise the rough draft ordinance and we will have second reading on that revised ordinance for the next council meeting.

STATUS OF RELOCATING TOWN HALL, MR. LYLES TO ADVISE THE PLANNING COMMISSION JANUARY 12TH AT 4 P.M.

Mayor Otis stated that Bobby Lyles is a property owner and is the Chairman Emeritus of a large architectural firm in South Carolina and Georgia. He has agreed to advise our Planning Commission and Council on the process of the selection of architects and the process of designing a New Town Hall. He will be at the next Planning Commission meeting to review the process. Council is invited to sit in. Mr. Lyles has given council a request for qualifications to send out to potential architects and will review it at the Planning Commission meeting.

POLICE REPORT

Chief Fanning reviewed the December 2016 police report. See attached.

FINANCIAL REPORT

Mayor Otis stated that Local A-tax revenues were substantially above what we had projected which puts it at nearly \$470,000 for the year. We received two anonymous grants in December, one for \$5,000 to be used as determined by the Mayor for the new North Causeway entrance to the island or the Town Hall, and another for \$20,000 to be used as determined by the Mayor toward the new Town Hall. Interest Income is pretty close to budget for the year. Ryan Fabbri stated that expenditure estimates were made as to what we planned to complete in 2016, but some items like engineering services weren't wrapped up before the end of the year, resulting in Beach Management well below what was budgeted. Some work was done in 2016 but we won't get invoiced until 2017; these expenses will be reflected in the finalized 2016 audited financials. Town Hall expenses from Hurricane Matthew were estimated to be \$11,000 but it ended up being \$18,000. Overall, we didn't spend more than our budget.

BUILDING REPORT

Mayor Otis stated that 85% of permits for December were for storm repairs.

PROPOSAL TO JOIN SOUTH CAROLINA HEALTH PLAN

Ryan Fabbri stated that we first discussed joining the State Health Care plan last September. This is the healthcare plan the state offers its employees and the plan the majority of local governments throughout the state offer their employees. He did a work up as to different scenarios for the Town and the cost to the Town of each scenario.

The only thing that would change since the last discussion was that originally, we thought there would be 3 of the 7 individuals that would opt for this insurance but now there is only 2 because one of them would be eligible for Medicare in May however this employee would have access, as a retired employee, to take and pay for the supplemental insurance if he chose to. He reviewed the work up with council. The Town cannot influence the employee of the type of insurance coverage they choose. Currently the employees who get the \$500 monthly stipend will continue to get it until or if they decide to go with the State plan. Not all employees have to go on this insurance. Any new employee will not have the option of the monthly \$500 stipend as this ends as each current employee leaves the Town's employment. If adopted, newly hired employees would have the option of joining the State insurance plan and chooses the type of plan they need. New employees could elect to not enroll in the state insurance plan but it would be the only health insurance option offered by the Town as the stipend would no longer be offered. The Town now pays each employee the monthly stipend of \$500 but also, because it is paid as a payroll expense, pays payroll taxes and retirement costs so the Town's actual expense for each employee is approximately \$580 each month in lieu of health insurance. Also, only about 63% of that \$580 is going to the employee to be used for healthcare. Currently, the Town's yearly expense with the stipend, related taxes and retirement is \$48,465. Based on the projection of 5 employees choosing to maintain the stipend and 2 employees going on the state plan, the yearly cost to the Town for insurance would be \$49,089 a year. Once the Town decides to go with the state health plan we are committed to it for 4 years. Mayor Otis stated that this is a very good plan and council can also opt for this coverage. Sarah Zimmerman stated that health insurance is a significant part of any job and to hire or keep good quality employees that the Town should offer it.

Sarah Zimmerman made a motion to approve the Town's application for participation in the South Carolina State Insurance Benefits Program. Mike Adams seconded. All in favor.

ADMINISTRATORS REPORT – Ryan Fabbri

Status of Post Hurricane Debris Cleanup – Ryan Fabbri stated that the island looks pretty good by people keep putting debris out by the road so we will continue through the spring to keep one dumpster available for this trash.

FEMA Storm Cost Reimbursement Update - This is Ryan's third disaster that he has worked through but by far this is the slowest reimbursement. His experience with FEMA is much different with this storm than the previous two storms. We have numerous options with the New Town Hall so he is waiting see what FEMA comes back with.

Birds Nest Sewer Repair Project – Georgetown County Water and Sewer need to dig up the sewer that is on the triangle of this area. They will close some roads and hopefully it will only take a few weeks. They will stop traffic on Hazard also on Dole and Myrtle but there will still be complete access to houses. This should start the last week in January or the first week in February.

County Parking Lot Access Walkway – There are encouraging signs that it will be opened soon. The county claims that the walkway is not their walkway. FEMA says it is our responsibility because we maintain it. We were reimbursement by FEMA for the damage by last storm so we will have to repair it. Mayor Otis stated that he felt that we close that access and make it a viewing area or just take it completely out. Sarah Zimmerman felt that is we remove that access we could probably get a few more parking spaces. Ryan Fabbri stated that you'd have to cut into part of the dune to do that and if FEMA is going to reimburse 75% of the cost, why not repair it.

There is another wheelchair accessible entrance there and this access is also used for the 4-wheeler. More research will be done as to whether or not to close this access before a final decision is made.

COMMENTS BY COUNCIL MEMBERS

Mike Adams stated that he would be in favor of a viewing area at the above-mentioned beach access as it is already used for that purpose now. Mike stated that he has had a number of people approach him with comments who are anxious to see Springs Avenue cleaned of sand. Mike also questioned would the community be asked for comments regarding the reduction of the South Causeway speed from 40 to 35 mph? Mayor Otis stated that the communities of Rybolt Road are against it and are sending in comments, and the highway department will make the final decision. There will be no other public opportunity for questions.

Mayor Otis read his letter stating that this 20th year as Mayor of the Town of Pawleys Island will be his final year. See attached “Remarks by Mayor Bill Otis to Town Council, Town of Pawleys Island, SC”

Meeting was adjourned.

APPROVED

DATE

ATTEST

DATE