



City Council Worksession

Meeting Minutes – City Hall Planning Conference Room, 1st Floor

January 14, 2020

I. CALL TO ORDER

5:03PM

Mayor Pro Tem, Mike McFee. Members of Council in attendance - Mike McFee, Stephen Murray and Phil Cromer. Members not in attendance, Mayor Keyserling and Nan Sutton.

II. DISCUSSION ITEMS

A. Discussion on the Capital Improvement Plan - Kathy Todd, Finance Director

Kathy gave some history as to how the City got to a CIP. It began with utilizing the Comprehensive Plan, Strategic Plan and the Civic Master Plan to help develop Council's hope and goals for the next 3-5 years if funding was secured. The plan needs to be updated and hopefully as a result of the upcoming retreat and updated strategic goals the plan will be updated. We are currently seeking guidance on the existing items on the plan and would Council like to see any items added or removed.

Councilman Murray said we have \$30 million in projects but only \$8-9 million in funding sources, so back to the ongoing Impact Fee discussion, if the CIP is only a 3-5 window, is there a conflict since it seems like the Impact Fees are a 10-year discussion?

William Prokop, City Manager stated that clarification is needed overall regarding Impact Fees.

Kathy Todd, Finance Director believes that there is a difference on whether the City is participating in the County Impact Fee versus the City having their own Impact Fee.

Councilman Murray suggested that staff provide more detail on the projects provided. Mike McFee, Mayor Pro Tem agreed. Some time at the retreat will be carved out for further discussion.

Councilman Murray would like to also get some clarity regarding the relationship of CIP and future Impact Fees analysis.

B. Overview of the City's Financial Status - Kathy Todd, Finance Director

Kathy advised Council that the Comprehensive Annual Financial Report (CAFR) for FY 2019 has been completed and it will be published on the City's website. Kathy touched on the auditor's discussion and analysis which is a required communication that is part of the audit report. The auditor's found no significant issues, nor where there any adjustments needed. However, the themed issue is recognizing the need to establish funding sources.

Councilman Murray pointed out that the per capital income increased from \$23,885 in 2018 to \$28,114 in 2019, while the population decreased, per Councilman Cromer.

Kathy continued by showing in Open Gov what the financial staus is now for the current fiscal year.

C. Business License Legislation - Kathy Todd, Finance Director

Kathy Todd gave an update on House Bill 4431. A bill that is specific to Business License legislation. She proceeded by sharing a podcast hosted by the Municipal Association of South Carolina and said she will be sharing an analysis with Council that she just received.

D. Update on Cyber Security - Warren Parker, Chairman of the South Coast Cyber Center

Mr. Parker discussed cyber attacks and how the attacks are growing in City and County Government to include several different agencies. The attacks grow daily and is not going to go away. In the midst of the challenge is a unique opportunity as Cyber Security and Cyber Defense are a growing field and there are hundreds of thousands of jobs that are unfilled and new jobs are being created daily in order to meet the challenge. The opportunity can be seized by offering education and training in this rapidly expanding field and provide our educated talent well paying employment in a meaningful occupation right here in Beaufort. Bureau of Labor and Statistics and the Department of Labor reports a 32% growth over the next 10 years in the Cyber field with an unemployment rate of zero. This is a significant opportunity for us.

The South Coast Cyber Center is made up of the University of South Carolina Beaufort, Technical College of the Lowcountry, Beaufort Digital Corridor and the Beaufort County Economic Development Corporation. These organizations have come together in a collaborative effort to establish centers of academic excellence in Cyber Security and Cyber Defense.

Mr. Parker continued by stating the Center's vision and explained why the South Coast Cyber Center was created here in Beaufort. The Center believes that Beaufort offers a unique quality of life and an environment unmatched in the state. There is an exceptional talent pool of students, veterans, active duty service and the many others that come here to enjoy life in the Lowcountry and a long-standing relationship with the Marine Corps and Navy.

The immediate goals and partners of the Center were addressed. Foremost among the goals is establishing a Cyber Security and Cyber Defense 4-year and 2-year (USCB and TCL) programs and obtaining the academic excellence designation from the National Security Agency. The designation is a seal of approval on a school's program and certifies to a potential employer the education training and skills the student has learned while at that institution. The Beaufort Digital Corridor is going to continue its work to incubate tech companies and reach out to local schools to attract technology businesses.

The cost will be about \$5.3 million over the next 3 years. The \$5.3 million will provide USCB, TCL and the BDC the ability to hire faculty, prepare a curriculum, make infrastructure improvements, enhance the outreach to businesses and create a broad student interest in Cyber Security.

Councilman Phil Cromer asked where will the Center try and raise the funds from? Councilman Murray said that the South Coast Cyber Center will be sitting down with the State and Legislative Delegations. The State has some additional funding this year for this through Homeland Security.

William Prokop, City Manager stated that this brings all our educational facilities together from the school district through the colleges and hopefully through the BDC smaller companies. It's created an economic development opportunity but also offering our young adults and retiring community jobs.

Councilman Murray said that its been really encouraging the collaboration between TCL, USCB and the Corridor on how they might share facilities, share structures, work with students on how if they just want to go to Boot Camp at the BCD that's an option or if they want an associates degree from TCL that's an option or if they want a bachelor's or maybe even a masters, long term they will have the opportunities.

Councilman Murray stated that the Economic Development Corporation has made a commitment that once the workforce pipeline has been created, that they will work to add Cyber Security and Cyber Defense firms that are looking to relocate and work to attract them to our area. This was also presented to the Higher Education Task Force last month, so it does come to us unanimously for a formal resolution of support. The advisory board for the Center would like to have a resolution passed by the City Council and once approved they will seek advocates of support.

III. EXECUTIVE SESSION

Pursuant to Title 30, Chapter 4, Section (70) (a) (2) of the South Carolina Code of Law: Legal Briefing on pending litigation.

No action taken from Executive Session.

IV. ADJOURN

6:28PM

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