

A work session of the Beaufort City Council was held on November 13, 2012 at 5:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Council members Donnie Ann Beer, George O'Kelley, Mike Sutton, and Mike McFee, and City Manager Scott Dadson.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80(d) as amended, all local media were duly notified of the time, date, place, and agenda of this meeting.

CALL TO ORDER

The Mayor called the meeting to order at 5:00 p.m.

INTRODUCTION OF TWEAC

Mayor Keyserling said the Lowcountry Economic Alliance provided seed money and inquiries are out for other money, Mayor Keyserling said. **Kim Statler** introduced **Dwight Hora**. Ms. Statler said he will be at TWEAC to help people to transition into the right job. There have been good meetings, she said, in the last few weeks. Mr. Hora listed some of the private sector companies they have been in touch with and have also reached out to Marines. Mr. Hora said he was in the Marine Corps for 4.5 years and went on to describe his experience there. He said he understands what Marines know and understand, and he can translate for them. The offices are at Parris Island and the MCAS. Some of the companies they've met with are local, and they will expand between Charleston and Savannah. He will reach out to the HR departments at those companies and describe the skills and how they can translate into working at the company. Ms. Statler said as the work force changes from one that is service-based, this will provide workers to enhance economic development with people exiting the military. She described some of the barriers that they have encountered on both sides in regard to expectations.

Mayor Keyserling said TWEAC is a not-for-profit organization and described some of those involved. He said it's more about transitioning than training, unlike they had expected it to be. There has been research done, and "there's nothing like this out there." What will lead to success, Mayor Keyserling said, is its unique approach. It's more one-on-one than computer testing programs, etc. The city is partnered with the not-for-profit and the Lowcountry Economic Alliance.

Mr. Hora said he's received 4 calls recently: 3 from Marines getting out who want to stay in the area and another in Charleston who will be departing the Corps in 6 months. Ms. Statler said they're learning about the perception barriers on the employer side about hiring former military such as concerns about PTSD, working in a less controlled environment when service people are used to everyone doing what they're told, etc. These perceptions are not always correct, she said, so the group will help to dispel some of them. Councilwoman Beer agreed that service people going into civilian employment can be difficult, but "they can be pushed."

Councilman Sutton said he'd been to the Marine transition program awhile back. There's not much to keep people here now, he said, when they exit the military, but if the employers are found, that might happen. Employers like the hospital are already part of the base.

Mr. Hora said he thinks Beaufort County has a lot to offer that exiting military people like, like hunting and fishing. A lot of exiting military see and like the area's environment and the people, but they don't see decent-paying jobs. They want to be part of a productive team. Councilman Sutton said the exiting personnel can't necessarily stay even if they want to if their skills can't be translated into jobs here, or else "they need to be willing to do a job 180 degrees different from what their training is." But, he feels, "this can be a great step in the right direction."

Mayor Keyserling said he and Ms. Statler had had a meeting with someone who didn't know that the resources here existed. A man living in Sea Pines has the patent on the laptop and could be an excellent resource, he said, and other entrepreneurs could use this level of skill that's available and/or they could go on to be tenants of the Commerce Park. Ms. Statler said they need critical mass" to sell.

TREE PLANTING FEE

Libby Anderson said the Tree Board had made a presentation to council in September to establish a dedicated funding source for the Tree Fund. Council was agreeable to that and raising the fee for tree removal applications was agreed to. It would be a dedicated funding stream that would be used as council designates. They then looked at costs to plant trees and came up with a target of \$6000. There are about 200 tree removal permits issued every year. Most are for 1-2 trees. Ms. Anderson said that the proposed Tree Fund fee would be \$15 per tree for residential tree removal in addition to the application fee of \$25. For commercial properties, the fund fee could be more, as much as \$50 per tree. They feel this would meet the need for 25 trees per year.

Ms. Anderson said the use of the fees needs to be discussed, such as planting and maintenance of trees in the right-of-way, open spaces, city-owned spaces and the establishment and maintenance of a tree farm in Southside Park. Ms. Anderson asked if council would like to establish a fee for dedicated planting and what the fee would be. Mayor Keyserling asked if there was a mitigation piece missing for someone taking out trees who's planning on mitigating; could they get a discount? Ms. Anderson said they could put that in, but they would have to be monitored to see that they did it and maintained it. Therefore, staff saw the mitigation as being done on public property, not on residential property, which is rare. **Liza Hill** said if someone residential wants to take a tree down, and it's "borderline," she will request mitigation and offer to help; they usually do mitigate.

Mayor Keyserling asked if all the trees need to be in the right-of-way. There might be incentives to plant them on private property. Mr. Dadson said that would be a development ordinance issue. Mayor Keyserling said if he's going to put trees back, from a public policy perspective, they should encourage those trees, too. Councilman Sutton said in regard to lot placement, a

tree might have to go out, and staff will say they can take the tree out. Ms. Hill said if it precludes the building of a structure, removal is approved. They want to put over-story trees back. If the fee goes up to take trees out, they could give a certificate to plant the city's trees on private property. Ms. Hill said it will be some time for the trees to be large enough to equal that. In the Northwest Quadrant, trees in the right-of-way are missing. They need more funds for taking trees down on private property and putting ones up on public property, Ms. Hill said.

Councilman McFee said they are looking at increasing a fee, part of which would go to encourage businesses and residents to build and to plant trees. Councilman Sutton said they want the tree farm to be self-sustaining at some point. Councilman McFee said the Tree Board wants to use the fund for other purposes than just the tree farm. Councilman Sutton said a lot of money can be spent on people who can't afford to take hazard trees off private property.

Councilman O'Kelley asked about the estimated cost of \$250 for a 2.5" tree. Ms. Hill said they're typically 10-12' high. The fee is for purchase through a contractor, so the real cost is about half. Councilman O'Kelley asked about dead trees and if the homeowner with a dead tree will have to pay to take out something that's a menace. He asked about the size of trees, too. Ms. Hill said the trees she looks at are 8" caliper and up. Councilman O'Kelley said if a homeowner has a tree that dies, they might get an exception for getting rid of that "menace tree." Ms. Hill said she has to verify that the tree is dead, and maybe those with trees she deems dead shouldn't have to pay for their removal.

Ms. Anderson said, as new fees go, planting trees in the public right-of-way is essential and is part of the master plan. The City of Beaufort has not been keeping up, and they want a dedicated source of funding for planting trees in public places. Councilman Sutton asked about the fee revenue generated now for the General Fund annually for trees. Ms. Hill said she took the revenue for 6 months, and it was \$463 per month just for tree permits in the first 6 months of this year. Ms. Anderson said there are administrative costs, and the \$20 about covers those.

Councilman Sutton said when there's a hazardous tree condition, he's not clear how they should "layer it." **Jim Arnett** said they were thinking more about live trees. Ms. Hill said they get calls from property owners about trees with leaves falling off, so the homeowners believe that they need to have it taken out; they "get a whole range of calls."

Nan Sutton asked if the city has had a fund where people could donate trees in someone's memory. Ms. Hill said there was a tree donation fund at one time, and it was used for the care and maintenance of public trees. Ms. Sutton said they could do marketing for plantings in the memory of loved ones. Ms. Hill said that's not advertised, but they have done that. Councilman Sutton said the tree farm can do that once it gets going.

Mr. Dadson said other funds will start the tree farm, but they need a future revenue source. If they want to include trees that must come out, that could be council's discretion. If it's a segregated fund, they can accept donations. Mr. Dadson said the fees are currently covering

the cost of doing business, and that shouldn't be used for the tree farm. They need an additional revenue fee of some kind.

Councilman Sutton said he has no problem with a fee for the future funding of new trees, but he would like to discuss the commercial side. Will they be required to contribute to the farm funding or should it just be residential? he asked. Ms. Hill said in regard to recent building, the Stokes site was paved over, and re-plantings are required there and at Publix, but they will not be nearly as many trees as were taken out. She said the Tree Board could explore the issue of hardwood "grand trees." There's no special mitigation requirement to deal with that, such as going to the ZBOA. Councilman Sutton said most commercial planting addresses the frontage and planting in the public right-of-way. But in the public realm, people will want to know where the tree is that their fee paid for. He feels the commercial formula doesn't work for him. In regard to the public fee, they are working on a funding stream to provide the service.

Mayor Keyserling said everyone agrees they need a fund to support more trees. They have aggressive buffer requirements. They need to come up with the right formula that gives the Tree Board enough money to do what needs to be done, including public participation. Councilman O'Kelley said the farm may have dogwoods and small live oaks; Publix could give some of their trees to the city when they take them out. Ms. Hill said it's a very expensive process and the livability of the tree is less likely.

Ms. Hill said in regard to commercial properties' fees, there's not a lot of creativity with those properties and their parking lots. They lose a lot of grand trees that way, and they might want to charge for those when they're taken out. There was a discussion of the trees that they want to protect. Ms. Hill said on sites like this, there are lots of little magnolias, and they are coming down. Some commercial properties have trees that should never have been saved. Ms. Hill said trees are a renewable resource, and she would like to see 25" caliper grand trees saved. Councilman Sutton suggested that this could be added into the resolution language.

FY 2012 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Kathy Todd said the CAFR has been released. The auditor's opinion was released and is being presented to council. It will be published on the City of Beaufort web site after tonight. They received an unqualified opinion for their financial statements, Ms. Todd said. The management discussion analysis summarizes the activity in the government-wide financial statements in the first section. She described where council should look in the CAFR to obtain information through the summaries.

Ms. Todd said for the government-wide financial statements, net assets were increased, and she described those areas in which the increases took place. The cash position actually increased by close to \$2 million, too, in between FY11 and FY12, Ms. Todd said. She went on to point out the differences in the net assets, i.e., restricted sources, unrestricted, and the balance, which is in net capital assets. She then discussed the change in net assets. There is a dollar and percentage change; significantly, these were capital grants (CDBG) and increase in

other taxes and other revenues which increased by 23%. The city qualified for a single-audit this year for the first time. There were no comments of any kind from the auditors, and she pointed out these reports to council in the CAFR.

The schedule of finding and question costs is a sort of summary that there were no material weaknesses of significant deficiencies, no non-compliance, and in regard to the federal program, it was the same, Ms. Todd said. She said the CAFR is the city's responsibility, and the auditors are responsible for the opinions in the reports. The rest of it is the City of Beaufort's responsibility. She described what is in this annual auditors' report as it related to the governing body in the interest of full disclosure as it pertains to both.

Ms. Todd said revenues remained flat; the distribution is close to last year. There were slight increases and decreases. In regard to expenditures, there are differences in the functions as a result of capital purchase made this year and not last year or vice versa. The bump that shows in general expenditures for FY12 is a result of the Commerce Park purchase. Last year the police department and fire department had large capital expenses but didn't have them this year. She said CIP is different, and it's a capital outlay amount in the capital projects fund. Expenditure doesn't happen until the outlay occurs, Councilman Sutton said. The city did well at watching expenditures, Ms. Todd said. Councilman Sutton summarized that the city is being fiscally responsible, and Ms. Todd agreed.

Mayor Keyserling said he thinks it's impressive, and Councilman McFee agreed that it is, in the downturned economy, especially. Ms. Todd said compared to other municipalities and counties, the city is in a good place to continue to weather the economic storm the nation is facing. Councilman Sutton said he'd like to see a report on franchise fees, looking out at closing dates. Mr. Dadson said the consideration for the water system sale had a 40-year end date and has about 20 more years.

Mr. Dadson said the next thing council will see is a review of business licenses and how they work, the CIP, and a discussion of how to continue with the downtown area now that the TIF is done. Ms. Todd said they will have to have a work session to discuss the new GASB forms and how they will affect the CAFR and pension reporting. There was discussion of how this would work, the impact it would have on the statements, and the necessity of compliance with it.

EXECUTIVE SESSION

On motion of Councilwoman Beer, seconded by Councilman McFee, council voted to move into Executive Session pursuant to Title 30, Chapter 4, Section 70(a) (2) of the South Carolina Code of Laws for discussion of property matters. The motion was approved unanimously.

Councilman O'Kelley, seconded by Councilwoman Beer, made a motion to come out of Executive Session and resume the regular council session. The motion was approved unanimously.

There being no further business, the meeting adjourned at 7:00 p.m.

A regular meeting of the Beaufort City Council was held on November 13, 2012 at 7:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Council members Donnie Ann Beer, George O'Kelley, Mike Sutton, Mike McFee, and City Manager Scott Dadson.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80(d) as amended, all local media were duly notified of the time, date, place, and agenda of this meeting.

CALL TO ORDER

The Mayor called the meeting to order at 7:06 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was led by Councilwoman Beer, and the Pledge of Allegiance was led by the mayor.

PROCLAMATION OF NOVEMBER 15, 2012 AS AMERICA RECYCLING DAY

Councilwoman Beer read the proclamation. Mayor Keyserling presented the proclamation to the Whale Branch Elementary School council president and principal. **Councilwoman Beer made a motion to approve the proclamation, second by Councilman Sutton. The motion was approved unanimously.**

PRESENTATION OF CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING FOR CAFR FY 2011

Ms. Todd said on August 14, 2012, the Government Finance Office's Association rewarded the City of Beaufort the certificate. This is a national organization, she said, and this is a prestigious award that demonstrates financial accountability and has an impact on the bond rating. In South Carolina, there are 270 cities and towns, and 10% participated in the award program. Ms. Todd presented a plaque to Mayor Keyserling. This is the fifth year the City of Beaufort has participated and the fifth year it's been awarded. Mayor Keyserling thanked city staff on behalf of the city council. Most municipalities in Beaufort County participate in the program, Ms. Todd added.

PUBLIC HEARING: ORDINANCE REZONING A 0.49-ACRE PORTION OF A PARCEL OF PROPERTY LOCATED AT 13 INLET ROAD ON LADY'S ISLAND, FROM LADY'S ISLAND VILLAGE CENTER TO GENERAL COMMERCIAL DISTRICT

The mayor opened this public hearing. **Libby Anderson** said the applicant is Gray Holdings Ltd., and their representative is **David Tedder**. She indicated the parcel on an overhead map. The property is the site of Lady's Island Self Storage and is proposed to be used as part of the new Publix property. The property is contiguous to existing city limits where the larger site is located. All municipal services will be provided upon annexation. The proposed zoning is General Commercial District (GC), and that's the zoning of the adjacent larger property. The area zoning designations for the city and the county are similar in that they are both mixed use zones.

Sea Island Parkway has a mix of commercial uses, Ms. Anderson said, that is fairly intense. Public notice has been made. The Planning Commission considered this annexation and rezoning request and recommended approval.

Ms. Anderson said this will be part of the Publix development, and part of it will include the abandonment of Inlet Road. Councilman O'Kelley asked about Inlet where it comes together with Ferry Road, noting that there's a house there on the corner. He asked if that house gets its access on Inlet, and he wanted to know if they were notified. Ms. Anderson said yes, because they are within 400' of the property, which is one of the triggers for notification. Councilman O'Kelley said he feels sure the house faces Inlet. Mr. Tedder said all the adjacent owners along the area have been contacted to receive their approval as part of the process. All have reached contractual agreements with the developer. Councilman O'Kelley said he wanted to be sure that none of the homeowners would feel a negative impact. Mr. Tedder said they would not. There would be cross-access easement and a private road, serviced two different ways. The mayor closed this public hearing.

PUBLIC HEARING: UDO AMENDMENT REVISING SECTION 6.8.J.8.A "BOUNDARY STREET REDEVELOPMENT DISTRICT; ARCHITECTURAL STANDARDS, SIGN," BY ADDING A NEW SECTION PERTAINING TO FREESTANDING SIGNS ON NONCONFORMING LOTS

The mayor opened this public hearing. Ms. Anderson said this is from City Hall west to Neil Road. Freestanding signs are not permitted in the Boundary Street Development District. The building itself can serve as signage in new development, so it was thought that freestanding signs wouldn't be needed, but this didn't count for "the transition phase." There are concerns about this being restrictive for current times, she said; they would like existing tenant spaces to be reused "until the Boundary Street vision is fully realized." They are proposing that on lots developed before February 2007, when the ordinance was adopted, freestanding signs that meet the standards may be permitted. Ms. Anderson said freestanding signs are permitted on "Boundary Street Jr." The maximum size would be 18' and set back 3' from the right-of-way. In October, the Planning Commission recommended approval.

Councilman McFee asked if the existing Boundary Street plan that allows for signs on the building, allows what's there to stay. Ms. Anderson said yes, this will be in addition. Councilman Sutton clarified that they could have a freestanding sign *and* a sign *on* the building. Ms. Anderson said that's correct. Ms. Anderson said the sign size is modest, and when the street is more pedestrian, this will be sufficient. The mayor closed this public hearing.

MINUTES

The minutes of the work session on October 16, 2012 were presented to council for review.

Councilwoman Beer made a motion, second by Councilman McFee, to approve the minutes as submitted. The motion passed unanimously.

The minutes of the work session and regular meeting on October 23, 2012 were presented to council for review. **Councilwoman Beer made a motion, second by Councilman McFee, to approve the minutes as submitted. The motion passed unanimously.**

APPROVAL TO AMEND THE FY 2013 BUDGET

Councilwoman Beer made a motion, second by Councilman McFee, to approve the amendment on second reading. The motion was approved unanimously.

APPROVAL TO AMEND THE BUSINESS LICENSE ORDINANCE

Councilwoman Beer made a motion, second by Councilman McFee, to approve the amendment on second reading. Ms. Todd said these are the state requirements and are mandated to amend the business license ordinance to be consistent with the state's. **The motion was approved unanimously.**

ORDINANCE ANNEXING A PORTION OF A PARCEL OF PROPERTY LOCATED AT 13 INLET ROAD ON LADY'S ISLAND

Councilwoman Beer made a motion, second by Councilman Sutton, to approve the ordinance on first reading. Ms. Anderson said no public hearing is required on annexations. **The motion was approved unanimously.**

ORDINANCE ZONING A PORTION OF A PARCEL OF PROPERTY LOCATED AT 13 INLET ROAD ON LADY'S ISLAND, GENERAL COMMERCIAL DISTRICT

Councilwoman Beer made a motion, second by Councilman Sutton, to approve the ordinance on first reading. The motion was approved unanimously.

ORDINANCE AUTHORIZING THE CONVEYANCE OF CITY PROPERTY, FORMERLY THE LOVEJOY STREET RIGHT-OF-WAY

Councilman Sutton made a motion, second by Councilman McFee, to approve the ordinance on first reading. Mr. Dadson showed a map of the area on the overhead. They are exchanging property; the road will be put in, and a public road that goes through the property will be put in. Mr. Dadson said this has been in the works for 7 years. Councilman O'Kelley asked if the street between the two was Sycamore, and Mr. Dadson said yes, and there will still be a right-turn out onto Boundary Street. **The motion was approved unanimously.**

ORDINANCE AUTHORIZING CITY MANAGER TO ENTER INTO CONTRACT FOR CONVEYANCE OF CITY PROPERTY ON LAFAYETTE STREET

Councilman Sutton made a motion, second by Councilwoman Beer, to approve the ordinance on first reading. Mr. Dadson said Lafayette Street is "catty-corner to Basil Green Park." This is an exchange of property for work on the streets and improvements on the street for housing. Eric Brown and partners have a contract; there will be bonding that council wanted, street improvements, and construction services on the streetscape. It will release public land into private use in an area that is ripe for development. Mr. Dadson complimented the work of the Redevelopment Commission. **The motion was approved unanimously.**

APPOINTMENT TO A CITY BOARD

Councilman McFee made a motion to appoint Lolita Huckaby-Watson to the Housing Authority, second by Councilwoman Beer. The motion passed unanimously.

CITY MANAGER’S REPORT

Mr. Dadson said there’s a public workshop on Thursday, 11-15-12, at 7 PM in regard to Boundary Street improvements and “how it’s moving along to date.”

MAYOR’S REPORT

Mayor Keyserling said in a week the dedication of the first phase of the Rail to Trail will take place at 10 AM at the Depot Building.

REPORTS BY COUNCIL MEMBERS

Councilman O’Kelley said that Mayor Keyserling and he attended the Naval Academy Glee Club concert, and it was “magnificent.”

ADJOURNMENT

There being no further business to come before City Council, **Councilwoman Beer made a motion to adjourn, seconded by Councilman O’Kelley. The motion was approved unanimously**, and the meeting was adjourned at 7:45 p.m.

ATTEST: _____
IVETTE BURGESS, CITY CLERK