

A work session of the Beaufort City Council was held on May 27, 2014 at 5:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Council members Donnie Ann Beer, Mike McFee, Mike Sutton, and George O'Kelley, 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

Mayor Keyserling called the work session to order at 5:00 p.m.

DISCUSSION OF REFORESTATION FEE

Liza Hill said at the last council meeting, she had suggested the \$15 fee per removed tree on residential lots; council had asked for examples. Staff considered a \$200 fee cap for a single-family home. The new PTAC preferred that there not be a cap. She described different examples she had drawn from actual cases; one was \$210 for 14 trees, and the lowest was \$60 for 4. Ms. Hill responded to Mayor Keyserling's question by saying that she agreed with PTAC that there should be no cap, and she said the examples that she gave were very representative of the kinds of residential tree removals that come to the city. Trying to save as many healthy trees as possible is working, Ms. Hill said, by locating the home on the site to be built in a way that saves good trees.

Ms. Hill said the administrative fee for a commercial lot is the same, but there's not a per-tree fee as there is for residential. They can use the trees that remain on the site as mitigation. The administrator can allow mitigation regardless of species, so there are fewer caliper inches that need to be planted back.

Councilman Sutton said they understand the fee structure, but they need to see how it ties into remediation for trees in the way of a site plan, which may be healthy, but they maybe can't make the site plan work with them there. He asked if for residential, mitigation would work. Ms. Hill said, instead of saying that a third of the caliper inches need to be mitigated, on a residential site, with just a few trees, they ask for a fee per tree. **Libby Anderson** said there's no clear mitigation requirement in the ordinance. If there's no way to work around removing grand trees, and you can't plant back on the site because you're developing it, you can pay a fee based on inches for what you don't mitigate. Ms. Hill said on a commercial property, if 100 caliper inches come out, the small live oaks on the site can count toward mitigation. If they can't plant new trees for the unmitigated portion, it's \$70 per caliper inch into the Reforestation Fund.

Ms. Anderson showed the Family Dollar trees as an example. 500 total grand tree caliper inches came down. The grand trees that are saved can all be used as "credits" for mitigation, in this case 225 caliper inches, and allowing for grand trees at high risk of

failure per an arborist's report (208), means they need to mitigate 43 caliper inches, or they would be subject to the reforestation fee. They could have planted 43 caliper inches, or pay \$3010. Mayor Keyserling said it's designed to motivate people to save healthy trees and to encourage reforestation. At the Family Dollar, there were 4 ratings of trees the arborist used: excellent health, fair health, high risk, and imminent failure.

Councilman O'Kelley said this is fine with him, "and if someone comes along and tells us we got it wrong, we can revisit it." Councilman Sutton said he thinks the old Publix is "an example of something gone awry." Councilman O'Kelley said there was a group that tried to stop the store from being built – because of the trees, Councilwoman Beer said – and "Publix caved and now there's a horrible parking situation."

Councilman Sutton said that water and laurel oaks at 24" are at the end of their lifespan, he feels, but a grand live oak can also split and fall. Councilman O'Kelley said if a tree is clearly dead, it doesn't count against the developer. Ms. Hill said the Family Dollar people had Bartlett as the arborist; "there were lovely trees," but there were concerns about some laurel oaks that needed to come down. Ms. Anderson said the Family Dollar mitigated their fee by a good deal just by having an arborist's report done.

Councilman Sutton said the cap is related to residential-only at this point. He asked if they were thinking of individuals who might need to remove 1 or 2 trees or about developers and contactors. Ms. Hill said she has only dealt with one individual who was developing his/her own lot; it's usually developers. Councilman Sutton asked, if he were building 6 homes in an area, would each lot have a \$200 cap? Ms. Hill said yes. **Maxine Lutz** asked if palmettos could be taken out. Ms. Hill said a palmetto with 2' of clear wood must be saved and mitigated. It needs to be 4', though, they have decided.

Councilman McFee said his only heartburn is that he feels a developer should have greater costs than an individual. "They are development companies, and they are the ones getting a cap," he said. Mayor Keyserling said they could make a distinction on platted lots. Ms. Anderson said they can only do clearing if it's tree harvesting, and then you're not allowed to come back for 2 years after the land is cleared to do the development. Ms. Anderson said if a developer sold the house, the new owners could come get the permit, even though the developer is building it for them. Councilman McFee asked, if a whole new subdivision were done, would they be considered a residential entity or a developer? Typically, Councilman McFee said, it would be a developer. Ms. Anderson said that's what PTAC was saying.

Ms. Anderson said there are two types of residential: single-family homes and multi-family/"all other," which are actually commercial. Councilman Sutton said because multi-family requires parking, there is more of a need to remove more trees. Mr. Dadson said commercial gets more of an incentive to mitigate than a single-family lot does. If it were capped, the developer wouldn't have the incentive to replant.

Councilman O'Kelley said he wondered if they should think about reforestation – there are only so many places you can plant trees – because if there's a good reforestation fund in 5 years, maybe they should switch the money to Southside Park. Councilman McFee said that's a city park, so that is part of what they would do with the reforestation fund fee. Ms. Hill said if the Southside Park line item continues, the money would be used to start the arboretum, but also a reforestation fund built up to a certain level could be used to plant trees in the city: parks, rights-of-way, etc. Councilman Sutton said if there were that kind of money, he would hope that they would use some to take the burden off the General Fund in regard to parks.

Ms. Hill read the goals of the reforestation fund, and removal of the hazard trees is third. Ms. Anderson said they haven't done a good job of replanting, except for in streetscape projects in many years, though they are good at removing hazard trees, but not in planting in public areas.

Ms. Hill said a 2" caliper tree is typically \$250, planted. Ms. Anderson said a lot of developers are more interested in paying the fee than in replanting as mitigation. Councilman Sutton said Bluffton had this happen with the right-of-way planting on 278; they planted because it was required, but then weren't required to maintain the landscaping, and everything died. Ms. Anderson said there are adopt-a-tree programs they could establish in residential areas to get someone to commit to water it for a couple years. Ms. Hill said the urban forest is aging, and trees aren't being planted back. Councilman Sutton said with the block-by-block program, they focused on taking out hazard trees, and took out 18-20 trees in that 18-month period, but none went back.

Councilman McFee suggested they could add verbiage about planting under power lines. Ms. Hill said there are dwarf magnolias under the power lines outside of City Hall, and they will not get any bigger.

DISCUSSION OF PROCEDURES FOR APPROVING VENDING CARTS IN WATERFRONT PARK

Ms. Anderson said the current ordinance for sidewalk vending says that the applicant goes to city council for final approval for the two spots. She said they do the legwork for council, and then the vendor comes to council and does the whole thing over again, and she wondered if council wants to keep doing that. She feels some applicants are intimidated at the prospect of coming before council. They come to the pre-application conference, but then won't come back to go before council. Ms. Anderson said the last one who came before council was an Italian ice vendor. Someone came to the pre-application process a couple weeks ago, and did all the pre-application but didn't come back. Councilman McFee said maybe it's too cumbersome, and Ms. Anderson said that's what she was thinking.

Mayor Keyserling said there used to be 3 vendors allowed and there are 2 allowed now. Ms. Anderson said yes, and there are tweaks that need to be made to the ordinance. Councilman O’Kelley asked the locations: Ms. Anderson said one is at the east end of the promenade at Waterfront Park, near the playground and the bridge. There was an Italian ice place there for a couple years. The other location is at the Contemplative Garden near the marina and the pavilion. They took one location out, near the clock, because it was too congested.

There was general agreement that council didn’t need to be involved in this. Councilman Sutton said also he doesn't “want to get shot in the foot by someone selling something that council doesn't know about.” Ms. Anderson said there is permitted merchandise listed in the ordinance. Council can set the parameters. They are mostly food items and flowers; beverages can’t contain alcohol. Councilman O’Kelley asked if there were any complaints from Bay Street merchants. Ms. Anderson said there are space requirements, so there’s enough space from Yo-Yo’s for an ice cream vendor to also work, for example. She has heard no complaints.

Mayor Keyserling said he had received a call about someone asking if she could play her banjo next time, unamplified. Mr. Dadson said they can’t block the sidewalk. Ms. Anderson said she’d have to check, but there’s question about whether it’s a sidewalk business. Councilman Sutton said if they regulate it too much, they miss the opportunity to have nice acoustic music there. He wouldn’t want a band there, but non-amplified music would be nice. Mayor Keyserling said, if it’s not amplified, and they’re not blocking the sidewalk, “why wouldn’t we want it?” Councilman Sutton asked Ms. Anderson to find out and let council know, and if acoustic musicians can’t play downtown, find out why not: traffic, noise, or putting the hat out. Mayor Keyserling said they meet under the pavilion for Pickin’ in the Park. Councilman O’Kelley said street performers are another aspect, and “it could blossom.”

DISCUSSION OF SCE&G SPECIAL FRANCHISE DISTRICT OPTIONS

Mr. Dadson said council had discussed the percentage of rate increase required in the special franchise district to fund the duct bank. Council had asked staff to look at the possibly of rate increase options for the entire city to raise fund for this purpose . Mr. Dadson said these are estimates, and he explained why.

Kathy Todd showed how she had applied percentages by increments of 1 to see at what level they would achieve the amount that SCE&G needs to have. It was 7% in the Redevelopment District, and if they did it there only, they would have to get the balance from the NSS. The estimated monthly increase in the electric fee would be \$88, a percentage based on gross revenues, for an annual cost of \$1051 just for the people in the Boundary Street Redevelopment District. This is for ALL customers there, Ms. Todd said, residential and commercial.

Councilman Sutton said the franchise fee is currently 5%; in the case he offered, \$1.25 of the fee goes to the existing franchise fee. If they add this on, people in the Redevelopment District will have an additional 7%, to total a 12% fee.

Mayor Keyserling said SCE&G's cost is \$2.8 million. The city's portion is \$3.5 million for the duct bank.

Looking at numbers for if the fee is done citywide, Ms. Todd said the baseline is the 2012 gross revenues generated in the city limits by SCE&G. Using all of the available percentages, with 1% over 10 years, there's still a shortfall of \$800,000-900,000. "2% gets you there in a little less than 7 years," Ms. Todd said. 3% is an even shorter time period. The estimated annual increase is \$87.86-\$90.52 a year per customer at 3%, about \$7 per month. Mayor Keyserling asked if it was 2% of the amount plus the franchise fee that already exists. Ms. Todd said it would be a percentage of \$105 (a \$100 power bill plus the current 5% franchise fee). This would be a separate issue, Mr. Dadson said, for the big project on Boundary Street, not for the other projects that the current franchise fee goes to. Mayor Keyserling said this could set a precedent for beginning to build a fund, if it's bearable, to take care of burying transmission lines elsewhere in the city.

Councilman Sutton said they hadn't discussed the number negotiated years ago when the franchise fee was set up; they are "talking about adding a percentage on top of that but keeping hold of the original pie." Mr. Dadson asked if the 5% franchise fee is drafted by state statute. **Tom Holloway** said it's the same everywhere and can't be renegotiated, because it's at the maximum rate possible.

Ms. Todd showed the money set aside for non-standard service projects. Mr. Dadson said it's general revenue for the city, like a business license. Councilman Sutton said if they have problems with cutting back trees and burying power lines, then he wishes that they had a fund to go to those needs, not just to General Fund revenues. Ms. Todd said it's a required component of the General Fund by state statute. Councilman McFee said this is a separate fund though, that the city can use for general requirements.

Mr. Dadson said the city has other places where poles need to be moved and removed. They wanted to ensure that the benefit was spread throughout the city as much as possible. Some are easy to see, but they also have prioritized projects by the Tree Board (now PTAC) study as well: undergrounding for Duke Street Phase 2, Higgonsonville, Pigeon Point, Northwest Quadrant, Dixon Village, The Point, Spanish Point, Royal Oaks, and Mossy Oaks. These priorities were based on the Tree Board's study. If the dollars aren't used, Mr. Dadson said, "they don't roll, and Year 1 falls off, so they keep up a project list" to ensure that the dollars aren't lost.

Councilman Sutton said he doesn't want to be in the position where they are paying for the infrastructure that the utility owns. Mr. Dadson said council is in a box because if it doesn't come from ratepayers, it comes from taxpayers, just like a stormwater fee is tied to the stormwater or trash fee is tied to trash. Mr. Holloway said when SCE&G is fully paid for reimbursement, the obligation is over. Councilman Sutton asked what the trigger was to make the franchise fee stay beyond that period. Mr. Dadson said council would have to create another special franchise district. Councilman Sutton said this is the first time they have gotten the utility to offer a cost to do the work. There are other ways to get the power lines down besides a duct bank. "A fixed fee would be nice," he feels.

Mr. Dadson said this is a non-standard service agreement; Mr. Holloway said it's a special franchise. Mayor Keyserling said if the ratepayers tolerate it, they would have to do another special district franchise fee for undergrounding in other areas. It can't be longer than 10 years and no more than 7%, Mr. Dadson said. It could allow council to finish all the undergrounding projects. Council could do .5% if they wanted to; this would stop the fight over trimming every 5-7 years. Councilman Sutton said he wouldn't want to go any longer or higher than they have to.

Mr. Dadson said he would recommend 2% for up to 7 years or when it's paid off. If it pays off slower, it will be ten years and they will have to reboot. Mr. Holloway said if they stay at 2%, "they never have to get into NSF territory." Mayor Keyserling asked if the Air Station was a ratepayer. Ms. Todd said they don't have a ratepayer list, so they don't know. Councilwoman Beer and Councilman Sutton asked about the hospital but received no reply.

Mr. Dadson said the city's cost of money is applied against the general franchise fee. Mayor Keyserling said they don't want to tie up debt, but they are looking at rates that are twice as much; what would they do with it if they saved \$500,000? Councilman O'Kelley said if SE&G tacks it on to all city users, the Air Station is a city user. Mayor Keyserling said so many exceptions were done during annexations, so they don't know. Mr. Dadson said they do know that gross revenues were \$20 million.

Councilman Sutton asked if there was discussion about the low-voltage companies. Mr. Holloway said they are aware of the other low-voltage companies, and the SCE&G will notify everyone that they are expected to be in the duct bank, "and there is a home for them there." Mayor Keyserling said cable and phone representatives have said that they have to talk about this because they don't have a franchise agreement and don't know how they will get in the duct bank. Councilman O'Kelley said "they're interlopers." Mr. Holloway said some pay the power company and some don't. Councilman Sutton asked if they only need poles. Mr. Holloway said the power company owns all the poles on this project, and the low-voltage companies "are tenants."

Ms. Todd said the GASB is particular about what is called a “special revenue fund” – it’s restricted or committed by law or some other restriction. Special revenue funds are there because they are stipulated by law to be segregated out by the General Fund. This project is on SCE&G’s books, not the city’s books, she said.

Councilman O’Kelley said he has no heartburn about 2% citywide, and Mayor Keyserling said that’s his inclination. Councilman O’Kelley said 3% would pay it off quicker, but \$3 more on \$100 “may make a difference for some people.” Councilman Sutton said this might run longer than they estimated, and he would rather be at a lower rate if this goes to 10 years, rather than 7 years. Mr. Dadson said this fee “lowers the cost of capital for SCE&G.” Councilman O’Kelley said it’s only fair that the entire city pay for this. Councilman Sutton said SCE&G benefits tremendously from this. Mayor Keyserling said “they will tell you it hurts them, but it benefits them tremendously.”

Mr. Dadson said Ms. Todd has an overall project costs slide. In the Boundary Street project, Mr. Dadson said, two things will happen through TIF funds: the direct connections are budgeted into that. Mr. Dadson gave example of the uses – in the TIF 2 area, TIF 2 funding goes for the electrical connections that will come on the direct lines as well as other parts of the street network. A condition of the federal grant the city got, which replaced local impact fees, it is that they will finish up certain aspects of the project.

Councilman McFee said a little over half the funding is generated locally. Ms. Todd said that’s correct. Mr. Dadson asked if council was directing him to do a citywide fee at 2% for second reading. No one on council had offered reasons not to do it, Councilman Sutton said, though he saw lots of reasons not to. Mr. Dadson said they would change all the documents for the public so as to reflect this change.

Councilman Sutton said there’s a citywide benefit for Boundary Street happening. Capitalizing the right-of-way through the city benefits every citizen, and when the property values and investment continue to improve, new customers mean a new tax base and that helps pay into General Fund revenue and the fees that are already being paid. It helps with rebuilding the city’s baseline.

The work session was adjourned at 6:36 p.m.

A regular meeting of the Beaufort City Council was held on May 27, 2014 at 7:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling and council members Donnie Ann Beer, Mike McFee, Mike Sutton, and George O'Kelley.

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

Mayor Keyserling called the meeting to order at 7:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Councilwoman Beer led the invocation. Mayor Keyserling led the Pledge of Allegiance.

PUBLIC HEARING: FY2015 BUDGET

Mayor Keyserling opened this public hearing. Mr. Dadson briefly reviewed the budget, including the process and the financial policies that are followed. They do quarterly financials and make adjustments accordingly at that time. He reviewed the various funds that the city has. He reviewed revenues and expenditures.

The property tax estimate for next year, Mr. Dadson said, needs explanation. Last year at this time, the current fiscal year's budget was based on the assessor's estimate of the value per mil. The assessed values have declined by 5.68%; property tax collection has declined from 97% to 92% with an estimated shortfall of \$345,000. Business license revenues are also down. The shortfall from that is \$250,000. He reviewed other sources of revenue. Salaries and benefits have increased because of longevity increases and other state-mandated increases in benefits. Departmental operations numbers are down from the requested amounts.

Mr. Dadson said he recommended cuts and increases in the budget; it includes a temporary mil of 3.72 mills, which is allowed by state law, and will raise property tax revenues by \$257,000, which puts the city back at par to make up for the roll forward of the mil. The largest acquisition is a ladder truck to replace the truck that was sold this fiscal year. He recommends secured long-term financing on that. There are other needs as well. Council has met with department heads and talked about their specific budgets.

David Taub, Historic District, said Mr. Dadson and Ms. Todd have been forthcoming with giving him information per his requests. He offered "a history lesson." He said in 2008 he was against "the debt that built Taj Mahal," in reference to City Hall. He went on to offer his take on the history of the city's debt and his recommendations for what the city should do in the future to unburden itself from debt he described as "bone-crushing."

George Trask said he'd been a banker, and he didn't see anything in the proposed budget that addressed the issue of debt. He asked if the debt service was at a fixed interest rate. Ms. Todd said all the rates are indicated in the notes in the CAFIR. Mr. Taub said it was 2.5 – 5%. Mr. Trask said inflation would reduce the burden of debt. If it occurs nationally, at the level he predicts, he said it wouldn't be wise to pay the debt down. There may be alternatives that are better. He said he had refused to step into City Hall for some time because he believed it was "an extravagance," and he believes "it was pushed on council by lawyers and bankers" who profited, while "the citizens are now strapped with debt." **There being no further public comment, Mayor Keyserling closed this public hearing.**

MINUTES

Councilwoman Beer made a motion, second by Councilman McFee, to approve the minutes of the council's special meeting May 6, 2014. The motion to accept the minutes as submitted was approved unanimously.

FY 2015 BUDGET ORDINANCE

Councilwoman Beer made a motion, second by Councilman Sutton, to approve the ordinance on first reading. Mayor Keyserling said there have been 3-5 workshops on the budget for council and the public. Councilman Sutton said \$25,000 wasn't in the budget for Southside Park, and he would like that to be added. Mr. Dadson said that council had indicated that the Chamber of Commerce, Main Street Beaufort and Southside Park weren't in the budget, so he indicated where they had taken out \$95,000 from other funds – city council, city manager and finance – to add those in and make the adjustments. These are not additions, just adjustments to the line items.

Councilman Sutton said he understood Southside Park but not the amounts they were short on for Chamber of Commerce and Main Street Beaufort. Mr. Dadson said they were inadvertently left out of Parks, where they have always been; the amounts are "obligations based on how they receive the fees."

Mr. Taub asked about the deficit mil, and Mr. Dadson explained it. Ms. Todd said it was a separate ordinance and would be addressed in the next agenda item. Mr. Taub asked if it were "a one-time deal," and Mr. Dadson said it was. Mr. Taub asked council if "you know what you're doing there," and Mayor Keyserling went on to explain why it was done. The attorney general had said that they could roll up, Mayor Keyserling said; projections for next year allow them to go beyond the statutory limit because of the county assessment gap. Ms. Todd cited the sections of the statute that allow a millage rate increase. One purpose is a deficit from the preceding year, which is being seen in the decrease in taxable assessed value. As of 4-30-14, the deficit is less than what was levied. This deficit mil will generate \$257,000, which will not exceed the estimated deficit. **The motion passed unanimously.**

DEFICIT MIL ORDINANCE

Councilwoman Beer made a motion, second by Councilman Sutton, to approve the ordinance on first reading. Mayor Keyserling said this requires that council raise the mil to ensure that they make the payment on the \$15 million in bonds they hold.

Merritt Patterson, said the firehouse is a \$2 million element in the bond issues. He suggested that the city delay or not build the firehouse and use the money to pay down debt. Mayor Keyserling said he doesn't think he can pre-pay on that bond. Ms. Todd said there's a call date on the GEO bond, but the bond ordinance stipulates that the money is used for those purposes. If one of those purposes weren't fulfilled, she would have to find out what that does to the tax-exempt status of the bond. Mayor Keyserling said he had explained the deficit mil, not the debt mil, by mistake. Mr. Dadson said they had just voted on the regular mil and the debt mil. This is on the *deficit* mil. Mayor Keyserling said they could come back to the debt mil if Mr. Patterson likes. **The motion passed unanimously.**

Mr. Patterson commented that those bonds have to be used for the stated purposes: construction and debt service for the City Hall building, the fire department and the police department. He wanted to know if they could not build the fire station and decrease the debt and interest carried by the city. He wants to know if the funds could be diverted. Mayor Keyserling said it wasn't spent immediately because of the question of moving the EMS and negotiations with the Town of Port Royal. "The Mossy Oaks station is dead," Mayor Keyserling said, and something needs to be there to maintain the fire rating. In regard to pre-paying, he reiterated that he's pretty sure they can't. Councilman Sutton said they also need a fire station in Mossy Oaks, and there's no good time to borrow money, but the citizens voted for this. Mr. Taub said bondholders don't care where the city gets the money to pay the debt down. Mayor Keyserling said that debt couldn't be paid down except on its schedule.

Kathy Lindsay asked, in regard to the deficit mil, if revenues are down, and there's reassessment, won't the city be more likely to need a deficit mil *next* year? Mr. Dadson said that was a good question. In reality, the city in total market value is worth \$2.2 billion. Last year, it grew by \$19 million, which is less than 1% growth. If they were growing above 5.68% – the level of the debt mil – it would be different, but the total devaluation of prices makes pressure down which exceeds growth potential. \$331 million of that is not taxable – 25% of the tax base but only 7% of the property in the city. The city has had nice growth, Mr. Dadson said, but it's not enough to overcome a deficit in total devaluation.

Mr. Trask said this is about the challenge for the city finding ways to grow. The county at one point had said that "growth was bad." Mr. Taub was supportive of annexation when he was mayor, Mr. Trask said. They need to determine ways to help the economy grow,

and he hopes that council and the private sector will work together to do this. If council doesn't cooperate with the public, it results in "the recent unpleasantness," he said in reference to the Marina parking lot debate. Mayor Keyserling said the response of some of the citizens to the city's possible plans "also showed a resistance to growth," and Mr. Trask said it was "resistance to a certain kind of growth."

ORDINANCE REVISING SECTIONS 2.7.F AND 3.21 OF THE UDO PERTAINING TO HISTORIC DISTRICT REVIEW PROCESS, TO IMPLEMENT THE SPECIAL ASSESSMENT FOR REHABILITATED HISTORIC PROPERTIES ORDINANCE

Councilwoman Beer made a motion, second by Councilman McFee to approve the ordinance on first reading. Mayor Keyserling said this is referred to as the Bailey Bill and it freezes tax assessments to pre-rehab levels for historic structures. **Edie Rodgers** said there has been "no open discussion about this in council, just in workshops." Mayor Keyserling said that's why he offered to explain it prior to the vote on first reading, and he offered again, though there was again no response from the public present.

Ms. Anderson said this would help the city be in a good position to implement the Bailey Bill when it's time. Councilman Sutton said this is a historic preservation tool, the first time the city could reach outside the Historic District to homeowners who might be on the countywide list of historic structures. Ms. Rodgers said it's a good thing but she doesn't think enough people know about it. **The motion passed unanimously.**

MOTION AUTHORIZING CITY MANAGER TO APPLY FOR A JUSTICE ASSISTANCE GRANT (JAG) TOTALING \$12,116

Councilwoman Beer made a motion, second by Councilman McFee to approve the motion for the city manager to apply for the JAG. Ms. Todd said the police department has been notified by the state that they are eligible for a JAG for \$12,116, a federal grant that the city has been a beneficiary of for a number of years. The police department would like to apply for this grant; neither revenue nor expenditure has been budgeted for, but if they are awarded the grant, they will do so. This authorizes the city manager to sign the application. They have to buy equipment, and she described what they might buy and said it's a one-time expense. **The motion passed unanimously.**

MOTION AUTHORIZING CITY MANAGER TO SIGN CONTRACT OF SALE FOR LAND ACQUISITION

Councilwoman Beer made a motion, second by Councilman McFee, to approve the motion for the city manager to sign the contract. Mr. Dadson said this is for a contract for sale for the full entrance and access-way for the property bought for the fire department. It is currently owned by the people who own the bowling alley and will become a road to the back and extend Bowling Alley Lane, so the fire department has a rear alley. They will have a better apron for the trucks to come out. It completes what happens on Ribaut Road. When council weighed this matter, the cost of the driveway cut was weighed, as were "parking people on the side" and the stormwater issue with

the fire department and the bowling alley. This offers access points to make the fire station work. The Design Review Board has approved it according to this site plan. Mr. Dadson thanked **Lauren Kelly** for negotiating this among various owners. It was \$33,000 for the section and extends the property and makes it wider. **The motion passed unanimously.**

WATERFESTIVAL 2014 ANNUAL REQUEST

Brandy Gray said they had submitted their proposal, and she pointed out Item #11. They had a partnership with Dragon Boat Beaufort last year. They are requesting to close the same area off as in the past year but on the second Saturday. Mayor Keyserling said the city might have a Dragon Boat. **Ivette Burgess** said only the weekend of the Dragon Boat races has changed; other than that, the request is the same as always.

Councilwoman Beer made a motion, second by Councilman McFee, to approve the request. Councilman Sutton said the last Dragon Boat race, they secured the day dock, and there was some direct impact from the race on people who wanted to get on the water and couldn't do it over the seawall. Ms. Gray said they would advertise and educate people in advance about using that area and let people know that it will be shut down. Councilman Sutton said it's important in Beaufort to get to the sand bar and to not block access points. Mayor Keyserling suggested putting signs on other boat ramps as well. Ms. Gray said that "all this is well-noted." **The motion passed unanimously.**

REPORTS BY COUNCIL MEMBERS

Councilwoman Beer said the Memorial Day parade had more people than have been there lately, and "the participation at the National Cemetery was huge."

Councilman Sutton said he would like a briefing on the mooring field status. Mr. Dadson said he would do that for next meeting.

Mayor Keyserling said there would be a special council meeting next week on June 3 in regard to Boundary Street and SCE&G at 7:00 PM.

There being no further business to come before council, **Councilwoman Beer made a motion, second by Councilman McFee, to adjourn the meeting. The motion passed unanimously,** and the meeting was adjourned at 8:17 PM.