

December 17, 2019

The regular meeting of Town Council was held on the above date at approximately 6:00 p.m., all requirements of the Freedom of Information Act having been satisfied.

Present were: Patrick M. O'Neil, Mayor
Chauncey Clark, Mayor Pro-Tem
Sarah Church, Councilmember
Greg Hammond, Councilmember
Tim Reese, Councilmember
Bachman Smith, IV, Councilmember
Kaye Smith, Councilmember

Mayor O'Neil called the meeting to order at 6:00 p.m. and stated the press and public had been notified in accordance with State Law. There were approximately twenty (20) members of the public present and two (2) members of the media present. Mayor O'Neil led the Pledge of Allegiance, followed by the invocation by Mayor Pro-Tem Clark.

I. Presentation- Nurdle Pollution in the Charleston Harbor, Riverine Tributaries and Area Beaches:

Mayor O'Neil introduced Andrew Wunderly, Executive Director, Charleston Waterkeeper. Charleston Waterkeeper works to protect and restore the waterways so that people can enjoy them without fear of pollution. Mr. Wunderly provided a sample of the plastic pellets (also referred to as "nurdles") that washed ashore Sullivan's Island and area beaches on July 19, 2019. Nurdles are made up of a chemical cocktail that starts with or polypropylene and add a host of other additives such as flame retardants, polyfluorinated chemicals, triclosan, plasticizers and heat stabilizers. Once in the marine environment, pellets also absorb and concentrate other contaminants in the water such as heavy metals and PCBs. Marine life eats pellets and plastic debris, which is a major concern. Plastic debris have been found in 100% of sea turtles, 59% of whales, 36% of seals and 40% of sea birds.

Nurdles are the feedstock for manufacturers that make things out of plastic. They are melted down to make anything from plastic bags to iPhone cases. The pellets are shipped here by train from the Gulf region, where they are made. Here in Charleston, they are blown into railcars, packaged into bags, loaded into containers and then shipped all over the world.

Frontier Logistics, a company that operates on the union pier terminal at the South Carolina Ports Authority, is a plastic pellet packager. They were sited after the incident and mounted a clean up effort that lasted a few days. DHEC conducted an inspection of the Frontier facility on the union pier terminal and found an alarming number of pellets covering the ground. Since then, Frontier has installed fencing and blocked off openings to the water in an attempt to control pellets that spill during the bagging and loading operations that they conduct. Effective source control is containing all pellets, not attempting to clean them up after they have been spilled. Frontier still denies that they are responsible for the pellets and said they cannot be traced back to them. To this day, DHEC still has not issued any fines or penalties. Mr. Wunderly has been collecting samples on Sullivan's Island since the incident occurred. Each sample survey is one person searching for 10 minutes long and contains an average of 71.4 pellets. Charleston Waterkeeper believes it is much more than a one-time spill, but rather an ongoing problem and pellets continue to be discharged with wind, rain and flood water.

Mayor O'Neil introduced Barbara Melvin, Chief Operating Officer, South Carolina Ports Authority (SCPA). Ms. Melvin stated that three major industries have led to manufacturing growth in the U.S. South: automotive, aerospace and plastics. From 2018 to 2023, 10 million tons of polyethylene manufacturing capacity will be added in the U.S. which is increase from 23 to 33 million tons annually. Estimates are that 25,000 railcars and 100,000 containers will find their way to the U.S. Southeast for export. Some of the largest global businesses are doing this manufacturing. They are supported by a sophisticated packaging industry committed to both efficient operations and environmental responsibility. These firms operate under rigorous standards and regulatory protocols.

Ms. Melvin explained Frontier Logistics' operations on the union pier terminal at SCPA. They are a supply chain management and logistics company focused on the plastics industry. Frontier transloads plastic pellets from railcar to 50lb and 1500lb bags for export out of Charleston. They have been operating temporarily on the union pier terminal since 2017. Their new facility in North Charleston is expected to open in 2020.

SCPA and Frontier investigated and initiated incident response. They inspected the facility for continuing sources of pollution and cleaned up any residual product on the terminal. SCPA commissioned HEPACO to initiate cleanup operations along the beachfront July 20-26, 2019 and August 5-8, 2019. SCPA also coordinated with DHEC and the Town to ensure appropriate response measures were taken. DHEC investigated and, after issuing a Notice of Alleged Violation, did not pursue

enforcement action because they could not prove that the product was solely Frontier's. SCPA joined Operation Clean Sweep as a supporter in fall 2019 to learn best management practices as being the landlord for Frontier.

Councilmember Sarah Church asked what Stations HEPACO performed the clean-up. Ms. Melvin answered she believes it was Stations 13-28. Frontier also sent volunteers to help clean-up the spill.

Councilmember Greg Hammond stated it sounds like either there was ignorance or willful negligence on the part of the SCPA and Frontier for the bad operating processes that resulted in the spill. Ms. Melvin stated that accidents do occur and they have not seen any continuance of bad practices. She added that they are operating in a facility that was not purpose-built for packing of that material. Councilmember Hammond asked what kind of due diligence does the SCPA perform on their tenants before they sign a lease. Ms. Melvin stated that all of their tenants are vetted and Frontier was the pioneer of packing plastics in the Charleston area, therefore, it is a fairly new phenomenon.

Councilmember Tim Reese asked if the inspections performed by DHEC will continue until Frontier moves to its new location in 2020. Ms. Melvin answered yes.

Mayor Pro-Tem Clark stated that this is world-wide problem that we are only solving at the local level and he would like to figure out a way to solve it at the world-wide level.

Councilmember Bachman Smith, IV asked what efforts are being made by the SCPA to reduce the risk of another spill occurring and to hold those that are responsible accountable. Ms. Melvin stated that any spill on the SCPA facility has an incident response plan in place that the operators are trained on.

II. Presentation: Discussion of Options for Island-Wide Paid Parking

Councilmember Tim Reese stated as chair of the Public Safety Committee, one of the things they are looking at is parking on the island and how it has grown over the years and how to best manage it.

Mayor O'Neil introduced Tina Reid, Regional Vice President, and Eric Williams, Executive Vice President, Lanier Parking. Lanier is the leading provider of parking management services to municipalities in the Carolinas. City of Myrtle Beach, Town of Surfside Beach, City of Folly Beach, City of Wilmington and Town of Wrightsville Beach are all managed by Lanier.

Ms. Reid presented five (5) proposed solutions to the Town. Each proposed solution can be customized for each municipal client specific to their demographics and operations goals. Lanier will demonstrate their ability to achieve the necessary goals and objectives set forth by the Town through their advanced technology and partnership approach through the following recommended solutions: create a local on-site parking team, implement an ambassador program, install and implement Pay station technology, implement a mobile payment service and implement an electronic ticketing system.

Based on feedback from the Town, Lanier is proposing the pilot paid parking program during peak months be from 8:00 a.m.-8:00 p.m. seven days per week at a rate of \$2.00/hour. During non-peak months, paid parking hours would be from 8:00 a.m.-7:00 p.m. seven days per week at a rate of \$2.00/hour. The maximum day rate of \$10 allows for those parking more than 5 hours the opportunity to pay a single rate vs. adding each hour to reach their maximum. Lanier's data in Folly Beach shows the average length of stay for 2019 was 3 hours and 43 minutes. Sullivan's Island has approximately 1,800 parking spaces available. Conservative assessment reflects net income potential to the Town at approximately \$700,000 annually. It would take little to no investment from the Town to start the program.

Lanier Parking will discuss this project in greater detail at the Public Safety Committee Meeting on January 3, 2020 at 9:00 a.m.

III. Public Comment: Mayor O'Neil opened the floor for public comment.

Kevin Pennington, 1514 Middle Street- expressed concerns regarding the pending lawsuit related to the accreted land.

Sydney Cook, 1614 Thompson Avenue- stated that she believes the island has a traffic problem but thinks the traffic problem and parking issues should be evaluated separately.

IV. Council Action Items:

Motion to amend the agenda to move item number 3, First Reading, by Title Only, Ordinance 2019-08, An Ordinance to Issue Installment Purchase Revenue Bond Series 2020 to after Executive Session.

Moved by Councilmember Bachman Smith, IV, Seconded by Councilmember Tim Reese.

Motion passed unanimously.

1. Approval of Council Minutes –
Motion: Action: Approve the Finance Committee Meeting Minutes of November 11, 2019, the Regular Council Meeting Minutes of November 19, 2019; and the Special Council Meeting Minutes of December 2, 2019.
Moved by Councilmember Tim Reese, Seconded by Mayor Pro-Tem Clark.
Motion passed unanimously.

2. Ordinance 2019-07, An Ordinance Prohibiting smoking and vaping on beaches, access paths, public parks and other Town facilities:
Motion: Action: Approve Second Reading, Ordinance 2019-07, An Ordinance Prohibiting smoking and vaping on beaches, access paths, public parks and other Town facilities.
Moved by Councilmember Sarah Church, Seconded by Councilmember Greg Hammond.
Motion passed unanimously.

V. Reports and Communication:

1. **Mayor's Report-** Mayor O'Neil received a letter from Comcast regarding increasing fees. Starting January 1, 2020, prices for certain services and fees will be increasing, including the Broadcast TV Fee and Regional Sports Network Fee.

2. Administrator's Report

I. General Correspondence

- Johnny Price, South Carolina Department of Public Safety- correspondence confirming audit compliant of Body Worn Camera equipment.
- Elizabeth Nesbitt- email correspondence suggesting that the Town consider illuminating the palmetto trees along SC703 for Christmas.

II. Construction

Fire Station Structural Repairs- Construction documents held for expanded scope; revised availability of ABS moved to late second quarter 2020.

Wastewater Treatment Plant- Notice to proceed issues 11-04-19.

Lift Station Upgrade:

- 11-26-19: bid opening
- 12-02-19: bid tabulation to Council
- 12-17-19: Council to consider bid award

III. General

Accreted Land Transition Zone Trimming- Staff to investigate Transition Zone trimming between Station 21 and Station 22 Streets.

Beach Smoking Ordinance- The draft ordinance received first reading by Council on November 19, 2019. The Administrator is coordinating a public outreach program with the City of Isle of Palms. Consideration is requested for Sullivan's Island to have the same ordinance effective date of January 1, 2020.

2020 Polar Bear Swim- Staff has completed discussion with the various entities participating in the 2020 Polar Bear Swim event. Station 22.5 Street will close and outside sales will commence at 9:00am; swimmers will enter the water at 2:00pm and the street will re-open/outside sales will cease at 5:00pm.

Fire Station Holiday Lighting- The annual holiday Fire Station Lighting was held on Friday, December 6th at 5:30pm. The event included entertainment provided by the Wando High School Chorus and food was provided for all.

IV. Personnel

December 2019 Observed Holidays- Three holidays observed by Town staff occur in December:

- Christmas Eve, Tuesday, December 24th
- Christmas Day, Wednesday, December 25th
- Day After Christmas, Thursday, December 26th

3. Attorney's Report- No items to report.

4. Boards and Commissions Reports – No items to report.

VI. Committee Reports:

Finance Committee – Mayor O'Neil. Monthly report rendered.

Comptroller Blanton presented the November 2019 financial report. As of the end of November 2019, revenue and expenditure account balances were as to be expected.

There is a bill in the State House, H4431, which would change the amount charged for business licenses, the rate classes for business licenses and to whom a business license can be charged. In FY18, the business license tax revenue was approximately \$982,000 to the Town. In FY19, the business license tax revenue was approximately \$1.13 million. If the bill is passed, the estimated loss, using FY19 as a benchmark, could be as high as \$900,000, an 80% decrease. In FY19, the

business license tax revenue covered approximately 19% of the operating expenses of the General Fund. If the bill is passed, property taxes could be increased to cover the loss of revenue, per the State Code. The increase in millage needed to cover those expenses would be 10.6 mils. On a \$1.5 million house, it would be an increase of \$636 per year.

Water and Sewer Committee – Councilmember Bachman Smith IV, Chair. Monthly reports rendered.

Committee Meeting – The next Water & Sewer Committee Meeting will be held on Thursday, December 19, 2019 at 8:45 a.m. at Town Hall.

Public Safety Committee – Councilmember Tim Reese, Chair. Monthly reports rendered.

Committee Meeting- The next Public Safety Committee Meeting will be held on Friday, January 3, 2020 at 9:00 a.m. at Town Hall.

St. Patrick's Day recommendations will be reviewed with Sullivan's Island Restaurant Association.

Speed Limit- Chair Reese met with SCDOT to discuss speed limit and cross walks. They are looking into changing the speed limit on Middle Street to 25mph. The goal is to change the speed limit island-wide to 25mph.

Recreation Committee – Councilmember Kaye Smith, Chair.

Public Facilities Committee – Councilmember Greg Hammond, Chair. Monthly report rendered.

Land Use and Natural Resources Committee – Mayor Pro-Tem Chauncey Clark, Chair. Monthly report rendered.

Administration Committee – Councilmember Sarah Church, Chair. Monthly report rendered. Committee Meeting- The next Administration Committee Meeting will be held on Wednesday, December 18, 2019 at 8:30 a.m. at Town Hall.

Video Recording of Town Council Meetings- for archiving on Town website for public access.

Codification of Town Ordinances- in progress, to be reviewed by Council upon completion.

Personnel Handbook- in progress, to be reviewed by Council upon completion of draft.

VII. Executive Session

1. Personnel- Boards & Commissions
2. Personnel- Staff matters
3. Contractual- Review and discussion of contract matters related to Wastewater Lift Station Conversion Project
4. Legal Advice- Bluestein v. Town of Sullivan's Island 2010-CP-10-5449
5. Legal Advice- Installment Purchase Revenue Bond Series 2020

Motion: Action: To go into Executive Session at 7:48 p.m. to discuss Personnel- Boards & Commissions and Staff matters, Contractual- Review and discussion of contract matters related to Wastewater Lift Station Conversion Project and to receive Legal Advice regarding Bluestein v. Town of Sullivan's Island 2010-CP-10-5449 and Installment Purchase Revenue Bond Series 2020.

Moved by Councilmember Kaye Smith, Seconded by Mayor Pro-Tem Clark.

Motion passed unanimously.

Motion: Action: To come out of Executive Session at 9:04 p.m.

Moved by Councilmember Bachman Smith, IV, Seconded by Councilmember Greg Hammond.

Motion passed unanimously.

Mayor O'Neil stated no votes or actions were taken in Executive Session.

Ordinance 2019-08, An Ordinance to Issue Installment Purchase Revenue Bond Series 2020:

Motion: Action: Approve First Reading, by Title Only, Ordinance 2019-08, An Ordinance to Issue Installment Purchase Revenue Bond Series 2020.

Moved by Councilmember Bachman Smith, IV, Seconded by Councilmember Tim Reese.

Motion passed unanimously.

VIII. Adjournment

Motion: Action: Adjourn Meeting at 9:06 p.m.

Moved by Mayor Pro-Tem Clark, Seconded by Councilmember Tim Reese.

Motion passed unanimously.

Respectfully submitted,


Courtney Liles