Executive Session - 5:45 p.m.

1. Call to Order. Mayor Childs called Town Council to order at 5:30 p.m. on Tuesday, October 9th, 2018. Mayor Childs, Mayor Pro Tempore Pellegrino, and Councilmembers Dietrich, Johnson, Ott, Scoles, and Stevens were in attendance. A quorum was present. Others present: Town Attorney Crosby; Town Administrator Pieper, and Town Clerk Herrmann.

2. Executive Session. Mayor Childs called for a motion pursuant to the Freedom of Information Act §30-4-70(a)(2) the receipt of legal advice where the legal advice relates to a pending claim, specifically Case #2018-CP-26-05739. Mr. Stevens moved to enter executive session at 5:30 p.m. pursuant to FOIA §30-4-70(a)(2). Mr. Dietrich second. All voted in favor. MOTION CARRIED. Mr. Dietrich moved to reconvene regular session at 5:58 p.m. Mr. Ott second. All voted in favor. MOTION CARRIED. Mayor Childs said for the record that no action was taken during executive session. Any action will be taken during the regular meeting that begins at 6:30 p.m. under item 7, Business.

3. Adjournment. Mayor Childs declared the session adjourned at 5:58 p.m.

Town Council Meeting - 6:30 p.m.

1. CALL TO ORDER. Mayor Childs called the regular meeting to order at 6:30 p.m. Mayor Childs, Mayor Pro Tempore Pellegrino, and Councilmembers Dietrich, Johnson, Ott, Scoles, and Stevens were in attendance. A quorum was present. Others present: Town Attorney Crosby; Town Administrator Pieper; Town Clerk Herrmann; Finance Director King; Fire Chief Otte; Planning, Building & Zoning Director Morris; Police Chief Hofmann; Public Works Director Adair, and Events Supervisor Ellis.

2. INVOCATION; PLEDGE OF ALLEGIANCE, MERITORIOUS SERVICE AWARDS.
   A. Invocation: Pastor Tim Harmon, Christian support for Emergency Services, gave the invocation.
   B. Pledge of Allegiance: Mayor Childs led the Pledge.
   C. Meritorious Service Awards. Mayor Childs and Chief Otte presented Surfside Beach Fire Department Captain Ted Sacra, and Engineer Mike Miller, and Horry County Paramedic Chad DuBarr, and EMT Bill Hyatt with meritorious service awards for their heroic efforts for rescuing a house fire victim on September 2nd, who since has been restored to good health. (Standing ovation.)

3. AGENDA APPROVAL. Mr. Stevens moved to adopt the agenda as presented. Mr. Ott second. All voted in favor. MOTION CARRIED.

4. MINUTES APPROVAL. Workshop October 4, 2018, and Executive Session and Regular Meeting October 9, 2018. Mr. Stevens moved to adopt the October 4, 2018 workshop minutes and the executive session and regular meeting minutes of October 9, 2018 as presented. Mr. Johnson and Mr. Ott second. All voted in favor. MOTION CARRIED
5. PUBLIC COMMENTS. Agenda Items Only.

Ms. Terri Lauer, Harbor Lights Drive, was dissatisfied with the way adoption of the entertainment district and its amendments were handled, because it would make “drastic changes” to alter the town’s footprint forever, and in her opinion, there was no way for members to have researched the amendments that will prevent residents from buying flood insurance. In her opinion, this council will be remembered for not caring about stormwater, the planning commission’s recommendations, and allowing houses in the entertainment district, but worst for creating tiny ‘Myrtle Beach’ in our family beach.

Ms. Judy Kidd, 11th Avenue North, in her opinion, council did not want witnesses to its actions. She asked about the FEMA letter for which she submitted a FOIA request and received that states enacting the ordinance as adopted would remove the town residents from the flood insurance program within 30 days. (Clerk’s Note: There is no record of a Freedom of Information request being received by staff.) The 100 decibel level was too high, because people live in the area. In her opinion, adoption did not take into account the residents need.

Mr. Phil Vassar, Surfside Beach Oceanfront Hotel, thanked council for its diligent and thorough work on the entertainment district ordinance and amendments. During the last election, the candidates endorsed the entertainment district and he applauded them and the other councilmembers for carrying through. In his opinion, the voting majority wanted the entertainment district, because they were elected. In his opinion, too often a very loud, vocal minority will use misinformation and threats to put their wants ahead of the wishes of the majority. The E district’s increased tourist based taxes will provide a greatly needed lift in the review stream for the town, which will allow a continuation of residents’ quality of life without increasing property taxes. Visitors will spend more money in town, so business taxes that are mostly tourist-driven and now are over 70 percent of the town’s revenue, will grow, and help fund the town’s infrastructure and residents’ amenities. In his opinion, the E district is good for residents, businesses, and visitors.

Ms. Patricia Magliette, Harbor Lights Drive, said residents worked with the planning commission to ensure the E district would benefit everybody. No one knew that council would make significant changes to the proposed ordinance into something residents did not want. Stormwater management, and flooding are very important to residents and the town needs to include those in the E district.

Mr. Bert Krassin, Ocean Pines Homeowners Association president, representing 84 owners said in his opinion the E district was rushed and there was very little input from residents. He moved here because the town was friendly and had no high rise buildings. Neither he nor his association members liked the changes that affect the family-friendly, quiet beach.

Ms. Ann Wescott, North Cedar Drive, believed the entertainment and multi-use districts were two separate entities. Unless she misunderstood, in her opinion, this was a big to do over nothing.

6. COMMUNICATIONS.

A. Green Finney, LLP. Presentation of 2018 Comprehensive Annual Financial Report (CAFR). CPA-Partner Emily Sobczak gave a PowerPoint about the 2018 CAFR, a copy of which is attached to these minutes and made a part hereof by reference. The CAFR will be distributed in the near future.

B. Department Reports.

i. Events. Supervisor Ellis presented the written report, a copy of which is attached hereto. Councilmembers CONCURRED to ride on the Christmas parade float.
ii. Finance. Director King presented the written report, a copy of which is attached hereto. In response to Mr. Stevens’ question, Ms. King said town residents pay about 20 percent of property tax revenue and businesses pay about 80 percent of property tax revenue. Mr. Pellegrino said the town is financially stable and he appreciated staffs’ efforts to stay on budget. Ms. King said we need tourists.

iii. Fire. Chief Otte presented the written report, a copy of which is attached hereto.

iv. Planning, Building & Zoning. Director Morris presented the written report, a copy of which is attached hereto. Mr. Stevens asked if the planning commission recommended 100 decibels in the E district, and whether any discussion was held about height limits being changed. Ms. Morris confirmed that the planning commission did recommend 100 decibels at the source, and there was no discussion about changing height limits; it remains 55 feet. Mr. Stevens asked what was being done to encourage businesses development on Highway 17 in light of the upcoming improvements. Ms. Morris said staff continues to work with the Myrtle Beach Regional Economic Development Corporation, but nothing specific is being done. One developer was brought to town, but nothing has transpired as of yet.

v. Police. Chief Hofmann presented the written report, a copy of which is attached hereto. Mr. Johnson asked if the department was fully staffed. Chief Hofmann said the department is down three officers, but one would begin this week. They are actively recruiting. Mr. Ott believed another K9 officer was needed. Chief Hofmann said they are looking at other K9s. Mr. Stevens asked if the town’s safety rating had changed since the drug symposium last year Chief Hofmann said it is an uphill battle fighting drugs.

vi. Public Works. Director Adair presented the written report, a copy of which is attached hereto. A stormwater infrastructure tour will be given for councilmembers and the stormwater committee on November 9th. Mr. Stevens asked how pervious pavers helped with stormwater, and asked if they were considered for use in the pier parking lot. Mr. Adair said they were very beneficial when installed correctly, but staff had not been directed to investigate using them at the pier.

C. Administrator’s Report. Administrator Pieper said he and staff are working on FEMA reimbursement from the hurricane. The audit was great. An accountant’s unmodified opinion is the best you can get. The senior committee and staff did a good job on the senior fair; thank you to them all. Key staff participated in Risk Management 101 last week. Mr. Ott asked if the north end portion of the stormwater project needed to be completed, and if it did, it should be included in the next budget. Mr. Stevens asked if a stormwater utility fee was being presented. Mr. Pieper said the consultant is updating the data and a recommendation will be forthcoming.

7. BUSINESS.

A. Motion to reconsider action to adopt Second Reading of Ordinance #18-0874 done at the last Town Council Meeting on October 9th. Mr. Pellegrino moved to reconsider second reading of Ordinance #18-0874 as amended that was adopted at the October 9th regular council meeting; I voted with the majority. Mr. Stevens second. Mr. Johnson asked what was being considered; was Exhibit A being deleted? Mayor Childs said this motion is to decide whether to reconsider the amendments that the planning department suggested be made. All voted in favor. MOTION CARRIED.

B. (Contingent upon A) Motion(s) regarding Second Reading of Ordinance #18-0874. Mr. Pellegrino moved to adopt second reading of Ordinance #18-0874 as amended. Mr. Stevens second. Ms. Crosby explained that procedurally, council has offered a motion to reconsider under Item A, and that motion was adopted. The ordinance was actually amended at the last reading, so now, the second reading is up for discussion, and if there are amendments, they may be offered by councilmembers. Mr. Pellegrino moved to amend second reading as follows:
(1) to include in Section 17 on page 5, a “stormwater management” section as it appeared on
the proposed ordinance prior to council’s amended at the last meeting;
(2) to include Section 17-502(a)(3) “structures must comply with the current Flood Damage
Prevention Ordinance and all other federal, state, and local laws that are applicable”; and
(3) to include Section 17-502(a)(3) to include “accessory uses shall conform to the requirements
of all local, state, and federal requirements,”

Mr. Ott second.

Mr. Pellegrino explained that all of these amendments were removed from the ordinance as
amended by Exhibit A when council voted to amend at the last meeting. These sections to be included by
my amendment appear in a draft in our council packages highlighted in pink on pages 5 and 13.

Mr. Stevens moved to suspend rules to allow discussion with Ms. Morris. Mr. Johnson second. All
voted in favor. MOTION CARRIED.

Mr. Stevens asked Ms. Morris if she had read and if she approved of the amendments. Ms. Morris
said the amendments that have been made, yes, absolutely. You have to include stormwater and flood.
Mr. Stevens reiterated the proposed amendments to which Mr. Pellegrino agreed were correct.

Mr. Johnson said something was not kosher. Somewhere along the way the ordinance from the
planning commission got messed up. I’m not sure who got into whose pockets, but …

Ms. Scoles called point of order, Mr. Johnson’s comment was disrespectful. Mayor Childs said
point taken. Mr. Johnson argued that this was discussion. Mr. Ott said Roberts Rules were waived during
discussion. Ms. Herrmann said Roberts applies at all times during the meeting by Town Code, which is
the only way order is maintained. Mr. Johnson said he did not agree with the amendments, especially
those on Exhibit A that were adopted October 9th.

Mr. Stevens moved to reconvene regular session. Mr. Dietrich second. Mayor Childs, Mayor Pro
Tempore Pellegrino and Councilmembers Dietrich, Ott, Scoles and Stevens voted in favor. Councilmember
Johnson voted against. MOTION CARRIED.

Mayor Childs, Mayor Pro Tempore Pellegrino and Councilmembers Dietrich, Ott, Scoles and
Stevens voted in favor of the amendments. Councilmember Johnson voted against. MOTION TO
AMEND CARRIED.

Mr. Johnson moved to defer action on Ordinance #18-0874 until after the litigation meeting. No
second. MOTION FAILED.

Mayor Childs, Mayor Pro Tempore Pellegrino and Councilmembers Dietrich, Ott, Scoles and
Stevens voted in favor of the primary motion to adopted second reading of Ordinance #18-0874 as
amended. Councilmember Johnson voted against. MOTION CARRIED AS AMENDED.

C. Second Reading Ordinance #18-0879 to add C4 Entertainment District to Chapter
14 Flood Prevention, Director Morris. Mr. Stevens moved to adopt second reading of Ordinance
#18-0879. Mr. Ott second. Ms. Morris presented the decision paper and ordinance, copies of which are
on file. She stated that Option B would comply with federal, state, and local laws. Mr. Pellegrino moved
to amend the motion to adopt Option B. Mr. Ott second. All voted in favor of the motion to amend.
MOTION TO AMEND CARRIED. All voted in favor of the primary motion as amended. MOTION
CARRIED AS AMENDED.
B. Bid Recommendation for 1st Avenue North Parking Lot, Director Adair. Mr. Ott moved to deny a bid award. Mr. Stevens second. Mr. Adair presented the decision paper and bid report, copies of which are on file. All voted in favor. **MOTION TO DENY BID AWARD WAS CARRIED.**

C. Motions and/or directions from Executive Session. Mayor Childs said there were no other motions or directions resulting from executive session.

8. TOWN COUNCIL DISCUSSION. Any matters of concern or information to be discussed.

Mr. Ott asked if council would require 24 hours notice for any amendments to be made, and asked what other members thought. Mayor Childs disagreed, because things come up that may affect [business]. I don’t that would be good. There were no other comments.

9. PUBLIC COMMENTS. General Comments.

Ms. Patricia Magliette, Harbor Lights Drive, was still confused about the E district. We are still in the dark; nothing was addressed about FEMA minimum requirements. The town has higher requirements to protect its flood insurance. We still don’t want residential in the E district. We don’t trust you because of the way these amendments were handled. We believe council can do better. We need to hear details.

Ms. Carol Lucas, Cypress Drive, said as she sat in the front row there was a constant level of conversation from behind her. It is impossible to listen and talk at the same time. If more people listened, they would have learned things as she did tonight. In her opinion, council made great efforts to clear up the questions. Some audience members did listen and understand the proceedings.

Ms. Mary Mabry, 15th Avenue North, said with the lack of a parking requirement in the E district that the hotel could be razed and up to 374 one bedroom homes could be built with no parking provided. FEMA was added back, because you received a letter like we did that the town would be taken out of the flood insurance program in 30 days if it was not included. No overlay was adopted; it can be as trashy as we want. We want full service restaurants; you want bars. Setbacks were required for fire safety and stormwater. Noise from bands till midnight is on you. In her opinion, council did not look at the planning commission’s recommendations, which shows a lack of respect for the commission. She understands council is not required to accept the recommendations, unless it breaks federal or state law.

Ms. Beth Kohlmann, South Ocean Boulevard, was happy to see the audience present. There were over 20 amendments in Exhibit A, but there were only two [sic] amendments tonight. Council represents the people; how do you vote on something you don’t read. You need to read your packages. She didn’t understand why no one answered her email messages; it’s rude. What was the rush to adopt this? Be honest and just tell us. Let us know. You get more respect with truth and honesty. It’s not a small minority that is concerned; many cannot attend because they are older, work, or can’t get baby sitters. Everyone has the right to be heard. In my opinion, we elect you to represent us. Council hires the town attorney, but council works for us, so the town attorney works for us, and there was no reason her name should have been kept from me. The mayor said she would answer my question after a meeting, but as of now, I have not been answered.

Mr. Tom Dodge, 8th Avenue South, thank Mr. Johnson for trying to defer the ordinance. He asked for council member background checks four or five times, but has not received them. Why are background checks done on police officers and firemen? There should be background checks on councilmembers because we don’t know you anymore. Once again, I am asking you to do a background check on councilmembers. Thank you to Mr. Pellegrino and Ms. Scoles for assisting at South Strand Helping Hand. Is the Yaupon parking lot staying or being developed? Flyers from the beach sweep were left by the Keep Surfside Beach Beautiful committee that had to be picked up from the yards on two occasions. Let’s do a keep our streets clean event; don’t put flyers on mailbox flags.
Ms. Carrie Johnson, Harbor Lights Drive, was really disappointed. The planning commission spent
about eight or nine months on the E district ordinance, and council adopted two pages of amendments
that were presented just before the meeting. The amendments were not published or read to the public.
It took a temporary restraining order before council fixed the illegal parts you adopted, which is the part
that was fixed tonight. The other parts were not addressed. The way this was handled was the most
unethical thing she has ever seen happen. There was no transparency; the public did not and does not
have a clue of what was done. The ‘three peas in a pod’ that ran last April had an agenda all along. The
planning commission was pushed to submit the E district. Council didn't care what the commission
recommended; it already made up its mind. The plan was for a nice business area; now, there will be
houses.

10. TOWN COUNCIL COMMENTS.

Mr. Ott said I am against residential use in the C4, but it was explained to me that C3 allows
residential. You don't need houses in the entertainment zone. Thank everyone for attending and your
comments.

Mr. Dietrich said the Senior Fair was a lot of fun; about 215 people registered this year. Thank
you to Ms. Ellis, Mr. Shore and the Senior Committee. There were back to back beach clean ups
Saturday. The turnout was good, even though there wasn't too much to clean up. Great job to the
service award recipients. Thanks for attending and I appreciate your comments.

Mr. Johnson said I totally disagree with Exhibit A. If you want a copy, please let me know. He
read the list of suggestions made by councilmembers about the entertainment district, a copy of which is
on file. Thank you have a great evening. God bless you.

Mr. Pellegrino said the Family Festival [sic] was great; thank you to staff for setting that up.
There were many people at the beach sweep. The rescue by the four responders was awesome. They
revived a man near death. Regarding the E district ordinance, I knew immediately that it would affect
CRS and I talked to Ms. Morris several times and met with her before the lawsuit was filed. That is why I
worked with Ms. Morris to correct it to comply with flood insurance. I knew there would be an impact; I
just didn't know the severity. That problem was corrected tonight. I personally want to see less
regulation to stimulate investment, development and more revenue to increase the tax base. I have
never taken money during a campaign, because it could create an obligation to them. It is irritating when
the public accuses us when there is zero proof. After the ordinance was adopted, I received four email
messages and one person yelled at me after the last meeting. I respect him, because at least he talked
to me. You all are making up stories. Call me and ask me, 843.902.6018, why I vote a certain way. I love
this town, too, but I have a different outlook. We're in competition. We have people that have been
coming here for up to 25 years. Their grown children have the option to go 10,000 places on the Eastern
Seaboard. Without more activity, restaurants, entertainment, they will go other places. The average
resident taxpayer pays $450 a year for all the town's services and amenities. Without the 80-percent tax
revenue paid by businesses, your taxes will maybe go to $4,000 a year. I'm tired of hearing how
unethical we are, and how corrupt we are. I talk to many other people that have concerns, and no one
shares the same opinions. Many of you are still frustrated. Call me to discuss it. We may have different
opinions, but at least we will know where each other stands.

Ms. Scoles thanked everyone for attending and all the town departments and the administrator
for their work to keep us safe and the town running, and to bring things to council’s attention when they
are overlooked. She agreed with Mr. Pellegrino saying she was not a crook. She was accused of that
during the campaign, but not one person came to her to address their concerns or issues, which was
total disrespect. If you have a problem, contact her by email or call me. We are all town residents and
have a common goal. Let’s work together to make it happen. Have a safe trip home and have a good week.

Mr. Stevens said “I want this on, on the record and verbatim. I asked some questions earlier tonight ‘bout revenues. We found out that 80 percent of all revenues come from the business; 20 percent comes from property taxes. I’ve been a citizen here 13 years, and I have seen a continuing pattern of anti-business, anti-investment atmosphere and anti-free enterprise. Not only with the planning and building department, but with the planning and zoning. I’ll give you an example: 2012 this town wanted to put a regulation on businesses in this town, if you black top, you know what that stuff is, you buy it at Lowe’s, roll it out with a roller, and restripe your parking lot. Home Accents would’ve had to spend somewhere between $300 to $500 thousand to cover all sides of the building. That’s an ordinance you don’t need, and it would’ve run the business out of town. We voted that down. Matter of fact, Ms. Kohlmann, Rod Smith, and Ann Dodge voted to vote that ordinance overlay ordinance down, because there were so many restrictions and triggers that it was pathetic. I’ve also seen it, former members of council who wanted that kind of ordinance, those kinds of laws and citizens, since moving here in 2005. There has been a business opportunity for the town of Surfside to bring in the largest grocery store chain in the world called Aldi’s, and you remo [sic], you know where they are, right out on the bypass with several other businesses, and they were gonna come right in there, right there next to Denny’s. And they were told by a former mayor and a former administrator we don’t want you. Get the (expletive) out of town, and that business went to the bypass. The town of Surfside has been overregulating the business community in this town since I’ve been here, 2005, to the point that we might as well be called the town of Obama and over restrictive government regulations. The Town of Surfside Beach is sending a loud and clear message to any investor, any investor, investment group or business people with deep pockets, don’t come to the town of Surfside and invest in any business enterprise. With the lawsuits that were filed against the Town of Surfside Beach a clear and loud message was sent again. Don’t come to Surfside if you’re an investor, investment group or business entity. It’s sad that that happened. I have heard people and citizens stand at that very podium before me and state Surfside Beach needs to be business friendly, then do an about face and criticize those who have the money to invest in our town. Who’s gonna invest if you don’t have somebody with money investing? I’m sure not gonna; I don’t have the money. Who out here in the audience has the money? I have heard people and citizens stand at this podium and say that business people who want to invest in the town of Surfside will destroy our family beach atmosphere, and that’s the reason I moved here. That’s pure hog wash. People who invest in town are the type are trying to invest their money and they got, they’re business people. The Town of Surfside Beach along US Highway 17, with exceptions of a few businesses, looks run down, poor and unattractive. Go look at it. And you would think with the event of Highway 17 Business, the third most traveled highway in the state, being repaved by the State of South Carolina, and not you, the taxpayers, which is was gonna be at one time, we got $780 [sic] thousand back, would welcome, would welcome the effort by the citizens and the Town of Surfside Beach to welcome the investors, investment groups, and the business entities to invest their money, and improve and build a better and nicer business environment on our main thoroughfare right here that would increase revenues and keep your taxes lower. You would think with the event of Surfside Beach having the only concrete pier in the United, in the State of South Carolina, that the citizens of the town would welcome investors, investment groups, and business entities to invest their money to build property, which would stimulate tourism, and local spending on our family beach and keep our taxes lower. Of course, we have to go by the laws. I realize that. We, the people, of America have seen what happens with the national economy when burdensome regulations are removed and American businessmen can compete. Lowest overall unemployment in 50 years. Matter of fact, in jobs created all across America, lowest unemployment among minorities, Blacks, Hispanics, and Asians recorded in American history and lower taxes across America and more. We in the Town of Surfside Beach, the staff, and cities and communities and (**) commission, should be looking at every opportunity to increase our revenues for the town by stimulating business investment in our family beach so our taxes stay low, our revenues increase, and help pay for our services and our family beach’s improved. If not, the town will die like a tree in the desert with no water. It’s just plain common sense. Thank you for coming out, and have a nice night.”
11. ADJOURNMENT. Mr. Johnson moved to adjourn the meeting at 8:32 p.m. Ms. Scoles second. All voted in favor. MOTION CARRIED.

Prepared and submitted by:

_____________________________________________
Debra E. Herrmann, CMC, Town Clerk

Approved: November 13, 2018

Surfside Beach Town Council

_____________________________________________
Robert F. Childs, III, Mayor

David L. Pellegrino, Mayor Pro Tempore
Bruce H. Dietrich, Town Council

Mark L. Johnson, Town Council
Ron Ott, Town Council

Debbie Scoles, Town Council
Randle M. Stevens, Town Council

Clerk’s Note: This document constitutes minutes of the meeting that was digitally recorded, and is not intended to be a complete transcript. Appointments to hear recordings may be made with the town clerk; a free copy of the audio will be given to you provided you bring a new, unopened flash drive. In accordance with FOIA §30-4-80(A) and (E), meeting notice and the agenda were distributed to local media and interested parties via the town’s email subscription list. The agenda was posted on the entry door at Town Council Chambers. Meeting notice was also posted on the town website at www.surfsidebeach.org and the marquee.