

**THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING**

Date: Tuesday, June 19, 2018 Time: 4:00 P.M.

Present from Town Council: David Bennett, *Mayor*; Kim Likins, *Mayor Pro Tempore*; John McCann, Bill Harkins, Marc Grant, Tom Lennox, David Ames, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Charles Cousins, *Director of Community Development*; Scott Liggett, *Director of Public Projects & Facilities/Chief Engineer*; Brian Hulbert, *Staff Attorney*; John Troyer, *Finance Director*; Jenn McEwen, *Director of Cultural Affairs*; John Tuttle, *Information Technology Director*; Steven Markiw, *Deputy Finance Director*; Ed Boring, *Deputy Fire Chief, Support Services*; Chris Blankenship, *Deputy Fire Chief, Operations*; Tom Dunn, *Emergency Management Coordinator*; Heidi Boring, *Finance Administrator*; Cindaia Ervin, *Finance Assistant*; Melissa Cope, *System Analyst*; Krista Wiedmeyer, *Executive Assistant/Town Clerk*

Present from Media: Alex Kincaid, *Island Packet*

1. Call to Order

Mayor Bennett called the meeting to order at 4:00 p.m.

2. FOIA Compliance - Public notification of this meeting has been published, posted and distributed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Executive Session

Mr. Riley stated that he needed an Executive Session for: (a) Legal Matters; discussion of legal advice related to matters pending, threatened, or potential claim related to ArborNature, LLC vs. the Town of Hilton Head Island, et. al., (b) Economic Development; discussion of matters relating to the expansion or the provisions of services encouraging location or expansion of industries or other businesses in the area near the airport, and (c) Personnel/Employment Matters; discussion of appointments of members related to Boards and Commissions.

At 4:02 p.m. Mrs. Likins moved to go into Executive Session for matters mentioned by the Town Manager. Mr. Harkins seconded, the motion was approved by a vote of 6-0. Mr. Grant was not present for the vote.

Town Council returned to the dais at 5:02 p.m. to begin the Regular portion of the meeting.

4. Pledge to the Flag

5. Invocation

6. Proclamations & Commendations – NONE

Mrs. Likins moved to amend the agenda moving New Business Item 12(a), First Reading of Proposed Ordinance 2018-04 ahead of Item 9, Reports from Council, and adding a New Business item concerning Workforce Housing Funding. Mr. Harkins seconded, the motion was approved by a vote of 7-0. *Minutes for this item noted under 12(a) First Reading of Proposed Ordinance 2018-04.*

7. Approval of Minutes

a. Town Council Meeting, June 5, 2018

Mrs. Likins moved to approve the Town Council meeting minutes from June 5, 2018. Mr. Harkins seconded. Mr. Riley stated that the date on the minutes would be corrected, reflecting as scrivener's error prior to posting online without objection. The motion was approved by a vote of 7-0.

b. Town Council Public Hearing/Special Meeting, June 12, 2018

Mrs. Likins moved to approve the Public Hearing/Special Meeting minutes from June 12, 2018. Mr. Harkins seconded. Mr. Ames moved to amend the minutes, respectfully requesting a more detailed summary of the affordable housing discussion. Upon recommendation from Mr. Riley, all motions to approve and amend the minutes were withdrawn, noting that the June 12, 2018 minutes would be on the next regular meeting agenda for consideration and approval.

8. Report of Town Manager

a. Hilton Head Public Service District, Sewer Master Plan Update – Pete Nardi

Pete Nardi, General Manager of the Hilton Head Public Service District, provided an update to the members of Council regarding the Sewer Master Plan. He stated that years one and two of the Plan are complete along with the construction of two new sewer lift stations, and upgrades to existing lift stations. Mr. Nardi stated that as a result of those projects, they have received a 20% connect to the sewer lines. He said that the bid for years three-five have come in, and the repayment agreement has been forwarded to the Town for Council to review and approve. Mr. Nardi said upon receipt of Council's approval, the PSD will execute the construction agreement to begin work on the last three years of the plan. He said that he anticipates the work to wrap-up by spring of 2019.

b. Beaufort County Economic Development Corporation Update – John O'Toole

John O'Toole, Executive Director of the Beaufort County Economic Development Corporation, provided an update to the members of Council regarding the BCEDC's 2018 Organizational Work Plan. He said their vision is to diversify the economy, bring new jobs to the area, and expand the tax base. Mr. O'Toole described in detail many of the items the BCEDC are currently working on. Those items include, small business and technology-led growth, workforce development, light industry sites, regulatory reform, and other economic development initiatives necessary to support a healthy economy within the County and the Town.

c. Cultural and Arts Advisory Committee Update – Jenn McEwen

Jenn McEwen, Director of Cultural Affairs for the Town, provided an update for the Cultural and Arts Advisory Committee, reporting that since the last update, the Committee's e-marketing infrastructure has increased significantly. Ms. McEwen said that included in the e-marketing infrastructure is the launch of the Office of Cultural Affairs website, CultureHHI.org. She walked through the website, showing the members of Council some of the key pages of the site. Mrs. Likins thanked the Committee for pulling the website together so quickly and recognized that they were able to do so under budget.

d. Items of Interest

- i. Town News**
- ii. Noteworthy Events**

Mr. Riley reviewed the upcoming meetings and noteworthy events taking place in the coming weeks. He also noted that the Town's administrative offices would be closed on July 4, 2018 in observance of Independence Day.

9. Reports from Members of Council

a. General Reports from Council

No general reports from Council.

b. Report of the Intergovernmental & Public Safety Committee – Bill Harkins, Chairman

Mr. Harkins stated that he had no report at this time.

c. Report of the Community Services Committee – Kim Likins, Chairman

Mrs. Likins reported that the Committee met on June 11, 2018 where they voted to accept the Venue Committee's community arts center recommendation, and move forward with funding for phase 2 of the remainder of the Committee's six areas of opportunity.

d. Report of the Public Planning Committee – David Ames, Chairman

Mr. Ames stated that he had no report at this time

e. Report of the Public Facilities Committee – Marc Grant, Chairman

Mr. Grant stated that he had no report at this time.

f. Report of the Finance & Administrative Committee – John McCann, Chairman

Mr. McCann reported that the Committee met earlier in the day where they received the yearend stormwater utility report.

10. Appearance by Citizens

Peter Buonaiuto: addressed Town Council regarding accountability and transparency with regard to the HHI-Bluffton Chamber of Commerce and the DMO.

11. Unfinished Business

a. Second Reading of Proposed Ordinance 2018-05

Second Reading of Proposed Ordinance 2018-05 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina, for the Fiscal Year ending June 30, 2019; to establish a property tax levy; to establish funds; to establish a policy for acquisition of rights of way and easements; and providing for severability and an effective date.

Mrs. Likins moved to approve. Mr. Harkins seconded. With no discussion from the public at large, Mayor Bennett stated he had only one question with regard to the road improvements for the Coligny Park initiative. Mr. Riley stated that the road improvements were a significant portion of the total for the project. Further discussion about funding for the road improvements included the use of a BUILD Grant, to which Mr. Riley recommended against using as it would delay the start of the project. Upon no further discussion from Council, the motion was approved by a vote of 7-0.

12. New Business

a. First Reading of Proposed Ordinance 2018-04

First Reading of Proposed Ordinance 2018-04 of the Town of Hilton Head Island, South Carolina, authorizing the execution of a lease and conveyance documents with ArborNature for property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. § 5-7-40 (Supp. 2011), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mrs. Likins moved to deny Proposed Ordinance 2018-04 and direct the Town Attorney and Town Manager to renegotiate the terms of the Settlement Agreement to either move ArborNature off the Island or add terms to better address noise, environmental, and operational concerns. Mr. Harkins seconded. With no discussion at this point from the members of Council, Mayor Bennett opened the discussion to the public at large. Eight members of the public addressed the members of Council, the majority expressing their concern about ArborNature moving its operations to Summit Drive, and one citizen asking for direction from the Town concerning ArborNature and its current location near Indigo Run. Upon no further comments from the public, the motion was approved by a vote of 7-0.

b. Workforce Housing Funding

Mr. Ames moved that Town Council designate the Expedia settlement in its full amount as a source of funding to address workforce housing programs, policies, procedures as recommended in the upcoming consultant's study, Town research, and Council action. Mrs. Likins seconded. Mayor Bennett asked Mr. Ames if he was omitting transportation from his motion. Mr. Harkins stated that he was in favor of this initiative, and moving forward with this funding, stating that this was a very complex subject that addressed all topics, including transportation. Mr. McCann echoed Mr. Harkins statements about all items within the initiative needing to be addressed. Mr. Grant asked if transportation would include the issues at Squire Pope or just the redevelopment of Coligny. Mr. Ames explained that a consultant would need to make the linkages that are being made between each of the relevant issues. After further discussion, Mr. Ames amended his motion, adding transportation. Mrs. Likins amended her second.

Mayor Bennett said he is supportive of the motion as he understands that workforce housing is a huge issue, and a top priority of the Council. He said that he wanted to make sure policies and procedures were in place before any of the funds were allocated. Mr. Riley explained that this vote was to designate the funds, and before the funds could be allocated, Council would need to approve the use by way of a first and second reading of an ordinance. Mrs. Likins stated that she felt that a lot of the workforce issues facing the hospitality industry on the Island was due to their businesses being so successful. She said she supported the designation of the funding in order to ensure continued and future success. Mr. Lennox said that he felt that because the Workforce Housing Coalition was led by the Chamber, which has the experience of bringing the community together, that perhaps they should be the organization to represent and advocate for the matter. He discussed utilizing the Town's legislative tools to motivate non-residential property owner to redevelop their property before using the Town's financial tools. Mr. Lennox concluded, stating that he cannot support the motion at this time.

Workforce Housing Funding (cont.)

With Council discussion wrapping up, Mayor Bennett opened up the discussion to the public at large. Five members of the public addressed Council expressing their concerns for affordable workforce housing funding. Each citizen that addressed Council echoed the others remarks, stating the importance and need for this funding. With no further discussion from the public or the members of Council, the motion was approved by a vote of 6-1, Mr. Lennox opposed.

13. Possible actions by Town Council concerning matters discussed in Executive Session.

Mrs. Likins moved to appoint the following persons to boards and commissions:

For the Accommodations Tax Advisory Committee; Dru Brown to a 3-year term ending June 30, 2021, as a Hospitality (Lodging) member to replace Cliff McMackin, James Fluker to a 3-year term ending June 30, 2021, and as an At-Large member to replace Mike Alsko. For the Design Review Board; Cathy Foss to a 3-year term ending June 30, 2021 as an At-Large member to replace Jake Gartner. For the Parks and Recreation Commission; Jack Daly to a 3-year term ending June 30, 2021, to replace Fred Lowery. For the Planning Commission; Michael Scanlon and Leslie McGowan to 3-year terms ending June 30, 2021, as At-Large members to replace Bryan Hughes and Barry Taylor.

Mrs. Likins further moved to re-appoint the following persons to boards and commissions:

For the Board of Zoning Appeals; Jerry Cutrer, John White, and Patsy Brison to 3-year terms ending June 30, 2021, as At-Large members. For the Construction Board of Adjustments and Appeals Marc Ellis to a 4-year term ending June 30, 2022 as a Building Industry At-Large member, Randy May to a 4-year term ending June 30, 2022 as an Electrical Contractor member, Joe Nix to a 4-year term ending June 30, 2022 as a Contractor member, and Bob Zinn to a 4-year term ending June 30, 2022 as a Building Industry At-Large member. For the Design Review Board; Michael Gentemann to a 3-year term ending June 30, 2021, as an Architect member, and Debbie Remke to a 3-year term ending June 30, 2021, as an At-Large member. For the Parks and Recreation Commission; Paul Boes to a 3-year term ending June 30, 2021. For the Planning Commission; Todd Theodore to a 3-year term ending June 30, 2021, as a Landscape Architect member.

Mr. Harkins seconded, the motion was approved by a vote of 7-0.

14. Adjournment

Mayor Bennett adjourned the meeting at 6:45 p.m.

Krista M. Wiedmeyer,
Executive Assistant/Town Clerk

Approved: 07/17/2018

David Bennett, Mayor