

THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING/PUBLIC HEARING

Date: Tuesday, June 7, 2016

Time: 4:00 P.M.

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

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Scott Liggett, *Director of Public Projects & Facilities/Chief Engineer*; Brad Tadlock, *Fire Chief*; Brian Hulbert, *Staff Attorney*; Susan Simmons, *Director of Finance*; Tom Fultz, *Director of Administrative Services*; Ed Boring, *Deputy Fire Chief – Support Services*; Mike Mayers, *Deputy Fire Chief – Operations*; Jeff Buckalew, *Town Engineer*; John Troyer, *Deputy Finance Director*; Erica Madhere, *Finance Administrator*; Nicole Dixon, *Senior Planner* ; Julian Walls, *Facilities Manager*; Jill Foster, *Deputy Director of Community Development*; Jennifer Ray, *Urban Designer*; Tom Dunn, *Emergency Management Coordinator*; Derrick Coaxum, *Assistant Facilities Manager*; Melissa Cope, *Systems Analyst*; Cindaia Ervin; *Finance Assistant*; Vicki Pfannenschmidt *Executive Assistant*

Present from Media: Rebecca Lurye, *Island Packet*

1) CALL TO ORDER

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

2) PLEDGE TO THE FLAG

3) INVOCATION

4) 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.

5) Proclamations and Commendations

a. Girl Scout Recognition

Nancy Sulek, Girl Scout Leader of Troops 140 and 177 and Girls Scouts Jillian Angner and Magdalene Sulek were present to accept the proclamation.

b. Beaufort County School District Character Education Student of the Month

- Hilton Head Island High School
Lauren Concino – 12th Grade

Lauren Concino was present to accept the certificate.

6) Approval of Minutes

a. Town Council Budget Workshop, May 10, 2016

Mrs. Likins moved to approve. Mr. McCann seconded. The minutes of the May 10, 2016 Town Council Budget Workshop were approved by a vote of 5-0-2. Mr. Harkins and Mr. Ames abstained as they were not present at the meeting.

b. Town Council Meeting, May 17, 2016

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the May 17, 2017 regular Town Council meeting were approved by a vote of 6-0-1. Mr. Lennox abstained as he was not present at the meeting.

7) Report of the Town Manager

a. Hilton Head Island Rotary Club 50th Anniversary Service Project

Bruce Siebold reviewed the details of the project and members of Council concurred that Mr. Riley continue to work with the Rotary on the implementation of such.

b. Fire Rescue Emergency Management Update

Tom Dunn, Emergency Management Coordinator presented an overview of the Emergency Center Operation and reviewed in detail, the plan, training and personnel involved.

c. Town Manager's Items of Interest

Mr. Riley reported on some items of interest listed below. In addition, he updated Council on the status of the Arbor Nature Appeal.

(1) Town News

(2) Noteworthy Events

8) Reports from Members of Council

a. General Reports from Council

Mr. Grant reported on the conditions of some of the roads in his ward from the recent heavy rainfalls noting that drainage problems exist and asked that they be looked at for future improvements.

Mr. Harkins referenced Alex Brown's offer to assist in meeting with resident regarding the acquisition of roads. He requested that Mr. Brown update Council at a future meeting. After discussion, Mayor Bennett asked that a presentation be conducted by the Hilton Head PSD with Mr. Brown and Mr. Ford included at a future Town Council meeting under the Town Managers report.

b. Report of the Intergovernmental Relations Committee – Bill Harkins, Chairman

No report.

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

Mrs. Likins reported the Venue Committee continues to meet with the next meeting scheduled for June 16 at 4:30 p.m.

d. Report of the Public Planning Committee – Tom Lennox, Chairman

Mr. Lennox said the Committee met June 2 to approve the RFP for the vision consultant and the phase one proposal of the communications consultant Rawle Murdy. He announced the next meeting of the Committee would take place on July 7.

Mayor Bennett announced that Mr. McCann has chosen to step down from the committee and become the alternate and Mr. Ames would be a member of the Committee.

e. Report of the Public Facilities Committee – David Ames, Chairman

Mr. Ames stated the Committee met on May 23 to review a request of AT&T to locate a telecommunications tower in the parking lot of Islanders Beach Club and a recommendation will be coming forward to Town Council to approve a long-term lease for that portion of the park for a cell tower.

f. Report of the Public Safety Committee - Marc Grant, Chairman

No report.

g. Report of the Finance and Administrative Committee - John McCann, Chairman

Mr. McCann stated the Committee met earlier in the day and a recommendation would be coming forward to Council regarding a bid process for the Designated Marketing Organization. He added that they reviewed the annual forms for the Town Manager performance evaluation and they will be distributed to members of Council in the next few weeks.

h. Report of the Circle to Circle Committee - Tom Lennox, Town Council Liaison

Mr. Lennox reported the Committee held four public forums and over 400 citizens participated. He recognized Jim Gant's efforts and stated a recommendation would be coming forward to the Planning Commission this month and then on to Council in July.

9) Unfinished Business

a. Second Reading of Proposed Ordinance 2016-12

Second Reading of Proposed Ordinance 2016-12 authorizing the issuance and sale of not to exceed \$30,500,000 General Obligation Refunding Bonds, in one or more series including a taxable series, with appropriate series designations, of the Town of Hilton Head Island, South Carolina; fixing the form and certain details of the bonds; authorizing the Town Manager or his lawfully authorized designee to determine certain matters relating to the bonds; providing for the payment of the bonds and the disposition of the proceeds thereof; other matters relating thereto; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

b. Second Reading of Proposed Ordinance 2016-13

Second Reading of Proposed Ordinance 2016-13 authorizing the issuance and sale of not exceeding \$25,000,000 General Obligation Bond Anticipation Notes, Series 2016, or such other appropriate series designation, of the Town of Hilton Head Island, South Carolina; fixing the form and details of the notes; authorizing the Town Manager to determine certain matters relating to the notes; providing for the payment of the notes and the disposition of the proceeds thereof; other matters relating thereto; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. Resident Larry Myers asked for the name of bond counsel. Mr. Riley stated McNair Law Firm was bond counsel. The motion was unanimously approved by a vote of 7-0.

c. Second Reading of Proposed Ordinance 2016-14

Second Reading of Proposed Ordinance 2016-14 authorizing the issuance and sale of not to exceed \$21,200,000 General Obligation Bonds, in one or more series, in one or more years, with appropriate series designations, of the Town of Hilton Head Island, South Carolina; fixing the form and certain details of the bonds; authorizing the Town Manager or his lawfully authorized designee to determine certain matters relating to the bonds; providing for the payment of the bonds and the disposition of the proceeds thereof; to adopt written procedures related to continuing disclosure; other matters relating thereto; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

d. Second Reading of Proposed Ordinance 2016-15

Second Reading of Proposed Ordinance 2016-15 providing for the issuance and sale of Town of Hilton Head Island, South Carolina, Special Obligation Bonds (Beach Preservation Fee Pledge), in one or more series, in the principal amount of not exceeding \$25,200,000; delegating the authority to the Town Manager to determine certain matters with respect to the bonds; prescribing the form and details of such bonds; other matters relating thereto; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

10) New Business

a. First Reading of Proposed Ordinance 2016-18

First Reading of Proposed Ordinance 2016-18 to amend Title 4 Finance and Taxation of the Municipal Code of the Town of Hilton Head Island, South Carolina by amending Chapter 12 (Allocation of South Carolina Accommodations Tax Revenues), Section 4-12-20 Management of the Special Fund for Tourism Promotion; and provide for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was approved by a vote of 7-0. Larry Myers, Theo Shofield, General Manager of the Omni Resort, and Jim Harris addressed Council regarding the ordinance. The motion was unanimously approved by a vote of 7-0.

b. First Reading of Proposed Ordinance 2016-16

First Reading of Proposed Ordinance 2016-16 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, by amending Section 16-1-107, the Official Zoning Map with respect to those certain parcels identified as Parcels 118, 227, 30, 4D, 149E, 149B, 149D and 149 on Beaufort County Tax Map 7, to rezone the parcels from RM-8 (Moderate Density Residential) zoning district to the MS (Main Street) Zoning District; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

c. First Reading of Proposed Ordinance 2016-19

First Reading of Proposed Ordinance 2016- 19 to amend Title 4 (Finance and Taxation) of the Municipal Code of the Town of Hilton Head Island, South Carolina by renaming Title 4; creating within Title 4 a new Chapter 11 (Road Usage Fee) which establishes a road usage fee; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

d. General Discussion of Proposed Hilton Head Plantation Beach Sand Stockpile.

The Mayor invited Mr. Harkins as a representative of Hilton Head Plantation to speak regarding the matter. Mr. Harkins noted that due to the imminent threat of danger to the storm water system that the Town is responsible for he felt the need for this to come forward for consideration. Mr. McCann moved to have limited discussion of this agenda item to the funding that Hilton Head Planation requests only as it relates to our current budget considerations. Mr. Harkins seconded. The motion was approved by a vote of 4-3. (Mayor Bennett, Mrs. Likins and Mr. Ames were opposed.)

Peter Kristian conducted a detailed presentation regarding the current situation and the need for the beach renourishment and the Town's responsibility to protect the storm water system within Hilton Head Plantation. Upon the completion of his presentation, Scott Liggett was invited to speak. Mr. Liggett explained why he felt there was not a threat to the storm water system.

Lenore Gleason questioned the placement of sand and it remaining in the area of placement. Jay Wiendl spoke regarding the potential threat to the storm water system and the loss of marshland. Chet Williams suggested an assessment to the residents of Hilton Head Plantation.

Mayor Bennett moved to the issue of the sand stockpile and location of such. Julie Hallquist, President of the POA of Singleton Beach, Terry Herron, a Singleton Beach resident and George ? spoke against the placement of sand in the Singleton Beach location noting the damage it would do to roadways, etc. Susan Murphy representing the Hilton Head Audubon Society spoke regarding concern for the folly. Lenore Gleason and Marty Gleason stated they felt all alternatives have not been reviewed. Chris Baker stated one location was being destroyed to restore the beauty of another.

After lengthy discussion by Council, at 7:25 p.m. Mayor Bennett called for a recess. The meeting reconvened at 7:37 p.m.

The Mayor stated he was still looking for the direction from Council regarding the issue. Mr. McCann stated that having recognized the needs of Hilton Head Plantation and the concerns for Singleton Beach, he proposed that Council not provide any sand to Hilton Head Plantation, thereby preserving Singleton Beach and that Council give Hilton Head Plantation \$100,000 for three consecutive years for them to acquire their own sand, take care of their own permitting and at the same time preserve the area of Singleton Beach and the eco system of Hilton Head Plantation with the proviso that the renourishment is completed. Mr. Harkins agreed. Mr. Lennox added that he would like included in the recommendation that the situation represents a threat to the Hilton Head Plantation storm water management system. Mr. Ames asked for clarification that the renourishment will take place as soon as possible after Mr. Kristian gets all the permitting in line and not wait for the full amount of funding. Mr. Kristian confirmed that it will.

It was the consensus of Council to direct the Town Manager to bring the Mr. McCann's proposal forward. Mr. Riley stated that the funding would come forward as part of the budget ordinance.

Julie Hallquist thanked Council.

e. Budget Wrap-Up

Susan Simmons reviewed the suggested changes from the May 10 Budget Workshop and Mayor Bennett asked Council members for their input on suggested changes. After review and discussion the following changes were agreed upon by Council:

The amount of budgeted changes from the original proposal and major budget discussions for each fund are summarized below.

General Fund:

Public Projects & Facilities – Engineering – Operating (increase of \$100,000). This budget increases by \$100,000 for emergency access on dirt roads.

Public Safety – Police Services – Operating (net increase of \$160,517). The Sheriff's Office requested two changes for updated costs which have been incorporated: \$136,944 savings and \$8,961 cost increase. Council considered new requests from the Sheriff. From the four patrol officers and one detective requested, Council approved two officers at a budget increase of \$288,500 and awaits the performance audit results prior to determining further action

Townwide – Operating (increase of \$150,000). Last year, Council created an \$850,000 line item for its initiatives with staff directed to move the amounts to the appropriate departments during the fiscal year. Staff estimates that approximately \$677,000 will be available to roll forward to the new year for continued work on these initiatives. Council desires a budget of \$150,000 for Hilton Head Island Cultural and Arts Network (HHICAN) but has not worked out the organizational details; therefore, this item will remain a Townwide – Operating – Town Council Initiatives line item. Other initiatives will be funded in the amounts directed by Council but will be reported in other areas of the budget as described below.

Town Council – Operating. This budgeted line item will include amounts for the following items.

Visioning	\$400,000
Public Communications	\$100,000
Arts (venue and other analysis)	\$200,000

Townwide – Grants Before discussion of the First Tee item below, Mrs. Likins informed the Mayor she was going to recuse herself due to a potential conflict of interest pertaining to the matter and she left the dais. The required Potential Conflict of Interest form will be attached to the approved, signed minutes.

The Town will provide a one-time funding request to First Tee at a budget increase of \$50,000 and will institute normal affiliated agency control and reimbursement processes.

Mrs. Likins returned to the dais at the conclusion of the above discussion.

The Town will provide Coastal Discovery Museum (CDM) \$100,000 for a Mitchelville Preservation Project (MPP) Executive Director with the conditions that CDM and MPP formalize the collaboration, CDM will ensure that a qualified employee is hired and make up any budget shortfall; and that the CDM/MPP collaboration will include Council in the process; and ensure success of the collaboration by establishing, measuring and reporting on metrics.

The Economic Development Corporation (EDC) requested and Town staff included \$496,874 in this budgeted line. Council determined to put the EDC funding on hiatus which will result in a savings from the originally proposed budget.

Mr. McCann moved to add the subject of EDC personnel to the Executive Session items. Mr. Harkins seconded. The motion was approved by a vote of 7-0.

Debt Service Fund: No changes.

Per Council's request, staff in the near future will issue public communications regarding future bonding plans and anticipated savings from bond refundings planned for this summer.

Capital Projects Fund:

No budgetary level changes; however, the Park Upgrades project will now include addressing Cordillo Court park needs pushing other planned upgrades (likely at Chaplin Park) out to future years. (Initially, Cordillo Courts was included in the proposed General Fund – Town Council Initiatives.) The agenda package includes the one-year budget and ten-year plan; Council adopts only the one-year budget.

Stormwater Fund:

Projects – Maintenance & Repairs: There is only one change for this fund which is a \$100,000 increase for Pine Island/Barrier Beach Repair at Hilton Head Plantation to be funded with available prior year funds. In the detailed project attachment to the budget, this project reports \$100,000 which Council would be adopting for fiscal year 2017 and \$100,000 each for fiscal year 2017 and 2018 in its four-year plan.

11) Appearance by Citizens

Chet Williams addressed Council regarding prostate cancer.

Tai Scott addressed Council regarding Gullah Geechee catering.

Mr. Riley suggested moving the Executive Session items to the June 14, 2016 Town Council Special Meeting with the exception of Item 13.b.(1) and the EDC Personnel item. All of Council concurred.

12) 6:00 P.M. – PUBLIC HEARING ON THE MUNICIPAL BUDGET FOR FY17

Mayor Bennett opening the Public Hearing at 6:06 p.m. Marian Johnson Payne, Vernie Singleton, Terry Herron and Peter Kristian spoke in favor of funds being allocated for the position of Executive Director for the Mitchelville Preservation Project. Jim Harris spoke in favor of capturing fees from larger vehicles as a revenue source.

There being no more requests to speak, Mayor Bennett closed the Public Hearing at 6:19 p.m.

13) Executive Session

Mr. Riley stated he needed an executive Session regarding Legal Matters: Receipt of Legal Advice related to pending litigation concerning a BZA appeal. At 9:10 p.m. Mr. Harkins moved to enter into Executive Session for the reasons stated by the Town Manager. Mr. McCann seconded. The motion was approved by a vote of 7-0.

Mayor Bennett called the meeting back to order at 9:34 p.m. stating that no action was taken during executive session and there was no action to be taken as a result of Executive Session.

14) Possible actions by Town Council concerning matters discussed in Executive Session

None.

15) Adjournment

Mayor Bennett adjourned the meeting at 9:35 p.m.

Vicki L. Pfannenschmidt
Executive Assistant/Town Clerk

Approved: 06/21/2016

David Bennett, Mayor