



The Town of Hilton Head Island

Regular Town Council Meeting

September 3, 2013

4:00 P.M.

AGENDA

As a Courtesy to Others Please Turn Off All Mobile Devices During
the Town Council Meeting

- 1) **Call to Order**
- 2) **Pledge to the Flag**
- 3) **Invocation**
- 4) **FOIA Compliance** – Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- 5) **Proclamations and Commendations**
National Preparedness Month
- 6) **Approval of Minutes**
 - a. Town Council Meeting– August 6, 2013
- 7) **Report of the Town Manager**
 - a. Semi-Annual Report of the Planning Commission – Gail Quick, Chairman
 - b. Town Manager’s Items of Interest
 - c. Proposed 2014 Town Council Meeting Dates
- 8) **Reports from Members of Council**
 - a. General Reports from Council
 - b. Report of the Intergovernmental Relations Committee – George Williams, Chairman
 - c. Report of the Personnel Committee – Lee Edwards, Chairman
 - d. Report of the Planning & Development Standards Committee – John McCann, Chairman
 - e. Report of the Public Facilities Committee – Kim Likins, Chairman
 - f. Report of the Public Safety Committee – Marc Grant, Chairman
 - g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member
- 9) **Appearance by Citizens**
- 10) **Unfinished Business**
 - a. **Second Reading of Proposed Ordinance 2013-14**
Second Reading of Proposed Ordinance 2013-14 to amend the Municipal Code of the Town of Hilton Head Island, South Carolina; to amend Chapter 1 (Beaches) of Title 8, Beaches, Waterways and Recreational Areas, Part A, General Beach Prohibitions, Section 8-1-211 (17), Unlawful Activities Enumerated; and providing for severability and an effective date.

11) New Business

a. First Reading of Proposed Ordinance 2013-15

First Reading of Proposed Ordinance 2013-15 to amend the Municipal Code of the Town of Hilton Head Island by adding an exception for Public Safety personnel to be able to use electronic devices while operating a motor vehicle in the course and scope of their official duties, by amending Section 12-1-611 (c) of Chapter 1 of Title 12, Text Messaging; and providing for severability and an effective date.

b. First Reading of Proposed Ordinance 2013-16

First Reading of Proposed Ordinance 2013-16 of the Town Of Hilton Head Island, South Carolina establishing the rollforward millage required by Section 12-37-251, Code of Laws of South Carolina, 1976, As Amended; and providing for severability and an effective date.

12) Executive Session

a. Land Acquisition

b. Legal Matters

13) Adjournment

Proclamation

By
The Town of Hilton Head Island

WHEREAS, National Preparedness Month creates an opportunity for every resident of the Town of Hilton Head Island to prepare their homes, businesses, and communities for any type of emergency including natural disasters; and

WHEREAS, being prepared, we can reduce fatalities and economic devastation in our communities; and

*WHEREAS, through FEMA's **Ready Campaign**, federal, state, local, private and volunteer agencies are working to increase public activities in preparing for emergencies and to educate individuals on how to take action; and*

WHEREAS, all citizens are urged to make preparedness a priority and to work together as a team to ensure that individuals, families and communities are prepared for disasters and emergencies of any type; and

WHEREAS, emergency preparedness is the responsibility of every citizen in the Town of Hilton Head Island.

NOW, THEREFORE, I, Drew A. Laughlin, Mayor, of the Town of Hilton Head Island, South Carolina do hereby proclaim the Month of September, 2013, as

NATIONAL PREPAREDNESS MONTH

*in Hilton Head Island, South Carolina, and all citizens are encouraged to participate in citizen preparedness activities and to visit the Town of Hilton Head Island's website at www.hiltonheadislandsc.gov or websites of the **Ready Campaign** at www.ready.gov or www.listo.gov to become more prepared.*

*IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed this **Third day of September, Two Thousand and Thirteen.***

Drew A. Laughlin, Mayor

Attest:

Esther Coulson, Town Clerk

THE TOWN OF HILTON HEAD ISLAND

REGULAR TOWN COUNCIL MEETING

Date: Tuesday, August 6, 2013

Time: 4:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Bill Harkins, *Mayor Pro Tem*, George Williams, Marc Grant, John McCann, *Council Members*

Absent from Town Council: Kim Likins, Lee Edwards, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Charles Cousins, *Director of Community Development*; Lavarn Lucas, *Fire Chief*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Susan Simmons, *Director of Finance*; Jill Foster, *Deputy Director of Community Development*; Shawn Colin, *Deputy Director of Community Development*; Brad Tadlock, *Deputy Fire Chief – Operations*; Julian Walls, *Facilities Manager*; Nancy Gasen, *Director of Human Resources*; Joheida Fister, *Fire Marshal*; Brian Hulbert, *Staff Attorney*; Marcy Benson, *Senior Grants Administrator*; Heather Colin, *Development Review Administrator*; Shea Farrar, *Senior Planner*; Faidra Smith, *Administration Manager/Public Information Coordinator*; Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: Brian Heffernan, *Island Packet*, Cliff Rhodes, *WTOV-TV*

1) CALL TO ORDER

Mayor Laughlin 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 mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

5) Proclamations and Commendations

None.

6) Approval of Minutes

a. Town Council Workshop Mid-Year Update – June 3, 2013

Mr. Harkins moved to approve. Mr. Williams seconded. Mr. McCann noted the attendance was listed incorrectly and moved to amend the minutes to reflect the correct attendance by adding Mr. McCann and Mr. Grant as present from Town Council and removing Mr. Heitzke and Mr. Ferguson from the roll call. Mr. Williams seconded. The amendment was approved by a vote of 5-0. The amended motion was approved by a vote of 5-0.

b. Town Council Meeting– July 2, 2013

Mr. Williams moved to approve. Mr. McCann seconded. The motion was approved by a vote of 4-0-1. Mr. Harkins abstained as he was not present at the July 2, 2103 Town Council meeting.

7) Report of the Town Manager

- a. Semi-Annual Report of the Parks and Recreation Commission – Heather Rath, Chairman
Chairman Rath presented an activity report for the first six months of 2013.
- b. 350/30 Celebration Week Update – Leslie Richardson, Chairman
Leslie Richardson, Linda Piekut and Heather Rather conducted presentations concerning the 350/30 Celebration Week scheduled for September 30, 2013 through October 5, 2013.
- c. Town Manager’s Items of Interest
Mr. Riley reported on some items of interest.
- d. July, 2013 Quarterly Report
Mr. Riley reviewed the items on the quarterly report and said he was available to answer any questions.

8) Reports from Members of Council

a. General Reports from Council

Mr. Williams stated he attended a meeting of the Governmental Affairs Committee of the Hilton Head Island/Bluffton Chamber of Commerce. He reported Richard Cyr of HHPD#1 conducted a presentation and a State Chamber Governmental Affairs representative updated the Committee on immigration and ObamaCare.

Mr. Grant reported he attended the Gullah/Geechee Nation International Music & Movement Festival on Saturday, August 3 at the St. Helena Branch Library on St. Helena Island. He stated Queen Quet, Chieftess of the Gullah/Geechee Nation asked him to convey her appreciation for the proclamation from the Town of Hilton Head Island. He added that it was a wonderful celebration, very educational and a great time was had by all. Mayor Laughlin thanked Mr. Grant for representing the Town.

b. Report of the Intergovernmental Relations Committee – George Williams, Chairman

No report.

c. Report of the Personnel Committee – Lee Edwards, Chairman

No report.

d. Report of the Planning & Development Standards Committee – John McCann, Chairman

Mr. McCann stated the recommendation from the Committee concerning the request for rezoning Beach City Place had been postponed and removed from the agenda.

e. Report of the Public Facilities Committee – Kim Likins, Chairman

No report.

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

No report.

g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member

No report.

8) Appearance by Citizens

None.

9) Unfinished Business

e. Second Reading of Proposed Ordinance 2013-12

Second Reading of Proposed Ordinance 2013-12 of the Town of Hilton Head, South Carolina, authorizing the granting of an easement encumbering real property owned by the Town of Hilton Head Island, South Carolina, commonly known as "Barker Field Expansion", being 17.56 acres on Mitchelville Road, pursuant to the authority of S. C. Code Ann. § 5-7-40 (Supp. 2010), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983, As Amended); and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was approved by a vote of 5-0.

10) New Business

e. Consideration of a Resolution – Distance Requirements

Consideration of a Resolution by the Town Council of the Town of Hilton Head Island directing staff to pursue an amendment to the Land Management Ordinance (LMO) to eliminate the distance requirements between an auto sales site and an existing residential use.

Mr. Williams moved to approve. Mr. McCann seconded. Mr. Riley stated the specific request was regarding the separation standards. He said the LMO Rewrite Committee is actually looking at proposing eliminating all of the standards and staff is in agreement. It was the consensus of Council to only address the issue at hand. The motion was approved by a vote of 5-0.

f. First Reading of Proposed Ordinance 2013-13

First Reading of Proposed Ordinance 2013-13 to repeal Chapter 7 of Title 9 of the Municipal Code of the Town of Hilton Head Island, South Carolina and to reenact a new Chapter 7 of Title 9, open burning; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. After discussion of the contents of the proposed ordinance, a typographical correction was made within Attachment A under Section 9-7-20, Item (d), (8) with the removal of the word "recreational". Council also concurred that staff should look at ways to educate and assist those with large pieces of land and in need with removal of yard debris. It was suggested a plan be prepared for review at a future Town Council meeting. The motion was approved by a vote of 5-0.

g. Consideration of a Recommendation – CDBG Entitlement Community Eligibility

Consideration of a Recommendation that the Town Council of the Town of Hilton Head Island declines participating in the United States Department of Housing and Urban Development Community Development Block Grant (CDBG) Entitlement Program.

Mr. Williams moved to approve. Mr. Harkins seconded. Mr. Riley explained the difficulties concerning participation in the program. Mr. Harkins noted he understood the potential dollars received are outweighed by the administrative burden. Mr. Grant indicated interest in the program for teachers and police officers noting the high cost of rent on the Island. Marcy Benson reviewed some of the criteria for participation in the program explaining it is very difficult to meet and follow the requirements. After discussion by Council, it was decided that the issue should be reviewed in depth at the upcoming Town Council Workshop so Council could be better prepared to evaluate when the program is offered again next year. The motion was approved by a vote of 5-0.

h. First Reading of Proposed Ordinance 2013-14

First Reading of Proposed Ordinance 2013-14 to amend the Municipal Code of the Town of Hilton Head Island, South Carolina; to amend Chapter 1 (Beaches) of Title 8, Beaches, Waterways and Recreational Areas, Part A, General Beach Prohibitions, Section 8-1-211 (17), Unlawful Activities Enumerated; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was approved by a vote of 5-0.

i. Consideration of a Recommendation – Fire Station #6 Project

Consideration of a Recommendation that the Town Council of the Town of Hilton Head Island authorize the Town Manager to execute a work change directive not to exceed \$375,000 regarding the Fire Station #6 Project.

Mr. Harkins moved to approve. Mr. Williams seconded. Scott Liggett explained the need for the change directive. He displayed photographs showing the poor condition of the sub-surface soils noting the need to pursue additional work to prepare the site for construction. Mr. McCann asked if the company that completed the soil study has any liability. Mr. Liggett noted there are always conditions that go along with the reports which alleviate the liability. Mr. Harkins stated he felt the company does have liability and recourse is needed. Mayor Laughlin suggested Council move forward with this request but still pursue legal advice for recovering funds concerning this expense. Members of Council concurred. The motion was approved by a vote of 5-0.

11) Executive Session

Mr. Riley stated he needed an Executive Session for contractual matters pertaining to land acquisition including possible sale or trade of town-owned land; legal matters pertaining to the Republic Waste hauling contract; legal matters pertaining to potential contractual agreements with Palmetto Hall; and personnel matters pertaining to potential appointments to the Economic Development Board.

At 5:10 p.m. Mr. Harkins moved to go into Executive Session for the reasons given by the Town Manager. Mr. Williams seconded. The motion was unanimously approved by a vote of 5-0.

Mayor Laughlin called the meeting back to order at 6:26 p.m. and the remaining New Business item was handled.

f. Consideration of appointments to Boards and Commissions

Mr. Harkins moved that the following individuals be appointed to the Hilton Head Island Economic Development Corporation Board of Directors:

G. Thomas Upshaw to serve as Director #1 for a one-year term ending June 30, 2014
Diana McKenzie to serve as Director #2 for a two-year term ending June 30, 2015
Carlton Dallas to serve as Director #3 for a three-year term ending June 30, 2016
Maryann Bastnagel to serve as Director #4 for a three year term ending June 30, 2016
Steven Carb to serve as Director #5 for a two-year term ending June 30, 2015
Raymond Wenig to serve as Director #6 for a one-year term ending June 30, 2014
John Joseph to serve as Director #7 for a one-year term ending June 30, 2014.

Mr. Williams seconded. The motion was approved by a vote of 5-0.

13) Adjournment

Mr. Williams moved to adjourn. Mr. McCann seconded. The meeting was adjourned at 6:27 p.m.

Vicki L. Pfannenschmidt
Executive Assistant

Approved:

Drew A. Laughlin, Mayor

DRAFT



Items of Interest

September 3, 2013

1. Town News

The South Carolina Municipal Insurance Trust (SCMIT) recently completed the Town's Minimum Guidelines Assessment and Loss Control Report Card for 2012. The Assessment measures the Town's compliance with up to 29 criteria, serving as an indicator of our effectiveness in implementing sound risk management policies and procedures. We achieved a compliance score of 104%, making the Town eligible for a Workers' Compensation (WC) contribution credit for the 2014 policy year.

The Report Card provides a summary of the Town's WC loss control history, Minimum Guidelines Assessment compliance, premium analysis and other information helpful in managing our overall loss control program. The Town's 2012 loss control performance was better than the average for SCMIT's member pool of over 100 municipal organizations. These positive results will mitigate any increases in 2014 WC premiums.

(Contact: Lisa Stauffer, Senior HR Administrator – phone 341-4624)

The 2014 Accommodations Tax Grant Application is available on the Town's website at www.hiltonheadislandsc.gov. The deadline for submitting an Application is Friday, September 20 at 4:00 pm.

(Contact: Erica Madhere, Finance Assistant – 341-4646)

2. Noteworthy Events

- a) Some of the upcoming meetings at Town Hall:
- LMO Rewrite Committee – September 5, 2013, 8:30 a.m.
 - Design Review Board – September 10, 2013, 1:15 p.m.
 - LMO Rewrite Committee – September 12, 8:30 a.m.
 - Parks and Recreation Commission, September 12, 3:30 p.m.
 - Town Council – September 17, 2013, 4:30 p.m.* Note time Change

(Meetings subject to change and/or cancellation. Please visit the Town of Hilton Head Island website at www.hiltonheadislandsc.gov for meeting agendas.)

2013 Hilton Head Island Events

Wednesdays, thru October 30, 2013 9:00am-1:00pm	Farmers Market	Shelter Cove Community Park
Tuesday, September 17, 2013 3:15 p.m.	Constitution Day Celebration	Council Chambers



TOWN OF HILTON HEAD ISLAND

2014 TOWN COUNCIL MEETING DATES

January 7	July 1- cancelled
January 21	July 15
February 4	August 5
February 18	August 19 - cancelled
March 4	September 2
March 18	September 16**
April 1	October 7
April 22*	October 21
May 6	November 5***(Wednesday)
May 20	November 18
June 3	December 2
June 17	December 16

Meetings are generally held the 1st and 3rd Tuesday of the month at 4:00 PM, subject to change with notice.

****April 16th Town Council meeting moved to April 23 due to Heritage Golf Tournament**

****September 16th meeting will start at 4:30 p.m. because of the Constitution Day Celebration preceding the Town Council meeting.**

*****Because November 4 is Election Day, meeting has been moved to Wednesday, November 5.**

MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, ICMA-CM, Town Manager

RE: Proposed Ordinance Number 2013-14, Amend Chapter 1 (Beaches) of Title 8, Section 8-1-211(17) Commercialization)

DATE: August 7, 2013

CC: Gregory D. DeLoach, Esq., Assistant Town Manager
Scott Liggett, Director PP&F
Brian Hulbert, Staff Attorney

There were no changes to Proposed Ordinance 2013-14 as a result of first reading held on August 6, 2013.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND
ORDINANCE NO. 2013- PROPOSED ORDINANCE NO. 2013-14

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; TO AMEND CHAPTER 1 (BEACHES) OF TITLE 8, BEACHES, WATERWAYS AND RECREATIONAL AREAS, PART A, GENERAL BEACH PROHIBITIONS, SECTION 8-1-211 (17), UNLAWFUL ACTIVITIES ENUMERATED; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Town Council did previously adopt Chapter 1 of Title 8 entitled "Beaches" on May 21, 1984; and

WHEREAS, the Town Council finds it desirable to amend Chapter 1 of Title 8, Section 8-1-211 (9) to facilitate a 350/30 year anniversary in celebration of two historic dates in the history of Hilton Head Island.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AND IT IS HEREBY ORDERED AND ORDAINED BY AND UNDER THE AUTHORITY OF SAID TOWN COUNCIL, AS FOLLOWS:

NOTE: Underlined and bold-face typed portions indicate additions to the municipal code. ~~Stricken~~ portions indicate deletions to the municipal code.

Section 1. Amendment. That Subsection (17) of Section 8-1-211 of the Municipal Code of the Town of Hilton Head Island, South Carolina, be and the same hereby is amended to read as follows:

“Section 8-1-211. Unlawful activities enumerated.”

(17) *Commercialization.* No commercial activity shall be undertaken on the beach on [or] in the waters within the jurisdiction of the town, including the sale, solicitation or offer for sale of any product, real estate or real estate interest, service or activity, the rental or offer of rental of any real or personal property, the distribution of any material, handouts, bills, promotional brochures or similar items, except in conformity with the provisions of this chapter. (See Article III, "Franchising".) Except that an event to celebrate the anniversary of the sighting of Hilton Head Island or the anniversary of the incorporation of the Town, or both, which is approved by the Town, is permitted to be conducted on the beach at the approved location and time.

Any person proposing to operate any commercial enterprise on private property contiguous to the beach shall be subject to all applicable provisions of this municipal code and must possess a valid town business license. (See Title 16 regarding development plan approvals.)

Section 2. Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall no affect the validity of the remaining portions thereof.

Section 3. Effective Date. This Ordinance shall be effective upon adoption by the Town Council of the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2013.

Drew A. Laughlin, Mayor

ATTEST:

Esther Coulson, Town Clerk

First Reading: _____

Second Reading: _____

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____

MEMORANDUM

TO: Town Council
FROM: Staff Attorney

Via: Stephen G. Riley, ICMA-CM, Town Manager
Gregory D. DeLoach, Esquire, Assistant Town Manager

RE: Proposed Ordinance Number 2013-15, Prohibiting the composition, reviewing, or sending of electronic messages while operating a motor vehicle in the Town of Hilton Head Island

DATE: August 1, 2013

Recommendation: The Hilton Head Island Fire and Rescue Chief and the Beaufort County Sheriff have requested that an exception to our ordinance be made for Public Safety personnel while in the performance of their official duties. Staff has drafted the attached Proposed Ordinance Number 2013-15, adding Section 611 (c) (5) to Chapter 1 of Title 12 of the Municipal Code (Text Messaging While Operating a Motor Vehicle), which would create an exception for Public Safety personnel in the course and scope of their official duties.

Summary: This Ordinance prohibits the composition, reviewing, or sending of electronic messages while operating a motor vehicle in the Town of Hilton Head Island, with limited exceptions. This proposed Ordinance amendment would create an additional exception for Public Safety personnel to be permitted to compose, review, or send electronic messages while operating a motor vehicle in the course and scope of their official duties in the Town of Hilton Head Island.

Background:

Recently Town Council passed an ordinance prohibiting the composition, reviewing, or sending of electronic messages while operating a motor vehicle in the Town of Hilton Head Island, and recommended that it be modeled after House Bill 3121, which is currently pending before the South Carolina Legislature. This legislation does not currently contain an exception for Public Safety personnel. This proposed amendment would create an exception for Public Safety personnel in the course and scope of their official duties.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

PROPOSED ORDINANCE NO.: 2013-15

ORDINANCE NO.: 2013-

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND BY ADDING AN EXCEPTION FOR PUBLIC SAFETY PERSONNEL TO BE ABLE TO USE ELECTRONIC DEVICES WHILE OPERATING A MOTOR VEHICLE IN THE COURSE AND SCOPE OF THEIR OFFICIAL DUTIES, BY AMENDING SECTION 12-1-611 (C) OF CHAPTER 1 OF TITLE 12, TEXT MESSAGING; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Town Council has determined that it is in the best interests of the vehicle operators and other vehicles to prohibit the use of handheld electronic communication devices to compose, send, or review electronic messages while operating a motor vehicle within the Town; and

WHEREAS, Town Council finds that Public Safety personnel in the performance of their duties have a special need and requirement for using electronic devices to compose, review and send electronic messages in order to assist them in the protection of the health and safety of the residents and visitors of Hilton Head Island; and

WHEREAS, Town Council now desires to permit Public Safety personnel to use handheld electronic communication devices to compose, send, or review electronic messages while operating a motor vehicle in the performance of their official duties within the Town in the manner provided for in this ordinance.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS HEREBY ORDERED ORDAINED BY AND UNDER THE AUTHORITY OF THE SAID TOWN COUNCIL, AS FOLLOWS:

NOTE: **Underlined and bold-face typed** portions indicate additions to the Municipal Code. ~~Stricken~~ portions indicate deletions to the Municipal Code.

That Section 12-1-611 of Chapter 1 of Title 12 of the Municipal Code of the Town of Hilton Head Island, South Carolina, is hereby amended by adding Section 12-1-611 (c) 5:

Article 6. TEXT MESSAGING

“Section 12-1-611. Electronic Communications While Operating a Motor Vehicle.

(a) Definitions:

“Electronic communications device” means an electronic device used for the purpose of composing, reading, or sending an electronic message, but does not include a global positioning system or navigation system or a device that is physically or

electronically integrated into the motor vehicle.

“Electronic message” means a self-contained piece of digital communication that is designed or intended to be transmitted between physical devices. “Electronic message” includes, but is not limited to, electronic mail, a text message, an instant message, or a command or request to access an internet site.

- (b) It shall be unlawful for a person to use an electronic communication device to compose, read, or send an electronic message while operating a motor vehicle on the streets and roads within the Town.
- (c) Exceptions. This section shall not apply to a person operating a motor vehicle while:
 - (1) off the traveled portion of a roadway;
 - (2) using an electronic communication device in a hands free, voice-activated, or voice-operated mode that allows the driver to review, prepare and transmit an electronic message without the use of either hand except to activate, deactivate, or initiate a feature or function;
 - (3) summoning medical or other emergency assistance; or
 - (4) using a citizens band radio, commercial two-way radio communication device, in-vehicle security, or amateur or ham radio device.
 - (5) **public safety personnel employed by a federal, state, county, or municipal organization who are utilizing an electronic communication device during the course and scope of their official duties.**
- (d) Penalty. A person who violates this section is guilty of misdemeanor distracted driving and, upon conviction, shall be fined one hundred dollars for a first offense, two hundred dollars for a second offense, and three hundred dollars for a third or subsequent offense. This fine is subject to all applicable court costs, assessments, and surcharges.

Section 2. Severability. If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstances shall be held invalid, that invalidity shall not affect the other provisions of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

Section 3. Effective Date. Ordinance shall become effective upon adoption by the Town Council of the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2013

**By: _____
Drew A. Laughlin, Mayor**

ATTEST:

**By: _____
Esther Coulson, Town Clerk**

**First Reading: _____
Second Reading: _____**

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____



MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, ICMA-CM, Town Manager

VIA: Susan M. Simmons, CPA, Director of Finance

DATE: August 22, 2013

RE: **First Reading of Proposed Ordinance No. 2013-16**

Recommendation:

Staff recommends Town Council approve the first reading of Proposed Ordinance No. 2013-16 to amend the millage of the General, Capital Projects and Debt Service Funds for the fiscal year ending June 30, 2014 based on the property reassessment performed by the County.

Summary:

Pursuant to Section 12-43-217 of the Code of Laws of South Carolina, 1976, as amended (the "Code"), once every fifth year each county shall appraise and equalize those properties under its jurisdiction ("Reassessment"). Property valuation must be complete at the end of December of the fourth year and the county shall notify every taxpayer of any change in value or classification if the change is one thousand dollars or more. In the fifth year, the county or State shall implement the program and assess all property on the newly appraised values.

Beaufort County has undertaken Reassessment which will be implemented in tax year 2013; and pursuant to 12-37-251(E) of the Code, the number of mills levied for tax year 2013 must be increased or "rolled forward."

Background

With Ordinance No. 2013-05 on June 18, 2013, Town Council enacted a budget for the fiscal year ending June 30, 2014. This budget was based on the County's preliminary projection of a mil with reassessment, a small growth factor, and no millage increase. (The Town did adopt a .29 mil increase in the General Fund with a corresponding .29 mil decrease in the Debt Service Fund.)

Council was informed that the budget ordinance would require amendment when the County issued its final reassessment figures in August, 2013.

In order to meet the required deadlines of the County, the Town will need to have its second reading of this ordinance at its regularly scheduled meeting on September 17, 2013. However, at the present time, the Town has not yet received the County's final reassessment information with which to recalculate the Town's millage. Therefore on the attached proposed ordinance, the value of a mil and the millage rates in total and for each of the three funds are blank.

First Reading of Proposed Ordinance No. 2013-16
August 22, 2013
Page Two

The County plans to distribute information to the municipalities and public service districts on August 26, 2013. The Town plans to review and recalculate the millage, finalize the ordinance, and prepare a new cover memo to distribute at the September 3, 2013, or earlier if possible. Successful completion of these plans will result in no special Town Council meeting. If the information does not come together as planned, a special meeting will be needed during the week of September 9-13.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA ESTABLISHING THE ROLLFORWARD MILLAGE REQUIRED BY SECTION 12-37-251, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, pursuant to Ordinance No. 2013-05 enacted by the Town Council (the “Town Council”) of the Town of Hilton Head Island, South Carolina (the “Town”) on June 18, 2013, millage rates were established for the Town’s General Fund, Debt Service Fund, and Capital Projects Fund; and

WHEREAS, pursuant to Section 12-43-217 of the Code of Laws of South Carolina, 1976, as amended (the “Code”), once every fifth year each county shall appraise and equalize those properties under its jurisdiction (“Reassessment”). Property valuation must be complete at the end of December of the fourth year and the county shall notify every taxpayer of any change in value or classification if the change is one thousand dollars or more. In the fifth year, the county or State shall implement the program and assess all property on the newly appraised values; and

WHEREAS, Beaufort County (the “County”) has undertaken Reassessment which will be implemented in tax year 2013; and

WHEREAS, the Town has been informed by the County as a result of Reassessment the value of one mill for tax year 2013 has decreased to \$_____; and

WHEREAS, pursuant to 12-37-251(E) of the Code, the number of mills levied for each Reassessment Tax Year must be recalculated to ensure the calculation of the number of mills is revenue neutral; and

WHEREAS, pursuant to 12-37-251(E) of the Code, in order for the number of mills levied for tax year 2013 to be revenue neutral, the number of mills must be increased or “rolled forward;” and

WHEREAS, this Ordinance is being enacted in order to establish the rollforward millage rates for the Town’s General Fund, Debt Service Fund and Capital Projects Fund.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS HEREBY ORDAINED BY THE AUTHORITY OF THE SAID COUNCIL:

SECTION 1. Establishment of Millage Rates. The Town Council hereby establishes the following millage rates for each of the following funds for the fiscal year ending June 30, 2014:

- General Fund
- Debt Service Fund
- Capital Projects Fund
- Total

PROPOSED ORDINANCE NO. 2013-16

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SECTION 2. Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 3. Codification. This Ordinance shall be forthwith codified in the Code of Town Ordinances in the manner required by law.

SECTION 4. Effective Date. This Ordinance shall be effective upon its enactment by the Town Council of the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS ____ DAY OF _____, 2013.

Drew A. Laughlin, Mayor

ATTEST:

Esther Coulson, Town Clerk

First Reading: _____

Second Reading: _____

Approved as to form:

Gregory M. Alford, Town Attorney

Introduced by Council Member:



MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, ICMA-CM, Town Manager

VIA: Susan M. Simmons, CPA, Director of Finance

DATE: August 30, 2013

RE: **First Reading of Proposed Ordinance No. 2013-16 – Updated**

Recommendation:

Staff recommends Town Council approve the first reading of Proposed Ordinance No. 2013-16 to amend the millage of the General, Capital Projects and Debt Service Funds for the fiscal year ending June 30, 2014 based on the property reassessment performed by the County.

Summary:

The revised millage based on the County’s reassessment is presented below. The reassessment applies to tax year 2013 which is the Town’s fiscal year 2014. The assessed value after reassessment for the Town of Hilton Head Island is \$840,326,016; the new value of a mil is \$840,326. The revised total millage is 20.83.

<u>Fund</u>	<u>Fiscal Year 2013</u>	<u>Change in Millage due to Reassessment</u>	<u>Fiscal Year 2014 Millage Based on Fiscal Year 2013 Allocation</u>	<u>Reallocate Millage between Funds</u>	<u>Final Fiscal Year 2014 Millage</u>
General Fund	12.57	1.00	13.57	0.31	13.88
Debt Service Fund	6.01	0.44	6.45	(0.31)	6.14
Capital Projects Fund	0.75	0.06	0.81	-	0.81
Total Millage	19.33	1.50	20.83	-	20.83

**First Reading of Proposed Ordinance No. 2013-16 - Updated
August 30, 2013
Page Two**

Background

Pursuant to Section 12-43-217 of the Code of Laws of South Carolina, 1976, as amended (the "Code"), once every fifth year each county shall appraise and equalize those properties under its jurisdiction ("Reassessment"). Property valuation must be complete at the end of December of the fourth year and the county shall notify every taxpayer of any change in value or classification if the change is one thousand dollars or more. In the fifth year, the county or State shall implement the program and assess all property on the newly appraised values.

Beaufort County has undertaken Reassessment which will be implemented in tax year 2013; and pursuant to 12-37-251(E) of the Code, the number of mills levied for tax year 2013 must be increased or "rolled forward."

With Ordinance No. 2013-05 on June 18, 2013, Town Council enacted a budget for the fiscal year ending June 30, 2014. This budget was based on the County's preliminary projection of a mil with reassessment, a small growth factor, and no millage increase. (The Town did adopt a .29 mil increase in the General Fund with a corresponding .29 mil decrease in the Debt Service Fund.)

Council was informed that the budget ordinance would require amendment when the County issued its final reassessment figures in August, 2013.

The County distributed information to the municipalities and public service districts in late August. Town staff reviewed this information and revised the millage for each fund. Based on the revised millage, the reallocation from the Debt Service Fund to General Fund is now .31 mils. The April 2013 information prior to reassessment valued the Town's mil at \$915,147. Based on the new value of the Town's mil at \$840,326 or a \$74,821 decrease, the Town as a whole averaged an 8.18% decrease.

At this time, staff does not propose any changes in ad valorem (property tax) revenues. Since the reassessment and corresponding revised millage is set prior to property owners receiving their notices and having the chance to appeal, staff will monitor this revenue source closely throughout the fiscal year.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA ESTABLISHING THE ROLLFORWARD MILLAGE REQUIRED BY SECTION 12-37-251, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, pursuant to Ordinance No. 2013-05 enacted by the Town Council (the “Town Council”) of the Town of Hilton Head Island, South Carolina (the “Town”) on June 18, 2013, millage rates were established for the Town’s General Fund, Debt Service Fund, and Capital Projects Fund; and

WHEREAS, pursuant to Section 12-43-217 of the Code of Laws of South Carolina, 1976, as amended (the “Code”), once every fifth year each county shall appraise and equalize those properties under its jurisdiction (“Reassessment”). Property valuation must be complete at the end of December of the fourth year and the county shall notify every taxpayer of any change in value or classification if the change is one thousand dollars or more. In the fifth year, the county or State shall implement the program and assess all property on the newly appraised values; and

WHEREAS, Beaufort County (the “County”) has undertaken Reassessment which will be implemented in tax year 2013; and

WHEREAS, the Town has been informed by the County as a result of Reassessment the value of one mill for tax year 2013 has decreased to \$840,326; and

WHEREAS, pursuant to 12-37-251(E) of the Code, the number of mills levied for each Reassessment Tax Year must be recalculated to ensure the calculation of the number of mills is revenue neutral; and

WHEREAS, pursuant to 12-37-251(E) of the Code, in order for the number of mills levied for tax year 2013 to be revenue neutral, the number of mills must be increased or “rolled forward;” and

WHEREAS, this Ordinance is being enacted in order to establish the rollforward millage rates for the Town’s General Fund, Debt Service Fund and Capital Projects Fund.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS HEREBY ORDAINED BY THE AUTHORITY OF THE SAID COUNCIL:

SECTION 1. Establishment of Millage Rates. The Town Council hereby establishes the following millage rates for each of the following funds for the fiscal year ending June 30, 2014:

General Fund	13.88
Debt Service Fund	6.14
Capital Projects Fund	<u>.81</u>
Total	<u>20.83</u>

PROPOSED ORDINANCE NO. 2013-16

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SECTION 2. Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 3. Codification. This Ordinance shall be forthwith codified in the Code of Town Ordinances in the manner required by law.

SECTION 4. Effective Date. This Ordinance shall be effective upon its enactment by the Town Council of the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS ____ DAY OF _____, 2013.

Drew A. Laughlin, Mayor

ATTEST:

Esther Coulson, Town Clerk

First Reading: _____

Second Reading: _____

Approved as to form:

Gregory M. Alford, Town Attorney

Introduced by Council Member:

Beaufort County
Tax Year 2013/Fiscal Year 2014 Rollforward Analysis
As of August 21, 2013

Taxing Entity	Tax Year 2012 Millage	Estimated Tax Year 2012 Ad Valorem Tax Billings	Estimated Tax Year 2013 Assessed Value (Pre-TIF Endings)/TIF Increment	Estimated Tax Year 2013 Assessed Value (Post-TIF Endings)/TIF Increment	Estimated Tax Year 2013 Assessed Growth	Tax Year 2013 Estimated Rollforward Millage - 9	Estimated Tax Year 2013 Mil Value
Beaufort County Operations - 1	40.21	\$ 72,878,521	\$ 1,658,064,744	\$ 1,696,686,706	\$ 11,782,203	43.76	1,677,376
Beaufort County Debt - 1	4.44	\$ 8,053,419	\$ 1,658,064,744	\$ 1,696,686,706	\$ 11,782,203	4.84	1,677,376
Beaufort County Purchase Property - 1	3.87	\$ 6,961,671	\$ 1,658,064,744	\$ 1,696,686,706	\$ 11,782,203	4.18	1,677,376
BCSD Operations - 1, 6 & 8	91.26	\$ 117,139,096	\$ 1,235,240,252	\$ 1,254,422,524	\$ 8,479,115	94.75	1,244,831
BCSD Debt - 1, 6 & 8	28.00	\$ 52,627,843	\$ 1,683,267,467	\$ 1,721,889,429	\$ 11,846,342	31.13	1,702,578
Town of Port Royal - 2	69.00	\$ 1,867,007	\$ 27,119,716	\$ 29,379,205	\$ 855,976	68.16	28,249
City of Beaufort	60.62	\$ 4,347,787	\$ 71,530,393	\$ 71,530,393	\$ 553,755	61.26	71,530
Town of Hilton Head Island	19.33	\$ 17,465,311	\$ 840,326,016	\$ 840,326,016	\$ 1,670,091	20.83	840,326
Town of Bluffton - 3 & 4	38.00	\$ 5,426,468	\$ 131,254,367	\$ 132,677,837	\$ 4,594,420	42.60	131,966
Town of Hardeeville - 3	147.00	\$ 142	\$ 963	\$ 666,060	\$ -	147.25	334
Town of Yemassee - 5	70.00	\$ 29,297	\$ 434,860	\$ 434,860	\$ 5,064	68.16	435
Burton Fire District Operations	58.21	\$ 4,110,440	\$ 68,333,135	\$ 68,333,135	\$ 248,376	60.37	68,333
Burton Fire District Debt	5.53	\$ 391,318	\$ 68,333,135	\$ 68,333,135	\$ 248,376	5.75	68,333
LISH Fire District Operations	33.34	\$ 4,774,579	\$ 135,157,970	\$ 135,157,970	\$ 963,691	35.58	135,158
LISH Fire District Debt	1.50	\$ 215,281	\$ 135,157,970	\$ 135,157,970	\$ 963,691	1.60	135,158
Bluffton Fire District Operations - 3	20.49	\$ 9,273,821	\$ 417,012,019	\$ 452,727,335	\$ 6,995,495	21.67	434,870
Bluffton Fire District Debt	0.00	\$ -	\$ 417,012,019	\$ 452,727,335	\$ 6,995,495	-	434,870
Sheldon Fire District Operations	33.11	\$ 1,119,876	\$ 33,499,620	\$ 33,499,620	\$ 150,685	33.58	33,500
Sheldon Fire District Debt	2.18	\$ 73,790	\$ 33,499,620	\$ 33,499,620	\$ 150,685	2.21	33,500
Daufuskie Fire District Operations	33.07	\$ 993,071	\$ 20,206,290	\$ 20,206,290	\$ 216,868	49.68	20,206
Daufuskie Fire District Debt	0.00	\$ -	\$ 20,206,290	\$ 20,206,290	\$ 216,868	-	20,206
Fripp Island PSD Operations	10.60	\$ 542,403	\$ 46,710,980	\$ 46,710,980	\$ 122,202	11.64	46,711
Fripp Island PSD Debt	7.20	\$ 390,629	\$ 46,710,980	\$ 46,710,980	\$ 122,202	8.38	46,711
Hilton Head #1 PSD Operations	3.00	\$ 1,010,206	\$ 308,662,417	\$ 308,662,417	\$ 684,498	3.28	308,662
Hilton Head #1 PSD Debt	3.52	\$ 1,186,080	\$ 308,662,417	\$ 308,662,417	\$ 684,498	3.85	308,662
Broad Creek PSD	10.00	\$ 1,552,323	\$ 143,240,730	\$ 143,240,730	\$ 91,698	10.84	143,241
Port Royal TIF II	236.78	\$ -	\$ (2,300)	\$ (2,300)	N/A	246.82	N/A
City of Beaufort TIF II	228.40	\$ 2,159,133	\$ 9,453,297	\$ 9,453,297	N/A	239.92	N/A
Town of Hilton Head Island TIF - 7	Varies	\$ 6,545,397	\$ 37,526,624	\$ 37,526,624	N/A	Varies	N/A
Bluffton - County TIF - 7	Varies	\$ 571,180	\$ 8,277,413	\$ 8,277,413	N/A	Varies	N/A

Beaufort County
Tax Year 2013/Fiscal Year 2014 Rollforward Analysis
As of August 21, 2013

Notes:

- 1 - The County's and BCSD's calculations include the New River TIF and Port Royal TIF I ending at the end of tax year 2012.
- 2 - The Town of Port Royal's calculation includes the Port Royal TIF I ending at the end of tax year 2012.
- 3 - The Town of Bluffton's, the Town of Hardeeville's, and the Bluffton Fire District's calculations include the New River TIF ending at the end of tax year 2012.
- 4 - The Town of Bluffton's assessed values includes the Bluffton - Town TIF, as the Town is the only participant in its TIF.
- 5 - The Town of Yemassee's overall assessed value is estimated to increase in the FY 2014 reassessment, so it will require a rollback in millage.
- 6 - Per the Hilton Head Island TIF agreement, BCSD's participation in the TIF increases from 70% in tax year 2012, to 75% in tax year 2013. The increased participation is taken into account in this schedule.
- 7 - The Bluffton - County TIF is also funded by library and road impact fees, which are not included in these figures.
- 8 - BCSD's rollforward calculations include the New River TIF settlement provisions.
- 9 - This millage rate is only the rollforward calculation and does not include any state allowed millage increase.

Assumptions:

- Millage must be set in September 2013, while appeals and 4% applications can be filed through January 15, 2014. Appeals can continue through October 2014 and beyond (in certain cases).
- All assessed values, tax billings, and growth estimates are net of the taxing entities' corresponding TIF participation.
- Collection factors are not included within these figures (per Angus v. City of Myrtle Beach ruling).

*****As such, revenue neutrality is not guaranteed.*****
- The New River TIF will conclude at the end of tax year 2012 (October 2013).
- Per the County Assessor's Office there are no assessable transfer of interest (ATI) transactions that would affect these calculations.
- Real property and personal property tax year 2012 tax billings (part of total tax year 2012 ad valorem tax billings totals) are as of July 31, 2013. As tax year 2012 continues, these figures can and will change due to appeals and 4% applications being processed (some of which could be material).