

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

Date: Tuesday, February 2, 2010

Time: 4:00 P.M.

Present from Town Council: Thomas D. Peeples, *Mayor*; Ken Heitzke, *Mayor Pro-Tem*; George Williams, Drew Laughlin, Bill Ferguson, John Safay, Bill Harkins, *Councilmen*.

Present from Town Staff: Stephen G. Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Curtis Coltrane, *Assistant Town Manager*; Lavarn Lucas, *Fire Chief, Fire & Rescue*; Scott Liggett, *Director of Public Projects & Facilities*; Susan Simmons, *Finance Director*; Nancy Gasen, *Director of Human Resources*; Brian Hulbert, *Staff Attorney*; Julian Walls, *Facilities Manager*; Paul Rasch, *Emergency Management Coordinator*; Marcy Benson, *Senior Grants Administrator*; Debra Cyrilla, *Accounting Specialist*; Susan Blake, *Executive Assistant*

Present from Media: Josh McCann, *Island Packet*

- 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**
 - a. **Boy Scouts of America, Centennial Celebration Day**

Members of the Boys Scout Troop 245 accepted the Proclamation.
- 6) **APPROVAL OF MINUTES**
 - a. **Regular Town Council Meeting of January 19, 2010**

Mr. Heitzke moved to approve. Mr. Williams seconded. The motion was approved by a vote of 7-0.
- 7) **REPORT OF THE TOWN MANAGER**
 - a. **Town Manager's Items of Interest**

The Town Manager reported on some items of interest.
 - b. **Semi annual update of the Parks & Recreation Commission – John McCann, Chairman**

Mr. McCann provided Town Council with an update on the Parks & Recreation Commission activities for the second half of 2009.
 - c. **FY2010 Financial Statements**

Steve Riley noted the financial statements had been included with their agenda package. He invited Town Council to contact him or Susan Simmons if they had any questions.

8) **REPORTS FROM MEMBERS OF COUNCIL**

a. **General Reports from Council**

Mayor Peeples noted that February 6 will be former mayor Jerry Barkie's 90th birthday.

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

Mr. Williams attended a recent meeting of the Low Country Council of Governments (LCOG) and entities were asked to support the tax incentives to the developer of the proposed Okatie Crossings shopping center. Mr. Williams noted that Beaufort County and some others have passed resolutions in opposition to this pending tax incentive and that the Town of Hilton Head Island should also take a stance against it. He moved that the Town Council authorize the Mayor to send a letter expressing the Council's strong opposition to tax incentives for this developer. Mr. Safay seconded. Mr. Laughlin added that he thought they should not just target incentives to this specific developer but rather should oppose tax incentives for any retail developer because it was bad tax policy and he didn't believe it created jobs. The maker and seconder of the motion agreed to the change. The motion was approved by a vote of 7-0.

c. **Report of the Personnel Committee – Drew Laughlin, Chairman**

No report.

d. **Report of the Planning and Development Standards Committee – Bill Ferguson, Chairman**

No report.

e. **Report of the Public Facilities Committee – John Safay, Chairman**

The committee met earlier that day and reviewed a proposal for a new Fire Station #6 at Palmetto Dunes. This would be coming forward with a recommendation.

f. **Report of the Public Safety Committee – Bill Harkins, Chairman**

At their last meeting, the committee reviewed the fourth quarter 2009 crime statistics. Mr. Harkins mentioned that the Sheriff's Dept. advised it was reviewing the crime statistics report format for enhancement. He urged that the Town be a part of any revisions to the report to make sure the data is useful.

9) **APPEARANCE BY CITIZENS**

None.

10) **UNFINISHED BUSINESS**

a. **Second Reading of Proposed Ordinance No. 2010-01 of the Town of Hilton Head Island, South Carolina, authorizing the execution of a deed for the sale of an undivided one half (1/2) interest in four parcels of real property located on Spanish Wells Road to Beaufort County, South Carolina, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2009), and Sec. 2-7-20, Code of the Town of Hilton Head Island, South Carolina (1983); and providing for severability and an effective date.**

Mr. Heitzke moved to approve. Mr. Laughlin seconded. The motion was approved by a vote of 7-0.

11) NEW BUSINESS

- a. Consideration of Recommendations of the Accommodations Tax Advisory (ATAX) Committee for the purpose of allocating the proceeds of the Accommodations Tax Funds.

Mr. Heitzke moved to approve. Mr. Safay seconded.

The Mayor invited the chairman of the ATAX committee, Bud Shay, to address the Town Council. Mr. Shay reviewed the committee's recommendations.

After lengthy discussion, the Town Council made the following changes to the ATAX committee recommendations:

Mr. Williams moved to reduce the Art League funding to \$43,700.00 because some of the application funds were to be used for facilitating their relocation to the Mall. However, the Art League has postponed their decision about moving for at least three months. Mr. Ferguson seconded the motion. The motion failed by a vote of 3-4.

Mr. Safay moved to grant the full funding request but disbursement of the costs associated with the move was contingent on the Art League's actual move to the Mall. Mr. Harkins seconded. The motion passed by a vote of 4-3.

Mr. Safay moved to grant an additional \$1,000 to the Harbourtown Fireworks. Mr. Williams seconded. The motion was approved by a vote of 7-0.

Mr. Safay moved to grant an additional \$1,000 to the Skull Creek Fireworks. Mr. Williams seconded. The motion was approved by a vote of 7-0.

Mr. Heitzke moved to add \$5,000 to The Choral Society. The motion died for lack of a second. Mr. Safay moved to add \$2,000 to the Choral Society. Mr. Heitzke seconded. The motion was approved by a vote of 6-1. Mr. Williams was opposed.

Mr. Safay moved to fund up to \$5,000 to the Town to pay for overtime to the Sheriff's Dept. for the St. Patrick's Day Parade. The actual dollar amount to be spent was contingent on the percentage of tourists present for the event. Mr. Heitzke seconded. The motion was approved by a vote of 6-1. Mr. Laughlin was opposed.

Mr. Williams moved to reduce the Symphony Orchestra Band Shell Program grant by \$3,000 to \$15,000.00. Mr. Laughlin seconded. The motion was approved by a vote of 7-0.

Mr. Safay moved to grant an additional \$1,000 to the Shelter Cove Harbour Company Fireworks. Mr. Harkins seconded. The motion was approved by a vote of 7-0.

Mr. Safay moved to grant the Coastal Discovery Museum an additional \$2,250 for a total grant of \$165,000.00. It was stipulated that the funds could be used for either operating or capital grant request except that capital should be limited to repair and maintenance. Mr. Laughlin seconded. No new capital projects were approved by Council. Mr. Williams felt that the capital improvement projects relative to the Museum's buildings needed to be revisited. There were buildings that needed repair and Council needed to figure out a way to get it done.

There was no change made to the recommended funding for the Main Street Youth Theater operations. But it was noted that when the theater's current lease expires, the theater will need to relocate. The ATAX committee also noted that the future of the theater's continued

operation was not certain. Mr. Laughlin suggested that if there was a surplus in the ATAX funds, and the theater found itself in need of more funding at a later date to finance relocation, he would like Town Council to consider granting additional funding.

Mr. Ferguson expressed his hope that the Council could fund some amount for the Heritage Library. Mr. Heitzke moved to grant the Library \$20,000 and Mr. Ferguson seconded. The motion failed by a vote of 2-5. Mr. Williams then moved to provide \$15,000 to the Heritage Library. Mr. Safay seconded. The motion passed by a vote of 6-1. Mr. Laughlin was opposed.

Mr. Williams moved to award \$15,000 to the S.C. Repertory Theater. Mr. Laughlin seconded. The motion was approved by a vote of 7-0.

Regarding the forward funding applications, the Committee had recommended against any forward funding, with the exception of the annual Gullah Celebration. This event occurs too near or prior to the Council's award date, so advanced funding was essential. Mr. Laughlin moved to direct the Accommodations Tax Advisory Committee to reconvene prior to their next regularly scheduled meeting which was not until April, to further study forward funding to the other applicants. The committee would hear presentations and then prepare a recommendation to Town Council. The committee would also explore complaints from some organizations that the Hilton Head Island-Bluffton Chamber of Commerce was not satisfactorily marketing some of their events. Mr. Heitzke seconded the motion. It was passed unanimously.

The Mayor called for a vote on the final ATAX funding allocations as moved and seconded. The motion was approved by a vote of 7-0.

12) EXECUTIVE SESSION

The Town Manager stated that he did not need an executive session.

13) ADJOURNMENT

At 5:46 p.m., Mr. Williams moved to adjourn. Mr. Heitzke seconded. The motion was approved by a vote of 7-0.

Susan Blake, Secretary

Approved: 2/17/2010

Thomas D. Peeples, Mayor