

**THE TOWN OF HILTON HEAD ISLAND**  
**REGULAR TOWN COUNCIL MEETING**  
**AND CIP BUDGET WORKSHOP**

**Date:** Tuesday, June 1, 2010

**Time:** 4:00 P.M.

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

(\*Mr. Ferguson was delayed and joined the meeting during the discussion of Item 11.b.)

**Present from Town Staff:** Stephen G. Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Lavarn Lucas, *Fire Chief, Fire & Rescue*; Scott Liggett, *Public Projects & Facilities Director*; Nancy Gasen, *Director of Human Resources*; Susan Simmons, *Director of Finance*; Steven Markiw, *Deputy Director of Finance*; Teri Lewis, *LMO Official*; Jeff Buckalew, *Town Engineer*; Julian Walls, *Facilities Manager*; Paul Rasch, *Emergency Management Coordinator*; Marcy Benson, *Senior Grants Administrator*; Heather Colin, *Development Review Administrator*; Nicole Dixon, *Planner*; Sally Krebs, *Natural Resources Administrator*; Susan Blake, *Executive Assistant*

**Present from Media:** Laura Nahmias, *Island Packet*

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- 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. **National Garden Week**

Members of the Hilton Head Island Council of Garden Clubs accepted the proclamation.
- 6) **APPROVAL OF MINUTES**
  - a. **Regular Town Council Meeting of May 4, 2010**

Mr. Heitzke moved to approve. Mr. Williams seconded. The motion was approved by a vote of 6-0.
  - b. **Regular Town Council Meeting of May 18, 2010**

Mr. Heitzke moved to approve. Mr. Williams seconded. The motion was approved by a vote of 6-0.
- 7) **REPORT OF THE TOWN MANAGER**
  - a. **Town Manager's Items of Interest**

The Town Manager reported on some items of interest.
- 8) **REPORTS FROM MEMBERS OF COUNCIL**

**a. General Reports from Council**

Mr. Williams noted that at the last meeting, he reported that members of County Council received Airport Master Plan materials that were not shared with Town Council. He later learned that this was not correct. He wished to clear it up that no one was given advance documentation, Secondly, while he was driving on Lagoon Road he noticed most people were walking or riding their bikes in the road rather than using the bike path. He asked if the path could be striped or marked so that it was clear to people that this was where they should be walking or biking rather than on Lagoon Road-way itself.

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

Their next meeting was scheduled for June 15 but the Chairman thought it might be cancelled.

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

They would be holding another meeting in the very near future and hoped to have recommendations to Council at the next meeting.

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

Mr. Ferguson was not present at this time and the Mayor asked Mr. Safay to provide a report. Mr. Safay advised that the committee had received a presentation from the County requesting to allow Greenheath PUD to renew their developer agreement with a negotiated school capital construction fee. This would be coming forward with a favorable recommendation.

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

No report.

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

No report.

**9) APPEARANCE BY CITIZENS**

None.

**10) UNFINISHED BUSINESS**

**a. Second Reading of Proposed Ordinance No. 2010-11 to amend Title 16 of the Municipal Code of the Town of Hilton Head Island, South Carolina, the Land Management Ordinance, Chapters 4, 5, and 6 to revise various articles and sections. These amendments include changes that provide for amendments to: special events, open air sales, on-street parking and dune protection standards; and providing for severability and an effective date.**

Mr. Heitzke moved to approve. Mr. Safay seconded. The motion was approved by a vote of 6-0.

**b. Second Reading of Proposed Ordinance No. 2010-12 to amend Title 8 of the Municipal Code of the Town of Hilton Head Island, South Carolina, Chapter 1 to revise Section 413. This amendment includes changes that provide for general amendments to destruction of sea oats or other dune vegetation; and providing for severability and an effective date.**

Mr. Heitzke moved to approve. Mr. Williams seconded. The motion was approved by a vote of 6-0.

## 11) NEW BUSINESS

### a. **Consideration of a Resolution endorsing the creation of the Mayor's Task Force for the Future, the naming of the individuals to serve on the Task Force, and the charge put to them.**

Mr. Heitzke moved to approve. Mr. Williams seconded. Steven Riley advised that Mr. Ferguson had contacted him over the weekend and requested some revisions to the Resolution. The word "advisory" would be added to the second Whereas, second line, ".....to serve on this *advisory* group and provide...." And in the third Whereas, second line, "....establishment of this *advisory* Task Force." And in the "Now, therefore, be it resolved" paragraph, last sentence, add ".....to serve on this *advisory* Task Force,...." Mr. Ferguson had also noted a typographical error: the name "Kumar" was misspelled as "Kumbar." Mr. Williams moved to approve the amendments and Mr. Heitzke seconded. The amendments were approved by a vote of 5-1. Mr. Safay was opposed.

Mr. Laughlin expressed the desire to make it clear that although he did not find the proposal objectionable, he did not think it was necessary. He would be happy to vote for it if that would make everybody feel better. But there were no powers delegated to the Task Force and he thought it was within the purview of the Mayor to create it. The Mayor said he appreciated Mr. Laughlin's sentiments and agreed with them.

Mr. Safay strongly objected to this Resolution. Frankly, he agreed with Mr. Laughlin that it was well within the Mayor's purview to do this and it was almost an insult to ask them to pass this Resolution. He did not intend to vote for it.

Mr. Harkins said he did not know why they were dealing with this right now, with all due respect to Mr. Ferguson, who was not present. The Mayor responded that he agreed to include it on the agenda at the request of Councilman Ferguson.

Mr. Williams did not disagree with anything that had been said thus far. But as a courtesy to a fellow councilman, who felt as strongly about this as Mr. Ferguson did, that Council should at least consider it. And therefore, Mr. Williams intended to vote for it.

The motion failed by a vote of 3-3. Council members Laughlin, Williams and Heitzke were in favor and Mr. Safay, Mr. Harkins and Mayor Peeples were opposed.

### b. **First Reading of Proposed Ordinance No. 2010-04 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, by amending Section 16-4-102, The Official Zoning Map with respect to those certain parcels identified as Parcels 318, 319A, 319, 320, 317, 25, 336, 348, 347, 346, 345, 343, 344, and 359 on Beaufort County Tax Map 4, a portion of parcel 15 on Beaufort County Tax Map 5, and parcels 281, 280, 1A, 238, 1, 1B, 172, 171, 173, 174, 175, 176, 190, 121, 115, and 120 on Beaufort County Tax Map 8, from IL (Light Industrial) to the OCIL (Office/Light Commercial/Light Industrial) Zoning District; and providing for severability and an effective date.**

Mr. Heitzke moved to approve. Mr. Safay seconded. Mr. Ferguson arrived and apologized for being late. It was noted that there were several parcels that could be affected by a potential airport runway extension, should that ever occur. Mr. Laughlin did not object to the proposal as

it was, but he was troubled that they would be disallowing airport related uses that were currently allowed. Because of the proximity to the airport of some of these properties, they seemed to be prime candidates for airport related uses. The question was asked why airport uses were being removed. Steve Riley said that the main reason it was not included was because as originally conceived, the parcels under consideration were nowhere near the airport and the parcels closer to the airport were not in the original proposal. Nicole Dixon explained that the property owners had been contacting the Town staff for years asking to allow for more uses in that area and that was the entire reason behind this rezoning proposal.

Mr. Harkins said that this zoning change could be defined generically as an “upgrade” and he was in favor of it, but he was not in favor of diminishing the potential uses that were currently available to the people who owned these properties.

The motion was approved by a vote of 6-1. Mr. Harkins was opposed.

Mr. Laughlin moved that Town Council pass a Resolution requesting that the Planning Commission take a look at the properties, particularly the ones from the entrance to the airport down to the intersection of Beach City and Dillon Roads with a view to making a recommendation to Council as to whether aviation services and airport related uses should be permitted on these properties. Mr. Safay seconded. The motion was approved by a vote of 7-0.

**c. Review of Capital Improvements Program (CIP) Plan.**

Mayor Peeples reported that he was recusing himself from this agenda item because next year, when he was no longer a member of Town Council, his business would be submitting bids to work on some of these projects. Mayor Pro Tem Ken Heitzke chaired this portion of the meeting.

Scott Liggett, Director of Public Projects and Facilities, gave a power point presentation on the proposed Capital Improvements Program for Fiscal Year 2011. Questions were raised about some details for a pathway project and a number of stormwater utility fee projects, which Scott Liggett answered. Mr. Safay questioned the value of allocating \$610,000 for the Mathews Drive Connectivity project, particularly in the tight economic climate we were in right now. He noted that the Council has repeatedly asked this project be delayed. Steve Riley mentioned that there was a major investment forthcoming by Palmetto Electric in this area partly because of the Town’s stated plans to spruce up the area and improve roads and drainage. Also, this project was heavily funded by TIF and there was a timing issue to expend the funds before the TIF expired. Mr. Williams requested that Scott Liggett provide them with a brief report on what the total project entailed so they could make a more informed judgment of the project’s merits. Steve Riley said they were, in fact, working on an update of the entire TIF status – where we are, what we’ve spent, what we have left remaining – and how Mathew Connectivity project fits into that whole picture would also be detailed.

Mr. Williams questioned whether there was enough funding in the proposal for the Honey Horn entrance off US278. Scott Liggett thought there was but said he would take another look at it.

Mr. Ferguson noted the need for directional signage identifying the fire stations, especially for visitors unfamiliar with the area. He requested that signage be considered and Scott Liggett responded that he would be happy to discuss this with Fire Chief Lucas.

Mr. Williams requested a \$25,000 capital project for engineering studies of dredging at Harbour Town in the South Beach Marina area.

Mr. Ferguson asked a question about the condition of the Cordillo tennis court facility. Scott Liggett replied that the Island Rec Center has corrected the deficiencies and there were no safety issues.

Mr. Safay suggested that Mr. Williams' request should be discussed publicly, perhaps at a Public Facilities Committee meeting in the very near future.

After completion of the CIP budget discussion, Mr. Ferguson requested a reconsideration of item 11.a since that was a tied vote and failed. The Mayor moved to approve the request to reconsider Item 11.a. and Mr. Ferguson seconded. The motion to reconsider was approved by a vote of 5-2; Mr. Harkins and Mr. Safay were opposed.

The Mayor re-read the proposed Resolution for consideration in New Business Item. 11.a. Mr. Williams moved to approve. Mr. Heitzke seconded. Mayor Peeples asked if the maker and the seconder of the motion approved the inclusion of the proposed amendments to the Resolution previously discussed to add the word "advisory" in three places and correct the spelling of Mr. Viswanathan's first name. Mr. Williams and Mr. Heitzke concurred. Mr. Laughlin stated that he wished to reiterate his position that he did not think council approval was necessary but he intended to vote yes in the interest of putting this matter to rest. Mr. Safay said he also thought the Mayor was fully within his rights to form this group and he would not be voting for it because he found it offensive to the Mayor and totally unnecessary. Mr. Ferguson said in defense of the proposal, they have a Council-Manager form of government; they have a Town code; they have State statutes that spells these things out exactly the way they are to be handled and we can't just change them to do them the way we want to.

Mayor Peeples pointed out that they sought legal advice on this matter and it was the legal opinion that they do not need to do what was being asked of them to do. Mr. Harkins said he was not going to vote for this, without prejudice to any party; he thought it was unnecessary.

The motion failed by a vote of 3-4. Mr. Laughlin, Williams and Ferguson voted in favor; Mayor Peeples, Mr. Heitzke, Harkins and Safay were opposed.

## **12) EXECUTIVE SESSION**

Mr. Riley said that he needed an executive session for contractual matters regarding land acquisition; contractual matters pertaining to a request for an easement over town-owned land; contractual matters pertaining to requests for rights of entry over town-owned land; legal matters pertaining to a contract with SCDOT over Parcel E; legal matters pertaining to pending litigation; legal matters pertaining to business license enforcement.

Mr. Ferguson reported on a Lowcountry Council of Government (LCOG) meeting he attended. The LCOG has a program where they assist individuals to get financing for building homes and for obtaining the funds for down payments. This program was available in Colleton, Jasper, Hampton and parts of Beaufort County, but not on Hilton Head Island. The LCOG wished to send a representative to make a presentation. Mayor Peeples asked Mr. Ferguson to have the appropriate individual contact the Mayor at his office.

At 6:22 p.m., Mr. Heitzke moved to go into Executive Session for the reasons stated by the Town Manager. Mr. Williams seconded. The motion was approved by a vote of 7-0.

Mayor Peeples called the meeting back to order at 7:27 p.m. and asked if there was any business to take up as a result of executive session.

Mr. Ferguson moved that the Town Council for the Town of Hilton Head Island adopt a resolution authorizing the Mayor and Town Manager to execute and deliver a right of entry to Habitat for Humanity across real property owned by the Town of Hilton Head Island, South Carolina located on Marshland Road for the purpose of taking surveys and conducting tests for possible future acquisition. Mr. Harkins seconded. The motion was approved by a vote of 6-0. (Mr. Laughlin had not returned to the dais at this time.)

Mr. Heitzke moved that the Town Council for the Town of Hilton Head Island adopt a Resolution authorizing the Mayor and Town Manager to execute and deliver a right of entry to Central Oak Grove Baptist Church across real property owned by the Town of Hilton Head Island, South Carolina located on Mathews Drive for the purposes of taking surveys and conducting tests for possible future use as a parking lot. Mr. Williams seconded. The motion was approved by a vote of 6-0-1. Mr. Ferguson abstained because he is a member of the church congregation.

**13) ADJOURNMENT**

At 7:28 p.m., Mr. Heitzke moved to adjourn. Mr. Williams seconded. The motion was approved by a vote of 7-0.

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Susan Blake, Secretary

Approved:

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Thomas D. Peeples, Mayor