

THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING

Date: Tuesday, September 21, 2010

Time: 4:30 P.M.

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

Present from Town Staff: Stephen G. Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Jill Foster, *Deputy Director of Community Development*; Scott Liggett, *Director of Public Projects and Facilities*; Susan Simmons, *Finance Director*; Nancy Gasen, *Director of Human Resources*; Shawn Colin, *Comprehensive Planning Manager*; Ed Boring, *Deputy Fire Chief*; Brad Tadlock, *Deputy Fire Chief*; Tom Fultz, *Director of Administrative Services*; Julian Walls, *Facilities Manager*; Paul Rasch, *Emergency Management Coordinator*; Shea Farrar, *Senior Planner*; Connie Pratt, *Code Enforcement*; Brian Hulbert, *Staff Attorney*; Susan Blake, *Executive Assistant*

Present from Media: Tom Barton, *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**
- 6) **APPROVAL OF MINUTES**
 - a. **Regular Town Council Meeting of September 7, 2010**

Mr. Harkins moved to approve. Mr. Williams seconded. The motion was approved by a vote of 6-0-1. Mr. Heitzke abstained because he was not able to attend that meeting.
- 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 Report of the Parks & Recreation Commission – John McCann, Chairman**

The Chairman reported on the highlights of where they are and what they have accomplished in the past six months.
 - c. **Semi-Annual Report of the Planning Commission – Al Vadnais, Chairman**

Chairman Vadnais presented a report on the activities of the Commission during the first half of 2010.
 - d. **September 2010 Policy Agenda, Management Targets and CIP Updates**

Steve Riley noted the September updates were included in the agenda package and invited Council to contact him or staff if they had any questions.

8) **REPORTS FROM MEMBERS OF COUNCIL**

a. **General Reports from Council**

Mr. Williams noted Town Council would be considering the final proposed Airport Master Plan, probably sometime the end of October and in the Master Plan were recommendations to extend the runway. Since the Town's current LMO ordinance limited the runway to 4,300 ft., he thought we should start researching procedures and timelines needed to revise the ordinance, in the event a revision became necessary. The Mayor agreed with Mr. Williams' suggestion and the Town Manager said he would look into it.

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

The Committee would be holding a special meeting on September 22 to review the S.C. Tax Re-alignment Commission's proposed changes to the accommodations tax funding formula.

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

Mr. Laughlin advised that he erroneously reported at the last Town Council meeting that all vacancies had been filled. The Personnel Committee did have one recommendation for a Design Review Board seat and this would be discussed during executive session.

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

No report. The next meeting was cancelled due to a lack of agenda items.

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

The Committee reviewed a proposal to add twenty five parking meters to the Islanders Beach Park in order to become eligible for a beach renourishment grant. This would be coming forward with a favorable recommendation to the next Town Council meeting.

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

No report.

9) **APPEARANCE BY CITIZENS**

None.

10) **UNFINISHED BUSINESS**

a. **None.**

11) **NEW BUSINESS**

a. **Consideration of a recommendation that the Town Council for the Town of Hilton Head Island award \$22,714 to Main Street Youth Theater (MSYT) as a supplemental 2010 State Accommodations grant.**

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

b. **Consideration of a recommendation that Town Council authorize staff to proceed with the Port Royal Fill Project as approved in the current budget and amend the funding sources.**

Mr. Heitzke moved to approve. Mr. Williams seconded. The Mayor asked Finance Director

Susan Simmons to present the staff's 2011 Beach Renourishment Financing proposal. They were recommending that the Town proceed with the \$12.5 million Port Royal Fill Project as presented and amend the funding sources associated with the project. The proposal was to transfer \$1 million from Beach preservation fees, fund \$11 million with Beach Preservation Fee Bond proceeds and \$1 million from grant revenues. The additional \$500,000 expense was to cover bond issue costs. (At 5:20 p.m. during this presentation, technical difficulties with the Council Chambers sound system caused the recording system to be shut down. There was a brief adjournment to see if the problem could be fixed. It was determined that it could not, so the remainder of the meeting was not tape recorded.)

Staff was also recommending that the next beach renourishment be scheduled for 2015 and then on a recurring eight year cycle, on average. Debt for each renourishment should have an eight year maturity such that the final payment coincides with the issuance of new bonds for the next renourishment.

Additionally, the funding source for \$1,450,000 of Coligny Beach Park FY2009 expenditures be amended from Beach Fee to TIF revenues and a budget reduction of beach fee transfer in FY11 to \$1,232,000.00.

Brent Robertson, Merchant Capital Financial Advisors, talked about the Beach Preservation Fee Debt structure from 2011 to 2032 utilizing a staggering of bond issues vs. overlapping to ensure rapid payback and full financing of projected needs through 2032.

There were a few questions for Ms. Simmons from the council members, which she answered.

The motion as approved by a vote of 7-0.

12) EXECUTIVE SESSION

Mr. Riley said that he needed an executive session for contractual matters pertaining to land acquisition; legal advice pertaining to on-going litigation; contractual matters pertaining to the Developer Agreement with the Shelter Cove Mall and personnel matters pertaining to appointments to boards and commissions.

At 6:12 p.m., Mr. Heitzke moved to go into Executive Session for the reasons stated by the Town Manager. Mr. Ferguson seconded. The motion was approved by a vote of 7-0.

Mayor Peeples called the meeting back to order at 6:43 p.m. and asked if there was any business to take up as a result of executive session. He also stated for the record that Mr. Safay had to leave after executive session and therefore, was not on the dais.

Mr. Laughlin moved that the Town Council for the Town of Hilton Head Island appoint Martha Schymik to the Design Review Board. Mr. Heitzke seconded. The motion was approved by a vote of 6-0.

13) ADJOURNMENT

At 6:44 p.m., Mr. Heitzke moved to adjourn. Mr. Williams seconded. The motion was approved by a vote of 6-0.

Susan Blake, Secretary

Approved: October 5, 2010

Thomas D. Peeples, Mayor