

TOWN OF HILTON HEAD ISLAND
INTERGOVERNMENTAL RELATIONS COMMITTEE

Minutes of the Tuesday, April 19, 2011
Regular Meeting

Members Present: George Williams, *Chairman*; Ken Heitzke, Lee Edwards, *Council Members*

Members Absent: None

Others Present: Bill Harkins, Kim Likins, Bill Ferguson, *Council Members*, Joe Croley, *Hilton Head Area Association of Realtors*, Marshall Stone, *Sea Pines Resident*, Natalie Hefter, *Coastal Discovery Museum*, Charlie Calvert, *Professor and Department Chair, Hospitality Management, USC-Beaufort*, Carrie Olivetti, *Adjunct Professor of Events Management & Law, USC-Beaufort*

Staff Present: Stephen Riley, *Town Manager*, Greg DeLoach, Esq., *Assistant Town Manager*; Faidra Smith, *Administration Manager/Public Information*; Scott Liggett, *Director of Public Projects & Facilities*; Jeff Buckalew, *Town Engineer, Public Projects & Facilities*; Cary Gaffney, *Storm Water Administrator, Public Projects & Facilities*; Kimberly Kominski, *Administrative Assistant*

Media Present: Tom Barton, *Island Packet*

1. Call to Order

The meeting was called to order at 2:30 p.m.

2. Freedom of Information Act 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.

3. Approval of Minutes

February 22, 2011 Regular Meeting

Mr. Heitzke moved to approve and Mr. Williams seconded. The motion was approved by a vote of 2-0. (Mr. Edwards was not a committee member.)

4. Chairman's Report

Chairman Williams welcomed new Committee member Lee Edwards.

5. Unfinished Business

a. Status of 2011 General Assembly Issues

Greg DeLoach updated the Committee on activities since the last meeting. He stated that Mayor Laughlin sent letters expressing the Town's opposition to proposed legislation reducing the Local Government Fund and the proposed cuts in the CDBG program. The Mayor also sent a letter of thanks to Representative Herbkersman for introducing the Heritage Golf Tournament Preservation Act and his continued support of the tournament.

Mr. DeLoach stated that Bobby Bowers, Director of S.C. Office of Research and Statistics is available to meet with the committee regarding the redistricting process and that it would be beneficial to do so. As there currently is no meeting scheduled for July, the committee is flexible and will meet with him at his convenience.

6. New Business

a. Proposed Collaboration Between the Town and USC-Beaufort (USC-B)

Town Manager Steve Riley stated that conversations have been going on for several months with representatives of USC-B and Town Staff to find a way to create greater cooperation and to enhance our special events and festivals, while also improving training opportunities for the hospitality industry. He explained that money to implement this proposal would come from both the University and the Town, and Town Funding would come from the festival and event fund that is a part of our 1% local ATAX ordinance, which had been flowing to the Hospitality Association to assist with festivals and training. He stated the Hospitality Association no longer meets the criteria for continued funding. He also said that staff believes collaboration with USC-B is our best solution for the long-term and addresses several of the issues identified in Council's goals and by the Mayor's Task Force, and that staff and University officials see this as a first step in a more ambitious effort to bring a university presence back to the Island.

Charles Calvert, Ed.D, Professor and Department Chair, Hospitality Management, USC-B, stated that the USC-B Hospitality Management program would support special events on the Island as well as offer hospitality training programs. He gave an overview of the program and stated that the University is very excited with the potential of this collaboration as enrollment has been steadily increasing. He stated that the Island's reputation as an international destination offers a unique opportunity for students to gain practical experience in the field of Hospitality Management. Carrie Olivetti, Adjunct Professor of Events Management and Law, reiterated that interest in the program has increased and combining resources of the University and Town will be beneficial.

The Committee discussed the following:

- Location – Many buildings are available;
- Funding Options – 1% local ATAX ordinance, transfer funds from General Fund or Public Safety, include in Town budget;
- Criteria for Participating Organizations – All organizations considered, look to match student interest with organization/event;
- Time Frame to Implement – USC-B would like program up and running in time to offer in fall semester.

Motion was made by Mr. Heitzke to recommend to full Town Council that we enter into an agreement with USC-Beaufort to enhance hospitality and tourism training and special events management on Hilton Head Island. Motion seconded by Mr. Edwards. The motion was approved by a vote of 3 - 0.

b. Verbal Staff Report on Town/Beaufort County Storm Water Utility Intergovernmental Agreement – Jeff Buckalew, Town Engineer, Public Projects & Facilities

Jeff Buckalew explained that the existing Agreement has been in place since September, 2001 and is due to expire September, 2011. All of the municipalities within the County have similar agreements with the County, and they have agreed to let Hilton Head Island take the lead on revising the agreement.

On March 6th, the Town forwarded a proposed Agreement to the County and municipalities for consideration. A meeting of the County and all of the municipalities was held on March 18th to discuss the Agreement, and the County submitted the following comments on April 6th:

1. Change term from 10 years to 1 year – The Town does not feel this is practical, as it would create a need for constant negotiation. The Town recommends the ten-year term be kept because the Agreement provides that it can be amended at any time during this term. There exists a Storm Water Implementation Committee, which consists of representatives of the County and the municipalities and meets monthly. The Town has recommended that this group bring recommendations for amendments to the Agreement to their respective managers and councils, if necessary, before the term expires.
2. The Agreement should identify baseline water quality standards to be followed. The Town should agree to regulate minimum water quality controls protective enough to reach and maintain State designated water uses. This is an acceptable standard for the Town.
3. The management cost of the storm water utility borne by the County needs to be allocated equitably between the County and the four municipalities. The County does not believe the one percent administrative fee proposed by the Town is sufficient to cover these costs. For the past ten years, in accordance with the current agreement, the Town has paid a flat 5% administrative fee to the County each year. The original annual storm water fee for single family unit was \$40.00 and is now \$108.00. The County's cost to collect and distribute the funds is no different for either rate. Therefore, the Town has asked the County to provide a budget for the deliverables and services provided to the Town, in order that the fee schedule can be changed from a flat percentage to actual cost basis.

Town staff will continue to work with the County and will be present at the May 17, 2011 Committee meeting to provide a status update.

H.4033 Widening and Dredging Waterways/Municipal Improvement Districts (MID)

Chairman Williams explained that in the near future, CSA will be forwarding a resolution to the Town, supporting the establishment of an MID to assist in financing dredging in the Sea Pines area. Legislation has been proposed by Representative Patrick which adds the word “waterways” to existing MID legislation specific to widening and dredging canals.

He further explained the reason behind establishing an MID is that master covenants are difficult to change, property owner assessments are not tax deductible, and an MID, which is considered a tax, is deductible. He stated that he is concerned that if the legislation passes, and the Town chooses to set up an MID, there will not be enough time to do so. Therefore, he would like to request that staff be directed to begin the process of establishing an MID for dredging in the Sea Pines area, in order to avoid a delay in implementation, should the proposed legislation be adopted.

After discussion, the committee concurred with Mr. Williams' request.

7. Adjournment

At 3:30 p.m., Mr. Heitzke moved to adjourn and Mr. Edwards seconded. The motion was approved by a vote of 3-0.

Approved:

George Williams, Chairman

Respectfully submitted:

Kimberly A. Kominski,
Administrative Assistant