

THE TOWN OF HILTON HEAD ISLAND
TOWN COUNCIL BUDGET WORKSHOP

Date: Wednesday, May 21, 2014

Time: 5:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; George Williams, Kim Likins, Lee Edwards, Marc Grant, John McCann, *Council Members*

Absent from Town Council: Bill Harkins, *Mayor Pro-Tem*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*, Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Charles Cousins, *Director of Community Development*; Lavarn Lucas, *Fire Chief*; Tom Fultz, *Director of Administrative Services*; Susan Simmons, *Director of Finance*; Bret Martin, *Deputy Director of Finance*; Jeff Buckalew, *Town Engineer*; Brad Tadlock, *Deputy Fire Chief – Operations*; Natalie Majorkiewicz, *Systems & Reporting Administrator*; Nancy Gasen, *Director of Human Resources*; Brian Hulbert, *Staff Attorney*; Brian McIlwee, *Assistant Town Engineer* Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: None

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 5:00 p.m. Mayor Laughlin stated Mr. Harkins had previously notified him that he would not be in attendance at the workshop.

2) 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.

3) Review of Budget of Beaufort County Sheriff’s Office

Suzanne Cook, Financial Officer distributed and reviewed the revised budget request for FY15. She noted the increase of \$501,400 and explained it was due to an increase in health insurance in the amount of \$50,000, an approximate increase of \$13,833 for the employer share for retirement and \$437,567 for three new special enforcement officers.

Sheriff Tanner spoke concerning the quarterly crime statistics and reporting of such. He said the reports would now include an additional page with total calls for service, number of arrests, and patrols.

Funds specified for traffic enforcement were discussed. Mr. Williams suggested that the funds currently used for the traffic enforcement team be redirected to fund the proposed special enforcement unit. Sheriff Tanner stated he was in favor of the idea but the existing contract would need to be amended.

4) Capital Improvements Program (CIP)/Storm Water Utility(SWU) Review

Scott Liggett reviewed a summary of the larger projects within the CIP Program stating they represent projects not yet completed from the original TIF district and those newly added.

Mr. Liggett reviewed the CIP Program Summary noting the funds to be rolled from FY14 and new funds assigned combined for total project costs. He emphasized the amounts were estimates. Within the program summary he detailed the projects regarding beach maintenance, existing facilities improvements, park development, new facilities improvements, pathways and roadway improvements.

Mr. McCann suggested removing the \$40,000 cost for the power pedestal at Mathews Drive from the budget and placing it on the capital needs assessment plan list.

Mr. Liggett noted that in the budget distributed the new funding for Chaplin Linear Park was listed at \$1,200,000. He explained that the \$800,000 moved out of the rolled funds for the budget amendment earlier in the year should have been replaced in the new funds making the total \$2,000,000. Mr. Williams suggested downsizing the first phase of Chaplin Linear Park and assigning those funds to Coligny improvements.

Mr. Liggett explained staff recommended new funding for the pathway project on US278 from Fresh Market to Shelter/Cove Chaplin area in the amount of \$1,320,000 and an additional \$400,000 for pathway safety improvements and noted the locations for the safety improvements.

In reviewing the roadway improvements, Mr. Liggett explained the \$250,000 proposed for the Bluffton Parkway Phase 5A Beautification is the first infusion of the funding of up to \$1,000,000 Council had previously committed to the project.

Mayor Laughlin expressed concern about funding the Heritage Plaza Road Extension in the form it had been discussed. Mr. Riley explained a traffic study of the entire region is being conducted and he suggested the project not be eliminated entirely. He added there is also a traffic study to be conducted in the Shelter Cove Town Center area and it would assist staff in determining how to program and fund any improvements needed.

Mr. Williams stated he would like to discuss funding for the First Tee. Mrs. Likins stated she needed to recuse herself from the discussion due to a potential conflict of interest and left the dais. (The required Potential Conflict of Interest form will be attached to the signed/approved minutes.)

Mr. Williams stated the he would like Council to enter into a matching grant with First Tee in the amount of \$150,000. He stated there would need to be a business plan approval and the match would be for actual dollars brought in and not pledges effective with FY15 budget approval. He explained his reasoning is that RBC is deeply involved with First Tee and the community is coming forward with great support of the program. He stated he felt the Town should show their support for the community youth. Mayor Laughlin and Mr. Edwards voiced concern that other charity groups would come forward requesting the same type of funding. Mr. Williams said that each request would need to be judged on its own merits and noted the Town has assisted other organizations whether it be by land or grant. Mr. Edwards stated he feels it is more of an investment in the community rather than a contribution to a charity. Mr. Grant stated he felt it is a great venture for the Town because First Tee gives youth the opportunity to explore a very expensive sport and get engaged in something different.

Mr. Williams proposed the Town create a reserve fund for future dredging needs within the Town so that in future years, the Council at that time can allocate the funds. He suggested the funds come from beach fee side of accommodations tax in the amount of \$200,000 annually. Mr. Edwards and Mrs. Likins agreed with Mr. Williams. Mr. Riley said if the funds would come out of beach fees, there would need to be an amendment to the Town ordinance concerning beach fee distribution.

Mr. Liggett conducted a summary of the Storm Water Utility reviewing the salary and benefits, operating expenses, debt service, capital and infrastructure improvement, inventory and modeling, maintenance and repairs and pump station expenses. He noted the fee was unchanged at \$108.70 per single family unit. He explained the changes in how funds are expensed going forward. Questions from Council were addressed.

Mr. Frank Babel spoke in support of the Chaplin Linear Park pathway.

Ms. Heather Rath also spoke in support of the Chaplin Linear Park Pathway, the crossing on Palmetto Bay Road to the Newhall Audubon Preserve and encouraged completion of the pathway from Fresh Market to Shelter Cove.

5) Adjournment

Mr. Williams moved to adjourn. Mr. McCann seconded. The workshop was adjourned at 7:16 p.m. by a vote of 6-0.

Vicki L. Pfannenschmidt
Executive Assistant

Approved:

Drew A. Laughlin, Mayor