

THE TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL BUDGET WORKSHOP

Date: Thursday, May 29, 2014

Time: 4:00 P.M.

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

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

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*; Lavern Lucas, *Fire Chief*; Susan Simmons, *Director of Finance*; Bret Martin, *Deputy Director of Finance*; Julian Walls, *Facilities Manager*; Shawn Colin, *Deputy Director of Community Development*; Nancy Gasen, *Director of Human Resources*; Brian Hulbert, *Staff Attorney*; Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: Dan Burley, *Island Packet*

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 5:00 p.m. Mayor Laughlin stated Mr. Harkins and Mr. Williams had previously notified him that due to prior commitments they 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 Budgets of Affiliated Agencies

a. USCB Event Management and Hospitality Training Program

Keri Olivetti, Director, USCB Center for Event Management & Hospitality Training and Charles Calvert, USCB Department Head for Hotel, Restaurant and Tourism reviewed the program and budget request.

b. Solicitor's Office – Drug Court and Career Criminal Program

No one was present to review request.

c. Hilton Head Island Economic Development Corporation

John Joseph, Treasurer, conducted a power point presentation reviewing the request. He encouraged Council to consider awarding the requested amount of \$441,012 as opposed to the budgeted amount of \$391,012.

d. Coastal Discovery Museum

Michael Marks, President and CEO reviewed the specifics of his operating budget request along with the \$67,700 request for capital improvements.

e. Community Foundation of the Lowcountry Public Art Exhibition

Susan Simmons spoke on behalf of the Foundation noting the request was for \$75,000 - for a two year period and the FY14-15 budget includes the amount of \$37,500.

f. Palmetto Breeze (LRTA)

Rochelle Ferguson, Executive Director, highlighted recent achievements noting an upward trend of ridership and passenger growth. She stated it is estimated they will provide more than 100,000 one-way passenger trips to Hilton Head Island and a total of 170,000 trips this current fiscal year. She explained the numerous partnerships with other agencies. She explained the agency is looking at a budget deficit for the upcoming year. She thanked Council for their continuing support of public transportation. Mayor Laughlin suggested the budget be increased to \$200,000. Mrs. Likins agreed stating the operation of the agency is efficient. Mr. Edwards said if the funds are available he is in agreement with the increase.

g. Island Recreation Association

Frank Soule, Executive Director conducted a presentation concerning his budget request. He reviewed the services, programs and events provided by the Association and explained how different areas are expanding and participation has increased.

a. Shore Beach Services, Inc.

Ralph Wagner reviewed the specifics of the budget request.

Mrs. Simmons reviewed the upcoming dates for revised first and second readings. She reviewed suggested changes and said she would have them prepared for Council's review at the June 10 Budget Wrap Up.

7) Executive Session

Mr. Riley stated he needed an Executive Session for contractual matters related to the purchase of land within the Pope Avenue Corridor; contractual matters regarding a proposed lease with Choate Construction Company for town owned land; and personnel matters related to Boards and Commissions.

At 5:52 p.m. Mr. Edwards moved to go into Executive Session for the reasons given by the Town Manager. Mrs. Likins seconded. The motion was approved by a vote of 5-0.

Mayor Laughlin called the meeting back to order at 6:44 p.m. and stated as a result of Executive Session Council would address the remainder of the agenda. He added he would be recusing himself from Item 4 due to a potential conflict of interest and he had previously recused himself from all Executive Session discussion on the item. (The required Potential Conflict of Interest form will be attached to the signed/approved minutes.) He passed the gavel to Mr. Riley and vacated the dais.

Mr. Riley explained that with the Mayor not participating and Mr. Harkins, Mayor Pro Tem absent, Council would need to elect a temporary Mayor Pro Tem. Mr. Edwards moved to elect Kim Likins as Temporary Mayor Pro Tem. Mr. McCann seconded. The motion was approved by a vote of 4-0. Mrs. Likins accepted the gavel from Mr. Riley and continued the meeting.

4) Consideration of a Resolution for the purchase of land within the Pope Avenue Corridor

Mr. Edwards moved that the Town Council of the Town of Hilton Head Island, South Carolina, authorize the Town Manager to execute a contract for purchase of the Kiawah Building, also known as Unit 1, Carolina Office Park, Hilton Head Island, South Carolina from RL Properties, LLC for one million two hundred ten thousand dollars (\$1,210,000.00). Mr. McCann seconded. The motion was approved by a vote of 4-0. (Mayor Laughlin recused. See above.)

Mayor Laughlin returned to the dais at this time.

5) Consideration of Proposed Ordinance 2014-13

Consideration of Proposed Ordinance 2014-13 of the Town of Hilton Head Island, South Carolina, authorizing the execution of a lease with Choate Construction Company for property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Section 5-7-40 (Supp. 2011), and Section 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mrs. Likins moved to approve. Mr. McCann seconded. Mr. Steve Aasheim, President of the POA for the Hilton Head Island Motorcoach Resort spoke of their concerns about the use of the Town's property as an active construction site for assembly of rebar and construction of metal trusses, and as a storage site for construction materials. He stated he and Suzanne Bishop, Director of the Resort, have worked with representatives of Sea Pines and Choate Construction on specifics concerning altering hours of operation at the site. He stated they have come to an agreement and suggested Choate Construction with the help of Sea Pines provide in writing the items discussed and agreed to. Mayor Laughlin stated the need to move forward with the lease due to the time frame and asked if both parties could have a separate agreement concerning the Resort's requests. Cliff McMackin, Director of Resort Development, Sea Pines Resort stated they have been working together and they would work with the Resort to develop a separate agreement concerning their requests. The motion was approved by a vote of 5-0.

6) Consideration of Appointments to Boards and Commissions

Mr. Edwards moved that Town Council nominate Todd Theodore for appointment by Beaufort County Council to the Southern Beaufort County Corridor Beautification Board for a four (4) year term.

Mr. Edwards further moved that the following persons be appointment for three (3) year terms on the Planning Commission: Jim Gant, and Peter Kristian as at-large members; and Caroline McVitty, as the attorney appointee. Finally, Todd Theodore as the landscape architect appointee to fill the unexpired term of Brian Witmer on the Planning Commission.

Mrs. Likins seconded. The motion was approved by a vote of 5-0.

8) Adjournment

Mr. Edwards moved to adjourn. Mr. McCann seconded. The workshop was adjourned at 6:58 p.m. by a vote of 5-0.

Vicki L. Pfannenschmidt
Executive Assistant

Approved:

Drew A. Laughlin, Mayor