

**TOWN OF HILTON HEAD ISLAND
FINANCE AND ADMINISTRATIVE COMMITTEE MEETING**

Date: June 16, 2015 **Time:** 2:00 p.m.
Members Present: John McCann, *Chairman*; Bill Harkins, Tom Lennox, *Council Members*
Members Absent: None
Staff Present: Steve Riley, *Town Manager*; Greg Deloach, *Assistant Town Manager*; Tom Fultz, *Director of Administrative Services*; Brian Hulbert, *Staff Attorney*; Nancy Gasen, *Director of Human Resources*; Jill Foster, *Deputy Director of Community Development*; Victoria Shanahan, *Accounting Manager*; Erica Madhere, *Finance Administrator*
Others Present: Kim Likins, *Council Member*; Eleanor O'Key, *Lowcountry Inside Track*; Members of the public
Media: Zach Murdock, *Island Packet and Beaufort Gazette*

1. Call to Order:

The meeting was called to order at 2:05 p.m.

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. Approval of Minutes:

- a. Mr. Harkins moved to approve the Minutes from the Finance and Administrative Committee Meeting on June 9, 2015 at 2:00pm. Mr. Lennox seconded, and the motion passed with a vote of 3-0.

4. Unfinished Business:

None

5. New Business:

a. 1% Sales Tax discussion

The Committee discussed ideas, criteria, and potential projects to be funded by the proposed 1% Sales Tax. Mr. Harkins spoke about the need for realistic criteria to be able screen ideas. He communicated his belief that the criteria should mandate the project: 1. demonstrates value for the whole county, 2. demonstrates an activity beyond the normal scope of the operating budget, and 3. is tangible and easy for the community to understand as a necessity for the region. Mr. Harkins recommended two projects that adhere to the criteria. His first suggestion was for costs associated with planning an upgrade or replacement of the bridge to Hilton Head Island, as the consequences of losing the bridge, even for a short time frame, would be financially catastrophic for the County. His second suggestion was for costs related to the Arts because the Arts provide a profound asset to the whole community, and need to flourish on a regional basis in order to be successful. Mr. Lennox agreed with Mr. Harkins' criteria and recommended projects, and also suggested

the sewer initiative as a third project to consider. The Committee discussed whether or not the sewer project would have regional impact, and ultimately agreed that it is certainly a community issue since the lack of a working sewer system would cause suffering of health, quality of life, marine life, and the environment, and would also cause the loss of revenue.

Mr. Harkins made a motion to recommend the bridge, arts, and sewer items to Town Council as potential projects to be funded by the proposed 1% Sales Tax, and Mr. Lennox seconded. The motion passed with a unanimous vote.

b. Public communications RFP discussion

Tom Fultz, Director of Administrative Services for the Town, explained the different methods of solicitation that could be used for the public communications service search. A Request for Proposals (RFP) is the most definitive method that sets forth defined tasks, deliverables, and scope of work. Another option is the Request for Qualifications (RFQ), which is less definitive and is a search based on experience and an assessment of past performance on similar projects. The Committee stated the second method, the RFQ, is the method that should be used.

Mr. McCann explained the idea for a public communications contract started as a way to get good news out to the public, so that the community can realize the importance of the issues at hand. The purpose would be to create awareness, understanding, and support. The Committee's idea is that Town Council members would create a list of major projects for which the stories need to be told, and that the full Council would control how the money is spent. It was suggested that a set percentage could also be used for Mayoral communications and speeches.

Greg Deloach, Assistant Town Manager, stated the procurement portion of the contract should be straight-forward, however, the administration portion may need more discussion down the line. Mr. Fultz stated he had received enough information to get started on a draft RFQ and could be able to submit it to the Committee the following week, if it was so desired.

Mr. McCann asked for public comment, and Kim Likins explained that public relations is all about crafting the message, and it is important for the firm to be able to identify and communicate potential pitfalls upfront. Jocelyn Staiger suggested speaking with fellow municipalities and counties that are already using this type of service, and getting their advice.

Mr. Harkins moved to allow Mr. Fultz to begin working on a draft RFQ for a public communications service and Mr. Lennox seconded. The motion passed with a vote of 3-0.

6. Executive Session:

At 2:32 p.m., Mr. Harkins moved to enter into Executive Session to discuss negotiations incident to proposed contractual agreements. Mr. Lennox seconded and the motion was approved by a vote of 3-0.

Mr. McCann called the meeting back to order at 2:58 p.m., and announced there was no action taken as a result of the Executive Session.

7. Adjournment:

Mr. Harkins made a motion to adjourn and Mr. McCann seconded. All members voted in favor and the meeting was adjourned at 2:58 p.m.

Approved: June 23, 2015

Respectfully submitted:

John McCann, Chairman

Erica Madhere, Secretary