

**THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING**

Date: Tuesday, June 15, 2010

Time: 4:00 P.M.

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

Absent from Town Council: Ken Heitzke, *Mayor Pro-Tem*

Present from Town Staff: Stephen G. Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Curtis L. Coltrane, *Assistant Town Manager*; Lavarn Lucas, *Fire Chief, Fire & Rescue*; Charles Cousins, *Director of Community Development*; Scott Liggett, *Public Projects & Facilities Director*; Susan Simmons, *Director of Finance*; Teri Lewis, *LMO Official*; Julian Walls, *Facilities Manager*; Jill Foster, *Deputy Director of Community Development*; Brad Tadlock, *Deputy Fire Chief*; Paul Rasch, *Emergency Management Coordinator*; Darrin Shoemaker, *Traffic and Transportation Engineer*; Angie Stone, *Senior Human Resources Administrator*; Heather Colin, *Development Review Administrator*; Nicole Dixon, *Planner*; Jennifer Lyle, *Assistant Town Engineer*; Brian McIlwee, *Assistant Town Engineer*; Bates Rambow, *Storm Water Engineer*; Brian Hulbert, *Staff Attorney*; Susan Blake, *Executive Assistant*

Present from Media: Laura Nahmias, *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. **Special Town Council Budget Workshop of May 19, 2010**

Mr. Williams moved to approve. Mr. Ferguson seconded. Mr. Harkins noted a correction in the Town Manager’s report on the Debt Service. The corrected minutes were approved by a vote of 6-0.
 - b. **Special Town Council Budget Workshop of May 25, 2010**

Mr. Williams moved to approve. Mr. Ferguson seconded. The motion was approved by a vote of 6-0.
- 7) **REPORT OF THE TOWN MANAGER**
 - a. **Town Manager’s Items of Interest**

The Town Manager reported on some items of interest.

b. Request for Support: Bringing the F-35 to MCAS- Beaufort

The Beaufort Regional Chamber of Commerce asked for a contribution of \$5,000 from each of the local governments in Beaufort County to support re-establishment of a Military Enhancement Committee (MEC), a lobbying group. The MEC would be working to bring the F-35 fighter jets to the Marine Corps Air Station-Beaufort. The funding would come from year end savings in the FY2010 Town budget.

Mr. Safay moved to approve the request for funding of \$5,000.00. Mr. Harkins seconded. The motion was approved by a vote of 6-0.

c. June 2010 Policy Agenda, Management Targets and CIP Updates

Steve Riley noted the updates were included with the Agenda package materials. He encouraged council members to contact him if they had any questions.

8) REPORTS FROM MEMBERS OF COUNCIL

a. General Reports from Council

Mr. Ferguson expressed his support for the County Treasurer.

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

The committee reviewed the legislation that they have been watching and noted the Sembler /Chamber 1% bill was still outstanding for action. It could still be considered in this year's session this week. They also took up for consideration the subject which was Item 11.b. on the agenda. Mr. Williams said he would have comments on that when it comes up for discussion.

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

The Personnel Committee would be making their recommendations for appointments to Boards and Commissions.

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

No report.

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

No report. The Mayor said that he and Mr. Safay had a discussion earlier that day about the possibility of scheduling a special meeting in August to discuss the recycling bid proposals.

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

No report.

9) APPEARANCE BY CITIZENS

None.

10) UNFINISHED BUSINESS

- a. Second Reading of Proposed Ordinance No. 2010-04 to amend Title 16, “The Land Management Ordinance,” of the Municipal Code of the Town of Hilton Head Island, South Carolina, by amending Section 16-4-102, The Official Zoning Map with respect to those certain parcels identified as Parcels 318, 319A, 319, 320, 317, 25, 336, 348, 347, 346, 345, 343, 344, and 359 on Beaufort County Tax Map 4, a portion of parcel 15 on Beaufort County Tax Map 5, and parcels 281, 280, 1A, 238, 1, 1B, 172, 171, 173, 174, 175, 176, 190, 121, 115, and 120 on Beaufort County Tax Map 8, from IL (Light Industrial) to the OCIL (Office/Light Commercial/Light Industrial) Zoning District; and providing for severability and an effective date.**

Mr. Safay moved to approve. Mr. Laughlin seconded. The motion was approved by a vote of 6-0.

11) NEW BUSINESS

- a. Consideration of a recommendation that the Town Council for the Town of Hilton Head Island, S.C. endorse a recommendation from the Beaufort County Council Development Agreement Negotiating Committee to allow the Greenheath PUD on Lady’s Island to renew their Development Agreement for negotiated school capital construction fees.**

Mr. Laughlin moved to approve. Mr. Williams seconded. The motion was approved by a vote of 6-0.

- b. Consideration of a recommendation that the Town Council for the Town of Hilton Head Island, S. C. authorize correspondence to the Director of the Lowcountry Council of Governments (LCOG) supporting the inclusion of specified highway improvement projects in the Statewide Transportation Improvement Plan (STIP).**

Mr. Williams moved to approve. Mr. Ferguson seconded. Mr. Williams reported that the Intergovernmental Relations Committee reviewed the proposed plan with staff. He pointed out that since the reorganization of the S.C. Department of Transportation, the STIP monies must go through a committee review at the LCOG and then be approved by the whole council. There was also now a state highway commission process that ranked all projects in the STIP for order of priority. Because of timing, this matter was fast-tracked from Committee to Council on the same day.

The motion was approved by a vote of 6-0.

- c. Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, South Carolina, to award the contract to Elliott Davis, LLC for Financial Audit Services for the years ending June 30, 2010 through 2013.**

Mr. Williams moved to approve. Mr. Ferguson seconded. Mr. Safay asked if Elliott Davis was a local firm. Susan Simmons responded that this company has had the contract for audit services for the past three years and they were a statewide company. Ten companies responded to the RFP of which one firm was located in Beaufort County.

Mr. Harkins asked if the audit was purely a Town audit or would they audit other agencies that the Town provided direct or indirect financial support. Mr. Harkins said his question was prompted by something Mr. Ferguson had pointed out - Chapter 1 of the General Provisions, Section 4-1-30 which stated that Town was required to have an independent audit for the Town

and for any agency that the Town provided “all or in part” funding to. Mr. Harkins noted that the Town gives out a lot of money to a lot of different agencies. He wondered if they should revisit these general provisions required and ask if they wanted to keep them or not. And if they want to keep it, should they suggest limiting the scope of it so that the Town only audits agencies to which the Town was a substantial contributor. Susan Simmons responded that staff did look at that code after Mr. Ferguson brought it to their attention and agreed it may be something they should review. The State Code only stipulated audits for agencies the Town funded “in whole.” As a point of information, they were also seeking bids for an independent financial audit of the Island Recreation Association. It was going through the review and approval process at this time.

The motion was approved by a vote of 6-0.

d. First Reading of Proposed Ordinance No. 2010-16 to amend the budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2010; to provide for the expenditures of certain funds; and to allocate the sources of revenue for the said funds; and providing for severability and an effective date.

The Mayor recused himself from the discussion and vote because his construction company may bid on some of these projects in the future and handed the gavel to Mr. Ferguson. Mr. Williams moved to approve. Mr. Harkins seconded.

There were a few questions for clarification. The motion was approved by a vote of 5-0-1. The Mayor abstained from voting.

At this time, it was 4:30 p.m. and Mayor Peeples returned to the dais and suggested adjourning to executive session until it was time for the Public Hearing.

12) EXECUTIVE SESSION

Mr. Riley said that he needed an executive session for contractual matters regarding land acquisition; a request for a right of access across town-owned land; and personnel matters pertaining to the appointments to boards and commissions.

At 4:30 p.m., Mr. Williams moved to go into Executive Session for the reasons stated by the Town Manager. Mr. Safay seconded. The motion was approved by a vote of 6-0.

Mayor Peeples called the meeting back to order at 4:57 p.m. and asked if there was any business to take up as a result of executive session.

Mr. Williams moved that the Town Council for the Town of Hilton Head Island adopt a Resolution authorizing the granting of a temporary access easement to Rufus Boyd Laughlin across real property owned by the Town of Hilton Head Island, South Carolina located within the heirs of Alex Patterson subdivision on Marshland Road for the purposes of installing and maintaining a driveway. Mr. Harkins seconded. Council member Drew Laughlin asked that the record reflect that to the best of his knowledge Mr. Laughlin was not a relation to him. The motion was approved by a vote of 5-1. Mr. Ferguson was opposed.

Mr. Laughlin moved that Town Council approve the proposed appointments to Boards and Commission. A complete listing of the appointments is attached. Mr. Safay seconded. The motion was approved by a vote of 6-0.

**e. 5:00 PM: PUBLIC HEARING ON THE MUNICIPAL BUDGET FOR
FY2010-2011**

At 5:00, the Mayor gaveled the public hearing open and asked if anyone wanted to comment on the proposed budget for fiscal year 2010-2011. There being no one who wished to speak, the Mayor closed the Public Hearing.

f. Revised First Reading of Proposed Ordinance No. 2010-14 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2011; to establish a property tax levy; to establish funds; to establish a policy for acquisition of rights of way and easements; and providing for severability and an effective date.

Mayor Peeples again recused himself from the discussion and vote and handed the gavel to Mr. Ferguson, who read the title of Proposed Ordinance No. 2010-14. Mr. Williams moved to approve. Mr. Harkins seconded.

Mr. Williams brought up the fact they were being asked to fund the budget amendments with reserve spending. Mr. Riley said that what they were tapping into was the disaster advertising reserve fund, not the Town's general reserve funds.

There was a discussion about the Port Royal Beach renourishment project and Scott Liggett answered Council's questions. Mr. Safay asked about the dredging study funding and confirmed that this was not suggesting that they have endorsed dredging but rather that they will study it. Mr. Riley concurred.

The motion was approved by a vote of 4-1-1. Mr. Williams was opposed and Mayor Peeples abstained from voting. Mr. Ferguson asked Mr. Williams if he cared to explain his opposition and Mr. Williams said that he did not feel they should be giving salary increases to staff, even though it was very small; he was not comfortable with dipping into the reserves and he thought they were over-estimating property tax income. Essentially, Mr. Williams did not think the budget was conservative enough.

13) ADJOURNMENT

At 5:21p.m., Mr. Williams moved to adjourn. Mr. Harkins seconded. The motion was approved by a vote of 6-0.

Susan Blake, Secretary

Approved:

Thomas D. Peeples, Mayor