

THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING

Date: Tuesday, June 21, 2016

Time: 4:00 P.M.

Present from Town Council: David Bennett, *Mayor* Bill Harkins, *Mayor Pro Tem*; David Ames, Marc Grant, Tom Lennox, Kim Likins, John McCann, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Charles Cousins, *Director of Community Development*; Brad Tadlock, *Fire Chief*; Brian Hulbert, *Staff Attorney*; Susan Simmons, *Director of Finance*; Tom Fultz, *Director of Administrative Services*; Ed Boring, *Deputy Fire Chief – Support Services*; Jeff Buckalew, *Town Engineer*; John Troyer, *Deputy Finance Director*; Erica Madhere, *Finance Administrator*; Derrick Coaxum, *Assistant Facilities Manager*; Melissa Cope, *Systems Analyst*; Cindaia Ervin, *Finance Assistant*; Vicki Pfannenschmidt *Executive Assistant*

Present from Media: Teresa Moss, *Island Packet*

1) CALL TO ORDER

Mayor Bennett called the meeting to order at 4:00 p.m.

2) PLEDGE TO THE FLAG

3) INVOCATION

4) FOIA Compliance – Public notification of this meeting has been published, posted and distributed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

5) Proclamations and Commendations

a. Civil Air Patrol Week

Major Crystall Eudy, Squadron Commander and Captain Mitchell Brach were present to accept the proclamation.

b. Beaufort County School District Character Education Student of the Month

- Hilton Head Island Early Childhood Center
Jaxson Payne – Kindergarten

Kim Bratt, Principal of Hilton Head Island Early Childhood Center gave remarks concerning Jaxson Payne. Jackson was present to accept the award.

6) Approval of Minutes

a. Town Council Special Meeting, May 31, 2016

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the May 31, 2016 Special Town Council meeting were approved by a vote of 6-0-1. (Mrs. Likins abstained as she was not present at the meeting.)

b. Town Council Meeting/Public Hearing, June 7, 2016

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the June 7, 2016 regular Town Council Meeting and Public Hearing were unanimously approved by a vote of 7-0.

c. Town Council Special Meeting, June 14, 2016

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the June 14, 2016 Special Town Council meeting were unanimously approved by a vote of 7-0.

7) Report of the Town Manager

a. Town Manager's Items of Interest

Mr. Riley reported on the items of interest listed below.

(1) Town News

(2) Noteworthy Events

8) Reports from Members of Council

a. General Reports from Council

Mr. Ames stated he attended the Mitchelville Juneteenth Celebration. He added that it was extremely educational, well-attended and encouraged all citizens to become citizens of Mitchelville for the cost of \$18.62.

Mrs. Likins acknowledged the passing of one of her constituents, Joe Fromme, who was 92 years young. She said he retired and moved to Hilton Head Island in 1991 and had a trademark smile and always greeted everyone by saying "Cheers".

b. Report of the Intergovernmental Relations Committee – Bill Harkins, Chairman

No report.

c. Report of the Community Services Committee – Kim Likins, Chairman

Mrs. Likins reported the Venue Committee met the previous week and had an excellent meeting with team updates/presentations and have begun to invite their community organizational speakers to upcoming meetings. She stated they heard from the World Affairs Council and Greg Russell did a presentation regarding the musicians and entertainers on the Island.

Mrs. Likins asked Council for support to release the Request for Qualifications (RFQ) for consultants for the Venue Committee. She explained it needed to be done as to meet the timeline for the annual Town Council Workshop. It was the consensus of Town Council to proceed with the release the RFQ.

Mrs. Likins stated the Arts and Cultural summer public relations plan has been finalized and she placed a copy in the Council mail slots. She noted the firm would be on-site on Thursday and asked Council to review and provide input prior to the meeting.

d. Report of the Public Planning Committee – Tom Lennox, Chairman

Mr. Lennox stated there was a special meeting held on June 16 and held a video conference call with the Orton Family Foundation representatives and discussed the development of a community vision and how they have worked with communities nationwide. He explained they are a technical foundation that gives assistance free of charge. He said the next scheduled meeting is June 22 and the agenda item will be single phased communication.

e. Report of the Public Facilities Committee – David Ames, Chairman

No report.

f. Report of the Public Safety Committee - Marc Grant, Chairman

No report.

g. Report of the Finance and Administrative Committee - John McCann, Chairman

No report.

h. Report of the Circle to Circle Committee - Tom Lennox, Town Council Liaison

Mr. Lennox commended Jim Gant and his leadership of the Committee. He stated the input from the forums has been analyzed and recommendations were submitted to the Planning Commission on June 15 and will come forward to Council for review and consideration.

9) Unfinished Business

a. Second Reading of Proposed Ordinance 2016-18

Second Reading of Proposed Ordinance 2016-18 to amend Title 4 Finance and Taxation of the Municipal Code of the Town of Hilton Head Island, South Carolina by amending Chapter 12 (Allocation of South Carolina Accommodations Tax Revenues), Section 4-12-20 Management of the Special Fund for Tourism Promotion; and provide for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

b. Second Reading of Proposed Ordinance 2016-16

Second Reading of Proposed Ordinance 2016-16 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, by amending Section 16-1-107, the Official Zoning Map with respect to those certain parcels identified as Parcels 118, 227, 30, 4D, 149E, 149B, 149D and 149 on Beaufort County Tax Map 7, to rezone the parcels from RM-8 (Moderate Density Residential) zoning district to the MS (Main Street) Zoning District; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

c. Second Reading of Proposed Ordinance 2016-19

Second Reading of Proposed Ordinance 2016-19 to amend Title 4 (Finance and Taxation) of the Municipal Code of the Town of Hilton Head Island, South Carolina by renaming Title 4; creating within Title 4 a new Chapter 11 (Road Usage Fee) which establishes a road usage fee; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. Rochelle Williams and Randy Tardy commented on the fee. The motion was unanimously approved by a vote of 7-0.

d. Second Reading of Proposed Ordinance 2016-09

Second Reading of Proposed Ordinance 2016-09 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina, for the Fiscal Year ending June 30, 2017; 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.

Mr. Harkins moved to approve. Mr. McCann seconded. Mr. Ames expressed reservations regarding the line item funding \$300,000 to Hilton Head Plantation over a period of three years. He stated he felt there was no real evidence of a threat to storm water drainage as presented and he spoke with the Town Engineer who shares his view. Mr. Ames stated he felt it was not sure that the issue had been discussed in depth and expressed concern about

setting a precedent. He added that there is a need to engage Town Staff and the appropriate committee to review prior to dispersing funds. Mrs. Likins emphasized her support for the funding derives from the storm water drainage issues. Mr. Harkins emphasized the need to assist due to the vulnerability of the storm water system drainage and the potential damage to the marsh due to salt water intrusion. Mayor Bennett expressed his concern about the lack of the process for analyzing whether or not there is an issue or legal basis for providing funding. He stated the Town Engineer was not even consulted or invited to participate regarding the determination. He noted he is fine with leaving the funds in the budget but suggested Mr. Liggett work in conjunction with the appropriate committee to analyze and report back to Town Council with a recommendation on how to move forward.

Ray Pittman, of Pittman Engineering conducted a presentation regarding the need for assistance and funding and the potential threat to the marsh. Mr. Kristian explained that Hilton Head Plantation was asking for a little help and was not asking for the Town to take over beach maintenance. Mr. Ames asked if this was a one-time request or a precedent that the Town will be obligated to make this contribution in the future. Mr. Kristian stated that he believed at this point and time it is a one-time contribution. After further discussion, Mr. Ames moved that the line item be retained as is, with a proviso that the process go back to staff and the appropriate committee and present its recommendation back to Town Council. Mrs. Likins seconded for discussion.

A number of residents expressed their support and/or concerns regarding the subject.

The original motion regarding second reading of the budget was unanimously approved by a vote of 7-0.

Mr. Ames' motion regarding retaining the line item with a proviso was defeated by a vote of 2-5. (Mr. Harkins, Mrs. Likins, Mr. Grant, Mr. McCann and Mr. Lennox were opposed.)

10) New Business

a. Consideration of a Recommendation –Accommodations Tax Advisory Committee

Consideration of a Recommendation from the Accommodations Tax Advisory Committee for the Chamber of Commerce Visitor and Convention Bureau's proposed 2016-17 "30 Percent" Budget.

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

b. Consideration of a recommendation from the Finance and Administrative Committee that Town Council notify the Hilton Head Island-Bluffton Chamber of Commerce (Chamber) that in accordance with paragraph 6 of the contract for professional services (contract, effective December 1, 2015 between the Town and the Chamber), that it is the desire of this council that the Town shall notify the Chamber during November 2019 that it intends to terminate the contract and follow state law section 6-4-10 and the Town's procurement code in the selection of its designated marketing organization.

Mr. Harkins moved to approve. Mr. McCann seconded. Mr. Lennox suggested to amend the motion to add wording after "it intends to terminate the contract" to read "it intends to terminate the contract upon the expiration of the original term". Mr. Hulbert explained there is not legal need for the addition but it does make the intention more clear. Mr. Harkins asked Mr. Hulbert if there was, in existence, a five year contract. Mr. Hulbert confirmed the contract was for five years and this does not terminate the contract early. Mr. Harkins asked that it be reflected in the minutes this is not a termination of the contract in November of

2019. All of Council was in agreement to add the suggested wording to the motion.

Randy Tardy asked what happens if the Chamber doesn't do anything for the next five years. Mayor Bennett explained that within the contract there were performance standards. The amended motion was approved by a vote of 7-0.

c. Discussion by Town Council of a recommendation to encourage the Hilton Head Island Economic Development Corporation (HHIEDC) to undertake the necessary steps to dissolve itself and transfer HHIEDC assets to the Town of Hilton Head Island.

Mr. Harkins moved to encourage the Hilton Head Island Economic Development Corporation (HHIEDC) to undertake the necessary steps to dissolve itself and transfer HHIEDC assets to the Town of Hilton Head Island. Mr. McCann seconded. Mr. Harkins noted that Council is at a point and time where they are focusing on a visioning process and the HHIEDC has done a great deal on work on behalf of the Town and this should not be viewed with any prejudice and Council is grateful for what they did accomplish. Don Kirkman stated the dissolution is a legal matter and will be determined by the governing body of the organization. He stated the board will meet on Friday and invited Council to attend the meeting. Mr. Kirkman said they will review the legal aspects of dissolution and explained the staff has working with Town Staff to identify potential expenses and liabilities that will extend beyond June 30. He suggested the officers and directors liability insurance policy be renewed and it can be cancelled upon the actual dissolution date. He also requested documentation that the Town will be responsible for the obligations going forward during the dissolution process. Mr. Riley confirmed the Town will do what is needed in the correct manner as soon as the HHIEDC Board agrees to dissolve. Mayor Bennett thanked Mr. Kirkman for his efforts noting he is a man of integrity. The motion was unanimously approved by a vote of 7-0.

11) Appearance by Citizens

Rochelle Williams addressed Council regarding the condition of Green Shell Park.

Tai Scott addressed Council regarding Gullah Geechee Catering.

12) Executive Session

Mr. McCann moved to reschedule the Executive Session for discussion regarding the Town Manager Performance Evaluation Process until dates are scheduled for Council members. Mr. Harkins seconded. The motion was unanimously approved by a vote of 7-0.

13) Possible actions by Town Council concerning matters discussed in Executive Session

There was no Executive Session per the motion above.

14) Adjournment

Vicki L. Pfannenschmidt
Executive Assistant/Town Clerk

Approved: 07/19/2016

William D. Harkins, Mayor Pro-Tem