A work session of the Beaufort City Council was held on June 9, 2015 at 5:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Council members Mike McFee, George O'Kelley, Stephen Murray, and Phil Cromer, and City Manager Bill Prokop.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80(d) as amended, all local media were duly notified of the time, date, place, and agenda of this meeting.

CALL TO ORDER

Mayor Keyserling called the work session to order at 5:00 p.m.

UPDATE FROM DESIGNATED MARKETING ORGANIZATION (DMO)

Robb Wells, Beaufort Regional Chamber of Commerce, said he would present the annual report of the DMO. The Chamber of Commerce is "results-driven," he said, and the results they use are occupancy, ADR (average daily rate), RevPar (what the owners are making at the property), virtual guest books ("a research platform" at various locations), leads-inquiries-engagement (which are all based on ad buys), and "industry trends and insights."

Beaufort's target demographic is ages 55+, $75,000 and up income, and appropriate MSA market penetration, Mr. Wells said. Since 2012, hotel revenues are up 16%, and room demand has climbed over 9%; visitors directly spend $38 million on lodging and dining. Tax revenues are $2.6 million for lodging and dining (only from the hospitality and state and local accommodations taxes). $1.7 million in dining is from visitors; Councilman Murray asked how that was determined. Mr. Wells said the STAR report "drives total party size" and doesn't count day-trippers, so they can use the number of overnight visitors to calculate dining.

Mr. Wells continued with figures related to lodging: There are 1300 rooms in the Uptown area, "the VRBO market is exploding," and there are 200 rooms downtown. For the fiscal year, occupancy is up 10%, and the ADR is up 5%. RevPar is up 15%. For spring (March–May), occupancy was up 13%, with ADR up 6%, and RevPar up 20%.

Mr. Wells showed the organization's budget – $678,000 total, of which 39% comes from the city. The county's share is 36% (which Mr. Wells said is "down because (county) Accommodations Tax is down about $100,000."), the state's is 7%, and private funding accounts for 17%. The state's contribution "continues to go down," he said, "as people participate in the TAG (Tourism Advertising Grant)."

Mr. Wells showed comparisons of money spent on tourism with Charleston, Savannah, Hilton Head Island, and Georgetown; Beaufort's is very small in comparison.

A 5-page story ("Small Towns We Love") in *Southern Living* "was a big help," Mr. Wells said. He said that $4.2 million worth of free publicity value has been generated. Councilman Murray said, "You spend $678,000 to get $4.2 million." Mr. Wells said not all of the $678,000 "is spent obtaining publicity value"; $35,000 is spent on that, he estimated.

Tourism Update:
CPL (cost per lead) is under $10 ($6.03). This doesn't include the Black Chamber and Main Street Beaufort lead fulfillment, per TDAC's interest in more collaboration. Mr. Wells said the Chamber purchases "no ad unless it will produce a lead."

Fiscal year numbers:
Social growth – average 1.6k
BeaufortSC.org – up 14% - traffic to the site (new visitors are what they are going for, Mr. Wells said)
Organic growth – up 28% - This is "when someone hears about Beaufort and types in a search that way," he said. It's not a referral from another site like Trip Advisor.

Family travel planning via the Internet is 58%, Mr. Wells said. The trend is more families travelling, and they are looking for more family activities, so the Chamber is focusing on bloggers and travel writers "to tell that story."

He showed the breakdown of the use of online sources: desktop 48%, mobile 33%, tablet 19%. Google has said that mobiles are now "outpacing desktops for Internet use."

49% of visitors to Beaufort are first-time visitors, Mr. Wells said, which "shows the planning of the Visitors' Center, and that number will go up." Second- and third-time visits, he said, "are due to execution on the part of the vendors" (i.e., hospitality and restaurants). Mr. Wells called this "an ongoing number."

2015-2016 marketing strategy
Mr. Wells showed the plan, i.e., collaborative, strategic, sustainable, research-driven, ambitious yet achievable, and involving community engagement. Goals are to sustain and grow first-time visitors, expand meetings and group business, help build and sustain countywide collaborative cultural heritage marketing initiative (There need to be "assets to promote," Mr. Wells said, and there needs to be "a concerted effort." This is not being met at this time, but it "will bring Beaufort to the forefront," he feels.), and "build shoulder-season with repeat visitation."

Room demand is up, Mr. Wells said, but supply is flat; as part of tourism development, they need to "increase offerings and make those that are here already better"; grow while retaining authenticity; increase connectivity infrastructure – visitors leave "connected" places and then come to a place that has only 20% fiber. "This is a big thing for visitors who are seeking information on their mobile devices," he said.

In 2012, there were 24 VRBOs, Mr. Wells said, and now there are 96 in the Beaufort area (including Port Royal). "They are filling the rooms gap", but they don't "move the needle." Occupancy is 65% at its highest uptown; increases are only 3-5%, but he said that's the case in Georgetown, too, which has "more rooms to begin with" in their area and those areas surrounding it.

Mr. Wells said looking at room demand percentage is what's most common; Beaufort is losing occupants to Bluffton, "because (lodging is) half the price of Beaufort." Even "the vast majority of military families" are going to Bluffton Wednesdays – Fridays. "Four or five uptown properties are economical and cater to those visitors," Mr. Wells said. $59 is the base nightly rate there, Hilton Garden Inn is $149, and downtown is about $145 - $175. Beaufort prices go up when demand goes up, he said in response to Mayor Keyserling's question about whether rates go up when military graduation families are here; Councilman Murray said yes, as demand goes up, prices go up. The 9% demand number "is pretty substantial," Mr. Wells said, and not the case "when I call around to other places."

Mr. Wells described where the day-trippers are coming from, and said it includes a small proportion from Columbia, which, he said, "indicates that people are willing to drive two hours for a day trip." Councilman Cromer asked what size of building groups are looking for when they want to have meetings. Mr. Wells replied that room for 125 – 250 is the space available in town for groups. Reunions are about 35–45, "and that is the wheelhouse for several properties in the area." The problem is not with sizes of spaces, he said. There's been high turnover for the director of sales positions, so the group business, which is based on relationships and actively seeking groups, has floundered. Some properties have had multiple directors of sales, multiple general managers, etc. "You have to have a lot of relationships built in to make this work," Mr. Wells said, and "people aren't staying in those jobs." The downtown properties are banking on weddings and groups; guided bike tours are also big.

Mr. Wells said Greenville, Atlanta, and Charlotte are drive-in overnight markets; there's been an uptick from Charlestonians visiting. He knows of someone from Charleston who drives down to Beaufort twice a month to eat at Old Bull Tavern. Councilman O'Kelley said he's talked to "many, many people who are staying a week on Hilton Head but day-tripping here." Councilman Murray said this is the case at the kazoo factory as well.

Councilman Cromer asked how the Santa Elena Foundation is coming along; Mayor Keyserling said they're looking at opening in 2016.

Mr. Wells said hospitality and accommodations tax make up 15% of the city's budget. New properties coming into town can have an impact on both. Councilman Murray asked if the hoteliers in town are being shown these numbers. Mr. Wells said yes: The downtown parties down all participate in Smith Travel Research. "The properties that are doing well don't call the Visitors' Center," he added.

Councilman Cromer asked about eco-tourism. Mr. Wells said, "It does well for Beaufort," and gave the example of kayaking. Now agro-tourism is "intersecting" with it, he said.

Mayor Keyserling said he and Mr. Wells had talked about collaboration on historic/heritage tourism. He asked how much is based on collaboration with others, and also asked Mr. Wells to describe the perfect package (not for today), but "if people say they're coming for history, what

do we need that is missing now that is a private sector opportunity to better package this product?" Mr. Wells replied, "The private sector can link opportunities," which "will be advantageous to all of us." The DMO can collaborate with them, and all will benefit.

Mr. Wells described local efforts: They send out visitor guide leads to organizations like the Black Chamber of Commerce and Main Street Beaufort; they "will give out marketing data" and "might even write the TDAC grant" for a collaborator. Rack cards go through their office often. They have bought co-op ads to promote festivals in the past, but they cancelled that, "because it didn't bring in leads." For "attractions that don't have the dollars to spend . . . we help them tell their story through our marketing efforts."

SENIOR LEADERSHIP ECONOMIC DEVELOPMENT PROJECT

Geoff Grout said the Senior Leadership group wanted to contribute its expertise to the community to help it. Their topic this year was economic development. They sought to answer the question: What laws, policies, and ordinances support or hinder economic growth in Beaufort County? Their approach was to gather stakeholder input, consolidate findings, evaluate results, and make recommendations. They interviewed 22 groups and 9 individuals, and that information was distilled into their findings.

Findings:

- Awareness that education is important to this effort
- Heavy reliance on the military, real estate sales, retail tourism, and health care
- Expensive and multiple planning documents
- A lack of trust among the parts of the economic party – at state, county, and municipal levels
- A business community that is disengaged from the economic development conversation
- No record of accomplishment in creating and sustaining public/private partnerships
- Economic development approached as a marketing exercise

Economic development "is not one thing," Mr. Grout said, "and it's not a product." It's "an ongoing and supported program to help and make better a general level of health, economy, security, and business in a community or region."

Mr. Grout said economic development requires "symbiotic relationships." He would have liked to have spent more time looking into workforce housing and education, but they focused on infrastructure and job creation. The public sector sets the table and the private sector moves forward on it, he said.

Of the plans, the county's 2010 comprehensive plan is what his team "landed on," Mr. Grout said. It talks about improving and increasing good jobs, good wages, and the tax base; how to protect the environment, history, culture, and the base economy. All the plans they looked at had very little about implementation – ways to make these things happen – but they all talked about public-private partnerships.

All successful economic development programs share 10 things, of which Mr. Grout named the most important:

- Prepare properly – Is the public organized enough to make significant transactions? If not, can they hire the proper team? (The best attorney, etc.)
- Create a shared vision
- Establish a clear, rational decision-making process
- Secure consistent coordinated leadership

Preparation

- Assess organization capability
- Identify and prioritize goals
- Resource funding and incentives
- Secure qualified staff and/or available expertise
- Create public vision
- Align codes and regulations to vision

Elected officials may not be the best to take on the economic development role, because the process is so long that they may be out of office by the time it's accomplished, Mr. Grout said.

Shared Vision

- Built through consensus
- Sustainable
- Realistic and flexible
- Clear and measurable objectives – No one could give Mr. Grout any metrics by which they would be judged.
- Strategies for implementation – Where will the funding come from? and so forth
- Communicate – early and often

Process

- Create a road map with milestones
- Defined roles, responsibilities, and performance standards
- Streamline approval process to minimize regulatory delays
- Built-in flexibility
- Continuous assessment of effectiveness

People in all communities talk about how beautiful *their* place is, and how nice it is to live *there*, Mr. Grout said, so that's not a real selling point for prospective businesses.

Leadership

- Facilitator, coach, enabler, or collaborator
- Consistent, focused advocacy
- Committed to the outcome

- Sustained perhaps beyond the lease of a political life

Mr. Grout said good leadership is all about "The buck starts here."

Team Recommendations

- Reorganize county economic development accountability through implementing a quasi-governmental strategy through an economic development corporation
- Frame a countywide "shared vision" under committed leadership
- Reconcile the vision with planning and zoning regulations
- Develop fast-track permitting processes for targeted businesses
- Delineate available economic development funding mechanisms and incentives
- Create a detailed inventory of available sites
- Create a required infrastructure capital budget
- Develop matrices by which success can be measured
- The competition between north of the Broad and south of the Broad is not good, Mr. Grout said, because it undermines the public-private partnerships and people's confidence.
- There is not a good inventory of commercial sites, Mr. Grout said. There are pockets of it, but they couldn't find out exactly what's available.
- Retain and empower experienced staff to implement plans: People come and go staff-wise; the LEA (Lowcountry Economic Alliance) is lost, and there's no one person responsible for economic development.
- Simplify the county's business tax structure: Mr. Grout called this a "toughie" – They need to have a consistent tax flow and to be able to "do some things without having to ask anybody."
- How are incentives managed?
- The give and take needs to be resolved, Mr. Grout said, and economic development thought of as a *process*, not a *product*.

Mayor Keyserling asked about the relationship between the municipalities and the county; the municipalities expect leadership to come from the county, as it does most places, but when the LEA fell apart, "all the municipalities felt they needed to go their own way." The mayors decided to form an intergovernmental group. The county council votes are "split 6-5 and will continue to be," Mayor Keyserling said. The municipalities seem to have a much higher stake in economic development than the county does. The businesses will come where the services are. He asked Mr. Grout to talk about an intergovernmental group.

Mr. Grout said the Senior Leadership group had taken a Beaufort County approach, but he said, "Bluffton is chugging along." Port Royal has some issues, and Beaufort has its own issues. Mayor Keyserling said Bluffton *is* chugging, but seemingly without a clear plan. They have the Don Ryan Center, but "their biggest asset was built," and "then the county did its own, 5 miles down the road." Mr. Grout said all the plans are good, "then someone decides to have a better idea, and the plans go to the wayside." Mr. Grout said someone needs to take a leadership role.

The resolution the night before from the county at council “looks great, but . . .” Mayor Keyserling said the resolution “has no teeth.”

Mr. Grout explained what he had to do in his career to clean up and build economic development and “it’s a hard thing. We found that people are attracted to the atmosphere.” They had no serious conversations before a Wall Street-related team arrived. No brokers would take anyone to the project, but then when there were businesspeople to whom they *could* talk, the project took off. There were accountability issues in another city. Also, Mr. Grout said, knowing to whom they are selling and why is important: Are you moving acres or creating jobs? They require different directions. Transparency and credibility are very important, too, Mr. Grout added.

Peter Somerville said municipalities must cooperate: Hilton Head Island wants to maintain their hotel and tourist properties. Bluffton is probably the biggest competitor for business. There’s no sewage in Northern Beaufort County north of Whale Branch, which takes all that property away from economic development opportunities unless BJWSA builds infrastructure in that area. Mayor Keyserling said, “The mayors don’t want to go their own way,” and they don't compete with each other. Bluffton and Hilton Head Island occasionally “scrap,” he said, *but* “no one has any property zoned for industry except Northern Beaufort County.” Beaufort doesn’t have the retail Bluffton has, or the beaches and golf courses that Hilton Head Island has.

Councilman O’Kelley said north of the Whale Branch, the county has an ordinance to keep rural land, so it can’t be developed if it’s protected. Mr. Grout said people in ecotourism need to have places to meet: “We need more hotel rooms, and there needs to be someone who’s coordinating this.” 60 people is “an ideal conference size,” he said, “and we have the ACE Basin here, so why isn’t that happening?” Someone needs to coordinate this, he reiterated. He said the attitude needs to be, “Why not?” Mayor Riley did everything in Charleston “with no money for 40 years.” People will pay for quality: Mr. Grout used the analogy of Disney, where no one *has* to go but millions do, “and spend a fortune” to do so.

UPDATE ON PARKING

Thursday night at 6:00 p.m., the parking task force will make its report, Mayor Keyserling said. SP+ has been in place since February 1. **Linda Roper** said SP+ “had a lot of challenges starting up,” and had to start from scratch, including setting up the office, as well as parking management. They are now anticipating the Parking Task Force recommendations.

Alice Wallace, SP+, said she has daily contact with the company’s regional and corporate staff, and they will be at the Thursday meeting and then again on Monday.

Findings so far: A few ordinance issues are different from what had been done, Ms. Wallace said (e.g., the rate structure), so there has had to be “tweaking,” such as with the small buses and the carriages, some of which were parking in the loading zones. Ms. Wallace said she has a copy of the ordinance, as do all staff members, so if something comes up, they check to be sure they’re 100% compliant. Mr. Prokop said what the ordinance says parking rates should have

been was different than the ordinance, so SP+ had to put the city back in compliance for any inconsistencies. Ms. Roper said the processes "had been tweaked, without following what the actual ordinance was," and SP+ has brought practices back in line. Ms. Roper said they anticipate the ordinance being changed – to align practices with recommendations – but they are waiting for the task force recommendations before bringing changes in.

Ms. Roper said the tour buses' practice of parking in loading zones was accepted, even though it was not a parking zone per the ordinance. Ms. Wallace said when they took over the office, it was bare bones, so they had to start over to set it up. Those expenses were incurred as well as equipment to repair the machines – they didn't even have a screwdriver. They now are in "pretty good shape," Ms. Wallace said, and should only have normal day-to-day expenses.

Two major events took place as they began and Ms. Wallace felt "they went well." There has been good feedback, and they're getting ready for the Water Festival. SP+'s staff has learned a lot from those two events, and they are looking forward to this one.

They have 68 monthly parking accounts for a total of 124 parkers, Ms. Wallace said. Events make parking more difficult for these monthly accounts. Councilman Cromer asked where they park when there are events; Ms. Wallace said there's 8-hour parking on Craven Street and West Street Extension. Not all festivals take all the 8-hour parking, and "there's a lot of turnover." There were "more local folks at the festivals," and 4 staff members "kept the flow going." They didn't know how many buses would come, so going forward, they will try to work together.

Ms. Wallace said meter repairs began immediately, signs were added *in* the display, and they were cleaned "every Sunday for 8 weeks . . . to make them look better." They put the two-hour free parking sign on the front, where it could be seen, with instructions, which she said people appreciated. They corrected the rates around the city where they were off, Ms. Wallace said. An issue on Bay Street was, if a meter didn't fit, they would put a 50-cents an hour meter in a $1.00 an hour location. Now have straightened out the RFIDs for tracking, and they know how much should be in a meter. When the meters are moved around like they were, tracking isn't possible. In the pay stations, the motherboard, put in a different machine, can take the revenues off, Ms. Wallace said, so it was important that "everything matched what it says in the program."

Ms. Wallace does the repairs herself and told what she has fixed and replaced. The systems were put in in 2009–2010. The ambient temperature in the pay stations can be *very* hot, and equipment that gets more use has more wear and tear. She explained how they had tried to avoid loss of use for the meters.

They went to a different, more mobile, upgraded system (T2) for citations, which is more mobile and better enforced. Tire tracking is not done with chalk; it's electronic, Ms. Wallace said.

Ms. Wallace described efforts made to educate people about the two-hour free parking,

including a meter hotline that goes to a meter tech. The hotline on the pay stations and meters has helped to explain to people about the free parking, she said. Also, if a battery is down on an older meter, a parker can call the hotline number, and staff tries to take care of it "before a parker is inconvenienced." Their repair time is less than 5 minutes, Ms. Wallace said. If enforcement is busy, they will get someone else from the team on a problem.

They began to send out notice letters, Ms. Wallace said, totaling more than 2,900 so far. They've written 966 citations since SP+ started, and only 6 are currently in appeal. Out of that, there are about 500 that are unpaid. They send out from 25 to 300 notice letters each day. They are getting feedback, and some of them are issues that should have been resolved at the time, like handicapped parkers whose placard wasn't seen, so they are trying to maintain goodwill and still collect revenues.

Councilman Cromer asked if they are doing set-off debt. Councilman O'Kelley asked the percentage of in-state and out-of-state tickets given. Ms. Wallace said she had pulled a report that said in May, they wrote 266 citations; 56 were out-of-state, and 210 were in South Carolina.

Councilman O'Kelley asked if they are able to track a person who gets numerous tickets and doesn't pay. Councilman O'Kelley said when Park Beaufort was there, "there was a guy who got $200 worth of tickets," and he kept them visible, on his dashboard, "so they booted him." Ms. Wallace said they "definitely have people who are boot-eligible." She said she is trying to locate all of the parts for the booting equipment. They are cleaning out the workshop on Prince Street, so they may start it soon. She said they "probably have in excess of 50 people who might be eligible for booting." Ms. Roper said they are very rarely in violation of the free two hours now, so Ms. Wallace may know of them, but then they don't violate because of the current free parking program.

They are collecting data every day, Ms. Wallace said. Councilman Murray asked if there were a waiting list for monthly parking. Ms. Wallace said there's no waiting list, and they have lost a couple of monthly permit holders because those people lost their jobs, and a couple of parkers had "had an issue with hit and runs." She has heard employees are going into residential areas to park.

Councilman Murray commended the effort to get into compliance, and he said he expects that the vendors will, too. He asked if there's a vendor compliance program. Ms. Roper said she's developing that now, and going through the contracts to determine how success and failure will be measured. In regard to monthly parking, in February, there was supposedly a waiting list that was capped at 100, so they expanded it, and will "until we have a problem with supply and demand." They decided to keep it open, Ms. Wallace said, "which accommodated everyone on the waiting list."

Councilman Murray asked if they do random meter inspection. Ms. Roper said they do, and as far as financials are concerned, there will be a financial audit. It's a part of contract

management. **Kathy Todd** said they're building that into new contracts, because that wasn't done in the past, so there were no financial inspection provisions. Mr. Prokop said all contracts would say that they are under a new guidance system and will also measure performance for every vendor. In addition, there will be spot checks, and if they're not measuring up to the clear specifications, "there will be no problem ending the contract." Ms. Wallace described her efforts in this regard.

Ms. Roper said SP+'s proposal had promised to purchase 78 IPS meters, which are better able to be audited and allow the use of credit cards. They didn't do it right away because of the Parking Task Force, but they should replace the old meters in July. Councilman McFee asked what the percentage of new meters would be. Ms. Wallace said they'd be "from West Street back." There's one on West Street now, and they "will go at least to Port Republic." They are trying to put them "where everybody wants to park." Ms. Roper said this would put almost the whole system on IPS meters.

CAPITAL PROJECTS SALES TAX COMMISSION

Councilman McFee said there was a meeting with the county council executive group to discuss the group's make up. The commission is "to be able to sell the process with properly timed information." The municipalities expressed interest in continuing to pursue the LOST. The county council "acknowledged that we all felt that way," Councilman McFee said. In the past Beaufort, Port Royal, and Bluffton had shared two representatives, and the county will ensure that each municipality has one by giving up one of its at-large representatives. Hilton Head has one of its own. Since they have the short-term process, the county wants want "to have the municipalities show that they can do it, and then come back." The shared detention center (a $60-70 million project) would be short-term. It has to be done in two-year increments, according to statute, so the county couldn't do it for 3 years, as they had said they wanted to. The commission should be operational by July, Councilman McFee said. Mayor Keyserling asked, if the county wants to have a commission, why they are already saying what they want to spend the money on. Councilman McFee said that at that meeting, there were frequent references to the cameras in the room, so there were assurances that the county was "not being dictatorial" about its plans.

There being no further business to come before council, the work session was adjourned at 6:58 p.m.

A regular meeting of the Beaufort City Council was held on June 9, 2015 at 7:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, council members Mike McFee, George O'Kelley, Stephen Murray and Phil Cromer, and Interim City Manager Bill Prokop.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80(d) as amended, all local media were duly notified of the time, date, place, and agenda of this meeting.

CALL TO ORDER
Mayor Keyserling called the meeting to order at 7:05 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE
Councilman McFee gave the invocation and led the Pledge of Allegiance.

RESOLUTION COMMENDING JAMES PRUITT – PRUITT'S GROCERY STORE
Councilman McFee made a motion, second by Councilman Murray, to approve the resolution. The motion passed unanimously. Councilman McFee read the resolution and Mayor Keyserling presented it to **James Pruitt** after he received a standing ovation from the gathered public. Mr. Pruitt thanked everyone for everything they have done over the many years he has had his store.

PUBLIC COMMENT
Edie Rodgers said Mr. Pruitt is an icon, and his store is a historic building. She described how wonderful it was to be able to go to the store when she was a child. She suggested that the building be acquired, and "a replica set up as a historic place." She feels this "would be a good attraction." Mayor Keyserling said he had talked about preserving it with Mr. Pruitt, and "maybe keeping it open and operating for the neighborhood." It's the only walkable place for groceries since the Piggly Wiggly closed, he said. Ms. Rodgers said it could be "an attraction for people coming to Beaufort to see historic things."

PUBLIC HEARING: FY2016 BUDGET
Mayor Keyserling opened this public hearing. He said that council does not respond to those who speak at a public hearing, but first reading on the budget was later on the agenda, and council would speak then. Mr. Prokop said his presentation would be brief. He described the parameters of the 72.61 mills on the dollar of assessed value of property in the county: city operations is 51.83 and city debt service is 20.78; total revenue and total expenditures are both $17,409,661. The budget will be balanced, and there are no plans to use fund balance. There will be only additional employees that are "absorbed by existing salary." Tax bills will be the same this year, Mr. Prokop said. Purchases have been postponed, and other cuts have been made to keep the budget "flat," Mayor Keyserling said.

Paul Thompson, owner of Panini's, said he wanted to support Main Street Beaufort and feels that cutting their funding is "detrimental to the city." He thinks expenses have been kept down well compared to other cities, but the "investment in Main Street is very nominal" and gives

“excellent return on investment.” He thinks that promotion of the park will generate more revenue, which Main Street uses for festivals. The lack of investment will have an impact on Main Street’s ability to survive. If the organization were “lost,” it would be a “great loss to our economic and social engine.”

Donna Starkey, Otter Circle, said she feels Main Street Beaufort is important from her perspective as a resident, a 10-year Main Street Beaufort volunteer, and 6-year board member. She agrees with Mr. Thompson that losing Main Street Beaufort “will be a great loss to the city.” She shared that she’d met a woman who had talked about how much she likes to go downtown, including to Night on the Town, and had made suggestions about making downtown events better. That woman is in the demographic that the city wants downtown, Ms. Starkey said, adding that Main Street maintains the downtown’s “sense of place.” Main Street Beaufort does more than events, but it’s true that those events bring people downtown who may end up moving to Beaufort. It’s a professional and well-run organization. She was invited to be on another board that was “appalling” in the way it was run, so she resigned and “still kind of regret not having brought it to the attention of government as to how poorly it was run with public funds.” She was invited to join Main Street Beaufort, and they have financials available, present an agenda at each meeting, and are a well-run organization. She understands the need to keep costs and taxes down, but she thinks it is a well-run organization and “unique.”

Maggie Angstrom, owner of Sweet Bay on Bay Street, said she had just moved from Bluffton to be closer to her business and to stay in the area and socialize with people there because she likes “the feeling I have had on Bay Street.” She asked council to think about “what a jewel you have” in downtown Beaufort. It “needs to be protected,” she said, because “it is your jewel,” and “if it goes away, it will never come back.” Those with stores on Bay Street are not doing it for the money, she feels, but for “the feeling to be had.” Ms. Angstrom used last Halloween’s downtown trick-or-treating with merchants as an example, and said of the “hundreds that were there that day, maybe 8 people” have been in her store. She suggested that until it’s profitable, when she retires, there will be no young people to take over her business or others on Bay Street. She wondered if there couldn't be a one-time effort that could be made to “make it happen.” They need to add to it mentally, then physically, then find other ways of funding: “Maybe more festivals, not less, more things people come here for.” They don’t want to lose Night on the Town, Ms. Angstrom said, and the holidays and events are what the merchants work toward. Each festival brings in a different group of people.

Susan Stott Smith, Captured Moments Photography, said Main Street is the reason she and her husband came to Beaufort, after coming to Shrimp Festival. They now own a home and a business. She asked council “to find more money for Main Street.”

Nan Sutton, 809 Craven Street, said that she had learned that she should know both sides of the story before speaking publically. She agrees with Mr. Thompson’s sentiments about Main Street Beaufort and what it’s there for. She referred to a Beaufort County study of 874 people who said one of the most important things to them was having more family-oriented events in

downtown Beaufort. She doesn't know how council got to the point where they are taking funding away from Main Street Beaufort, and she's "stunned" about it. Small towns are fragile and hard to keep going, and programs like Main Street Beaufort shouldn't ever be taken away from the city. She described all the things that would "disappear" if Main Street Beaufort closes. She knows that they would like more economic development done by Main Street Beaufort, but that would require a "superman or superwoman," given their staff size.

Don Starkey, Otter Circle, said he spoke for the volunteers at Main Street Beaufort. He said it's "so important to have something in the city that is so well-run." There are up to 100 volunteers for every festival: from the Marine Corps, the city, Dataw, Callawassie, etc. The volunteers put in a lot of time, even if they're not downtown merchants. He said he thinks Main Street Beaufort is a well-run organization and does more than festivals – they have done parking studies, came up with a new logo for the City of Beaufort, etc. He said he doesn't know the rationale for taking away their city funding and suggested that council could reduce the amount of funding to Main Street without cutting it altogether.

Charlie Williams, president of the Main Street Beaufort board, thanked those who had spoken. He said, "A lot of things that happen downtown come from Main Street." Part of the key is for Main Street Beaufort and the City of Beaufort to think of one another as partners. This would be "the best way for Main Street to produce its best" for the city.

Kevin Cuppia, Modern Jewelers on Bay Street, said he went to merchant meetings every Tuesday morning 30 years ago. Downtown at that time "was meandering," and neither the city nor the Chamber of Commerce was bringing more people downtown. Mr. Cuppia has been on the board for 30 years and has seen good years and bad. The merchants decided that Main Street Beaufort was a good program to bring downtown, and "it's worked out wonderfully." He's seen downtown boarded up, but "now it's flourishing." Main Street is the businesses' conduit to get to city council, Mr. Cuppia said. He added that when free parking ends at the end of June, the parking money should go to a program that makes downtown better, like Main Street Beaufort. There are improvements to be made, and he invited council members to "come on in" to help.

Ms. Rodgers said she was "in town when Main Street Beaufort came to town." She said she didn't go online to read the budget and had expected a budget presentation. She described the first director of Main Street Beaufort, and collaboration with the garden clubs. She said she agreed with others that if the festivals "are not a part of Beaufort . . . with some funding from the city . . . it would be bad."

Lisa Kassuba, Best Western Inn, said she agreed with what has been said and downtown "is an amazing place to be." She knows people specifically come for festivals, such as those who come to hand out the hotel's candy for them during the downtown trick-or-treat. Festivals are "just a part of what Main Street does," but she thinks the organization should be funded.

Christopher Geier, an attorney, is on the Main Street Beaufort board. He asked that council not "be the catalyst that brings Main Street to its knees." Without council's support, the many things Main Street Beaufort does, of which the festivals are only a small part – but a big part of what the public sees – may end. If anything that Main Street does "goes away," like the Wi-Fi or Night on the Town, it will diminish people's experience of Beaufort.

Mary Ann Thomas, the Cuthbert House Inn, said she's been on the Main Street Beaufort board for 9 years. The group "does nothing for the inn," but she's "passionate about it." The tourists are spending money downtown, she said, and council should not "lose sight of them."

LaNelle Fabian thanked those who had come to the meeting on Main Street's behalf. She said in January she was at a state managers' meeting. A film they had seen had issues that Beaufort has experienced: "It's a process to make things better." Over the last 30 years, Main Street Beaufort "has helped to create the sense of place for new businesses," added new jobs, done building rehabs, and brought in $60,000 of private investment, which, Ms. Fabian said, is economic development, such as people coming to a festival and then moving here like Ms. Smith did, or other businesses that "decided to come to Beaufort after a visit downtown." Main Street Beaufort does advocacy for businesses on national, state, and local levels, Ms. Fabian said. They are the only organization that works specifically for downtown Beaufort. She understands balancing a budget is hard, but to keep the organization as it is, is difficult, and "a 30-year-old organization shouldn't be moving backwards." Ms. Fabian asked that the budget be changed, or that the money that parking might generate be used for Main Street. There being no further comments, **Mayor Keyserling closed this public hearing.**

MINUTES

Councilman Murray made a motion, second by Councilman McFee to approve the minutes of the special meeting and work session April 21, 2015. On p. 8, in the top paragraph, on the 5th line, Councilman Murray said, "I think I said it will '*hopefully* lead to a small increase,'" so he asked that the minutes be revised to include "hopefully." **The motion to approve the minutes as amended passed unanimously.**

RESOLUTION SUPPORTING THE HARGRAY COMMUNICATIONS LOWCOUNTRY BROADBAND PLAN

Councilman Murray made a motion, second by Councilman McFee, to approve the resolution. Mayor Keyserling said most of council was concerned about the language in the resolution that the other municipalities and the county had passed. Hargray has said that they wouldn't mind if the vote were postponed for further study by council, rather than use Councilman Murray's language.

Councilman Murray said it felt too much as if the city were endorsing one company over another He had "struck 2.5 sentences and a word" from the resolution. Hargray would like it approved with the same language as the others approved (the Town of Port Royal hasn't yet approved it). He is excited about the access Hargray will be bringing, and Councilman Murray had asked for them to do some homework about that, but the Hargray people are making their

announcement and would like Beaufort to be a part of it with the modified language. Mayor Keyserling said the resolution before revision "puts the city in a position" where they "pick winners and losers." He thinks the program Hargray is bringing is "terrific," but council should not be encouraging people to "shop at one company and not another." Even with more data, Mayor Keyserling doesn't feel that would change. He is willing to wait for that data, but he doesn't know that it will address this principle issue.

Councilman McFee said it's not uncommon for businesses to request a resolution, but council has had a conversation about its concerns that this would appear to be an endorsement of Hargray. Many businesses in Beaufort pay franchise fees and improve the city, he said. The language was "heavy" in regard to "stepping out in front." There is "some very specific return on investment" that council "would like to see with respect to the community and the work (Hargray is) going to do in it." Councilman McFee feels that the language Councilman Murray has proposed is better than that which the other municipalities and the county have approved. Councilman Murray said he feels his language "removed the areas of concern" to all of them. Mayor Keyserling asked if council wants more data, or if they "agree with the core principles." Councilman Murray said he's excited about the gigabyte access, but that won't change because of this endorsement. Councilman McFee asked if Hargray would use the resolution if it has been modified. Mayor Keyserling said he didn't know if they would or not, but they have asked for the city's support, and this is the way the city agrees to show that, without favoring one company over another. **The motion passed 4-1, Councilman O'Kelley opposed.**

FY 2015 BUDGET AMENDMENT

Ms. Todd said this would be the final amendment to this budget.

- They have received insurance reimbursements from vehicle accidents, mostly in the police department, and this will have a zero effect on the budget because they have spent the same amount as the reimbursements on repairs and replacement.
- The police department received a bulletproof vest grant, and this budget amendment will increase to account for that.
- The fire department received a Schmidt fire grant, and this amendment will increase in accordance with that.
- The next item relates to the fire station, Ms. Todd said; council approved the use of assigned fund balance to cover additional needs. This takes the money from fund balance and puts it into the capital projects fund.
- Legal fees for the Brantley lawsuit will be paid by use of committed funds, and they will then have a resolution to release that.
- $180,000 from TIF2 is to be used on the Lovejoy project and a settlement with the property owner and a transfer of the road to the city; it will be transferred to the capital projects fund.
- The fire station has CPR training classes, and the revenues are $1,674; that will cover the revenues received and the costs of the classes.

Councilman Murray made a motion, second by Councilman McFee, to approve the

amendment on first reading. Mayor Keyserling asked if they needed to approve the release of funds before this vote.

RESOLUTION – RELEASE OF COMMITTED FUNDS

Councilman McFee made a motion, second by Councilman Murray, to approve the release of committed funds. The motion passed unanimously.

The motion to approve the amendment on first reading passed unanimously.

FY 2016 BUDGET

Mayor Keyserling said there had been 5 meetings on the budget, which is why the city manager had given an abbreviated version of the process. **Councilman McFee made a motion, second by Councilman O'Kelley, to approve the FY2016 budget on first reading.**

Mike Sutton said there had been no work session at which the budget was presented, so the public in attendance was "totally in the dark," as he was, about the debates that pertained to Main Street Beaufort, for example. He said that when he was on council, there was a $40,000 line item for Main Street Beaufort, and then a line item in the parking funding. He asked if the funding is no longer a line item. Mayor Keyserling said, "When it started, it was a line item." There was then a 3-way contract with the Redevelopment Commission, parking, and Main Street Beaufort, and when council took out the Redevelopment Commission, they got rid of the contract and funded Main Street Beaufort by a budget amendment last year. It hasn't been a line item for a number of years, Mayor Keyserling said, "but that's not why it's not in there." Mr. Sutton said two years ago, it wasn't in the normal budget sequence – it was split with parking management and the Redevelopment Commission – so he asked if there are no parking funds to fund Main Street Beaufort. Mayor Keyserling said, "The intent is not to fund Main Street Beaufort at the level at which they were funded in the past." Mr. Sutton asked if there was still a funding stream from parking. Mayor Keyserling said the city is "$62,000 in the red . . . before anything is taken out." In the past, the first $25,000 from parking went into a capital reserve for meter maintenance, and then to Main Street Beaufort, and then anything over that was divided between the Redevelopment Commission (85%) and Main Street Beaufort (15%, which Ms. Fabian said was about $11,000).

Mayor Keyserling said this doesn't change the fact that the money from parking will stay downtown, and he described ways that those funds might be used. The city wasn't getting the return it wanted from its investment in Main Street Beaufort. This is 10% of Main Street Beaufort's budget, Mayor Keyserling said. They "generate enough money to cover the festivals." He hopes Main Street Beaufort "doesn't choose to go out of business." Like the police department, which was also cut 10%, he hopes they will remain. This program has been supported by the city for 30 years, Mayor Keyserling said, and they have been encouraged to apply for Accommodations Tax money for the festivals. There's "no reason in the world that Main Street shouldn't continue and even grow" without this money, Mayor Keyserling said. This is .02% of the city's budget. The Human Resources position is frozen, and that salary and the Main Street Beaufort dollars are being redirected to the Redevelopment Commission for a

salary for an economic development director who would do the part of the economic development program that Main Street hasn't done.

Everyone who spoke about keeping Main Street had mentioned the festivals, Mayor Keyserling said. He feels that those with businesses on Bay Street *should* be on Bay Street to make money, and the city needs to help make that happen. There are other streets that are part of downtown besides Bay Street, he said. There is money for Main Street Beaufort to continue the festivals, and they are eligible to apply for money from TDAC for Shrimp Festival and Taste of Beaufort for marketing outside of 50 miles. Mayor Keyserling feels Main Street Beaufort has done a wonderful job with festivals – "they make money from them" – but the group doesn't pay attention to the point of the Main Street program that is about "building a downtown that is bigger than 3 blocks of Bay Street." Both the Gullah and Water festivals used to be funded by the city as well, Mayor Keyserling concluded, but they no longer are.

Mr. Sutton said his gut is telling him that council is "making a mistake." The "relationship (with Main Street Beaufort) would be lessened, and there would be no doer to do it." There will be parking funding, probably, he feels. Mr. Sutton believes that economic development is working downtown through Main Street, and it's "very cheap" at $40,000. It's important for the organization "to feel like they are a partner to the city." He added that he feels that council needs to be very accountable for the money they are spending.

Councilman O'Kelley said he's served on council 3 times, starting in 1979. He feels he's "one of the most fiscally conservative people that will ever be" on council. He voted against the budget 3 times in 1979-1980 because he "felt it was too expensive." Councilman O'Kelley said the city's "not picking on Main Street." "Everybody" – the fire department, the police department, public works, etc. – is losing funding. The state "puts limitations on what the city can change millage-wise, tax-wise," etc. Assessments went down, and taxes went down, but expenses didn't go down: "We must balance the budget by law . . . (and) we're already cut to the bone." He described some of the cuts made by staff because no more money can be brought in by taxes. Councilman O'Kelley said council "didn't just say, 'We will take money from Main Street'" to balance the budget. Worker's comp, retirement, insurance, and other fees "went sky high," and council doesn't "have the luxury to cut a police officer position to save Main Street Beaufort." There was an uproar opposing public safety fees for not-for-profits, he said. Council had just transferred money through a budget amendment, and that can happen during the coming fiscal year when, for example, more money comes in from parking. There will be another budget review then, and "another pot of money that we can maybe give to Main Street." "Every agency, department, and person" has experienced this budget cut, Councilman O'Kelley concluded.

Councilman Murray said when the Hospitality Association folded, the Chamber of Commerce and Main Street received that money. He said Main Street Beaufort still receives it, and he asked Ms. Fabian what the organization had received last year from hospitality taxes (She answered, $16,000) and accommodations taxes ($19,000, which was up over each of the three years Councilman Murray asked her about). Ms. Fabian said that the money the organization

receives from these taxes, though, has to be spent a certain way. The money that is being cut from the city's budget is "money that will come out of my operations budget." Festivals can only pay for so much of the organization's operations, and this will mean, for example, that they "will now have more expenses than income" for all Main Street events. Ms. Fabian said this cut equates to more than 10% of their budget because this money helps fund operations. The group will have to restructure and "possibly take backward steps without (the city's) money."

Councilman Murray said that Ms. Fabian "has met many times" with council and individually with its members, but Friday was the first time that council has seen a Main Street budget or a list of its accomplishments on paper, so "this effort feels like an 11th hour request." If they have a net profit from parking, Councilman Murray said he agrees that the money should go back downtown. They currently have to spend General Fund money on paying for the parking management organization. He agrees with Councilman O'Kelley that it's not fair to ask the police department, fire department, and public works to "take a (budgetary) haircut" and not ask the not-for-profits to do the same. He said he hopes in a few years that everyone can be funded at the level that everyone would like, but that's not the case today.

Councilman Cromer agreed with Councilman O'Kelley, too. Parking revenue will come in, and he would like to see Main Street Beaufort get this money eventually, but "everybody had to take a cut" in this budget. It was "a tough decision," Councilman Cromer said, and he asked Main Street Beaufort to "hang in there" and "absorb what you can" until parking revenue comes back in to be reinvested downtown.

Councilman McFee said he's been a Main Street Beaufort supporter for many years and a volunteer. He sees "weaknesses in the program," and "the need for retention in growth and development." He will support Main Street Beaufort as much as possible. Council has to make these hard decisions, but they are optimistic that as the Civic Master Plan kicks in, there will be greater revenues for all the departments that have all been cut for 4+ years.

Mr. Cuppia said this is the second time that they have said Main Street Beaufort hasn't done its job with economic development. He has chaired the committee for the last two years. He's not a business recruiter, but they "did Wi-Fi and the day dock." Council had "handpicked the Redevelopment Commission," and "it dissolved." Mr. Cuppia thinks that Main Street Beaufort will survive, and he'd recommended at its board of directors meeting that they not make this presentation. But if council wants Main Street to do economic development, then council "needs to come to Main Street and help" them do that.

Mayor Keyserling said he has discussed this with Main Street Beaufort members for 6 years; economic development is part of what Main Street Beaufort's purpose is, "but it's still not being done." He noted that he owns "a virtually empty building downtown" and one with tenants running 3 months behind on rent. He hasn't seen from Main Street Beaufort that they know what to do with redevelopment. Mr. Cuppia said that they would be glad to help with economic development if they know what to do.

Mr. Williams said the $40,000 is, according to council, 10% of the Main Street budget, but the Hospitality Tax and Accommodations Tax can't be spent on operations, so it's actually about 30%. They are aware of what they need to do, and the board and Ms. Fabian are willing to do those things; he wants Main Street Beaufort "to succeed as a viable partner with the city."

Mr. Thompson said he wanted to address economic development issues. In the 1970s, downtown was "boarded up," and part of what Main Street Beaufort's doing is helping businesses stay there and making things better for downtown merchants, "even if they don't actually bring in business." He said, "Business is coming in, and that's to do with the business community." Membership in Main Street "is the choice of some businesses," rather than the Chamber of Commerce, Mr. Thompson concluded.

Mayor Keyserling said, when he came back to Beaufort in 1989, Main Street Beaufort was an organization that opened up boarded up spaces, "thanks mainly to Alcoa." There was a lot of investment in buildings, and the board was very business-oriented. They can have that *and* have festivals. He has been told he hates Main Street Beaufort, but he says that's not true. He attends all the meetings and events he's invited to. However, he expects more performance from Main Street Beaufort – that is, growing businesses, working with property owners – than what the organization says is what it does. There will be no parking garage or any other kind of growth, which is essential because of the limitations on taxes. The state is considering putting a cap on business licenses, which would mean a loss of 18–20% of the city's money. Mayor Keyserling went on to describe how the city maintains the state's assets that the state doesn't maintain. He said he would hope that Main Street would say, "How do we make it work?" because "no one wants to see Main Street go away."

"This isn't the end of it," Mayor Keyserling said; it "may involve a refocus," which Ms. Fabian had sent to council, i.e., keeping an inventory of vacant spaces, helping the businesses that are there to stay open. Mayor Keyserling said Main Street Beaufort's problem is that it's "been too successful"; the problem is "how to make Main Street more than just downtown." One way to do it is to bring more residential downtown, but those who would live there want to have different retail available there than is there now. Mayor Keyserling said for those who think this is the end, "it may be a new beginning." When they had to cut staff by 10% a few years ago, they asked the police chief and public works to stretch their dollars. Their attitude is "We're going to do it" with less, Mayor Keyserling said.

Ms. Sutton said she was on the board at Main Street when they were talking about Boundary to Bay. Ms. Fabian tried to include Boundary Street, but merchants and business owners are "a motley crew," and "some want to be team players," while others don't. It didn't work, which is how they came up with "uptown." Many directors have attempted to do these kinds of things "but it's not as easy as it looks." Mayor Keyserling said he doesn't think it's easy.

Ms. Fabian said she is "on a mission to raise $40,000." She thanked Councilman Murray for being a member of Main Street Beaufort, even though his business is not downtown. Ms.

Rodgers said she doesn't think anyone is going away mad; she appreciated the explanations. The public appreciates the staff and its responsiveness, and council's, and she said she had privately encouraged Ms. Fabian to apply for accommodations and hospitality taxes for all of the festivals, and that may make up for Main Street's loss.

Councilman Murray asked the rest of the process to approve the budget. Mr. Prokop said second reading is June 23, and it must be approved by the end of the month by law. Councilman O'Kelley called the question. **The motion passed unanimously.**

CITY MANAGER'S REPORT

Mr. Prokop reminded everyone that it is hurricane season, and everyone should educate themselves as to what they need to do in an emergency. The city will educate the citizens and its staff on emergency management plans.

Mr. Prokop said he tires of "reading all the bad things that happen in town." Last Saturday, Chief **Matt Clancy** and the police department started the 41st year of the movie club, and 168 kids showed up, but there was no coverage in the newspaper. In addition, the previous Friday night, the community had gathered to pay respect to a marine who had died, but nothing was mentioned in the paper to credit those who helped. He said he had called *Beaufort Gazette* reporters about the police department event and "was turned down" for coverage.

Mr. Prokop thanked Public Works for the plantings they have been doing at the city's gateways. It's been done with a limited budget and supplier donations.

There's a water fountain at the Depot, and Mr. Prokop thanked those who had made contributions to make that happen on the Spanish Moss Trail.

Mr. Prokop stressed the importance of cooperation with the county, the city, and BJWSA – the county provided soil, the city the grass, and Beaufort-Jasper the labor – to patch a place on the Spanish Moss Trail "with no hoopla" and good cooperation.

West Street Extension is "99% complete and has made a big difference," Mr. Prokop said. He thanked all those involved, including the merchants, for bearing with "the many objects they have found that no one knew were there." Duke Street is on schedule to be completed in June. It has had many delays, but it will be a great improvement.

He and Ms. Todd have met with BJWSA about billing for the Waste Pro contract and have had their first meeting with Waste Pro. They hope to have a contract ready for council review in a few weeks. They are also reviewing the landscaping contracts for the RFP they put out. They will have a decision on the several bids they've received – for two different contracts – for council's consideration soon.
Staff has a concern about the growing list of vacant and abandoned properties; there were 40 a few months ago, and there are 70 properties now. Code enforcement will be going out and

following up on violations as it is necessary. These have an impact on the neighborhoods that they are in. Resolving some properties "may require many years of legal action."

Ms. Starkey said she defends the newspaper and their lack of coverage of some events. At one point, there were 7 *Beaufort Gazette* reporters when the editor came to Beaufort, and then they were down to 4 reporters when he left. She thinks the *Gazette* "should be kept in mind as a city partner" and should be "appreciated for what they do."

REPORTS BY COUNCIL

Councilman McFee reiterated what he had said in the work session about the county's capital fund committee in the work session. They are moving forward with a committee despite municipal interest in a local option sales tax (LOST). He went on to explain how the representatives on the committee would be chosen and their numbers/distribution for the 1% sales tax. The committee will be underway by July.

Councilman Murray said he and Councilman McFee had attended the retirement dinner for **Jane Upshaw**, the USCB chancellor, and told the public to congratulate Ms. Upshaw on her leadership in building the four-year university, should they have the chance.

Councilman Murray said to "be careful what you publish on your Facebook page," because it might end up on the front page of the newspaper. He explained that he'd written about economic development and had asked for suggestions, as well as the trip he and Councilman Cromer had taken to Charleston to the Charleston Digital Corridor, a hub for area tech companies and a high-tech incubator, which has brought more than 90 companies, had $88 million in seed funding, and has brought almost 3000 jobs to that city, with an average salary of $70,000. Though the cities are different sizes, they wanted to see if something like that model could work for Beaufort to improve economic development. Councilman Murray said there will be follow-up meetings in the next few weeks, and he looks forward to discussing this with the public and with council in regard to policy planning.

EXECUTIVE SESSION

Pursuant to Title 30, Chapter 4, and Section 70 (a) (2) of the South Carolina Code of Law, **Councilman O'Kelley made a motion, second by Councilman Murray, to enter into executive session** for a discussion of land acquisition, legal issues, and personnel. **The motion passed unanimously.**

Councilman McFee made a motion to come out of executive session and resume the regular council meeting. Councilman Murray seconded. The motion passed unanimously

There being no further business to come before council, **Councilman O'Kelley made a motion to come out of executive session and adjourn the regular council meeting. Councilman Murray seconded. The motion passed unanimously,** and the meeting adjourned at 9:30 p.m.