

A work session of the Beaufort City Council was held on June 1, 2010 at 4:00 p.m. in the City Hall Conference room, 302 Carteret Street. In attendance were Council members Donnie Ann Beer, Gary Fordham, and Mike McFee, Mayor Keyserling, City Manager Scott Dadson, Shirley Hughes, Mack Cook, and Ivette Burgess. Councilman Mike Sutton was absent.

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.

Mayor Keyserling called the meeting to order at 4:06 p.m.

DISCUSSION OF PROPOSED NEW WATERFRONT PARK RULES, REGULATIONS AND FEES

Mayor Keyserling said the effort downtown for this year's Gullah Festival was excellent, and possibly the best ever. Mr. Dadson introduced the revised Special Event Policy document. Mr. Cook said the first revision, on page 7, pertains to food merchants who might be on-site for park events. He showed the instrument responsible for controlling irrigation in Waterfront Park. When a solenoid goes bad, it can set off in the irrigation zones, on which the vendor tents sit, so the city is at risk for damage to inventory. Waterfront Park was never designed to have numerous vendors sitting on top of the park. Mr. Cook feels that the city should be protected from responsibility for potential damage when renters rent the park.

In regard to vendors, Mr. Cook said transient vendors at the festivals may be overlooked. By ordinance, the city can sell a peddlers' license which includes a criminal background check. When control is turned over to festival organizers, the city loses the ability to decide which type of vendors go into events. He has suggested a revision to the policy in which the city reserves the right to judge the credibility of vendors on city property who are selling to the public.

Mr. Cook said the city also loses control of the locations where vendors are situated in the park. For example, vendors may be cooking on grass when they probably should be cooking on asphalt. In the last two events, they have learned that cooking grease is also being poured down stormwater drains and directly into the Beaufort River. He's proposing that a fine be levied on event organizers for dumping oil in drains, parking lots, grass, etc.

Councilwoman Beer asked if it was possible to identify the responsible vendors. Mr. Cook said no, because everyone at the events is cooking highly greased food, and there are only so many eyes available. He said firm conversations with restaurants haven't worked. Lanelle Fabian said for Main Street Beaufort festivals, the prohibition is in the contract, and last October they added a restaurant coordinator who provides containers for grease, etc. At the next event, there will be a mandatory meeting to be attended by a person who will be in the park. They are going to cut plywood to cover the drains.

Councilman Fordham said the event sponsors need to be the ones responsible for the vendors' actions in this regard. He said it should be costly to do break the rule. He agrees with Mr. Cook. Ms. Fabian said she didn't think Main Street Beaufort would support a \$10,000 fine.

Councilman Fordham said they won't pay \$10,000 if they follow the rules. Mr. Cook said the coverings were removed from the drains during Gullah Festival. Ms. Fabian said communication is the problem, and the mandatory meeting should help with that. Ms. Fabian stressed that Main Street Beaufort is making an effort and is paying attention to the issue.

Mr. Cook said the last re-sodding in the park cost more than \$1000. Not all the grease goes in the drain and it kills the grass. The A-Tax monies for the festivals are not sufficient to cover the costs of damages. Ms. Fabian said it draws attention to Beaufort, each restaurant creates additional hospitality tax, etc. Mr. Cook said the festivals are valuable, but when it comes to a potential federal offense in an intentional misuse of the park, it's not equitable with whether or not the festivals are valuable. Councilman McFee suggested finding out what DHEC or DNR's fines are. Mr. Cook said the fine for boats discharging motor oil intentionally in the river is \$10,000. Councilman Fordham said if it's found that the grease is being deliberately poured, EPA could hold the city responsible. Shirley said the city could be liable if there's a law against it. Councilwoman Beer said festival organizers and all the restaurants need to be made aware of the situation. Mr. Cook said \$10,000 is merely meant to get attention.

Ms. Fabian asked about business licensing matters in the policy. Mr. Cook said in the area, only Beaufort, Port Royal and Bluffton don't have a street fair vendor business license. Ms. Fabian asked if the need for a license would apply to those who aren't selling anything but just have a table set up with information. Mr. Cook said that a business that is a sponsor to Main Street Beaufort is still doing business, and if they're from Port Royal, the city has to be fair to others in the same business in Beaufort which is required to have a city business license.

Ms. Fabian asked about banners for small sponsors. Mr. Cook said he is inclined not to be concerned about them if they don't have a physical presence. Mr. Dadson said if they're advertising, they're doing business. Mr. Cook said if all advertising is considered doing business, then he doesn't have the authority to look the other way for those who just post signs. Mr. Cook said the city ordinance could be written to follow the example of Aiken, where the event organizer is charged a fee to cover the licensing of those businesses which will be vendors. Ms. Hughes said currently the city's doesn't allow them to do that. Mr. Cook said the event organizer is already charging the vendors fees. Ms. Fabian said it's about \$450 per vendor. Mr. Cook said in the past the city hasn't done anything at all. Councilman McFee said it sounds like the vendor issues aren't covered in the ordinance, and it makes sense to model it after Aiken to be sure that for those who aren't licensed in Beaufort, the organizer should be charged a fee. Ms. Fabian said if there's one fee for a certain number of vendors, they would be happy to pay that.

Mr. Cook said that there was a mini-food mall in the Waterfront Park completely comprised of unlicensed businesses. Ms. Fabian said they have a couple vendors who come to Main Street Beaufort events from Bluffton. There is only room for 15 food vendors, and she said she can find someone who *does* have a city license to fill the spot of someone who doesn't if need be. Ms. Hughes said there's a need to have better management of events in the Waterfront Park so

it's fair and consistent across the board. Staff is attempting to protect the city and to provide a venue for events, ensuring that the application of rules and regulations is fair.

Nan Sutton said festivals are only for a limited time. She suggested looking at who's complaining. As a retailer, she doesn't mind the competition because the festivals bring money, publicity, etc. to the city. Ms. Hughes said the city is in a difficult position; the weekend went well for Ms. Sutton, but when the city appears not to be applying the rules or to be waiving the rules when they don't have the authority to waive, they could get in trouble, so they are trying to develop a policy where they can get out of these "sticky wickets." Ms. Sutton said there will always be a "sticky wicket," and someone will not be happy about something.

Ms. Hughes said the policy hasn't always been fair and consistent and they're trying to make sure now that it is. Mr. Cook said again that the Aiken model seems to be the best to emulate. Everyone is covered with a city business license which allows staff to say, yes, they're covered by a city business license. Ms. Fabian asked for more details of how that works. Mr. Cook said if the restaurant has a business license, they'll report the gross as inside sales during the year. Councilman McFee asked how they could know if the out-of-city peddlers were charged. Mr. Cook said that should be the event organizer's job. Ms. Fabian said Main Street Beaufort wants to work with the city and doesn't mind changing things.

Mayor Keyserling asked Mr. Cook if they should have a work session with the big event organizers before jumping to conclusions. Mr. Cook said yes. Mayor Keyserling asked if there were other, broader issues to this. Consistency and fairness is one part; being pro-active and going back to the comp plan to better utilize the park as an asset of the city is the other part of it. That side includes the A-Tax investment and discussion of private events. He wants state advice on charging and enforcing fines; the Aiken model; and then to get the groups together to discuss the tools the groups need to make sure that the fines don't need to be levied because the incidents don't happen.

Ms. Sutton said Councilman Sutton had provided some comments. She read from a letter from Ashley Rhodes, a wedding planner at Ashley Rhodes Events. Ms. Rhodes stated that weddings at Waterfront Park should be allowed because the average wedding or private event brings guests who book hotel rooms, restaurants, gas, etc. as well as A-Tax monies and money spent to pay for the wedding. Ashley Rhodes Events plans many events in Beaufort and 25% of them are in Waterfront Park. She wrote suggesting reserving only one area of the park for a wedding or event per date; raising park rental rates to lessen the volume of requests; posting any events in the park calendar to warn people of what is coming up. Attending events almost always cues a return to Beaufort.

Ms. Sutton said Councilman Sutton doesn't feel the park should be overregulated and that events are a good use for the Waterfront Park but maybe fees should be raised, perhaps based on the number of bodies in attendance. He said that the businesses there are important to the economy. The events should be master-planned. Ms. Sutton said she personally feels the price should be raised for weddings and events under the pavilion. Noise, etc. is the price one pays

for having a wedding in any park. Ms. Sutton said the venues in the area for weddings are few; Mr. Dadson people get married there because the pavilion is so cheap.

Carlotta Ungaro of the Beaufort Regional Chamber of Commerce said destination weddings are a big push for the Chamber. She advocates raising the rates to rent Waterfront Park. Mr. Cook said it's difficult to schedule an event in the park next to a wedding. Ms. Burgess said they're booked until October with weddings. Randall Birch said the wedding people will spend more money than a dog show audience will. Mr. Cook said the Waterfront Park costs the city residents more than \$1 million a year out of the General Fund. Many can only use the park on the weekends and they're the ones paying for it. The policy change is to balance public and private use as part of the obligation to citizens who are paying for the park. Councilwoman Beer suggested charging per hour. Mr. Cook said the wedding is at 6 pm but the planner is there at 11 am setting up. Mayor Keyserling said the market should be charged what it will bear. But then there's a question of competing with a public asset. Mr. Dadson said the city's response should be to raise the price until demand is choked off. The wedding business is lucrative across the board.

Councilwoman Beer said another problem is having the reception at Waterfront Park. Mayor Keyserling asked if everyone agreed that destination weddings are good and not to be discouraged. He asked if there was agreement that the private sector should be doing it more than the city. He asked if the prices should be raised and then concluded that that's the only logical thing to do. Mr. Cook said the Yacht Club has had the same debate because weddings were taking use of the club away from its members. It was raised from \$1300 to \$3000, and it was still being rented. Mayor Keyserling said there could be other events that want to be there, so it gets to be bigger than just weddings; the question is whether the park is there for the people who pay for it. The city is in the business of providing space for private events or it's not. Mr. Dadson said it's also a question of exclusive use. Councilwoman Beer said she has not heard concerns raised about small events in Waterfront Park. Councilman McFee said the consensus is that the destination weddings are a benefit, but it should be more competitive for the marketplace and as a reimbursement for its use.

Mr. Dadson said Phase 2 of the park is a challenge and will have a cost. In the short-run, he thinks prices need to be raised for those events that take up a portion of the park. Councilman Fordham agreed and said it should be at least \$500 and it can be adjusted. Mayor Keyserling asked if there's a charge on 501(c)3 events. Mr. Dadson said there's no charge if it's co-sponsored. Councilwoman Beer read from the lists of particular costs. Ms. Ungaro said with private events, it is clear that the whole park can't be rented out.

Ms. Hughes said they need to go back and do some more checking and council could let them come back in two weeks with a revision to include some suggestions for the fees after they look at fees in total. He feels there's a better understanding now about the cost to the city to do these things and to basically care for the park.

DISCUSSION OF ORDINANCE TO SET ELECTION DATES AND FILING FEES

Ms. Hughes said \$12,000 is budgeted for next year. Mr. Dadson said the election is November 2. The filing fee is currently \$150. He went on to recount the other applicable dates. Mayor Keyserling said he didn't see a need to change the filing dates. Councilman McFee asked, if the money is budgeted for, why they are charged by the county and what they get for that money. Ms. Hughes said appropriate county officials have been asked for their rationale for how they charge, but the city hasn't received an answer. Ms. Burgess said the breakdown will be included upon receipt of the invoice. Ms. Hughes said there should be a calculation based on polling places, population, number of voters, etc. She feels there should be a formula of some sort.

DISCUSSION TO CONSIDER REQUEST FROM BEAUFORT REGIONAL CHAMBER OF COMMERCE REGARDING OPERATION F35B CAMPAIGN

Mr. Dadson said Ms. Ungaro had provided notice to be part of the process. Ms. Ungaro said they have until the end of June to make an appointment. The request for funds is to fund local and Washington campaigns for the planes to be here. The Rhodes Group will be hired, and they have asked the county and state for money; she has \$20,000 in pledges from the private sector. The money will go to advertising and lobbying. The Military Enhancement Committee (MEC) of the Chamber of Commerce was retired when the BRAC was announced in 2005. County Council Chairman Newton suggested bringing the MEC back. The charter has been changed. The city of Beaufort gets one appointment on the 7-person committee.

Mayor Keyserling said he'd like a better understanding of "what we're buying." What's being done is different than trying to save a base. Ms. Ungaro said it's similar. Mayor Keyserling said he wants to know about the MEC and said there should be people on it who are best suited to do it. He thinks it's more sophisticated than just putting up Save Our Bases signs. Ms. Ungaro said they need military expertise and have a retired 3-star Marine Corps general who will be appointed. She named some other possible people to be appointed and detailed what their qualifications need to be, including the ability to raising money.

Mayor Keyserling said he wanted to know if there's more council can do. Ms. Ungaro said the Chamber of Commerce has been doing things differently than the past model all along. There are "quiet behaviors" being done that are different than in the past. Ms. Ungaro said they've been pressing the state to use the military as a business development perspective. Mayor Keyserling asked if there was someone in Beaufort who wouldn't be there if the council didn't appoint them. Ms. Ungaro said Councilwoman Beer and Randy Krause could be good and discussed someone else who has lobbying experience at the state and federal level if they want to look to the private sector.

Mr. Dadson his recommendation on the money was to give the Chamber of Commerce \$5000 and asked when they need the money. Ms. Ungaro said she'd prefer it in the first quarter, 1st month if possible. Mr. Dadson said the city will want to reserve some funding in case something else comes up around this matter that they'll need money for.

DISCUSSION REGARDING COUNCIL SUMMER MEETING SCHEDULE

Mayor Keyserling said Councilman McFee and Councilwoman Beer had discussed summer hours being two meetings a month, one workshop and one regular meeting, based on Councilman Sutton's schedule. Mr. Dadson said traditionally this break is at the end of July and first part of August. Mayor Keyserling said he's open to anything but doesn't think council should stop having workshops just because Councilman Sutton is gone. Workshops are the most productive time. Mr. Dadson said as a general rule it's a good idea to slow government down occasionally.

July 6 will be a regular meeting and July 13 will be a work session. It was determined that there would be no meetings on July 20 and July 27, August 3 and August 10. August 17 will be a work session and August 24 will be a regular meeting.

OTHER BUSINESS

Mayor Keyserling raised his concerns about appointments that need to be made. He recommended that they start interviewing for the two open Planning Commission positions and said he has spoken to two people. Mr. Dadson said they'd set up Planning Commission interviews before next week's regular council meeting. The council will meet at 5 pm for those.

Ms. Burgess said HDRB has only one vacancy now. Two vacancies will be coming up in June. There was some discussion about appointments to the Housing Authority.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:54 p.m.

ATTEST: _____
IVETTE BURGESS, CITY CLERK