

A work session of the Beaufort City Council was held on March 2, 2010 at 5:00 p.m. in the City Hall Conference room, 302 Carteret Street. In attendance were Mayor Billy Keyserling, Council members Gary Fordham, Donnie Ann Beer, Mike McFee, and Mike Sutton, and City Manager Scott Dadson and Mack Cook.

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.

The Mayor called the special meeting to order at 5:04 p.m.

SPECIAL MEETING: AWARD OF MAINTENANCE CONTRACT FOR THE WATERFRONT PARK AND BUSINESS DISTRICT

Mr. Dadson explained background on the maintenance levels study conducted by a property management company brought in to evaluate the district and seek a better connection between Waterfront Park and the business district. He said the report was “pretty scathing on the maintenance side.” Before residential garbage was outsourced, deferments piled up. With the first outsourcing, dollars were freed up and there was more time for other projects. 28 parks and 10 open spaces are maintained by the city, the biggest of which is the Waterfront Park. When seeking a bid, they sought to cure deficiencies and put the bid out “trying to get an A game.” It’s a 3-year contract that puts maintenance and O&M together, includes Cannon, Freedom, and Stephen Elliott parks, Carnegie and Old City Hall buildings, etc. and covers janitorial services and more. This doesn’t require any more resources. Staff recommends approval of it. Resources need to be moved to other parts of the city such as Southside Park. It gives a theme to downtown and that’s what they want.

Councilman Sutton referred to the maintenance schedule and discrepancies there. Mr. Cook said it was bid out as changes to beds 4 times and is now 2.5 times which was more affordable. Councilman Sutton said that the contract says sidewalks will be power washed 4 times a year and trash emptied twice a day. Such maintenance and clean-up has been sought for a long time. He hopes the level of service rises to where it should be. The core commercial area goes to the sidewalks on Craven, the other side of Carteret and Charles streets. They’ll get the same level of cleanliness in terms of “daily housekeeping.” Mr. Dadson gave examples of what will be done to slow traffic, increase walkability, replacing lights, etc. to continue the investment in what’s important to many people with current money. Mayor Keyserling congratulated management “for continuing to think outside the box.”

Peter White said he and other people pick up trash from the night before, so he thinks this sounds great. **Edie Rogers** asked about why there would be power washing of the sidewalks. Several people responded with examples of what’s on the sidewalks: gum, cigarettes, tree berries, leaky trash cans, etc. **Evelyn Sutton** asked about doing more for handicapped individuals on the sidewalks. Mayor Keyserling said if there are specific examples, she should let the city know and they’ll “put it on a list.”

Councilwoman Beer made a motion to award the maintenance contract for the Waterfront Park / business district and Councilman Sutton seconded. The motion passed unanimously.

Councilwoman Beer made a motion, second by Councilman McFee to adjourn the special meeting. The motion passed unanimously. Mayor Keyserling called the regular workshop to order at 5:22 pm.

DISCUSSION WITH BUGGY TOUR COMPANIES

Mayor Keyserling reviewed the parameters of the discussion and how council came to be involved. He summarized the reports as “a lot of finger-pointing.” Councilman Fordham said after he read about the problems the operators have been having continuously, his first response was that the horse tours should be disbanded. He says he will not vote for contract renewals for them unless they get their act together. He expects their reports to come to council. Mr. White commented that what was in the complaints should be put in another perspective. He offered a business scenario about the carriage tour business. He said council seems to feel like their business should be conducted like any other. He asked about 2 other businesses in the Marketplace on Bay Street if their walls were taken off and they could only have 20 minutes to sell their product. He feels any business in that position would be trying to drum up more business. They would be selling to a customer who they would claim was at their counter before the 20 minutes were up. People come to the Marina looking for tours and from stores with tickets. He believes “It’s only human nature” to try to survive by looting. “You need to grab whatever you can” is the type of mindset in their business. He said such activity is “shoplifting” and it’s illegal and it has to be reported when it happens. This is the basis of most of the complaints.

The other complaints are about street-cleaning. Mr. White said if there are 3-4 extra spots that need cleaning, that has to be reported. The tour coordinator can’t be down there all the time because he’s a police officer. When something happens that violates an ordinance, it’s called in. He feels it can’t be stopped if no one is down there to see it; at that point, “it’s all hearsay.”

Walter Gay, owner of Sea Island Carriage Company, said the ordinances can work if everyone agrees to work by them. He complimented Officer Bill Carter and said that there have been five coordinators in the past five years. He read from a letter he distributed to the council members about his feelings about the complaints and the issues operators face.

Councilwoman Beer said she’s been on council for 19 years, and the problems with the buggies have been going on that long. Much time and taxpayer money is spent on this one industry. She loves it as an asset, but believes it could be lived without. The trained police officer is being “paid to babysit.” The problem of not cleaning up may be solved by having someone hired to do it, and the two operators could split the cost. She feels she has reached the end of her rope. She acknowledged and has seen the traffic problems but said there are other complaints that can be solved between the two companies. Mr. Gay said they police themselves about street cleaning, and the complaints in The Point have dropped. He said the complaints are between the companies, not the residents. Mayor Keyserling said he hears complaints from residents but doesn’t keep track of them.

Mr. White said they pay \$52,000 to the city “for the privilege of having the license.” He doesn't know where the money goes. He’s been told it goes to impact, but the officer is called away frequently, so they don’t feel they’re getting their money’s worth. **Rose White** said that they also experience some of the things that Mr. Gay enumerated but not all of them. She said the ordinances clearly state the rules; if they’re not followed or enforced, there are problems and they have no other alternative than to call up and complain. She said there’s a full-time monitor in Charleston, but she realized the police force here is short-handed. The bid was supposed to be for 1.5 tour coordinators, and the money they pay

was supposed to cover their hiring. Ms. White went on to discuss the clean-up issue before and after it was switched over to the tour companies to do. She believes if the ordinances are enforced, and there can be proof of who's at fault, there will be no problems.

Councilman Sutton said the purpose of workshops is to try to solve problems. Beaufort hasn't always had horse and buggies and while they have, it's been a problem. He appreciates the service, but if something doesn't change, he feels it will "go away." He doesn't feel he'd support contract renewal. He doesn't like the lying and bickering between the businesses. He feels if the business is this stressful, there's something wrong with the system. He feels that maybe having only one company would be simpler. He wondered if a third party is the solution, particularly for clean-up. A central ticket office may not work because they need to be competitive. That won't solve the problem of the 20 minute rotations. Mayor Keyserling said it's on 20-minute rotations because when they had 3 companies, that's what they said would work; the companies wrote the ordinance.

Mayor Keyserling asked the operators if they can come back with ideas about how to solve the problems. Councilman Sutton asked them if they thought a central ticket office would work. Mr. White said the tours will work best following Arcadia National Park's model, which is only having one company operating. Councilwoman Beer said they were told legally that one company restrains trade.

Mr. Gay said a single ticket kiosk has been discussed. If they have tour company contracts, the operators can call the kiosk/office and say, "We have the tickets sold on those slots" that are contracted. Ms. White said a neutral person who would say whoever's turn it is in the slot might work. Councilman Sutton said he's hearing that it's a feasible way to solve rotation issues. **Carlotta Ungaro** said the Chamber of Commerce did that at one time, and for the most part it worked. Ms. White said they'd be giving away 20% of their income if they're not selling the tickets themselves. It would cost both companies a lot of money. She supports having a monitor to determine who's in the slot and can sell tickets. Councilman Sutton said they can have security details. Mr. Gay said the concept itself can be done. He's talked to a business owner downtown who sells tickets for his company. A lot of people are confused about where to get tickets. A kiosk could sell tickets to other types of tours, too.

On the topic of clean-up, Councilman Sutton asked about a private company doing it. Mr. White said they feel that they don't have a problem. They are diligently cleaning up to maintain harmony with the residents of The Point. Ms. White said they wouldn't want another expense. Councilman Sutton said if things don't change, they won't be around anymore, so they should consider the costs in a different way. Mr. White said the carriage tours are an important part of downtown; Councilman Sutton said he's not threatening them. There's a problem to be resolved, there's a contractual agreement, and if everyone can't work together, the contract can be ended.

Mr. Dadson said the \$52,000 is to operate a business. There was discussion about the franchise fees. Councilman Sutton said he really wants to solve the problem. Ms. White said she'd go with a third party to clean the streets. Councilman McFee said he's in favor of free enterprise and is knowledgeable about the issues and likes the tours, but a 17-page report on a 3 month period is "excessive." He thinks there's an opportunity for a task force. Mayor Keyserling recommended Councilman Sutton heading up a study group to identify questions and feasibility. He asked Mr. Dadson if the tour coordinator could

be a part of it. Councilman Sutton said he'd like members from the Redevelopment Commission and Main Street Beaufort as well. Mr. White suggested Linda Roper. Mayor Keyserling said these are the same issues they have always been with other operators. The nature of the business is very complex and taxing on everyone.

Evelene Stevenson, owner of Spirit of Old Beaufort, does walking tours but sells all tour company tickets. She has witnessed all the carriage wars. She has observed an attitude of animosity for many years between the city and the operators. She discussed the history of the disputes and regulations and her opinions on them. She feels the service orientation has been lost in pursuit of money. She feels disappointed "down in the corner" of the Marina and in what she sees there. Both companies could change their attitudes and support one another; no tourist wants to see them bickering. She would like to see "more grace" among the operators and less threatening between council and the operators. She said property taxes remain lower when tourism dollars are higher.

Lanny Krause, Sea Island Carriage, said he is a driver and doesn't feel stressed. He doesn't feel Beaufort could do without the carriage tours. He's seen illegal things done all the time. Part of the nature of the business is to not get along. He feels the single kiosk could be explored more and a single carriage company operating should be re-explored. **Don Lehman** also works with Sea Island Carriage. He said the slowness of the carriages reflects the slow pace of the area. The drivers are often the first point of contact for visitors and that should be remembered. The downtown merchants benefit from the visitors sent to them. Many publications feature pictures of the buggies. The Tricentennial will draw many more people. They have frequent rider programs that bring people back into town. He believes there are thousands of people who come to town and do the carriage tours. This is a monetary issue for the town. Ms. Ungaro said the tours are a good part of Beaufort and important to tourism.

Councilwoman Beer said when she talks to anyone about Beaufort; she always mentions the carriage tours as a way to see Beaufort. **Sue Hassinger** is a driver for Sea Island Carriage. She said there are problems on both sides. She agrees with the idea of a kiosk or a single person to run it. Both companies have been guilty of the problems and a private party would make a tremendous difference down there.

DISCUSSION REGARDING DOWNTOWN PARKING ORDINANCE

Mayor Keyserling said this is the resumption of the conversation about parking. It was passed as it was presented at first reading, but more work and input are needed. The issues are the change in hourly fee; the fines being raised from \$3 to \$10; and the end time being changed from 6 pm to 9 pm. There are affordable parking alternatives for employees that he feels haven't been communicated well by the merchants. Staff has looked at the change from 6 pm – 9 pm issue and the fines and have prepared white papers that are available.

The hourly fee: Mayor Keyserling said he's comfortable with a \$1 per hour fee. Councilman McFee agreed. Councilman Fordham said he has a problem with the fines going from \$3 to \$10; he prefers to go to \$5 fines. He has no problem raising the hourly fee, though. Councilman Sutton said he has done a lot of research and field analysis downtown in the last few days. He's comfortable with 41 because he

feels the community at large is comfortable with \$1. **Norman Morrall** wondered why the meters aren't taken out altogether. Mayor Keyserling said they increase turnover, which the merchants want. Councilwoman Beer said merchants want them because they feel employees and employers take up the spaces. Mr. Morrall asked why the hourly price was being raised. Mr. Dadson said the supply is smaller than demand. Any developer builds the rents in: to the goods or at the meters. Mayor Keyserling said it's unfair to many parties to compare downtown to Wal-Mart.

The fines: Mr. Dadson said the fines have to be raised to a certain point to be a deterrent. Also, the fines are only for violators. He referenced the book *The High Price of Free Parking* and said Dr. Foxworthy and Mr. Cook had read it as research for the white paper. 100 – 150% is the point at which fees need to be raised to change people's behavior and keep them from opting for the fine over paying the parking rate. Mayor Keyserling said it's not about the dollars as much as achieving the point of deterrent.

Mr. Cook said violating parking meters is known as a "folk crime." The fine is a way to keep the asset that the city has available to the people that they want to use it. Someone driving down Bay Street is not of any economic value until (s)he parks and gets out of the car. If someone comes downtown and there's never any space, people will get discouraged from coming downtown. The fines and meters are to make space available because otherwise the driver doesn't become a diner, consumer, or Waterfront Park goer. Futile cruising for parking spaces leads to people moving elsewhere. The person who dickers about paying meters is not going to be a desirable consumer anyway. Mr. Cook said the probability that you'll be caught and what that will cost vs. paying and not getting caught and what *that* costs needs to have a deep enough gap to provide incentive. He recommends a \$10 fine to achieve that.

Mayor Keyserling asked where the perception is undone that one can't find a parking place downtown. Mr. Dadson said the Redevelopment Commission and Main Street Beaufort were married so that the "marketing can sell an experience" of getting a parking space that will be worth \$1 an hour to get it. The kiosk can do a lot of things so restaurants and stores can comp the fee for the next time. Mr. Cook said maybe people don't come downtown in the evenings because of the perception of no parking.

Councilman Fordham and Councilman McFee said they are fine with \$10 fines. Councilman Sutton said 98% of the people he talked to were fine with \$10 fines. Councilman McFee said nothing's been changed yet, but he's getting phone calls complaining about paying \$1 an hour. There is a big misperception out there that the fees have already started.

The 8-hour time limits: Councilman Sutton said presently there are 2 hour, 4 hour and 8 hour parking spots. He's okay with taking the time limit away, but workers may park for 8 hours for \$8. Keeping 4 hour spots may help- with the employee deterrent effect. Councilman McFee said the white paper speaks to that. Mr. Cook said it comes down to "how we want visitors to experience Beaufort." Does it take 2 hours to do so? 4? 8? Main Street Beaufort needs to determine in their marketing how much time it takes people to experience Beaufort. Lanelle Fabian said "as long as it takes to spend money." She's heard the same things Councilman Sutton has about restaurant workers paying \$8 instead of going to a lot 3 blocks away and paying \$3 because they'll have tip money.

Most retailers have their own dedicated parking and are not on the street. The hospitality side is where the issue is. Councilman Sutton said they want the 4-hour meters to be the turn-over meters. Mr. Dadson said he's not sure it's wrong to give a time limit to the areas where they want the most turnover. Councilman Sutton said there is push-back on the \$35 a month parking passes about where they can park. He feels the price should stay the same but might need to change where they are. If not all meters are for 8 hours, they might have more impact on the habitual offenders. Councilwoman Beer said if the restaurant workers aren't gotten off the street, they'll still have the same problems.

Mayor Keyserling said he feels staff needs to come back to council on this issue. Mr. Cook said they might consider 4-hour spots on Bay Street, 4-hour spots on Scott Street (unless they have a hang-tag), and 4-hour spots in front of the playground. Councilman Sutton said there would be no more 2-hour meters; they could be switched to 4-hour and added to existing 4-hour meters. Craven Street and the outer zones "create synergy" for employees to walk into the core. Councilman McFee said if it's more difficult for people to understand whether the space is for 4 hours or something else when there are kiosks. Councilman McFee doesn't have an argument with 4 hours in the core area, but he feels they should see if that's what professionals feel works best; otherwise it will just cause more confusion. Mayor Keyserling brought up the library lot as one of the highest turn-over lots. Mr. Dadson said it turns more than Scott but he doesn't know how much.

Mr. Dadson said because of the cruising issue, other towns encourage quick turnover by setting times at 15 minutes for \$1. He said times can be differentiated, but Councilman McFee is right about the confusion factor. The time differentials "should have to do with time of day, not time to park." 4 – 6 pm is a different kind of time. He asked "How do you want to change people's behavior?"

Extending parking hours: Councilman Sutton said this is a customer issue, i.e., locals who shop and dine at night downtown. 98 – 99% he spoke with don't understand why they want to extend the hours of paid parking. Adding 3 hours to parking will not give the turnover they want or raise revenue much. It's an employee issue for the restaurants, not retailers. No one at a restaurant has said they had a hard time with people complaining about parking at night to go to a restaurant. He thinks that an employee parking ordinance based on what other cities do would never work for Beaufort and would be counter-productive. He doesn't support going from 6 pm to 9 pm cut-off. He'd like the various elements of parking split out from one another when they vote. This issue should be discussed through the Hospitality Association, who he said "would love for council to do their dirty work."

Councilman McFee said he polled restaurants, and they support the change as have others. Mayor Keyserling said the restaurant owners want it. Councilwoman Beer fears the same problem will occur again. Councilman Sutton said it's not economically worth it. Mr. Dadson said there are day and night customers; they're not that different. They don't have a problem paying the daytime stuff but they overwhelmingly don't think it's worth \$3 to change the atmosphere of Beaufort. Mayor Keyserling said he found that few people raised the other issues, but *this* issue was hugely controversial. He feels this issue matters to people who live in Beaufort; that's who comes downtown at night. That's the distinction to him; he thinks it's a different group of people. If they're driven by the employee issue, he doesn't want to curtail what the residents enjoy. He would rather look for another way to solve the

employee parking problem. He feels employees haven't been well-educated on the issue. The problem of people walking with tips at night can be managed.

Mr. Dadson said there needs to be incentive for the employees to go to the outer areas and out of Bay Street. The \$35 tag has only been discussed for during the day. Maybe they need a second set of alternatives for the second shift. It could be priced according to when the restaurants are busiest on Fridays and Saturdays. If more people work at night, the \$35 tag or employee parking could be dealt with PLUS they could think of Thursday – Saturday nights in a different manner.

Councilman Sutton said the matter is not as simple as the parking company made it out to be. Mr. Cook asked if employees would move to the lot if it were inexpensive. Councilman Sutton said there's a perception of it lacking safety. The restaurants would love the city to solve their problem and aren't as willing to do the work daytime retailers are willing to do. Mr. Cook said Lanier is willing to do a \$15 a month hang tag for employees from 3 pm to 9 am. Mr. Dadson said day and night employees have different choices. **Nan Sutton** said the retailers making a living are willing to stay open; those who don't have to make a living won't. They're "not hungry enough."

Councilman Sutton said money is not the incentive for employees; convenience is. Mr. Dadson said staff will consider and come back with possible solutions. Councilwoman Beer said they could give multiple tickets for every time the meter reader came along.

Ms. Stevenson asked for the main motive to go until 9 and several people told her it is to increase turnover. Ms. Sutton said she did an informal survey of 28 of her best customers; 26 of them disagreed with the change from 6 to 9 pm. Councilwoman Beer said they can extend meter times if they need to. Ms. Sutton said she believes this is the employers' problem. The restaurants aren't educating their staffs and should come up with a buddy system to accompany women to their cars after work. Councilwoman Beer said wait staff turns over frequently which may be one reason they don't get restaurant cooperation. Ms. Stevenson said takes about 4 hours to tour, eat, and shop.

Councilman Sutton said the box to pay in the Trask lot is very difficult to use. Mr. Cook said Lanier brought that in because it's what they had and they'll get a better box. He added that cash needs to be an option to pay fines. It's also not clear *who* to write a check to when sending it in. Ms. Fabian asked when the changes will take effect. Mr. Dadson replied when the new meters are put in.

DISCUSSION REGARDING VARIOUS BOARDS/COMMISSION APPOINTMENTS

Mayor Keyserling said the consensus was to only interview for the Tree Board.

ADJOURNMENT

The meeting was adjourned at 8:16 p.m.

ATTEST: _____
SHIRLEY HUGHES, ACTING CITY CLERK