

A special meeting of the Beaufort City Council was held on June 28, 2004 at 5:00 p.m. in the City Hall Conference Room, 302 Carteret Street. In attendance were Mayor Bill Rauch, Mayor Pro Tem Donnie Ann Beer, Councilmen Frank Glover, Gary B. Fordham, Billy Keyserling, City Manager John F. McDonough. In accordance with 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**

The meeting was opened at 5:05 p.m. by the Mayor.

### **PUBLIC HEARING**

A public hearing was held to receive public comment on the municipal budget for the 2004 - 2005 fiscal year. A Notice of Public Hearing was duly published in The Beaufort Gazette on June 10, 2004.

The City Manager stated there was a change based on a discussion at first reading. In the General Fund, the revenues under the business license line item have been increased by \$75,000 as a result of the State Legislature increasing the telecommunications franchise fee since first reading of this ordinance. It is anticipated that the 1/4 % increase will raise the additional \$75,000. There was an administrative error in the Fire Department's budget training promotions and \$27,423 was inadvertently left out of the information distributed at first reading. The following amendments have been made by staff: \$18,000 was added to Court and Legal for salaries and fringe benefits for the municipal court judges and the contingency fund line item has been increased by \$29,577. The Contingency Fund budget is now \$89,577. The Parks & Tourism Budget now includes an additional \$20,000 on the revenue side and on the expenditures side, \$20,000 to fund operations of the satellite visitor's center.

**Libby Barnes**, Executive Director of the Greater Beaufort Chamber of Commerce, expressed her appreciation to Council and staff for funding the Visitor's Center again.

There being no other comments, the public hearing was closed at 5:07 p.m.

Councilman Fordham arrived at 5:10 p.m.

### **EXECUTIVE SESSION**

On motion by Councilman Keyserling, second by Councilman Glover, Council moved into executive session for a discussion involving compensation for the Municipal Court Judges, an interview with a candidate for the Historic Review Board, and to consider appointments to the Medical Technology Task Force. The mayor recused himself during the discussion involving the Judges salary because of a potential conflict. (Form at end of these minutes.)

### **ORDINANCE ADOPTING FY-05 BUDGET**

Upon returning to open session, the ordinance adopting the FY05 Budget was presented to Council for second reading and adoption.

Councilman Keyserling made a motion to adopt the ordinance, setting the FY2005 municipal budget, on second reading. Councilwoman Beer gave second.

Councilwoman Beer moved to amend the FY05 budget by increasing the General Fund Budget revenue \$75,000 for business licenses and on the expenditure side, increasing the personnel expenditures in the Fire Department for training promotions by \$27,423 that were inadvertently left out; increasing the Contingency Fund by \$47,577 for a balance of \$107,577. Council will determine at a later date whether or not the \$18,000 for personnel services will be included in the Court and Legal budget. In the Parks and Tourism budget, increase revenue by \$20,000 in a line item to be titled fund balance and on the expenditures side, \$20,000 for satellite operations for the Visitor's Center. Councilman Glover gave second. The motion to amend the budget passed unanimously.

Councilman Fordham moved to transfer \$20,200 from Court and Legal Jury Trials/Preliminary Hearings to the Contingency Fund until a report is received during the July 13<sup>th</sup> Council meeting. Councilman Keyserling gave second. Councilman Fordham voted in favor of the motion. Council members Keyserling, Beer, and Glover voted nay. The mayor abstained. The motion failed.

Councilman Fordham made a motion to remove the Christmas bonus line item from the various department's budgets and transfer that amount to the Contingency Fund. Councilman Keyserling gave second. The motion passed unanimously.

Councilman Fordham commented on the amount needed to lease the building to house the Police Department. After several other questions were answered, Council voted unanimously to adopt the ordinance on second reading as amended. (Copy of ordinance at end of the June 8, 2004 minutes.)

### **ORDINANCE ADOPTING INTERGOVERNMENTAL AGREEMENT WITH BEAUFORT COUNTY**

An ordinance adopting the Intergovernmental Agreement with Beaufort County reinstating the Transportation Impact Fee Program was presented to Council for first reading.

As requested, the City Manager provided answers to Council's questions asked of Mr. Boehm during the TIF presentation at a previous Council meeting. He explained the County Attorney has reviewed the document and this is the opinion given.

When asked to provide further insight on the Northern By-pass, the City Manager replied, Frances Cantwell, who works for the County and has experience in drafting impact fee ordinances, said the OD study is not an eligible expenditure. However, during conversations with various people at the County, the City Manager and the mayor were told funding to pay for the study will be obtained from another source. Mr. Keyserling restated his concern with the City being part of a twenty year agreement without the By-pass being included. He also suggested trying to add it to the list because of its importance and that there may not be another opportunity to fund this project for a long time. Council was reminded of the resolution they adopted directing the Planning Commission to begin the process of developing a Capital Improvement Project List and that their list did not include the By-pass. The mayor asked the reason Ms. Cantwell would not approve the OD study adding the transportation experts seem to favor the computer modeling but the County Council prefers a study. The City Manager said the list can be amended but there must be a consensus among the three

partners. Councilman Glover stated the Highway 17 improvements were removed from the list. The City Manager replied there has been further discussion and the list has been referred back through the County's process with changes proposed by the leadership. According to the mayor, money is to be borrowed to pay for ten of the eleven projects. The 11<sup>th</sup> project, the widening of Highway 17, would be constructed with a match if the infrastructure bank were to be reinstated or if the Department of Transportation can produce a majority of the funding. He suggested adding construction of the By-pass with a cost of \$2 million to the list. The City Manager stated that has to be built into the fee which is already \$727 per single family dwelling exclusive of bonding costs for \$14 million worth of projects. Council was advised they can approve the list as recommended by the Planning Commissions and amend it or modify it based on the list that will be proposed in July. It was noted that County Council has not had first reading yet. Questions to be answered are the addition of Highway 17, the Northern By-pass, and the Robert Smalls Corridor. The fees proposed will allow a 30% reduction for low to moderate income families if their income is 50% to 80% of the median income for Beaufort County. If the percentage is less than 50%, their reduction would be 60%, according to the ordinance passed in 1999. The point made was that adding additional items will increase the fee imposed on citizens. The mayor asked Council to review the list along with the fees and then considering the consequences decide whether to add additional items to the list. After further discussion, Councilman Glover moved to table the ordinance in order to resolve the issues regarding the Northern By-Pass. Councilman Keyserling gave second. Councilmen Keyserling, Glover, and Fordham voted in favor of the motion. Council members Beer and Rauch voted nay. The motion passed 3 to 2.

### **EXECUTIVE SESSION**

On motion by Councilman Keyserling, second by Councilman Glover, Council moved into executive session to discuss appointments to the Medical Technology Task Force.

### **OPEN SESSION**

#### **Medical Technology Task Force**

Upon returning to open session, Councilman Glover moved to appoint Capt. J. R. Hoffower, Chairman; David Brown; Randy Tidmore; Mike Ervin; Cookie Goodwin; Jeffrey Pollock; Charlie Peyton; and Mary Mack with Libby Barnes and Jessica Bridges as ex-officio members to serve on the Medical Technology Task Force. Councilwoman Beer gave second. The motion passed unanimously.

### **ADJOURNMENT**

There being no further business to come before Council, the meeting was adjourned at 7:23 p.m.

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BILL RAUCH, MAYOR

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COUNCILWOMAN DONNIE ANN BEER      COUNCILMAN FRANK GLOVER

COUNCILMAN GARY B. FORDHAM

COUNCILMAN BILLY KEYSERLING

ATTEST:

BEVERLY W. GAY, CITY CLERK