

BLUFFTON TOWN COUNCIL MEETING MINUTES
DECEMBER 8, 2015

Mayor Lisa Sulka called the meeting to order at 6:00 p.m. Council members present were Mayor Pro Tempore Ted Huffman, Karen Lavery, Fred Hamilton, and Larry Toomer. Town Manager Marc Orlando, Deputy Town Manager Frank Hodge, Assistant Town Manager/Executive Director of the Bluffton Public Development Corporation Shawn Leininger, Finance Director Shirley Freeman, Director of Growth Management Kendra Lelie, Director of Engineering Kim Jones, Chief of Police Joey Reynolds, and Town Attorney Terry Finger were also in attendance.

Pledge of Allegiance and Invocation was given by Councilman Hamilton.

Adoption of Agenda:

Huffman moved to adopt the agenda as presented with the addition of Executive Session as #12-c – *Legal Matters Update from Town Attorney (Pursuant to SC FOIA Act Section 30-4-70(a)(2)* and to amend item 9-C to read as follows: *An Ordinance Authorizing a Shared Parking Easement for Certain Real Property Owned by the Town of Bluffton consisting of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R610 030 000 1649 0000 in Favor of eviCore healthcare- First Reading – Shawn Leininger, Assistant Town Manager.* Lavery seconded. The motion carried unanimously.

Adoption of Minutes of November 10, 2015:

Huffman moved to adopt the Minutes of November 10, 2015 as presented. Toomer seconded. The motion carried unanimously.

Presentations, Celebrations and Recognitions:

Mayor Sulka announced the following Christmas Parade Winners:

- Best Performance – Bluffton School of Dance – accepted by Dawn Rosa Miller, President
 - Best Float – Palmetto Animal League – accepted by Cheryl Curry
 - State of Mind – Bluffton Cares (House Float) – accepted by Brighton Builder/Ben Kennedy, President/owner; Susan Gunyou, Vice President of Sales and Marketing. Their first Tiny Home will be donated to a Manning family from the October floods.
 - Fan Favorite (on-line voting) – Pritchardville Elementary School – accepted by Brenda Blue, Principal
 - Judges Choice – Bluffton High School Marching Band – accepted by Drum Major Maddie Latch & Band Captain Megan Candillo
- (Continued)

Presentations, Celebrations and Recognitions - Continued:

- Judges Choice/Honorable Mention – World largest Paint Brush – Lowcountry Community Church’s Guinness Book of World Records Competitor/World’s Largest Paint Brush Float – accepted Jan McKim, Fred Hedemark, James Best, and Vinnie Emery.

New Employees:

- Joy Nelson, Police Communications Relations Manager introduced by Chief Reynolds;
- Bethany Hopkins, Police Clerk II & Court Security Officer introduced by Chief Reynolds; and
- Brian Boehs, Purchasing and Grant Administrator introduced by Finance Director Freeman

Mayor Sulka read the Frank Hodge Proclamation on his retirement and for his service to the community.

Mayor Sulka read proclamations, presented plaques and gifts for Mayor Pro Tempore Ted Huffman and Councilwoman Karen Lavery for their service to the Town. Both Councilmembers stated their appreciation and their honor to serve the Town for the past four years.

Public Comments:

Shere Colborn, 82 Boundary Street, thanked Councilmembers Lavery and Huffman for their service to the Town. She stated her concerns on the allowed smoking near the doorway at Fat Patties. She also stated her concerns on ghost roads such as Water Street, being block by debris and personal property.

Margie Fox, 2 State of Mind, thanked Councilmembers Lavery and Huffman for their service to the Town. She stated her concerns on Fat Patties impacting Bluffton Road with illegal parking and needing a pedestrian cross walk. She has seen too many close calls with people trying to cross the Road.

Mayor requested Town Manager to contact SCDOT for possible solutions.

Skip Hoagland, 61 Sparwheel Lane, Hilton Head Island, welcomed Council-Elect. He stated a happy community, state of mind, and a state of reality is important. He accused Mayor Sulka and Town Manager Orlando of wrongdoing and must be held accountable in reference to the Hilton Head Island-Bluffton Chamber of Commerce membership drive. Mayor Sulka requested for Hoagland to end his public comment due to being disrespectful to Staff. Hoagland refused and was escorted out of the Council Chambers.

Communications from Mayor and Council:

Mayor Sulka:

- Welcome Boy Scout Matthew Creason who is working on his final merit badge by attending Town Council meeting.
- Stated the Christmas parade was fabulous and just gets bigger every year.

Toomer stated a cross walk is needed asap for Fat Patties on Bluffton Road.

Lavery stated the Town has the best staff and a top notched Police Department.

Hamilton:

- Wished everyone Merry Christmas and Happy Holidays and to reflect on family.
- Enjoyed working with Councilmembers Lavery and Huffman with them giving their best, heart, time and talent during their service to the Town.

Presentation of the Town of Bluffton 2015 Audit by KRT CPAs:

Shirley Freeman, Director of Finance, presented the 2015 Audit to Town Council.

Arlynn Stroman of KRT CPA's gave an overview. She stated the Audit went well with an unmodified report and internal controls were in effect. She also stated that Staff was excellent on preparing reports. Council accepted the 2015 Audit as presented.

ATAX Advisory Committee Funding Recommendations for Quarter Ending September 30, 2015:

Shirley Freeman, Director of Finance, stated the Accommodation Tax Advisory Committee met on November 16th to review the quarterly grant application in the amount of \$96,142 with a total of \$130,916 available funds for distribution.

1. **Farmers Market of Bluffton** – Requested \$14,142 for their annual request balance – Committee recommended \$14,142:

Toomer moved to grant the Farmers Market of Bluffton \$14,142.

Lavery seconded. The motion carried unanimously.

2. **Bluffton Historical Preservation Society** – Requested \$50,000 for their annual request balance – Committee recommended \$50,000:

Lavery moved to grant the Bluffton Historical Preservation Society \$50,000. Toomer seconded. The vote was four in favor of motion.

Huffman recused himself.

3. **Greater Bluffton Chamber of Commerce – “Taste of Bluffton”**– Requested \$20,000 – Committee recommended \$10,000.

Huffman moved to grant the Greater Bluffton Chamber of Commerce \$10,000. Lavery seconded. The motion carried unanimously.

4. **Old Town Bluffton Merchants** – Requested their quarterly \$12,000 – Committee recommended \$12,000.

Huffman moved to grant the Old Town Bluffton Merchants \$12,000.

Lavery seconded. The motion carried unanimously.

An Ordinance Authorizing a Shared Parking Easement for Certain Real Property Owned by the Town of Bluffton consisting of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R610 030 000 1649 0000 in Favor of eviCore healthcare- First Reading – Shawn Leininger, Assistant Town Manager:

An Ordinance Authorizing the Sale of Certain Real Property Owned by the Town of Bluffton to eviCore healthcare Consisting of an Approximately 3.1 Acre Portion of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R620 030 000 1772 0000, the Transfer of General Commercial Development Rights, and the Establishment of a CareCore Drive Temporary Access Easement – First Reading – Shawn Leininger, Assistant Town Manager:

Shawn Leininger, Assistant Town Manager, gave an overview.

The Town currently owns a total of eighteen point seven four (18.74) upland acres within Buckwalter Place. Currently, four point seven four (4.74) acres have been built upon leaving fourteen (14) acres undeveloped. Acquisition of this property occurred over several transactions as described below.

The Town acquired six point six two (6.62) upland acres of the Town owned property through a Real Estate Exchange Agreement on August 11, 2005. Portions of the property are built upon and include the Town of Bluffton Law Enforcement Center, Progressive Drive, and CareCore Drive.

The Town also acquired seven point one two (7.12) upland acres of the Town owned property, as well as 10 acres of General Commercial development rights, on March 25, 2013 from Parcel 6, LLC for \$735,000. This equates to \$103,230 per acre. Funding for the purchase was provided through Utility Tax Credit contributions from Hargray Communications, Inc. and Palmetto Electric Cooperative, Inc. The property is currently undeveloped. eviCore's purchase proposal includes acquisition of two point four (2.4) acres of this undeveloped property.

The Town then acquired five (5) upland acres of the Town owned property on October 22, 2013 from Beaufort County for \$450,000. This equates to \$90,000 per acre. Funding for this purchase was provided through Multi-County Industrial/Business Park revenue and a Utility Tax Credit contribution from Palmetto Electric Cooperative, Inc. The property is currently undeveloped.

Further, per the guidance provided in the SC Attorney General Opinion dated July, 8, 2013 there are no statutes in state law requiring an appraisal or public bidding for the sale of municipal property. However, it does caution that the Town should receive some consideration of reasonable equivalent value.

(Continued)

An Ordinance Authorizing a Shared Parking Easement for Certain Real Property Owned by the Town of Bluffton consisting of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R610 030 000 1649 0000 in Favor of eviCore healthcare- First Reading – Shawn Leininger, Assistant Town Manager - Continued:

An Ordinance Authorizing the Sale of Certain Real Property Owned by the Town of Bluffton to eviCore healthcare Consisting of an Approximately 3.1 Acre Portion of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R620 030 000 1772 0000, the Transfer of General Commercial Development Rights, and the Establishment of a CareCore Drive Temporary Access Easement – First Reading – Shawn Leininger – Continued:

eviCore Healthcare (eviCore) submitted a Letter of Intent to the Town outlining their proposed purchase of an estimated three point one (3.1) upland acres of Town owned property within Buckwalter Place for \$275,000. The acreage consists of two point four (2.4) acres of undeveloped property as well as point seven (0.7) acres of adjacent right-of-way (CareCore Drive) constructed by the Town at an estimated cost of \$181,400.

eviCore desires to create a corporate campus for the benefit of their employees. Currently, employees only have a small patio in the rear of Building 1 to utilize for meals, breaks, and company functions. Upon purchase of the property, eviCore intends to create a park area on the undeveloped property for corporate functions and recreational activities. The right-of-way (once Progressive Street and Innovation Drive are extended to provide alternate access to the Law Enforcement Center) will provide a pedestrian thoroughfare between buildings and the above referenced land. eviCore indicates future use of the undeveloped property may include office buildings.

Town Council approved the "Motion to authorize the Town Manager to enter into negotiations for the sale of Town owned property within Buckwalter Place." by majority vote on October 13, 2015. The Town Manager then executed the Letter of Intent on October 14, 2015, which includes a rendering of the property acquisition area, which is provided as Attachment 1.

(Continued)

An Ordinance Authorizing a Shared Parking Easement for Certain Real Property Owned by the Town of Bluffton consisting of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R610 030 000 1649 0000 in Favor of eviCore healthcare- First Reading – Shawn Leininger, Assistant Town Manager - Continued:

An Ordinance Authorizing the Sale of Certain Real Property Owned by the Town of Bluffton to eviCore healthcare Consisting of an Approximately 3.1 Acre Portion of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R620 030 000 1772 0000, the Transfer of General Commercial Development Rights, and the Establishment of a CareCore Drive Temporary Access Easement – First Reading – Shawn Leininger – Continued:

Since the execution of the Letter of Intent, eviCore and the Town have prepared a draft Agreement for Purchase and Sale outlining specific details of the property transfer such as the purchase price, property description, due diligence period, and closing. Further, the draft Agreement, provided as Attachment 2, also includes several Exhibits for specific provisions of the sale including:

1. **Partial Assignment and Assumption of Rights and Obligations Under Development Agreement.** This document transfers a total eight point eight four (8.84) acres of General Commercial development rights to eviCore for the two point four (2.4) acre undeveloped portion of the property purchase as well as for eviCore's existing Building 1 and 2 sites which did not receive an assignment of development rights as part of previous transactions with the Town. The distribution of these development rights are as follows:
 - a. *eviCore Purchase Undeveloped Property.* Two point four (2.4) acres of General Commercial development rights.
 - b. *eviCore Building 1 located on Parcel 2.* Four point seven eight (4.78) acres of General Commercial development rights. Development of this parcel has already taken place utilizing the Four point seven eight (4.78) acres of General Commercial development rights transferred through this Partial Assignment. Therefore, these development rights are not assignable to a third party.
 - c. *eviCore Building 2 located on Parcel 1B-1.* One point six six (1.66) acres of General Commercial development rights. Development of this parcel has already taken place utilizing the One point six six (1.66) acres of General Commercial development rights transferred through this Partial Assignment. Therefore, these development rights are not assignable to a third party.
- (Continued)

An Ordinance Authorizing a Shared Parking Easement for Certain Real Property Owned by the Town of Bluffton consisting of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R610 030 000 1649 0000 in Favor of eviCore healthcare- First Reading – Shawn Leininger, Assistant Town Manager - Continued:

An Ordinance Authorizing the Sale of Certain Real Property Owned by the Town of Bluffton to eviCore healthcare Consisting of an Approximately 3.1 Acre Portion of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R620 030 000 1772 0000, the Transfer of General Commercial Development Rights, and the Establishment of a CareCore Drive Temporary Access Easement – First Reading – Shawn Leininger – Continued:

2. **Right of First Refusal Agreement.** This document provides that the Town has a first right of refusal should eviCore decide to sell the purchased property within a 10 year time-frame to another individual/company who intends to use the property for purposes other than office space or similar commerce tech park type uses as determined by eviCore. If the Town acts upon the Purchase Option the Town's purchase cost shall be equal to the sales price of Two Hundred Seventy-Five Thousand and No/100 (\$275,000.00) Dollars plus the market value of any improvements made by eviCore to the property.
3. **Permanent Cross Access, Utilities & Drainage Easements Agreement and Confirmation of Perpetual Access Easement Agreement for CareCore Drive Right-of-Way.** This document provides the Town with an access easement for the continued use of CareCore Drive until Progressive Street and Innovation Drive are complete. Further, the agreement provides that once Progressive Street and Innovation Drive are open, the Town will consent to the termination and/or abandonment of the CareCore Drive right-of-way.
4. **Easement Agreement (Shared Parking).** This document provides for a shared parking easement over Town owned property in the event eviCore constructs new office building(s) on the purchased property. Specifically, the Town grants eviCore the use of the parking areas adjacent to the Law Enforcement Center with the exception of parking spaces/areas reserved by the Town.

Huffman moved to have first reading on the Ordinance Authorizing a Shared Parking Easement for Certain Real Property Owned by the Town of Bluffton consisting of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R610 030 000 1649 0000 in Favor of eviCore healthcare. Lavery seconded. The motion carried unanimously.

(Continued)

Huffman moved to have first reading on an Ordinance Authorizing the Sale of Certain Real Property Owned by the Town of Bluffton to eviCore healthcare Consisting of an Approximately 3.1 Acre Portion of Parcels R610 022 000 1099 0000, R610 030 000 1848 0000 and R620 030 000 1772 0000, the Transfer of General Commercial Development Rights, and the Establishment of a CareCore Drive Temporary Access Easement. Lavery seconded. The motion carried unanimously.

For the record: This property was purchased years ago for \$103,000 an acre with it now being sold for \$115,000 an acre without the right-of-way for CareCore Drive.

Consent Agenda:

- a. Staff Reports: Police, Finance/Administration, Engineering, Don Ryan Center for Innovation, and Growth Management
- b. Town Manager's Report
- c. Approval of 2016 Town Council Regular Meeting and Workshop Dates Schedule
- d. Resolution Amending the Time Restricted Parking on Calhoun Street and at DuBois Park on Lawton and Lawrence Streets from a Maximum of 2-Hour Parking to a Maximum of 3-Hour Parking from 9:00AM-5:00PM Monday through Friday:
Based on community feedback at the October 20, 2015 Town Council Workshop and best parking practices, Staff recommended a 2-hour time restriction on Calhoun Street to help encourage greater turnover of parking spaces. Town Council approved a Resolution at the November 10, 2015 Town Council meeting authorizing the following:
 1. Establish time restricted parking (maximum of 2 hours, Monday through Friday from 9:00 a.m. to 5:00 p.m.) on Calhoun Street and for the head-in parking at Dubois Park provided Staff help facilitate businesses and other organizations identify parking areas for overflow parking and execution of the necessary shared parking agreements;
 2. Develop a resident parking sticker program for residents of Calhoun Street allowing parking in the time restricted areas; and
 3. Establish no parking zones on Lawrence Street, Lawton Street and Church Street (with the exception of the head-in parking at DuBois Park).(Continued)

Resolution Amending the Time Restricted Parking on Calhoun Street and at DuBois Park on Lawton and Lawrence Streets from a Maximum of 2-Hour Parking to a Maximum of 3-Hour Parking from 9:00AM-5:00PM Monday through Friday - Continued:

Based upon feedback from the Old Town Merchant's Society meeting on November 11, 2015 and from some Calhoun Street businesses regarding the concern with the approved 2-hour time restriction, Staff conducted a door-to-door survey of businesses located on Calhoun Street to determine if a 3-hour parking restricted would be preferable to the approved 2-hour parking restriction. Of the 16 businesses Staff was able to contact, the overwhelming majority (94%) agreed that a 3-hour parking restriction was preferable to the approved 2-hour parking restriction.

The increase in the maximum time restriction will encourage greater commerce within the Old Town Historic District as the additional hour will give patrons the opportunity to have an extended experience dining and shopping without the need to move a vehicle. The following map depicts the time restricted and no parking areas:

Lavery moved to adopt the Consent Agenda as presented. Toomer seconded. The motion carried unanimously.

Public Comments:

There were none.

Executive Session:

- a. Discussion of Proposed Contractual Arrangements Relating to the Oyster Factory Park Dock and Ramp Widening Project (Pursuant to SC FOIA Act Section 30-4-70(a)(2))
- b. Discussion of Proposed Contractual Arrangements Relating to Jason Street Sewer Extension (Pursuant to SC FOIA Section 30-4-70(a)(2))
- c. Discussion of Legal Matters Update from Town Attorney (Pursuant to SC FOIA Section 30-4-70(a)(2))

Lavery moved for Council to go into Executive Session to discuss the abovementioned items. Toomer seconded. The motion carried unanimously.
Council entered into Executive Session at 7:12 p.m.

Actions from the Result of Executive Session:

Mayor Sulka called the meeting back to order at 8:28 p.m. and announced no votes were taken.

Lavery moved Town Council to approve a Memorandum of Understanding (MOU) between Beaufort-Jasper Water and Sewer Authority (BJWSA) and the Town of Bluffton to establish a partnership and authorize the expenditure of budgeted Capital Improvement Program funds for the extension of sanitary sewer into the Jason and Able Streets area to service thirty-seven (37) residential and commercial properties. Toomer seconded. The motion carried unanimously.

Meeting adjourned at 8:29 p.m.

Mayor

Town Clerk