



**TOWN OF SURFSIDE BEACH  
TOWN COUNCIL  
BUDGET MEETING**

**WAMPEE CONFERENCE CENTER  
March 24, 2011 ♦ 9:00 AM  
March 25, 2011 ♦ 9:00 AM**

**March 24, 2011**

**CALL TO ORDER**

The budget meeting came to order at 9:00 AM. Mayor Deaton, Mayor Pro Tem Childs and councilmembers Blair, Smith, Dodge, Samples and Johnson were present. There was a quorum. Staff present: Administrator Duckett; Deputy Administrator, Fellner; Clerk, Pinnell; Police Chief, Frederick; Fire Chief Packard; Finance Treasurer, Hursey; Public Works Director, Adair; Building Director, Donevant and Events Supervisor, Ellis.

**Budgeting an Overview (Lecture, No Pictures)**

Mr. Duckett explained that the way many local governments in South Carolina do budgeting is very arduous and time consuming and councilmembers end up spending a lot of hours talking about what comes to approximately 22.5 percent of the budget; approximately 65 percent of the budget is already set. Many people talk about zero based budgeting which means you start with a blank slate. Zero based budgeting is really historically based budgeting. Generally speaking, the beginning of the budget season for a June year end usually begins in January. The administrator and finance person meet with department heads; the department heads bring in their dream budget. Every single department head needs more people. In the meeting staffing is discussed. The finance person prints out the last audit amount information and detail of where the department currently stands under each budget category and then gives the projection for what the end of the year will be. An evaluation to determine what is needed for the department takes place. Department heads look at people and recurring or operating expenses. The department directors next talk about capital needs. The item not discussed at the initial meeting is debt service; whatever is owed is already owed and whatever debts the Town has would be on a fixed payment schedule. The first meeting is to review each item. The items are reviewed line by line. Department heads are always trying to grow; the department heads are questioned on their estimated budget items. Finance then projects what the revenue will be. Finance Directors or Treasurers are very conservative on projecting the income; for them to be successful they need to project a minimum. Administrators attempt to push projections up and rarely are successful. There is then a second series of meetings with department heads; this is when the cuts come in. They need to get closer to a balanced budget. If the budget is not balanced then at the second phase the Town begins a series of budget workshops with council which is also open to the public. Council then makes suggestions to assist in cutting the budget. Numbers are then changed to balance the budget.

Mr. Duckett then explained how a budget runs in a well run city. Mr. Duckett stated that there are a lot of well run cities in the State of South Carolina and he feels that Surfside Beach, if it is not well run, adding that it is well run in many ways, then it will be well run if Council can take a few suggestions. Instead of going through the previously described process, the administrator has a meeting with all of the department heads; he informs them that the council is conservative; they want to save money and they need to present the public with a budget that shows the citizens they are taking care of the town's money. The department heads are asked to take their

52 numbers, they are distributed their bottom line number from the previous year. Department  
53 heads look at their needs then the budget retreat is scheduled. The mid-year budget adjustments  
54 were done here in Surfside Beach which had not been the case in previous years. Mr. Duckett  
55 informed the department heads to be very conservative and asked them to be within 5 percent of  
56 what had already been approved by the Town Council. If department heads can see places to  
57 save money they are asked to do so. Mr. Duckett stated that he will show slides later to show  
58 what the Towns' department heads are presenting.

59  
60 Mr. Duckett stated that he wanted to now talk about people; he met with all Councilmembers  
61 separately at least twice and all have heard what he is about to talk about. Mr. Duckett first  
62 thanked Council again for allowing employees to get a retroactive, catch up, raise that was  
63 previously taken out of the budget the previous year. Mr. Duckett asked Council if they would  
64 do it and they did. Everyone got a 2 or 3 percent raise with a few isolated exceptions. Mr.  
65 Duckett stated that he made a commitment to Council; if Council would do this for the  
66 employees then he would not ask for an across the board raise for the next two years; he would  
67 instead ask for merit increases with the maximum being 4 percent, which is something that some  
68 councilmembers preferred. Mr. Duckett also pledged that some percentage of staff will get no  
69 increase. There will be great performers, mediocre performers and weak performers. Shown in  
70 the budget will be an approximate 3 percent increase to cover merit increases. Also discussed  
71 previously with councilmembers were Christmas bonuses. There are twelve different ways to do  
72 Christmas bonuses. Council can decide on if and how to do Christmas bonuses but staff can take  
73 care of this as well adding that he would be asking for the same number two years in a row. The  
74 number will not change and this number is \$109,263 which includes merit and Christmas  
75 bonuses including fringe. Mr. Duckett stated that he would commit to Council that the Town  
76 will not spend the entire \$109,263. This will fit into everything else being proposed. The Town  
77 will not ask for any new employees for the next two years. Mr. Duckett would like to take care  
78 of the employees it currently has; he will not ask for more money or new people. If the Town  
79 lets the department heads do merit raises there will be easy graders and hard graders. It is unfair  
80 that employees get rated subjectively; it is controlled by taking each department's payroll,  
81 looking at the number of employees and the total payroll. From the \$109,263 a portion will first  
82 be shaved out, this amount would not be given to the department heads; each department head  
83 will get a number they have control over. They have to fill out their evaluations on their  
84 employees and they have to justify what they are recommending; it then goes through the chain  
85 of command for final approval. With the money saved the administrator determines how well  
86 the department head is doing. Mr. Duckett then would propose what each department head  
87 would receive; part of this would be determined on how well they handled the money they were  
88 given control of. Mr. Duckett would then bring the list of recommendations to Council adding  
89 that he has done this a number of times. Mr. Duckett stated that this is very important to him  
90 adding that it is also extremely important to Council. If you make commitments to your staff to  
91 treat them like they deserve to be treated 75 employees will do what 95 couldn't accomplish if  
92 you take care of them. Sometimes councils will have confidence in the administrators'  
93 recommendations. Mr. Duckett stated that he is not proposing to give it all out. The theory is  
94 that it filters down when you allow department heads to bring you a budget that is essentially a  
95 no growth budget; the Town is proposing less than in the budget that was already approved.  
96 Some department heads have stated that their needs are higher and some have lower needs with  
97 no pressure from anyone. They are just being good stewards of the Town's money. Mr. Duckett  
98 stated that if Council wants to change what is presented that is their option adding that it is not  
99 about him. Mr. Duckett stated that he signed a two year contract with the Town which was  
100 signed by all of Council. Currently 12.5 percent of that 2 year contract is gone. 104 weeks

101 comes to about a percent a week; Mr. Duckett proposed to Council that in December Council  
102 add 1 year to his contract because he would like to get to the third budget with Council. After  
103 the third budget he will have done his job in Surfside Beach and he will have the Town staff  
104 running better after he is gone than while he is here; the right people will be in the right jobs.  
105 Council will have shown that they take care of people and they will not want to go anywhere.  
106 Mr. Duckett stated that he has experience in this and he has previously left a staff behind better  
107 than when he was there.

108  
109 The operating expenses being proposed are less than what was approved at midyear. Capital  
110 equipment is less than last year. Mr. Duckett stated that he will present pictures later in the  
111 meeting. Debt service will not be discussed in the first session; it will be discussed later. At  
112 year three the Town won't owe a dime except for the new fire truck which is a separate debt  
113 service that was done last year. He will do his best not to look in the rearview mirror at  
114 decisions previously made; many of which were very good decisions. Whatever is done is done.  
115 The Town did refinance their debt in 2006, a GO (general obligation) bond. After the second  
116 year budget the \$418,000 debt will disappear unless the Town borrows more money. At this  
117 point he would not suggest Council borrow especially since the Town has money to use for  
118 anything it might need. People, operating expenses, capital equipment and debt service is what  
119 makes up a local government in South Carolina. The Town has a general fund, it does not have  
120 water and sewer or electric; having these are business accounts and it complicates things more by  
121 60 percent. The general fund is the Towns' government fund and the enterprise funds are  
122 business funds. The Town has two enterprise funds which will be discussed later. Since  
123 Surfside Beach is a beach community it has Atax, which many communities have but beach  
124 communities have more and it has hospitality which many communities do not have. Mr.  
125 Samples stated that there is also a capital called infrastructure and he is looking for input  
126 philosophy from Mr. Duckett on this. Mr. Samples stated that the first bond the Town got was  
127 for paving and asked where money for roads is located in the budget. Mr. Duckett stated that the  
128 money for roads is in the fund balance and there is \$500,000 there; it is not budgeted and he has  
129 not, in his 12 years in local government, ever budgeted for roads. Mr. Samples asked if any  
130 money has been budgeted for beach re-nourishment. Mr. Duckett stated that this is in the fund  
131 balance as well. Mr. Duckett stated that every year parts of the fund balance are designated for  
132 different activities; it could be beach re-nourishment, paving roads, etc. Some of it may be spent,  
133 most of it could be spent and none of it could be spent. Just because it is designated does not  
134 mean it is spent. Mr. Samples stated that this approach and philosophy will work as long as you  
135 bring in more than you are spending. Mr. Samples stated that he appreciates the philosophy and  
136 how Mr. Duckett has introduced the budget. The budget needs to be in a larger context which  
137 was introduced. Mr. Duckett had spoken about a two year plan which he feels is important. Mr.  
138 Samples stated that the Town has money but this Council has never added money to the fund  
139 balance; this Council has spent down the fund balance and it works but at some point the Town  
140 needs to bring in more revenues than it is spending. Mr. Samples reiterated by stating that his  
141 questions related to roads and beach re-nourishment is also this Councils responsibility, yes,  
142 there is money in the fund balance, but at some point the Town needs to replenish the fund  
143 balance. Mr. Duckett stated he agreed and the fund balance would be explained later in the  
144 session. Mr. Duckett stated in the third year the Town will be adding money to the fund balance  
145 with the debt having been paid off.

146  
147 ***Council had a 15 minute break***

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150

151 ***FY 2011-2012 Proposed Budget***

152 Mr. Duckett presented the budget with a PowerPoint presentation which is on file. Mr. Duckett  
153 presented the organizational chart for each department. The Building department has a new  
154 employee, Ms. Morris, she has 20 years in planning and zoning experience and will take on more  
155 of the planning allowing Ms. Donevant to concentrate on the building side; she will also be cross  
156 trained for building inspections. Public Works has three to four divisions including the  
157 mechanics; the second mechanic was added this year. Mr. Duckett stated that Ms. Blair had  
158 questioned the cell phone use at Town hall. Mr. Duckett stated that Ms. Fellner and Ms. Hursey  
159 had reevaluated the cell phones prior to his arrival; they met with vendors and ended up getting a  
160 deal. The Town spends less than \$15,000 per year which includes 20 cell phones plus 5  
161 additional cell phones to run the computers and police vehicles; these are called air cards; it  
162 includes all shared minutes and the Town has never gone over its minutes. The first time the  
163 Town goes over the minutes Mr. Duckett will address it. The narcotics department uses cell  
164 phones often. The Chief of Police, the Police Captain and the Deputy Administrator Fellner do  
165 not have Town phones; they prefer to use their own phones. Ms. Blair thanked Mr. Duckett for  
166 the information; she attempted to get the information at the budget retreat last year from the  
167 previous administrator and never received it. Mr. Duckett stated that the fire department only  
168 has two phones while the Public Works department has four; they use cell phones for the  
169 extensive communication between the director and supervisors of streets, sanitation and grounds.  
170 There are three phones in recreation and special events; they are used to communicate during  
171 events.

172

173 Mr. Duckett showed the police department organizational chart. The victims advocate position  
174 would be filled per previously discussed with Council. Mr. Duckett stated that he will likely ask  
175 in the future to promote Rodney Keziah to Lieutenant adding that he has the money in the  
176 budget. Council will be asked to make this decision later. It was confirmed that he is already  
177 getting training and doing additional work. The fire department chart was shown. Mr. Duckett  
178 stated that the Town has many volunteers that work for this department.

179

180 Mr. Duckett showed a slide of the Town as a whole. Revenues and expenditures and impact on  
181 fund balance were reported. Government activities were presented in a slide. Mr. Duckett stated  
182 that books have been prepared for council and council can have a copy after the meeting.  
183 Council can spend as much time talking about these items; if Council wants to get into the details  
184 Mr. Duckett advised Council to set up an individual meeting with Ms. Hursey and Ms. Fellner to  
185 discuss the funds in more detail. The general fund shows the impact of the fund balance. Total  
186 fund balance by year was projected in a slide. The Town fund balance has been going down  
187 progressively but it went up in 2010 due to the 15 month year the Town created to change their  
188 budget year; it includes two years of business license fees. The fund balance in the upcoming  
189 projected budget is about three and a half million. Undesignated fund balance, there are parts of  
190 the fund balance that are designated for different things. Undesignated fund balance is money  
191 that Council needs to take action to designate its use. Undesignated fund balance percentage this  
192 year is 41.53 percent; this is the amount of money the Town has if no additional money is  
193 collected. This meant that the Town can go 43 percent of the year with no collections. Some  
194 cities have ordinances that require keeping 25 percent in the fund balance; this is wise if there is  
195 lots of turnover in councils; as long as the Town has it, there is no need to pass a law; 25 percent  
196 is a good number if it gets to 50 percent some people would say it's irresponsible because you  
197 are banking money you are not spending. Mr. Samples asked if it was a million one that the  
198 Town has in debt that it owes itself. Mr. Duckett confirmed this to be correct. Mr. Samples

199 commented that the Town could not really spend the money it owed. Mr. Duckett showed  
200 Council a slide with a pie chart of the proposed revenues of the Town for 2011-2012. The pie  
201 chart showed that approximately 40 percent of the Town revenues come from property taxes and  
202 approximately 40 percent comes from franchise fees and license fees and permits. 80 percent is  
203 the bulk of the Town revenue. Mr. Duckett stated that the two business license staff are two of  
204 the best individuals he has seen in his experience adding that they are kind, nice and very  
205 professional. Mr. Duckett added that they look for businesses without licenses working in Town.  
206 The other finance sources are accommodations tax funds, hospitality and 5 percent of pier  
207 enterprise fund. The Police are not out making the Town money in fines and forfeitures; these  
208 are not revenue producing, the State gets most of this money. The Town does not account for the  
209 entire amount since it goes to the State. The Town is currently getting zero percent interest. The  
210 intergovernmental revenue is comprised of monies from the state, including grants, shared taxes,  
211 and other reimbursable fees. In preparing the budget the Town only gets \$100,000 in  
212 reimbursable fees and the Town cut 10 percent to \$90,000 assuming the State will give less; this  
213 is hurting the counties; the smaller the municipality the less the effect. The intergovernmental  
214 also includes alcohol permit money, homestead exemptions and the \$16,000 given from Horry  
215 County for recreation which was given recently to the Town by Paul Price. Mr. Samples stated  
216 that there are a group of people regarding property taxes that declare they contribute with rental  
217 properties as well. Mr. Duckett stated that business income for Surfside Beach is very good.  
218 Mr. Duckett reviewed millage assessment adding that this is something else the Town did well.  
219 The Town needs to get other arenas to contribute to the general fund. General fund expenditures  
220 is going down. The operating expenditures total by fiscal year was included; this is going down.  
221 Proposed expenditures by department were presented. Salaries and benefits makes up 75 percent  
222 of the Town budget. This is true in all governments. Councils should not have to spend so much  
223 time on 22 – 23 percent of the budget; this should be entrusted to the department heads. They  
224 need to manage their money. Grounds Department is part of Public Works but it is funded a  
225 little differently. Public Works is about 5 percent, the court makes up 1 percent of the budget.  
226 Mr. Duckett stated that some more money was placed in court for the next budget; the plan is to  
227 have more jury trials this year. Some more cases will be prosecuted. Mr. Samples asked why  
228 the sign case was prosecuted. Mr. Duckett stated this was the prosecutor's decision. Mr. Smith  
229 asked what the Public Works department would spend \$188,000 on. Mr. Duckett and Mr. Adair  
230 explained that it would include uniforms, wood, nuts, bolts, shovels, rakes, etc. Sanitation is  
231 accounted for separately. Mr. Smith asked what is included in the \$134,000 in administration.  
232 Mr. Duckett stated this includes Council. Most cities have council broken out in a separate  
233 budget than administration. More often council is moved into administration; it includes travel  
234 and training. Mr. Duckett stated that this Council does not spend a lot of money on meals  
235 compared to other councils. Some councils get fed at meetings and this Council does not. Mr.  
236 Samples asked if Council would get the detail on these items. Ms. Hursey stated that all admin  
237 and Council travel and training would be included on one line. Mr. Samples asked if there will  
238 be a comparable line to the previous budget. Ms. Hursey stated that there would be.

239  
240 Mr. Duckett reviewed capital expenditures. Mr. Duckett stated that staff is requesting to spend  
241 very little in the next budget. Mr. Samples asked if there was a capital replacement plan. Mr.  
242 Duckett stated that the Town has one but it is not what he thought it was, it is primarily driven by  
243 the mechanic in the shop. The police are requesting one car. Public Works is requesting security  
244 fencing, the fire department is requesting replacement of a 1996 Dodge pickup since it is starting  
245 to cost the Town money to repair. The fire department is also requesting a NEMA cabinet,  
246 Public Works is requesting a long bed utility truck and a diesel mower. Under non-departmental  
247 the request is for an HVAC unit. Under non-departmental staff is requesting a Server with SQL

248 2008. Capital expenditures were listed by department. Police is \$27,000, Grounds is \$9,000,  
 249 Fire is \$12,550, Public Works is \$50,000 and Non-departmental is \$30,500 with a total of  
 250 approximately \$130,000. Mr. Samples asked where the HVAC was going to go. Ms. Hursey  
 251 stated that the Town budgets one per year since the Town averages one replacement each year. It  
 252 was confirmed that one was recently replaced at Town hall. Mr. Duckett reviewed debt service.  
 253 The debt is anticipated to be finished by 2014. Mr. Samples confirmed that the original bond  
 254 was for street paving in the late 80's and then it was rolled over in order to build the police  
 255 station. The police station cost about three quarter of a million dollars when it was built. Mayor  
 256 Deaton stated that there have been numerous attempts to spend the debt service in advance and  
 257 the Town held the line, there have been suggestions in the past to offset the debt; spend money  
 258 on something else. Mr. Duckett stated that he was shocked at how little debt the Town had.  
 259 Another debt service is the ladder truck which will be paid off in 2021. Mr. Duckett stated that  
 260 the Town has done great things with stormwater adding that it will always be a continuing  
 261 challenge. Mr. Johnson stated that there are stormwater issues on the north end; is there an  
 262 estimated cost. Mayor Deaton stated that this is the last basin and there should be evaluations  
 263 being done now. Mr. Adair stated that Earthworks gave the Town a proposal and DDC is due to  
 264 give a proposal to the Town so they can compare. Mr. Adair stated that there is a large pocket in  
 265 the Myrtle basin from Pine to 5<sup>th</sup> and from Poplar to Cedar, this is where the problem is. The  
 266 north side from 14 to 17 the Cherry Lake into Magnolia Lake into the ocean is not draining well  
 267 and they looked at a watershed basin. Mr. Samples asked if there was another basin in between  
 268 those two. Mr. Adair stated that Dogwood and Elizabeth is its own basin and all those properties  
 269 drain well. 13<sup>th</sup> is part of the north end project; this goes towards Magnolia.

270  
 271 Mr. Duckett reported on hospitality revenues; they went down between 2009 and 2011 as  
 272 predicted. Ms. Hursey is projecting it will come in at \$810,000 but Mr. Duckett feels this is  
 273 conservative and it should come in higher than this. Mr. Samples asked how much the Town  
 274 was getting in hospitality from the pier. Mr. Duckett stated that this number cannot be discussed.  
 275 Mr. Samples asked if the parking portion can be taken out and then just discuss hospitality fees.  
 276 Ms. Hursey stated it is in the next slide. Mr. Duckett clarified he is talking about hospitality  
 277 revenues. Mr. Samples stated that other items were previously moved into hospitality revenues.  
 278 Mr. Duckett stated that parking is hospitality; the people who live in Town do not pay to park.  
 279 Mr. Duckett stated that the restaurant income received from Nibils is equivalent to what it gets  
 280 from Dennys. There were some comments about the loss of revenue from not having an  
 281 operating restaurant. Hospitality expenditures show how the Town spends hospitality money.  
 282 This fund was used to build the firestation. Tourist related items such as bicycles for the police  
 283 are also items included. Mr. Duckett stated that hospitality goes hand in hand with  
 284 accommodations tax; if one goes up then the other goes up. Mr. Samples stated that this is if the  
 285 rate stays the same. Mr. Duckett stated that this is why there is a fund balance otherwise if the  
 286 revenue went down then the Town would have to dip into its savings and this is why the Town  
 287 has a healthy balance. Proposed accommodations tax revenues were presented. Mr. Duckett  
 288 stated that he is impressed with the Town; as he walks around he sees signs showing where  
 289 accommodations tax money is being spent. The bathrooms are maintained and kept clean with  
 290 accommodations tax money. The Town can only spend accommodations tax money on certain  
 291 things. Hospitality money can be spent on more items. Some is transferred to the general fund.  
 292 Accommodations expenditures include public safety, public works, recreation and special events,  
 293 grounds and non-departmental. Mr. Duckett commented favorably on the routines of the Town  
 294 staff. Enterprise funds include sanitation and the pier. The sanitation fund is in good shape. The  
 295 pier fund does not include any income from a pier restaurant; there is hope there will be but the  
 296 financial staff has been conservative. Mr. Samples asked how much the Town is budgeting for

297 maintenance on the pier. Mr. Adair stated there was approximately \$20,000 to \$30,000  
298 budgeted. Mr. Samples asked if the Town needs to replace the pilings that Council was told  
299 need to be replaced. Mr. Adair stated that they do need to be replaced; it needs to go out for  
300 engineering and bid. It would be done in this budget year. Ms. Hursey and Mr. Adair stated that  
301 this is on the capital side and it would come out of the pier fund balance.

302

303 *Council had a break for lunch*

304

305 *Planning, Building and Zoning*

306 Ms. Donevant gave her photo presentation to Council. Ms. Donevant reported that the Platt  
307 Street buildings were demolished. It was confirmed that Platt Street is a road by Deerfield; it is a  
308 public street located in town and is County maintained. It was recently paved by the County.  
309 Ms. Donevant reported on a pool issue in Town. The building department put mosquito dunks in  
310 the pool and a letter was sent. Mr. Childs inquired as to this foreclosed property and the Town's  
311 recently passed ordinance to maintain these properties. Ms. Donevant stated that she does not  
312 believe this particular property is in foreclosure. Mr. Childs asked why the Town could not place  
313 a lien on the property. Ms. Donevant stated that the Town, per the attorney, cannot place a  
314 mechanics lien on the property since no work has been performed. Ms. Donevant's concern was,  
315 is the Town going to go in and clean and maintain the property? If it is a foreclosed property the  
316 bank will not pay the Town. There was additional discussion regarding the concern of these  
317 types of properties. Ms. Dodge stated that it is a health hazard. Ms. Donevant stated that the  
318 Town has placed mosquito dunks in the pool to address the health issue. Mr. Childs stated that  
319 the attorneys have been given this issue to advise on. The question is how do we clean, who  
320 cleans it, and can the Town put a lien on the property? Ms. Blair stated that this is a gray area.  
321 Mr. Samples stated that the taxpayers are paying for the maintenance; is the Town going to be  
322 reimbursed? Ms. Blair stated that the Town needs to determine if this is a health issue or is it  
323 something that just needs to be made more visibly attractive. Mr. Samples stated that the  
324 aesthetic issue is important to the tax base of the municipality. Mr. Childs stated that the  
325 neighbor has had problems renting their property due to the condition of the pool next door. Mr.  
326 Johnson questioned whether the Town would want to invest the man power to clean and  
327 maintain this property. Ms. Donevant stated that there is also a liability issue. Mr. Childs stated  
328 that the Town needs to ask the attorney, who owns the property and what can the Town do with  
329 it. Ms. Fellner stated the Town went through this before; numerous letters were written the  
330 problem was that the mortgage had been bundled and sold to someone else; finally the Town got  
331 an answer that it was in the hands of the third bank. The attorneys were asked what the chances  
332 of the Town recovering their costs and the attorney, Mike Smiths' answer was, zero to none.  
333 Mr. Samples stated that it would be suggested to get a written response from Ken Moss on this.  
334 The Town can file a lien but if the property goes into foreclosure a bankruptcy court can clear the  
335 liens and the Town would not get reimbursed. Ms. Donevant stated that other properties with  
336 similar problems have been sold and cleaned. Mr. Samples asked the status of the boarded up  
337 homes on the south end. Ms. Donevant stated that the owners cleaned and boarded them up to  
338 keep vagrants out; this was handled with the Town nuisance ordinance. Mr. Childs asked about  
339 the buildings off of Surfside Drive by the barbershop. Ms Donevant stated that she will write  
340 them up under the nuisance ordinance. It was confirmed that there is only one pool situation in  
341 Town that the building department is aware of at this time. Ms. Blair stated that she has mixed  
342 emotions about having the Town spend money on private property. If there were trash on the  
343 right of way that would be another issue. The mosquitoes are being killed with the dunks. Ms.  
344 Donevant confirmed this is being done. The aesthetic problem is if there is a problem in the  
345 rental area. Ms. Blair stated that it would be different if it became a vector situation; this would

346 be a hazard issue. Mr. Smith asked if the property has paid taxes. The county website shows if  
347 something is paid.

348  
349 Ms. Donevant addressed the removal of a truck on Poplar and obstructions on the right of ways  
350 which are issues in Town. There is not supposed to be anything in the right of way except grass.  
351 Unless right-of-ways are enforced across the board they are hard to address. Mr. Duckett asked  
352 if it made sense to Council that instead of upsetting 400 people who are currently not in  
353 compliance with right-of-ways should the Town address the right-of-way issue as new owners  
354 take over a property. Because the Town has not enforced it for so long it would be a problem to  
355 enforce it now. Ms. Donevant stated that she agrees with this plan; the Town can look into how  
356 to track the property change of hands. Ms. Hursey stated that the Town would need to have a list  
357 of properties not currently compliant and then the Town would need to compare this list with the  
358 new sales list. Mr. Duckett suggested getting a handle on this in the next 90 days; the Town  
359 should have a database in place so the Town knows how large the problem is. Photos could be  
360 placed in the newsletter to educate the public on what is non-compliant. Mr. Samples asked if  
361 the Town could sell the right-of-way and get an easement. It was confirmed that these are  
362 public right-of-ways and cannot be sold. It was reported that the mattresses were removed from  
363 the Days Inn; they are in the process of a major renovation. They are not going to refurbish the  
364 restaurant at this time. The plans are currently being reviewed for these renovations. D.R.  
365 Horton has purchased 8 lots at Harbor Lights; the Town had received plans for 8 single family  
366 homes. The plans were returned to D.R. Horton for some changes and the Town expects to get  
367 them back soon. Celebration Music Theatre is now open. Ms. Donevant then showed photos of  
368 illegal signs in Surfside Beach. Signs on cars were discussed; they are allowed if they are flush  
369 with the vehicle. Mr. Duckett stated that most municipalities do not allow these types of signs.  
370 The Planning Commission agreed to allow them. Ms. Donevant stated that the Planning  
371 Commission had discussions regarding the Crabby Mikes van and the Jamin Leather van with  
372 characters on the vehicles. Mr. Samples asked if the Town could set up a board for signs. Mr.  
373 Duckett stated that these would be addressed through the Planning Commission. There was  
374 additional discussion regarding vehicle signs. Banner signs are exempt in the new ordinance.  
375 Ms. Donevant stated that she will be bringing signs back up to the Planning Commission for  
376 some suggested changes. Ms. Donevant showed photos of some samples of open displays.

377  
378 **Public Works**

379 Mr. Adair gave a presentation on stormwater. Mr. Adair presented a 20 minute DVD which is a  
380 mandatory staff training video required as part of the NPDES permit. Mr. Adair stated that many  
381 people believe that stormwater issues involve addressing water flow but the main purpose of  
382 having a stormwater program is to comply with the Clean Water Act; clean water discharge is  
383 what the Town is looking to achieve. Staff training on stormwater is part of the requirement. As  
384 a Public Works Director he needs to make sure the Town is in compliance with the new phase of  
385 the NPDES program; this is implemented by DHEC. The Town needs to make sure clean water  
386 gets discharged. Mr. Adair presented information on a street sweeper. Why sweep? The  
387 obvious benefits are cleaner streets, safer streets, less sand and gravel to skid on. The less  
388 obvious benefits are better water and air quality. Pollutant removal before it hits the stormwater  
389 drains is what the Town is looking to accomplish. The EPA implemented the Clean Water Act  
390 in 1972 that provides the statutory basis of the NPDES permitting program. The Town is an  
391 MS4 licensed by the State which is a Municipal Separate Storm Sewer System. DHEC tests the  
392 waters in the area. The Town is designated as a small MS4; this is considered an urban area.  
393 The program consists of public education and outreach, public participation and involvement  
394 which includes the stormwater committee and the volunteer water testing; also included is illicit



395 discharge detection and elimination, construction site runoff control, post construction site runoff  
396 control and pollution prevention. Pollution prevention is where the Town is weak; the Town  
397 currently has no controls in place. Mr. Samples asked about the catch basins on the south end of  
398 Ocean Blvd. and oil water separators. Mr. Samples instructed Mr. Adair to follow up with  
399 Earthworks and Mr. Strickland; he believes the Town paid extra for this and invested in Melody  
400 basin and Floral basin. Mr. Adair stated this would be a structural control and it would not  
401 remove the fine materials. Mr. Adair agreed that these probably need to be cleaned out by now.  
402 Mr. Adair stated that the Town also needs to address contaminants, floatables, bacteria, silt,  
403 PM10 particulates which can become airborne and heavy metals before they wind up in the  
404 storm system. The EPA has a list of best management practices. Many of the contaminants can  
405 be minimized by street sweeping. Horry County has to go through a half mile of ditches before  
406 it hits the lakes; it has time for filtration. In the Town of Surfside Beach it goes from the lake to  
407 the ocean with little filtration. Mr. Adair explained further the results in better water and air  
408 quality with street sweepers. The Town has been looking at various sweepers; the model the  
409 Town is looking at is a TYMCO from Waco Texas which meets most of the Towns' needs. Mr.  
410 Adair explained how the regenerative sweeper worked. Operator training is included;  
411 maintenance costs are low. The Town would not sweep every day; maybe a couple of times a  
412 week and it would be added to the Town schedule. Ms. Dodge asked if the sweeper needs curbs  
413 to work efficiently. Mr. Adair stated that it is designed to work without curbs. Mr. Adair  
414 showed photos of the machine. Mr. Adair stated that he would like to place this item in the  
415 budget adding that this is a good time to implement a program; the NPDES restrictions are  
416 getting tighter with the next phase. This sweeper would dump into a 30 yard container and it  
417 could be taken out to the sanitary landfill and it would not go back into the ground. The Town is  
418 spending a fortune on consortium, on engineers and to participate in the next NPDES program; a  
419 lot of money is being spent to stay compliant with water quality standards and he feels a sweeper  
420 will assist the Town with becoming compliant. The auditors that came from the State told staff  
421 that the Town has a long way to go; there is nothing currently in place for pollutant removal.  
422 Mr. Samples asked if the Town has capacity with existing staff. Mr. Adair stated that his goal  
423 would be to sweep every street in Town twice a month. Mr. Adair stated he would use existing  
424 staff and that the sweeper does not run in the rain; the streets would need to be dry. Ms. Blair  
425 stated that potentially this could have positive testing on our water. Mr. Adair stated that the  
426 Town has removed 13 white geese from Myrtle Lake which were thought to be causing the  
427 pollutant problems and the removal has not had a significant impact. The geese were not the  
428 main problem; there is fertilizer, construction activity, tires; everything goes onto the road and  
429 into the stormwater. Ms. Donevant stated that the Town is issued a permit every year and every  
430 year the rules are rewritten; the federal government has made more stringent requirements. Ms.  
431 Donevant stated that she and Mr. Adair along with Earthworks are developing a master plan for  
432 the Town that includes the control of illicit discharge. These are problems the Town will be  
433 facing down the road. Mr. Samples asked if the Town does not purchase a sweeper this year is  
434 this something where the Town could at least gather more information and consider it in the  
435 future. Mr. Adair stated that there is money currently in stormwater to fund it. Ms. Hursey  
436 stated that this would not effect the fund balance; the money comes from the designated mills for  
437 stormwater. Mr. Johnson stated that since the guidelines are becoming more stringent would the  
438 Town have any other alternatives. Mr. Adair stated that there is no other way the Town could  
439 remove these kinds of contaminants. Ms. Dodge stated that she was skeptical of the use at first  
440 and recommended giving a presentation to the public to explain the need for the sweeper. Mr.  
441 Adair stated that the DVD will be shown at the next Stormwater meeting and all Public Works  
442 staff will be required to view it. The stormwater committee voted overwhelmingly on the  
443 sweeper. Council suggested having the stormwater present a formal written recommendation to

444 council on the sweeper. Mr. Duckett stated that Council has received a lot of information and  
445 asked Council if they would like to look at the actual equipment or does Council already have  
446 enough information to consider? Mr. Adair has narrowed it down to the piece of equipment he  
447 would recommend. Mr. Adair stated that the sweepers usually last 8 to 10 years and he would  
448 look at the warranty information. There were councilmembers that agreed with Mr. Adair's  
449 recommendation. Ms. Blair stated that she feels the Town should address the water quality and  
450 agrees with the benefits but now it is a financial decision. Mr. Samples stated that he feels that  
451 the Town of Surfside deals with drainage issues from Horry County. Mr. Samples stated that he  
452 feels there would be a marginal benefit to the Town with the use of a sweeper. Mr. Adair stated  
453 that the issue is that the Town would be maximizing their participation which is a recommended  
454 requirement; the Town has to participate and do what it can to make a difference. Mr. Samples  
455 stated that he had in previous years approved the downloading of a plan from the Internet for  
456 stormwater and that saved the Town money. Mr. Samples stated that the Town has never  
457 finished Myrtle basin; moving water and preventing flooding is the Towns' primary concern.  
458 Mr. Samples discussed the 50/50 program and its assistance to stormwater. Mr. Adair stated that  
459 the issue with the 50/50 and piping is that it increases the movement of stormwater into the  
460 ocean; it moves it faster and brings more silt with it. Ms. Blair stated that she understands what  
461 Mr. Adairs' concerns are; the western side of the county has a better cleaner but it does not drain  
462 it well whereas the eastern portion deals with drainage better but the cleansing portion needs to  
463 be worked on.

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465 *Council took a 15 minute break*

466

467 *Police*

468 Police Chief Frederick gave his presentation. Chief Frederick stated that his department  
469 understands where his department is regarding the Town budget. Chief Frederick stated that he  
470 would be talking about his department's mission, professionalism and details, public relations  
471 and branding. The mission of the police department is keeping the public safe and to serve the  
472 public and to enforce the law. Chief Frederick stated that any chief that comes in will bring their  
473 own methodology. Traffic tickets are not their mission it is an effective tool for one part of the  
474 police departments mission which is highway safety. How the police department accomplishes  
475 their mission does get into the budget. One of the jobs of the Police Chief is to make sure he is  
476 communicating with the Administrator and Council through the administrator; making sure there  
477 is an understanding that what his department is doing is valid and that they are doing things the  
478 most effective way; this is where the budget come in. The budget does not really effect his  
479 department in being a professional law enforcement agency within reason; if the budget is cut 10  
480 percent the department would be less effective and the crime rate would be impacted but it would  
481 not be majorly impacted. The decisions are based on the standards created from their mission.  
482 Basic professionalism is very important; the police have to be whoever the person demanding  
483 service wants them to be at that moment. Specialism is a factor of the job as well; the police  
484 need to do the best job they can possibly do. Attention to detail versus micromanagement; some  
485 uniforms may cost less but may not last as long; sometimes the value is in the quality and not the  
486 initial savings. Long term cost savings are always considered. Time management is also  
487 important. Procedures used for years are reevaluated to see where time savings can exist. Public  
488 and media relations are two different things but both are very important. The police department  
489 currently has a fantastic relationship with the media. Branding was discussed. Chief Frederick  
490 stated that he feels branding is very important. The idea behind branding is repetition; the Town  
491 branding revolves around the family beach and quality of life. The public needs to understand  
492 the service level provided by the police department; there is a large group that will, fortunately,

493 never have to deal with the police department but the message needs to be there. People need to  
494 know they are safe. Service is a main focus; the public needs to know that they are important  
495 and their concerns matter. Image is very important; it can work for you or against you. It is  
496 important to get the right image. Part of branding involves image presented. Police grooming  
497 and department cleanliness and organization is also part of that image projected to the public.  
498 Verbal and written communication and interactions with the public are very important. The level  
499 of service has been elevated mainly through attitude. Chief Frederick stated that his officers  
500 approach vehicles with a greeting and introduction then go right into why the individual was  
501 stopped. Complaints in his department have decreased; his officers are handling situations  
502 better. Chief Frederick discussed vehicle branding. Chief Frederick stated that he feels it is  
503 important for a community to have their own identity. Visibility used as a deterrent was  
504 discussed. Chief Frederick stated that he does not believe in using unmarked cars or marked cars  
505 with no light on top. Chief Frederick stated that he wants his police cars to be seen; this is used  
506 as a deterrent. Chief Frederick stated that two tone black and white police cars stand out. Re-  
507 painting the existing police cars would normally cost \$400-\$500. Vehicle repair cost is an issue.  
508 Repairs on the two tone cars would cost less. Chief Frederick stated through a variety of lucky  
509 circumstances certain funds, a refund for a defect in the paint found by Ford and the distribution  
510 of drug money which can only be used for specific purposes, can be used to paint the current  
511 police cars and would hold no cost to the Town. It is a 4 week project and the benefit will be the  
512 bang that the Town will get for the buck. The cars are more visible and scientifically it will give  
513 the public a sense of safety; the more visual they are the safer the public feels. Chief Frederick  
514 stated that he is not asking for consensus from Council at this time. The main purpose is to deter  
515 criminals and keep the Town safe. Mr. Duckett asked Chief Frederick to explain how Surfside  
516 Beach landed three strongly qualified officers. Chief Frederick stated that previously the Town  
517 would get average to below average applicants; this time an ad was placed on the website and  
518 approximately 168 applications came in from the one day ad and they had some highly qualified  
519 individuals applying. Chief Frederick asked the applicants why they chose Surfside Beach. The  
520 answer he received was that they asked around and got a positive response. These applicants had  
521 offers from other agencies but took the job in Surfside Beach. Chief Frederick then thanked  
522 Council for their efforts.

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524 **ADJOURNMENT**

525 The meeting was adjourned at 4:05 PM.

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530 **March 25, 2011**

531  
532 **CALL TO ORDER**

533 The meeting was called to order at 9:00 AM. Mayor Deaton, Mayor Pro Tem Childs and  
534 councilmembers Blair, Smith, Dodge, Samples and Johnson were present. There was a quorum.  
535 Staff present: Administrator Duckett; Deputy Administrator, Fellner; Clerk, Pinnell; Police  
536 Chief, Frederick; Fire Chief Packard; Finance Treasurer, Hursey; Public Works Director, Adair;  
537 Building Director, Donevant and Events Supervisor, Ellis.

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541 **Micromanaging Operational Expenditures: GOV201**

542 Mr. Duckett stated that he will provide councilmembers with the budget information at their  
543 request. Mr. Duckett thanked Council for their attention during the meeting adding that he  
544 enjoyed getting to know staff and Council in a social setting. Mr. Duckett asked if anyone  
545 wanted to make any comments.

546

547 Mr. Johnson thanked Mr. Duckett for “changing things up” adding that this is his third budget  
548 retreat and he thought it to be much easier to comprehend this year. Mr. Johnson stated that he  
549 appreciates what Mr. Duckett is doing for the Town and thanked staff for all they do. He stated  
550 that he agreed with another councilmember who had stated that they believe all of the right  
551 people are in the right places now at Town Hall. Mr. Childs thanked Mr. Duckett for his  
552 presentation adding that it was much easier to understand than in previous years and thanked  
553 staff for all they do. Mr. Childs stated that he feels this is also a great Council and he knows that  
554 every Councilmember here really cares about the Town. Ms. Dodge applauded the staff and  
555 thanked Mr. Duckett. Mr. Samples stated that he agrees with everything that everyone said and  
556 he feels we are all on the right track. There are questions and points he will be raising. He  
557 appreciated the work involved in the budget and how it was presented but the items he feels that  
558 a majority of Council needs to undertake are the capital investments; the pier and basic Town  
559 maintenance and enhancements such as the stop stripes need to be addressed. As roads are paved  
560 visitors need to know where to stop. This is a good first step but there are ongoing requirements  
561 that the Town needs to build into its routine so that the people that live in Town become  
562 confident that things will get taken care of. Mr. Samples stated that the items, not politically  
563 visible, cannot be forgotten. We need to maintain what we have and added that he does believe  
564 that the right people are in the right place. Mr. Samples stated he would like to get back to the  
565 basics and staff should all be proud of where they work and the Council that is trying to support  
566 staff. Mr. Samples commented on the presentation stating that he thought it was great. Ms. Blair  
567 agreed with what was said; the main goal and focus for being here are to consider decisions yet  
568 to be made and for staff to share the information with Council so that they can make those  
569 decisions. Ms. Blair stated that it was presented in a way that was easy to absorb and she  
570 appreciated the basic overview. Ms. Blair stated that she was glad to have the opportunity to talk  
571 to staff in a social atmosphere; she thought the down time was as beneficial as the business  
572 portion and thanked staff for all they do. Mr. Smith stated that he appreciates all of staff and  
573 what they do and thanked Mr. Duckett for the numbers. His focus is on the number of  
574 employees, salaries and benefits since that makes up 80 percent of the budget. Mr. Smith  
575 thanked Mr. Samples for bringing up the stop stripes and that he feels the Town is doing a great  
576 job.

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578 Mr. Duckett thanked everyone and wished them a nice day.

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**ADJOURNMENT**

The meeting was adjourned at 9:30 AM

Approved: May 24, 2011

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Sharon Pinnell, Town Clerk

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K. Allen Deaton, Mayor

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Roderick E. Smith, Town Council

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Vicki W. Blair, Town Council

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Ann Dodge, Town Council

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Douglas F. Samples, Town Council

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Mark L Johnson, Town Council

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Robert F. Childs, III, Mayor Pro Tempore

Clerk's Note: This document constitutes minutes of the meeting, which was audio taped. This meeting was transcribed by Clerk Pinnell. In accordance with FOIA, meeting notice and the agenda were faxed and/or emailed to local media and interested parties. A complete list is on file in the clerk's office. The agenda was posted on bulletin boards outside Council chambers and in the Town hall reception area. Meeting notice was also posted on the Town marquee. When (\*\*\*) is used a section of the transcription is inaudible.