



**SURFSIDE BEACH TOWN COUNCIL  
TOWN COUNCIL CHAMBERS  
SPECIAL MEETING MINUTES  
JUNE 17, 2016 ♦ 9:30 A.M.**

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1. **CALL TO ORDER.** Mayor Childs called the special meeting to order at 9:30 a.m. Mayor Childs, Mayor Pro Tempore Ott, and Councilmembers Courtney, Pellegrino, and Stevens were in attendance. Councilmember Johnson was absent. One seat is vacant. A quorum was present. Others present: Administrator Fellner; Town Clerk Herrmann; Finance Director King, and Events Supervisor Ellis. Police Chief Keziah arrived at 12:10 and was excused at 12:22.

2. **PUBLIC COMMENTS – AGENDA ITEMS.** (3 minutes). There were no comments.

3. **BUSINESS.** Mayor Childs opened the floor for discussion on the Fiscal Year 2016-2017 Municipal Budget. During a detailed, lengthy discussion the following motions were adopted. Staff directions and pertinent notes are also listed.

**Motions:**

Mr. Stevens referred to page 118, and moved to delete \$3,150, chairs for council dais. Mr. Courtney second. All voted in favor. **MOTION CARRIED.**

Mr. Pellegrino moved to delete \$7,500 for tree maintenance. Mr. Stevens second. All voted in favor. **MOTION CARRIED.**

Mr. Pellegrino moved to add around \$20,000 to the budget for a professional work study. Mr. Courtney second. All voted in favor. **MOTION CARRIED.**

Mr. Ott referred to page 117 and moved to delete \$875 for Town Council Christmas Parade candy and members will provide their own candy. Mr. Steven second. All voted in favor. **MOTION CARRIED.**

Mr. Stevens referred to page 117, and moved to delete Sunrise Cleaning & Maintenance, and on page 121, one-half cost of town hall bathroom cleaning for a total of \$1,125. **No second. MOTION FAILED.**

Mr. Ott moved to reduce the beautification budget by 50-percent in Lanier Parking from \$10,000 to \$5,000. Mr. Stevens second. Mayor Pro Tempore Ott and Councilmembers Courtney and Stevens voted in favor. Mayor Childs and Councilmember Pellegrino voted against. **MOTION CARRIED.**

*Recess at 11:30 a.m. Reconvene at 11:46 a.m.*

Mr. Stevens moved to defer the chairs on page 121 and page 137 at a total coast of \$950 until the 2017-2018 budget. Mr. Ott second. All voted in favor. **MOTION CARRIED.**

Mr. Courtney moved to separate the Easter Egg Hunt and the Kids Fair and to bring it back. Mr. Ott second. Mr. Stevens asked when the Kids Fair would be held. Ms. Ellis said the Easter Egg Hunt is always the Saturday before Easter. The Kids Fair was the second week in July. Town Council may choose a different date. Mr. Ott suggested the week after school got out. Ms. King said the Kids Fair would have to be moved out of accommodations tax, because there would not be enough tourists participation. Ms. Fellner explained that tourists are defined as travelling more than 100 miles to come here. Ms. Ellis said the Kids Fair could be held in June and moved to the general fund. She noted that

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54 the Kids Fair had already been held this year, and the next event would be June 2017. Mayor Childs,  
55 Mayor Pro Tempore Ott, and Councilmembers Courtney and Stevens voted in favor. Councilmember  
56 Pellegrino voted against. **MOTION CARRIED.**  
57

58 Mr. Ott moved to raise the Dick M. Johnson Civic Center rental fees to cover the cost of cleaning.  
59 Mr. Courtney seconded. Mr. Pellegrino understood Mr. Ott's concern, and said there was a huge public  
60 outcry when prices were increased a very small amount a few years ago, because many seniors rented  
61 the center. Mr. Ott suggested that rates be increased on sales groups. Ms. Ellis said they already pay  
62 \$50 a day, plus buy a business license. Mayor Childs, Mayor Pro Tempore Ott, and Councilmembers  
63 Courtney and Stevens voted in favor. Councilmember Pellegrino voted against. **MOTION CARRIED.**  
64

65 Mr. Stevens moved to defer the CRS expenses until there is a meeting with the CRS committee  
66 and we know exactly what we're looking at. **No second. MOTION FAILED.**  
67

68 **Staff Directions and Pertinent Notes:**  
69

70 Ms. Fellner will continue seeking prices for a work study and will report to council. At least three  
71 prices will be sought before a company is hired.  
72

73 Mr. Pellegrino will meet with Ms. Fellner and Ms. King to develop a marketing preplan for  
74 visioning meeting.  
75

76 Ms. King will provide a complete list of items included in the communications line item on page  
77 124.  
78

79 Ms. Fellner will advise Town Council of employees that submit winning suggestions, which must  
80 either save the town money or be a way to make the department more effective. Employees may also  
81 be recognized in the newsletter and on the website.  
82

83 Mr. Pellegrino said councilmembers were discussing a lot of details. He reminded Council that its  
84 job was to set policies and to make sure we have a responsible budget. It was the administrator's job to  
85 run the town and manage the budget.  
86

87 Ms. Fellner will advise Town Council of the term for the Magistrate's contract.  
88

89 Mr. Ott asked staff to inquire about Sam's card memberships to determine whether a group rate  
90 is available after staff explained that multiple cards were necessary, because departments work on  
91 various projects and events and must shop individually.  
92

93 Mr. Courtney asked staff to provide a total cost of all cleaning services for town facilities  
94 compared to the cost of hiring a janitor.  
95

96 Mr. Courtney asked staff to provide the lease term for the pier restaurant tenant.  
97

98 Mr. Ott asked staff to provide a breakdown of exactly how the Lanier parking system works. Ms.  
99 Fellner explained that Lanier prepares its budget annually. The town has a 5-year contract with Lanier.  
100 The town pays all expenses for Lanier, but the town still nets more revenue than we ever did when the  
101 town controlled parking.  
102

103 Mr. Ott asked if Ms. Fellner could develop a parking plan and make 5-percent more next year.  
104 Ms. Fellner said that could be discussed with our service provider.  
105

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106 Ms. Fellner was asked to let council know the term expiration for the Lanier contract. She gave a  
107 detailed explanation about the process for parking management, including storing and maintaining the  
108 meters, through the adjudication process.

109  
110 *Recess at 11:30 a.m. Reconvene at 11:46 a.m.*

111  
112 Ms. King explained that this budget was to capture any expenses related Lanier and to the  
113 parking function and any associated costs. Parking revenue is saved for land purchases.

114  
115 Mr. Courtney pointed out that police uniforms were budgeted at \$29,000 due to turnovers. The  
116 town needs to retain its police officers. Hopefully, things will move forward next year. Ms. Fellner said  
117 15 officers left over the last three to four years. Training cost is \$20,000 to \$25,000 per officer.  
118 However, the town lost only two or three officers to other agencies and salary issues. Ms. Fellner said  
119 the upcoming organizational committee meeting will discuss police retention in addition to other matters.  
120 Ms. Fellner requested a meeting with Mr. Courtney, Chief Keziah and herself to discuss police department  
121 employee retention.

122  
123 Mr. Pellegrino asked if this budget includes an increase for police officers to encourage retention.  
124 Ms. Fellner said yes, and they would also get a 3-percent cost of living increase.

125  
126 Mr. Ott asked if there was a system to receive donations for the K9 dogs. Ms. Fellner said the  
127 town has received numerous donations. The amount would be reported to Town Council. Mr. Ott  
128 suggested more advertising about donations for the K9 dogs. Ms. Fellner agreed.

129  
130 Mr. Courtney asked what the return on investment was for the K9 dogs. Chief Keziah was called  
131 to the meeting (*arrived at 12:10*) and he explained that there is a separate organization raising funds to  
132 support the K9 dogs. However, he would be remiss if he did not budget funds in the event no monies  
133 are donated. A veterinarian works with the town at a reduced rate to care for the dogs. Between the  
134 two dogs, there are 17 or 18 arrests, and many charges go along with each arrest. He expects the dogs  
135 to be self-funding in the future.

136  
137 Mr. Stevens asked if the police department could solicit funds for the K9 dogs during the family  
138 festival. Ms. Fellner said yes.

139  
140 Mr. Stevens asked if a community watch program had been set up. Chief Keziah explained that  
141 the police department only provides oversight for community watch. The program is run by the citizens.  
142 There was some interest from the community, but no one has taken any initiative to set up and take the  
143 lead in any of the neighborhoods, except in Harbor Lights.

144  
145 Mayor Childs said that community watch programs were very hard to get started, because  
146 nobody would participate. He said that Mr. Stevens might be able to use his sales skills to get it started.

147  
148 Mr. Courtney asked for an explanation of contract services on page 128. Chief Keziah said the  
149 copier lease was self-explanatory. Georgia Detention is a company that ensures the door buzzer and jail  
150 lock mechanisms work properly; state law requires this type contract. The POD is a storage box for  
151 records and equipment. (*Note: Chief Keziah was excused at 12:22 p.m.*)

152  
153 Mr. Courtney said \$5,000 was budgeted for a Heritage Day, and asked if it would cost that much.  
154 Ms. Ellis explained this was the first time this event was ever scheduled. Funds are to pay for  
155 reenactment costumes, supplies to create stages, port-a-johns, advertising, etc. This is a placeholder,  
156 because staff does not know what the cost will be.

157

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158 Ms. Mary Mabry, a member of the historical society, explained they expect to draw three to five  
159 thousand people. The event will include demonstrations for candle making, salt making, spiritual music,  
160 and is a great event for the shoulder season. The society expects it to become an annual event. Much of  
161 the history is based on the life of Mr. Sabe Rutledge, whose descendants will participate in the event.  
162 Mr. Ott had a problem with any reenactment of slavery. Ms. Mabry assured him that was not what this  
163 was about. The event was to show people what life was like in Surfside Beach on a 17<sup>th</sup> Century  
164 plantation. Mayor Childs said many of the descendants are very happy about this recognition.  
165

166 Ms. Ellis was asked to provide a current list of events to Town Council.  
167

168 Another discussion was held about cleaning services. Mr. Pellegrino reiterated that this was  
169 exactly why the town needed a professional compensation study to define what each job description  
170 entailed versus responsibility versus capability. He suggested deferring this discussion until facts were  
171 obtained. Mayor Childs thought Mr. Pellegrino was on target. Mr. Ott said the study was authorized, but  
172 council still needed to approve the budget; he was still looking for more information.  
173

174 Mr. Stevens asked if the Salisbury agreement covered all copy machines. Ms. Fellner said she  
175 would have to check.  
176

177 Mr. Stevens said the budget could be adopted, but specific expenditures could be deferred until  
178 more information was obtained. Ms. Fellner said that was essentially correct. She asked if this could be  
179 delayed until Ms. Morris could address council so that no FEMA mandates would be missed. Mr. Stevens  
180 said that would be fine, if she responded. He informed council that under the current CRS guidelines and  
181 current CRS coordinator's manual that everything outside of a special flood hazard area, the most that  
182 can be saved is 10-percent. Ms. Fellner said that Ms. Morris would speak on this at the next regular  
183 meeting.  
184

185 Mr. Courtney asked for an explanation of the \$18,500 for fire department physicals, shots, etc.  
186 Mr. Fellner said that Chief Otte will be asked to give that information at the next regular meeting.  
187

188 A lengthy discussion was held about the pros and cons of Huckabee Field and the related costs.  
189 Several members agreed that Huckabee is a burden. Mr. Pellegrino plans to bring this up at the next  
190 vision meeting. He asked for the total annual expenses to operate Huckabee. Ms. Fellner reminded  
191 council that the town's grounds equipment is stored at Huckabee.  
192

193 Mr. Stevens asked if the Myrtle Beach Honor Guard was paid, and if there was a possibility of the  
194 town forming its own guard. Ms. Ellis said Myrtle Beach was happy to participate for no charge. Mayor  
195 Childs said the uniforms for the guard are very expensive.  
196

197 Mr. Ott referred to page 43, line 405, and said materials and supplies increased from \$10,000 in  
198 2014 to \$34,000 in 16-17. Ms. Fellner said she would get the details for council.  
199

200 Mr. Courtney recommended a hiring freeze, except for police. Ms. Fellner said the planning,  
201 building and zoning department has already extended an offer for a permit technician. There is one part  
202 time business inspector opening in finance. That person would be cross-trained to fill in when others in  
203 the department were out of the office. Mr. Courtney asked for the salary range. Ms. Fellner said the  
204 range would be provided.  
205

206 Mr. Ott asked why there was a 24-percent increase in the finance budget. Ms. Fellner said two  
207 staff members were transferred to finance and removed from administration. She noted the transfer was  
208 reflected as a decrease in administration.  
209

210 Mr. Ott asked if \$30,000 professional services was the annual audit. Ms. Fellner said that was  
211 right. Mr. Ott said there was another human resource audit on page 36, 305. He called the company,  
212 and was told that the cost would be around \$4,000, although \$7,000 was budgeted. Mr. Ott said it was  
213 very costly for training. Ms. Fellner agreed.

214  
215 **CLOSING COMMENTS**  
216

217 Mr. Pellegrino: Thank you very much for coming to the few citizens who stayed the whole time.  
218 I just want to say I'm glad to see the interest in the budget on some of the details. That's good. It's  
219 pretty easy with the budget in my eyes. As far as you new guys, you're gonna get blindsided with some  
220 big stuff. You really need to be aware of that. We had an extra trash truck, and dump truck, and a land  
221 purchase for over \$700,000 for those three items that came up last year. So, things like this come up.  
222 Some good, some bad, but realistically, as far as the citizens and all of us, I have a report card for the  
223 budget. It's three things. You get three letter grades. Beach renourishment; there should always be  
224 \$125,000 to \$150,000 a year going into that. We didn't do that in the past, but we did the last couple of  
225 years. We got in a big bind this year and that's our huge anomaly in this budget, because we have to  
226 pay \$1.2 million. We're moving on the right track as far as that, and we have dedicated funding to go to  
227 beach renourishment. So, that's positive. If you look at the budget, and it doesn't have \$125,000 to  
228 \$150,000 thousand going to beach renourishment, we didn't do a good job. The other is the disaster  
229 fund. This didn't exist until a couple of years ago. We have \$400,000 in it, but it's not really increasing  
230 anymore. So, that's something we need to make sure that increases year over year. That's in case we  
231 have a hurricane or some big disaster like the ice storm we had a few years ago. The third, and probably  
232 most important is the unassigned fund. The unassigned fund actually through this budget is projected to  
233 end up a little higher. But, now, through our new budget will be \$200,000 lower, mostly because of  
234 beach renourishment. But, in my eyes, the balance should increase at least \$200,000 a year in the  
235 unassigned fund. We're gonna lose money this year, obviously, because we have to write a \$1.2 million  
236 check. That won't happen next year. So, next year, please watch those three items, and please hold us  
237 accountable. If those three are good, we are doing pretty well. Thank you.

238  
239 Mr. Courtney: Thank you. We're sorry that we're nitpicking this budget and going through it  
240 with a fine comb, but we found a lot of discrepancies that we had to bring to staff. I believe it's  
241 important that we stop subcontracting everything out, because I see a lot of that in this budget. I'm very  
242 concerned that the carpet cleaning, the janitorial services; this is all stuff we could be doing in house. As  
243 far as Lanier Parking, beach services, all subcontracting out and we're losing money on it as I see it. It's  
244 just my opinion. I don't believe we're getting the right services. If you go down to the beach, you can  
245 watch the lifeguards that are on duty and for what we're getting, we're asking for a disaster. But, again,  
246 we will go through this budget with a fine comb. We have to be real careful. We have to save money,  
247 because we've got a lot of capital projects coming up. If we keep on running like this, we're not gonna  
248 have the money to do the capital projects, as far as the outfalls and everything else that has to be done.  
249 But, that's all I can say, and I hope that staff will really work with council on this, and have open doors  
250 when we go into town hall. I don't want to hear doors slamming. I don't want anybody to have bad  
251 faces. We're here to all work together. I don't want to see anything but smiles. This is the Family Beach  
252 and we want to keep it that way. I've got young children here, and I plan on staying here. This is my  
253 home, so I'm not going anywhere. Anytime I want to walk through town hall and say hi, I will. That's all  
254 I have to say. Thank you.

255  
256 Mr. Ott: I want to thank everybody for coming and listening to this. It was a great learning,  
257 training session for me, and maybe all of us. I just don't want to not look at people's money. I want to  
258 know where it's going the best that I can at this time. This is our town. We do have a lot of functions  
259 here, a lot of great things. I want them to continue. But, I want to be safe if anything disastrous ever  
260 happens to this area. I want to be able to have the money to get us up and going as soon as possible.  
261 Thank you all.  
262

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263 Mr. Stevens: Thank you, Mr. Mayor. I want to thank everybody for coming out, and I want to  
264 thank staff for being patient enough to listen to us up here talk, and we all want the best for Surfside  
265 Beach. I know that three things that we have to take of all the time, and that's our police protection, our  
266 fire protection, and our sanitation. If you want some complaints, just have your garbage not picked up.  
267 I agree with Mr. Pellegrino, beach renourishment, we have to take care of that. That's our big horse that  
268 we have to ride on today, and we need to do everything we can to make sure we keep those funds  
269 continuously and build 'em up and build 'em up and build 'em up, as well as the other things he  
270 mentioned. I forget them now. This is a learning experience. I was glad to see Mr. Ott and Mr.  
271 Courtney really want to get involved in this budget. Get in there and nitpick on every little detail and look  
272 at everything and ask questions, because that's a part of the learning process. I did the same thing.  
273 Believe me, it's a lot of fun to learn about it. We want to work with staff. We want staff to understand  
274 that we want the best for this town. We're citizens here. We live here. When we go out of our front  
275 door every day, this is our home. I spent a lot of money to move to Surfside, and primarily my wife and  
276 my daughter wanted to be here. We're glad we're here. Lot of good people live in this town, and I hope  
277 that we can keep this town the Family Beach like it's always been, and make it that way, and keep it  
278 family oriented, and do everything we can to help businesses and help our citizens make this town better  
279 in every way possible. Thank you all for coming out, and have a good day.

281 Mayor Childs: Thank you, Mr. Stevens. I don't have much to say other than I hope the six  
282 people that are here spread the word the next time; you know, people complain about we don't know  
283 this, we don't know that, how did this happen, how did that happen. Nobody shows up! I appreciate the  
284 six of you showing up for this budget [meeting.] I wish more would have come, because I'm sure there'll  
285 be a lot of questions when it's over. So, thank you so very much.

287 **ADJOURNMENT.** Mr. Courtney moved to adjourn the meeting at 2:09 p.m. Mr. Stevens  
288 second. All voted in favor. **MOTION CARRIED.**

289 Prepared and submitted by,

291  
292  
293 Approved: June 27, 2016

\_\_\_\_\_  
Debra E. Herrmann, CMC, Town Clerk

\_\_\_\_\_  
Robert F. Childs, Mayor

\_\_\_\_\_  
Ron Ott, Mayor Pro Tempore

\_\_\_\_\_  
Timothy T. Courtney, Town Council

\_\_\_\_\_  
Mark L. Johnson, Town Council

\_\_\_\_\_  
David L. Pellegrino, Town Council

\_\_\_\_\_  
Randle M. Stevens, Town Council

\_\_\_\_\_  
Vacant Seat

307 Clerk's Note: This document constitutes *action* minutes of the meeting that was digitally recorded.  
308 Appointments to hear recordings may be scheduled with the town clerk, or you may bring a flash drive to  
309 obtain a copy of the audio recording. In accordance with FOIA, meeting notice and the agenda were  
310 distributed to local media and interested parties. The agenda was posted on the town website, the entry  
311 door at Town Council Chambers, and in the Town Hall reception area. Meeting notice was also posted on  
312 the Town marquee.