

TOWN OF SURFSIDE BEACH ◆ TOWN COUNCIL CHAMBERS April 26, 2011 ◆ 6:30 P.M.

TOWN COUNCIL REGULAR COUNCIL MEETING

1. CALL TO ORDER

Mayor Deaton called the meeting to order at 6:30 PM. Mayor Deaton, Mayor Pro Tem Childs and Councilmembers Blair, Smith, Dodge, Johnson and Samples. There was a quorum. Staff present: Administrator Duckett; Deputy Administrator, Fellner; Clerk, Pinnell, Police Chief, Frederick; Treasurer, Hursey, Recreation Supervisor, Ellis and Public Works Director, Adair. Attorneys Mr. Moss and Mr. Smith were also present.

2. INVOCATION AND PLEDGE OF ALLEGIANCE.

Councilmember Doug Samples gave the invocation and Mayor Deaton led the pledge of allegiance.

3. AGENDA APPROVAL

Mr. Smith made a motion to approve the agenda. Mr. Childs seconded the motion. All voted in favor. MOTION CARRIED.

4. MINUTES APPROVAL – Regular meeting held April 12, 2011 and Special meeting held April 15, 2011.

Mr. Smith made a motion to approve the minutes from April 12, 2011 and April 15, 2011. Mr. Childs seconded the motion. Ms. Dodge asked for confirmation on her statement made referring to the 4th avenue boat launch; she was referring to the Town ordinance and not the recommendation from the Coastal Alliance. All voted in favor. MOTION CARRIED.

5. PUBLIC COMMENTS- Agenda Items only 3 minutes per speaker

Randle Stevens, 412 1st Avenue N.: "I noticed you got on "Business" you got resolution 11-106 Coastal Alliance Beach Ordinance Recommendations. If I remember right, didn't Councilman Samples say something about having a workshop on that? Am I right? Is that workshop going to continue or is that going to happen? Does anybody know?"

Mr. Samples made a motion to suspend the rules so an answer could be provided. Ms. Dodge seconded the motion. All voted in favor. MOTION CARRIED.

Mr. Samples: "Mr. Mayor, are you going to answer his question?"

Mayor Deaton: "Sir, this is under Business it's item 7 when we get down there I guess we'll . . . this resolution is a business item and at that point in time if anyone suggests that we go into a workshop at a further agenda that is what would occur."

Mr. Samples: "Thank you."

Mr. Stevens: "OK, thank you that's was my understanding it was Councilman Samples did that at one of the last meetings."

Mayor Deaton: "I will comment that a resolution is different from an ordinance. OK, anybody else? OK, we'll go to our communications, Mr. Duckett." Mr. Samples: "Mr. Mayor, I rise to question a personal privilege. For those who don't know, a question of personal privilege takes precedence over the business at hand and, Mr. Mayor, according to Roberts Rules you have the right to determine whether the question is appropriate or not." Mayor Deaton: "Yes sir, I do. I can decline your motion. You need to state in the form of a motion and if you do decide to appeal my decision you would have to have a two thirds vote to override my decision, sir." Mr. Samples: "That's not true that's only on items that are not on the agenda." Mayor Deaton: "Mr. Moss?" Mr. Samples: "Personal privilege . . ." Mayor Deaton: "Please state your motion sir." Mr. Samples: "I think before I state the motion . . ." Mayor Deaton: "Sir you have no discussion without a motion." Mr. Samples: "As a member of this assembly I am deeply embarrassed and concerned about the town Councils reputation. I am also concerned about the lack of transparency. The inappropriate meetings involving certain Councilmembers . . . " Mayor Deaton: "Sir is this a motion or a . . ." Mr. Samples: "... and the perspective pier restaurant tenant..." Mayor Deaton: "OK. I'm going to defer this to public comment. If you're making a comment sir it would go under public, I mean Council comment and that would be fine at that point in time." Mr. Samples: "Mr. Mayor, I appeal your ruling." **Mayor Deaton**: "I'm going to call you out of order." *Mr. Samples*: "I appeal you ruling, Mr. Mayor." Mayor Deaton: "Yeah, you may appeal my ruling and you make a motion to appeal my ruling and we'll see if you have a two thirds vote to go continue." Mr. Samples: "Mr. Mayor, Mr. Mayor, it only takes a majority . . ." Mayor Deaton: "Sir, please make a motion."

Mr. Samples: "It only takes . . . Let me clarify because it is not a two thirds vote that 101 102 is required for a motion to appeal." 103 104 Mayor Deaton: "I just read Roberts Rules before I came sir." 105 106 Ms. Dodge: "You might have to read it again." 107 108 Mr. Samples: "Well, I'll be happy to share. Mr. Mayor I make a motion to appeal 109 your ruling. Ms. Dodge seconded the motion. Ms. Blair, Mr. Johnson, Ms. Dodge 110 and Mr. Samples voted for. Mr. Smith, Mr. Childs and Mayor Deaton voted 111 against. 112 *Mr. Samples*: "So we have . . . it's not a two thirds . . . it . . . " 113 114 115 *Mayor Deaton:* "I believe we . . . sir?" 116 117 Ms. Dodge: "It's a majority." 118 Voice from audience: "Raise your hand so we can see how you vote." 119 120 121 *Mayor Deaton:* "No, sir . . . please be quiet." 122 Mr. Moss: "I share your views to override the chairs decision on an appeal it does 123 124 require a two thirds vote and I'm not sure what the vote was." 125 126 Mayor Deaton: "It was . . . " 127 Mr. Samples: "Let me read you directly from . . . Mr. Mayor, and I will read this 128 directly from Roberts Rules 10th Edition. 10th Edition I will read it directly to you." 129 130 131 Mayor Deaton: "Is that the modified edition, sir; that we adopted by law or by ordinance?" 132 133 134 Mr. Samples: "Yes it is. Any vote taken by an assembly except those mentioned 135 further on may be rescinded by a majority vote . . . sorry I'm on the appeal, as it relates to an appeal . . . here it is, I appeal the decision of the chair, if this appeal is 136 137 seconded and the Chair should state clearly that the question at issue and his reasons 138 for the decision if he thinks it necessary and then state the question thus, the question 139 is, shall the decision of the Chair stand as the judgment of the assembly or shall the 140 decision of the Chair be sustained. To put the question he would say, those in the negative say no, those in the affirmative say aye, and the . . . " 141 142 143 **Mayor Deaton**: "Mr. Samples this is a non-agenda item and . . ." 144 Mr. Samples: "... in either case ..." 145 146 147 Mayor Deaton: "I believe it is a violation of FOIA by going this far at this point in 148 time. I believe that we did not advertise this issue and now we are in a deep

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inappropriate."

149 discussion about something that has nothing to do with our current business agenda. 150 Please have it added to another agenda." 151 152 Mr. Samples: "Mr. Mayor." 153 154 Mayor Deaton: "Mr. Samples." 155 156 Mr. Samples: "This is a matter of personal privilege and a majority of Council 157 believes that I should at least be permitted to express what my concern is. I have not 158 suggested that there was any motion \dots (***) \dots " 159 160 **Mayor Deaton**: "Sir, in a (***) of privilege you have to have a motion to discuss anything at the table." 161 162 163 Mr. Samples: "No, under Roberts Rules a matter of personal privilege can be granted when, in fact, the body and I consider the body to be embarrassed by the actions that 164 165 have transpired. The fact that individual Councilmembers have met with the 166 perspective tenant, privately, behind closed doors, ok, I think is an embarrassment to 167 this Town. I think it's inappropriate. I don't think that the public knows the type of 168 wheeling and dealing that appears." 169 170 Mayor Deaton: "Sir, I'm going to call you out of order. If this Council wants to continue this type of drama, so be it, continue by a majority. This is . . . This is 171 172 outrageous. This is outrageous Mr. Samples." 173 174 Mr. Samples: "It is certainly outrageous, it was outrageous enough that I believe that 175 the local daily newspaper did an outstanding job in laying out the issues that have faced this Town and that some members, frankly, who sit here, are responsible for 176 177 how we got to this point." 178 179 **Mayor Deaton**: "Is that a personal accusation against members of this Council?" 180 Mr. Samples: "That's not a pers . . . it's an obvious accusation and I will say it again, 181 182 vesterday when I returned to pick up my package for this meeting . . ." 183 184 Mayor Deaton: "Mr. Samples, you're out of order, sir, please be quiet, you're out of 185 186 187 Mr. Dodge: "Mr. Mayor . . . " 188 189 Shouts from audience were heard. 190 191 Mayor Deaton: "Listen, audience, I will have you removed. Particularly you, sir 192 (pointing to a gentleman in the audience), yes sir." 193 194 Mr. Samples: "Mr. Mayor was that? Who was that directed at? That was

197 **Mayor Deaton**: "The gentleman that just yelled out. He just blurted out something. 198 I don't know. It was an incoherent statement, I didn't understand it, but, this meeting 199 will be done in order. It will be done in a business-like manner, period." 200 201 Mr. Samples: "Well, Mr. Mayor we should be following Roberts Rules of Order and 202 it's clear ... and it is ..." 203 204 Mayor Deaton: "Mr. Samples we should be following our agenda." 205 206 Mr. Samples: "Mr. Mayor, I'm merely, I appealed your decision, your decision a majority found . . . " 207 208 209 Mayor Deaton: "I contest that." 210 211 Mr. Samples: "... in fact, that they did not agree with your decision. The majority of these Councilmembers, who were elected by the people, did not agree with your 212 213 decision. Now the fact that Councilman Smith and Councilman Childs were meeting 214 behind closed doors yesterday. . ." 215 216 Mayor Deaton: "Sir, please do not point people out. That is another violation of 217 Roberts Rules. You are out of order again." 218 Mr. Samples: "Well, I just think that the lack of transparency ..." 219 220 Mayor Deaton: "Well I think you're grandstanding sir." 221 222 223 Mr. Samples: "... the lack of transparency in this entire process has been a disgrace 224 to the Town of Surfside Beach and frankly . . . " 225 226 Mayor Deaton: "Mr. Moss . . . you no longer have the floor sir (addressing Mr. Samples), Mr. Moss, would you chime in here? Is there any method to the madness 227 228 here?" 229 230 Mr. Moss: "Well, to be quite honest with you I'm having troub . . . I've already made the opinion or rendered an opinion that I concur with you that it would take two thirds 231 232 to override that decision, however . . ." 233 234 Mr. Samples: "On an appeal?" 235 236 Mr. Moss: "I'm having trouble understanding why what's being discussed is not 237 appropriate for the Council comments anyway, which is on the agenda." 238 239 Mayor Deaton: "That's what I suggested, sir. We need to continue with our business agenda as approved and as far as I'm concerned we're on communications, Mr. 240 241 Duckett?" 242 243 Mr. Samples: "Mr. Mayor?"

Mayor Deaton: "No sir, sir, you do not have the floor."

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Mr. Samples: "The counsel asked a question and I would like to be able to respond to his question which was why it wasn't held until Council comments and it certainly could have been held until Council comments, but, I believe the manner in which we have approached the leasing of the public asset from the beginning has been such an embarrassment to this body."

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Mayor Deaton: "Please do not criticize this Council. Mr. Duckett please step forward. You have the floor. Mr. Samples, you no longer have the floor."

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Mr. Samples: "Thank you."

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6. COMMUNICATIONS: Presented by Administrator Jim Duckett

a. Finance Report

Mr. Duckett reported on Finance. Taxes real estate, personal property and vehicle tax collections from Horry County for March 2011 were \$76,000 which is up 48 percent from last years' \$36,000. Year to date collections are down approximately 3 percent from last year. The decrease was expected and is mainly attributable to the rollback millage and assessment protest received in a reassessment year. Hospitality and local accommodations taxes collected in March were \$17,000 and one point six thousand, respectively. Although the current month lagged slightly from last March the year to date totals are up 9 percent and 15 percent, respectively. Under the enterprise funds in March 2011 the sanitation fund collected about \$80,000 in service charges compared to \$81,000 in March of last year. Year to date revenue is \$803,000, an increase of about 2 percent from last year. The pier fund collected seven point two thousand in revenues including the admissions, fishing passes and parking paystations compared to eight point four thousand in March of 2010. Year to date revenue is about \$220,000 which is comparable to last year's \$218,000.

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b. Public Works Report

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In sanitation the commercial service routes continue to be updated based on business needs. Five accounts, River City Cafe, Bubbas Fish Shack, Myrtle Beach Resort, Days Inn, Lakewood Apartments and Wild Water and Wheels have resumed and/or increased pickups. Since the beginning of the fiscal year July 2010 the Town has collected 393.81 tons of recyclable materials resulting in the savings of \$11,420.49 and tipping fees at the landfill. Three times a week trash rollout service begins on Sunday, May 8th. To date, 400 exemption requests have been received and verified. Welcome to Johnny Marlowe, new sanitation laborer. Under streets and drainage, the beach swashes are being dug out as needed to ensure proper water flow. Three times a week beach raking and grooming as well as trash pickup will begin the week of May 2nd. Crews will be servicing beach trash cans on the weekends beginning May 7th. The new beach recycling program is set to launch on May 7th. Ongoing special projects, crews completed sidewalk repairs at 7th Avenue South and Ocean Blvd. Thirteen new "yield to pedestrian" signs have been installed along Ocean Blvd. Palmetto Paving has milled and paved Dogwood Drive North from 5th Avenue to 17th Avenue North, Palmetto Drive from 7th Avenue North to 10th Avenue North, 11th Avenue North from Cedar Drive North to Highway 17. This work is 75 percent funded through

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County transportation funds. The 9th Avenue North beach walkover was rebuilt in April; this was the 5th beach access rebuilt this winter and spring. Weekly town wide mosquito spraying will begin in May. The 50/50 ditch piping program, nine projects have been completed and one is in progress, currently this program has been suspended during our busy spring and summer season. The Town will continue to accept applications for the 50/50 program; those applications will be given first consideration when the program resumes in the fall. Applications are available at Town Hall, Public Works or on the Town website. Dirt is still available to Town residents. Under the grounds division, renovations of the tennis courts at Martin Park have been completed. Crews have installed four palm trees, landscape timbers and plants at Dogwood lake outfall; this project will be completed this week. Huckabee and Martin field complexes have been fertilized; treated for grubs and are being used for tournament play. All beds have been mulched and flowers planted. Crews are completing maintenance and repairs to all Town properties. Moving and weeding has begun on all Town properties as well. Debris is being removed from lakes as time permits and spraying of Town lakes has resumed. Under fleet maintenance, from March 17th to April 19th the mechanics had completed 69 repairs on Town vehicles and equipment. Preventive and schedule maintenance were performed on 36 Town vehicles or pieces of equipment. All public works personnel have now resumed their summer season hours which are 6am to 3pm Monday through Friday.

Ms. Blair asked if the Days Inn is open again for business. Mr. Duckett stated that his understanding is that they are expected to open on May 5th. Ms. Blair asked if there has been any response from Santee Cooper on the lights that were reported out. Ms. Adair stated that they were reported. Ms. Blair stated that she assumed the mosquito spraying was being done in connection with treating the water with mosquito dunks. Mr. Adair confirmed that this was all done. It was confirmed that the spraying rids the lakes of algae herbicides. confirmed that the Days Inn is now called the Surfside Beach Resort. Johnson asked what the total number of accounts were in Caropines. Mr. Adair answered that there were approximately 175-180 accounts. Mr. Johnson stated that when this was first done it was a questionable endeavor as to whether it would be a money- making effort. It was confirmed that adding Caropines was a good move for Surfside Beach. Mr. Adair added that the Town would make more if they could also pick up their yard debris. Mr. Johnson asked where the funds for the beach crossovers come from. Atax funds were mentioned. Mr. Adair answered that regular town personnel are being used to construct them with existing lumber. Mr. Samples asked where the kiwi shades were being stored. Ms. Fellner answered that they are currently with the shade provider along with the bolts. Mr. Samples asked if there were any plans for them. Ms. Fellner stated that the Town is waiting for legislation to pass.

c. Recreation Report

Mr. Duckett reported that the 2011 baseball/softball season began with opening day Saturday, April 9th. The regular season games began on April 11th with games being played Monday through Friday until the middle of June. The concession stand is in full operation and is a huge success. Parents, coaches and players are extremely supportive of the concession stand and the fact that the

money is being returned to the athletics program. The majority of the teams are now buying their team drinks and snacks from the concession stand as well. Tball age 4, coach pitch ages 5 and 6, kid pitch ages 7 and 8; registration will begin May 2nd, and continue Monday through Friday from 1 pm to 5 pm at Huckabee complex until May 13th. Games will begin for this program June 1st. Under special events a pet fair and rabies clinic was held on Saturday, April 2nd in Surfside Beach Dog Park in conjunction with DHEC. A total of 13 vendors participated as well as Dr. Marvis from ARC Animal Hospital; Dr. Marvis and ARC Animal Hospital stepped in last minute to conduct the rabies clinic after Dr. Fotorny with The Pet Doctor cancelled. ARC Animal Hospital has agreed to work with the Town to make this an annual event. An Easter egg hunt was held on Saturday, April 23rd at Huckabee complex for ages 4 and under, 5 to 7 and 8 to 10. Each child received a bag of candy for participating and prizes were raffled for each age group. Over 300 children participated and total attendance was over 500. Staff has approached Southern Outdoor Cinema and they have expressed an interest in conducting a movie on the beach for the Town this summer; it is a 35 foot screen and the movie would be an offering not yet out on DVD. Southern Outdoor Cinema would handle all transport, setup, break down and operation of the equipment. They would also advertise Town events on the screen for 20 minutes prior to the start of the movie and the Town could offer local businesses advertising opportunities for a nominal fee to help offset the cost of the event. Under other events, the beach music party, Thursday, May 5th will be from 5 pm to 8 pm in the pier parking lot. Art in the Park and Sunday serenades will be Saturday May 28th 10 am to 2 pm in Passive Park. High school volleyball tournament Saturday and Sunday, May 28th and 29th will be held on the beach at 1st Avenue South; it is sponsored by Grand Strand Volleyball. The Memorial Day service and golf cart parade will be held Monday May 31st. The time will be announced at the Veterans Memorial. Mr. Smith asked what the cost for the Southern Outdoor Cinema. Ms. Ellis confirmed that the cost would be \$1,800 and there currently is only one event being considered. Mr. Samples asked when it would be playing. Ms. Ellis stated that she was considering the end of July. Mr. Samples stated that it sounded like a good idea and that the Town should try it and see what happens. Mr. Johnson stated that he has concerns with the \$1,800 cost and having a company come in adding that there are liability issues and added that Southern Outdoor Cinema may have coverage but added that there were resident volunteers that offered to show movies. Mr. Johnson stated that he has concerns offering this. Mr. Samples stated that he understood and appreciated Mr. Johnsons' comments; his recollection was that Mr. Kohlmann volunteered to provide a screen and did not recall if he offered to provide the movie as well. Mr. Samples stated either way as long as the Town offers the service for the Town he feels it is a great free attraction for kids, residents and visitors and that it is good family fun; the previous movie in the park was a good event. Mr. Samples stated that he would like to see the Recreation Department have a plan presented to Council on the service recommended. Mr. Johnson thanked Mr. Samples for jarring his memory; previously this was presented by the County and asked if the County discontinued the service to the Town. Ms. Ellis stated that they discontinued this. They used to have a big wooden screen that they got rid of; they since purchased an inflatable screen and they have informed the Town of Surfside Beach that since it is two blocks from the ocean, with the sand and the

 outfield they did not feel comfortable staking down an inflatable screen at Martin Field. Ms. Ellis offered to purchase the wooden screen but they were unable to locate it; may have been destroyed. For the \$1,800 cost the Town can go out and offer businesses a chance to advertise which would help cover the costs. Ms. Ellis will also look into purchasing a screen for the Town since the County no longer will provide it. Ms. Blair stated that if \$1,800, unless businesses were willing to place continual ads, then multiple times may not work but for a one-time event it may work and would like to look into providing something like this again. Ms. Blair asked if North Myrtle Beach does this and asked Ms. Ellis if she checked to see what they do. Ms. Ellis stated that she has not called them but would find out what their experiences have been. Ms. Blair agreed it was a great idea to look into.

d. Administrator's Report

Sculpture in Poplar Park

Mr. Duckett reported that Robert Sadlemire, an internationally recognized local artist specializing in metal fabrications, has submitted a couple of drawings. The cost of either production would be \$4,400 and the materials would be billed separately and would cost approximately \$1,600; totaling about \$6,000. Mr. Duckett reported additional information would be provided to Council in the future and possibly even at the next meeting they could have some renderings to show on the screen.

Update on current events

The existing mutual aid agreement with the law enforcement network and with the Myrtle Beach Police Department must be formally approved by the governing body. These are routine mutual aid agreements that the Town has had over the years and there are a few more that will need to be brought back to Council as they are finalized. This is a new requirement based on a Supreme Court decision recently handed down. Mr. Duckett had copies in hand for his signature and asked Council for consensus to move forward with his signing of these documents. There was no opposition from Council. Mayor Deaton stated that without opposition there is concurrence. Mr. Samples asked if they were brief documents. Mr. Duckett stated that they are not brief; these documents have passed legal tests and it is a recent decision of the Supreme Court; all communities have been doing this for years and due to an overabundance of caution suggested by the solicitor all of the local Councils are being presented with this; if one of our officers is on assignment under a mutual aid agreement they would legally be covered under the Supreme Court. It is believed that the Supreme Court will correct this decision in a few months so that it can be done by judicial order. Mr. Samples stated that the Town looked at the mutual aid for the fire departments and the Town was the first responders to certain areas of unincorporated Horry County which is under an emergency situation but it then became a matter of routine and the Town was not being reimbursed it became an issue. Mr. Samples asked if these were long term assignments. Mr. Duckett stated they were not. Mayor Deaton stated that the end result of that the Town is paid FEMA rates for Town responses to fire.

7. BUSINESS

a. Resolution #11-106: Support of Coastal Alliance Beach Ordinance Regulations

Clark Pinnell read the resolution that is an file. Mr. Smith made a m

Clerk Pinnell read the resolution that is on file. Mr. Smith made a motion to adopt resolution 11-106. Mr. Childs seconded the motion. Mayor Deaton confirmed that with the passing of this resolution there would be no changes to any of the current Town ordinances at this time. Mayor Deaton stated that the Town will hold a future workshop and if there are changes staff will suggest them to Council and Council will approve any changes. All voted in favor. MOTION CARRIED.

8. DISCUSSION ITEMS

• Golf Carts Councilman Johnson

Mr. Johnson stated that as a beach community it is very convenient to use golf carts to go to the beach and travel the local streets. There are some problems and before the season gets underway full force he feels that the Town would be remiss if it did not address some of the issues. Mr. Johnson suggested having a workshop prior to the next Council meeting to discuss some of these issues. Some issues that concern him and some of the residents are that young children are driving golf carts; this is a law enforcement issue and added that he understands that the Town police officers do a very good job; they cannot be everywhere but on the other hand it is a major issue that needs to be addressed. Another issue is the lack of parking on street ends specifically by golf carts that are rented from businesses in and out of the Town of Surfside Beach. Many of these carts do not have Town stickers on them and he wants to make sure they are licensed and regulated as they should be. Mr. Johnson asked the Town residents to come to the next workshop and express their concerns publicly as they expressed them to him.

Mr. Childs stated that he feels that one of the big problems with golf carts besides young kids driving them is golf carts on Ocean Blvd.; he has had a number of people approach him about this. Dogwood does parallel Ocean Blvd and it is presently being repaved which would be a great road to drive a golf cart on. Mr. Childs stated that many times you will see 4 or 5 people on a golf cart and going 5 miles an hour with traffic backed up and it seems to create a frustrating situation for a lot of motorists adding that he would like to address this particular issue as part of the golf cart workshop.

Prior to going into Public Comments, Mayor Deaton asked those in attendance to keep in mind that the public is to address the Council as a body and asked that no one single out any individuals.

9. PUBLIC COMMENTS – Agenda Items only – 5 minutes per speaker

Tom Dodge, 15th Avenue North: "Take my glasses off so I can see. The Sun News has called the Surfside Beach pier bid murky; town management gaff prone, convoluted and clumsy. The Town hired a real estate agent to represent it without putting that position out for bid. Aren't three or more bids usually done? Why only one? A bid for the pier was received and accepted in a hastily called executive session, secret meeting; contingent upon acceptable results of a background and credit check. Shouldn't the realtor, the town administrator or the deputy administrator have

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checked this out prior to the meeting at which the lease was presented? I understand the deputy administrator is very adept with the computer. The administrator and/or the deputy administrator could have done both the credit check and the background checks before that Friday secret meeting when the lease was presented. If they did not check it out; why not? They are each hired to look out for the interest of the people of the Town of Surfside Beach. That is their job and appears that they greatly failed to do so. They let the Sun News do their responsibility to the citizens of the Town. Thank you Sun News. Still, in view of all that horrible publicity, the Sun News quotes the mayor as saying 'credit history may not be a deal breaker; we don't know if the applicants have backers or partners'. Then if there is no money backing why was a deal made? An indication was made at that Friday meeting that an LLC was in the process of being formed with no money backing at that meeting, why was a deal made? The Sun News also quoted the mayor as saying 'we've got our bases covered'; in reality the Town is still in the dugout having never even fielded a team. Since the Sun News has called the pier process a debacle, the bid murky and the Town management gaff prone, convoluted and clumsy this current bid should be totally rejected and our Town employees who are paid large salaries should be trustworthy regarding their jobs; should start looking out for the Surfside Beach taxpayers. Thank you."

John Ard, 612 Cypress Drive: "I have a comment about the issue on the pier down here and I have a comment about the golf carts. I know a lot of these people in this room here, very few of you on this Council; I've had some words with Mr. Duckett over here and Mr. Samples over here. I really appreciate your comments you made prior to this meeting when it started and everything about that pier and the people in Surfside Beach right now, the Town Council and the whole Town is nothing but a laughing stock. At the way this whole dog gone things been handled. The first thing you done is, when it came up with Nibils down here you put him out; any way you look at it, you put him out, and now, here you are, you turn around you're going to lease this pier for \$50,000, to start with. You got a man in here that's up in New Jersey up there and he's got backers, maybe a lot of people in this room don't know who his backers are and don't know what LLC is being formed that's going to put this man in up here running this pier restaurant. The man has a foreclosure and everything on him, been on unemployment up there, mysteriously he's got backers down here, and so, since last Monday, there has been no word leaked to the media or anybody else as far as I know right now and when I talked to Mr. Duckett vesterday. that was the case, am I correct?"

Mayor Deaton: "We're not answering questions sir. This is not interactive. You go ahead and make your statement. This is public comments."

Mr. Ard: "Oh yeah, I'm making it."

Mayor Deaton: "Yes sir, please do."

Mr. Ard: "... and I want to know why as elected officials, elected, by the people of this Town that you all can't do the job that you're supposed to do and take care of this Town in the way that you're supposed to take care of it. Because you're sure doing a mighty poor job of it and I'm very sorry to say, I've been in this place here for 49

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years, in Horry, Georgetown, I mean, Murrells Inlet, Garden City and Surfside; I've lived here numerous times in Surfside. I've been a total resident here now for four years. I've got some interest over here now and I know I'm going to be here until the day I die and I don't appreciate what you all are doing, one bit, and I'm sure there's a lot of people out here that don't appreciate it but they're not going to speak up and say so and that's the trouble with it; the people don't speak up and stand up for their rights and I'm going to stand up for mine and I think that this contract that's in the workings right now, that from what I understand there's something about a page 12 on there and this is just about a done deal. I don't think so. I think you all; each and every one of you up here, ought to rethink this whole thing, because, like I say, I know who's behind it and I know who's trying to form this LLC and the same man that's behind it comes in here from out of state. The first year here was here he run for Town Council . . ."

Mayor Deaton: "Sir, I'm going to have to stop you right there. We're not going to talk about personalities sir, ok?"

Mr. Ard: "Excuse me?"

Mayor Deaton: "I said, we're not going to speak about personalities. We're talking about the operations or policies of Surfside Beach. Thank you."

Mr. Ard: "That's right, all right, and I would love to see this contract that's (****) notion because it ain't right, you are not doing justice to these people and I don't appreciate it."

Mayor Deaton: "OK, thank you sir."

Martha Bullard, 12 A Myrtle Drive across from the tennis courts, been there about 12 years: "Thank you for the opportunity to speak. For the past 6 years the Waccamaw Baptist Association and Southern Baptist Convention and Baptist Nurses Fellowship have provided free sunburn care and free ice water to visitors down at the Surfside Beach pier from an 8 by 12 trailer. Everybody, we have talked to thousands and thousands and thousands of people, literally, from, literally all over the world and they appreciate this service and the people who operate the service are volunteers; we are not paid anything, we do not receive money for it. People try to give us money but this is sponsored and provided by the Waccamaw Baptist Association so there is no money in it for us, now some people want to give and say 'put this in church', well, what can you say to that? Maybe they're not going to go to church so the church needs money, I guess, so, if that's not approved, if that's not ok with the Council we can stop even that, but normally, we don't take any money from anybody. We provide the free care and the free ice water and people brag on Surfside Beach. They say this is the nicest beach up and down the Strand and we have wonderful comments all the time from, and I have written the Councilmembers letters from time to time telling you about this service. Everybody appreciates it and I am coming tonight to ask, once again, for permission to place our trailer down there. Last year, we did have it in a regular parking place and then they came down and asked us to move it to the space where it was not a paid place and we did that and if that's what

you want, we'll do that again this year and you can write a letter to me at First Baptist Church of Surfside or . . ."

Mayor Deaton asked Mr. Duckett what the procedure was. It was agreed to go through the same process as previous years which was to get a consensus of Council. *There was consensus of Council to allow the sun care trailer again this year.*

Mr. Samples: "Thank you Ms. Bullard."

Ms. Dodge: "Mr. Mayor, I just want to make a comment. Every year we see you out there, you and your people out there doing that service and I think it's a wonderful thing. Thank you."

Janie King, 1016 S. Ocean Blvd: "I was under the assumption that all town business was to be under the sunshine law meaning open and above board and very transparent, now, Mr. Samples raised a question and so much hostility was shown here tonight even the attorney didn't know how to answer the situation, much less anybody else, and so my question is, could we not be so hot tempered and whatever the question might be or the decision just be tabled and then discussed as a whole body and then bring it back rather than just ruling it out of order and nothing being done about it. I think if we could calmly, rationally, operate the Town in that manner a lot more good could be done. Thank you."

Diana Cleary, 413 Cypress Dr: "I am not a political animal but I was born and raised in the State of South Carolina and we're very southern and I feel that Councilmembers should respect the rest of the Council and allow them to speak when they have something to say."

Betty Lowery, 619 4th Avenue N.: "I don't want anybody to yell at me when I drive my golf cart home tonight. Technically, it is an LSV, it's licensed and insured as a car and I promise you I pay that insurance, so, I will drive that home tonight but commenting on the golf carts, I agree, I've seen them with kids driving them, they are so overloaded that I'm not even sure the front wheels are actually on the road and I realize the police can't be in all the places at one time but perhaps these places that are renting, even the scooters, renting the golf carts, they perhaps need to do a better job of educating the people they're renting them to. Also, in the case of golf carts, in the walking park there near the dog park, there is a sign on Pine Avenue that says no motorized vehicles are allowed in that area but I don't think there are any signs on the street, I don't know the name of the street, the street goes by in front of your house. There are no signs there and I think people are coming into that area on the golf carts totally unaware that they are not supposed to be doing that. Just yesterday there were some kids riding their golf cart around on the concrete path so they need to be made aware of that, I don't think they are and commenting on Mr. Ard, my husband and I moved to Surfside Beach in 1968; we moved into my house in 1969. The Sun News, what seems like now a million years ago, made a comment when Myrtle Beach was the so called laughing stock of Horry County that Surfside Beach was doing such a good job and handling things so nicely and that Myrtle Beach could take a page from Surfside Beach's administration but, I'm embarrassed, I really am. The situation at the pier I understand came from a lack of experience and just trying to do things

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correctly but it's turned into a total fiasco and now it seems to be a desperation measure to get somebody in there right away and there's just too much secrecy, I mean, why would someone not want their name up front if they wanted this as their business and private meetings are never private meetings, somebody always finds out and I promise you it can go from one end of Surfside to the other faster than you can snap your fingers so that's got to stop; it makes the entire thing look illegal but Surfside Beach has been called a hole in the wall town and this is just embarrassing. It's just got to stop and I tend to agree with Mr. Ard this contract just needs to be thrown away and start over."

John Wright, 710 S. Hollywood Dr.: "Mr. Mayor, Councilmembers and citizens Wow, 2010, it was a banner year for our TV; for the newspapers; 2011 almost 4 months gone and here we are, we're filling the pages for the Sun News again; the TV crews are here. Sunday was a great day down at our pier. The Easter sunrise service there on the beach was spectacular. We would do well to study what's in this book because our actions; with this hidden agenda, hidden from the citizens of this Town, is wrong and I encourage you to search your hearts and let's do what's right, most of all in Gods eyes and the citizens of this Town. Thank you."

Alan Beck, 626 10th Avenue N: "I don't know if this new lease is a done deal or not but I don't know what's in the lease, I went online to see if I could find out and I found out that since it's going to a realtor there's no posting it for the public to read. When we started this whole lease process I went online to find out and it was posted for the public to read and I read a 64 page lease which was the worse lease I'd ever seen in 30 or more years of dealing with the government contracting business. I wrote e-mails to each member of the Council and listed a lot of the things that were wrong with the original lease such as the Towns right to not provide any parking anywhere near the pier. If they wanted to close it off, however many times they wanted to close it off, which I thought was unfair. The Towns right to remove access to the restaurant which was in the 64 page lease; the Towns right to deny restroom use to the restaurant whenever they wanted which was in the original 64 page lease; the Towns right to take away one month's rent every time the Town found an insect in the building because it was required to be insect free or a smudge on the window because it was required to have the windows always kept absolutely clean so you could have taken one month's rent every two weeks or every month if you had a two week waiting period in between. So I wrote that to the Town coucilmembers after the first thing didn't work well I came and talked to the Council and advised everybody that we need to be fair to the tenant, the lessee as well as to the Town. I hope in whatever you're doing you are thinking about being fair to whoever's getting it and not setting something up to gives the Town that arbitrary of power that just runs somebody out because we shouldn't do that as our government to an individual that's taking a lease. We also should not have written that poisonous lease which I said I thought was unconscionable when I talked to the Town Council it would be in the minutes of the earlier meetings, unconscionable contracts and leases are in violation of South Carolina law. So we cut the lease back down to 34 pages, it looked like half, it looked like a lot (***) a lot of the bad stuff went out but it still had the right of the Town to not provide parking, the right of the Town to not provide the restroom, the right of the Town not to provide access to the restaurant, the right of the Town to take away a months' security deposit if there was a fly in the restaurant and the right of the

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Town to take away a months' security deposit if there was a smudge determined on the window, it also had some other things in the lease that were objectionable to the prior tenant such as there was no way to page people in a waiting line outside and things. It looked as though the original lease was written on purpose so that it could not be bid to. It appeared at the end of the first lease returns the two things were received there's probably a surprise to some of you that there was a bid even and a mention of anything that came in from the incumbent because there were so many things in there that he shouldn't, you know, no reasonable person could agree to so it shouldn't have been a surprise the second time. I came before the Council at that second bid meeting in the minutes of that night and urged you to be fair and consider eliminating those particular requirements from the final deal because the Town should be fair to whoever it deals with, unfortunately, we went into an executive session and you determined that there wasn't any bid at that time and that was when the restaurateur left our Town, I wondered about the lease and that night the former Town attorney had performed that he had been given the lease by the Town administrator, the prior town administrator, I question why that lease had the law firms name on it; it had so many poisonous things in it that made it unconscionable in my opinion, but, it did. Now I hope you can turn the page and do something fair and that those that were involved in poisoning that earlier lease will relook at their hearts and conscience and try to do more of what's right I guess of whatever was desired was achieved and whatever was in there is gone."

Randle Stevens, 412 1st Avenue N.: "Several things I want to speak on. Knowing I appreciate the Sun News, and WMBF with all the publicity they've put on in the press, newspaper and television on the pier lease and I also want to commend a Facebook page Surfside Beach SC information page which keeps us up to date by also posting those same news things. I suggest everybody in this whole Town go to that Facebook page and read it; got a lot of good stuff on there. Getting to the golf carts I agree with Mr. Johnson that all these businesses are renting golf carts making money they should help pay a fee just like every citizen does, so I'm 100 percent behind you on that. Now, getting to the pier, basically what we've got here is we've got a liability to the taxpayers and I know that there's members of Council that want to get that thing rented, election time's coming up, but, we also have to protect the citizens so one of the things I would suggest regardless of whoever rents the pier is that the Town of Surfside require two things, one thing that's required by every business or every contractor in the State of South Carolina, a surety bond and a performance bond. The federal government requires anybody that spends over \$100,000 in construction costs to have a surety bond to protect that person, for example, here's the definition from Wikipedia, surety bond is a promise to one pay, one party, the obligee, in this case it would be the Town of Surfside Beach, a certain amount if a second party, the principal, that being the financial backers, fails to meet some obligation such as fulfilling the terms of the contract, the surety bond protects the obligee against losses resulting from a principals payer to meet the obligations. Why not put a \$500,000 surety bond; a performance bond, on the construction and then turn around and put a \$500,000 bond on the lease. You can go to USLegal.com and they'll give you the definition of performance bond and surety law. This would protect the citizens, protect the taxpayers all over, protect the Town of Surfside in the event that somebody did and my understanding the people behind it have financial pockets deep, but, why not have it? If you build a house in Surfside the South

Carolina residential builders commission requires you to have a surety bond; that's required by law, to build a house in Surfside, if you're a builder; this is commercial building, it may require a little bit more, I don't know exactly, but the main thing is we need to make sure, as a Town Council, you need to make sure that the citizens and the Town is protected; the taxpayers are protected. I really don't care who goes in the place as long as they do what they're supposed to do. If they say they're going to spend \$135,000 as WMB listed in their news article then I want them to spend that \$135,000; that's a \$135,000 the taxpayers don't have to spend. If they're going to rent the place I want to make sure that rent is going to be paid and that it's paid for the entire lease time, so, whoever gets the lease, I don't care. What I want to do is see this burden on the taxpayers removed, eventually; however you do it, do it, but make sure that whoever you get in there has to have those things first. The last thing I want to talk about is something Mr. Samples mentioned, I think it would behoove the aforementioned Councilmembers who had a private meeting with the potential tenants . . ." Mayor Deaton: "Sir, I'm going to caution you right there because that's not

Mayor Deaton: "Sir, I'm going to caution you right there because that's not necessary, that might be misinformation, so, I'm going to caution you right there. Please do not . . ."

Mr. Samples: "Sir, rest assured it's not misinformation."

Mr. Stevens: "I've got freedom of infor . . . I've got freedom of speech. I think the Town will recall they tried to mess with Joe Zoltak."

Mayor Deaton: "Sir, I'm just cautioning you at this point in time."

Mr. Stevens: "I have freedom of speech to stay. I'm not mentioning anybody's name. Didn't mention anybody's name. You heard me. I said the aforementioned people, to just explain, I'm sure, that if they met with somebody, they had a good reason, so why not, you got the public comments for the Council, you can explain to the Town of Surfside. Let us know why two members of Council met without the rest of the Council. It's not a big request . . .

Mayor Deaton: "Mr. Samples, you do not have the floor."

Mr. Stevens: "Pardon me?"

Mr. Samples: "Did I say anything?"

Mayor Deaton: "You, ok . . ."

Mr. Stevens: "So, it doesn't seem like, I mean in the spirit of transparency and keeping this an open and honest government it behooves Council to explain everything you do. What's wrong with that, nothing. These people want to know. We want to know. If you do something, we want to know. If you got a good reason, say it. Got a good reason, you have nothing to hide, absolutely nothing. Not one thing to hide, so, that's all I have to say today and I appreciate your time."

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MaryBeth Mabry, 517 15th Avenue N.: "I'm not going to beat you up too bad but needless to say the phone keeps ringing and you know why so I've been asked a lot of questions and as a realtor I don't have all the answers so I'm going to ask you and you do have 5, 10 whatever minutes you have during your Council comment section and I want to know why the lease was presented to Council without the financial and a background check that only takes less than five minutes. You have a police department and you have an administrators, two. Who is responsible for providing that to you? It would have saved the perspective tenants a lot of embarrassment; they don't need to have their personal business all over the Sun News because you didn't do your job and that's simply the way it is and I want to make sure I understand correctly, we have two attorneys, and as a realtor I could get it wrong but when a guarantor goes onto a lease if he is providing more that 51 percent of the monies, he is actually the lessee; he owns the lease; the tenants can write the lease, walk away next week, the guarantor has that lease. Same with an LLC; I can have 10 shareholders, I can own 99 percent of the LLC, I can throw everybody off, I own the lease, so, I want you to make sure that everybody understands that if you're not getting due diligence from somewhere you need to find out why and how you're going to get it and I'm astonished that we have Councilmembers having a sit and chat without the full body with them. We don't do that, you know it's wrong, you know it's not ethical. I'm not going to use the word illegal but it's not ethical. You are a body; all of you together make one Council, you sit in a meeting with someone, you sit together and you do it properly; we have that right to ask you to be ethical. If somebody has not told you that, you don't understand that, shame on them and shame on them because you know and I know that we can easily do things, meaning well, doing it wrong but we should have people in this Town to correct us, to guide us and to walk us through the right way, somebody's fallen down on their job. The citizens are paying dearly; we have two administrators in a town that's two miles long and we can't get this information to you? You need to sit down, back away from this lease; you have a realtor; you have two fine attorneys. I can tell you Mr. Moss knows real estate law. Let them have it; don't touch it; back away, go home, pretend there's no lease. Once they get it completely finished, every little nut and bolt done, let them all bring it to you, go over it, that way you cannot ever be put in this embarrassing situation again and neither will this Town and thank you."

Beth Kohlmann, 1610 S. Ocean Blvd.: "I want to open up with thanking Chief Fredericks for helping at South Strand Helping Hand which is located on Poplar Drive in Surfside Beach and then I'm going to do something that's not normally done but I'm from New York and this is what we do. (Ms. Kohlmann turned and faced the audience) I'm real tired of the rolling of eyes and the faces so I figured that it's time that somebody came up here and spoke to you and you have to hear, because they're not hearing us, ok, and that's really important and this is not for all those Councilmembers up there because there are some really hard working ones and there are those that when they speak they're hushed like they're children; they're not children nor are we, they're educated people that live here and work here and we all do too and we live here for a reason, because it's a nice place and you know what, when you get up and you say that the pier is beautiful and the beach is beautiful, yeah it is, and that's why we're here, we're here because we love it and when we have to sit down and read in the paper about our Town, week after week; it's ridiculous; it comes to the point where, drama? You talk about drama? We're not the ones that are

on WMBF News, making statements about the Town; we're not the ones that are going behind closed doors and having little meetings, we did away with Concerned Citizens by the way, I know you hated all that and for the record there are a lot of things that go on that nobody knows about." *Mayor Deaton*: "Are you on stage or something?" Ms. Kohlmann: "Excuse me?" Mayor Deaton: "Do you think this is a stage ma'am? Are you on stage or something? You talk about drama. I think this is supposed to be comments. Ms. Kohlmann: "No, I'm not on stage. Listen if I was blind I couldn't see you, right? So please do not discriminate against me." Mayor Deaton: "Ok ma'am, you're out of order. Sit down please, sit down . . . sit down. Officer?" There were comments and boos in the audience, comments were inaudible. *Mayor Deaton*: "Ma'am have a seat, have a seat, ma'am, please." Mr. Samples: "Mr. Mayor, Mr. Mayor, Mr. Mayor, officer, officer, officer, Mr. Mayor, I appeal . . ." Mayor Deaton: "There will be order in this room or I will clear this room." **Mr. Samples**: "... I appeal your ruling." Ms. Dodge: "and so do I." *Mayor Deaton*: "I'm sorry; this drama's got to stop." Ms. Dodge: "You cannot do this sir. You are wrong to do this to these people." Voice in audience: "You're out of line." Mayor Deaton: "Ma'am please sit down. Please sit down" Ms. Dodge: "I cannot stand it anymore." Mr. Samples: "I appeal your motion; your ruling." Ms. Dodge: "You want to take me out of here sir? I'm ready to go. I am sick of this. You stop it, now. These people are the people of this Town. They pay your salary. They pay my salary."

There was applause from some citizens in the audience.

Ms. Dodge: "I am so fed up, I can't stand it. Stop it. Don't sit there and grin." Mr. Dodge from audience: "Thank you honey." Ms. Blair Approached Ms. Dodge "(***)." Ms. Dodge: "No I'm not." Mr. Ard from audience: "Everybody's out of line Mayor Deaton." Mayor Deaton: "Thank you sir." Ms. Dodge: "I'm going to kill him." *Mr. Ard:* "If you want to have me removed you ain't got (***). Mayor Deaton: "Sir, if you'll just be quiet we'll try to continue this meeting in an orderly fashion, that's my job and that's why I'm sitting here and that's all I'm trying to achieve. Ms. Dodge: "(***) job." **Mayor Deaton**: "This is not a show." Voice from audience: "We put you there, we can take you out." Mayor Deaton: "Yes, sir, you probably can." Voice from audience: "We will." Ms. Dodge: "And the sooner the better, sir." Mayor Deaton: "OK, well any more public comments? Yes ma'am." Debra Herrmann, 11 North Cedar Drive: This isn't going to be popular with the

Debra Herrmann, 11 North Cedar Drive: This isn't going to be popular with the public but Mr. Mayor is right, this is a time for us to make comments to the Council and my comment is, is thank you very much for the development down Surfside Drive, it looks so good. As far as the pier goes I pretty much agree with most of the comments that have been made tonight. I would like to see the Town take the pier and develop it for public use, raise the restaurant, make a nice vision, a deck where we can go and use it for events. Forget the money, do something that's going to enhance the Town and be a place where the public can go and meet and have some fun and be in a safe environment. I think that would be a great thing to do down there. The other thing is, my mind went blank, oh, and so far as Councilmembers meeting with people? There is nothing illegal about that but the appearance of impropriety is so important, so, if these Councilmembers that met with somebody or did not meet with somebody don't . . . go to a restaurant and have a drink with them or buy lunch for them but just remember that the appearance of impropriety is so

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important when you're a public official and we really do appreciate what you do; it's a very difficult job and thank you."

10. COUNCIL COMMENTS

Ms. Blair: "Thank you to Ms. Herrmann for those kind comments. Ms. Bullard, and thank you to your group for all that you continue to do on a positive note year after year and it is very much appreciated. To Ms. Ellis and her efforts with the new pet fair; it's always good to be able to add another event to our calendar and I want to thank her there was a mini crisis kind of at the last minute with this and she came through with flying colors and while doing so actually cemented a relationship with one of our local business that being ARC animal hospital and Dr. Maveris and her crew and now they're ready to support us in that festival every year and we don't have to go out and try to find a vet to partner with us and that's what makes a successful event is that we can gain and mature and grow successful partnerships and especially within Town and so we thank you for that and I was down there that day it was a beautiful day and lots of great pets and lots of great people and vendors we hope will come back. One other thank you before my final comment to Chief Frederick, I had a call from a resident a week or so ago and a young man who was very concerned because there was an injured duck in the road. I can remember . . . and he didn't know what to do, he was afraid that if it stayed in the road, it appeared to have an injured foot, it would be fatally wounded or fatally injured and I had, within a building that the call did not ring when I got outside the building I had the message and by the time I had called him back the police department had already responded and they had responded in a positive way, they hadn't come with the intention of putting the duck out of its misery or carting it off to somewhere that help was not available. They came with a box with the intention of taking it to ARC, to the NOAH program and asking if there was any way they could help it and save it. I can remember when our police did not respond so favorably to animal calls. I actually had one of the large swans land in my yard and when I called for help I was told call County Animal Control, we can't do anything. Now that's been several years ago, prior to Chief Frederick being with us and I actually did get a friend from Myrtle Beach Animal Control to come help me relocate that swan so it feels good to know that they're ready to respond to any call and to respond in a positive way and to help us in way they can, so, I don't know which officer responded but I know you had a very happy resident and his family to know that, even though as more people appeared it kind of spooked the duck and he flew but at least he was out of the road so it was a positive outcome anyway so thank you for that. The last thing I want to say and I'm not going to dwell on this; we all know the problems, we're all aware of the embarrassment and the gaffs. The one thing I just wanted to say is; I have a state director who has been a mentor of mine for 20 years and many times when I've found myself in a quandary or kind of afloat with not knowing in which direction to go on an idea or a plan or goal he would always calm me down and say think about it with regard to these three guidelines, before you do anything, do it in the right way, at the right time and for the right reason and if you can meet those three parameters you're probably on a pretty good solid path. I'm not really sure and obviously a lot of our residents feel the same way that we've met those parameters with regard to the pier. I'm not sure we've met any of them and I agree with Ms. Herrmann that the pier was purchased for the Town and for the residents. My opinion was not, was that it was not, it wasn't purchased for our visitors and our tourists and it wasn't purchased for

any individuals personal gain or personal achievement; it was purchased to be the focal point of this area; the central venue for events and activities. It should be a symbol of our community, a welcoming symbol to our visitors and our tourists and more importantly especially with the new streetscape as a pathway right up to it should be the heart and soul of Surfside Beach. I don't know what the outcome of Councils' decision is going to be at this point obviously all of the information is still forthcoming, so, I don't know when all that gets here, gets to us and we're ready for that final decision, what's going to happen. All I can say and all I will say and all I hope and pray for is that the future of the pier and our goals for the pier, however we attain them, those goals should be true and our intentions should be honorable and the method that we use to get there should be transparent. Thank you."

Mr. Johnson: "I'm virtually speechless. I've been coming to Surfside Beach Town Council meetings for probably 20 years; served on Council for three years. I want to apologize to the Town residents this evening. While I sat up here and kept my mouth shut, I want to apologize for this fiasco that occurred tonight. This is not what the Town of Surfside Beach is all about; it's about you; it's about me; it's about this Town and somehow, someway, somewhere things have really gotten discombobulated and sure we've made mistakes, everyone on this Council has made mistakes, everyone sitting out there has made mistakes. We're going to get through this but again, I want to address Councilmembers, I want to address town residents; we don't need this. We really don't need this and I just ask everyone just to calm down, let's get through this because we're bigger than this. Thank you."

Ms. Dodge: "Oh my gosh. I have to apologize. I'm Irish, you know, and I do have a teeny bit of a temper and my teeny little temper got the best of me and I apologize to the people of this Town. My mother would have been ashamed of my behavior but I did it for the right reasons. The people of this Town need to be able to speak out. I am tired of people on this dais making faces at people and me when they say something that isn't appreciated. That isn't the way it should be; it should be an open forum where people can express their ideas where, I think the people of this Town have great ideas and if we all work together we can accomplish something. My speech is messed up. I feel, first of all, I feel that the members of the audience who did speak, thank you so much, your input is invaluable and I appreciate it. I also want to say that I feel Mr. Samples, when he was trying to speak early on was treated unfairly. I don't believe the ruling by the Chair was correct according to Roberts Rules for Dummies which I have right here and which I have read, it was not, it does not have to be a two thirds majority, it must be a majority and he did appeal the decision of the Chair and we didn't have a vote that said he couldn't appeal that. I want to thank Mr. Stevens for his taking the time to research and advise us on seeking a surety bond, a performance bond. I'm sure our lawyers would have told us the same thing but I appreciate a citizen doing that. Ms. Mabry, you asked some really good questions and I apologize, I am embarrassed that I didn't know enough to ask some of those questions myself. I thought the lease that was presented to us in executive session appeared to be acceptable. I want to thank Councilman Samples for having the foresight to insist upon inserting into the motion to accept the lease the stipulation that we accept it pending a clear credit and background check; that was protection from the Town, however, we didn't do what we needed to do which was check the background and do a credit check. We as Councilmembers and I believe

the position of mayor is considered as a member of Council are not to personally involve ourselves in the bidding process yet the Chairman was quoted in the Sun News of April 16th that a failed credit check was not a deal breaker and we don't know if the applicants have backers or partners and by the way as far as I saw on that lease, none were listed. I would think they should have been. That indicates that he was involved and raises a question of ethics and certainly would tend to evoke distrust of this Council; I know it certainly bothers me very much. Perhaps to avoid the appearance of any impropriety we, as a Council, should appoint a committee comprised by members of Council not quoted in the newspaper article of April 16th to mount an investigation of this particular bidding process for the pier as quickly as possible. As far as I'm concerned the whole process is tainted, we should stop it now. Again, I apologize for losing my temper."

Mr. Smith: "I've been on Council about 11 months and it's been trying, trying to find somebody to lease the pier restaurant. I'd like to let everybody know I did have a meeting with the prospective tenant. We have a lease; it's public; it was voted on by this Council in a public meeting seven to nothing, so, there were no negotiations it was just a personal visit to get to know him. There's always been discussion as who are you leasing it to, well, since we had a lease, it was appropriate for that person to be available so that we could visit with him and I did that."

Mr. Samples: "Mr. Mayor, point of information."

Mayor Deaton: "This is his comments sir."

Mr. Samples: "That's fine. I wanted to ask a question."

Mr. Smith: "I'd appreciate it if you don't interrupt."

Mayor Deaton: "Please do not interrupt, you do not have the floor."

Mr. Samples: "Certainly."

Mr. Smith: "And it is my understanding that if any other Council person wanted to visit with them they could. It's been a long process, three opportunities to bid, a real estate agent who has had at least twelve prospective tenants look at that pier restaurant, half of them were from within the County, half of them outside the County, they all rejected it because of the amount of work that needed to be done except for one. This person has offered to fix the restaurant, \$135,000 at no cost to the Town and then lease it and let me just give you some numbers since it's all very public. The base offer over 10 years, if he has no revenue at all, is worth \$625,000. Since there's a percentage of gross in the lease offer, if he has sales of a half a million dollars over 10 years that would be equal to \$657,500. If he has gross sales of 1 million dollars over 10 years that lease is worth \$690,000 plus the \$135,000 that he would put in repairs; it's written in the lease; it's part of the lease. Now, if we reject this lease and the Town decides to spend \$135,000 itself and we want to try to have the same amount of money at the end of 10 years we would need somebody to pay over those 9 years \$91,000 a year. Now, the real estate agent has told us that he doesn't think it's worth more than \$70,000 because that's what we offered it for so

when we reject it and then decide to spend all that money we're looking to ask somebody to spend money that they are probably are not willing to do it. There's one person that's interested, not two or three, just one, he's got money, you need to make a decision, I should say I'm making a decision do I want to have no restaurant or do I want to have a restaurant with somebody that's got money. So, everybody's been talking about what they feel like so I'm going to say my little piece too. So my request to all of you is to go home look in the mirror and contemplate, what's best for our Town? Keeping in mind that twelve people have looked at it and rejected it because of the cost to repair it; should we have a restaurant or should we reject the one and only bid? Since a large percentage of us profess to be Christians I request that you think of Jesus' message, love thy neighbor. God bless you."

Mr. Samples: "Thank you Mr. Mayor and the point of information that I raised to Mr. Smith had to do with, again, his knowledge of the numbers that were so precise given that, in fact, before we even had the lease at the initial executive session. I'm just going to speak plainly, at what I call the first public secret meeting which was, we've had three of them, we've had three of them on this matter, dealing with, we don't know who the principals are. We're told that there's an LLC prepared. I would ask, is there an LLC formed? You're not going to tell me, I understand, well I see, no, there isn't."

Mayor Deaton: According to the letter of intent that we approved unanimously by this Council there is the assumption that an LLC is being formed; by the letter of intent that this Council approved unanimously."

Mr. Samples: "But the point . . . thank you . . . the point of information.

Mayor Deaton: "This is not a debate, sir. I don't want to confuse you of that."

Mr. Samples: "I appreciate that. Thank you. The point, the question that I had, had to do with the forming of the LLC. The question relates to this personal discussion that Mr. Smith acknowledges that he had . . ."

Mayor Deaton: "Sir I want to caution you please do not point out a Councilmember. It's not a debate. This is time for your comments. Please make comments, not questions or accusations."

Mr. Samples: "As a member of this assembly I am deeply embarrassed and concerned about the Town Councils' reputation in the Town and it was clear tonight that many of the Town residents are also. I'm also concerned about the lack of transparency that has been involved in this process from day one, from day one. I was called this evening by a business man who is involved in publishing in the region; who indicated to me that the . . . they had the ethics commissions report and it was very clear. I understood him to say that a law has been violated except that because we did not award the contract no law was violated, that it was construed very narrowly by the ethics commission, ok? That's my understanding; in addition, the bid that was made, initially, I understand based on that conversation with this individual was \$110,000 a year. Now you may recall that we were receiving \$74,000 a year under the Cahill lease and now we are being told by an individual, a broker,

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who represents this Town, who will be paid upon successful agreement, execution of the lease, a pretty sum that the best he can do is \$50,000; \$50,000 plus about 50 percent less than what we had been receiving. We're told that that space is in such bad shape, there isn't any possible, you know, we've had all these people come and look at it, baloney, I don't believe it, again, I'm going to say that this has been a tainted process from the beginning. We have discouraged what knowingly or unknowingly a true competition for that highly desirable space which the taxpayers own. This is a public asset, public asset. I want to thank all the comments tonight from the public; some of you for the first time. I've had the pleasure of serving for, how long? Almost, almost 10 years, maybe 9 years and what motivates me is when people who live in this Town get up and express the way they feel. Now I understand that sometimes it looks dirty, sometimes it's ugly in the paper or the media, it looks that way but, you know what? Sometimes we have earned that and if we would conduct business openly; if we would answer the public's questions; if we would involve the public in the process instead of pretending like we know better. Listen, I love this Town, I ain't going nowhere as long as the people will continue to support us because I believe in supporting the Town. It's the townspeople's' interest, forget this government stuff that's just and intermediary to keep in . . . in any event, I'm concerned about the lack of transparency; the inappropriate meetings involving Councilmembers and the prospective pier restaurant tenant and the apparent, and I'm going to say it, apparent misrepresentations made to this Council and I'm going to describe what I mean by that. We were called to vote in a special meeting the 15th, April 15th, I think I'm correct when I say that. Not once were we advised, not only of the financial issues but, in fact, we were advised in previous meetings that this was a successful restaurateur. Well that may be so, that may be so, but the record, the track record that I'm aware of doesn't support that claim, that claim. The only thing I know is what I've read in the newspaper or frankly read on the blogs or heard people call and say the rumors because of a lack of transparency. One thing I will commend Mr. Moss, he was very clear, he could vouch for the written words of the lease but he was not vouching for the backer, the people. The official and unofficial secrecy, the backdoor manner that some on this Council seemed to be a part of violates the trust of the people of Surfside Beach and what you deserve and, Mr. Mayor, I can assure you that I plan on making a motion to rescind the award of this lease and if it dies of a lack of a second, there won't be a vote but that is clearly my intention, is to get it back on the table. I don't like it being vacant but I like what Councilwoman Blair said about it being a Town property, something that we operated but it requires public input; it requires public input and we haven't gone there. Mayor Pro Tem Childs, I hope will express his thinking for his meeting yesterday. Thank you."

Mayor Deaton: "First of all according to State law as long as there's not a quorum of four members that does not constitute a public meeting. Council meetings and Councilmembers in the past, including Mr. Samples, have held meetings at social gatherings and I've cautioned them for the entire time I've been the mayor if there is a quorum present please do not discuss Town business, period, so, there has been no violation here, there's been no scheduled meetings that I know of. I have attended none but the fact is there is no violation here, ladies and gentlemen, this is an accusation that is unfair, it is unfounded and it is inappropriate. Mr. Childs would you like to speak?"

Mr. Childs: "Mr. Mayor, thank you. Let's just bring this down a notch. My wife, underlined, my wife and I and Mr. Smith and his wife were invited by Town hall to meet the, what might be the tenants for the restaurant. The seven of us have already agreed on a lease. We weren't there to discuss the lease; not a bit; it was never discussed. What would you cook, have you cooked? There were questions like that and the reason that it was only two at a time is like the mayor just stated, you cannot have four members in because it becomes a quorum and then you're doing business. Every member up here was invited to do the same thing. It just happened to be that our time slot was available. There was no meeting of any kind and like I say we were ..."

People in the audience making comments were being interruptive to Mr. Child.

Mr. Childs: "Mr. Mayor could we have . . ."

Mayor Deaton: "Please, ladies and gentlemen, we'll respect your position if you'll respect his."

Mr. Childs: "We have only one individual that evidently wants the restaurant and he's offered to pay \$135,000; I think it's going to be more like \$200,000. Now some want to have the Town pay it as opposed to having them pay it. If something would happen and they got in there and went out of business the \$200,000 or whatever they paid to renovate it stays with the Town; it's ours, we don't have to pay for it and I just don't see a thing wrong with that. We don't have anybody else bidding on it. You know there's a young couple they seemed to be very nice people and since there are people on the Council that are going to vote on personalities and not of business of the Town and what's good for the Town, I thought maybe, as part of checking their credit and their background if they had an illegal background, I might as well see what their personalities like since that's what we're going to be voting on. Do we like them? Not how much money they're going to put in it and that's the only reason for the meeting. There was nothing discussed. The seven of us have already agreed on the lease; we were there was nobody else there. There's no other parties that would say well, you did something illegal, you know, we weren't in on the same . . . that was it, there was nobody; they're the only ones. We couldn't change anything and as far as I'm . . . even now I see nothing wrong with it, everybody was invited, our wives went with us to meet them. How are you? Where are you from? What are you going to cook? This, that, nothing was discussed about the lease, whatsoever. Thank you Mr. Mayor."

Mayor Deaton: "And usually I don't do this but there's been a very vocal small group of people that are very media savvy and they have been inundating the media with information and e-mails. I had a chance and spoke with the gentleman that wrote the article that was quoted by some gentleman in the audience earlier. I said did you research the minutes yourself and he said, 'no, they were e-mailed to me and highlighted'. So, this is a typical . . . be willing to speak with the media and see if they get a lot of e-mails or a lot of telephone calls from the residents of Surfside Beach and who those people are, because, you know, no drama's coming from up here ladies and gentlemen; we're trying to just be business; we're trying to run a business meeting, period, and at some times it can be very difficult and I'll have to

admit tonight was one of the most trying times that I've experienced and I've run a lot of meeting in a lot of organizations and it's difficult; very difficult. At this time I'd entertain a motion to that we go into executive session for FOIA 30-4-70 for the appointment of the Accommodations Tax Committee and the Board of Zoning Appeals." Mr. Smith made a motion to go into executive session. Mr. Childs seconded the motion. All voted in favor. MOTION CARRIED. 11. EXECUTIVE SESSION Mr. Smith made a motion to go back into general session. Mr. Childs seconded the motion. All voted in favor. MOTION CARRIED. Mr. Johnson made a motion to appoint Phil Murdock and Anthony Daniels to the Accommodations Tax Committee. Mr. Childs seconded the motion. All voted in favor. MOTION CARRIED. 12. ADJOURNMENT Mr. Smith made a motion to adjourn. Ms. Blair seconded the motion. All present **voted in favor. MOTION CARRIED.** The meeting was adjourned at 8:36 PM. Approved: May 10, 2011 1249 Sharon Pinnell, Town Clerk Roderick E. Smith, Town Council K. Allen Deaton, Mayor Vicki W. Blair, Town Council Ann Dodge, Town Council Douglas F. Samples, Town Council Mark L Johnson, Town Council 1268 1270 1271 1272 1273 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.