Statement from Horry County Government regarding Hospitality Fee Mediation

For Immediate Release:

The County disagrees with the assertions made in a recent email from City of Myrtle Beach Spokesperson Mark Kruea regarding Hospitality Fee mediation. Please find our response to those statements below.

First, that the City and other municipalities worked diligently to resolve the ongoing contested litigation is a gross overstatement. The County, staff and County elected officials in reality were eminently more engaged in the process than the municipalities, no elected officials from any of the municipalities attending even one of the mediation sessions, and despite assurances from the City that all municipalities were on board with the points of settlement, two did not give the settlement agreement in principle the first consideration when it came time for voting on it, and one other barely approved it. At the meeting with the Governor, the Mayor of North Myrtle Beach stated that she knew very little about what had been discussed in mediation. At every hour of the mediation at least two Horry County Council members attended and Chairman Gardner and Councilman Loftus attended each mediation session. It would seem the City’s best efforts included siphoning off $6,300,000 of what the City erroneously categorizes as unlawfully collected money to pay their attorneys exorbitant attorneys’ fees and to pursue unnecessarily a fictitious class action.

Second, that the settlement agreement in principle was “previously approved” by the County’s “own authorized representative” is another example of deceptive manipulation. There never was an agreement in principle because none could exist unless voted on by the municipalities and the County and at least two municipalities did not agree.

Third, the fact that the settlement agreement in principle included funding for I-73 and improvements to SC 22 were the County’s ideas, as expressly stated by the Mayor of Myrtle Beach to the Governor. The Mayor said that this litigation had nothing to do with I-73, and that it was the County that imposed that condition upon the City during settlement discussions.

Fourth, contrary to the statement made that at its December 16 meeting, Horry County Council rejected the negotiated agreement, the fact is that Horry County Council approved the settlement agreement in principle. It did so upon condition, one that the City lived up to what it had represented, that all participating municipalities consented to the settlement. It is the County's continued position that all the stakeholders should be parties to the agreement. The second condition was that the expenditure of public money be in accordance with the law.

In short, contrary to what the spokesman for the City has stated, the County stands willing to settle, but will not participate in a scheme of diversion of public monies for private gain, will not participate in a fictitious class action scheme, and will not exclude municipalities from the settlement, as the City is willing to do. And the County will continue to vigorously defend the flawed litigation initiated and prosecuted by the City, litigation that at the hands of the City already has cost over a million dollars of taxpayer money to pursue, for the best interests of the County’s residents and visitors.

Kelly Moore