



The Town of Hilton Head Island Finance & Administrative Committee Meeting

**Tuesday, March 5, 2019
2:00 PM – Conference Room 3**

AGENDA

As a Courtesy to Others Please Turn Off All Cell Phones and Pagers during the Meeting

- 1. Call to Order**
- 2. Freedom of Information Act Compliance**
Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- 3. Approval of Minutes**
 - a. Finance and Administrative Committee Meeting, February 19th, 2019.
- 4. Unfinished Business**
None
- 5. New Business**
 - a. General Discussion Regarding the Schedule and Process for Affiliated Agencies.
- 6. Adjournment**

Please note that a quorum of Town Council may result if four (4) or more of Town Council members attend this meeting.

TOWN OF HILTON HEAD ISLAND
FINANCE AND ADMINISTRATIVE COMMITTEE MEETING

Date: February 19, 2019 **Time:** 2:00 p.m.

Members Present: Tom Lennox, *Chairman*, John McCann (*Mayor*) and Tamara Becker, *Council Member*

Members Absent: None

Staff Present: Josh Gruber, *Assistant Town Manager*; Brian Hulbert, *Staff Attorney*; John Troyer, *Director of Finance*; Angie Stone, *Director of Human Resources*; Scott Liggett, *Director of PP&F*; Jeff Buckalew, *Town Engineer*; Jeff Netzinger, *Assistant Town Engineer/SWU Manager* and Cindaia Ervin, *Finance Assistant*

Others Present: David Ames and Bill Harkins, *Council Members*; Mary Briggs, *Hilton Head Symphony Orchestra- President & CEO*; Chester C. Williams, *Law office of Chester C. Williams LLC*; Chip Munday, *General Manager-Indigo Run*; Barry Ginn; Skip Hoagland; Risa Prince; Eleanor Lightsey, *Lowcountry Inside Track* and other members of the community.

Media: Katherine Kokal, *Island Packet*

1. Call to Order:

The meeting was called to order at 1:59 p.m.

2. FOIA Compliance:

Public notification of this meeting has been published, posted and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Approval of Minutes:

- a. Mr. McCann moved to approve the draft minutes from the Finance and Administrative Committee Meeting on January 15th, 2018 at 3:00 p.m. Ms. Becker seconded, and the motion carried unanimously.

4. Unfinished Business:

a. General Discussion Regarding Fiscal year 2020 Budget Process and Schedule.

John Troyer, Director of Finance, presented the Finance & Administrative Committee meeting with the fiscal year 2020 budget calendar. He outlined the process and important key dates for them to be aware of. Tom Lennox, Chairman, asked if there was anything pertinent that the Committee needed to be mindful of and Mr. Troyer said Finance does not expect anything unusual this year.

Mr. Lennox opened the floor to public comment and there was none. He thanked Mr. Troyer for the information provided.

b. Stormwater (UPDATE)

Scott Liggett, Director of Public Projects & Facilities, stated to the Committee that he recommend to Town Manager, Steve Riley, that Town Staff would discontinue discussions regarding the

proposed stormwater agreement for now. He specified that he would like the local PUDs to still submit their comments and concerns of the proposed stormwater agreement to the Town prior to the end of fiscal year 2019. Mayor McCann asked if a formal letter will be sent to the PUDs regarding the information requested by Town Staff and Mr. Liggett stated there would be. Mr. Lennox asked all to review the last Finance & Administrative Committee meeting of January 15th as it summarizes the information regarding the proposed Stormwater agreement if there was any further questions regarding the proposed agreement.

Tamara Becker, Committee Member, asked what this will now mean for the current stormwater agreement and Mr. Liggett stated that the Town has received an unexpected negative reaction due to the proposed agreement and more time will be needed to discuss the concerns further. Josh Gruber, Assistant Town Manager, stated that the current intention of the Town is that they recognize that more time is needed to further discuss the proposed stormwater agreement, however, in the interim this gives staff time to include the smaller PUD systems.

Mr. Lennox opened the floor to public comment.

Chip Munday: Mr. Munday stated that the local General Managers met to look into the agreement and they would like to arrange a working session with Town Staff to possibly have one standard agreement and each community could have an addendum relevant to its stormwater system.

Skip Hoagland: Mr. Hoagland referenced a Supreme Court ruling regarding public funding used for a private communities matter and how that was deemed unconstitutional.

Mr. Liggett stated that Town Staff would like Town Council to provide guidance on the proposed changes and suggestions received for a more standard POA/PUD Stormwater Agreement. Mayor McCann viewed this as not a stopping but rather a chance for Town Council and Town Staff to work with the POAs in providing an agreement both parties are comfortable with.

Mr. Lennox thanked Mr. Liggett his insight and the stormwater updated provided.

5. New Business

a. General Discussion of Draft Lease Agreement for the Hilton Head Symphony Orchestra Performance Lighting System.

Tom Lennox, Chairman, stated that in spirit of Townwide economic development, the Hilton Head Island Symphony Orchestra (HHSO) has entered into a lease agreement on a vacant 20K square foot first floor facility in Coligny. He stated that this space will be used as an auxiliary performance venue, practice facility and community center for other Town and non-profit related functions. Mr. Lennox feels that by offering support of the HHSOs Sound Waves project is consistent with the Venue Committee's recently concluded report recommending needing additional venues space for smaller island and cultural non-profits use. This also is consistent with the Towns support of organizations such as: Mitchelville Preservation Project, The Coastal Discovery Museum, Arts Center of Coastal Carolina, The Heritage Library and the Hilton Head Island Recreation Center. Mr. Lennox informed the Committee that with this \$50K, a 7 year lease will result in \$832K being invested in leasehold improvements in the facility, an immediate leverage of 17:1.

Mary Briggs, representing the Hilton Head Symphony Orchestra, stated that its new facility will host a camera projector with screen and is able to hold 160 chairs with several seating styles. The proposed lights will be removable so those that are renting the space are able to move them and use them in other locations if needed. Bill Harkins, Council Member, stated that the local Arts Community is what attracts visitors to Hilton Head and the Town investing in such is what will allow them to stay current on the visitors mind while here. Josh Gruber, Assistant Town Manager, stated that the Town will invest in the performance and lighting system; however, the HHSO will maintain the equipment.

Mr. Lennox opened the floor to public comment.

Skip Hoagland: Mr. Hoagland felt that the proposed performance and lighting system should be funded through private donors and it is the Town's responsibility to protect public funds.

Barry Ginn: Mr. Ginn stated that he grew up with community concerts that were supported by his local Town so to him the Arts are very important to this community.

Mr. Lennox stated for the record that Appendix A of the proposed lease details a purchase order that outlines the direct cost for the equipment to be purchase, acquired and installed.

Mr. Lennox made a motion to approve the proposed draft lease and recommend it to the full Town Council. Mayor McCann seconded and the motion carried unanimously.

6. Adjournment:

Mr. McCann made a motion to adjourn and Ms. Becker seconded. The motion passed unanimously and the meeting was adjourned at 2:28 p.m.

Approved:

Respectfully submitted:

Tom Lennox, Chairman

Cindaia Ervin, Secretary