



Town of Hilton Head Island
Finance & Administrative Committee
Tuesday, February 16, 2:00 p.m.
Regular Meeting

In accordance with the Town of Hilton Head Island Municipal Code Section 2-5-15, this meeting is being conducted virtually and can be viewed live on the Town's Public Meeting Facebook Page at <https://www.facebook.com/townofhiltonheadislandmeetings/>. Following the meeting, the video record will be made available on the Town's website at <https://www.hiltonheadislandsc.gov/>.

1. Call to Order

2. FOIA Compliance - Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.

3. Roll Call

4. Approval of Agenda

5. Approval of Minutes

a. Special Meeting- January 19, 2021

6. Citizen Comments

7. Unfinished Business - None

8. New Business

a. Town of Hilton Head Island Financial Update

b. General Discussion Regarding Volunteers in Medicine Parking.

9. Adjournment

Public comments concerning agenda items can be submitted electronically via the Town's Virtual Town Hall public comment portal at <https://hiltonheadislandsc.gov/opentownhall/>. The portal will close at **12:00 p.m.** the day of the scheduled meeting. Citizens may also call (843) 341-4646 to sign up for public comment participation during the meeting by phone. The public comment period will close at **12:00 p.m.** the day of the scheduled meeting. All comments will be provided to the Committee for review and made part of the official record.

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



Town of Hilton Head Island
**Finance & Administrative
Special Committee Meeting**
Tuesday, January 19, 2021, 2:00 p.m.
MEETING MINUTES

Present from the Committee: Tom Lennox, *Chairman*; Bill Harkins, Glenn Stanford, Alexander Brown, Jr. and Tamara Becker (Alternate) *Council Members*

Present from Town Council: David Ames; Council Member

Present from Town Staff: Josh Gruber, *Interim Town Manager*; Shawn Colin, *Interim Assistant Town Manager*; Angie Stone, *Interim Assistant Town Manager*; John Troyer, *Director of Finance*; Scott Liggett, *Director of Public Projects & Facilities*; Brad Tadlock, *Fire Chief*; Jennifer Ray, *Interim Director of Community Development*; Diane Busch, *Staff Attorney*; Teri Lewis, *Deputy Community Director*; Nicole Dixon, *Development Review Administrator*; Cindaia Ervin, *Finance Assistant*

Present from the Media: None

1. Call to Order

The Chairman called the meeting to order at 2:00 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. Roll Call- See as noted above

4. Approval of Agenda

Chairman Lennox asked for a motion to approve the agenda. Mr. Harkins made a motion to approve the agenda as submitted. Mr. Stanford seconded. By way of roll call, the motion was approved by a vote of 4-0-0.

5. Approval of Minutes

a. Special Meeting, October 6, 2020

Chairman Lennox asked for a motion to approve the minutes of the October 6, 2020 special meeting. Mr. Stanford moved to approve. Mr. Harkins seconded. By way of roll call, the motion passed with a vote of 3-0-1.

b. Special Meeting, November 17, 2020

Chairman Lennox asked for a motion to approve the minutes of the November 17, 2020 special meeting. Mr. Harkins moved to approve. Mrs. Becker seconded. By way of roll call, the motion passed with a vote of 3-0-1.

6. Citizens Comments

Public comments concerning today's agenda items were to be submitted electronically via the Town's Open Town Hall portal. The public comment period closed the day prior to the meeting at Noon. At the conclusion of the Open Town Hall there were no comments, however, there was one caller that signed up to address the Committee at today's meeting.

Skip Hoagland: Addressed members of the Committee via phone regarding FOIA compliance and his thoughts of corruption within the Town of Hilton Head Island.

7. Unfinished Business- None

8. New Business

a. Town of Hilton Head Island Financial Update

John Troyer, Director of Finance, provided the Finance & Administrative Committee a Financial update on the Town's progress. In his discussion, he stated year-to-date collections were 26% higher than last year's collections. Some collections that he highlighted were Business License collections for December at 500.7% of budget, Stormwater -71.3% of budget and Real Estate Transfer fees are at 98.7%. The Town's General Fund year-to-date spending by category is 3.3% more than last year to date; however, if spending were evenly distributed though the year it would be 50% spent through December where as last year it was 43%. Mr. Troyer stated the timing of expenses has had a very similar pattern to last year and the Town depends on the temporary use of its reserves from time to time when Town collections are slower with the Town reporting a temporary deficit is 19.5% less than last year. Mr. Troyer stated that with Town Council approval, the Town previously sold \$5,630,000 in Stormwater bonds to with an interest rate 0.83% for 5 years replacing bonds with rates of 2.78%. The NPV savings of over \$156K will be realized over the life of the bonds-through April 2026. These savings are in addition to the \$1.1M in savings on Go bonds in October. Key items that Mr. Troyer wanted the Committee to be aware of are that the Town is continuing to keep an eye on expenditures and adjusting where necessary to continue to be in a good financial position. The Committee had many favorable comments regarding Mr. Troyer's presentation of the Town's finances. They were very pleased to see the positives in revenues showing the good health of the community and Town even during a global pandemic. Mr. Lennox thanked Mr. Troyer and all present for the good financial update discussion.

b. Proposed Broad Creek PSD ASR Facility on the Town's Greenwood Tract

Nicole Dixon, Development Review Administrator, gave the Committee a brief background on the proposed Broad Creek facility on the Town's Greenwood Tract. Ms. Dixon stated that saltwater intrusion into the Upper Floridian Aquifer has been documented since the 1970's. Intrusion continues due to excessive pumping in Savannah. Hilton Head PSD and South Island PSD have already lost wells due to saltwater intrusion. Broad Creek Public Service District (BCPSD) commissioned a water supply study to address their future water supply needs should

their wells become intruded with salt water. A result of that study was the recognition that salt water intrusion would occur in the BCPSD wells. The study provided BCPSD with several options for ensuring a reliable water supply for the next few decades. After extensive review and discussion, the BCPSD Commissioners decided to move forward with the installation of a new ASR Facility to secure the water supply.

The ASR infrastructure requires a small area within close proximity to their elevated tank and supply line. Based on this requirement, Ms. Dixon stated that the Town property adjacent to Fire Station 6 was identified by BCPSD as an ideal location. BCPSD already has an easement on the subject property for use as a spray field for excess treated effluent water. Ms. Dixon stated that Staff recommends the support of the Broad Creek Public Service District's (BCPSD) proposal to purchase or lease a portion of Town-owned property in order to develop an Aquifer Storage and Recovery (ASR) Facility with the following conditions: if Town Council decides to sell rather than lease a portion of Town land for the proposed project, request a right of first refusal on any future exchange of the property, maintain an adequate buffer along US278, prohibit access to the ASR Facility from US278, the ASR Facility must be located outside of the spray field easement area, and support BCPSD efforts to secure agreement from Greenwood Communities and Resort, Inc. to allow the proposed use on the property.

Mike Allen, Broad Creek Public Service District, provide the Committee with a brief overview of the water supply improvement proposal to the Town. In this presentation, Mr. Allen spoke about the current wells and those that have been lost to salt water intrusion, DHEC Requirements, water supply alternatives and pertinent details about the potential site. The Committee Members in attendance had favorable remarks regarding the proposal for the potential site.

Mr. Harkins made a motion to move forward with a consideration of a lease to the Broad Creek Public Service District of the Town's Greenwood Track with the proposed conditions recommended by Staff to Town Council for final approval. Mr. Stanford seconded. By way of roll call, the motion passed with a vote of 4-0-0.

Chairman Lennox, thanked all of those in attendance for their comments, questions, and presentation to the Committee.

9. Adjournment

At 3:13 p.m. Mr. Harkins moved to adjourn. Mr. Stanford seconded. The motion to adjourn was approved by vote of 4-0-0.

Submitted by: Cindaia Ervin, Secretary

Approved: _____



TOWN OF HILTON HEAD ISLAND

Finance Department

TO: Finance and Administrative Committee
VIA: Josh Gruber, *Acting Town Manager*
FROM: John M. Troyer, *Director of Finance*
DATE: February 9, 2021
SUBJECT: Town of Hilton Head Island Financial Update

Recommendation:

Staff recommends that Finance Department continue to monitor Town Revenues and to provide monthly updates to the Finance & Administrative Committee for their review and discussion.

Summary:

As part of the pandemic response, Town Management identified expenditure items to reduce, cut or delay. A couple of examples of delays already implemented are: approximately \$4 million in capital spending and delay implementation of merit raises for Town employees – pending better collection information to ensure collections can support those expenditures. Further examination for possible candidates to reduce, delay or cut spending will continue.

In order to provide Town Council as clear a picture of the Town's revenue collections and financial position, I plan to give Finance and Administrative Committee an update during the February 9, 2021 meeting of the committee. I plan to give an overview of year-to-date results for the seven months ending January 31, 2021. This will give the Finance and Administrative Committee a continuing look at Town financial position, and provide a forum for discussions. We will continue those discussions monthly to ensure the Town is appropriately positioned in this economic environment.

Background:

As Town Council considered the proposed budget for FY 2021, one issue at the forefront of the discussion was the economic uncertainties due to the impact of the COVID-19 pandemic. How long will the pandemic last? What kind of impact will this have on our revenue collections and our spending? Town Council recognized that once a budget was adopted for FY2021, continuing the close monitoring of the revenue collections and spending would be especially important this year.



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Finance and Administrative Committee
VIA: Jennifer Ray, *ASLA, Interim Community Development Director*
FROM: Teri Lewis, *AICP, Deputy Community Development Director*
CC: Shawn Colin, *AICP, Interim Deputy Town Manager*
DATE: February 3, 2020
SUBJECT: Volunteers in Medicine Parking

Recommendation: Staff recommends that the Finance and Administrative Committee support the proposal to partner with Volunteers in Medicine (VIM) and the Hilton Head Land Trust to sell Town-owned property to VIM with the following conditions:

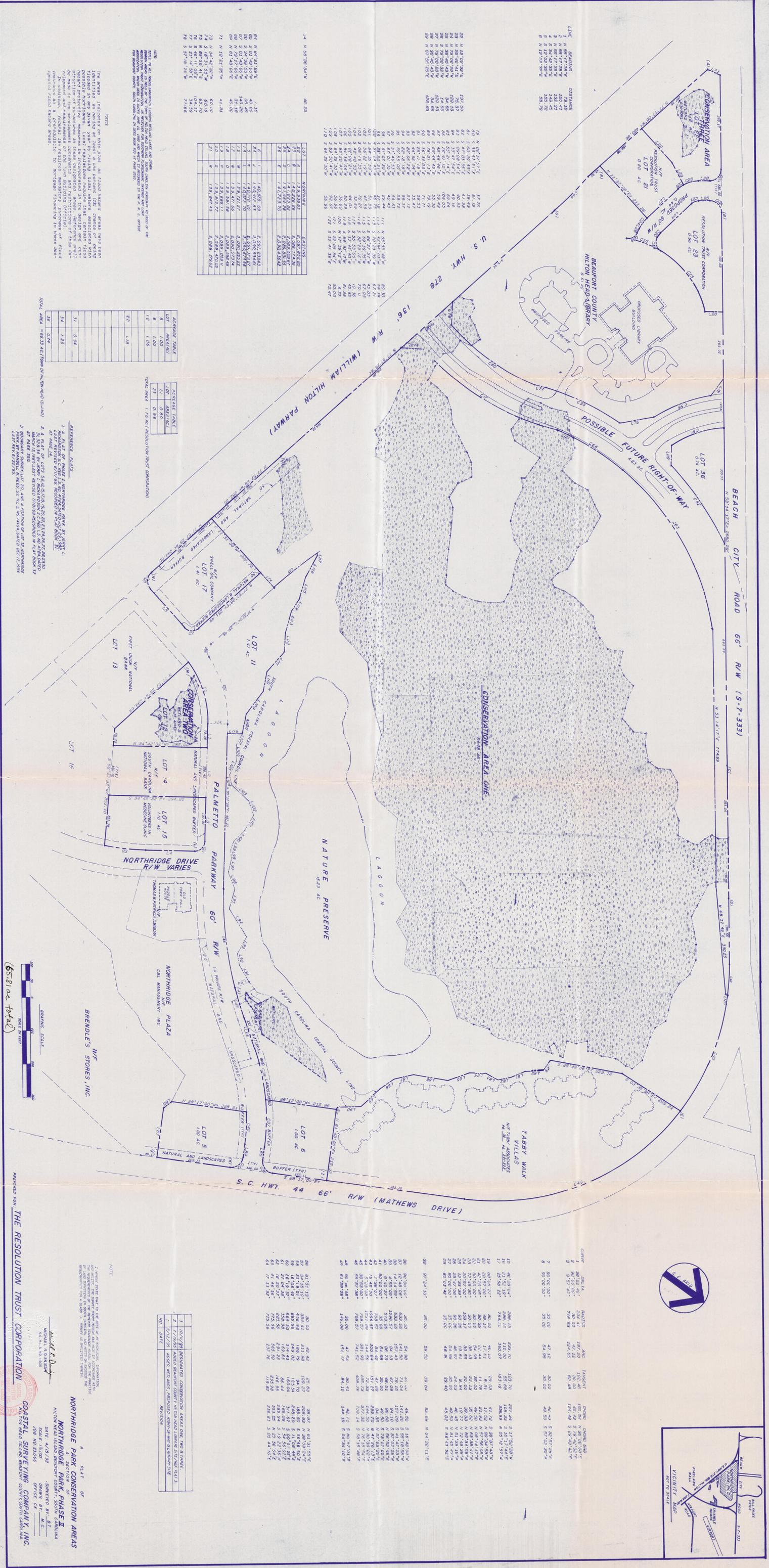
- the parcel will only be used for parking; and
- the existing conservation easement is to be relocated.

Summary: Support from the Finance and Administrative Committee will allow staff to work with the Hilton Head Land Trust and VIM to prepare an agreement to sell a parcel of Town-owned property (R510 008 000 0257) to VIM for the purpose of building a parking lot. Concurrently the Town will prepare an agreement to relocate the conservation easement from this parcel to the greater Northridge conservation easement parcel (R510 008 000 0102).

Background: Volunteers in Medicine, a clinic that provides free healthcare to the medically underserved populations of Hilton Head and Daufuskie Islands, approached the Town with concerns about their existing parking situation. The existing site does not provide enough parking to accommodate the high volume of clientele that is served. The Town owns several parcels in the Northridge area; three of these parcels contain conservation easements over a portion of them (see Attachment A). One of these parcels is the vacant 1.06 acre parcel adjacent to VIM; however, 0.35 acres of this parcel is under a conservation easement (Conservation Area Two) to the benefit of the Hilton Head Land Trust (see Attachment B). Staff reached out to the Hilton Head Land Trust with a proposal to release the subject parcel (R510 008 000 0257) from the easement and re-assign the conservation easement to the parcel that contains the greater Northridge conservation easement (Conservation Area One). A significant portion of the 66.75 acre Northridge tract is already encumbered by a conservation easement, specifically the 39.05 wetland portion and the 15.23 acre Nature Preserve. The Board of the Hilton Head Land Trust has indicated that they see the public benefit of the relocated conservation easement and support the recommendation to relocate the 0.35 acre conservation easement from the 1.06 acre tract to the larger Northridge tract. The purpose would be to allow this site to be used for additional parking for VIM. The wetland area on this property, which is a single isolated wetland, would be mitigated on Conservation Area One as a part of the conservation easement relocation.

Attachments

- A. Northridge conservation easements plat
- B. Location Map



LINE BEARING DISTANCE

1	N 89°17'30"E	120.41
2	S 89°17'30"E	120.41
3	N 89°17'30"E	120.41
4	S 89°17'30"E	120.41
5	N 89°17'30"E	120.41
6	S 89°17'30"E	120.41

LOT BEARING DISTANCE

1	N 89°17'30"E	120.41
2	S 89°17'30"E	120.41
3	N 89°17'30"E	120.41
4	S 89°17'30"E	120.41
5	N 89°17'30"E	120.41
6	S 89°17'30"E	120.41

ACREAGE TABLE

LOT	ACREAGE
1	1.00
2	1.00
3	1.00
4	1.00
5	1.00
6	1.00
7	1.00
8	1.00
9	1.00
10	1.00
11	1.00
12	1.00
13	1.00
14	1.00
15	1.00
16	1.00
17	1.00
TOTAL	17.00

ACREAGE TABLE

LOT	ACREAGE
1	1.00
2	1.00
3	1.00
4	1.00
5	1.00
6	1.00
7	1.00
8	1.00
9	1.00
10	1.00
11	1.00
12	1.00
13	1.00
14	1.00
15	1.00
16	1.00
17	1.00
TOTAL	17.00

NOTE: THE AREAS INDICATED ON THIS PLAN AS BEING HAZARDOUS WERE NOT BEEN IDENTIFIED AS SUCH BY A LICENSED PROFESSIONAL ENGINEER OR SURVEYOR. THE INFORMATION IS BASED ON AERIAL PHOTOGRAPHS AND OTHER AVAILABLE INFORMATION. LOCAL REGULATIONS REGARDING HAZARDOUS WASTE DISPOSAL AND REMEDIATION SHOULD BE CONSULTED FOR FURTHER INFORMATION. THE INFORMATION IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE ENGINEER OR SURVEYOR.

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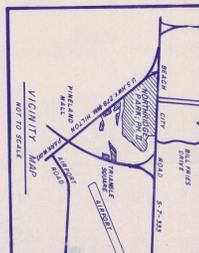
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APPROVED FOR: **THE RESOLUTION TRUST CORPORATION**

DATE: 11/10/2006
 JOB NO: 21006
 OFFICE: B.C.

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1 inch = 333 feet



Attachment B



Conservation Easement One

Volunteers in Medicine site

Conservation Easement Two

