



Town of Hilton Head Island
Finance & Administrative Committee Meeting

Tuesday, July 16, 2019 at 3:00 pm

Conference Room 3

MEETING MINUTES

Present from the Committee: Tom Lennox, *Chairman*; Tamara Becker, *Council Member*

Absent from the Committee: William D. Harkins

Present from Town Council: John McCann, *Mayor*; David Ames, Glen Stanford; *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Josh Gruber, *Assistant Town Manager*; Angie Stone, *Director of Human Resources*; John Troyer, *Director of Finance*; Savannah Littlejohn, *Legal Intern*; Cindaia Ervin, *Finance Assistant*

Present from Media: Katherine Kokal

1. Call to Order

The Chairman called the meeting to order at 2:02 pm.

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. Finance & Administrative Committee Meeting, May 21, 2019

Mrs. Becker moved to approve the minutes from May 21, 2019. Mr. Lennox seconded. The motion was approved by a vote of 2-0.

4. Unfinished Business

a. General Discussion of the Town Manager's Performance Review Process & Procedure.

Angie Stone, Director of Human Resources, spoke with the Committee regarding the Town Manager's Performance Review Process & Procedure. She stated that there has been a slight delay in the process to allow for time of staff and the Town Manager's input. Mrs. Stone stated that she would hope to have the forms ready for the Committee's review in August, and then Town Council for their final approval. She stated that she would keep them apprised should any additional changes occur.

5. New Business

- a. General discussion of an Ordinance providing for the Advance Refunding of 2011 Hospitality Bonds Series A & B for savings.

Brent Robertson, Stifel Financial Corporation, provided the Committee with information on the proposed Advanced Refunding of 2011 Hospitality Bonds Series A & B. He proposed taking advantage of current market conditions by buying down the outstanding bonds, and replacing them with new bonds at lower interest rates and insurance sureties. In return, the debt service will decrease and create a positive cash flow for future use. The Committee was pleased to hear of the savings for the Town and the positive cash flow generated by this proposal.

A motion was made to approve the proposed ordinance providing for the advanced refunding of 2011 Hospitality Bonds Series A & B to Town Council. Mrs. Becker moved to approve. Mayor McCann seconded. The motion was approved unanimously.

- b. Discussion of an Ordinance Authorizing the Town Manager to enter into a Lease Agreement with the Beaufort County Sheriff's Office for 70 Shelter Cove Lane.

Josh Gruber, Assistant Town Manager, provided the Committee with a draft ordinance and lease agreement with the Beaufort County Sheriff's Office (BCSO) for 70 Shelter Cove Lane. He stated that the most significant change is the rental payment terms. He stated that it was removed based on moving that cost to the counties budget, which leaves the BCSO to providing services for the Town of Hilton Head Island. The Committee agreed to having the BCSO focus on its services, which allows the Town to communicate with the County Administration directly on finances during the annual budget process.

A motion was made to approve the proposed Beaufort County Sheriff's Office Lease (70 Shelter Cove Lane) as presented and forward it to Town Council for further consideration. Ms. Becker moved to approve. Mayor McCann seconded. The motion was approved unanimously.

- c. Discussion of a Request for Qualifications for Designated Marketing Organization as identified in South Carolina Code of Laws Section 6-4-10.

Josh Gruber, Assistant Town Manager, provided the Committee with a draft Request for Qualifications (RFQ) for Designated Marketing Organization (DMO), as identified in South Carolina Code of Laws Section 6-4-10. This process is intended to assist in the Town building the scope of work for qualified applicants in selecting a DMO. The request period is expected to be open for approximately 30 days. After RFQ's are received they will be reviewed and applicants interviewed. The process should conclude between November and December as to allow time for a smooth transition period. Mr. Gruber stated that the current DMO has been notified that its contract will not automatically renew and will expire at the end of its term. The Committee had discussion regarding the RFQ. The only change they requested of Mr. Gruber is to not include the current contract with the RFQ as they agreed that this was an opportunity to have a more tailored scope of work specifically for the Town.

A motion was made to approve the proposed Request for Qualifications for the Destination Marketing Organization as identified in SC Code of Laws Section 6-4-10, with the recommended changes by the Committee & Staff, and removing the current contract from the RFQ. Mrs. Becker moved to approve. Mayor McCann seconded. The motion was approved unanimously.

6. Adjournment

At 2:40 Mrs. Becker moved to adjourn. Mayor McCann seconded. The motion to adjourn was approved unanimously.

Submitted by: Cindaia Ervin, Secretary

Approved: August 20, 2019

Tom Lennox, Chairman