Town of Hilton Head Island

Town Council Meeting

Tuesday, October 17, 2023, 3:00 PM
1 Town Center Court, Hilton Head Island, SC
Benjamin M. Racusin Council Chambers

The meeting can be viewed on the Town's YouTube Channel, the Beaufort County Channel, and Spectrum Channel 1304.

1. **Call to Order**
2. **Pledge to the Flag**
3. **Invocation – Rev. General Hay, First Historic African Baptist Church**
4. **Adoption of the Agenda**
5. **Approval of the Minutes**
   - **a.** Regular Meeting Minutes of August 15, 2023
   - **b.** Regular Meeting Minutes of September 19, 2023
   - **c.** Regular Meeting Minutes of October 3, 2023
6. **Presentations and Recognitions**
   - **a.** Report of the Town Manager
   - **b.** Recognition of Breast Cancer Awareness Month
   - **c.** Presentation of Joint Hilton Head Island and Beaufort County William Hilton Parkway Gateway Corridor Independent Review by CBB Transportation Engineers and Planners - Shawn Colin, Assistant Town Manager
7. **Reports from Members of Town Council**
   - **a.** General Reports from Town Council
   - **b.** Report of the Lowcountry Area Transportation Study – Glenn Stanford
   - **c.** Report of the Lowcountry Council of Governments – Tammy Becker

d. Report of the Beaufort County Airports Board – David Ames

e. Report of the Southern Lowcountry Regional Board – Glenn Stanford

f. Report of the Island Recreation Association Board – Alex Brown

g. Report of the Community Services and Public Safety Committee – Tammy Becker

h. Report of the Public Planning Committee – David Ames

i. Report of the Finance and Administrative Committee – Alex Brown

8. **Appearance by Citizens:** Citizens who wish to speak on the matters being discussed during the meeting may do so by submitting the Request to Speak form no later than 12PM the day of the meeting.

9. **Consent Agenda**

   a. Consideration of an Ordinance Amending the Business License Ordinance of the Town of Hilton Head Island to Update the Class Schedule as Required by Act 176 of 2020, South Carolina Business License Tax Standardization Act § 6-1-400 -420 – Second and Final Reading– John Troyer, Director of Finance

   b. Consideration of an Ordinance of the Town of Hilton Head Island Authorizing the Execution and Delivery of Easements Encumbering Real Estate Owned by the Town of Hilton Head Island to the Hilton Head Island PSD, Under the Authority of South Carolina Code § 5-7-40 and § 2-7-20, Municipal Code of the Town of Hilton Head Island, and Providing for Severability and an Effective Date – Second and Final Reading – Josh Gruber, Deputy Town Manager

10. **Adjournment**

Town of Hilton Head Island
TOWN COUNCIL MEETING
Tuesday, August 15, 2023 - 3:00 p.m.
MINUTES

Present from Town Council: Alan Perry, *Mayor;* David Ames, *Mayor Pro-Tempore;* Tamara Becker, Alex Brown, Steve Alfred (excused at 7:00 p.m.), Glenn Stanford, Patsy Brison

Call to Order

Mayor Perry called the meeting to order at 3:00 p.m.

FOIA Compliance

Gammon confirmed compliance with FOIA.

Pledge to the Flag

Invocation

Rev. Edward B. Alston of Queen Chapel AME Church delivered the invocation.

Adoption of the Agenda

Ames moved for approval. Alfred seconded. Motion carried 7-0.

Approval of the Minutes

Workshop Meeting Minutes of July 11, 2023
Regular Meeting Minutes of July 18, 2023

Ames moved to approve. Stanford seconded. Motion carried 7-0.

Report of the Town Manager

Marc Orlando reported on items of interest including upcoming events regarding the 360/40 Anniversary Celebration for the Town of Hilton Head Island.

Sand Shark Week Proclamation – Mayor Perry

Tim Daniels, Assistant Vice Chancellor for Development and Alumni Relations was present to accept the Proclamation.

Planning Commission Biannual Update – Bruce Siebold, Chairman

Bruce Siebold updated Council on the previous six months' activity of the Planning Commission. He referenced the memo included in the packet and went through the accomplishments of the Commission. Siebold stated the Planning Commission sees its role as being a helpful resource to the Town and hopes that as Council deliberates on various projects and proposals they have assisted.

Adaptive Traffic Signal Update – Bryan McIlwee, Director of Public Projects and Facilities

Bryan McIlwee conducted a detailed presentation and provided the update. He noted the following:

June-July, 2023

- Installation of additional pedestrian poles and FLIR thermal pedestrian detection at certain intersections to improve pedestrian safety and to meet ADA requirements.
- Adaptive software was installed and partially configured but significant lightning storms impacted detection equipment.
- It was determined grounding issues exist at most intersections where older signal cabinets and mast arm poles are located and the lightning strikes were causing damage to the new, sensitive electronic equipment.
- Town traffic engineering staff along with the Town's senior building inspector and signal contractors determined that resolving the grounding issue is a critical element in the progress of implementing the new adaptive system.
- The adaptive work is paused while the detection equipment configuration is being improved and storm related issues resolved including the grounding system being brought to current accepted industry standards.
- Grounding issues are being resolved
- Testing, and fine-tuning of the adaptive system operations and its interaction with all the other signal equipment will occur before the adaptive operation is officially turned on.

Theresa McVey conducted a live viewing of the installed cameras to follow the traffic flow on the Island. McVey answered questions from Council

Reports from Members of Town Council

General Reports from Town Council

Becker read a letter from Hilton Head Regional Health Care which was sent to Town

Council Members and the Town Manager regarding the challenging market for staffing. The letter is in support of the Islander Mixed Use Text amendment.

Report of the Lowcountry Area Transportation Study – Glenn Stanford

Stanford stated the group is determining a long-range traffic plan and highway plans ranging out 10-15 years. He stated it is vital that the Town's roadways are be incorporated into the long-range plan.

Report of the Lowcountry Council of Governments – Tammy Becker

No report.

Report of the Beaufort County Airports Board – David Ames

No report.

Report of the Southern Lowcountry Regional Board – Glenn Stanford

No report.

Report of the Island Recreation Association Board – Alex Brown

Brown stated the Board will hold its annual planning session on Friday, August 18 at 8:00 a.m.

Report of the Community Services and Public Safety Committee – Tammy Becker

Becker stated the Committee met on August 7 and received an overview of the parking management system. She encouraged residents to contribute input for the project. Becker added the Committee met in Executive Session to select candidates for vacancies on Boards and Commissions and will be scheduling interviews soon.

Report of the Public Planning Committee – David Ames

Ames stated the Committee met on August 10 and received the monthly update on District Planning and will receive the Bridge to the Beach District Plan at their next meeting. He stated the Committee also considered LMO amendments related to parking requirements for single family dwellings and floor area ratios for single family dwellings. The Committee forwarded the staff recommendations with changes to Town Council for consideration of approval.

Report of the Finance and Administrative Committee – Alex Brown

Brown reported the Committee met earlier in the day and discussed revenue bonding and requested staff provide additional information regarding a potential list of projects and resources that would assist with funding. He added that the Committee forwarded the request from the Coastal Community Development Corporation on to Town Council for consideration. Brown concluded his report noting the Committee forward a resolution for consideration to Town Council for authorization to submit the Community Development Block Fund (CDBG) Entitlement Program Consolidated Annual Performance Evaluation Report (CAPER) for Program Year 2022 to the U.S. Department of Housing and Urban Development.

Appearance by Citizens

David Plumb, President of the Forest Beach Villas Association addressed Council regarding the lagoon near their villas decreasing water table due to the construction of Lowcountry Celebration Park and voiced his concerns regarding the proposed agreement. He requested Council follow through and assist the Association.

Lee Wilwerding, Chair, Greater Island Council addressed Council correcting the comment that the GIC had no right to submit a resolution and only Town Council could do so. He cited the Miriam-Webster definition of a resolution confirming they could do so. He also stated there was an incorrect comment stating the GIC is a 501(c)(3). He stated the GIC is not and never has been a 501(c)(3) as they do not qualify. He stated they are a 501(c)(4) and by IRS rules they can engage in attempts to influence legislation.

Skip Hoagland addressed Council regarding his concerns with corruption, missing tax funds, illegal use of tax funds, fraudulent audits and budgets, and federal law violations.

Skip Hoagland stated he would address Council on LynnGreeley's behalf. Mayor Perry stated he could not do that, and if he did, he would be subject to a fine. Hoagland stated he welcomed a citation. He went on to speak against numerous government officials. He stated the entire political system is corrupt and voiced concerns over transparency. He asked that all taxpayers take back control of finances and request a forensic audit.

Peter Kristian addressed Council regarding the Green Space Advisory Committee and stated they sent enabling legislation for first reading to the Beaufort County Council which has since passed with second reading to be in the near future. He encouraged the Town participating in the program. He spoke in favor of the Islander Mixed Use text amendment cautioning Council not to set the criteria too high which would result in no one wanting to invest their money in something so desperately needed.

Unfinished Business

Consideration of Proposed Ordinance 2023-07 Amending Sections Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to Create a New Use Called Island Mixed-Use with the Sea Pines Circle District – First Reading – Shawn Colin, Assistant Town Manager, Community Development

Shawn Colin provided a detailed presentation regarding the Proposed Ordinance and answered questions from Council. Josh Tiller and David DeSpain participated in a detailed presentation and Dillon Turner clarified the results of the traffic study noting it was completed without taking into account other modes of transportation such as biking and walking. Upon the conclusions of presentations, Colin and Tiller heard comments and answered questions from Town Council members.

After discussion, Becker moved for approval with the following amendments:

- **Change the percentage of units utilized for workforce housing from 15% to 20%;**
- **Decrease the AMI from 130% to 120%; and**
- **Agree to increase the number of units tied to housing for local employers from 10 years to 15 years.**

Alfred seconded.

Mayor Perry asked for Public Comment.

Steve Robbins addressed Council inquiring as to what the corporations are giving to the developer and expressed concern regarding the Town's infrastructure and capabilities of sustaining such a project.

Angie Hutchins addressed Council and spoke in support of the project as well as expressing concern over the delays and stated the project needs to move forward.

Melinda Tunner addressed Council and spoke in support of the text amendment stating it is a creative approach to find a mutually beneficial solution to redevelop dilapidated land.

Ashley Phillips addressed Council regarding the Office Way Project and noted it is workforce housing. She added that transportation on and off the Island also needs addressed along with a park and ride system.

David Ellis, Chair of Sea Pines Community Services Association addressed Council on behalf of the Board of Directors stating they are in support of workforce housing. He voiced concerns regarding the effect the text amendment will have on the entire district. He asked Council to try to view the effect on the district in 5 to 10 years and review wording within the proposal that can lead to potential problems and take them into consideration.

Jay Wiendl addressed Council on behalf of the Beach House in support of the project and thanked Council for all they do.

Mike Wagner of Shore Beach Services addressed Council in support of the text amendment stating the need to provide housing for their employees.

Sherry Mikrut addressed Council in support of the developer and voiced her concerns regarding Section 8 Housing. She stated she feels the developer has made many concessions and asked Council to vote in favor of the text amendment.

Matt Sweeney addressed Council in support of the text amendment which would result in housing for young professionals with families that will stay on the Island. He encouraged Council to look at the merits of the new use and the move the project along.

Xiaodan Li addressed Council in support of the Text amendment stating the U.S. Census data is far better than others accessed for information and stated the need for the amendment and asked for support of such.

Cherry Norris addressed Council stating her support for the text amendment noting it is a great opportunity to repurpose dilapidated building without government money. She added that free market system should be the solution.

Susan Wierzbicki addressed Council in support of the text amendment stating this privately funding housing project pays for everything and takes all the risks.

Daniel Anthony addressed Council and spoke in support of the text amendment and asked Council to move it forward.

Kathleen Redman addressed Council in support of the text amendment citing the need is there and it should move forward.

George Paletta addressed Council in support of the text amendment noting it is a private development which will generate tax dollars.

Gray Smith addressed Council stating this project is a win-win-win proposition which benefits workers, employees and USCB students.

Brendan Reilley addressed Council regarding his concern for the need for off-site parking and the increase in density and stated he was against the project for those reasons.

Skip Hoagland addressed Council noting if the Island had not been overdeveloped and a master plan was in place 45 years ago, this would not be an issue.

Lynn Bullard addressed Council reminding them that USCB was built with TIF Funds and stated Council should support the text amendment with the students in mind.

Beth Patrick, USCB, Vice Chancellor for Finance and Operations addressed Council in support of the Text amendment stating it is critical to the growth of the Hospitality Management Program and the success of the campus.

Unidentified resident addressed Council in support of the text amendment stating he is glad to see something done for the residents as opposed to the tourists.

Ken Campbell addressed Council stating he does not feel the project accomplishes long-term workforce housing and there is no restriction included in the proposal that guarantees such.

Chris Raffner addressed Council noting the largest employers is in support of the project and why would they support it if it wasn't workforce housing.

Bonnie Conova addressed Council asking that they move forward and approve the text amendment. She expressed her disappointment in Council for not moving forward in a timely manner.

Eva Smith, Department Chair of Hospitality Management Program at USCB addressed Council to clarify that USCB is not making any money on the project and the only perk is that it is a recruitment tool for the program. She noted they have the right of first refusal on 64 rooms and should they not fill them, they will be opened up to others.

Council members stated their positions regarding the text amendment.

Concluding discussion and upon Curtis Coltrane's opinion that Ames could present an intervening motion, **Ames moved to approve the Islanders Mixed Use Text amendment with the following amendments:**

In Islander Mixed Use there shall be three housing types: (a) *Student Housing* units, (b) *Workforce Housing* units, and (c) Islander Mixed Use units.

(a) *Student Housing* units shall only be required if a project has a shared parking agreement with any education use.

(b) *Student Housing* units are a separate category and are counted separately from *Workforce Housing* units and *Islander Mixed Use* units.

20% of the total of *Workforce Housing* units and *Islander Mixed-Use* units shall be *Workforce Housing* units rented to households earning up to 90% of the Area Median Income (AMI) for *Beaufort County as defined by the Department of Housing and Urban Development (HUD).*

***Of the r*emaining 80% of the total *Workforce Housing* and *Islander Mixed Use* units, 75% must be rented to households with at least one resident of the Town of Hilton Head Island who is employed full time on in the Town of Hilton Head Island, following the guidelines specified in the Islander Mixed-Use Workforce Housing Agreement requirements.**

***Workforce Housing* units and *Islander Mixed Use* units must adhere to the requirements in the Islander Mixed-Use Workforce Housing Agreement for a minimum of 20 years from the date of the certificate of occupancy for the completion of construction the project that includes**

***Workforce Housing* units and *Islander Mixed Use* units. These requirements shall be evidenced by restrictive covenants or other documents recorded in the office of Beaufort County Register of Deeds. Annual verification of the workforce housing and island employee requirements is required.**

Motion failed for a lack of a second.

Brison moved to amend the motion on the floor to provide that the shared parking on the education use property is only for so long as the property is used for education use and is limited to the same number of parking spaces as the number of beds provided in the student housing for education use. In addition, that the Workforce Housing units be rented to households earning up to 120% for a minimum of 20 years.

Motion failed for lack of a second.

Mayor Perry called for a vote on Becker's original motion with amendments. Motion failed 3-4-0 (Stanford, Ames, Brison and Brown against.)

Brison moved to adopt the Text Amendment before Council which was based upon the motion adopted by Town Council on July 18. Ames seconded. No vote was taken on this motion.

Stanford moved to reconsider the action regarding Becker's original motion with amendments due to his misunderstanding during the vote. Alfred seconded. Motion carried 4-3-0. (Ames, Brison and Brown against.)

Due to the approval for reconsideration, Mayor Perry called for a second vote on Becker's original motion. Motion carried 4-3-0 (Ames, Brison and Brown against.)

At the conclusion of Unfinished Business, Councilmember Alfred was excused and left the dais (7:00 p.m.) due to a previous engagement and did not return to the meeting. The remainder of votes were with a quorum of 6.

New Business

Consideration of a Resolution of the Town of Hilton Head Island Approving the Technology and Innovation Strategic Plan – Tommy Sunday, Director of Technology and Innovation

Tommy Sunday referenced the packet materials describing the plan and stated he was available for questions and/or comments regarding such. It was noted by Mayor Perry that the agenda packet contained detailed information and the plan went through Committee with a recommendation Council approve. **Ames moved for approval. Brison seconded. Motion carried 6-0.**

Consideration of a Resolution of the Town of Hilton Head Island, South Carolina to Support the Town's Renewal Application to the League of American Bicyclists for the Bicycle Friendly Community Award – Shawn Colin, Assistant Town Manager, Community Development

Shawn Colin explained the resolution is officially allowing submission of the application on behalf of the Town. Mayor Perry noted all materials were included in the packet for review by Town Council members prior to the meeting. **Brison moved to approve. Stanford seconded. Motion carried 6-0.**

<u>Consideration of an Ordinance Authorizing and Directing the Town of Hilton Head Island to Enter into an Intergovernmental Agreement Relating to South Carolina Local Revenue Services; to Participate in one or more Local Revenue Service Programs; to Execute and Deliver one or more Participant Program Supplements; and Other Matters Relating Thereto – First Reading - John Troyer, Director of Finance</u>

John Troyer confirmed the resolution was presented to the Finance and Administrative Committee and they forwarded it to Town Council with a recommendation of approval. **Ames moved to approve. Brison seconded. Motion carried 6-0.**

<u>Consideration of Proposed Ordinance No. 2023-18 Amending the Millage Rate of the Town of Hilton Head Island General Fund and Debt Service Fund for the Fiscal Year Ending June 30, 2024, so as to Perform Required Rollback of Millage Pursuant to South Carolina Code of Laws Section 12-37-251 – First Reading – John Troyer, Finance Director</u>

John Troyer stated Beaufort County has undertaken Reassessment which will be implemented in tax year 2023; and pursuant to 12-37-251 (E) of the Code, the number of mills levied for tax year 2023 must be decreased or "rolled back".

He added that with Ordinance No. 2023-07 on June 6, 2023, Town Council enacted a budget for the fiscal year ending June 30, 2024. He said stated in Section 2 of the Ordinance, the budget was initially based on a tax rate of 23.1 mills, and the millage rate would be reduced to offset the effects of implementation of new property values from the County's reappraisal process to achieve a revenue neutral outcome.

Troyer explained there is a calculation format that is followed to come up with the millage rate. He confirmed that as a Town we are not going to benefit from the appraisal due to the reduction. **Ames moved to approve. Stanford seconded. Motion carried 6-0.**

<u>Consideration of a Resolution to Appoint a Town of Hilton Head Island Representative to the Beaufort County Sales Tax Advisory Committee – Josh Gruber, Deputy Town Manager</u>

After discussion, **Becker moved to table the item until consulting with legal counsel. Brison seconded. Motion carried 6-0.**

<u>Executive Session</u>

Discussion of Personnel Matters [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][1]) related to:

- Beaufort County Sales Tax Advisory Committee

Discussion of Legal Advice from the Town Attorney on Matters Covered Under the

Attorney-Client Privilege (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][2]) related to:

- Mount Calvary Missionary Baptist Church of HHI, et al vs Town of HHI, et al
- Forest Beach Villas
- Jonesville Road Drainage
- Town of Hilton Head Island v Beaufort County Re: Law Enforcement Fee

Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][2]) related to:

- Main Street Area
- Pope Avenue Area
- Shelter Cove Area
- Archer Road Area

Discussion and Status Update on the Negotiations Incident to Proposed Contractual Arrangements for the Northpoint Public-Private Partnership Workforce Housing Project (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][2])

Discussion of Employment, Appointment, Compensation, Promotion, Demotion, Discipline or Release of an Employee, or a Person Regulated by a Public Body (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][1] and [2]) related to:

- Town Attorney Contract

Orlando stated the need to go into Executive Session for the purposes listed above. **At 7:24 p.m. Ames moved to go into Executive Session for the reasons stated by the Town Manager. Stanford seconded. Motion carried 7-0.**

Action from Executive Session

<u>Upon return from Executive Session at 9:10 p.m. Mayor Perry asked if there were any actions to be addressed as a result of Executive Session.</u>

Ames moved that the Town Council authorize the Mayor and Town Manager be authorized to execute and deliver the agreement by and between the Town of Hilton Head Island, South Carolina, and Coligny Plaza Limited Partnership, for the purchase and sale of 1.80 acres, more or less, on Pope Avenue, and to take such other and further actions as may be necessary to complete the transaction described in the agreement. Councilmember Stanford seconded. Motion carried 5-1. (Becker opposed/Alfred – absent - left the meeting at 7:00 p.m.)

Ames moved that the Mayor be authorized to execute and deliver a contract by and between the Town of Hilton Head Island, South Carolina, and Curtis L. Coltrane for

the engagement of Curtis L. Coltrane as Town Attorney. Councilmember Stanford seconded. Motion carried 6-0 (Alfred absent - left the meeting at 7:00 p.m.)

Adjournment

The meeting was adjourned at 9:13 p.m.

Approved:

____

Kimberly Gammon, Town Clerk

____

Alan R. Perry, Mayor

The recording of this Meeting can be found on the Town's website at www.hiltonheadislandsc.gov

Town of Hilton Head Island
TOWN COUNCIL MEETING
Tuesday, September 19, 2023 – 3:00 p.m.
MINUTES

Present from Town Council: Alan Perry, *Mayor;* David Ames, *Mayor Pro-Tempore;* Tamara Becker, Alex Brown, Steve Alfred, Patsy Brison

Absent from Town Council: Glenn Stanford

Call to Order

Mayor Perry called the meeting to order at 3:00 p.m.

FOIA Compliance

Gammon confirmed compliance with FOIA.

Pledge to the Flag

Invocation

The Venerable Dr. Father Kelly O'Lear (Fr. Kelly), Associate Rector, St. Luke's Anglican Church

Adoption of the Agenda

Ames moved to approve. Brison seconded. Motion carried 6-0.

Approval of the Minutes

Strategic Planning Workshop Minutes of August 9, 2023

Regular Meeting Minutes of August 15, 2023

Special Meeting Minutes of August 29, 2023

Ames moved to approve the August 9, 2023 workshop minutes with the addition of stating the workshop was held at the Westin Hilton Head Island Resort, the minutes of the August 15, 2023 meeting be tabled for corrections and for approval of the Special meeting minutes of August 29, 2023. Brison seconded. Motion carried 6-0.

Report of the Town Manager

March Orlando announced the Town of Hilton Head Island Finance Department has again received the government Finance Officers Association Certificate of Achievement for excellence in financial reporting Award. Orlando introduced and welcomed Andrew Davis, Marketing and Communications Director for the Town of Hilton Head Island. Orlando reported that the Town of Hilton head Island Lantern parade was a finalist in the Municipal Association of South Carolina's 2023 Achievement Awards Program and the parade was featured in an article in their monthly publication with a photo of the parade featured on the cover page.

<u>Recognition of Ben Franklin Award of Valor – Chris Blankenship, Fire Chief</u>

Chris Blankenship introduced Batallion Chief David Bell, Fire Apparatus Operator Brendan Horlbeck and Fire Lieutenant Sean Kavlick, recipients of the International Association of Fire Chief's Ben Franklin Award of Valor. He expressed his appreciation and thanks to the recipients.

<u>Update on Environmentally Conscious Best Management Practices – Byran McIlwee, Director of Public Projects</u>

Bryan McIlwee conducted a detailed presentation noting the Town of Hilton Head Island is always looking to be a leader in protecting the environment and establishing best management practices. The Town prides itself on being environmentally conscience and is known as a nature-based community. The Town and its residents encourage and value eco-friendly practices such as: reduction in plastic, oyster shell recycling and beach clean-up programs, island wide eco-friendly aesthetics and regulations. The Landscaping and Grounds Industry for years has been using products that are approved by the EPA (United States Environmental Protection Agency). The EPA studies and approves certified chemicals and products used in daily landscape maintenance. There are now more organic resources and environmentally friendly alternatives on the market for consideration by the Town methods of pest management can be organized into four main categories: <u>cultural</u> (crop rotation, resistant varieties), <u>mechanical</u> (discing, screens, traps), <u>biological</u> (beneficial insects and pathogens), and <u>chemical</u> (pesticides). Pest management is more effective, practical, and safer when all four types of management are employed. This is a principle known as Integrated Pest Management (IPM). Chemical control is an integral component of IPM, even in organic operations. Conventional (or synthetic) pesticides are materials that are manmade, often from materials found in nature, though their chemical structures have been altered in some way. By altering the chemical structure, certain characteristics can be improved. For example, synthetic pyrethroids are altered to be more stable in sunlight than natural pyrethrin. Organic pesticides, on the other hand, are considered naturally derived, meaning their chemical structures are unaltered from the way they exist in nature. While the chemical structure is unaltered from its natural form, the material is often processed or extracted to make it more effective or easier to use. Organic pesticides typically break down rapidly in the environment. As a result, when used for persistent pest problems such as plant diseases, organic materials must be applied much more often than their conventional counterparts.

Currently, the Town relies on four (4) contractors to maintain roads, medians, pathways, facilities and grounds, including:
Town, SCDOT and County roads
William Hilton Parkway, Cross Island Parkway, Palmetto Bay Road, Pope Avenue, New

Orleans Road, Beach City Road, Mathews Drive and many more
All Town parks and beach parks.
All Town open space and preserved land.
All Town facilities such as Town Hall, Fire and Rescue HQ and Fire Stations.

McIlwee reviewed the assessment of current practices, actions to date, the proposed schedule, next steps in the process and answered questions from members of Council.

Reports from Members of Town Council

General Reports from Town Council

Becker noted the inaugural event held over the weekend stating it was a great event and she thanked all who attended. She wished a happy New Year to the Jewish Community.

Brison expressed her appreciation to staff and volunteers that contributed to the community celebration and noted the interfaith service was heartwarming. Brison pointed out the addition of new artwork in the art gallery hallway at Town Hall and thanked Natalie Harvey. She reminded all that the Crescendo kick-off party will be taking place on October 10 and encouraged all to participate.

Report of the Lowcountry Area Transportation Study – Glenn Stanford

No report.

Report of the Lowcountry Council of Governments – Tammy Becker

No report.

Report of the Beaufort County Airports Board – David Ames

Ames stated the County awarded the airport terminal contract and it is expected to take two years to complete.

Report of the Southern Lowcountry Regional Board – Glenn Stanford

No report.

Report of the Island Recreation Association Board – Alex Brown

Brown reported the Association had its annual planning session on August 18. He noted it was facilitated by USCB and there was discussion regarding programs and any gaps that can be improved upon with a goal of a plan that will be presented to Town Council.

Report of the Community Services and Public Safety Committee – Tammy Becker

Becker reported the Committee has held meetings reviewing applications for various committees and commissions and conducted interviews for current vacancies. She noted recommendations will be made during Executive Session later in the meeting. Becker stated on September 18, the Committee received and Fire Rescue Bi-Annual Update from Chief Blankenship, the 2nd Quarter Crime Statistics from Beaufort County Sheriff's Office and recommended to move forward to the full Council to consider a recommendation to the Military Enhancement Committee of Beaufort County along with a recommendation to the full Council for consideration of approval of an ordinance to establish a parking management program and the Committee will review a resolution at their next meeting to go along with the ordinance to Council.

Report of the Public Planning Committee – David Ames

Ames reported the Committee met on September 14 to review the Bridge to the Beach District Plan. He said it is the third of eight district plans that are in the process of planning. He added that the Committee recommended to move forward to the full Council an amendment to the LMO establishing a single-family floor area ratio of .45 which is the gross floor area of structure on a lot divided by the total square foot of the lot.

Report of the Finance and Administrative Committee – Alex Brown

Brown reported the Committee moved to forward the request regarding the business license update to the class schedule as required by Act 176 of 2020 to the full Council for consideration of approval.

Appearance by Citizens

John Casey addressed Council regarding his support of the Island Mixed-Use Project due to the fact it is privately funded.

Robin Liebenberg addressed Council regarding the use of chamicals for landscaping on Hilton Head Island. She stated she is against the use of Roundup on the Island.

Pamela Ovens addressed Council regarding toxic chemical use on Hilton Head Island stating her opposition to the use of Roundup.

Lynn Fontaine addressed Council stating her opposition for the use of public funding for workforce housing.

Sherrie Mikrut addressed Council stating her support of the Mixed-Use Text Amendment and Office Way Project and her opposition to utilizing public funds for the Northpoint and Coastal Community Development Corporation.

Skip Hoagland addressed Council regarding the need for more transparency.

Eric Somerville addressed Council and complimented the Town Maintenance Department on the improvements in landscaping on the Island. He also spoke in opposition to funding the Coastal Community Development Corporation.

Skip Hoagland stated he would be speaking on behalf of Lynn Greely. Mayor Perry reminded him it is not permitted and if he continued, he would be issued a citation. Hoagland stated he welcomed the citation and proceeded to speak requesting a forensic audit of the Hilton Head Island-Bluffton Chamber of Commerce.

Xiaodan Li addressed Council expressing her concerns regarding public funding of the Coastal Community Development Corporation and the risks to the Town of Hilton Head Island.

Matt Sweeney addressed Council regarding his opposition to public funding being provided to the Coastal Community Development Corporation.

Sherry Pettigrew addressed Council regarding the proposed amendment to the Land Management Ordinance regarding the Floor Area Ratio of 0.45 for non-PUD areas. She expressed concern that property owners may not yet be aware of the limitations and the impact on their property and a one-size fits all approach is not the way to address the issue.

<u>Cherry Norris</u> addressed Council stating her appreciation for the Singer-Songwriter event and noted that she and Martin Lesch are co-producing the tree ceremony to be held on December 1. Norris expressed her support for the Office Way Project and her opposition to the Coastal Community Development Corporation.

<u>Kim Conte</u> addressed Council regarding her opposition to the use of Roundup and other chemicals on Hilton Head Island.

<u>Marcy Tressel</u> addressed Council regarding the taxic effects on birds and fish from the use of Roundup.

<u>Chris Geiger</u> addressed Council regarding the beauty of the Island and diverse wildlife and asked for enforcement of the use of Roundup as opposed to banning.

<u>George Paletta</u> addressed Council regarding his support of the Office Way Project noting it is being funded privately.

<u>Unfinished Business</u>

<u>Consideration of an Ordinance Authorizing and Directing the Town of Hilton Head Island to Enter into an Intergovernmental Agreement Relating to South Carolina Local Revenue Services; to Participate in one or more Local Revenue Service Programs; to Execute and Deliver one or more Participant Program Supplements; and Other Matters Relating Thereto – Second and Final Reading - John Troyer, Director of Finance</u>

John Troyer explained the ordinance would allow the Town to enter into an agreement with the Municipal Association of South Carolina to continue this collection effort.

Ames moved to approve. Brison seconded. Motion carried 6-0.

<u>New Business</u>

<u>Presentation by the Coastal Community Development Corporation – John Troyer, Director of Finance</u>

Alan Wolfe, Chairman of the Coastal Community Development Corporation conducted a detailed presentation regarding their funding request from the Town in the amount of $600,000. He reviewed the program in detail along with all the requirements. The CCDC would like the Town to consider a partnership and/or the Town's participation and support for their proposed endeavors to address workforce housing. The CCDC is seeking support from other jurisdictions and organizations.

Mayor Perry asked for public comment.

Angie Hutchins addressed Council expressing her concern that if funding is approved it will open the door to other non-profits request for funding.

Skip Hoagland addressed Council stating funding the Coastal Community Development Corporation would be an illegal use of public funding.

Sherrie Mikrut addressed Council stating she supports a free-market system and it is not fair to give to one but not the others and her opposition to funding the Coastal Community

Development corporation.

Chris ________ addressed Council stating her concerns regarding the Coastal Community Development Corporation Program and the impact it will have on property values.

Fred Dulay addressed Council and expressed his opposition to the proposal by the Coastal Community Development Corporation.

Cherry Norris addressed Council stating she was again the use of Town funds for the proposal.

Gray Smith addressed Council expressing his opposition to the Town funding the project.

Kim Likins addressed Council expressing her support of the Town funding the project.

Ken Campbell addressed Council expressing his support of the Town funding the project.

After lengthy discussion and comments and questions from Town Council members **Ames moved that the funding request from the Coastal Community Development Corporation be returned to the Finance Committee for the following:**

1. **to seek legal opinions regarding the application of Act 57 of 2023 and the ability to use accommodations tax funding for workforce housing;**
2. **to determine alternative sources of funding and support for the Coastal Community Development Corporation; and**
3. **to outline terms of the relationship.**

Brison seconded. Motion carried 5-1 (Becker opposed).

<u>Consideration of a Resolution to Authorize Submittal of the CDBG Entitlement Program Consolidated Annual Performance Evaluation Report (CAPER) for Program Year 2022 to the U.S. Department of Housing and Urban Development – Marcy Benson, Senior Grants Administrator</u>

Marcy Benson stated the resolution is required by the U.S. Department of Housing and Urban Development for participation in the CDBG Program. The Finance & Administrative Committee voted unanimously to move the item to the full Council for consideration of approval.

Ames moved to approve. Alfred seconded. Motion carried 6-0.

<u>Consideration of a Resolution Extending the Term of the Memorandum of Understanding between the Town of Hilton Head Island and the Island Recreation Association – Josh Gruber, Deputy Town Manager</u>

Josh Gruber explained that in 20108 the Town entered into a Memorandum of Understanding with the Island Recreation Association and the term of the agreement was to run until September 30, 2023. He said a working group consisting of members of Town Council, Island Recreation Association Board and staff from both entities have been working on a new agreement. He reviewed the timeline for bringing the agreement to Council and stated this resolution would extend the terms of the Memorandum of

Understanding with the same terms and conditions to cover that until the new agreement is brough forward.

Ames moved to approve. Becker seconded. Motion carried 6-0.

Executive Session

Discussion of Matters Relating to the Proposed Location, Expansion, or the Provision of Services Encouraging Location or Expansion of Industries or Other Businesses in the area Served by the Public Body (Pursuant to South Carolina Freedom of Information Act Section 30-4-70(a)(5)) related to:

- Project Cloud

Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][2]) related to:

- Old Welcome Center Town Owned Property Tract
- Ashmore Town Owned Property Tract
- Marshland Road Area
- Jenkins Road Area

Discussion of Legal Advice from the Town Attorney on Matters Covered Under the Attorney- Client Privilege (Pursuant to the South Carolina Freedom if Information Act Section 30-4-7 [a][2]) related to:

- Driessen Beach Park Pedestrian Access
- Mt. Calvery Missionary Baptist Church v Town of Hilton Head Island
- Jonesville Road Drainage

Discussion of Personnel Matters [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][1]) related to:

- Housing Action Committee
- Gullah Geechee Historic Neighborhoods CDC Board of Directors
- Parks and Recreation Commission
- Board of Zoning Appeals

Discussion and Status Update on the Negotiations Incident to Proposed Contractual Arrangements for the Northpoint Public-Private Partnership Workforce Housing Project (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][2])

Orlando stated the need to go into Executive Session for the purposes listed above. **At 5:50 p.m. Ames moved to go into Executive Session for the reasons stated by the Town Manager. Alfred seconded. Motion carried 6-0.**

Actions from Executive Session

Upon return from Executive Session at 7:58 p.m. Mayor Perry asked if there were any actions to be addressed as a result of Executive Session.

Ames moved that the Mayor and Town Manager be authorized to execute and deliver a settlement agreement for Beaufort County Case 2022-cp-07-1199, titled

"Mount Calvary Missionary Baptist Church of Hilton Head, et al v. SCG Associates, LLC, et al" and to take all other and further actions necessary to complete the Town's obligations under the terms and conditions of the settlement agreement. Becker seconded. Motion carried 6-0.

Ames moved that the Town Council approve on Fist Reading an Ordinance to authorize the executive and delivery of easements granting Hilton Head No. 1 Public Service District the ability to install, operate and maintain wells and associated infrastructure on real proper owned by the Town of Hilton Head Island, South Carolina, and authorizing the Mayor and Town Manager to take all actions necessary to complete the execution and delivery of the Easements to Hilton Head No.1 Public Service District. Brison seconded. Motion carried 6-0.

Ames moved to appoint the following: Amy Fee, Board of Zoning Appeals; Charlie Quigg, Parks and Recreations Commission; and Andre White, Gullah Geechee Historic Neighborhoods CDC Board Member. Brison seconded. Motion carried 6-0.

Adjournment

The meeting was adjourned at 8:00 p.m.

Approved:

Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

The recording of this Meeting can be found on the Town's website at www.hiltonheadislandsc.gov

Town of Hilton Head Island
TOWN COUNCIL MEETING
Tuesday, October 3, 2023 – 3:00 p.m.
MINUTES

Present from Town Council: Alan Perry, *Mayor;* David Ames, *Mayor Pro-Tempore;* Tamara Becker, Alex Brown, Steve Alfred, Patsy Brison, Glenn Stanford

Call to Order

Mayor Perry called the meeting to order at 3:00 p.m.

FOIA Compliance

Gammon confirmed compliance with FOIA.

Pledge to the Flag

Invocation

Senior Pastor Nathan Futrell, Central Church of Hilton Head Island_delivered the invocation.

Adoption of the Agenda

Ames moved to amend the agenda with the addition of Item 5c. Commendations for the 360/40 Committee Members and the Celebration, and 5.d. Breast Cancer Awareness Month. Alfred seconded. Motion carried 7-0.

Report of the Town Manager

Marc Orlando reported the Town has received full accreditation from the Emergency Management Accreditation Program (EAP). He commended Tom Dunn and the Emergency Management Division for their efforts.

Fire Safety Week Proclamation - Mayor Perry

Mayor Perry presented the Fire Safety Week Proclamation. Russell Rogers and members of Fire Rescue were on hand to accept the proclamation.

Breast Care Awareness Month

Mayor Perry noted October is Breast Cancer Awareness Month and asked staff and attendees for the meeting to be held on October 17, 2023 to wear pink in recognition of Breast Cancer Awareness Month.

Commendations for 360/40 Committee Members and the Celebration

Mayor Perry presented a Commendation for the 360/40 Celebration in recognition of the Committee Members and the Celebration. The following Committee Members were awarded individual commendations for their hard work on the event: Faidra Smith, Chair; Natalie Harvey, Co-Chair; Kevin Tylus; Cinda Seamon; Karen Bazzano; Rene Tuttle; Kathryn Thorne; Carolyn Grant; Taylor Ladd; Phyllis Deiter; Krishana Perry; Leah Arnold; Jordyn Weber; Joe Cain; Heather Rath; Caitlin Lee; Robin Swift; Hallie Martin; John Cranford and Angie Stone

Appearance by Citizens

Skip Hoagland addressed Town Council regarding the limit on appearance by citizens.

Skip Hoagland stated he would address Town Council on behalf of Lynn Greely. Mayor Perry reminded Hoagland that POA's are not accepted, and he would be in violation of the ordinance and face a fine. Hoagland stated he looked forward to facing the fine. He proceeded to speak stating Ms. Greely's concerns about the Hilton Head Island-Bluffton Chamber of Commerce as the Town of Hilton Head Island DMO.

Thomas Reitz stated as a Beaufort County Council member he would like the Town and the County to work together regarding workforce housing. He stated his support for the proposed text amendment on the agenda.

Keith Sledge addressed Council on behalf of 33 property owners in the Bradley Circle Area regarding the Executive Session item on the agenda regarding the Application of the Pending Ordinance Doctrine. He stated that allowing building permit applications after the advertisement for the July 27, 2023 Planning Commission Special Meeting where the 4.a Proposed Amendments were presented and passed is not in keeping with a Supreme Court decision regarding pending ordinances. He requested all building permits applications which do not comply with the proposed 4.a. amendments to the LMO be held until such a time that the Town Council completes its consideration at the second reading and finalizes their decision on the four 4.a. amendments to the LMO.

Steve Baer addressed Council regarding the U.S. 278 Corridor Project noting it is critical and very well supported by the population, He stated the need for advisers in a number of areas.

Frank Babel addressed Town Council regarding Hilton Head Island being a bike-friendly community. He stated his support and thanks for areas being addressed that needed improvement. He noted the issues with Shelter Cove Lane existing pathway and the new pathway being constructed. He requested the old pathway be converted to a shoulder for safety purposes and so bikers are not confused.

Mare Deckard addressed Council regarding the need for equal weight to be given to information received regarding community welfare.

Unfinished Business

Consideration of a Proposed Ordinance 2023-07 Amending Section Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to Create a New Use Called Island Mixed-Use with the Sea Pines Circle District - Second and Final Reading - Shawn Colin, Assistant Town Manager, Community Development

Shawn Colin conducted a detailed presentation and reviewed the public meeting timeline regarding Proposed Ordinance 2023-07 to amend sections of the Land management

Ordinance (LMO) to create a new use called Island Mixed-Use within the Sea Pines Circle District. He noted the request is from Josh Tiller of J. K. Tiller Associates, Inc. for a text amendment to the LMO to create a new use called Islander Mixed-Use that is proposed to be permitted with conditions in the Sea Pines Circle (SPC) District. The text amendment request that is subject to this review includes proposed amendments to the following sections within the LMO: 16-3-105.M, Sea Pines Circle District 16-4-102.A, Principal Uses 16-4-102.B, Use-Specific Conditions 16-10-103.A, Use Classifications, Use Types, and Definitions. He reviewed the timeline and outcome in detail.

Colin stated Town Council reviewed the Islander Mixed-Use Text Amendment request at their August 15, 2023 meeting and voted 4-3 to approve the text amendment to the Land Management Ordinance as set out on Proposed Ordinance 2023-27 subject to the following amendments: (1) Increase the workforce housing standards to 20% of Islander Mixed-Use units shall be workforce house units, excluding any units for student housing for USCB; for households earning 60% to 120% of the AMI per the Town's Workforce Housing Agreement requirements; and rental workforce housing units, excluding student housing units for USCB, shall remain subject to the workforce housing unit requirements in the Town's Workforce Housing Agreement for a minimum of 15 years from the date of the initial certificate of occupancy for the completion of construction Page 5 of 347 Page 3 of 19 of the last workforce housing units as evidenced by restrictive covenants or other compliant document recorded in the Office of the Beaufort County Register of Deeds. (2) A four (4) bedroom per dwelling unit maximum. Planning Commission: The Planning Commission met on September 20, 2033 to review deviations from the proposal made following their December 2022 public hearing and voted unanimously to recommend acceptance of the changes to Town Council.

He proceeded to review the applicant's text amendment submittal and the current Text Amendment per Town Council action of August 15, 2023 which is detailed in the agenda packet materials.

Following discussion, comments and questions from Council**, Stanford moved that the Town Council adopt on second reading Proposed Ordinance 2023-07 amending Section 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance to create a new use called Island Mixed-Use in the Sea Pines Circle District. Becker seconded.**

Mayor Perry asked for public comment.

Eric Somerville addressed Council and expressed disappointment in the project not being approved and spoke in support of the amendment.

Sherie Mikrut addressed Council in favor of the Office Park Way project and requested that Council members listen to their constituents. She noted the difference between low-income housing and workforce housing.

Lynn Pico Bullard addressed Council and noted the need to value students and SERG Group employees as well as others.

Pastor June Wilkins of Christ Lutheran Church addressed Council and encouraged them to continue working on long-term workforce housing.

Bob Risk addressed Council stating he felt there were two defects in the proposed ordinance regarding the workforce housing component which are the AMI and the parking requirements.

Xiadon Li addressed Council and encouraged a yes vote to pass the text amendment.

Cherry Norris addressed Council and quoted the Planning Commission member comments from the 09.20/2023 meeting, and she conveyed her support of the amendment.

Kate Reddy addressed Council and spoke in support of the developer.

Angie Hutchins addressed Council and encouraged all to work together in addressing workforce housing.

Charlie Clark on behalf of the Hilton Head Island-Bluffton Chamber of Commerce encouraged Council to approve the text amendment.

Jim Lever addressed Council and noted the uniqueness of the situation dealing with workforce housing issues and a blighted area. He noted this is a first step in meeting needs with minimal taxpayer expense.

Melinda Tunner addressed Council in support of the text amendment noting it is a creative approach to deal with dilapidated land.

George Paletta addressed Council in support of the text amendment noting the need to move forward.

Mike Wagner of Shore Beach Services addressed Council and spoke in support noting the short-term rentals have overtaken housing options and the text amendment provides options.

Matt Sweeney addressed Council asking them to look at the merits and benefits of the text amendment.

John Zmarsly addressed Council and spoke in support of the text amendment noting the revitalization of this area as a plus.

Beth Ann Crane addressed Council and spoke in opposition of the text amendment as there will be no accountability and noted the need for more stringent requirements.

Lynn Fontiane addressed Council and spoke in support of the private approach to housing the workforce noting the developer is not asking for any funding or tax cuts.

John Casey addressed Council in favor of the text amendment noting it is a private project funded by private funding.

Julie Raino addressed Council and requested that as the development is considered, Council base their vote on the four pillars regarding workforce housing.

Skip Hoagland addressed Council and stated Council is doing the right thing and are abiding by the law regarding the text amendment. He noted the need for a master land plan for the entire Island.

Brendan Rielley addressed Council and requested if the amendment is approved the parking be required to be on the building site of the development.

Following discussion, comments and questions from Council, **Alfred moved to amend the motion to further define "educational use". Motion failed due to the lack of a second.**

Mayor Perry called the vote on the original motion. Motion carried 4-3-0 (Brison, Brown, Ames opposed).

New Business

Consideration of Proposed Ordinance 2023-16 Amending Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance (LMO) to Amend Single - Family Dwelling Parking Requirements and to Establish Regulations for Single Family Dwelling Floor Area Ratio Requirements - First Reading - Missy Luick, Director of Planning

Mayor Perry explained the item was sent back to the Public Planning Committee on September 14 for further review and due to several questions Council had and the Public Planning Committee moved that the action taken at the previous meeting concerning adoption of the floor area ratio regulations and maximum lot size be reconsidered and that parking be handled in a separate matter.

Missy Luick conducted a detailed presentation and Following discussion, comments, and questions from Council

Following discussion, the item was divided into two separate motions. They are as follows:

Consideration of an Ordinance Amending Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance (LMO) to Amend Single - Family Dwelling Parking Requirements

Ames moved to approve as presented. Alfred seconded.

Denise Pacita addressed Council and stated when implementing required parking allowance open space and pervious areas need to be considered.

Carolyn Storn addressed Council noting the issue is impervious areas and pervious areas and they should be addressed but encouraged approving the requirements and solve the pervious and impervious issues at a later date.

Keith Sledge addressed Council and supported Ms. Pacita's comments regarding the consideration of the need for open space on building sites.

Lisa Cotter addressed Council and stated the issues are not clear and encouraged Council to be clear on the details of the issue before voting.

Motion carried 7-0.

Consideration of an Ordinance Amending Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance (LMO) to Establish Regulations for Single Family Dwelling Floor Area Ratio Requirements First Reading - Missy Luick, Director of Planning

Following discussion, comments and questions from Council, **Ames moved to amend Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance (LMO) to Establish Regulations for Single Family Dwelling Floor Area Ratio Requirements, to include Forest Beach Overlay and exclude Family Compounds and Subdivisions. Stanford seconded.**

Mayor Perry asked for Public Comment.

Kevin Sledge addressed Council and spoke on behalf of 33 owners in the Bradly Circle Area stating their support of the proposed regulations.

Daniel Anthony addressed Council noting that the 4500 square foot cap can be altered during District Planning.

Don Hufham addressed Council expressing his opposition to the regulations.

Bill McNeil addressed Council requesting exemptions for parking underneath a structure and storage. He added that a change in the Floor Area Ratio requirements will also limit tax revenues in the long run.

Carl Braden addressed Council and noted that the amendment is not consistent with the majority of FAR requirements in the LMO for character overlay districts.

Lisa Cotter addressed Council and spoke in opposition to the blanket FAR regulations. She voiced her concern decisions are being make and then they ae being defined latr.

Denis Pacita addressed Council and stated her opposition to the proposed regulations

At the conclusion of public comment, Mayor Perry brough the item back to the dais.

Brown expressed concerns regarding the impact on Family Compounds and Subdivisions and property values.

Following discussion, comments and questions from Council the **Motion carried 6-1-0 (Brown opposed).**

Consideration of an Ordinance for the Town of Hilton Head, for the Fiscal Year Ending June 30, 2024; to Provide for the Expenditures of Certain Funds; to Allocate the Sources of Revenue for the Said Funds; and to Provide for Severability and an Effective Date - First Reading - John Troyer, Director of Finance

John Troyer conducted a presentation stating the budget needs amended to reflect four land purchases made by Town council. He stated the sites include Bryant Road, Shelter cove Lane, Pope Avenue and Mathews Drive; Capital Improvement Program changes noting that the total remains the same.

Following discussion, comments and questions from Council, **Ames moved to approve. Alfred seconded.**

Brison expressed concern regarding the amendments and requested a memo be provided to Town Council defining the specifics of the adjustments. Brown requested the difference between 2023 actuals and 2023 projections be spelled out in the memo as well.

Mayor Perry asked for public comment.

Meliinda Tunner addressed Council and stated she was in agreement with Brison and noted her surprise that the item did not go to the Finance & Administrative Committee for review before coming to Town Council.

Skip Hoagland addressed Council and stated there is a need for an Independent Forensic Audit.

Following discussion, comments and questions from Council, **the Motion carried 6-1 (Brison opposed).**

<u>Consideration of an Ordinance Amending the Business License Ordinance of the Town of Hilton Head Island to Update the Class Schedule as Required by Act 176 of 2020, South Carolina Business License Tax Standardization Act § 6-1-400 -420 – First Reading– John Troyer, Director of Finance</u>

April Akins conducted a presentation regarding the item. She noted the SC General Assembly passed Act 176, the Business License Standardization Act, in September 2020. The law required every local government levying a business license tax to administer the tax in the same way across the state starting January 1, 2022. The Municipal Association of South Carolina (MASC) created the Business License Model Ordinance to ensure compliance with Act 176. Town Council adopted the Business License Model Ordinance in September 2021 so that the Town could administer the business license tax according to state law.

Every odd year, Act 176 requires every taxing jurisdiction levying a business license tax to adopt by ordinance the latest Standardized Business License Class Schedule as recommended by MASC and adopted by the Director of the Revenue and Fiscals Affair Office. MASC shall determine and revise the Standardized Business License Class Schedule every even year using the latest available nationwide Internal Revenue Service statistics. MASC published the latest Standardized Business Class Schedule on June 27, 2023. Town staff completed a detailed rate study analysis in July 2023 to determine the impact of the class schedule changes to the Town and to the business community. Akiins reviewed the Proposed Ordinance and the Business License Class Schedule Rate Study Analysis.

Following discussion, comments and questions from Council, **Ames moved to approve. Becker seconded. Motion carried 7-0.**

<u>Executive Session</u>

Receipt of Legal Advice from the Town Attorney on Matters Covered Under the Attorney-Client Privilege [pursuant to the South Carolina Freedom of Information Act

Section 30-4-70(a)(2)] related to: Application of the Pending Ordinance Doctrine

Orlando stated the need to go into Executive Session for the purposes listed above. **At 7:42 p.m. Ames moved to go into Executive Session for the reasons stated by the Town Manager. Alfred seconded. Motion carried 7-0.**

Actions from Executive Session

None.

Adjournment

The meeting was adjourned at 8:46 p.m.

Approved:

____

Kimberly Gammon, Town Clerk

____

Alan R. Perry, Mayor

The recording of this Meeting can be found on the Town's website at www.hiltonheadislandsc.gov

TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: John Troyer, Finance Director
CC: Marc Orlando, Town Manager
DATE: September 20, 2023
SUBJECT: Consideration of an Ordinance amending the Business License Ordinance of the Town of Hilton Head Island to update the Business License Class Schedule as Required by Act 176 of 2020 – second and final reading

RECOMMENDATION:

That the Finance and Administrative Committee recommend to Town Council to amend the Current Business License Ordinance Title 10, Sec. 10-1-250 of the Municipal Code of the Town of Hilton Head Island to update the Business License Class Schedule as required by Act 176 of 2020 on second and final reading. There have been no changes since first reading.

BACKGROUND:

SC General Assembly passed Act 176, the Business License Standardization Act, in September 2020. The law required every local government levying a business license tax to administer the tax in the same way across the state starting January 1, 2022. The Municipal Association of South Carolina (MASC) created the Business License Model Ordinance to ensure compliance with Act 176. Town Council adopted the Business License Model Ordinance in September 2021 so that the Town could administer the business license tax according to state law.

SUMMARY:

Every odd year, Act 176 requires every taxing jurisdiction levying a business license tax to adopt by ordinance the latest Standardized Business License Class Schedule as recommended by MASC and adopted by the Director of the Revenue and Fiscals Affair Office. MASC shall determine and revise the Standardized Business License Class Schedule every even year using the latest available nationwide Internal Revenue Service statistics. MASC published the latest Standardized Business Class Schedule on June 27, 2023. Town staff completed a detailed rate study analysis in July 2023 to determine the impact of the class schedule changes to the Town and to the business community.

A presentation was provided to the Finance & Administrative Committee meeting.

ATTACHMENTS:

1. Amended Business License Ordinance Title 10, Sec. 10-1-50.
2. Business License Class Schedule Rate Study Analysis.
3. PowerPoint 10.3.23 Presentation – Business License Class Schedule Update.

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

ORDINANCE NO. 2023-_____

AN ORDINANCE AMENDING THE BUSINESS LICENSE ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND TO UPDATE THE CLASS SCHEDULE AS REQUIRED BY ACT 176 OF 2020.

WHEREAS, the Town of Hilton Head Island is authorized by South Carolina Code of Laws Section 5-7-30 and Title 6, Chapter 1, Article 3 to impose a business license tax on gross income; and

WHEREAS, Act 176 of 2020, known as the South Carolina Business License Tax Standardization Act and codified at South Carolina Code of Laws Sections 6-1-400 to -420 (the "Standardization Act"), the South Carolina General Assembly imposed additional requirements and conditions on the administration of business license taxes; and

WHEREAS, the Standardization Act requires that by December thirty-first of every odd year, each municipality levying a business license tax must adopt, by ordinance, the latest Standardized Business License Class Schedule as recommended by the Municipal Association of South Carolina (the "Association") and adopted by the Director of the Revenue and Fiscal Affairs Office; and

WHEREAS, following the enactment of the Standardization Act, the Town enacted Ordinance No. 2021-16 on September 21, 2021, in order to comply with the requirements of the Standardization Act (the "Current Business License Ordinance"); and

WHEREAS, the Town Council of the Town of Hilton Head Island now wishes to amend its Current Business License Ordinance, Sec. 10-1-250 of the Municipal Code of Hilton Head Island, to adopt the latest Standardized Business License Class Schedule, as required by the Standardization Act, and to make other minor amendments as recommended by the Association.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Hilton Head Island, that the Municipal Code for the Town of Hilton Head Island is hereby amended as follows:

Section 1. Amendment. Section 10-1-250 of the Municipal Code of the Town of Hilton Head Island related to business license taxes rate and class schedules is hereby amended as set forth below. Newly added language is illustrated with double underline and deleted language is illustrated with a ~~strikethrough~~.

Section 2. Severability. If any section, phrase, sentence or portion of this Ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Sec. 10-1-250. - Classification and rates.

(a) The business license tax for each class of businesses subject to this chapter shall be computed in accordance with the current business license rate schedule, designated as appendix A to this chapter, which may be amended from time to time by the council.

(b) The current business license class schedule is attached hereto as appendix B. Hereafter, no later than December 31 of each odd year, the municipality shall adopt, by ordinance, the latest standardized business license class schedule as recommended by the Municipal Association of South Carolina and adopted by the Director of the South Carolina Revenue and Fiscal Affairs Office. Upon adoption by the municipality, the revised business license class schedule shall then be appended to this chapter as a replacement appendix B.

(c) The classifications included in each rate class are listed with NAICS codes, by sector, subsector, group, or industry. The business license class schedule (appendix B) is a tool for classification and not a limitation on businesses subject to a business license tax. The classification in the most recent version of the business license class schedule adopted by the council that most specifically identifies the subject business shall be applied to the business. The license official shall have the authority to make the determination of the classification most specifically applicable to a subject business.

(d) A copy of the class schedule and rate schedule shall be filed in the office of the municipal clerk.

APPENDIX A
BUSINESS LICENSE RATE SCHEDULE

	Income: $0 - $2,000	Income Over $2,000
Rate Class	Base Rate	Rate Per $1,000 or Fraction Thereof
1	$46.30	$0.75
2	$54.00	$1.00
3	$61.60	$1.10
4	$69.40	$1.30
5	$77.10	$1.40
6	$84.80	$1.50
7	$92.50	$1.70
8.1	$61.60	$1.10
8.2	Set by State Statute –	

	Railroad Companies	
8.3	MASC Telecommunications	
8.4	MASC Insurance	
8.51	$12.50 + $12.50 Per Machine	
8.52	$12.50 + $180.00 Per Machine	
8.6	$61.60 Plus $5.00 -or- $12.50 Per Table	$1.10
9.10	$187.50	$3.24
9.30	$54.00	$1.00
~~9.40~~	~~$54.00~~	~~$1.00~~
9.70	$107.90	$1.70

NON-RESIDENT RATES

Unless otherwise specifically provided, all taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of business within the municipality.

CLASS 8 RATES

Each NAICS number designates a separate subclassification. The businesses in this section are treated as separate and individual subclasses due to provisions of state law, regulatory requirements, service burdens, tax equalization considerations, and other factors that are deemed sufficient to require individually determined rates. In accordance with state law, the municipality also may provide for reasonable subclassifications for rates, described by an NAICS sector, subsector, or industry, that are based on particularized considerations as needed for economic stimulus or for the enhanced or disproportionate demands on municipal services or infrastructure.

Non-resident rates do not apply except where indicated.

8.1 NAICS 230000—Contractors. Construction. All types [non-resident rates apply].

Resident rates, for contractors having a permanent place of business within the municipality:

Minimum on first $2,000 .....$61.60 PLUS

Per $1,000, or fraction, over $2,000 .....$1.10

Non-resident rates apply to contractors that do not have a permanent place of business within the municipality. A trailer at the construction site or structure in which the contractor temporarily resides is not a permanent place of business under this ordinance.

No contractor shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job. No deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the zoning ordinance.

Each prime contractor shall file with the license official, or its designee, a list of sub-contractors furnishing labor or materials for each project.

For licenses issued on a per-job basis, the total tax for the full amount of the contract shall be paid prior to commencement of work and shall entitle the contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per one thousand ($1,000.00) dollars of the contract amount shall be paid prior to commencement of new work. Only one (1) base tax shall be paid in a license year. Licensees holding a per-job license shall file, by each April 30 during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for which the business license was issued, the licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount.

8.2 NAICS 482—Railroad companies (see S.C. Code § 12-23-210).

~~**8.3 NAICS 517311, 517312—Telephone companies.**~~

8.3 NAICS 517111, 517112 – Telephone Companies

With respect to "retail telecommunications services" as defined in S.C. Code § 58-9-2200, the municipality participates in a collections program administered by the Municipal Association of South Carolina. The municipality has approved participation in the collections program with the rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to retail telecommunications services as set forth in this chapter.

8.4 NAICS 5241, NAICS 5242—Insurance companies/brokers premium tax:

Independent agents, brokers, their employees are subject to a business license tax based on their natural class. With respect to insurers subject to license fees and taxes as defined in S.C. Code 1996, §§ 38-45-10 and 38-45-60, the municipality participates in a collections program administered by the Municipal Association of South Carolina. The municipality has approved participation in the collections program with the rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to insurers and brokers are set forth in this ordinance.

8.51 NAICS 713120—Amusement machines, coin operated (except gambling).

Music machines, juke boxes, kiddy rides, video games, pin tables with levers, and other amusement machines with or without free play feature licensed by SC Department of Revenue pursuant to S.C. Code § 12-21-2720(A)(1) and (A)(2) [Type I and Type II]. For operation of all machines (not on gross income), pursuant to S.C. Code § 12-21-2746:

Per machine .....$12.50 PLUS

Business license $12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to § 12-21-2728 are not subject to subclass 8.51.

8.52 NAICS 713290—Amusement machines, coin operated, non-payout.

Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code § 12-21-2720(A)(3) [Type III].

For operation of all machines (not on gross income), pursuant to S.C. Code § 12-21-2720(B):

Per machine .....$180.00 PLUS

Business license $12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to § 12-21-2728 are not subject to subclass 8.52.

~~**8.6 NAICS 713990—Billiard or pool rooms, all types.**~~

~~(a) Pursuant to SC Code § 12-21-2746, license tax of five ($5.00) dollars per table measuring less than three and a half (3½) feet wide and seven (7) feet long, and twelve dollars and fifty cent ($12.50) per table longer than that; PLUS,~~

~~(b) With respect to gross income from the entire business in addition to the tax authorized by state law for each table:~~

~~Minimum on first $2,000 .....$61.60 PLUS~~

~~Per $1,000, or fraction, over $2,000 .....$1.10~~

<u>**8.6 NAICS Code Varies – Billiard or Pool Tables**.</u>

A business that offers the use of billiard or pool tables shall be subject to business license taxation under its natural class for all gross income of the business excluding the gross income attributable to the billiard or pool tables. In addition, the billiard or pool tables shall require their own separate business licenses pursuant to SC Code § 12-21-2746 and shall be subject to a license tax of $5.00 per table measuring less than 3½ feet wide and 7 feet long, and $12.50 per table longer than that.

CLASS 9 RATES

9.10 NAICS 561599—All other travel arrangement and reservation services.

Establishments primarily engaged in providing travel arrangements and reservation services (except travel agencies, tour operators, and convention and visitors bureaus).

Minimum on first $2,000 .....$187.50 PLUS

Per $1,000, or fraction, over $2,000 .....$3.24

9.30 NAICS 441100—Automobile dealers [non-resident rates apply].

Establishments primarily engaged in retailing new and used automobiles and light trucks, such as sport utility vehicles, and passenger and cargo vans.

Minimum on first $2,000 .....$54.00 PLUS

Per $1,000, or fraction, over $2,000 .....$1.00

9.31 NAICS 4412000—Other motor vehicle dealers [non-resident rates apply].

Establishments primarily engaged in retailing new and used vehicles (except automobiles, light trucks, such as sport utility vehicles, and passenger and cargo vans).

Minimum on first $2,000 .....$54.00 PLUS

Per $1,000, or fraction, over $2,000 .....$1.00

~~**9.40 NAICS 454390—Other direct selling establishments** (peddlers).~~

~~Establishments primarily engaged in retailing merchandise (except food for immediate consumption and fuel) via direct sale to the customer by means, such as in-house sales (i.e., party plan merchandising), truck or wagon sales, and portable stalls (i.e., street vendors).~~

~~Minimum on first $2,000 .....$54.00 PLUS~~

~~Per $1,000, or fraction, over $2,000 .....$1.00~~

9.40 NAICS 454390—Other direct selling establishments (peddlers).

The NAICS codes corresponding to Classes 9.40 have been eliminated. Businesses that were previously classified into 9.40 shall be required to apply and pay for a business license in their natural class.

9.70 NAICS 722410—Drinking places (alcoholic beverages).

Establishments known as bars, taverns, nightclubs, or drinking places primarily engaged in preparing and serving alcoholic beverages for immediate consumption. These establishments may also provide limited food services.

Minimum on first $2,000 .....$107.90 PLUS

Per $1,000, or fraction, over $2,000 .....$1.70

~~APPENDIX B~~
~~BUSINESS LICENSE CLASS SCHEDULE BY NAICS CODE~~

~~This appendix will be updated every odd year based on the latest available IRS statistics.~~

~~NAICS Sector/ Subsector~~	~~Industry Sector~~	~~Class~~
~~1100~~	~~Agriculture, Forestry, Fishing and Hunting~~	~~2~~
~~1150~~	~~Support Activities for Agriculture, Animals and Forestry~~	~~2~~
~~2100~~	~~Mining, Quarrying, and Oil and Gas Extraction~~	4
~~2300~~	~~Construction~~	~~8.10~~
~~3100-3300~~	~~Manufacturing~~	~~2~~
~~4200~~	~~Wholesale Trade~~	~~1~~
~~4400-4500~~	~~Retail Trade~~	~~1~~
~~4411~~	~~Automobile Dealers~~	~~9.30~~
~~4412~~	~~Other Motor Vehicle Dealers~~	~~9.30~~
~~454390~~	~~Other Direct Selling Establishments (Peddlers)~~	~~9.40~~

~~NAICS Sector/ Subsector~~	~~Industry Sector~~	~~Class~~
~~4800-4900~~	~~Transportation and Warehousing~~	~~2~~
~~482~~	~~Rail Transportation~~	~~8.2~~
~~5100~~	~~Information~~	4
~~517311/517312~~	~~MASC Telephone Companies~~	~~8.30~~
~~5200~~	~~Finance and Insurance~~	~~7~~
~~5241/5242~~	~~MASC Insurance Companies~~	~~8.40~~
~~5300~~	~~Real Estate and Rental Leasing~~	~~7~~
~~5400~~	~~Professional, Scientific and Technical Services~~	~~5~~
~~5500~~	~~Management Companies~~	~~7~~
~~5600~~	~~Administrative and Support Services~~	4
~~6100~~	~~Educational Services~~	4
~~6200~~	~~Health Care and Social Assistance~~	4
~~7100~~	~~Arts, Entertainment and Recreation~~	~~3~~
~~713120~~	~~Amusement Machines, Coin Operated~~	~~8.51~~
~~713290~~	~~Amusement Machines, Non-Payout~~	~~8.52~~
~~713990~~	~~Billiard or Pool Rooms~~	~~8.60~~
~~7210~~	~~Accommodations~~	~~3~~
~~7220~~	~~Food Services and Drinking Places~~	~~1~~
~~722410~~	~~Drinking Places~~	~~9.70~~

APPENDIX B

Classes 1 – 8: Business License Class Schedule by NAICS Codes

NAICS Sector/Subsector	Industry Sector	Class
11	Agriculture, forestry, hunting and fishing	1
21	Mining	2
22	Utilities	1
31 - 33	Manufacturing	3
42	Wholesale trade	1
44 - 45	Retail trade	1
48 - 49	Transportation and warehousing	1
51	Information	4
52	Finance and insurance	7
53	Real estate and rental and leasing	7
54	Professional, scientific, and technical services	5
55	Management of companies	7
56	Administrative and support and waste management and remediation services	3
61	Educational services	3
62	Health care and social assistance	4
71	Arts, entertainment, and recreation	3
721	Accommodation	1
722	Food services and drinking places	2
81	Other services	4
Class 8	**Subclasses**	
23	Construction	8.1
482	Rail Transportation	8.2
517111	Wired Telecommunications Carriers	8.3
517112	Wireless Telecommunications Carriers (except Satellite)	8.3
517122	Agents for Wireless Telecommunications Services	8.3
5241	Insurance Carriers	8.4
5242	Insurance Brokers for non-admitted Insurance Carriers	8.4
713120	Amusement Parks and Arcades	8.51
713290	Nonpayout Amusement Machines	8.52
713990	All Other Amusement and Recreational Industries (pool tables)	8.6
Class 9	**Subclasses**	
561599	All other travel arrangement and reservation services.	9.10
4411	Automobile Dealers	9.30
4412	Other Motor Vehicle Dealers	9.30
722410	Drinking Places	9.70

2023 Class Schedule is based on a three-year average (2017 - 2019) of IRS statistical data.

<u>SECTION 3. Repealer, Effective Date</u>. All ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be effective with respect to the business license renewal year beginning on May 1, 2024.

MOVED, APPROVED, AND ADOPTED THIS 17th DAY OF OCTOBER, 2023.

____

Alan R. Perry, Mayor

ATTEST:

____

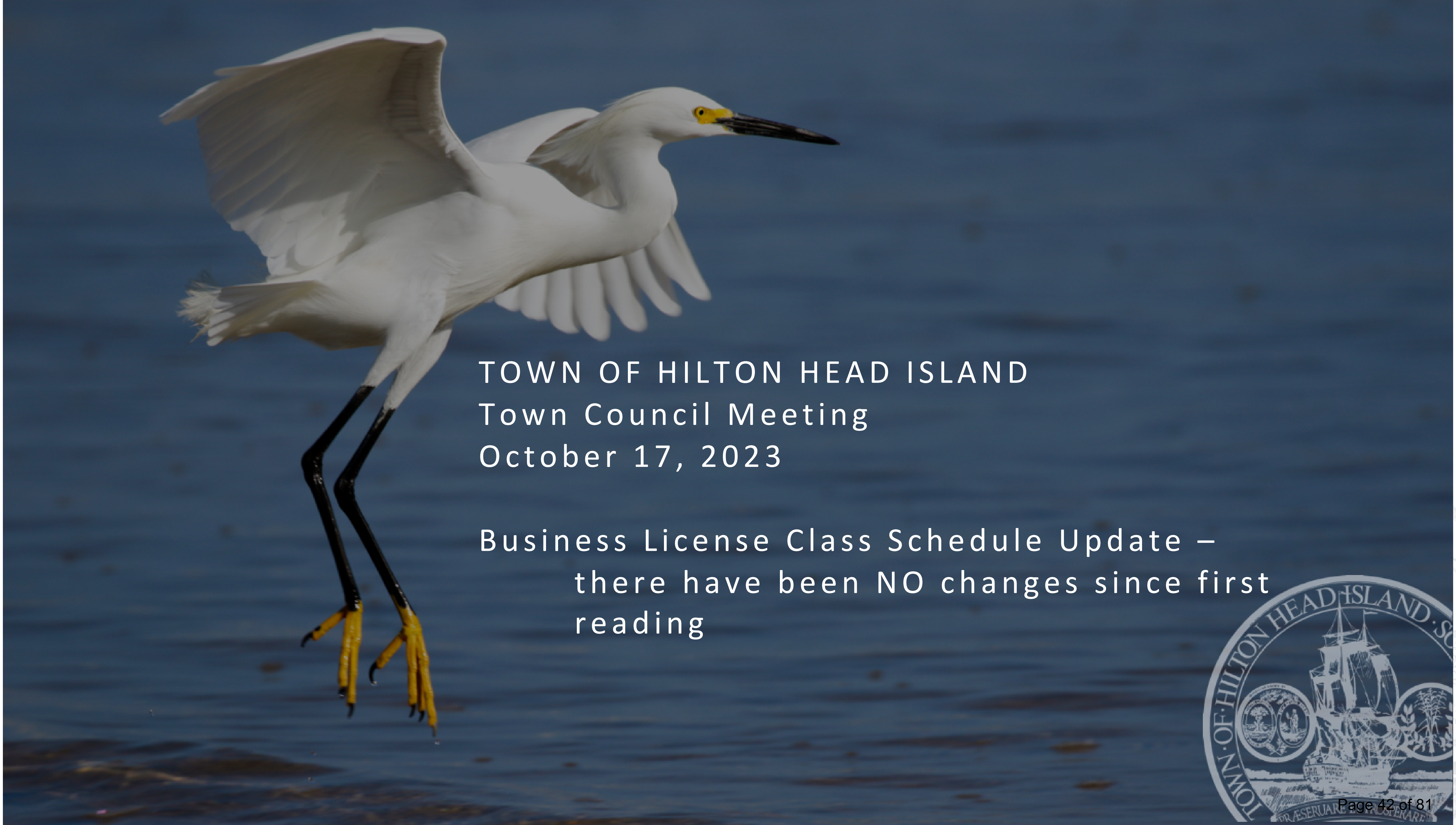
Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

____

Curtis L. Coltrane, Town Attorney

Introduced by Council Member:___________________________


TOWN OF HILTON HEAD ISLAND
Town Council Meeting
October 17, 2023
Business License Class Schedule Update – there have been NO changes since first reading
TOWN OF HILTON HEAD ISLAND

BACKGROUND

- SC General Assembly passed Act 176, the Business License Standardization Act, in September 2020. The law required every local government levying a business license tax to administer the tax in the same way across the state beginning January 1, 2022.

- The Municipal Association of South Carolina (MASC) created the Business License Model Ordinance to ensure compliance with Act 176 requirements.

- Town Council adopted the Business License Model Ordinance in September 2021 and now administers business license taxes according to state law.

2021 Summary

- Act 176 required the Town to adopt the Standardized Business License Class Schedule.
- The Town reclassified all businesses for the 2022 business license tax year.
- The Town completed a data analysis and rate study in 2021 based on the class schedule changes.
- The study revealed a shortfall of $339,892 in business license tax revenue.
- Business License tax rates were increased by 7.2% to achieve a revenue neutral result as required by law.

2023 Overview

- Act 176 requires the Town to adopt the latest Standardized Business License Class Schedule as recommended by MASC and adopted by the Director of the Revenue and Fiscals Affair Office every odd year.
- MASC determines and revises the Standardized Business License Class Schedule every even year using the latest available nationwide IRS statistics.
- The IRS statistics are used for the calculation of profitability of businesses classified in the most recent NAICS codes (North American Industry Classification System).
- Act 176 mandated that the Town update NAICS codes every five years to remain current with changes in economic activity.
- The Town implemented the newest NAICS codes in 2023.
- MASC uses a three- year average of IRS profitability statistics to determine class schedule changes.
- The 2023 class schedule DOES NOT include data from Covid years. The data is from 2017-2019.
- MASC recommends rebalancing business license tax revenue, but it is not mandated.
- The goal of the new process is to stabilize and limit large fluctuations in business classes.

Business License Rate Study Results

- MASC published the latest Standardized Business Class Schedule on June 27, 2023.
- The Town completed a detail rate study analysis on approximately 14,000 business license accounts in July 2023 to determine the impact of the class schedule changes to the Town and to the business community.
- There are nineteen industry sectors in the class schedule.
- Nine industries will be impacted by the class schedule changes in the 2024 business license tax year.
- Seven industries will have a tax rate reduction.
- Two industries will have a tax rate increase.
- 15.80% of our businesses are impacted by the class schedule change.
- Total revenue loss for the Town is $32,833.80 or less than 1% of our total business license tax revenue.

2023 Business License Rate Study Analysis

NAICS Sector/Subsector	Industry Sector	Current Class Rate	New Class Rate	FY 23 Actual Business License Revenue Collected	Business License Revenue Based on New Rate	Revenue Impact to Town	Percentage of Businesses Impacted by Change to Class Rate	Average Revenue Loss or Gain in Sector/Subsector for Town
11	Agriculture, forestry, hunting, and fishing	Class 2	Class 1	$ 534.00	$ 423.70	$ (110.30)	Less than 1%	-20%
21	Mining	Class 4	Class 2	$ 180.40	$ 140.00	$ (40.40)	Less than 1%	-22%
22	Utilities	Class 1	Class 1	New Sector for 2024	$ -			
31-33	Manufacturing	Class 2	Class 3	$ 64,785.00	$ 71,518.70	$ 6,733.70	Less than 1%	9%
42	Wholesale trade	Class 1	Class 1	$ 71,024.75	$ 71,024.75	$ -	0%	0%
44-45	Retail trade	Class 1	Class 1	$ 723,690.75	$ 723,690.75	$ -	0%	0%
48-49	Transportation and warehousing	Class 2	Class 1	$ 52,813.00	$ 40,740.15	$ (12,072.85)	1.10%	-22%
51	Information	Class 4	Class 4	$ 20,655.10	$ 20,655.10	$ -	0%	0%
52	Finance and insurance	Class 7	Class 7	$ 115,956.40	$ 115,956.40	$ -	0%	0%
53	Real estate and rental and leasing	Class 7	Class 7	$ 2,832,071.67	$ 2,832,071.67	$ -	0%	0%
54	Professional, scientific, and technical services	Class 5	Class 5	$ 403,491.67	$ 403,491.67	$ -	0%	0%
55	Management of companies	Class 7	Class 7	$ 8,923.40	$ 8,923.40	$ -	0%	0%
56	Admin and support, waste management,	Class 4	Class 3	$ 505,757.40	$ 431,767.20	$ (73,990.20)	6.30%	-14%
61	Educational services	Class 4	Class 3	$ 18,917.60	$ 16,156.80	$ (2,760.80)	Less than 1%	-14%
62	Health care and social assistance	Class 4	Class 4	$ 501,044.50	$ 501,044.50	$ -	0%	0%
71	Arts, entertainment, and recreation	Class 3	Class 3	$ 178,137.97	$ 178,137.97	$ -	0%	0%
721	Accommodation	Class 3	Class 1	$ 194,183.00	$ 132,474.90	$ (61,708.10)	Less than 1%	-31%
722	Food services and drinking places	Class 1	Class 2	$ 396,537.15	$ 525,653.00	$ 129,115.85	2.70%	24%
81	Other services	Class 5	Class 4	$ 225,520.20	$ 207,519.50	$ (18,000.70)	5.70%	-8%
			TOTAL	$ 6,314,223.96	$ 6,281,390.16	$ (32,833.80)	15.80%	Less than 1%

Town of Hilton Head Island

- Staff recommends adopting the Standardized Business License Class Schedule with no adjustment to the Town's current business license tax rates.
- Staff request that the Finance & Administrative Committee consider amending the Current Business License Ordinance to update the Business License Class Schedule as required by Act 176 of 2020 and forward a recommendation to Town Council for approval.
- October 2023: First and Seconding reading of the ordinance will occur.
- November 2023: Business License Software will be updated with new class schedules to prepare for 2024 business license renewals.
- January 2024: New Business License Class Schedule will be implemented.

Questions

TOWN OF HILTON HEAD ISLAND

Town Council Meeting

October 3, 2023

TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council Members
FROM: Joshua Gruber, *Deputy Town Manager*
CC: Marc Orlando, *Town Manager*
DATE: October 10, 2023
SUBJECT: Consideration of an Ordinance of the Town of Hilton Head Island Authorizing the Execution and Delivery of Easements Encumbering Real Estate Owned by the Town of Hilton Head Island to the Hilton Head Island PSD, Under the Authority of South Carolina Code § 5-7-40 and § 2-7-20, Municipal Code of the Town of Hilton Head Island, and Providing for Severability and an Effective Date

---

RECOMMENDATION:

Town Council consider approving the Ordinance authorizing various utility easements to the Hilton Head Island Public Service District which will allow for the installation of a Reverse Osmosis Well Head on the Old Welcome Center Tract and an Aquifer Storage and Recovery Well on the Ashmore Tract.

BACKGROUND:

Old Welcome Center Tract – 100 William Hilton Parkway (1.5 Acres)

Staff was contacted by the Hilton Head Public Service District (HHPSD) in July of 2022 regarding the District's desire to utilize two separate parcels of town-owned land for critical infrastructure projects. A copy of this correspondence is enclosed as Attachment 1. The first of these two requests was for authorization to utilize the Old Welcome Center Tract. If approved by the Town, this request would allow for the installation of a Reverse Osmosis Well Head that would maximize the capacity of the District's existing Reverse Osmosis Plant thereby increasing its treatment capacity by up to 6 million gallons of drinking water per day.

On August 16, 2022, the Town Council adopted a Resolution indicating its support for Hilton Head Public Service District's request to utilize space on the former Welcome Center property. A copy of this Resolution is enclosed as Attachment 2.

At the July 19, 2023, Town Council meeting, this matter was discussed in executive session and additional information was requested from staff. That additional information consisted of a request to secure a revised vegetative landscaping plan for the well head that would be installed and an evaluation of the proposed location of the well head on this site. A revised landscaping plan demonstrating a complete vegetative screening of the well head is enclosed as Attachment 3. The current location for the well head on this site is identified in the enclosed Attachment 4 and has been evaluated as requested. This location was ultimately selected because it represented the least intrusive location on the site from a square footage impact standpoint that also maintains compliance with all applicable setback and buffer requirements.

Ashmore Tract – 143 Mathews Drive (72.3 Acres)

The second request contained within the Hilton Head Public Service District's July 2022 correspondence asked for authorization to install an Aquifer Storage and Recovery (ASR) facility on the Ashmore Tract. On August 16, 2022, the Town Council adopted a Resolution indicating its support for the development of the requested ASR site. A copy of this Resolution is enclosed as Attachment 5. An ASR is a water supply system that stores treated drinking water in the brackish Middle Floridan Aquifer during the winter months when demand for potable water is lower and then withdraws and re-treats the water for distribution during the spring and summer months when demand becomes higher. The utilities can store approximately 260 million gallons of water in the aquifer using the ASR well. By comparison, a "golf ball" water tower stores about 300,000 gallons of water. Once installed, this particular ASR well will yield 2 million gallons per day of water during the spring and summer months.

At the July 19, 2023, Town Council meeting, this matter was discussed in executive session and additional information was requested from staff. First, staff was asked to identify how the proposed ASR will be accessed from a construction and future operations standpoint. The HHPSD will access this proposed location from their existing property that is immediately adjacent to the west of this location and is identified as 21 Oak Park Drive (R510 008 000 0095 0000). This property is shown on the proposed development plan which is enclosed as Attachment 6. Additionally, staff was asked to discuss ways in which disturbances to trees and other vegetation could be minimized as a part of this project. Based on these discussions, the HHPSD has committed to utilizing directional boring to install the necessary utility lines leading away from the ASR facility and leading up to and across William Hilton Parkway. The use of direction boring to install this infrastructure will significantly reduce the amount of vegetation and trees that may be impacted by these activities. A utility distribution plan showing where the utility lines from the ASR facility will be located is enclosed as Attachment 7.

At its meeting on September 19, 2023, Town Council unanimously gave approval on first reading of the Ordinance authorizing the various easements referenced above.

<u>CONCLUSION:</u>

Town Council should consider the authorization of the various utility easements necessary to allow the Hilton Head Island Public Service District to install a Reverse Osmosis Well Head on the Old Welcome Center Tract and an Aquifer Storage and Recovery Well on the Ashmore Tract.

<u>ATTACHMENTS</u>:

1. Ordinance Authorizing Easements to the Hilton Head Public Service District

Attachment 1

PROPOSED ORDINANCE NUMBER 2023-__ ORDINANCE NUMBER 2023-___

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION AND DELIVERY OF EASEMENTS ENCUMBERING REAL ESTATE OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, UNDER THE AUTHORITY OF S. C. CODE ANN. § 5-7-40 (SUPP. 2023), AND § 2-7-20, *MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA* (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

LEGISLATIVE FINDINGS

WHEREAS, the Town of Hilton Head Island, South Carolina, owns parcels of real property which are known and described as follows:

> All that certain piece, parcel or lot of land with improvements thereon, situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, consisting of 3.26 Acres as shown and described on a Plat titled "Boundary Survey of 3.26 Acres, William Hilton Parkway, Hilton Head Island, Beaufort County, South Carolina," prepared by Surveying Consultants, certified by Terry G. Hatchell, SCRLS # 11059, and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book 126 at Page 124.

AND

> All that certain piece, parcel or tract of land situate, lying and being in the Town of Hilton Head Island, Beaufort County, South Carolina, containing 74.33 acres more or less, as shown on a plat of survey dated February 16, 1996, prepared by Coastal Surveying, Inc., Michael R. Dunnigan, SCRLS Number 11905, entitled "A Plat of 74.33 Acres lying between Mathews Drive and U.S. Highway 278, a Section of the Ashmore Tract," recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book 55 at Page 152.

(herein, collectively, the "Town Property"); and,

WHEREAS, the Hilton Head No. 1 Public Service District has requested that the Town grant easements to facilitate the installation, operation and maintenance of wells and associated waterlines, electrical and other equipment useful in operation of the wells and delivery of water drawn from the wells in furtherance of the Hilton Head No. 1 Public

Service District's public purpose of delivering potable water to the citizens and residents in its service area; and,

WHEREAS, S. C. Code Ann. § 5-7-40 (Supp. 2023) and § 2-7-20, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), states that conveyance of real property or property rights owned by the Town of Hilton Head Island, South Carolina, must be authorized by Ordinance; and,

WHEREAS, the Town Council for The Town of Hilton Head Island, South Carolina, has determined that it is in the best interest of the Town and its citizens and residents to authorize the execution and delivery of the easements requested by Hilton Head No. 1 Public Service District.

NOW THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS ORDAINED BY THE AUTHORITY OF THE SAID TOWN COUNCIL, AS FOLLOWS:

Section 1. Execution of Lease Agreement and Conveyance Documents.

(a) The Mayor and the Town Manager are hereby authorized to execute and deliver easements to Hilton Head No. 1 Public Service District in a form and substance as the proposed easements attached hereto as Exhibits "A" and "B"; and ,

(b) The Mayor and the Town Manager are authorized to take such other and further actions as may be necessary to complete the transaction authorized by this Ordinance.

Section 2. Severability.

If any section, phrase, sentence or portion of this Ordinance is, for any reason, held or deemed to be invalid or unconstitutional by any court of competent jurisdiction, then such section, phrase, sentence or portion shall be deemed a separate, distinct and independent provision and shall not affect the remaining portion thereof.

Section 3. Effective Date.

This Ordinance shall become effective upon adoption thereof by the Town Council for the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS ______ DAY OF OCTOBER, 2023.

____
Alan R. Perry, Mayor

ATTEST:

____
Kimberly Gammon, Town Clerk

First Reading: September 19, 2023

Second Reading:______________________

Approved as to form: ________________________________
Curtis L. Coltrane, Town Attorney

Introduced by Council Member:_______________________

EXHIBIT A TO ORDINANCE 2023-____

STATE OF SOUTH CAROLINA	)	
	)	UTILITY EASEMENT AGREEMENT
COUNTY OF BEAUFORT	)	

This Utility Easement Agreement is made this _____ day of December, 2022, by and between Hilton Head Public No. 1 Service District and the Town of Hilton Head Island, South Carolina.

W I T N E S S E T H

Whereas, The Town of Hilton Head Island, South Carolina, owns real property that is described as follows:

> All that certain piece, parcel or lot of land with improvements thereon, situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, consisting of3.26 Acres as shown and described on a Plat titled “Boundary Survey of 3.26 Acres, William Hilton Parkway, Hilton Head Island, Beaufort County, South Carolina,” prepared by Surveying Consultants, certified by Terry G. Hatchell, SCRLS # 11059, and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book 126 at Page 124. (hereafter, the “Town Property”).

Whereas, Hilton Head Public No. 1 Service District is a Public Service District organized under the law of the State of South Carolina, which provides water and sewer services to properties on the northern end of Hilton Head Island, South Carolina; and,

Whereas, Hilton Head Public No. 1 Service District seeks an area in which it will operate a facility known as an "Well Site" consisting of an underground well and an above ground equipment, with associated underground electric and water lines (hereinafter, the "Well Site Facility"), and access thereto; and,

Whereas, Hilton Head Public No. 1 Service District has identified a part of the Town Property as a suitable location for the Hilton Head Public No. 1 Service District; and,

Whereas, The Town of Hilton Head Island, South Carolina, willing to grant an easement to Hilton Head Public No. 1 Service District to enable the installation and operation of the Well Site Facility, on the terms and conditions set out in this Utility Easement Agreement.

Now, therefore, The Town of Hilton Head Island, South Carolina, for and in consideration of the sum of Ten ($10.00) Dollars, the receipt and sufficiency whereof is acknowledged, has bargained, granted, and sold and by these presents does hereby bargain, grant, and sell to Hilton Head Public No. 1 Service District, and its successors and assigns, perpetual, non-exclusive easements for the installation, operation and maintenance of the Well Site Facility as follows:

Easement 1:

The Town of Hilton Head Island, South Carolina, grants Hilton Head Public No. 1 Service District a perpetual non-exclusive easement on, over, under and across the area described as "Well Site, (0.07 AC)(3,191 SQ. FT.)" on a the Plat entitled "RO-4 Well & Transmission Main," prepared by W.K. Dickson & Co., Inc., dated May 18, 2023, which is attached hereto as Exhibit “A,” for the installation and maintenance of:

Above ground: Groundwater wellhead, piping, electrical, communication and control equipment and other necessary equipment in connection with the underground well; and,

Below ground: underground well, electrical power, controls wiring, water lines, and other necessary equipment connection with the underground well.

Easement 2:

The Town of Hilton Head Island, South Carolina, grants Hilton Head Public No. 1 Service District a perpetual non-exclusive easement, under and across the area described as “20’ Utility Easement” on a the Plat attached hereto as Exhibit “A,” for underground water lines,

Easement 3:

The Town of Hilton Head Island, South Carolina, grants Hilton Head Public No. 1 Service District a perpetual non-exclusive easement on, over and across the area described as “20’ Ingress/Egress Easement” on a the Plat attached hereto as Exhibit “A” for ingress and egress to and from the area described as “Well Site, (0.07 AC)(3,191 SQ. FT.)” on the Plat attached as Exhibit “A.”

The areas described as “Well Site, (0.07 AC)(3,191 SQ. FT.),” “20’ Utility Easement,” and “20’ Ingress/Egress Easement” on the Plat attached as Exhibit “A,” are referred to herein as the “Easement Property.”

Easements 1, 2 and 3are granted and accepted subject to the following terms:

1. Easements 1, 2 and 3 are conveyed subject to all other easements, licenses, and conveyances of record and are subject to the rights herein reserved by The Town of Hilton Head Island, South Carolina, and its successors and assigns, to utilize the Town Property

at any time, in any manner, and for any purpose, provided, however, that such use by The Town of Hilton Head Island, South Carolina, shall not be inconsistent with nor prevent the full utilization by Hilton Head Public No. 1 Service District, of the rights and privileges granted herein.

2. Hilton Head Public No. 1 Service District shall install and maintain in perpetuity in the landscaping on the Town Property that is shown and described on the landscape plan that is attached hereto as Exhibit "B." Hilton Head Public No. 1 Service District acknowledges that this obligation is a material term of this Utility Easement Agreement without which The Town of Hilton Head Island, South Carolina would not grant Easements 1, 2 and 3.

3. Hilton Head Public No. 1 Service District agrees to plan, lay out, build and maintain the equipment and infrastructure described in Easements 1, 2 and 3, and further agrees that the use of and access to the equipment and infrastructure and the use by Hilton Head Public No. 1 Service District of the property described as Easements 1, 2 and 3 as authorized by this Utility Easement Agreement shall be under the sole and exclusive control of Hilton Head Public No. 1 Service District, and that it shall at all times comply with all applicable laws, rules, codes, and regulations in connection with the development, construction, use and maintenance of the infrastructure and equipment described in Easements 1, 2 and 3 to be located in, on, over through and under the Easement Property.

4. Hilton Head Public No. 1 Service District agrees to cause all work contemplated hereunder to be performed in a workmanlike fashion with minimal interference to The Town of Hilton Head Island, South Carolina, and its successors, assigns, invitees, guests, licensees, and agents. Hilton Head Public No. 1 Service District, further agrees to cause the

work contemplated hereunder to be completed in an expeditious and timely fashion, and that all infrastructure and equipment described in Easements 1, 2 and 3, shall at all times be maintained in a safe condition, and that once the installation or maintenance work has been completed all materials, debris, and construction materials shall be promptly removed. Hilton Head Public No. 1 Service District shall restore any other part of the Town Property which may be damaged as a result of Hilton Head Public No. 1 Service District's exercise of the rights granted in this Utility Easement to its pre-existing state.

5. From the date of the commencement of the construction and installation of the infrastructure and equipment described in Easements 1, 2 and 2, Hilton Head Public No. 1 Service District, shall, at its sole cost and expense, cause all timely cleaning, repair, renovation, and maintenance in general to the infrastructure and equipment described in Easements 1, 2 and 3, as shall be or shall become necessary or prudent for the reasonable safety of all persons.

6. Any notice required to be given under the terms of this Utility Easement Agreement shall be made by personal delivery or mail to The Town of Hilton Head Island, South Carolina, or Hilton Head Public No. 1 Service District at the following addresses:

To The Town of Hilton Head Island, South Carolina:	ATTN: Town Manager One Town Center Court Hilton Head Island, SC 29928;
To Hilton Head No. 1 Public Service District:	ATTN: Manager Post Office Box 21264 Hilton Head Island, SC 29925;

or to such other address as The Town of Hilton Head Island, South Carolina, or Hilton Head Public No. 1 Service District may direct by written notification to the other.

In Witness whereof, Hilton Head Public No. 1 Service District, by and through John P. Nardi, its duly authorized General Manager has executed and delivered this Utility Easement Agreement on this ___ day of October, 2023.

WITNESSES:	HILTON HEAD PUBLIC NO. 1 SERVICE DISTRICT
______________________________	By:___________________________ John P. Nardi
______________________________	Its: General Manager

STATE OF SOUTH CAROLINA	)	UNIFORM ACKNOWLEDGMENT
	)	
COUNTY OF BEAUFORT	)	S. C. CODE ANN. § 30-5-30 (Supp. 2023)

I, the undersigned Notary Public do hereby certify that John P. Nardi, General Manager of Hilton Head Public No. 1 Service District, personally appeared before me on this day and duly acknowledged the execution of this Utility Easement Agreement.

Sworn to and Subscribed before me
on this _____ Day of October, 2023.

____
Notary Public for South Carolina
My Commission Expires:______________

In Witness whereof, The Town of Hilton Head Island, South Carolina, by and through Alan R. Perry and Marc A. Orlando, its duly authorized Mayor and Town Manager has executed and delivered this Utility Easement Agreement on this ___ day of October, 2023.

WITNESSES:	THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA
______________________________	By:___________________________ Alan R. Perry, Mayor
______________________________	Its:___________________________ Marc A. Orlando, Town Manager

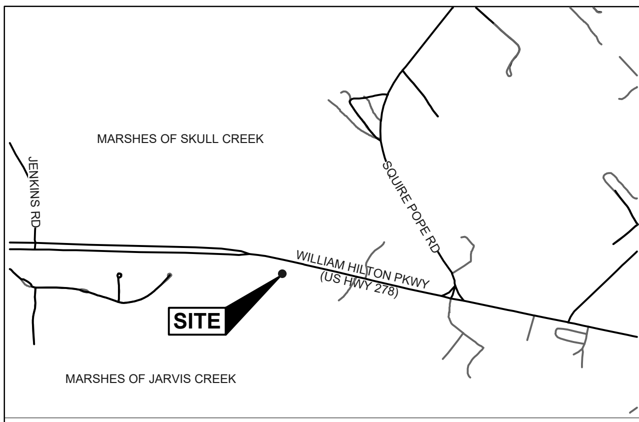
STATE OF SOUTH CAROLINA	)	UNIFORM ACKNOWLEDGMENT
	)	
COUNTY OF BEAUFORT	)	S. C. CODE ANN. § 30-5-30 (Supp. 2023)

I, the undersigned Notary Public do hereby certify that Alan R. Perry, Mayor, and Marc A. Orlando, Town Manager, personally appeared before me on this day and duly acknowledged the execution of this Utility Easement Agreement.

Sworn to and Subscribed before me
on this _____ Day of October, 2023.

____
Notary Public for South Carolina
My Commission Expires:______________

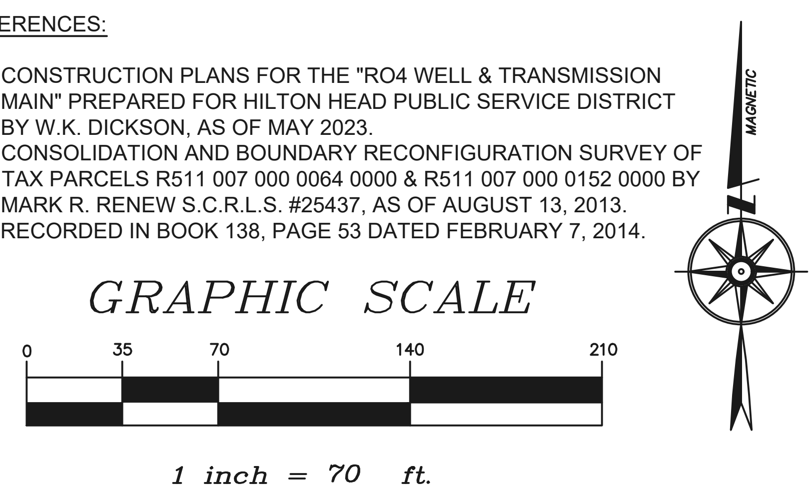
EXHIBIT A TO UTILITY EASEMENT AGREEMENT



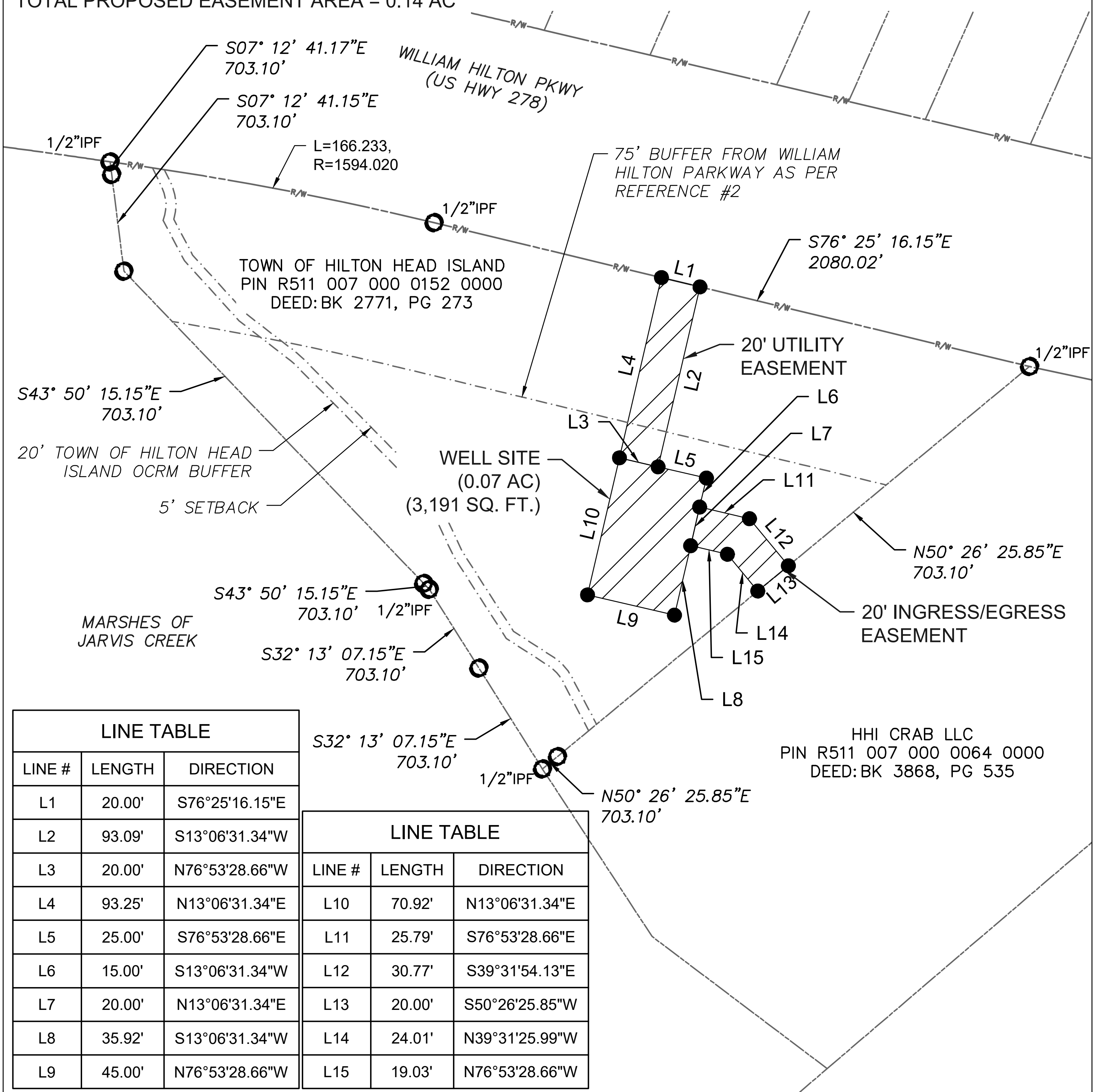
LOCATION MAP
N.T.S.

REFERENCES:

1. CONSTRUCTION PLANS FOR THE "RO4 WELL & TRANSMISSION MAIN" PREPARED FOR HILTON HEAD PUBLIC SERVICE DISTRICT BY W.K. DICKSON, AS OF MAY 2023.
2. CONSOLIDATION AND BOUNDARY RECONFIGURATION SURVEY OF TAX PARCELS R511 007 000 0064 0000 & R511 007 000 0152 0000 BY MARK R. RENEW S.C.R.L.S. #25437, AS OF AUGUST 13, 2013. RECORDED IN BOOK 138, PAGE 53 DATED FEBRUARY 7, 2014.



TOTAL PROPOSED EASEMENT AREA = 0.14 AC



LINE TABLE

LINE #	LENGTH	DIRECTION
L1	20.00'	S76°25'16.15"E
L2	93.09'	S13°06'31.34"W
L3	20.00'	N76°53'28.66"W
L4	93.25'	N13°06'31.34"E
L5	25.00'	S76°53'28.66"E
L6	15.00'	S13°06'31.34"W
L7	20.00'	N13°06'31.34"E
L8	35.92'	S13°06'31.34"W
L9	45.00'	N76°53'28.66"W

LINE TABLE

LINE #	LENGTH	DIRECTION
L10	70.92'	N13°06'31.34"E
L11	25.79'	S76°53'28.66"E
L12	30.77'	S39°31'54.13"E
L13	20.00'	S50°26'25.85"W
L14	24.01'	N39°31'25.99"W
L15	19.03'	N76°53'28.66"W

OWNER INFORMATION:
PIN R511 007 000 0152 0000
TOWN OF HILTON HEAD ISLAND
1 TOWN CENTER CT
HILTON HEAD ISL, SC 29928

SYM.	REVISION DESCRIPTION	DATE	APPROV. BY

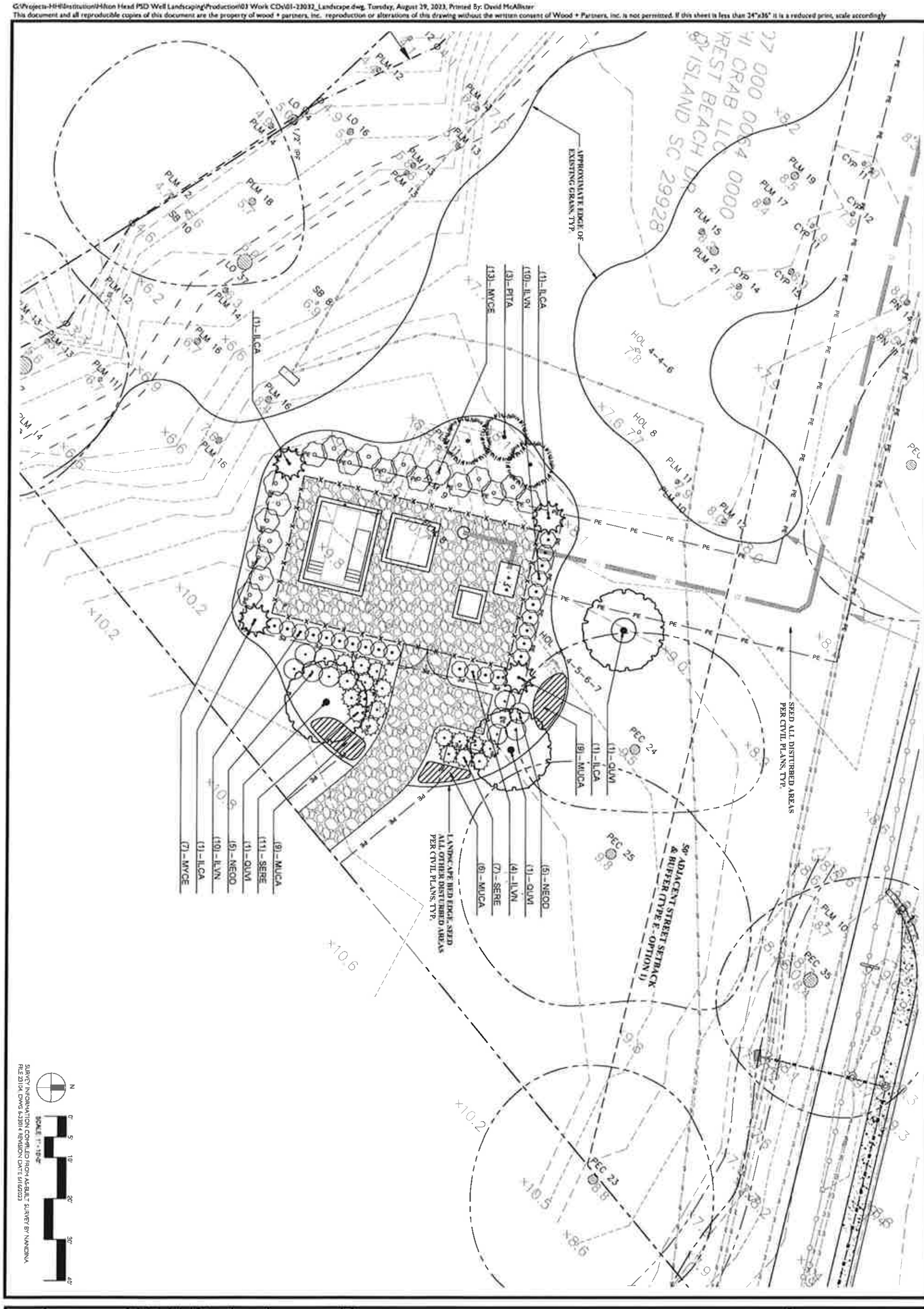
PREPARED FOR: HILTON HEAD PUBLIC SERVICE DISTRICT
21 OAK PARK DRIVE
HILTON HEAD ISLAND, SOUTH CAROLINA 29926

LEGEND

1/2"RBF	REBAR (FOUND)
	CALCULATED POINT
	PROPERTY LINE
R/W	EX. RIGHT OF WAY
	PROPOSED PROPERTY ACQUISITION

SCALE: 1" = 70'	APPROVED BY:	DRAWN BY: TDD
DATE: 5/18/2023		CKD. WRF
REVISION DATE:	PREPARED BY: W.K. DICKSON & CO., INC.	EASEMENT NO. 1 OF 1
RO-4 WELL & TRANSMISSION MAIN		DRAWING NO. 1 OF 1

EXHIBIT B TO UTILITY EASEMENT AGREEMENT



HILTON HEAD PUBLIC SERVICE DISTRICT	WOOD+PARTNERS
R04 WELL	LANDSCAPE ARCHITECTURE LAND PLANNING
100 William Hilton Pkwy	7 Lafayette Place | Hilton Head Island, SC 29926
Hilton Head Island, SC	www.woodandpartners.com | 843.681.6618

PROFESSIONAL SEAL

DRAWN BY DM
CHECKED BY DM

DATE 8-29-2023
PROJECT NUMBER 01-23032
SHEET TITLE
Planting Plan
SHEET NUMBER
L-100

PLANT SCHEDULE

TREES	QTY	BOTANICAL NAME	COMMON NAME	CONT	CAL	HEIGHT	SPREAD	SPACING	REMARKS
ILCA	4	[illegible]	[illegible]	B & B or Cont	2" Cal	[illegible]	[illegible]		Full to ground, strong central leader
PITA	[illegible]	Pinus taeda	Loblolly Pine	[illegible]	[illegible]	[illegible]	[illegible]		Strong central leader
QUVI	[illegible]	[illegible]	Live Oak	[illegible]	[illegible]	[illegible]	[illegible]		Strong central leader
SHRUBS	**QTY**	**BOTANICAL NAME**	**COMMON NAME**	**CONT**		**HEIGHT**	**SPREAD**		
[illegible]	24	[illegible]	Dwarf Yaupon Holly	3 gal		24"-30"	18"-24"		Full in pot
MYCE	10	Myrica cerifera	Wax Myrtle	3 gal		18" - 24"	18" - 24"		Full in pot
NEOD	10	Nerium oleander 'Petite Pink'	Dwarf Oleander	3 gal		24"-36"	18"-24"		Full
SERE	18	Serenoa repens	Saw Palmetto	7 gal		24"-30"	18"-24"		Full in pot
GROUND COVERS	**QTY**	**BOTANICAL NAME**	**COMMON NAME**	**CONT**		**HEIGHT**	**SPREAD**	**SPACING**	
[illegible]	24	[illegible]	Pink Muhly Grass	1 gal		12"-18"	12" - 15"	36" o.c.	Full pot

GENERAL PLANTING & IRRIGATION NOTES:

LANDSCAPE NOTES:

1. THE OWNER'S REP. SHALL APPROVE ALL PLANT SUBSTITUTIONS PRIOR TO PURCHASE OR INSTALLATION
2. PLANT SCHEDULE WAS PREPARED FOR ESTIMATING PURPOSES FOR THE CONTRACTOR'S CONVENIENCE ONLY. ITS ACCURACY IS NOT GUARANTEED. CONTRACTOR SHALL MAKE OWN QUANTITY TAKEOFF USING DRAWINGS TO DETERMINE QUANTITIES TO HIS SATISFACTION, REPORTING PROMPTLY ANY DISCREPANCIES WHICH MAY AFFECT BIDDING
3. WARRANT EXTERIOR PLANTS FOR ONE YEAR FROM DATE OF SUBSTANTIAL COMPLETION, AGAINST DEFECTS INCLUDING DEATH AND UNSATISFACTORY GROWTH, EXCEPT FOR DEFECTS RESULTING FROM LACK OF ADEQUATE MAINTENANCE, NEGLECT, OR ABUSE BY OWNER, OR INCIDENTS THAT ARE BEYOND CONTRACTOR'S CONTROL
4. CONTRACTOR VERIFIES THAT ALL PLANT MATERIAL IS DETERMINED AVAILABLE AS SPECIFIED WHEN BID/PROPOSAL IS SUBMITTED. DO NOT MAKE SUBSTITUTIONS. IF THERE ARE DIFFICULTIES LOCATING PLANT MATERIAL AS SPECIFIED, CONTACT LANDSCAPE ARCHITECT OR OWNER'S REP. PRIOR TO BIDDING
5. THE CONTRACTOR SHALL COORDINATE WITH OWNER/OWNER'S REPRESENTATIVE TO ESTABLISH A PLANTING SCHEDULE THAT PRIORITIZES THE PLANTING OF ALL TREES AND LAWN AREAS
6. ALL PLANT MATERIAL SHALL HAVE A WELL FORMED HEAD WITH THE MINIMUM CALIPER, HEIGHT, SPREAD AS SHOWN IN THE PLANT SCHEDULE. TRUNKS SHALL BE UNDAMAGED AND SHAPE SHALL BE TYPICAL OF THE SPECIES
7. ALL PLANT MATERIAL SHALL BE SUBJECT TO APPROVAL BY THE OWNERS REPRESENTATIVE BEFORE, DURING AND AFTER INSTALLATION
8. ALL PLANTING TECHNIQUES SHALL CONFORM TO APPROVED INDUSTRY STANDARDS
9. PLANTS BED TO BE FINE GRADED, CONSIST OF HAND RAKED SMOOTH, FREE OF ROCKS, ROOTS, AND OTHER DEBRIS. ALL AREAS TO RECEIVE LANDSCAPE PLANTING, INCLUDING LAWN AREAS IF APPLICABLE, AND/OR PINE STRAW MULCH
10. ALL PLANT BEDS SHALL BE MULCHED WITH PINESTRAW MULCH TO A DEPTH OF 4" UNLESS NOTED OTHERWISE
11. ALL PLANT BEDS TO RECEIVE PRE-EMERGENT TREATMENT PRIOR TO MULCHING (PREEN OR APPROVED EQUAL)
12. ALL LAWN AREAS AND PLANT BEDS TO BE FERTILIZED WITH A TIMED RELEASE FERTILIZER
13. NOTIFY OWNER'S REP. OF ANY SITE CONDITIONS WHICH MAY NECESSITATE MODIFICATION TO THE PLAN. OWNER'S REP. SHALL, IF NECESSARY, MAKE "IN-FIELD MODIFICATIONS"
14. MAINTAIN PLANT BEDS FREE OF WEEDS & DEBRIS DURING THE CONSTRUCTION PERIOD

WATERING NOTES:

15. CONTRACTOR RESPONSIBLE FOR WATERING ALL NEW PLANTINGS TO ENSURE ESTABLISHMENT. PROVIDE GATOR BAGS (OR EQUAL) ON ALL NEW TREES AND MAINTAIN WATER IN BAGS FOR THE FIRST 12 MONTHS AFTER PLANTING
16. SUPPLEMENTAL WATER SHALL BE PROVIDED TO ENCOURAGE VIGOROUS GROWTH AND PLANT ESTABLISHMENT. DO NOT WATER PLANTS IF THE SOIL IS SATURATED
17. SHRUBS AND ORNAMENTAL GRASSES SHALL BE WATERED UNDER THE FOLLOWING SCHEDULE
    - 17.1 WATER ALL SHRUBS AND ORNAMENTAL GRASSES DAILY FOR THE FIRST TWO WEEKS AFTER PLANTING. WATER EVERY OTHER DAY FOR THE REMAINING 2 WEEKS IN THE FIRST MONTH AFTER PLANTING
    - 17.2 WATER TWICE PER WEEK IN THE SECOND MONTH AFTER PLANTING
    - 17.3 WATER ONCE PER WEEK UNTIL ESTABLISHED FOR THE REMAINING 10 MONTHS AFTER PLANTING

TREES TO BE REMOVED

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
CATEGORY II TREES REMOVED	HOLLY HOLLY PECAN	[illegible] [illegible] 24"	[illegible]
[illegible]	PALM PALM PALM PALM PINE PINE	[illegible]	[illegible]

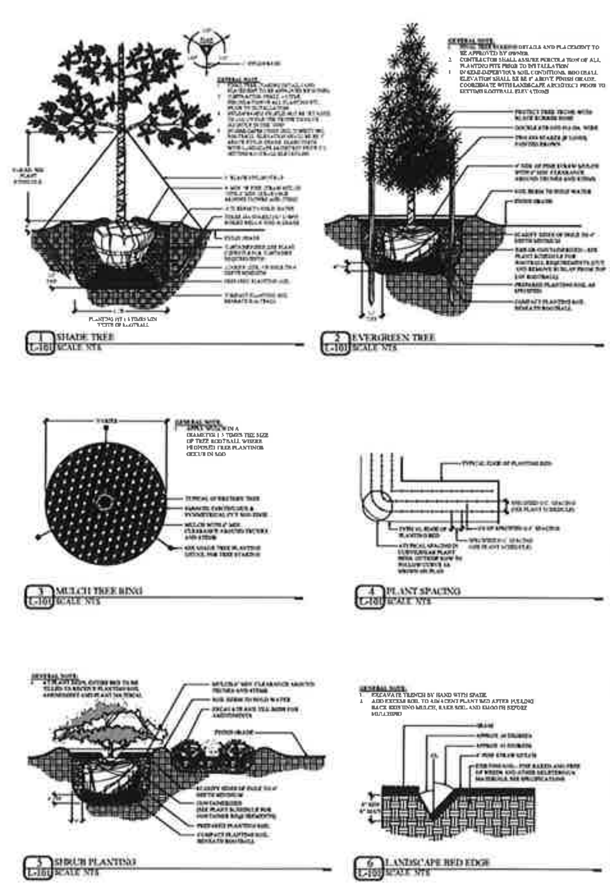
TREE REMOVAL SUMMARY

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
CATEGORY II TREES REMOVED	[illegible]	[illegible]
CATEGORY III TREES REMOVED	[illegible]	[illegible]

TREE REPLACEMENT SUMMARY

TREE REPLACEMENT 1 PER 12" REMOVED FOR EACH CATEGORY

TREE CATEGORY	INCHES REMOVED	# REPLACEMENT TREES REQUIRED	# REPLACEMENT TREES PROVIDED
I	[illegible] LAUREL OAK	[illegible] (2" CAL. MIN.)	(3) 2" CAL. LIVE OAK
II	[illegible] HOLLIES 24" PECAN	[illegible] (2" CAL. MIN.)	(4) 2" CAL. DAHOON HOLLIES
III	45" PALM 25" PINE	[illegible] CAL. MIN.)	(1) [illegible] CAL. LIVE OAK (BORROWED FROM CAT. I) [illegible] CAL. PINE



WOOD+PARTNERS
7 Lafayette Place | Hilton Head Island, SC 29926
www.woodandpartners.com | 843.681.6618

HILTON HEAD PUBLIC SERVICE DISTRICT
R04 WELL
100 William Hilton Pkwy
Hilton Head Island, SC

PROFESSIONAL SEAL

DRAWN BY
DN
CHECKED BY
DN

DATE
8-29-2023
PROJECT NUMBER
01-23072
SHEET TITLE
Planting Plan

SHEET NUMBER
L-101

EXHIBIT B TO ORDINANCE 2023-____

STATE OF SOUTH CAROLINA	)	
	)	UTILITY EASEMENT AGREEMENT
COUNTY OF BEAUFORT	)	

This Utility Easement Agreement is made this _____ day of December, 2022, by and between Hilton Head Public No. 1 Service District and the Town of Hilton Head Island, South Carolina.

W I T N E S S E T H

Whereas, The Town of Hilton Head Island, South Carolina, owns real property that is described as follows:

> All that certain piece, parcel or tract of land situate, lying and being in the Town of Hilton Head Island, Beaufort County, South Carolina, containing 74.33 acres more or less, as shown on a plat of survey dated February 16, 1996, prepared by Coastal Surveying, Inc., Michael R. Dunnigan, SCRLS Number 11905, entitled "A Plat of 74.33 Acres lying between Mathews Drive and U.S. Highway 278, a Section of the Ashmore Tract," recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book 55 at Page 152. (hereafter, the "Town Property").

Whereas, Hilton Head Public No. 1 Service District is a Public Service District organized under the law of the State of South Carolina, which provides water and sewer services to properties on the northern end of Hilton Head Island, South Carolina; and,

Whereas, Hilton Head Public No. 1 Service District seeks an area in which it will operate a facility known as an “Well Site” consisting of an underground well and an above ground equipment, with associated underground electric and water lines (hereinafter, the “Well Site Facility”), and access thereto; and,

Whereas, Hilton Head Public No. 1 Service District has identified a part of the Town Property as a suitable location for the Hilton Head Public No. 1 Service District; and,

Whereas, The Town of Hilton Head Island, South Carolina, willing to grant an easement to Hilton Head Public No. 1 Service District to enable the installation and operation of the Well Site Facility, on the terms and conditions set out in this Utility Easement Agreement.

Now, therefore, The Town of Hilton Head Island, South Carolina, for and in consideration of the sum of Ten ($10.00) Dollars, the receipt and sufficiency whereof is acknowledged, has bargained, granted, and sold and by these presents does hereby bargain, grant, and sell to Hilton Head Public No. 1 Service District, and its successors and assigns, perpetual, non-exclusive easements for the installation, operation and maintenance of the Well Site Facility as follows:

Easement 1:

The Town of Hilton Head Island, South Carolina, grants to Hilton Head Public No. 1 Service District a perpetual non-exclusive easement on, over, under and across the area described as “Well Site (0.38 AC)(16,454 SQ. FT.)” on a the Plat entitled “RO-4 Well & Transmission Main,” prepared by W.K. Dickson & Co., Inc., dated May 22, 2023, which is attached hereto as Exhibit “A,” for the installation and maintenance of:

Above ground: Groundwater wellhead, piping, electrical, communication and control equipment and other necessary equipment in connection with the underground well; and,

Below ground: underground well, electrical power, controls wiring, water lines, and other necessary equipment connection with the underground well.

Easement 2:

The Town of Hilton Head Island, South Carolina, grants the Hilton Head Public No. 1 Service District a perpetual non-exclusive easement, under and across the area described as “40’ Utility Easement” on a the Plat attached hereto as Exhibit “A,” for underground water lines. Hilton Head Public No. 1 Service District acknowledges that the installation of all underground water lines in the area described as “40’ Utility Easement” on a the Plat attached hereto as Exhibit “A,” shall be by a method that will not require the removal of trees from the Town Property. However, in the event that the removal of any tree is determined to be necessary, Hilton Head No. 1 Public Service District shall see prior written approval from the Town, which approval shall not be unreasonably withheld. Hilton Head Public No. 1 Service District acknowledges that this obligation regarding trees on the Town Property is a material term of this Utility Easement Agreement without which The Town of Hilton Head Island, South Carolina would not grant Easements 1, 2 and 3.

Easement 3:

The Town of Hilton Head Island, South Carolina, grants Hilton Head Public No. 1 Service District a perpetual non-exclusive easement on, over and across that part of the area described as “40’ Ingress/Egress Easement” on the Plat attached hereto as Exhibit “A” for ingress and egress to and from the area described as “Well Site (0.38 AC)(16,454 SQ. FT.)”

on the Plat attached as Exhibit “A.” Hilton Head Public No. 1 Service District acknowledges that this limitation and restriction on the access is a material term of this Utility Easement Agreement without which The Town of Hilton Head Island, South Carolina would not grant Easements 1, 2 and 3.

The areas described as ““Well Site (0.38 AC)(16,454 SQ. FT.),” “40’ Utility Easement,” and “40’ Ingress/Egress Easement” on the Plat attached as Exhibit “A,” are referred to herein as the “Easement Property.”

Easements 1, 2 and 3are granted and accepted subject to the following terms:

1. Easements 1, 2 and 3 are conveyed subject to all other easements, licenses, and conveyances of record and are subject to the rights herein reserved by The Town of Hilton Head Island, South Carolina, and its successors and assigns, to utilize the Town Property at any time, in any manner, and for any purpose, provided, however, that such use by The Town of Hilton Head Island, South Carolina, shall not be inconsistent with nor prevent the full utilization by Hilton Head Public No. 1 Service District, of the rights and privileges granted herein.

2. Hilton Head Public No. 1 Service District agrees to plan, lay out, build and maintain the equipment and infrastructure described in Easements 1, 2 and 3, and further agrees that the use of and access to the equipment and infrastructure and the use by Hilton Head Public No. 1 Service District of the property described as Easements 1, 2 and 3 as authorized by this Utility Easement Agreement shall be under the sole and exclusive control of Hilton Head Public No. 1 Service District, and that it shall at all times comply with all applicable laws, rules, codes, and regulations in connection with the development, construction, use and maintenance of the infrastructure and equipment described in Easements 1, 2 and 3 to

be located in, on, over through and under the Easement Property.

3. Hilton Head Public No. 1 Service District agrees to cause all work contemplated hereunder to be performed in a workmanlike fashion with minimal interference to The Town of Hilton Head Island, South Carolina, and its successors, assigns, invitees, guests, licensees, and agents. Hilton Head Public No. 1 Service District, further agrees to cause the work contemplated hereunder to be completed in an expeditious and timely fashion, and that all infrastructure and equipment described in Easements 1, 2 and 3, shall at all times be maintained in a safe condition, and that once the installation or maintenance work has been completed all materials, debris, and construction materials shall be promptly removed. Hilton Head Public No. 1 Service District shall restore any other part of the Town Property which may be damaged as a result of Hilton Head Public No. 1 Service District's exercise of the rights granted in this Utility Easement to its pre-existing state.

4. From the date of the commencement of the construction and installation of the infrastructure and equipment described in Easements 1, 2 and 2, Hilton Head Public No. 1 Service District, shall, at its sole cost and expense, cause all timely cleaning, repair, renovation, and maintenance in general to the infrastructure and equipment described in Easements 1, 2 and 3, as shall be or shall become necessary or prudent for the reasonable safety of all persons.

5. Any notice required to be given under the terms of this Utility Easement Agreement shall be made by personal delivery or mail to The Town of Hilton Head Island, South Carolina, or Hilton Head No. 1 Public Service District at the following addresses:

To The Town of Hilton Head Island,
South Carolina: ATTN: Town Manager
One Town Center Court

Hilton Head Island, SC 29928;

To Hilton Head No. 1 Public Service District: ATTN: Manager
Post Office Box 21264
Hilton Head Island, SC 29925;

or to such other address as The Town of Hilton Head Island, South Carolina, or Hilton Head Public No. 1 Service District may direct by written notification to the other.

In Witness whereof, Hilton Head Public No. 1 Service District, by and through John P. Nardi, its duly authorized General Manager has executed and delivered this Utility Easement Agreement on this ___ day of October, 2023.

WITNESSES:	HILTON HEAD PUBLIC NO. 1 SERVICE DISTRICT
______________________________	By:___________________________ John P. Nardi
______________________________	Its: General Manager

STATE OF SOUTH CAROLINA) UNIFORM ACKNOWLEDGMENT
)
COUNTY OF BEAUFORT) S. C. CODE ANN. § 30-5-30 (Supp. 2023)

I, the undersigned Notary Public do hereby certify that John P. Nardi, General Manager of Hilton Head Public No. 1 Service District, personally appeared before me on this day and duly acknowledged the execution of this Utility Easement Agreement.

Sworn to and Subscribed before me
on this _____ Day of October, 2023.

____
Notary Public for South Carolina
My Commission Expires:_____________

In Witness whereof, The Town of Hilton Head Island, South Carolina, by and through Alan R. Perry and Marc A. Orlando, its duly authorized Mayor and Town Manager has executed and delivered this Utility Easement Agreement on this ___ day of October, 2023.

WITNESSES:	THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA
______________________________	By:____________________________ Alan R. Perry, Mayor
______________________________	Its:____________________________ Marc A. Orlando, Town Manager

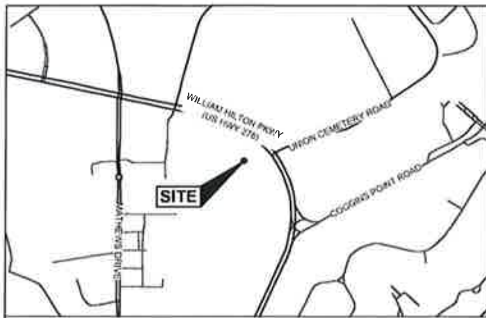
STATE OF SOUTH CAROLINA	)	UNIFORM ACKNOWLEDGMENT
	)	
COUNTY OF BEAUFORT	)	S. C. CODE ANN. § 30-5-30 (Supp. 2023)

I, the undersigned Notary Public do hereby certify that Alan R. Perry, Mayor, and Marc A. Orlando, Town Manager, personally appeared before me on this day and duly acknowledged the execution of this Utility Easement Agreement.

Sworn to and Subscribed before me
on this _____ Day of October, 2023.

____
Notary Public for South Carolina
My Commission Expires:______________

EXHIBIT A TO UTILITY EASEMENT AGREEMENT



LOCATION MAP
N.T.S.

REFERENCES:

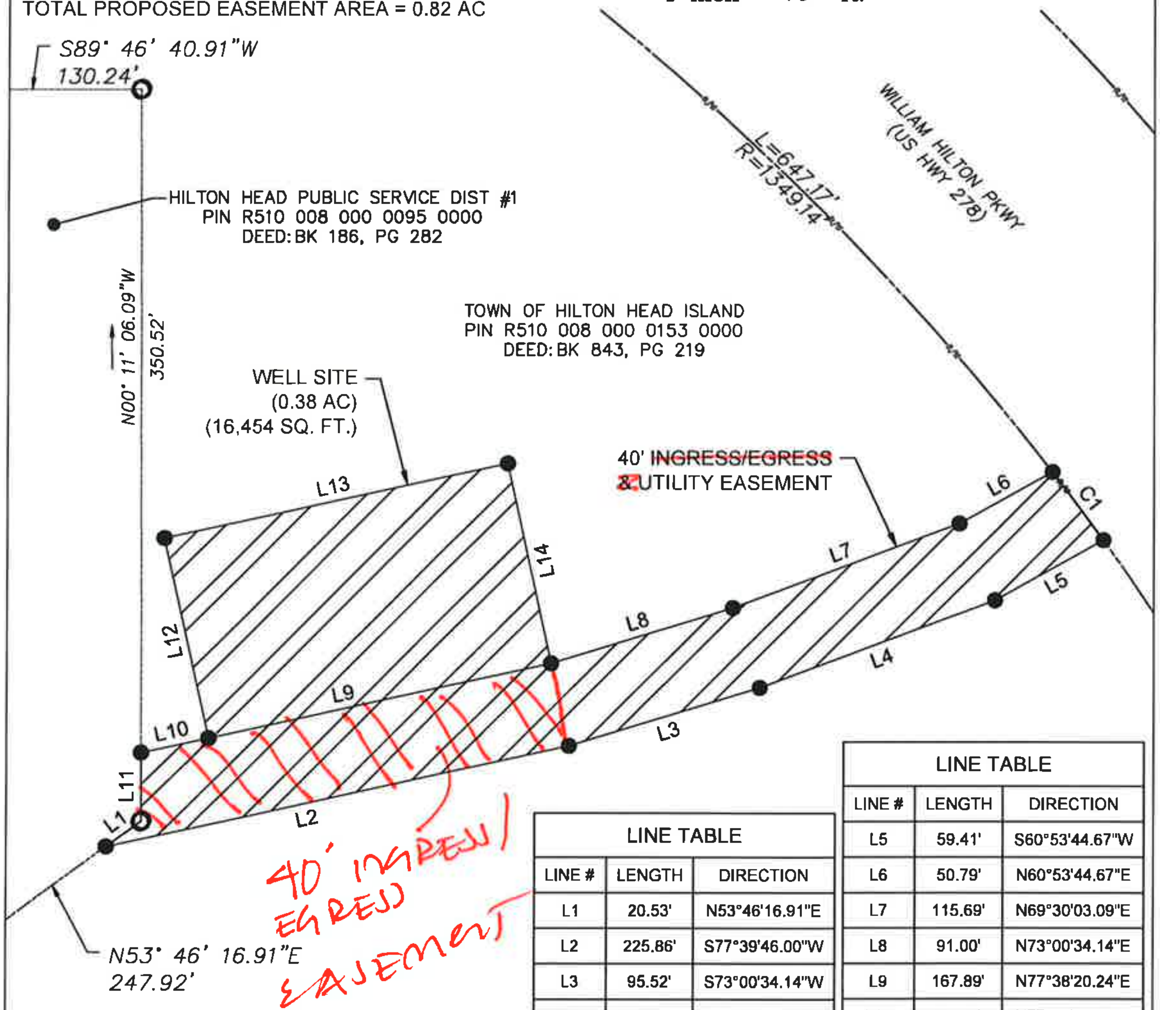
1. CONSTRUCTION PLANS FOR THE "RO4 WELL & TRANSMISSION MAIN" PREPARED FOR HILTON HEAD PUBLIC SERVICE DISTRICT BY W.K. DICKSON, AS OF MAY 2023.

GRAPHIC SCALE

0 35 70 140 210

1 inch = 70 ft.

TOTAL PROPOSED EASEMENT AREA = 0.82 AC



LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	20.53'	N53°46'16.91"E
L2	225.86'	S77°39'46.00"W
L3	95.52'	S73°00'34.14"W
L4	119.96'	S69°30'03.09"W

LINE TABLE		
LINE #	LENGTH	DIRECTION
L5	59.41'	S60°53'44.67"W
L6	50.79'	N60°53'44.67"E
L7	115.69'	N69°30'03.09"E
L8	91.00'	N73°00'34.14"E
L9	167.89'	N77°38'20.24"E
L10	32.30'	N77°38'20.24"E
L11	32.82'	N00°11'06.09"W
L12	98.04'	N12°20'14.00"W
L13	167.89'	N77°39'46.00"E
L14	97.98'	S12°20'14.00"E

CURVE TABLE				
CURVE #	ARC LENGTH	RADIUS	CHORD BRG.	CHORD LENGTH
C1	40.73'	1349.14'	S36°58'40.34"E	40.73'

OWNER INFORMATION:
PIN R510 008 000 0153 0000
TOWN OF HILTON HEAD ISLAND
1 TOWN CENTER CT
HILTON HEAD ISL, SC 29928

SYM.	REVISION DESCRIPTION	DATE	APPROV. BY

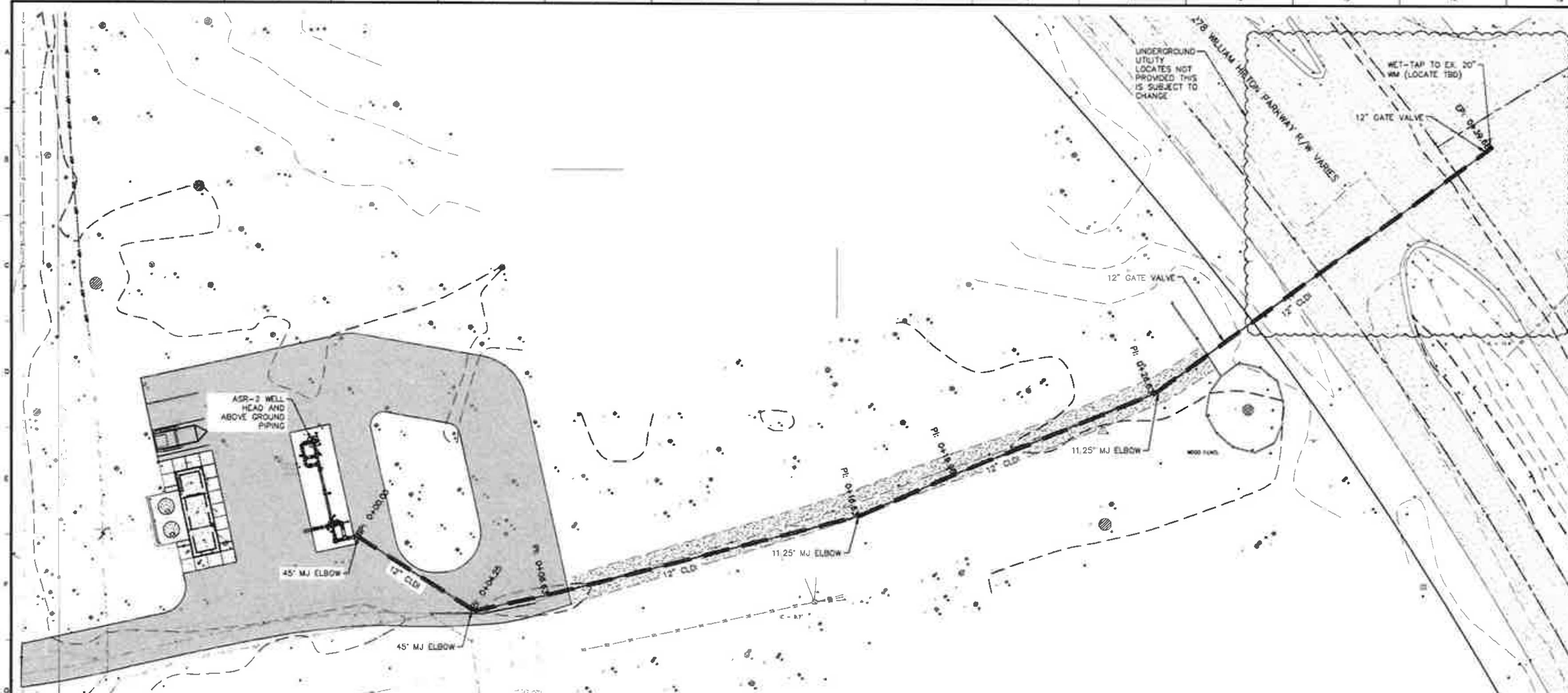
PREPARED FOR: HILTON HEAD PUBLIC SERVICE DISTRICT
21 OAK PARK DRIVE
HILTON HEAD ISLAND, SOUTH CAROLINA 29926

LEGEND

- ½"RBF — REBAR (FOUND)
- ● — CALCULATED POINT
- ——— — PROPERTY LINE
- —R/W— — EX. RIGHT OF WAY
- ////// — PROPOSED PROPERTY ACQUISITION

SCALE: 1" = 70'	APPROVED BY:	DRAWN BY: TDD
DATE: 5/22/2023		CKD. WRF
REVISION DATE:	PREPARED BY: W.K. DICKSON & CO., INC.	EASEMENT NO. 1 OF 1
RO-4 WELL & TRANSMISSION MAIN		DRAWING NO. 1 OF 1

EXHIBIT B TO UTILITY EASEMENT AGREEMENT



Ⓐ AS-AR DISTRIBUTION PLAN & SECTION
SCALE: 1:20

INSERT SECTION PROFILE FOR AS / AR
DISTRIBUTION LINE

Ⓑ SECTION
SCALE: 1:20

ASR SYSTEMS

HiltonHeadPSD
HILTON HEAD PUBLIC SERVICE DISTRICT
21 OAK PARK DRIVE
HILTON HEAD, SC 29926

ASR WELL #2
ASHMORE - UNION CEMETERY

XXXX
HILTON HEAD, SC

DATE: 5/18/23
PROJECT NO: HHPSD-22 02
SUBMITTAL: PRELIMINARY 30% SUBMITTAL
CIVIL

AS-AR DISTRIBUTION PLAN & SECTION

C-03

03 of XX