



Town of Hilton Head Island
TOWN COUNCIL MEETING
Tuesday, July 23, 2024, 3:00 PM
Minutes

Call to Order

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

Council Members present: Alan Perry, Mayor, David Ames, Ward 3, Mayor Pro-Tempore; Alex Brown, Ward 1; Patsy Brison, Ward 2; Tammy Becker, Ward 4; Steve Alfred, Ward 5; Glenn Stanford, Ward 6

Invocation – Reverend Diane Knauf, First Presbyterian Church

Reverend Knauf delivered the invocation.

Adoption of the Agenda

Mr. Ames moved to approve. M. Brison seconded. Motion carried 7-0.

Approval of the Minutes

Special Workshop Minutes of June 17, 2024

Regular Meeting Minutes of June 18, 2024

Special Workshop Minutes of June 20, 2024

Special Meeting Minutes of June 28, 2024

Mr. Ames moved to approve the minutes of June 17, June 18, June 20 and June 28. Mr. Alfred seconded.

Ms. Brison stated that considering the length of time the meetings took, she would like more time to review the minutes. **Ms. Brison moved to amend the motion to put off consideration of the minutes until the next meeting. Ms. Becker seconded. The amended motion carried 7-0.**

Mr. Ames withdrew his original motion.

Report of the Town Manager

Mr. Orlando shared the following:

Office of Cultural Affairs

The Office of Cultural Affairs was recently awarded a Festivals Grant from the South Carolina Arts Commission, which receives support from the National Endowment of the Arts. These matching funds (\$6,750) will help underwrite the Lantern Parade production expenses including artist fees. The Hilton Head Island Lantern Parade was first held in

2019 and has become a favorite community tradition since then. Having the support of the South Carolina Arts Commission is greatly appreciated and affirms the Town's commitment to the arts in our community.

Community Development

On June 10, Chris Lewis joined the Planning Department as our Building Official. Chris brings extensive expertise to our team with over 30 years of experience in the architecture, building and construction industry and 16 years specializing in local government building, inspections, and plan review. His responsibilities as Building Official are to ensure the built environment on Hilton Head Island is safe for all. He oversees a team within the Building, Inspections and Compliance Division ensuring that construction activities follow codes and safety regulations. Chris's solutions-oriented approach and industry leadership experience make him a valuable addition to the Planning Department. Chris has already been impactful in helping to navigate some very large and complex projects on the Island.

Interns

Josh Cunningham

Joshua joined us as an IT Intern effective June 3, 2024. Joshua is a driven Information Technology student from Towson University, specializing in Data Analytics.

He has demonstrated his skills through various programming projects and has been actively involved in community service, supporting initiatives such as food and clothing drives and facilitating youth financial literacy workshops. Reporting to Tommy Sunday, Technology & Innovation Director, Joshua will provide administrative and technical support to the Technology & Innovation Department

Kendal Wagner

Kendal joined us as a Planning Intern effective May 22, 2024. Kendal is a dedicated student from the College of Charleston, where she is pursuing degrees in Historical Preservation and Community Planning, as well as Anthropology. Kendal brings experience in community engagement and leadership, having served as the President of the Ballroom Dance Club and volunteering at various organizations including Kaleidoscope Tutoring and Volunteers in Medicine. Reporting to Shea Farrar, Principal Planner, Kendal will contribute to major project initiatives in our Community Planning Division.

Sand Shark Welcome Week proclamation

Laura Bessent and Makayla Mays were present to accept the proclamation.

Parks and Recreation Month Proclamation

Kristen Keller, President, Island Recreation Association, Leah Arnold, Deputy Parks and Recreation Executive Director and a number of Island Recreation Association youth participants were present to accept the proclamation.

Office of Cultural Affairs – Update – Natalie Harvey, Director of Cultural Affairs

Ms. Harvey provided an update noting it is great seeing members of Council at many of the cultural events and activities. She informed Council regarding what has taken place

and future planned events and promotional activities.

Promote Hilton Head Island's Art, Culture, and History

- Increased listings on CultureHHI.org event calendar
- Sponsored content with Georgia Public Broadcasting
- Distribution of Cultural Trail Map to visitors and residents
- Social Media followers (9,800 FB, 1,900 IG) and E-Newsletter subscribers (5,340) up 10% in FY24.

Increase the community's access to cultural, historical, and artistic experiences.

- 2 artist exhibits each month at Island Rec Center
- Assisted Arts Center of Coastal Carolina with a mural commission for Hilton Head Island Middle School

Create and implement community-oriented programs, events, and experiences connected to arts and culture.

- Rock painting activity at Island Rec Center's Party in the Park + Maker's Fair in cooperation with The Breeze Trolley
- Lantern workshops this fall
- Pursue a Cultural District application with SC Arts Commission in 2025

Public Art Projects

- Hilton Head Fishing Cooperative exhibit and mural unveiling
- Temporary installation at Shelter Cove Sculpture Trail changing in September

Outreach, Community Engagement, and Special Events

- Assisting with Juneteenth events at Historic Mitchelville Freedom Park
- OCA tents at community events (Gullah Celebration, Wingfest, Juneteenth, Oyster Festival, etc.) & attend events
- Presentations at 9 resort properties weekly – with over 6,000 in attendance since November.
- Attended SC Arts Advocacy Day in Columbia in February.

Crescendo and Lantern Parade

- Kickoff scheduled 10/15 – Guest artist, Grammy Award winner *Charlton Singleton & Contemporary Flow*

Hilton Head Island Jam September 19-22

Crescendo October 15 – November 23

Lantern Parade – 11/23

Community Tree Lighting & program December 7

Community Menorah Lighting – To be determined

Members of Council asked questions, made comments and held discussion regarding: the need to enhance the experiences on Hilton Head Island by advocating for the cultural district; the opinion that there are two cultural districts which are very different, one being in the Palmetto Bay Corridor which is more eclectic, informal and energetic and the other in the Shelter Cove area which has the more traditional kinds of art and cultural experiences; the need to advocate for district plans to include those cultural facilities in those areas; inquiry as to the advantages of seeking State designation as a cultural district; confirmation that the value of the designation would enhance the

important part of our community as well as provide a small amount of marketing dollars that can be used along with a printed map that would indicate where the sites are located; hopes that the Chamber will work with the Office of Cultural Affairs to deliver one or more cultural art districts; and recognition and appreciation conveyed for the efforts of the arts community regarding their participation in helping create the Office of Cultural Affairs.

General Reports from Town Council

Mayor Perry expressed condolences to the family of Steve and Mary Jo Riley regarding the recent loss of their son, Nate Riley, as a result of a tragic vehicular accident. He asked that all keep the Riley family in their prayers.

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

Mr. Ames reported the terminal expansion continues with the expectation steel will be arriving next week. He added that the airport was affected by the computer glitch which took place on Monday.

Report of the Southern Lowcountry Regional Board – Glenn Stanford

Mayor Perry reported on items of interest from the recently held meeting which included an update on the plastic bag ordinance and expected changes coming forward; discussion regarding cement trucks needing to take precautions regarding spills when transporting; solar projects; water and sewer for underserved areas; possible improvements for the Pinckney Island Boat Landing; an educational program planned as to where sales tax referendum funds have been utilized and an update regarding Jasper County proposed use for their sales tax referendum funds.

Report of the Island Recreation Association Board – Alex Brown

Mr. Brown reported summer camps are going well and fall registration is underway. He reported they have elected a new Board and he reviewed the list of officers.

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

No report.

Report of the Public Planning Committee – David Ames

Mr. Ames reported the Committee met and received an update from Palmetto Breeze regarding the trolley services and beach shuttle service.

Report of the Finance and Administrative Committee – Alex Brown

Mr. Brown reported the Committee received an update from Adriana Burnett, Finance Director, and they discussed future expectations from the department. He stated the

meeting dates for the Committee will be changing and encouraged people to take note of the changes.

Unfinished Business

Consideration of an Ordinance of the Town of Hilton Head Island Authorizing the Execution and Delivery of a Quit Claim Deeds for a Portion of Property Owned by the Town of Hilton Head Island and Beaufort County Identified as 54 Muddy Creek Road and the Purchase of a Stormwater Easement for the Same- Second and Final Reading - Josh Gruber, Deputy Town Manager

Mr. Gruber explained nothing had changed regarding the item since first reading held on June 18. He stated he was available to answer questions.

Mr. Ames moved to approve. Ms. Brison seconded.

Mayor Perry asked for public comment. There was none

Motion carried 7-0.

New Business

Consideration of a Resolution Authorizing the Acceptance of a Donated Right-of- Way and Corresponding Pathway Easement for Property Located at 272 Mitchelville Road - Josh Gruber, Deputy Town Manager

Mr. Gruber provided information regarding the item and the location of the property.

Mr. Ames moved to approve. Mr. Alfred seconded.

Mayor Perry asked for public comment.

Chet Williams commented on the benefits of the paving dirt road program that this land donation will benefit and commended the donor. He stated he was happy to participate in the transaction.

Motion carried 7-0.

Consideration of a Resolution Relating to the Declaration of Intent by the Town of Hilton Head Island, South Carolina, to Reimburse Certain Expenditures Prior to the Execution and Delivery of a Tax-Exempt Equipment Lease for Purchase of Fire Rescue Vehicles in an Amount not to Exceed Twelve Million Dollars - John McGowan, Assistant Finance Director

John McGowan reviewed the background regarding the item

Town staff, including Fire Rescue Team leadership, had proposed replacing 10 fire vehicles as part of the FY2022 Budget, based on the vehicles exceeding their standard useful life of 10 years and growing repair costs/downtime associated with servicing these older vehicles. During the budget approval process, it was discussed that the funding for these vehicles would be sought through some form of an equipment lease. The funding for these equipment lease payments has subsequently been carried forward into the FY2023, FY2024 and FY2025 Budgets.

Based on the FY2022 budget approval, the Town entered into an agreement ("the 2021 Purchase Agreement") with Safe Industries on December 1, 2021 (updated and extended on November 14, 2023) to provide 10 new fire vehicles (8 pumpers and 2 quints) to the Town for a total cost of \$7,450,473. Due to production delays and supply chain issues, the initial delivery of these vehicles was delayed several times. The Town has now begun taking delivery of these vehicles in June 2024 and is expected to take delivery of all additional vehicles between July and December of 2024. Payment of each vehicle is due within 30 days of each delivery, and the Town will initially pay for each vehicle purchased under the 2021 Purchase Agreement via cash from the Hospitality Tax revenues.

Additionally, as part of the approved FY2025 Budget, funding was included to allow for the acquisition of two ladder trucks, as the Town's two existing ladder trucks have now also reached the end of their useful life. Delivery of these ladder trucks is expected in late FY2025. The Finance team will work with Fire Rescue leadership to execute another purchase agreement to acquire these vehicles.

These FY2025 ladder trucks will also be purchased from Safe Industries, at a cost of \$4,500,000, thereby creating a combined purchase price of just under \$12,000,000 for all vehicles (FY2022 purchase: 8 pumpers, 2 quints; FY2025 purchase: 2 ladder trucks).

The plan is to reimburse the Hospitality Tax revenues for the upfront acquisition costs through an equipment lease arrangement. Given that the delivery of these vehicles is being spread out over multiple months, it is necessary to prepare documentation for Town Council's approval that will allow the Town to roll all these purchases into a single TaxExempt Equipment Lease.

The proposed Tax-Exempt Equipment Lease agreement will not count against the Town's 8% General Obligation Bond limitation, though it will be a long-term obligation of the Town until it is paid off.

If approved by the Town Council, this reimbursement action would preserve a strong FY2025 Hospitality Tax fund balance and allows the Town to pursue additional approved capital projects. Additionally, matching the Town's annual lease payments to the anticipated 10-year useful life of the fire trucks is a more equitable way of paying for this long-term capital improvement relative to a one-time FY2025 \$12 million Hospitality Tax fund cash expenditure

Mr. Ames moved to approve. Mr. Alfred seconded.

Mayor Perry asked for public comment. There was none.

Members of Council asked questions, made comments and held discussion regarding: inquiry as to any financial savings incurred by doing a lease rather than purchasing outright; confirmation that the funds the Town has invested have a higher rate of return than the cost of the lease; confirmation hospitality fund revenues will be utilized.

Motion carried 7-0.

Public Comment - Non Agenda Items

None.

Executive Session

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]) related to:

1. Pope Avenue Area
2. Hilton Head Public Service District Easement Request at the Old Welcome Center Tract
3. Hilton Head Public Service District Easement Request at the Ashmore Tract
4. Former Modern Classic Motors Site
5. Former Driftwood Stables
6. Status Update on Beaufort County Greenspace Applications
 - a. Mitchelville Road
 - b. Jonesville Road
 - c. Marshland Road
 - d. Williams Hilton Parkway

Discussion Regarding the Development of Security Personnel or Devices (Pursuant to South Carolina Freedom of Information Act 30-4-70(a)(3))

1. Receipt of Legal Advice from the Town Attorney on the Use of Automatic License Plate Readers

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

1. Discussion of the Annual Performance Review of the Town Attorney and Contractual Matters Related Thereto.

At 3:53 p.m. Mr. Ames moved to enter into Executive Session for the purposes stated by the Town Manager listed above. Mr. Alfred seconded. Motion carried 7-0.

At 6:18 p.m. Mr. Ames moved to end Executive Session and return to the meeting. Mr. Stanford seconded. Motion carried 7-0.

Action from Executive Session

Mayor Perry asked if there was any action to be taken as a result of Executive Session.

Mr. Ames moved that the Town Council authorize the Mayor and Town Manager to execute and deliver easements in favor of Hilton Head No. 1 Public Service District allowing for the installation, maintenance and operation of wells and associated electrical and mechanical equipment, and for the installation, maintenance and operation of underground water lines. Mr. Alfred seconded. Motion carried 7-0.

Adjournment

The meeting adjourned at 6:22 p.m.

Approved: August 20, 2024



Alan R. Perry, Mayor

Kimberly Gammon, Town Clerk

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