



Town of Hilton Head Island

Town Council Meeting

Thursday, January 9, 2025, 1:00 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. Adoption of the Agenda**
- 3. Workshop Discussion**
 - a. William Hilton Parkway Gateway Corridor Project Status
- 4. Public Comment - Non Agenda items**
- 5. Adjournment**

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

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the Town of Hilton Head Island will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. Auditory accommodations are available. Any person requiring further accommodation should contact the Town of Hilton Head Island ADA Coordinator as soon as possible but no later than 48 hours before the scheduled event.

Municipal Association of South Carolina (MASC) Civility Pledge:
"I pledge to build a stronger and more prosperous community by advocating for civil engagement, respecting others and their viewpoints, and finding solutions for the betterment of my city or town."



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: Shawn Colin, AICP, *Assistant Town Manager*
CC: Marc Orlando, ICMA-CM, *Town Manager*
DATE: January 9, 2025
SUBJECT: William Hilton Parkway Gateway Corridor Project Update

BACKGROUND:

This memorandum serves as an update on the William Hilton Parkway Gateway Corridor Project, providing relevant information for your review prior to the upcoming public workshop scheduled for October 9, 2025. Below is a summary of events and developments related to the project. In this regard, please see the following:

1. Memorandum of Understanding (MOU) Approval:

On June 28, 2024, the Town Council approved an MOU with Beaufort County, granting municipal consent for the project. This MOU was sent to Beaufort County with a request for their approval. The approved MOU is included as **Attachment 1**.

2. Beaufort County Response:

Beaufort County Administrator Michael Moore responded on November 27, 2024, with a proposal to bifurcate the MOU into two separate agreements: one focusing on the Bridge and Corridor project, and the other addressing community-related elements, particularly in the Stoney Historic Community. Curtis Coltrane's review of the proposed MOUs is also included. These items are included as **Attachments 2-5**.

3. SCSIB Funding Request:

Following the failure of the November 2024 Transportation Sales Tax referendum, the South Carolina State Infrastructure Bank (SCSIB) requested Beaufort County submit an updated funding plan by November 7, 2024, allowing 15 days for a response. The letter from SCSIB is included as **Attachment 6**.

4. SCDOT Coordination and Deadline:

The South Carolina Department of Transportation (SCDOT) issued a letter to Beaufort County on November 18, 2024, regarding the need for coordination on addressing the deficient bridge. The letter set a March 31, 2025, deadline for a decision. This letter is included as **Attachment 7**.

5. SCSIB Meeting:

On November 20, 2024, the SCSIB considered a request from Beaufort County for an additional \$90 million to support the project. The SCSIB did not approve additional funding but granted an extension until March 31, 2025, for Beaufort County to develop an alternative funding strategy.

6. December 6, 2024, Meeting:

On December 6, 2024, a meeting was held at Beaufort County's request to discuss the SCSIB and SCDOT letters. The meeting included key representatives from Beaufort County, the Town of Hilton Head Island, and the South Carolina legislature. The outcome of the meeting was a commitment from both Beaufort County and Hilton Head Island to evaluate cost estimates, identify potential funding sources, and determine actionable next steps.

Meeting Attendees:

- SC Senator Tom Davis
- Town of Hilton Head Island:
 - Alan Perry, Mayor
 - Alex Brown, Councilman
 - Marc Orlando, Town Manager
 - Shawn Colin, Assistant Town Manager
- Beaufort County:
 - Joe Passiment, County Council Chairman
 - Larry McElynn, Councilman
 - Alice Howard, Councilwoman
 - Michael Moore, Administrator
 - Jared Fralix, Assistant Administrator

7. December 19, 2024, SCDOT Meeting:

A meeting was held at the SCDOT Administration building in Columbia, South Carolina, on December 19, 2024, regarding the Gateway Corridor project. Representatives from SCDOT, Beaufort County, and the Town of Hilton Head Island discussed the project's funding status, potential additional funding sources, and options for addressing deficiencies based on available funds.

Meeting Attendees:

- SC Senator Tom Davis
- SCDOT:
 - Justin Powell, Secretary of Transportation
 - Rob Perry, PE, Deputy Secretary for Engineering

- John Boylston, Chief Engineer for Program Delivery
- Casey Lucas, PE, Regional Production Group Engineering
- Maggie Hendry, Chief Administrative Officer
- Craig Winn, PE, Lowcountry Program Manager
- Beaufort County:
 - Mike Moore, County Administrator
 - Jared Fralix, Assistant County Administrator
- Town of Hilton Head Island:
 - Shawn Colin, Assistant Town Manager

The group discussed the project's funding status, potential additional funding sources, and options to address deficiencies based on available funds. Key topics discussed were as follows:

- **Funding Shortfall:**

The group considered potential funding sources, including upcoming grants and a future Beaufort County referendum, to address an approximate \$190 million funding shortfall.
- **Project Options Based on Available Funds:**

Three options were presented:

 - **Option A:** Execute the current proposed project by securing additional funding to bridge the \$190 million gap.
 - **Option B:** Proceed with a \$300 million funding, adjusting the project scope to match available funds.
 - **Option C:** Define a project within a reduced budget of approximately \$180 million if the SIB withdraws its contribution.
- **Project Elements Breakdown:**

SCDOT will continue to itemize the project elements contributing to the total cost of \$490 million. These elements include bridge replacement, a multipurpose pathway, roadway adjustments on Jenkins Island, and improvements to the Stoney Community.
- **Potential Project Adjustments:**

Reductions in the project scope may require revisions to the Environmental Assessment (NEPA review) and modifications to the agreement with the SIB, potentially delaying the project by 9-12 months.
- **Next Steps:**
 - SCDOT will provide updated cost estimates in the coming weeks.
 - A follow-up meeting will likely occur in mid-January to review cost estimates and further discuss options.
 - A meeting with the SIB is anticipated in February to explore next steps and resolve funding issues.

ATTACHMENTS:

1. Memorandum of Understanding Approved by Town Council on June 28, 2024
2. Response Letter from Beaufort County Administrator dated November 27, 2024
3. Beaufort County Proposed MOU for "Bridge and Corridor"
4. Beaufort County Proposed MOU for "Stoney Historic Community"
5. Curtis Coltrane Review of Beaufort County Proposed MOUs for "Bridge and Corridor" and for "Stoney Historic Community"
6. Letter from South Carolina State Infrastructure Bank to Beaufort County, dated November 7, 2024
7. Letter from South Carolina Department of Transportation to Beaufort County, dated November 18, 2024

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE TOWN MANAGER TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH BEAUFORT COUNTY, SOUTH CAROLINA FOR THE WILLIAM HILTON PARKWAY GATEWAY CORRIDOR PROJECT.

WHEREAS, Beaufort County, South Carolina is the sponsor of a Project proposed to include the replacement of all four bridges crossing Mackay Creek and Skull Creek and the U. S. Highway 278 corridor on Jenkins Island, the causeway from Jenkins Island to Hilton Head Island, and on Hilton Head Island to the intersection of U. S. Highway 278 and Spanish Wells and Wild Horse Roads (the "Project"); and,

WHEREAS, while the Town and Beaufort County have worked diligently to reduce and/or eliminate impacts arising from the Project, the Project will have impacts on the citizens, residents, property owners and visitors of and to the Town; and

WHEREAS, in order to alleviate or reduce the impacts, the Town and Beaufort County desire to undertake actions related to the Project that are outlined in the proposed Memorandum of Agreement that is attached hereto as Exhibit "A"; and

WHEREAS, the Town Council hereby finds that the execution of the proposed Memorandum of Agreement with Beaufort County is in the best interests of the Town of Hilton Head Island and its citizens, residents, property owners and visitors.

NOW, THEREFORE, BE IT, AND IT HEREBY IS, RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA:

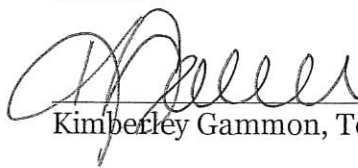
1. The Town Manager to execute and deliver the Memorandum of Agreement with Beaufort County that is in the form and substance of Exhibit "A" to this Resolution.
2. The Town Manager is authorized to take all actions necessary to comply with the Town's obligations set out in the Memorandum of Agreement.

PASSED AND APPROVED BY THE TOWN COUNCIL FOR THE TOWN
OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS 19th DAY OF
JUNE, 2024.

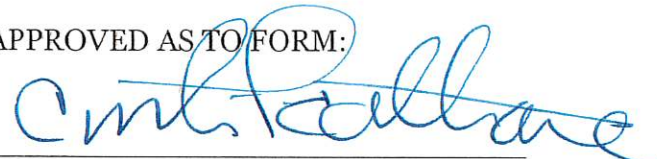
THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA

By: 
Alan R. Perry, Mayor

ATTEST:


Kimberley Gammon, Town Clerk

APPROVED AS TO FORM:


Curtis L. Coltrane, Town Attorney

STATE OF SOUTH CAROLINA) MEMORANDUM OF AGREEMENT
) WILLIAM HILTON PARKWAY GATEWAY
) CORRIDOR PROJECT
 COUNTY OF BEAUFORT)

WHEREAS, the Project will begin at the intersection of U.S. Highway 278 and Moss Creek Drive and run to the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads as shown on Exhibit 1 which is attached to this Memorandum of Agreement, and which is attached hereto and incorporated herein by reference; and

WHEREAS, in 2019, the Town Council for the Town of Hilton Head Island, South Carolina (the "Town Council"), created the U.S. 278 Gateway Corridor Committee which developed a series of "Guiding Principles" to be utilized in developing the Project which were formally adopted by Town Council on February 18, 2020; and

WHEREAS, the Project is now proposed to include the replacement of all four bridges crossing Mackay Creek and Skull Creek to meet current design and safety code specifications, improved transportation performance throughout the corridor and within all major intersections, improved access to the Pinckney Island National Wildlife Refuge and the C.C. Haigh, Jr., boat ramp; improvements to address pedestrian and bicyclist needs, and improvements to address existing conditions within the corridor that are negatively affecting property owners and residents of the Big and Little Stoney Historic Neighborhoods (herein, collectively, the "Stoney Historic Community"), all of which are generally reflected in the revised project design plans shown in Exhibit 2 to this Memorandum of Agreement which are attached hereto and are incorporated herein by reference; and

WHEREAS, the part of the Project beginning at the point where the Skull Creek bridges meet Jenkins Island and ending at the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads is located within the Town's municipal limits; and

WHEREAS, the Project as a whole including the part within the municipal limits of the Town, will substantially impact the property owners and citizens of and visitors of the Town of Hilton Head Island; and

WHEREAS, the properties located the Stoney Historic Community were designated as a Traditional Cultural Property as a part of the National Environmental Policy Act ("NEPA") process in developing the Environmental Assessment and are reflected on a map attached hereto as Exhibit 3 to this Memorandum of Agreement and incorporated herein by reference; and,

WHEREAS, the U.S. Highway 278 corridor, extending from I-95 to Sea Pines Circle, is of regional importance to the Town, the County, and the State of South Carolina in facilitating trade, commerce, transportation of the local workforce, and the transportation of Hilton Head Island residents, visitors, and workers throughout the entire region; and

WHEREAS, the Project is currently in the preliminary design stage and is working through the NEPA process; and

WHEREAS, as part of the NEPA process, a Preferred Alternative for the Project was identified by the SCDOT and presented at a public hearing held on July 22, 2021; and

WHEREAS, following the development of the Preferred Alternative, on October 12, 2021, the Town Council approved suggested revisions to be formally incorporated into the Modified Preferred Alternative; and

WHEREAS, based upon public feedback and suggested revisions from the Town, SCDOT presented a Modified Preferred Alternative at a public hearing held on March 3, 2022; and

WHEREAS, the County, as project sponsor, approved many of these recommendations and they were formally incorporated into a Memorandum of Agreement that was approved on October 4, 2022; and

WHEREAS, in response to a substantial number of additional comments made by the residents of the Town and/or the County concerning the Project, the County and the Town determined that, as a necessary condition precedent to making an informed decision on what options for the Project are in the best interests of their citizens, property owners and residents, an independent review (the "Independent Review") should be performed by a qualified consultant; and

WHEREAS, the County and the Town coordinated on the procurement, awarding, and execution of an Independent Review with consultant CBB Transportation Engineers and Planners, which presented its findings on October 17, 2023; and

WHEREAS, the Town subsequently procured an additional transportation engineering firm, The Lochmueller Group, to conduct a Town managed Independent Study; and,

WHEREAS, the Lochmueller Group presented its findings and recommendations to the Town on June 17, 2024; and,

WHEREAS, to offset the impacts to the Stoney Historic Community, an innovative program of renewal and economic opportunity commensurate with the existing impacts to the Stoney Historic Community's social and economic vitality that have come about through decades of right-of-way expansion, will established and implemented; and

WHEREAS, the Town and County find that the completion of things set out in this Memorandum of Agreement are in the best interest of the Town and County, and their citizens, residents, property owners and visitors; and,

WHEREAS, in order to successfully incorporate these actions and the recommendations from the Independent Study, the Town and County are combining into this Memorandum of Agreement those elements that have previously been agreed to by the Town and the County in addition to all other requirements that the Town and County have now determined are integral to the Town's municipal consent for the Project; and

WHEREAS, as a condition precedent for the Town to grant its municipal consent for the Project, the County and Town hereby agree and enter into this Memorandum of Agreement with the express knowledge and understanding that the incorporation and completion of these terms will be a condition of Town's municipal consent for the Project.

NOW, THEREFORE, for and in consideration of the sum of One (\$1.00) Dollar, each paid to the other, and the performance of the mutual covenants exchanged herein, the receipt and sufficiency of which is acknowledged, the County and the Town do hereby agree as follows regarding the Project's design, the pursuit of neighborhood improvements, and the overall economic sustainability of the corridor:

PROJECT DESIGN:

1. The Project will advance through a joint and equal partnership, for the entirety of the Project. All decisions and approvals concerning the Project shall be made in writing and signed by both the Town Council and County Council respectively.
2. The Project's design will be modified to reflect those elements that are shown in Exhibit 2, which will serve to achieve the Project's goals while further reducing and/or eliminating the impacts to private property owners.
3. To the greatest extent feasible, the improvements proposed as part of the Project will be accomplished within the existing right-of-way with the exception of a multi-use pathway to be included on the northern side of the Project from the intersection of Spanish Wells Road to the new bridge and which will connect to the bridge via a connection which will run underneath the bridge coming onto Jenkins Island, and on the southern side of the Project from the intersection of the Windmill Harbour Traffic Signal to the end of the Mackay Creek bridge span.
4. The Project design will provide a separation of pathways from roadways to the greatest extent feasible and a pedestrian and bicycle safety plan which consists of the following:
 - a. Safe pedestrian refuges in median areas; and
 - b. Removal of pavement and landscaping necessary to protect pedestrians and bicyclists; and
 - c. The installation of up to two (2) pedestrian overpasses within the Stoney Historic Community and intersection protections that will facilitate the safe movement of pedestrians and bicyclists across the proposed roadway area.
 - d. The integration of strategies to create a pedestrian-friendly Stoney Historic Community corridor that honors and enhances the cultural fabric of the Stoney Historic Community. The Project must balance infrastructure improvement with respect for the Stoney Historic Community's cultural values, traditions, and social dynamics. Strategies to accommodate this include but are not limited to the following:
 - i. Respect for Cultural Landmarks: Ensure that pedestrian pathways respect and preserve cultural landmarks, and historical areas.
 - ii. Lighting and Security: Install adequate lighting and ensure pathways are safe, well-maintained, and patrolled if necessary.
 - iii. Universal Design: Ensure pathways are accessible to people of all ages and abilities, including those with disabilities.

- iv. Link Key Destinations: Design pedestrian pathways to connect important community destinations including schools, markets, parks, places of worship, and community centers.
- v. Multi-Modal Integration: Integrate pedestrian pathways with other modes of transportation, such as public transit stops and enhance overall connectivity.
- vi. Green Spaces: Incorporate green spaces, trees, and vegetation along pedestrian routes to provide shade, improve air quality, and enhance the aesthetic appeal.
- vii. Health Initiatives: Promote walking and cycling as healthy lifestyle choices through community programs and infrastructure that encourage physical activity.
- viii. Cultural Education: Raise awareness within the community about the benefits of improved pedestrian connectivity.
- ix. Wayfinding and Signage: Use relevant symbols and signage to help residents navigate the neighborhood easily.
- x. Road Safety Audit and Bike and Pedestrian Plan.

5. The elements shown on Exhibit 2, will be incorporated in the Project's design elements as follows:

- a. One (1) bridge with a width not greater than 123 feet, 7 inches extending from the mainland to Jenkins Island consisting of three (3) twelve-foot (12') wide travel lanes in each direction, one (1) ten-foot (10') wide outside shoulder in each direction, one (1) six-foot (6') wide inside shoulder in each direction, a twelve-foot (12') wide multi-use pathway along the southern side of the bridge, and physical barriers protecting the edges of the bridge and separating vehicular and pedestrian traffic which will include one (1) bulb-out refuge of fifty-feet (50') in length and twenty-feet (20') in width over the Mackay Creek, and one (1) bulb-out refuge of fifty-feet (50') in length and twenty-feet (20') in width over the Skull Creek; provided however, that these design elements will continue to be evaluated with the specific goal of reducing, to the maximum extent that is possible, the width of these various elements thereby reducing the overall width of the bridge which will serve to reduce the visual impacts of the bridge and in reducing the funding gap that is currently present for the Project; and
- b. Three (3) travel lanes in each direction through the Jenkins Island section of the Project which are each twelve-feet (12') in width; and
- c. Three travel lanes in each direction through the Stoney Historic Community consisting of two (2) travel lanes which are eleven-feet (11') in width and one (1) travel lane which is twelve-feet (12') in width; and
- d. All Jenkins Island traffic will be routed to the Windmill Harbour Intersection and the Jenkins Road intersection with William Hilton Parkway will be removed; and
- e. Access to Hog Island, Mariners Cove, Blue Heron Point, Jenkins Island Cemetery, Hilton Head RV Resort, and Hilton Head Harbor Marina will be from a new frontage road to be located on Jenkins Island; and

- f. There will not be a U.S. Highway 278 pedestrian crossing at the Windmill Harbour intersection; and
 - g. Vehicle access to Hog Island, Blue Heron Point, and Mariners Cove will be moved from southern side to northern side of U.S. Highway 278 with a new under bridge connection; and
 - h. Landscaped medians of varying widths will be installed to balance safety, property impacts, and aesthetics; and
 - i. The curb cut at Memory Matters, 117 William Hilton Parkway, will be removed; and
 - j. The median cut left turn movement for access to the Crazy Crab restaurant property, 104 William Hilton Parkway, will be relocated further westward towards the adjacent Town-owned property; and
 - k. One (1) elongated left turn lane from eastbound William Hilton Parkway onto Squire Pope Road; and
 - l. One (1) right turn lane from southbound Squire Pope Road onto westbound William Hilton Parkway; and
 - m. A new right turn lane will be provided from eastbound William Hilton Parkway onto Chamberlin Drive; and
 - n. The intersection of William Hilton Parkway and Spanish Wells Road and Wild Horse Road will be modified to include the following elements:
 - i. Two (2) left turn lanes from northbound Spanish Wells Road to westbound William Hilton Parkway; and
 - ii. One (1) through lane from northbound Spanish Wells Road to Wildhorse Road; and
 - iii. One (1) right hand turn lane from northbound Spanish Wells Road to eastbound William Hilton Parkway; and
 - iv. One (1) left hand turn lane from southbound Wild Horse Road to eastbound William Hilton Parkway; and
 - v. One (1) through lane from southbound Wild Horse Road to Spanish Wells Road; and
 - vi. One (1) right turn lane from southbound Wild Horse Road to westbound William Hilton Parkway; and
 - vii. Improvements to the right turn lane from eastbound William Hilton Parkway to southbound Spanish Wells Road; and
 - o. No at grade intersection on Pinckney Island; and
 - p. The bridge height clearance will remain at 65 feet over Skull Creek, same as the current bridge; and
 - q. The bridge height clearance over Pinckney Island will be a minimum of 17.19 feet, currently there is no bridge over Pinckney Island; and
 - r. The bridge length is 1.376 miles of the 4.218 mile project; and
 - s. The bridge will be designed to Safety Evaluation Earthquake (SEE) standards; and
 - t. The bridge will be designed to withstand a Category 5 hurricane.
6. In addition to the design modifications in Item 5 above, the following items will also be pursued as part of continued Project design efforts:
- a. Left turns during rush hour (peak hour) traffic will be minimized; and

- b. An additional merge lane from the Cross Island Parkway westbound to William Hilton Parkway will be evaluated; and
- c. The Project's design speed limits will be reduced to 45 miles per hour and will have a posted speed limit of 40 miles per hour; and
- d. Aesthetic elements proposed for the bridge and gateway corridor entrance elements will meet Hilton Head Island Design Review guidelines and will be approved by both Town Council and County Council.

7. The Windmill Harbour Traffic Signal will be incorporated within thirty (30) days upon execution of this Agreement into the Town's adaptive traffic management system and funded by the County. Additionally, the County will design and fund the installation of any corresponding infrastructure and associated improvements including traffic signal mast arms as part of the Project.

8. The Project will be designed sufficiently to address concerns resulting from storm surge impacts to the causeway connecting Jenkins Island to Hilton Head Island will include other similar resilience related matters into the Project design elements to ensure safe and reliable access for citizens, property owners, residents, visitors, and emergency services. Methods to address these concerns may include any of the following, but are not necessarily limited to these methods:

- a. Elevating the roadbed; and
- b. Installing surge barriers; and
- c. Installing armoring or other materials to withstand storm surge impacts; and
- d. Installing vegetation along the causeway to reduce wave energy and minimize erosion; and
- e. Installing sufficient drainage systems to prevent water accumulation on the causeway; and
- f. Installing real-time monitoring systems to provide early warning of rising waters and potential breaches as quickly as possible; and
- g. Performing regular interval inspections and evaluations of the causeway to ensure its long-term structural integrity in conjunction with the Town and appropriate emergency management agencies.

9. Where feasible, the Project will include and utilize landscaped medians within the part of the corridor beginning where the bridge meets Jenkins Island and extending through the Stoney Historic Community to the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads, in-lieu-of using concrete medians and will include landscaping along the right of way and on Town-owned property to reinforce the gateway entrance to Hilton Head Island through the Stoney Historic Community and Jenkins Island.

10. Where appropriate to protect the interests of adjacent landowners or for protection of natural resources, raised curbs and gutters will be installed on the exterior edge of the roadway to reduce right-of-way requirements and to handle stormwater runoff and discharge.

11. Further design modifications determined to be appropriate and feasible will be pursued if such will serve to further improve the quality of life within the Stoney Historic Community.

12. All parties will make available all project data, including but not limited to Project cost estimates with supporting details, traffic data, including modeling and simulation materials, other technical documents, and related design files.

13. Value engineering of the Project will be performed to identify and eliminate unwarranted infrastructure and subsequent costs with the goal to improve functional quality as well as optimizing initial and long-term investment thereby seeking the best possible value for the lowest cost.

14. The Town will work cooperatively with the County and/or SCDOT regarding the conveyance of any Town-owned land that may be necessary to accomplish the Project through the adoption of an Ordinance by the Town Council identifying all such properties or portions thereof to be transferred.

STONEY HISTORIC COMMUNITY IMPROVEMENT:

1. It is acknowledged that there are significant impacts to the Stoney Historic Community (Exhibit 3) and the Traditional Cultural Properties that are located within the Project's scope and for which, proactive improvement measures must be undertaken, including the elements set forth in this Agreement.

2. A Stoney Historic Community Economic Sustainability and Cultural Preservation Plan will be created and implemented in conjunction with the Gullah Geechee Historic Neighborhoods Community Development Corporation and serve as a vision and action plan. The 2003 Stoney Initiative Area Plan will serve as a guiding document for this effort.

3. A secure escrow account, reserve fund, contingency, or other mutually agreed form of funding of at least Ten Million (\$10,000,000.00) Dollars for the Stoney Historic Community shall be established within the Project budget for elements that include: landscaping, lighting, community sensitive signage, park improvements, and other community infrastructure improvements.

4. Through the Gullah Geechee Historic Neighborhoods Community Development Corporation, all parties will work directly with private property owners in the Stoney Historic Community to alleviate roadway impacts and improve quality of life measures including property access and property improvements.

5. It is agreed that some portions of Town-owned land may be needed to reduce the impacts to the private property owners that are located within the Stoney Historic Community and to adequately address other Project elements. This use of Town-owned land may be for purposes of right-of-way acquisition, project and wayfinding signage, landscaping, stormwater, or other similar Project purposes. Additionally, the Town Council will evaluate the use of Town properties within the Project corridor to support the efforts of the Gullah Geechee Historic Neighborhoods

Community Development Corporation in restoring economic opportunities within the Stoney Historic Community and the overall stabilization of this neighborhood.

6. A new park will be created south of U.S. Highway 278 in the Stoney Historic Community to showcase the Gullah Geechee culture/heritage.

7. Drainage improvements will be constructed within the part of the corridor beginning where the bridge meets Jenkins Island and extending through the Stoney Historic Community to the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads to improve stormwater conveyance both as part of the Project and as a part of the mitigation of any corresponding impacts to adjoining private properties.

8. Landscaping, lighting, and community sensitive signage will be installed throughout the Stoney Historic Community in order to provide this area with a clear sense of place to elevate this portion of the Project. This will also include a review of existing highway signage to determine if more appropriate alternatives can be utilized that are sensitive to the neighborhood context of the corridor.

9. Increased traffic and speed enforcement will be pursued within the area beginning at U.S. Highway 278 and Moss Creek Drive and continuing to the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads, including the bridges, Jenkins Island, and the Stoney Historic Community areas.

ECONOMIC SUSTAINABILITY:

1. Evaluation of multi-modal transportation opportunities, including ferry options, park and ride facilities, and other various modes of mass transit will be pursued to reduce travel demand for vehicles through the corridor.

2. The acceleration of the evaluation of a second bridge to Hilton Head Island through the Lowcountry Area Transportation Study (LATS) as outlined in the Long-Range Transportation Study for the region is supported and will be pursued.

3. Any additional recommendations from the Independent Review and Study will be considered, including those elements that may be outside of the defined Project area.

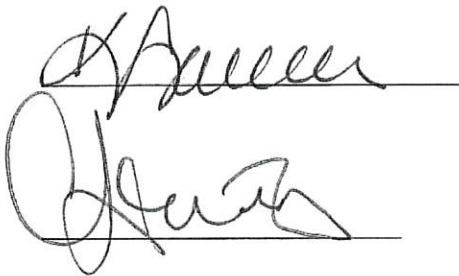
4. All parties will work cooperatively to seek the funding that will be necessary to implement the proposed Project improvements and any additional elements that are identified outside of the Project area.

5. It is acknowledged that a Tax Increment Financing ("TIF") District is a beneficial financial tool to facilitate the investment in community infrastructure for the Skull Creek Planning District (Exhibit 4), which includes the Stoney Historic Community. All parties will work cooperatively to

assess and consider establishing a TIF District within twelve (12) months following the adoption of this Agreement.

IN WITNESS WHEREOF, the Town of Hilton Head Island, South Carolina, and Beaufort County, South Carolina, by and through their duly authorized officers, have executed this Memorandum of Understanding on this ____ day of June, 2024.

WITNESSES:



TOWN OF HILTON HEAD ISLAND

By: 

Name: Marc Orlando

Title: Town Manager

WITNESSES:

BEAUFORT COUNTY

By: _____

Name: _____

Title: County Administrator

EXHIBIT "1" TO MEMORANDUM OF
AGREEMENT WITH BEAUFORT COUNTY, SOUTH CAROLINA

William Hilton Parkway Gateway Corridor Project

FULL PROJECT EXTENT

EXHIBIT 1

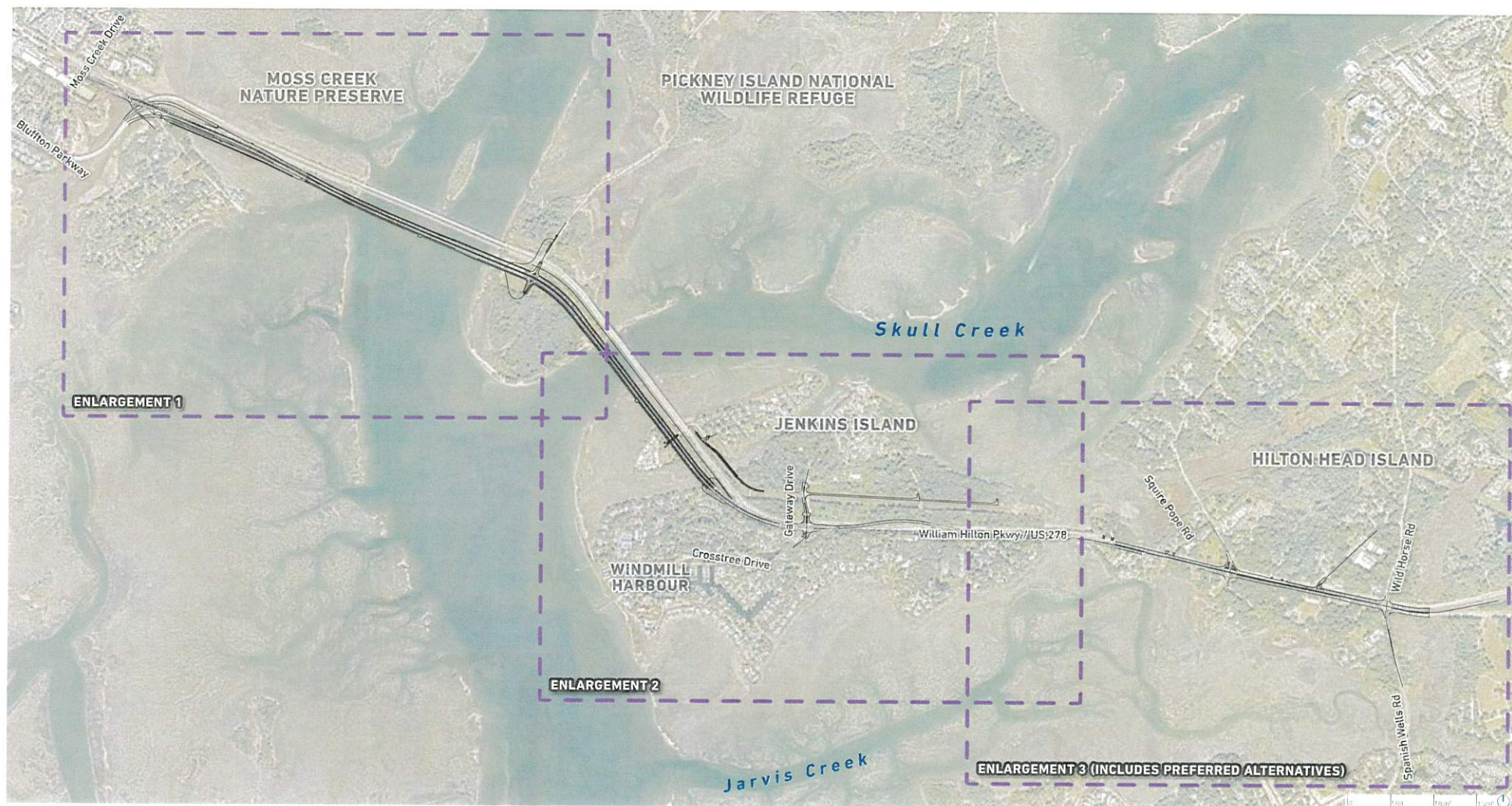


EXHIBIT "2" TO MEMORANDUM OF
AGREEMENT WITH BEAUFORT COUNTY, SOUTH CAROLINA

William Hilton Parkway Gateway Corridor Project
BRIDGE SECTION ENLARGEMENT



William Hilton Parkway Gateway Corridor Project

STONEY AREA SECTION ENLARGEMENT

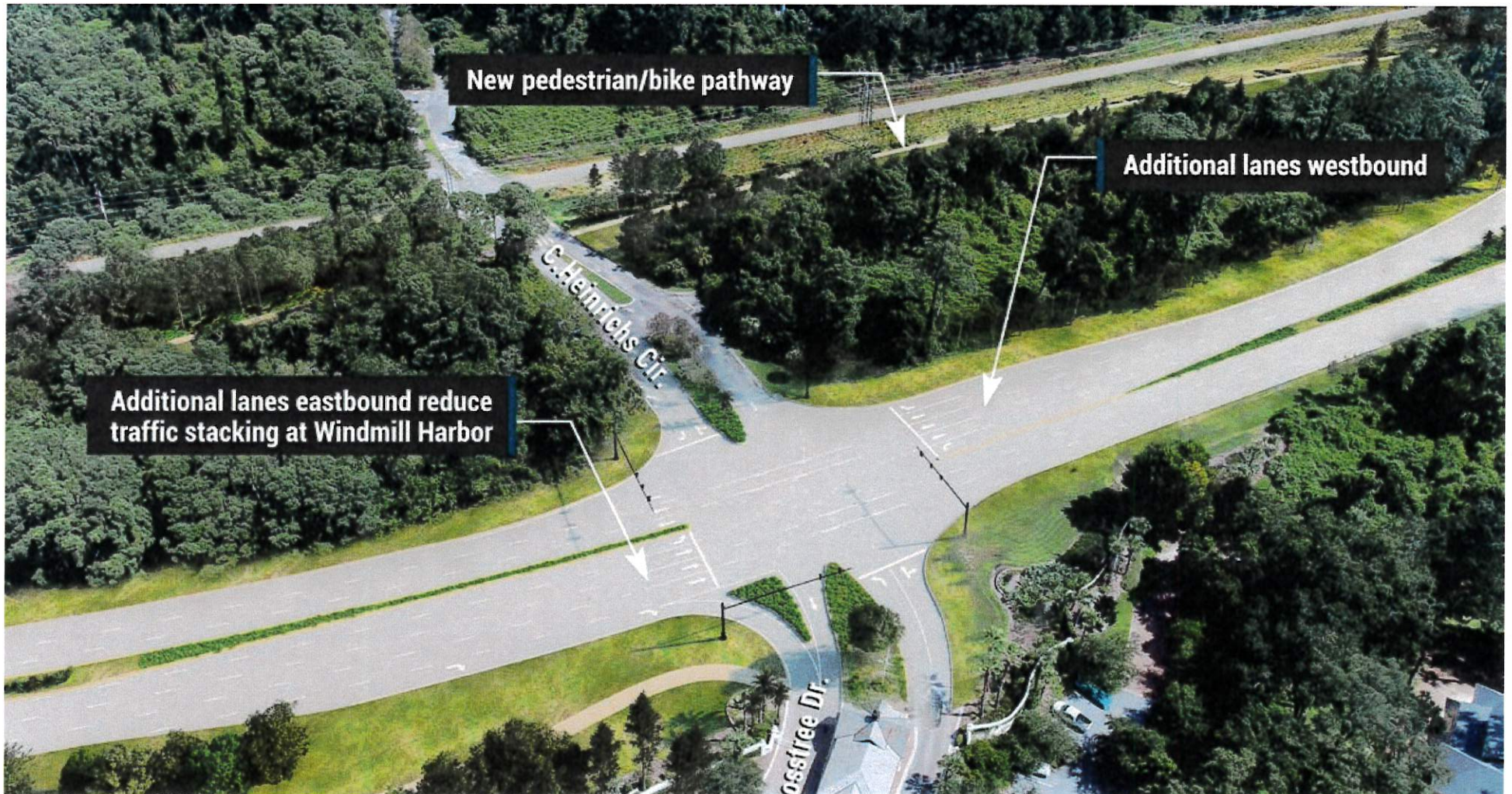


William Hilton Parkway Gateway Corridor Project

JENKINS ISLAND SECTION ENLARGEMENT



Current Proposal WINDHILL HARBOR INTERSECTION ENLARGEMENT



William Hilton Parkway Gateway Corridor Project

SQUIRE POPE ROAD / CHAMBERLIN DRIVE INTERSECTION ENLARGEMENT



William Hilton Parkway Gateway Corridor Project

WILD HORSE ROAD / SPANISH WELLS ROAD INTERSECTION ENLARGEMENT

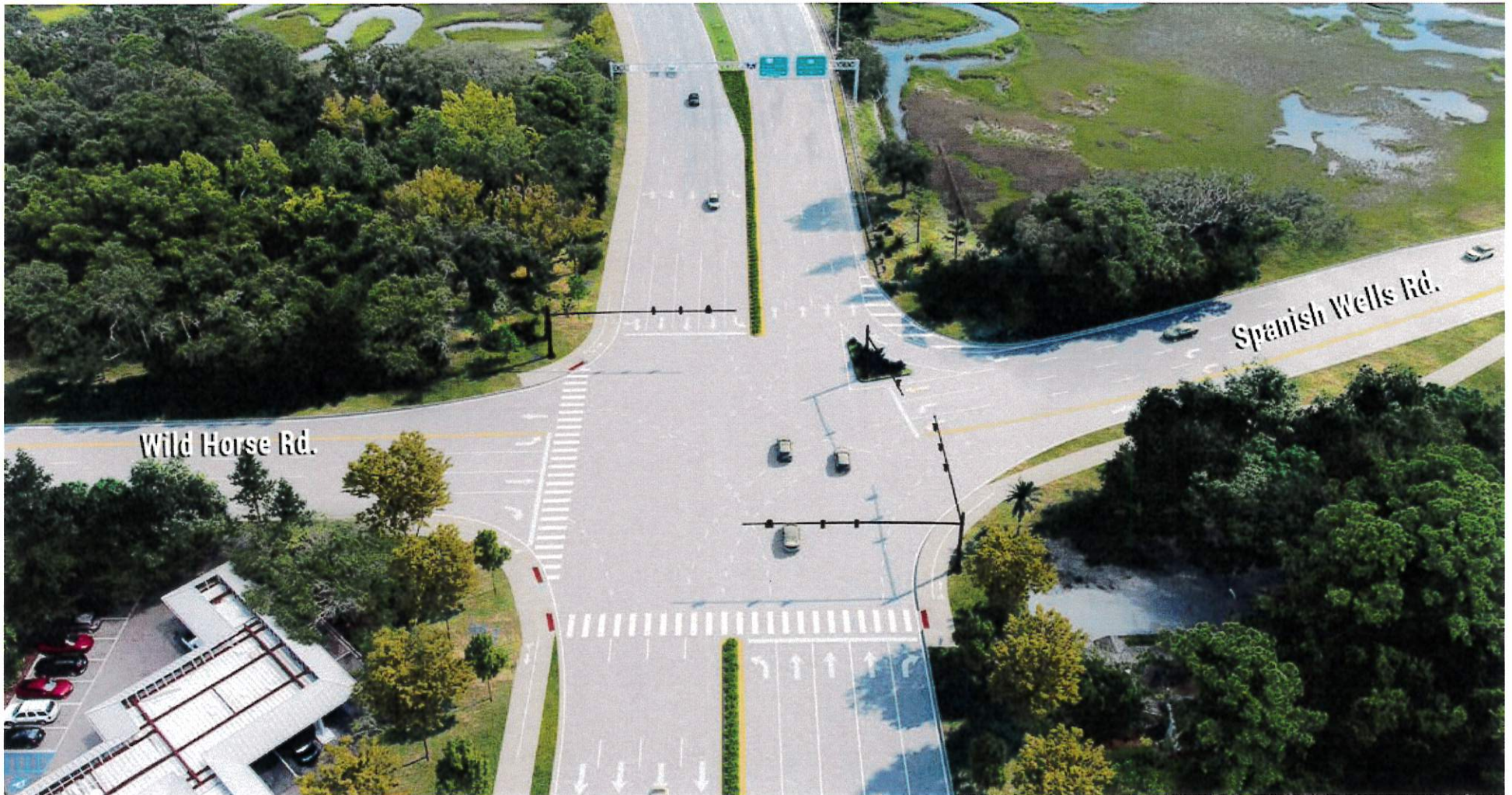


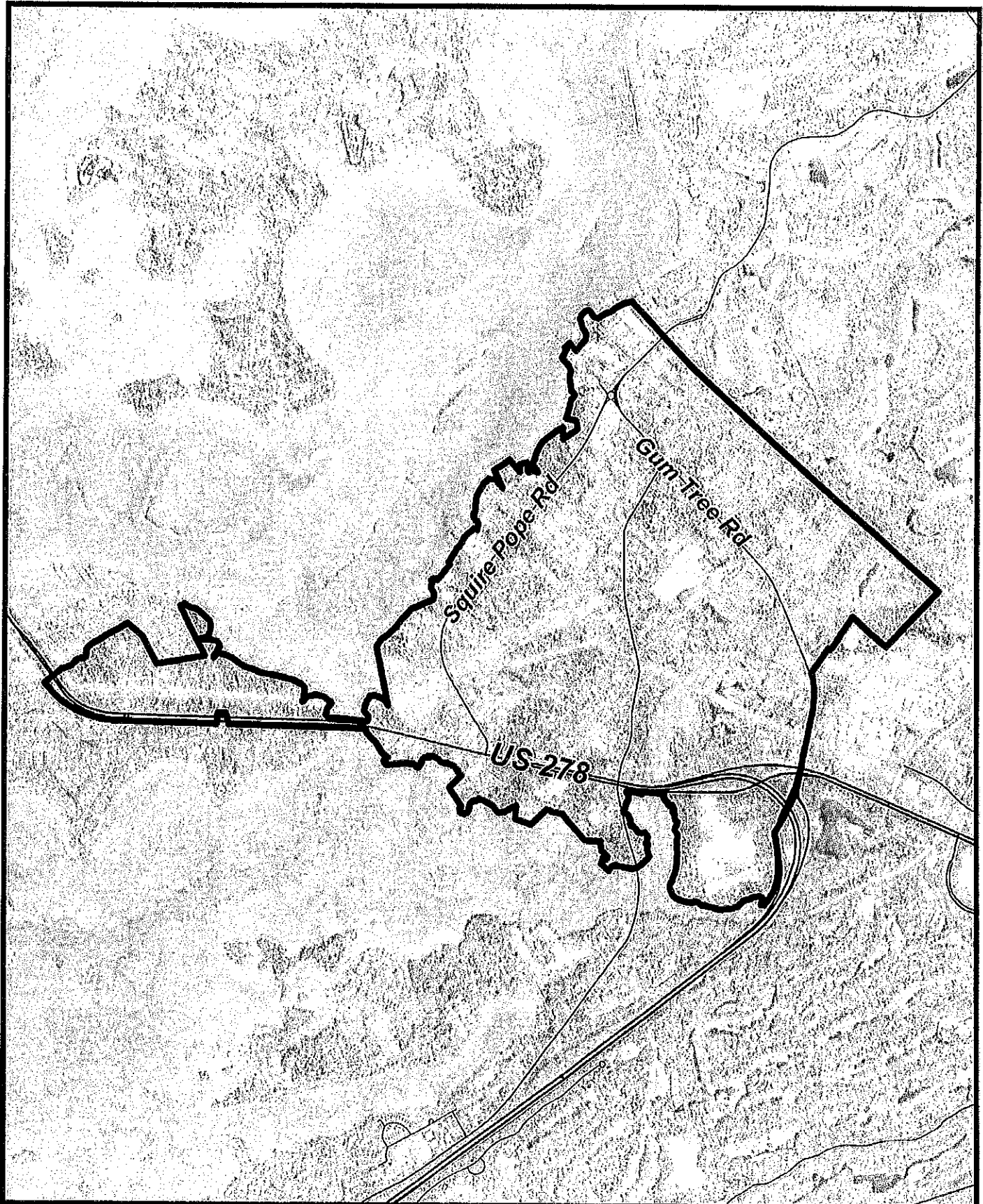
EXHIBIT "3" TO MEMORANDUM OF
AGREEMENT WITH BEAUFORT COUNTY, SOUTH CAROLINA

EXHIBIT 3

Traditional Cultural Property Boundary

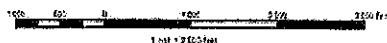


EXHIBIT "4" TO MEMORANDUM OF
AGREEMENT WITH BEAUFORT COUNTY, SOUTH CAROLINA



TOWN OF HILTON HEAD ISLAND
ONE SOUTH EDGEMOOR DRIVE
HILTON HEAD ISLAND, S.C. 29928
PHONE 843.721.4100
WWW.HILTONHEADISLANDSC.COM

Town of Hilton Head Island
Skull Creek District Area
June, 2024



This information is for informational purposes only and is not intended to be used for any other purpose. The information is provided as a courtesy and is not a guarantee of accuracy. The information is provided as a courtesy and is not a guarantee of accuracy. The information is provided as a courtesy and is not a guarantee of accuracy.

ATTACHMENT 2

COUNTY COUNCIL OF BEAUFORT COUNTY
OFFICE OF THE COUNTY ADMINISTRATOR
ADMINISTRATION BUILDING
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX
100 RIBAUT ROAD
POST OFFICE DRAWER 1228

CHERYL H. HARRIS
EXECUTIVE ASSISTANT

BEAUFORT, SOUTH CAROLINA 29901-1228
TELEPHONE: (843) 255-2023
FAX: (843) 255-9403
www.beaufortcountysc.gov

MIKE MOORE
COUNTY ADMINISTRATOR

November 26, 2024

Marc Orlando
Town Manager
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928

RE: US 278 Corridor Project MOA

I am writing in response to the Town's letter dated June 28, 2024, regarding the memorandum of agreement (MOA) for the US 278 Corridor Project. We appreciate the Town's efforts to address and work through the various elements necessary to advance this important initiative.

After reviewing the MOA, we have provided comments which are included in the attachments to this letter. We look forward to continuing our collaboration to discuss and resolve the details of the agreement.

Thank you for your ongoing partnership on this project.

Kindest regards,



Mike Moore
County Administrator

CC: County Council
Alan Perry, Town of HHI Mayor
Jared Fralix, PE – Beaufort County Assistant Administrator – Infrastructure
Bryan Bauer, PE – Engineering Director
Shawn Colin - Assistant Town Manager – Community Development

Attachments:

1. Memorandum of Agreement for the William Hilton Parkway Gateway Corridor Project
2. Memorandum of Agreement for the Stoney Historic Community Projects

WHEREAS, the U.S. Highway 278 (“Hwy 278”) corridor, extending from I-95 to Sea Pines Circle, is of regional importance to the Town, the County, and the State of South Carolina in facilitating trade, commerce, transportation of the local workforce, and the transportation of Town residents, visitors, and workers throughout the entire region; and

WHEREAS, access to Hilton Head Island by vehicles is currently via U.S. Highway 278/Hwy 278, which includes four bridges, being east and west bound bridges connecting the mainland with Pinckney Island over Mackay Creek, and east and westbound bridges connecting Pinckney Island to Jenkins Island over Skull Creek; and

WHEREAS, from Jenkins Island, ~~U.S. Highway Hwy~~ 278 crosses a causeway to Hilton Head Island whereby ~~U.S. Highway Hwy~~ 278 is also known as William Hilton Parkway; and

WHEREAS, the South Carolina Department of Transportation (“SCDOT”) has inspected the Karl S. Bowers eastbound bridge that spans Mackay Creek and has found this structure to be structurally deficient and subject to continuing deterioration; and

WHEREAS, traffic entering and leaving Hilton Head Island on a daily basis has increased over time, and the existing corridor does not efficiently handle the traffic in the corridor extending from the intersection of ~~U.S. Highway~~Hwy 278 and Spanish Wells Road to the intersection of ~~U.S. Highway~~Hwy 278 and Moss Creek Drive; and

WHEREAS, to address concerns posed by the deteriorating condition of the eastbound Mackay Creek bridge, and the need to reduce congestion and provide safety improvements for the entrance to Hilton Head Island, the County conducted a Transportation Sales Tax Referendum ("Referendum") that included a proposed project for the repair ~~and~~/or replacement of all four bridges and additional improvements to the ~~U.S. Highway~~Hwy 278 corridor from the intersection of ~~U.S. Highway~~Hwy 278 and Squire Pope Road to the intersection of ~~U.S. Highway~~Hwy 278 and Moss Creek Drive, among other things; and

WHEREAS, following the adoption of the ~~Transportation Sales Tax R~~referendum, ~~by the voters in Beaufort County~~ the William Hilton Parkway Gateway Corridor Project, collectively

referred to herein as the “Project,”¹ was created as a County project for those improvements within the SCDOT owned right-of-way; and

WHEREAS, the Project will begin at the intersection of ~~U.S. Highway~~Hwy 278 and Moss Creek Drive and run to the intersection of ~~U.S. Highway~~Hwy 278 and Spanish Wells and Wild Horse Roads as shown ~~in~~on Exhibit 1 ~~which is attached to this Agreement, and which is attached~~ hereto and incorporated herein by reference; and

~~**WHEREAS**, the portion of the Project beginning at the point where the Skull Creek bridges meet Jenkins Island and ending at the intersection of Hwy 278 and Spanish Wells and Wild Horse Roads is located within the Town’s municipal limits. The portion of the Project within the municipal limits of the Town, will impact the property owners and citizens of and visitors of the Town; and~~

~~**WHEREAS**, in 2019, the Town Council for the Town of Hilton Head Island, South Carolina (the “Town Council”), created the U.S. 278 Gateway Corridor Committee which developed a series of “Guiding Principles” to be utilized in developing the Project which were formally adopted by Town Council on February 18, 2020; and~~

WHEREAS, the Project ~~is now proposed to include the~~consists of the replacement of all four bridges crossing Mackay Creek and Skull Creek to meet current design and safety code specifications, improved transportation performance throughout the corridor and within all major intersections, improved access to the Pinckney Island National Wildlife Refuge and the C.C. Haigh, Jr., boat ramp;² improvements to address pedestrian and bicyclist needs, and improvements to address existing conditions within the corridor that are negatively affecting property owners and residents of the Big and Little Stoney Historic Neighborhoods (herein, collectively, the “Stoney Historic Community”), all of which are generally reflected in the Selected Alternative plans revised project design plans shown in Exhibit 2 attached hereto and incorporated herein by reference; and ~~to this Agreement which are attached hereto and are incorporated herein by reference; and~~

~~**WHEREAS**, in 2019, the Hilton Head Island Town Council, hereinafter the “Town Council”, created the U.S. 278 Gateway Corridor Committee which developed a series of “Guiding Principles” to be utilized in developing the Project which were formally adopted by Town Council on February 18, 2020; and~~

~~**WHEREAS**, the part of the Project beginning at the point where the Skull Creek bridges meet Jenkins Island and ending at the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads is located within the Town’s municipal limits; and~~

~~WHEREAS, the Project as a whole including the part within the municipal limits of the Town, will impact the property owners and citizens of and visitors of the Town; and~~

~~WHEREAS, the U.S. Highway 278 corridor, extending from I-95 to Sea Pines Circle, is of regional importance to the Town, the County, and the State of South Carolina in facilitating trade, commerce, transportation of the local workforce, and the transportation of Town residents, visitors, and workers throughout the entire region; and~~

~~WHEREAS, the Project is currently in the preliminary design stage and is working through the NEPA process. As a~~ part of the NEPA process, a Preferred Alternative for the Project was identified by the SCDOT and presented at a public hearing held on July 22, 2021; and

WHEREAS, following the development of the Preferred Alternative, on October 12, 2021, the Town Council approved suggested revisions to be formally incorporated into the Modified Preferred Alternative; and

WHEREAS, based upon public feedback and suggested revisions from the Town, SCDOT presented a Modified Preferred Alternative at a public hearing held on March 3, 2022; and

WHEREAS, the County, as project sponsor, approved many of these recommendations and they were formally incorporated into an aAgreement that was approved on October 4, 2022; and

WHEREAS, in response to a substantial number of additional comments made by the residents of the Town and the County concerning the Project, and to determine the merits of the Modified Preferred Alternative; the Parties agreed ~~determined that, as a necessary condition precedent to making an informed decision on what options for the Project are in the best interests of their citizens, property owners and residents,~~ an independent review ~~(the “Independent Review”)~~ should be performed by a qualified consultant (“Independent Review”); and

WHEREAS, the Parties coordinated on the procurement, awarding, and execution of an Independent Review with consultant CBB Transportation Engineers and Planners, which presented its findings on October 17, 2023; and

WHEREAS, the Town subsequently procured an additional transportation engineering firm, the Lochmueller Group, to conduct a Town managed Independent Study. The Lochmueller Group presented its findings and recommendations to the Town on June 17, 2024; and

WHEREAS, the Selected Alternative, as described in the environmental assessment 2024 revaluation, considers the changes to the Preferred Alternative from July 2021 through 2024; and

WHEREAS, the Parties find that the completion of things set out in this Agreement are in the best interest of the Town and County, and their citizens, residents, property owners and visitors; and⁵

WHEREAS, in order to successfully incorporate these actions and the recommendations from the Independent Study, the Parties are combining into this Agreement those elements that have previously been agreed to by the Town and the County in addition to all other requirements that the Town and County have now determined are integral to the Town's municipal consent for the Project; and

WHEREAS, as an additional condition ~~precedent~~ for the Town to grant its municipal consent for the Project, the Parties hereby agree and enter into this Agreement with the express knowledge and understanding that the incorporation and completion of these terms will be a condition of Town's municipal consent for the Project.

NOW, THEREFORE, the Parties do hereby agree as follows regarding the overall Project's design and construction:

PROJECT DESIGN.

1. The Project will advance as shown in the Selected Alternative (Exhibit 2) with the County as the sponsor and SCDOT managing and overseeing the Project, but in partnership with the Town through a joint and equal partnership, for the entirety of the Project. ~~DAI~~ decisions and approvals concerning significant changes or aesthetics of the Project shall be made in writing and ~~signed by both the Town Council and County Council~~ agreed upon by the Town Manager and County Administrator when appropriate. ~~respectively.~~
2. The Project's design will be ~~modified to reflect those elements that are shown in the elements shown in the Selected Alternative -~~ (Exhibit 2), which will serve to achieve the Project's goals while further reducing ~~and~~/or eliminating the impacts to private property owners.
3. To the greatest extent feasible, the improvements proposed as part of the Project will be accomplished within the existing right-of-way with the exception of a multi-use pathway ~~to be included on the northern side of the Project from the intersection of Spanish Wells Road to the new bridge and which will connect to the bridge via a connection which will run underneath the bridge coming onto Jenkins Island, and on the southern side of the Project from the intersection of the Windmill Harbour Traffic Signal to the end of the Mackay Creek bridge span.~~ as shown in the Selected Alternative (Exhibit 2).
4. The Project design will provide a separation of pathways from roadways to the greatest extent feasible and a pedestrian and bicycle safety plan shown in Exhibit 2, which consists of the following:
 - a. Safe pedestrian refuges in median areas; and

- b. Removal of pavement and landscaping necessary to protect pedestrians and bicyclists; and
- ~~e. The installation of up to two (2) pedestrian overpasses and intersection protections that will facilitate the safe movement of pedestrians and bicyclists across the proposed roadway area.~~
- ~~d.c.~~ The integration of strategies to create a pedestrian-friendly Stoney Historic Community corridor that honors and enhances the cultural fabric of the Stoney Historic Community. The Project must balance infrastructure improvement with respect for the Stoney Historic Community's cultural values, traditions, and social dynamics. Strategies to accommodate this include but are not limited to the following:
 - i. Respect for Cultural Landmarks: Ensure that pedestrian pathways respect and preserve cultural landmarks, and historical areas.
 - ii. Lighting and Security: Install adequate lighting and ensure pathways are safe, well-maintained, and patrolled if necessary.
 - iii. Universal Design: Ensure pathways are accessible to people of all ages and abilities, including those with disabilities.
 - iv. Link Key Destinations: Design pedestrian pathways to connect important community destinations including schools, markets, parks, places of worship, and community centers.
 - v. Multi-Modal Integration: Integrate pedestrian pathways with other modes of transportation, such as public transit stops and enhance overall connectivity.
 - vi. Green Spaces: Incorporate green spaces, trees, and vegetation along pedestrian routes to provide shade, improve air quality, and enhance the aesthetic appeal.
 - vii. Health Initiatives: Promote walking and cycling as healthy lifestyle choices through community programs and infrastructure that encourage physical activity.
 - viii. Cultural Education: Raise awareness within the community about the benefits of improved pedestrian connectivity.
 - ix. Wayfinding and Signage: Use relevant symbols and signage to help residents navigate the neighborhood easily.
 - x. Road Safety Audit and Bike and Pedestrian Plan.

5. ~~To the greatest extent possible and as further described in the elements shown on Exhibit 2~~Selected Alternative (Exhibit 2), the will be incorporated in the Project's design ~~elements should include the following easements follows:~~

- a. ~~The County intends to maintain the smallest footprint possible. The County supports a Project design with One~~ (1) bridge with ~~an approximate~~ width not greater than ~~123 feet, 7 inches~~125 feet extending from the mainland to Jenkins Island consisting of three (3) twelve-foot (12') wide travel lanes in each direction, one (1) ten-foot (10') wide outside shoulder in each direction, one (1) six-foot (6') wide inside shoulder in each direction, a twelve-foot (12') wide multi-use pathway along the southern side of the bridge, and physical barriers protecting the edges of

the bridge and separating vehicular and pedestrian traffic which will include one (1) bulb-out refuge of fifty-feet (50') in length and twenty-feet (20') in width over the Mackay Creek, and one (1) bulb-out refuge of fifty-feet (50') in length and twenty-feet (20') in width over the Skull Creek; provided however, that these design elements will continue to be evaluated with the specific goal of reducing, to the maximum extent that is possible, the width of these various elements thereby reducing the overall width of the bridge which will serve to reduce the visual impacts of the bridge and in reducing the funding gap that is currently present for the Project; and

- b. Three (3) travel lanes in each direction through the Jenkins Island section of the Project which are each twelve-feet (12') in width; and
- c. Three travel lanes in each direction through the Stoney Historic Community consisting of two (2) travel lanes which are eleven-feet (11') in width and one (1) travel lane which is twelve-feet (12') in width; and
- d. All Jenkins Island traffic will be routed to the Windmill Harbour Intersection and the Jenkins Road intersection with William Hilton Parkway will be removed; and
- e. Access to Hog Island, Mariners Cove, Blue Heron Point, Jenkins Island Cemetery, Hilton Head RV Resort, and Hilton Head Harbor Marina will be from a new frontage road to be located on Jenkins Island; and
- f. There will not be a U.S. Highway 278 pedestrian crossing at the Windmill Harbour intersection; and
- g. Vehicle access to Hog Island, Blue Heron Point, and Mariners Cove will be moved from southern side to northern side of U.S. Highway 278 with a new under bridge connection; and
- h. Landscaped medians of varying widths will be installed to balance safety, property impacts, and aesthetics; and
- i. The curb cut at Memory Matters, 117 William Hilton Parkway, will be removed; and
- j. The median cut left turn movement for access to the Crazy Crab restaurant property, 104 William Hilton Parkway, will be relocated further westward towards the adjacent Town-owned property; and
- k. One (1) elongated left turn lane from eastbound William Hilton Parkway onto Squire Pope Road; and
- l. One (1) right turn lane from southbound Squire Pope Road onto westbound William Hilton Parkway; and
- m. A new right turn lane will be provided from eastbound William Hilton Parkway onto Chamberlin Drive; and
- n. The intersection of William Hilton Parkway and Spanish Wells Road and Wild Horse Road will be modified to include the following elements:
 - i. Two (2) left turn lanes from northbound Spanish Wells Road to westbound William Hilton Parkway; and
 - ii. One (1) through lane from northbound Spanish Wells Road to Wildhorse Road; and
 - iii. One (1) right hand turn lane from northbound Spanish Wells Road to eastbound William Hilton Parkway; and

- iv. One (1) left hand turn lane from southbound Wild Horse Road to eastbound William Hilton Parkway; and
- v. One (1) through lane from southbound Wild Horse Road to Spanish Wells Road; and
- vi. One (1) right turn lane from southbound Wild Horse Road to eastbound William Hilton Parkway; and
- vii. Improvements to the right turn lane from eastbound William Hilton Parkway to northbound Spanish Wells Road; and
- o. No at grade intersection on Pinckney Island; and
- p. The bridge height clearance will ~~remain at 65 feet~~remain at the lowest extent possible over Skull Creek, same as the current bridge; and
- q. ~~Currently there is no bridge over Pinckney Island, the new~~ The bbridge height clearance ~~over Pinckney Island will be a~~will be the lowest extent possible minimum of 17.19 feet, currently there is no bridge over Pinckney Island; and
- r. The bridge length is approximately 1.376 miles of the 4.218 mile project; and
- ~~s. The bridge will be designed to Safety Evaluation Earthquake (SEE) standards; and~~
~~t.s. The bridge will be designed to withstand a Category 5 hurricane.~~Federal and State standards for natural disasters.

6. — In addition to the design modifications in ~~Section~~Item 5 above, the following items will also be pursued as part of continued Project design efforts:

- 6. ~~Left turns during rush hour (peak hour) traffic will be minimized; and~~
~~b. An additional merge lane from the Cross Island Parkway westbound to William Hilton Parkway will be evaluated; and~~
~~e.a.~~ The Project's design speed limits ~~will be reduced to 45 miles per hour and~~ will have a posted speed limit of ~~45~~50 miles per hour; and
~~d.b.~~ The County will discuss and coordinate with the Town regarding the Aaesthetic elements proposed for the bridge and gateway corridor entrance elements and incorporated to the fullest extent possible the will meet Hilton Head Island Design Review guidelines ~~and will be approved by both Town Council and County Council.~~

~~7. — The Windmill Harbour Traffic Signal will be incorporated within thirty (30) days upon execution of this Agreement into the Town's adaptive traffic management system and funded by the County. Additionally, the County will design and fund the installation of any corresponding infrastructure and associated improvements including traffic signal mast arms as part of the Project.~~

~~8.7.~~ The Project will be designed~~d~~ to Federal and State standards. The County will coordinate with SCDOT to ensure the Town's sufficiently to address concerns resulting from regarding storm surge impacts to the causeway connecting Jenkins Island to Hilton Head Island are addressed in accordance to Federal and State standards ~~will include other similar resilience related matters into the Project design elements~~ to ensure safe and reliable access for citizens, property owners, residents, visitors, and emergency services. Methods to address these concerns may include any of the following, but are not necessarily limited to these methods:

- a. Elevating the roadbed; and
- b. Installing surge barriers; and
- c. Installing armoring or other materials to withstand storm surge impacts; and
- d. Installing vegetation along the causeway to reduce wave energy and minimize erosion; and
- e. Installing sufficient drainage systems to prevent water accumulation on the causeway; and
- f. Installing real-time monitoring systems to provide early warning of rising waters and potential breaches as quickly as possible; and
- g. Performing regular interval inspections and evaluations of the causeway to ensure its long-term structural integrity in conjunction with the Town and appropriate emergency management agencies.

9.8. Where feasible, the Project will include and utilize landscaped medians within the part of the corridor beginning where the bridge meets Jenkins Island and extending through the Stoney Historic Community to the intersection of ~~U.S. Highway~~Hwy 278 and Spanish Wells and Wild Horse Roads, in-lieu-of using concrete medians and will include landscaping along the right of way and on Town-owned property to reinforce the gateway entrance to Hilton Head Island through the Stoney Historic Community and Jenkins Island as reflected in Exhibit 2.-

10.9. Where appropriate to protect the interests of adjacent landowners or for protection of natural resources, raised curbs and gutters will be installed on the exterior edge of the roadway to reduce right-of-way requirements and to handle stormwater runoff and discharge.

~~11. — Further design modifications determined to be appropriate and feasible will be pursued if such will serve to further improve the quality of life within the Stoney Historic Community.~~

12.10. ~~The PAH~~ parties will make available all project data, including but not limited to, ~~Project cost estimates with supporting details, traffic~~traffic data, including modeling and simulation materials, other technical documents, and related design files. Release of requested documents related to the Project may be withheld by any party due to procurement procedures, copyright law, or confidentiality agreements. Parties agree requested documents are not be used for purposes of conducting additional studies or analysis of the Project.

13.11. Value engineering of the Project will be performed to identify and eliminate unwarranted infrastructure and subsequent costs with the goal to improve functional quality as well as optimizing initial and long-term investment thereby seeking the best possible value for the lowest cost.

14.12. The Town will work cooperatively with the County and ~~or~~ SCDOT regarding the conveyance of any Town-owned land that may be necessary to accomplish the Project through the adoption of an Ordinance by the Town Council identifying all such properties or portions thereof to be transferred.

(Signature Page to Follow)

IN WITNESS WHEREOF, the ~~Town of Hilton Head Island, South Carolina, and Beaufort County, South Carolina, Parties~~ by and through their duly authorized officers, have executed this ~~Memorandum of Understanding Agreement~~ on this ____ day of June, 2024the Effective Date.

WITNESSES: _____ **TOWN OF HILTON HEAD ISLAND**

By: _____

Marc Orlando, *Town Manager*

WITNESSES: _____ **BEAUFORT COUNTY**

By: _____

Michael R. Moore , *County Administrator*

WITNESSES: _____ **TOWN OF HILTON HEAD ISLAND**

By: _____

Name: Marc Orlando

Title: Town Manager

WITNESSES: _____ BEAUFORT COUNTY

By: _____

Name: _____

Title: County Administrator

STATE OF SOUTH CAROLINA) MEMORANDUM OF AGREEMENT
) WILLIAM HILTON PARKWAY
GATEWAY FOR STONEY HISTORIC
 COUNTY OF BEAUFORT) CORRIDOR COMMUNITY PROJECTS

THIS MEMORANDUM OF AGREEMENT FOR STONEY HISTORIC COMMUNITY PROJECTS (“Agreement”) is made and entered into this ____ day of ~~June~~ December 2024 (“Effective Date”) by and between the Town of Hilton Head Island, South Carolina (~~the~~ (“Town”), and Beaufort County, South Carolina (~~the~~ “County”); collectively hereinafter the “Parties”.

WHEREAS, the U.S. Highway 278 (“Hwy 278”) corridor, extending from I-95 to Sea Pines Circle, is of regional importance to the Town, the County, and the State of South Carolina in facilitating trade, commerce, transportation of the local workforce, and the transportation of Town residents, visitors, and workers throughout the entire region; and

WHEREAS, access to Hilton Head Island by vehicles is currently via Hwy 278, which includes four bridges, being east and west bound bridges connecting the mainland with Pinckney Island over Mackay Creek, and east and westbound bridges connecting Pinckney Island to Jenkins Island over Skull Creek; and

WHEREAS, from Jenkins Island, Hwy 278 crosses a causeway to Hilton Head Island whereby Hwy 278 is also known as William Hilton Parkway; and

WHEREAS, the South Carolina Department of Transportation (“SCDOT”) has inspected the Karl S. Bowers eastbound bridge that spans Mackay Creek and has found this structure to be structurally deficient and subject to continuing deterioration; and

WHEREAS, traffic entering and leaving Hilton Head Island on a daily basis has increased over time, and the existing corridor does not efficiently handle the traffic in the corridor extending from the intersection of Hwy 278 and Spanish Wells Road to the intersection of Hwy 278 and Moss Creek Drive; and

WHEREAS, to address concerns posed by the deteriorating condition of the eastbound Mackay Creek bridge, and the need to reduce congestion and provide safety improvements for the entrance to Hilton Head Island, the County conducted a Transportation Sales Tax Referendum (“Referendum”) that included a proposed project for the repair or replacement of all four bridges and additional improvements to the Hwy 278 corridor from the intersection of Hwy 278 and Squire Pope Road to the intersection of Hwy 278 and Moss Creek Drive, among other things; and

WHEREAS, following the adoption of the Referendum, the William Hilton Parkway Gateway Corridor Project, collectively referred to herein as the “Project”, was created as a County project for those improvements within the SCDOT owned right-of-way; and

WHEREAS, the Project will begin at the intersection of Hwy 278 and Moss Creek Drive and run to the intersection of Hwy 278 and Spanish Wells and Wild Horse Roads as shown in Exhibit 1 attached hereto and incorporated herein by reference; and

WHEREAS, the portion of the Project beginning at the point where the Skull Creek bridges meet Jenkins Island and ending at the intersection of Hwy 278 and Spanish Wells and Wild Horse Roads is located within the Town's municipal limits. The portion of the Project within the municipal limits of the Town, will impact the property owners and citizens of and visitors of the Town; and

~~WHEREAS, access to Hilton Head Island by vehicles is currently via U.S. Highway 278, which includes four bridges, being east and west bound bridges connecting the mainland with Pinckney Island over Mackay Creek, and east and westbound bridges connecting Pinckney Island to Jenkins Island over Skull Creek; and~~

~~WHEREAS, from Jenkins Island, U.S. Highway 278 crosses a causeway to Hilton Head Island whereby U.S. Highway 278 is also known as William Hilton Parkway; and~~

~~WHEREAS, the South Carolina Department of Transportation has inspected the Karl S. Bowers eastbound bridge that spans Mackay Creek and has found this structure to be structurally deficient and subject to continuing deterioration; and~~

~~WHEREAS, traffic entering and leaving Hilton Head Island on a daily basis has increased over time, and the existing corridor does not efficiently handle the traffic in the corridor extending from the intersection of U.S. Highway 278 and Spanish Wells Road to the intersection of U.S. Highway 278 and Moss Creek Drive; and~~

~~WHEREAS, to address concerns posed by the deteriorating condition of the eastbound Mackay Creek bridge, and the need reduce congestion and provide safety improvements for the entrance to Hilton Head Island the County conducted a Transportation Sales Tax Referendum that included a proposed project for the repair and/or replacement of all four bridges and additional improvements to the U.S. Highway 278 corridor from the intersection of U.S. Highway 278 and Squire Pope Road to the intersection of U.S. Highway 278 and Moss Creek Drive, among other things; and~~

~~WHEREAS, following the adoption of the Transportation Sales Tax Referendum by the voters in Beaufort County the William Hilton Parkway Gateway Corridor Project, referred to herein as the "Project," was created as a County project for those improvements within the SCDOT owned right of way; and~~

~~WHEREAS, the Project will begin at the intersection of U.S. Highway 278 and Moss Creek Drive and run to the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads as shown on Exhibit 1 which is attached to this Memorandum of Agreement, and which is attached hereto and incorporated herein by reference; and~~

WHEREAS, in 2019, the Town Council for the Town of Hilton Head Island, South Carolina (the “Town Council”), created the U.S. 278 Gateway Corridor Committee which developed a series of “Guiding Principles” to be utilized in developing the Project which were formally adopted by Town Council on February 18, 2020; and

~~**WHEREAS**, the Project is now proposed to include the replacement of all four bridges crossing Mackay Creek and Skull Creek to meet current design and safety code specifications; improved transportation performance throughout the corridor and within all major intersections; improved access to the Pinckney Island National Wildlife Refuge and the C.C. Haigh, Jr., boat ramp; improvements to address pedestrian and bicyclist needs, and improvements to address existing conditions within the corridor that are negatively affecting property owners and residents of the Big and Little Stoney Historic Neighborhoods (herein, collectively, the “Stoney Historic Community”), all of which are generally reflected in the revised project design plans shown in Exhibit 2 to this Memorandum of Agreement which are attached hereto and are incorporated herein by reference; and~~

~~**WHEREAS**, the part of the Project beginning at the point where the Skull Creek bridges meet Jenkins Island and ending at the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads is located within the Town’s municipal limits; and~~

~~**WHEREAS**, the Project as a whole including the part within the municipal limits of the Town, will substantially impact the property owners and citizens of and visitors of the Town of Hilton Head Island; and~~

WHEREAS, the properties located the Stoney Historic Community were designated as a Traditional Cultural Property as a part of the National Environmental Policy Act (“NEPA”) process in developing the Environmental Assessment and are reflected on a map attached hereto as Exhibit 3 to this ~~Memorandum of Agreement~~Agreement and incorporated herein by reference; and,

WHEREAS, the ~~U.S. Highway 278~~Hwy 278 corridor, extending from I-95 to Sea Pines Circle, is of regional importance to the Town, the County, and the State of South Carolina in facilitating trade, commerce, transportation of the local workforce, and the transportation of Hilton Head Island residents, visitors, and workers throughout the entire region; and

~~**WHEREAS**, the Project is currently in the preliminary design stage and is working through the NEPA process; and~~

WHEREAS, as part of the NEPA process, a Preferred Alternative for the Project was identified by the SCDOT and presented at a public hearing held on July 22, 2021; and

WHEREAS, following the development of the Preferred Alternative, on October 12, 2021, the Town Council approved suggested revisions to be formally incorporated into the Modified Preferred Alternative; and

~~WHEREAS, based upon public feedback and suggested revisions from the Town, SCDOT presented a Modified Preferred Alternative at a public hearing held on March 3, 2022; and~~

~~WHEREAS, the County, as project sponsor, approved many of these recommendations and they were formally incorporated into a Memorandum of Agreement that was approved on October 4, 2022; and~~

WHEREAS, in response to a substantial number of additional comments made by the residents of the Town and/or the County concerning the Project, the ~~County and the Town~~ Parties determined that, as a necessary condition precedent to making an informed decision on what options for the Project are in the best interests of their citizens, property owners and residents, an independent review (the “Independent Review”) should be performed by a qualified consultant; and

~~WHEREAS, the Parties coordinated on the procurement, awarding, and execution of an Independent Review with consultant CBB Transportation Engineers and Planners, which presented its findings on October 17, 2023; and~~

~~WHEREAS, the County and the Town coordinated on the procurement, awarding, and execution of an Independent Review with consultant CBB Transportation Engineers and Planners, which presented its findings on October 17, 2023; and~~

~~WHEREAS, the Town subsequently procured an additional transportation engineering firm, The Lochmueller Group, to conduct a Town managed Independent Study; and,~~

~~WHEREAS, the Town conducted an additional transportation engineering review. This review was completed by the Lochmueller Group who presented its findings and recommendations to the Town on June 17, 2024; and,~~

WHEREAS, Following completion and presentation of the aforementioned studies and reviews, the Parties agree that final design is generally included in the Selected Alternative as shown in Exhibit 2 attached hereto and incorporated herein by reference. The Selected Alternative shows the Project consists of the replacement of all four bridges crossing Mackay Creek and Skull Creek to meet current design and safety code specifications, improved transportation performance throughout the corridor and within all major intersections, improved access to the Pinckney Island National Wildlife Refuge and the C.C. Haigh, Jr., boat ramp, improvements to address pedestrian and bicyclist needs, and improvements to address existing conditions within the corridor that are negatively affecting property owners and residents of the Big and Little Stoney Historic Neighborhoods (herein, collectively, the “Stoney Historic Community”); and

WHEREAS, to offset the impacts to the Stoney Historic Community, an innovative program of renewal and economic opportunity commensurate with the existing impacts

to the Stoney Historic Community's social and economic vitality that have come about through decades of right-of-way expansion, will established and implemented; and

WHEREAS, the ~~Town and County Parties~~ find that the completion of things set out in this ~~Memorandum of Agreement Agreement~~ are in the best interest of the ~~Town and County Parties~~, and their citizens, residents, property owners and visitors; and,

WHEREAS, in order to successfully incorporate these actions and the recommendations from the Independent Study, the ~~Town and County Parties~~ are combining into this ~~Memorandum of Agreement Agreement~~ those elements that have previously been agreed to by the ~~Town and the County Parties~~ in addition to all other requirements that the ~~Town and County Parties~~ have now determined are integral to the Town's municipal consent for the Project; and

WHEREAS, as an additional condition for the Town to grant its municipal consent for the Project, the Parties hereby agree and enter into this Agreement with the express knowledge and understanding that the incorporation and completion of these terms will be a condition of Town's municipal consent for the Project.

~~**WHEREAS**, as a condition precedent for the Town to grant its municipal consent for the Project, the County and Town hereby agree and enter into this Memorandum of Agreement with the express knowledge and understanding that the incorporation and completion of these terms will be a condition of Town's municipal consent for the Project.~~

~~**NOW, THEREFORE**, the Parties do hereby agree as follows regarding the overall the Stoney Historic Community improvements and economic stability: **NOW, THEREFORE**, for and in consideration of the sum of One (\$1.00) Dollar, each paid to the other, and the performance of the mutual covenants exchanged herein, the receipt and sufficiency of which is acknowledged, the County and the Town do hereby agree as follows regarding the Project's design, the pursuit of neighborhood improvements, and the overall economic sustainability of the corridor:~~

1. STONEY HISTORIC COMMUNITY IMPROVEMENT.

- a. It is acknowledged that there are ~~significant~~ impacts to the Stoney Historic Community (Exhibit ~~32~~) and the Traditional Cultural Properties that are located within the Project's scope and for which, proactive improvement measures must be undertaken, including the elements set forth in this Agreement.
- b. A Stoney Historic Community Economic Sustainability and Cultural Preservation Plan will be created by the Town and implemented in conjunction with the Gullah Geechee Historic Neighborhoods Community Development Corporation ("~~GGHN~~") and serve as a vision and action plan. The 2003 Stoney Initiative Area Plan will serve as a guiding document for this effort.
- c. ~~A secure escrow account, reserve fund, contingency, or other mutually agreed form of funding of at least Ten Million (\$10,000,000.00) Dollars~~ The Project will meet the environmental commitments as defined in the NEPA documents. Parties agree that if Project funding is no longer available the Parties will work jointly to provide necessary funding for completion of the projects as described in this Agreement. Landscaping, lighting, and community sensitive signage will be

~~installed throughout the Stoney Historic Community in order to provide this area with a clear sense of place to elevate this portion of the Project. This will also include a review of existing highway signage to determine if more appropriate alternatives can be utilized that are sensitive to the neighborhood context of the corridor.~~

~~for the Stoney Historic Community shall be established within the Project budget for elements that include: landscaping, lighting, community sensitive signage, park improvements, and other community infrastructure improvements.~~

- d. Through the ~~Gullah Geechee Historic Neighborhoods Community Development Corporation~~GGHN, all parties will work directly with private property owners in the Stoney Historic Community to alleviate roadway impacts and improve quality of life measures including property access and property improvements.

- e. ~~As identified in the Selected Alternative (Exhibit 2), the Town~~ It is has agreed that some portions of Town-owned land ~~may be~~ are needed to reduce the impacts to the private property owners that are located within the Stoney Historic Community and to adequately address other Project elements. This use of Town-owned land may be for purposes of right-of-way acquisition, project and wayfinding signage, landscaping, stormwater, or other similar Project purposes. Additionally, the Town Council will evaluate the use of Town properties within the Project corridor to support the efforts of the ~~Gullah Geechee Historic Neighborhoods Community Development Corporation~~GGHN in restoring economic opportunities within the Stoney Historic Community and the overall stabilization of this neighborhood.

- f. ~~Parties agree to pursue~~ Aa new park ~~will be created~~ south of ~~U.S. Highway 278~~Hwy 278 in the Stoney Historic Community to showcase the Gullah Geechee culture/heritage.

- g. Drainage improvements will be constructed within the part of the corridor as shown in the Selected Alternative (Exhibit 2) beginning where the bridge meets Jenkins Island and extending through the Stoney Historic Community to the intersection of U.S. Highway 278 and Spanish Wells and Wild Horse Roads to improve stormwater conveyance both as part of the Project and as a part of the mitigation of any corresponding impacts to adjoining private properties.

~~h. Landscaping, lighting, and community sensitive signage will be installed throughout the Stoney Historic Community in order to provide this area with a clear sense of place to elevate this portion of the Project. This will also include a review of existing highway signage to determine if more appropriate alternatives can be utilized that are sensitive to the neighborhood context of the corridor.~~

- h. Increased traffic and speed enforcement will be pursued within the area beginning at ~~U.S. Highway 278~~Hwy 278 and Moss Creek Drive and continuing to the intersection of ~~U.S. Highway 278~~Hwy 278 and Spanish Wells and Wild Horse Roads, including the bridges, Jenkins Island, and the Stoney Historic Community areas.

2. **ECONOMIC STABILITY.**

- a. Evaluation of multi-modal transportation opportunities, including ferry options, park and ride facilities, and other various modes of mass transit will be pursued to reduce travel demand for vehicles through the corridor.
- b. The acceleration of the evaluation of a second bridge to Hilton Head Island through the Lowcountry Area Transportation Study (LATS) as outlined in the Long-Range Transportation Study for the region is supported and will be pursued.
- c. Any additional recommendations from the Independent Review and Study will be considered, including those elements that may be outside of the defined Project area.
- d. ~~P~~All parties will work cooperatively to seek the funding that will be necessary to implement the proposed ~~Project~~ improvements and ~~any additional~~ elements ~~that are identified outside of the Project area as described in this Agreement.~~
- e. It is acknowledged that a Tax Increment Financing (“TIF”) District is a beneficial financial tool to facilitate the investment in community infrastructure for the Skull Creek Planning District (Exhibit 4), which includes the Stoney Historic Community. All parties will work cooperatively to assess and consider establishing a TIF District within twelve (12) months ~~following the adoption of this Agreement of the Effective Date.~~

IN WITNESS WHEREOF, the Parties by and through their duly authorized officers, have executed this Agreement on the Effective Date.

~~IN WITNESS WHEREOF, the Town of Hilton Head Island, South Carolina, and Beaufort County, South Carolina, by and through their duly authorized officers, have executed this Memorandum of Understanding on this ____ day of June, 2024.~~

WITNESSES:

TOWN OF HILTON HEAD ISLAND

Manager

By: _____

_____~~Name:~~ Marc Orlando, Town

Title: Town Manager

WITNESSES:

BEAUFORT COUNTY

By: _____

Michael R. Moore , *County Administrator*

COLTRANE & WILKINS, LLC
ATTORNEYS AT LAW

POST OFFICE BOX 6808
HILTON HEAD ISLAND, SC 29938
(843) 785-5551
(843) 785-5552 (Fax)

Curtis L. Coltrane
E-Mail: curtis@coltraneandwilkins.com
Certified Circuit Court Mediator
Certified Circuit Court Arbitrator
Certified Federal Court Mediator

Curtis L. Coltrane*
John W. Wilkins
LaQuin J. Andrus
*Also Member Virginia Bar

December 6, 2024

Mr. Marc A. Orlando
TOWN OF HILTON HEAD ISLAND
One Town Center Court
Hilton Head Island, SC 29928

PRIVILEGED / CONFIDENTIAL / NOT FOR RELEASE
Via E-Mail: marco@hiltonheadislandsc.gov

RE: U. S. 278 Project
Our File THH-24-012

Dear Marc:

I have now had an opportunity to review the two proposed agreements from Beaufort County. These documents are the County's response to the proposed agreement authorized by the Town on June 28, 2024. The County has broken the agreement into two separate contracts. One deals with the bridges and roadway, and the other deals with the work to be done in the Stoney community. This separates the two, and allows the County to treat them differently. Because there is no connection between the two agreements, failing to honor one does not have any effect on the other. Town Council's intent was and is for both to be treated with equal dignity. It well may be the County's intent to do just that, but having the two subjects in separate agreements allows for a different outcome.

It is a chore to track both of the documents back to the Town's June 28, 2024, document, but I will do my best to uncomplicate the analysis. Copies of the two County documents and the Town's June 28, 2024, document are attached for reference.

I will begin with the County's proposal for the "Gateway and Corridor Project."

The recitals are, for the most part, the same as those that appear in the Town's document. There are inconsequential text change throughout, such as referring to U. S. 278 as "Hwy 278," and referring to the Town and County a "the Parties," and the like. I will refer to these as "Minor Text Changes" in the places where they appear. In a few cases, the order of the recitals has been changed.

The recitals on Page 1 of the County's document all appear in the Town's document, and the only changes are the order of the recitals and the Minor Text Changes.

The recitals on Page 2 of the County's document, all appear in the Town's document, and the only changes are the order of the recitals and the Minor Text Changes. There is one other issue that appears for the first time on Page 2, and it is this in the third recital, there is a mention of "Exhibit 2." The County's documents did not have the exhibits attached, so we will need to make sure that the County and Town are referring to the same "Exhibit 2."

The language following the words "Now, Therefore," has been revised to remove any mention of the consideration for the Agreement. In my view this affects the enforceability of the agreement because there is no stated consideration for it. I do not know the County's reasoning for this change.¹

In the text that follows, the references to section numbers in the Town's document mean the section numbers appearing under the heading "Project Design."

1. The Section 1 from the Town's document has been deleted.
2. Section 1 in the County's document makes reference to the "Selected Alternative 2" which is Exhibit 2. The County did not include the exhibits that it refers to. We need to see the County's Exhibits. The Town's document required that Town Council and County Council approve all decisions related to the Project. The County's document deletes that language, and substitutes language that decisions regarding approvals regarding "significant changes and aesthetics" shall be made by the Town Manager and County Administrator.
3. Section 2 in the County's document appears as Section 3 in the Town's document. Again, the County's document makes reference to the "Selected Alternative 2" which is Exhibit 2. The County did not attach the exhibits, and we need to see the County's Exhibits.
4. The text of Section 4 in the County's document is the same text as Section 4 in the Town's documents, other than the County refers to "Exhibit 2" which was not provided by the County. We need to see the County's Exhibits.

¹ The County did not make this change on the other document regarding the Stoney project. I cannot explain the different treatment.

5. The text in Section 5 of the County's document is a departure from the text in the Town's document. The first sentence of Section 5 in the Town's document is stated as an imperative, and the County has changed that to "greatest extent possible" language. It also refers to Exhibit 2 that was not provided by the County.
 - (a) Subsection 5 (a) of the County's agreement changes the opening sentence of Subsection 5(a) from the Town's agreement by adding language stating that the "intent" is to maintain the smallest footprint possible. It also changes the width of one bridge from 123.7 feet to 125 feet. The balance of the text appears to track Subsection 5(a) from the Town's document.
 - (b) The text of subsections 5(b) through 5(o) appear to track Subsections 5(b) through 5(o) from the Town's document.
 - (c) The text of Subsection 5(p) has been altered by replacing the reference to "65 feet over Skull Creek," with "at the lowest extent possible over Skull Creek."
 - (d) The text of Subsection 5(q) has been altered to remove the language "bridge height clearance will be a minimum of 17.19 feet." It is replaced by language reading "the new bridge height clearance will be the lowest extent possible."
 - (e) The text of Subsection 5(r) tracks the Town document.
 - (f) The text of Subsection 5(s) has been altered to remove the language "Safety Evaluation Earthquake (SEE)." It has been replaced with language reading "'Federal and State Standards for natural disasters."
 - (g) Subsection 5(t) from the Town document has been deleted.
6. The text of Section 6 in the Town's document has been altered as follows:
 - (a) The Text of Subsections 6(a) and 6(b) from the Town's document has been deleted.
 - (b) Subsection 6(a) in the County's document is a change from the text of Subsection 6(c) of the Town's document. The language of Subsection 6(c) in the Town's document reading "The Project's design speed limits will be reduced to 45 miles per hour and will have a posted speed limit of 40 miles per hour" has been deleted and changed to "The Project's design speed limits will have a posted speed limit of 45 miles per hour."
 - (c) Subsection 6(b) of the County's document is a revision to Subsection 6(d) of the Town's document. The Town's document required compliance with the Town's Design Review Board guidelines, and the County's document replaces that with text stating the compliance will be to the "fullest extent possible."
7. Section 7 from the Town's document has been deleted in the County's document. Section 7 from the Town's document deals with the traffic signal at the entrance to Windmill Harbour. The text required the County to pay for integration into the Town's adaptive signal management system and for the County to pay for mast arms and associated improvements as part of the project.

8. Section 8 from the Town's document is Section 7 in the County's document. There is a change to the text. The first sentence of Section 8 from the Town's document has been re-written as the first two sentences of Section 7 of the County's document. I do not think there is a material difference between the two. Other than that, the text in Section 8 of the Town's document and Section 7 of the County's document is the same.
9. The text of Section 8 in the County's document is the same as the text of Section 9 of the Town's document, with the Minor Text Changes.
10. The text of Section 9 of the County's document is the same as the text of Section 10 of the Town's document.
11. Section 11 of the Town's document has been deleted and does not appear in the County's document.
12. The first sentence of Section 10 of the County's document is the same as the first sentence of Section 12 of the Town's document, with the Minor Text Changes. The County's document adds two additional sentences, one regarding documents subject to confidentiality agreements, procurement procedures or copyright laws, and one stating that project documents cannot be used for "additional studies or analysis of the Project."
13. Section 11 of the County's document is the same as Section 13 of the Town's document.
14. Section 12 of the County's document is the same as Section 14 of the Town's document, other than Minor Text Changes.

The following relates to the County's proposal for an agreement for the "Stoney Historic Community Projects."

As before, The recitals are, for the most part, the same as those that appear in the Town's document, but with changes to the order of the recitals and the Minor Text Changes. In one case text from two of the recitals in the Town's document have been combined, but the text was not changed in a material way. In the recitals, there are references to "Exhibit 1" which the County did not include with the documents. We will need to see the exhibits the County is referring to.

In the text that follows, the references to section numbers mean the section numbers appearing under the heading "Stoney Historic Community Improvement."

1. Section 1(a) from the County's document is similar to Section 1 in the Town's document however the language has been altered. I do not think the revisions change the substance, though.
2. Section 1(b) in the County's document is largely the same as Section 2 in the Town's document. The only changes are Minor Text Changes.

3. Section 3 from the Town's document has been deleted in the County's document.² The first sentence in the text of Section 1(c) of the County's document addresses the possibility that funding for the Stoney improvements are not part of the NEPA documents may not be funded. The text states that the Town and County will work jointly to provide funding. There is no commitment from the County to cover any shortfall in funding for the Stoney improvements. The second sentence in Section 1(c) in the County's document comes from Section 8 in the Town's document.
4. Section 1(d) in the County's document is the same as Section 4 from the Town's document, with Minor Text Changes.
5. Section 1(e) is the same as Section 5 in the Town's document, with Minor Text Changes. There is also a reference to Exhibit 2. The County did not attach the exhibits, and we need to see the County's Exhibits.
6. Section 1(f) of the County's documents alters the text of Section 6 of the Town's document. The difference is that the text in the County's document is not a commitment to build the park. It states only that the Town and County will "pursue" a park.
7. Section 1(g) in the County's document alters the text of Section 7 of the Town's document. The text in the County's document removes the detail that is in the Town's document and replaces it with a reference to Exhibit 2. The County did not attach the exhibits, and we need to see the County's Exhibits.
8. Section 1(h) in the County's document is the same as Section 9 in the Town's document.

In the text that follows, the references to section numbers in the mean the section numbers appearing under the heading "Economic Sustainability."

1. Section 2(a) of the County's document is the same as Section 1 in the Town's document.
2. Section 2(b) of the County's document is the same as Section 2 in the Town's document.
3. Section 2(c) in the County's document is the same as Section 3 in the Town's document.
4. Section 2(d) in the County's document is the same as Section 4 in the Town's document.
5. Section 2(e) in the County's document is the same as Section 5 in the Town's document.

² This text required the County to establish an escrow account of at least Ten Million Dollars to cover the cost of the Stoney improvements.

Mr. Marc A. Orlando
December 6, 2024
Page 6 of 6

That concludes the comparison of the Town and County documents. Once you have had a chance to review this correspondence, please let me know if you have any questions concerning it. I am,

Sincerely,

COLTRANE & WILKINS, LLC



Curtis L. Coltrane

CLC/tdr

cc: Hon. Alan R. Perry
Mr. Shawn Colin

Enc.: As Stated

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South Carolina
Transportation Infrastructure Bank



955 Park Street
Room 120 B
Columbia, SC 29201
P: (803) 737-2825
Fax: (803) 737-2014

November 7, 2024

Michael Moore
Beaufort County Administrator
100 Ribault Road
Beaufort, SC 29201

Re: Beaufort County US 278 Project

Dear Mr. Moore:

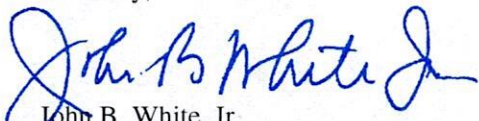
In your July 3, 2024, letter to me, you informed the Bank the estimated funding shortfall for the US 278 Project was approximately \$190 million. You indicated the County intended to fund approximately \$90 million from a transportation sales tax referendum to be placed on the November general election ballot. On November 5, 2024, this bond referendum failed by a substantial margin of 55% to 45%.

As you know, the Intergovernmental Agreement between Beaufort County and the Bank provides that Beaufort County is responsible for any overages over the total cost of the Project. The total project cost referenced in the IGA is \$292,350,000. The Bank's commitment is a grant of \$120 million. An updated total project cost now ranges between \$425 million and \$480 million depending on the design of the project. Your letter indicated Beaufort County would allocate \$90 million toward the overage with funding coming from the transportation sales tax. Now that the transportation sales tax has been soundly rejected, please provide a detailed and complete explanation how Beaufort County intends to fund its approximately \$200 million requirement. Your letter requested the Bank provide an additional grant of \$90 million to go toward the funding shortfall. As you can imagine, the Bank Board must obtain better information from Beaufort County how it intends to fund the shortfall before the Bank can contemplate whether to provide additional grant dollars to the project.

Please respond within 15 days so the Bank Board can make a decision on how best to proceed with this Project.

If you should have any questions, please do not hesitate to contact me or Charles Cannon at (803) 737-1225.

Sincerely,


John B. White, Jr.
Chairman

Cc: Board Members



Justin P. Powell
Secretary of Transportation
803-737-0874 | 803-737-2038 Fax

November 18, 2024

Mr. Michael Moore
County Administrator, Beaufort County
PO Drawer 1228
Beaufort, SC 29901

Dear Mr. Moore:

I appreciate the ongoing partnership between Beaufort County and the South Carolina Department of Transportation (SCDOT) on the development of the US-278 project between Bluffton and Hilton Head Island.

SCDOT has had the US-278 eastbound bridge over Mackay Creek on its priority lists for several years. This structure was built in 1956 and is reaching the end of its design life. Recent bridge inspections have rated the bridge as a 4 (out of 10), or poor. Due to the advanced age and current condition of the structure, SCDOT inspects the bridge annually rather than biannually like most other bridges in the state's inventory.

The present US-278 project initiated out of a desire from Beaufort County to replace all of the bridges and improve traffic operations between Bluffton and Hilton Head Island. In lieu of a separate project for the Mackay Creek bridge only, SCDOT entered into an intergovernmental agreement with Beaufort County to serve as project manager of the US-278 bridge and improvement project.

Through this partnership, this project has progressed through many steps up to this point, including obtaining municipal consent from the Town of Hilton Head Island. SCDOT anticipates a Federal Decision (Finding of No Significant Impact) from the Federal Highway Administration (FHWA) in the first half of 2025 and is prepared to move into right of way acquisition in late 2025. This would put the project on track to go to construction in 2027.

As was communicated by former Secretary Hall earlier this year, the project's current estimated budget is \$488 million, which is approximately \$190M short of the amount presently committed to the project from Beaufort County, the South Carolina Transportation Infrastructure Bank (SCTIB), and SCDOT. I am aware that there is a pending request to the SCTIB to cover \$90 million of the shortfall that will be discussed at the SCTIB's meeting on November 20. I am also aware that the referendum to fund Beaufort County's portion of the shortfall did not pass on November 5.

The condition of the US-278 eastbound bridge concerns me, especially in the harsh environment affected by saltwater and tides. The bridge is at risk in the future of being load posted which could limit the ability of emergency vehicles, commercial trucks, and school buses to go onto access the island. Rehabilitation is an undesirable option with a current estimate of \$50 million being needed to add just 10 years to the bridge's lifespan.

While a comprehensive solution of replacing all structures and improving traffic operations is the



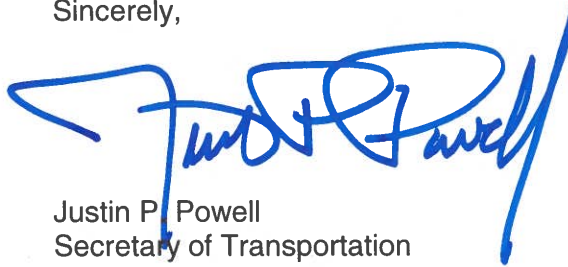
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most ideal path forward, we are approaching a point where time is of the essence on the US-278 eastbound bridge over Mackay Creek. In the professional opinion of SCDOT's Engineering team, a decision must be made by March 31, 2025 if the US-278 project is to continue with funding identified for construction. If not, SCDOT will be prepared to move forward with terminating existing agreements between SCDOT and Beaufort County so that there is sufficient time to design and permit a new bridge solely to replace the existing US-278 eastbound bridge over Mackay Creek.

As always, my team is available to assist as you consider options. Please do not hesitate to reach out to me as both Beaufort County and SCDOT consider next steps on this project.

Sincerely,



Justin P. Powell
Secretary of Transportation

CC: John B. White, Jr., Chairman of the South Carolina Transportation Infrastructure Bank
SCDOT Commission

