



Town of Hilton Head Island  
**TOWN COUNCIL MEETING**  
Tuesday, November 17, 2020, 4:00 p.m.  
**AGENDA**

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In accordance the Town of Hilton Head Island Municipal Code § 2-5-15, this meeting is being conducted virtually and can be viewed on the Town's Facebook Page (<http://facebook.com/TownofHiltonHeadIslandSC>), or website (<https://www.hiltonheadislandsc.gov/>), as well as Hargray channels 9 & 113 and Spectrum channel 1304.

1. **Call to Order**
2. **FOIA Compliance:** Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.
3. **Pledge to the Flag**
4. **Invocation – Reverend Edward B. Alston, Queen Chapel AME Church**
5. **Approval of Agenda**
6. **Approval of Minutes**
  - a. Parking Master Plan Workshop – October 27, 2020
  - b. Regular Meeting – November 4, 2020
7. **Report of the Town Manager**
  - a. Consideration of Closing the Town's Administrative Offices, Thursday, December 24, 2020, in Observance of the Christmas Holiday
  - b. Items of Interest
8. **Reports from Members of Council**
  - a. General Reports from Council
  - b. Report of the Intergovernmental Committee – Bill Harkins
  - c. Report of the Community Services & Public Safety Committee – Marc Grant
  - d. Report of the Public Planning Committee – David Ames
  - e. Report of the Finance & Administrative Committee – Tom Lennox
9. **Proclamations/Commendations – NONE**
10. **Appearance by Citizens**

*Citizens who wish to address Town Council during the meeting by phone must contact the Town Clerk at 843.341.4701 no later than **12:00 p.m. the day of the meeting**. Citizens speaking during the meeting will limit their comments to no longer than three (3) minutes and will conduct themselves in a manner appropriate to the decorum of the meeting, refraining from the use of profane, abusive, or obscene language.*

## **11. Unfinished Business**

### **a. Second Reading of Proposed Ordinance 2020-29 – Dirt Road Paving Zoning Amendments**

Second Reading of Proposed Ordinance 2020-29 to amend Title 16 of the Municipal Code of the Town of Hilton Head Island, South Carolina, the Land Management Ordinance (LMO), Chapters 3 and 5. These Amendments, commonly referred to as *Dirt Road Paving LMO Amendments* as noticed in the Island Packet on September 13, 2020, include changes that create greater flexibility for properties that are located along a road paving program. These changes are as described in “Exhibit A” to this ordinance, and providing for severability and an effective date.

### **b. Second Reading of Proposed Ordinance 2020-31 – Stormwater System Refunding Revenue Bonds**

Second Reading of Proposed Ordinance 2020-31 providing for the issuance and sale of not exceeding \$6,000,000 in aggregate principal amount of the Town of Hilton Head Island, South Carolina, Stormwater System Refunding Revenue Bonds, Series 2021, for the purpose of refinancing all or a portion of the Outstanding \$13,810,000 original principal amount of the Town of Hilton Head Island, South Carolina Stormwater System Refunding Revenue Bond, Series 2010, delegating the authority to the Town Manager to determine certain matters with respect to the Series 2021 Bonds; prescribing the form and details of such Bonds; other matters relating thereto; and providing for severability and an effective date.

### **c. Consideration of the Independent Engineering Review of the U.S. 278 Gateway Corridor Project**

## **12. New Business**

### **a. First Reading of Proposed Ordinance 2020-32 - Coastal Discovery Museum Sub-Lease**

First Reading of Proposed Ordinance 2020-32 authorizing the execution of a Sublease with the Coastal Discovery Museum, related to the Lease of Real Property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2012), and Sec. 2-7-20, Code of the Town of Hilton Head Island, South Carolina, (1983); and providing for severability and an effective date.

### **b. First Reading of Proposed Ordinance 2020-33 - Special Event Requirements**

First Reading of Proposed Ordinance 2020-33 to amend the Municipal Code of the Town of Hilton Head Island, South Carolina, by amending Chapter 12 of Title 17, to reduce the threshold requirement for events requiring a Special Event Permit from five hundred (500) attendees to two hundred fifty (250) attendees; and adding a requirement that Special Event applicants include a public health plan as part of the application process; and providing for severability and an effective date.

### **c. Consideration of a Recommendation – Summit Drive Re-Alignment for Hilton Head Island Convenience Center Operations**

Consideration of a Recommendation to Town Council to insert the Realignment of Summit Drive as an immediate priority into the fiscal year 2021 Capital Improvement Program, a subsequent budget amendment, and to coordinate and partner with Beaufort County on Construction and real estate transfers.

**12. New Business (cont.)**

**d. Consideration of a Recommendation – Accessible Covered Overlook at Islanders’ Beach Park**

Consideration of a Recommendation to Town Council to insert as a new priority, the proposed covered overlook project at Islanders’ Beach Park into the fiscal year 2021 Capital Improvements Program.

**e. Consideration of a Recommendation – Palmetto Bay Business Park Proposals**

Consideration of a Recommendation to Town Council authorizing release of a RFP for solicitation of a developer to purchase Town-owned property in the Palmetto Bay Road area to be utilized in a manner consistent with the Town’s adopted Comprehensive Plan, initial acquisition goals, and related Declaration of Covenants and Restrictions.

**f. Discussion and Consideration of the Agreement for the Interim Town Manager Between the Town of Hilton Head Island, South Carolina and Joshua A. Gruber**

**13. Executive Session**

**14. Possible Actions by Town Council Concerning Matters Discussed in Executive Session**

**15. Adjournment**

Public comments can also be submitted electronically via the Town’s Virtual Town Hall portal (<https://hiltonheadislandsc.gov/opentownhall/>). The portal will close **2 hours prior to the start of the scheduled meeting**. All comments submitted to the portal will be provided to Town Council for review and made part of the official record.



Town of Hilton Head Island  
**TOWN COUNCIL WORKSHOP**  
Tuesday, October 27, 2020 at 9:00 a.m.  
**MEETING MINUTES**

**Present from Town Council:** John J. McCann, *Mayor*; Bill Harkins, *Mayor Pro-Tempore*; David Ames, Tamara Becker, Marc Grant, Tom Lennox, Glenn Stanford, *Council Members*

**Absent from Town Council:** Bill Harkins, *Mayor Pro-Tempore*

**Present from Town Staff:** Steve Riley, *Town Manager*; Josh Gruber, *Deputy Town Manager*; Shawn Colin, *Director of Community Development*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Krista Wiedmeyer, *Exec. Assist/Town Clerk*

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**1. Call to Order**

Mayor McCann called the meeting to order at 9:00 a.m.

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

**3. Approval of Agenda**

Mr. Stanford moved to approve the agenda. Mr. Ames seconded. By way of roll call, the agenda was approved by a vote of 6-0.

**4. Parking Master Plan for the Town of Hilton Head Island**

**a. Presentation from Walker Consultants – Jim Corbett, Director of Planning Studies**

Jim Corbett, Director of Planning Studies from Walker Consultants gave a presentation to the members of Town Council. Mr. Corbett reviewed the findings from the discussions with community members, Town Council, and Town staff. He discussed the different options that could be taken in order to update the Town's current beach parking, specifically in the Coligny area.

**5. Town Council Discussion**

The members of Town Council had a robust discussion, posing a number of questions to Mr. Corbett about his findings and recommendations. Upon the conclusion of the discussion, Mayor McCann stated that a recommendation would be coming forward to the next Council meeting. He said this recommendation would be to accept the report from Walker Consultants, and further discussion would be had at the annual workshop in January.

**6. Appearance by Citizens**

Lee Lucier addressed the members of Town Council with his concerns regarding the Parking Master Plan.

**7. Adjournment**

By unanimous vote, the meeting adjourned at 10:35 a.m.

**Approved: November 17, 2020**

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Krista M. Wiedmeyer, Town Clerk

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John J. McCann, Mayor





Town of Hilton Head Island  
**TOWN COUNCIL**  
Tuesday, November 4, 2020 at 4:00 p.m.  
**MEETING MINUTES**

**Present from Town Council:** John J. McCann, *Mayor*; Bill Harkins, *Mayor Pro-Tempore*; David Ames, Tamara Becker, Marc Grant, Tom Lennox, Glenn Stanford, *Council Members*

**Present from Town Staff:** Steve Riley, *Town Manager*; Josh Gruber, *Assist. Town Manager*; Shawn Colin, *Director of Community Development*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; John Troyer, *Finance Director*; Jennifer Ray, *Deputy Director of Community Development*; Teri Lewis, *Deputy Director of Community Development*; Jeff Buckalew, *Town Engineer*; Jeff Netzinger, *Storm Water Manager*; Krista Wiedmeyer, *Exec. Assist/Town Clerk*

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**1. Call to Order**

Mayor McCann called the meeting to order at 4:00 p.m.

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

**3. Pledge to the Flag**

**4. Invocation – Senior Pastor Neil M. Yongue, Jr. from St. Andrew By-The-Sea**

Pastor Yongue of St. Andrew By-The-Sea delivered the invocation.

**5. Approval of Agenda**

Mr. Harkins moved to approve the agenda. Mr. Stanford seconded. By way of roll call, the agenda was approved by a vote of 7-0.

**6. Approval of Minutes**

- a. **Special Meeting – October 13, 2020**
- b. **Special Meeting – October 19, 2020**
- c. **Special Meeting – October 20, 2020, 3:00 p.m.**
- d. **Regular Meeting – October 20, 2020, 4:00 p.m.**

Mr. Harkins moved to approve all four sets of minutes. Mr. Stanford seconded. By way of roll call, the minutes were approved by a vote of 7-0.

**7. Report of the Town Manager**

**a. Senator Tom Davis – U.S. 278 Gateway Corridor Project**

Senator Tom Davis briefed the members of Town Council on the comments he submitted to Beaufort County regarding the independent review process of the U.S. 278 Gateway Corridor Project. He said he hoped the Town would join the County in this process. Senator Davis also said that he had received many comments from citizens regarding the proposed scope of work for the engineering firm. He said that he explained to the citizens that there is only so much that can be done with regards to the review. Senator Davis answered questions posed by the members of Town Council. Specific questions about timing of the independent review and how this could affect the SCDOT's timeline. Other questions were specific to the engineering firm that the County had already chosen to work with. Asking about the review of the firm's qualifications and background.

## **7. Report of the Town Manager (cont.)**

### **b. Items of Interest**

Mr. Riley reviewed the Items of Interest and upcoming scheduled virtual meetings.

## **8. Reports from Members of Council**

### **a. General Reports from Council**

Mayor McCann reported that he had received communications from some of the members of Council concerning in-person meetings. He said much of the discussion was about the rising number of COVID-19 cases. The Mayor said he would be holding off on having any in-person meetings for the rest of this year, and reevaluate the matter at the start of the New Year.

Mr. Grant reported that he had been invited to visit the Sandalwood Apartments where tenants described the poor living conditions and the scare tactics used by the property manager. He said that Councilman-Elect Brown would be sharing his concerns and initiatives to address this area. Mr. Grant asked that Town staff be prepared to discuss a coalition with the County and the State to improve the living conditions and quality of life for the citizens that live in Hilton Head Gardens and Sandalwood. Mr. Grant said he had spoken to Mr. Brown about the Gateway Corridor Project and the impacts on the Stony Community. He said that Mr. Brown would be sharing his thoughts and concerns about this matter as well.

## **8. Reports from Members of Council (cont.)**

### **b. Report of the Intergovernmental Committee – Bill Harkins**

Mr. Harkins reported that the Committee would host the Island's Public Service Districts at an upcoming meeting to discuss the land purchase request on November 9, 2020, at 10:00 a.m. He said that the Committee would also review the matters at the Sandalwood Apartments too.

### **c. Report of the Community Services & Public Safety Committee – Marc Grant**

Mr. Grant reported that the Committee met on October 26, 2020, where they discussed the accessible covered overlook at Islands' Beach Park, an amendment to the Special Events ordinance, the Debris Management site sublease, and the realignment of Summit Drive for the Convenience Center. He said those items discussed would be brought forward for discussion by full Council.

### **d. Report of the Public Planning Committee – David Ames**

Mr. Ames reported that the Committee met on October 23, 2020 where they discussed the dirt road paving zoning amendments. He said the Committee also met on October 26, 2020 for a workshop where they continued their discussion on the sea turtle lighting amendments.

### **e. Report of the Finance & Administrative Committee – Tom Lennox**

Mr. Lennox stated that he did not have a report.

## **9. Proclamations/Commendations – NONE**

## **10. Appearance by Citizens**

Doug Winters addressed members of Town Council concerning the proposed parking report and the workforce housing amendment.

Councilman-Elect Alex Brown addressed the members of Town Council about the U.S. 278 Gateway Corridor Project.

Phillip Smith addressed the members of Town Council on items related to the Town.

## 11. Unfinished Business

### a. Second Reading of Proposed Ordinance 2020-25 – Workforce Housing Zoning Amendments

Second Reading of Proposed Ordinance 2020-25 to amend Title 16 of the Municipal Code of the Town of Hilton Head Island, South Carolina, the Land Management (LMO), Chapters 2, 3, 4, 5, and 10. These Amendments, commonly referred to as *Workforce Housing LMO Amendments* as noticed in the Island Packet on July 19, 2020, include changes that add Workforce Housing as a permitted by condition use in certain Zoning Districts and created a Workforce Housing Program as described in Exhibit “A” to this Ordinance, and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. Grant seconded. Council had an in depth discussion about these amendments. Council requested that a provision be added to the ordinance that would address only the commercial conversions. Mr. Riley reviewed what that provision would look like, stating that it would be a clause stating: *Whereas, it is the intent of Town Council that, and language to the contrary notwithstanding, these zoning amendments apply only to the conversion of existing commercial spaces.* Mr. Riley said that there would need to be an amendment to the current motion on the table. Mr. Harkins moved to amend, and Mr. Stanford seconded. With little discussion, the motion to amend was approved by a vote of 7-0. The original motion made by Mr. Harkins, and seconded by Mr. Grant was approved by a vote of 7-0.

## 12. New Business

### a. Discussion of the Independent Engineering Review of the U.S. 278 Gateway Corridor Project

Mr. Gruber opened the discussion by recapping the timeline that had led to this discussion. Council continued a lengthy discussion about this matter, with many questions. With so many questions and concerns from the members of Town Council, the Mayor asked that they forward them all to Mr. Gruber and that this matter would be back on the next Town Council meeting agenda for further review and consideration.

### b. First Reading of Proposed Ordinance 2020-29 – Dirt Road Paving Zoning Amendments

First Reading of Proposed Ordinance 2020-29 to amend Title 16 of the Municipal Code of the Town of Hilton Head Island, South Carolina, the Land Management Ordinance (LMO), Chapters 3 and 5. These Amendments, commonly referred to as *Dirt Road Paving LMO Amendments* as noticed in the Island Packet on September 13, 2020, include changes that create greater flexibility for properties that are located along a road paving program. These changes are as described in “Exhibit A” to this ordinance, and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. Stanford seconded. Much discussion was had on this item, including a “Thank You” from Mr. Grant to Town staff for working so hard to get this item put together for his Committee and Council to review. The discussion continued with questions about the setbacks. With no further discussion, the motion was approved by a vote of 6-0-1, Ms. Becker abstaining.

## **12. New Business (cont.)**

### **c. First Reading of Proposed Ordinance 2020-31 - Stormwater System Refunding Revenue Bonds**

First Reading of Proposed Ordinance 2020-31 providing for the issuance and sale of not exceeding \$6,000,000 in aggregate principal amount of the Town of Hilton Head Island, South Carolina, Stormwater System Refunding Revenue Bonds, Series 2021, for the purpose of refinancing all or a portion of the Outstanding \$13,810,000 original principal amount of the Town of Hilton Head Island, South Carolina Stormwater System Refunding Revenue Bond, Series 2010, delegating the authority to the Town Manager to determine certain matters with respect to the Series 2021 Bonds; prescribing the form and details of such Bonds; other matters relating thereto; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. Stanford seconded. With no discussion, the motion was approved by a vote of 7-0.

### **d. Consideration of a Recommendation – Revised Standard POA/PUD Drainage Agreement**

Consideration of a Recommendation approving the revised Standard Maintenance Drainage Agreement for Property Owners Associations (POA) and Planned Unit Developments (PUD).

Mr. Harkins moved to approve. Mr. Stanford seconded. Council discussed this matter, confirming with Town staff that both Hilton Head Plantation and Port Royal were able to submit comments and that the agreement had been updated. With no further discussion, the motion was approved by a vote of 6-1, Ms. Becker opposing.

### **e. Consideration of a Recommendation – Parking Master Plan**

Consideration of a Recommendation to the Town Council accepting the Parking Master Plan report.

Mr. Harkins moved to approve. Mr. Stanford seconded. The Mayor reiterated that this was just approving the report presented by the consultant and that they would review and consider it in greater detail at the workshop in January. With no further discussion, the motion was approved by a vote of 7-0.

### **f. Consideration of the Proposed Designated Marketing Organization Agreement with the Hilton Head Island-Bluffton Chamber of Commerce.**

Mr. Harkins moved to approve. Mr. Stanford seconded. Mr. Lennox stated that he had talked to the President and CEO of the Chamber of Commerce about changing the random sampling noted under 4.6(a)(iii) from 2% to 5%. Mr. Harkins amended his initial motion to reflect this change, and Mr. Stanford amended his initial second to reflect this change. With little discussion, the motion as amended was approved by a vote of 7-0.

## **13. Executive Session**

Mr. Riley confirmed there was a need to enter into Executive Session for discussion regarding an economic development prospect, Project Cloud.

At 5:42 p.m., Mr. Harkins moved to enter into Executive Session for the reasons stated by Mr. Riley. Mr. Stanford seconded. With no discussion, the motion was approved by a vote of 7-0.

**14. Possible Actions by Town Council Concerning Matters Discussed in Executive Session**

**15. Adjournment**

By unanimous vote, the meeting adjourned at 6:011 p.m.

**Approved: November 4, 2020**

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Krista M. Wiedmeyer, Town Clerk

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John J. McCann, Mayor

DRAFT

**RESOLUTION 2020-\_\_\_\_\_**

**A RESOLUTION OF THE TOWN OF HILTON HEAD ISLAND  
DECLARING DECEMBER 24, 2020 AS AN OBSERVED TOWN HOLIDAY**

**WHEREAS**, the Town of Hilton Head Island has adopted an observed Holiday schedule for all Town employees that designates December 25, 2020 as an observed Holiday day; and

**WHEREAS**, the currently adopted schedule does not include December 24, 2020 as an observed holiday; and

**WHEREAS**, the Town Council desires to publicly express if gratitude to all members of Town Staff for the amount of hard work and dedication that they have exhibited over the course of this past year; and

**WHEREAS**, in recognition of the fact that many of the Town’s employees elect to take time off on this date and in recognition of the fact that many of the Town’s citizens do not seek out or utilize Town administrative services during this date; it is therefore the desire of the Town Council to designate December 24, 2020 as an additional observed Town Holiday day.

**NOW, THEREFORE, BE IT RESOLVED** by the Hilton Head Island Town Council that December 24, 2020 is hereby designated as an additional observed Town Holiday. All Town offices and facilities to include Town Hall, will be closed for business on this date. Any members of the Town’s Fire and Rescue or Communications Departments who work on this day will be compensated at the Holiday Pay rate. This Resolution shall not be continuing in nature and any such future grants of additional holiday days shall be done by separate action of Town Council.

**PASSED AND APPROVED BY THE TOWN COUNCIL, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_.**

\_\_\_\_\_  
**John J. McCann, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Krista Wiedmeyer, Town Clerk**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Curtis Coletrane, Town Attorney**

**Induced by Council Member:** \_\_\_\_\_



# Items of Interest

November 17, 2020

## Town News

- ◆ The Town in partnership with the Community Foundation of the Lowcountry last week announced the second award cycle of Community Development Block Grant COVID-19 relief grants. The first round of grant awards totaling \$154,000 was awarded to eight local organizations in September. The second round of grant awards totaling \$125,500 was awarded to six local organizations. Grant funds will be used for housing assistance programs, food pantries programs, distance learning assistance programs, mental health assistance, and purchase of personal protective equipment. Programs selected for CDBG funding must meet U.S. Department of Housing and Urban Development low and moderate income clientele requirements in order to be eligible. Additional funding cycles will be announced in the future. For more information about the grants, guidelines and timelines visit [cf-lowcountry.org](http://cf-lowcountry.org) or call Community Foundation of the Lowcountry at 843.681.9100.
- ◆ Town Administrative Offices will be closed Thursday, November 26<sup>th</sup> and November 27<sup>th</sup>, 2020 in observance of the Thanksgiving Holiday.

## Town Meetings

- ◆ Public Planning Committee – Thursday, November 19, 2020, 3:00 p.m.
- ◆ Community Services & Public Safety Committee – Monday, November 23, 2020, 9:00 a.m.
- ◆ Board of Zoning Appeals – Monday, November 23, 2020, 2:30 p.m.
- ◆ Town Council – Tuesday, December 1, 2020, 4:00 p.m.

Currently all public meetings are being conducted virtually. The dates and times listed above are subject to change. For a complete list of meetings please visit the Town's website ([www.hiltonheadislandsc.gov](http://www.hiltonheadislandsc.gov)).



# **TOWN OF HILTON HEAD ISLAND**

*Community Development Department*

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**TO:** Stephen G. Riley, ICMA~CM, *Town Manager*  
**VIA:** Shawn Colin, AICP, *Community Development Director*  
**FROM:** Teri Lewis, AICP, *Deputy Community Development Director*  
**DATE:** November 5, 2020  
**SUBJECT:** Dirt Road Paving LMO Amendments – Proposed Ordinance 2020-2029

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Town Council reviewed the proposed Dirt Road Paving LMO amendments at their meeting on November 4, 2020. At that meeting, Town Council made no changes to Proposed Ordinance 2020-29.



**AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND**

**ORDINANCE NO. 2020-##**

**PROPOSED ORDINANCE NO. 2020-29**

**AN ORDINANCE TO AMEND TITLE 16 OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, THE LAND MANAGEMENT ORDINANCE (LMO), CHAPTERS 3 AND 5. THESE AMENDMENTS, COMMONLY REFERRED TO AS *DIRT ROAD PAVING LMO AMENDMENTS* AS NOTICED IN THE ISLAND PACKET ON *SEPTEMBER 13, 2020*, INCLUDE CHANGES THAT CREATE GREATER FLEXIBILITY FOR PROPERTIES THAT ARE LOCATED ALONG A ROAD THAT IS PROPOSED TO BE PAVED AS PART OF THE TOWN'S DIRT ROAD PAVING PROGRAM. THESE CHANGES ARE AS DESCRIBED IN EXHIBIT "A" TO THIS ORDINANCE, AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, on October 7, 2014, the Town Council did adopt a new Land Management Ordinance (LMO); and

**WHEREAS**, from time to time it is necessary to amend the LMO; and

**WHEREAS**, Town Council has a Private Dirt Road Acquisition Policy; and

**WHEREAS**, this policy allows the Town to accept donations of public road rights of way on qualifying private unpaved roads with a goal to provide publicly maintained infrastructure within these rights of way; and

**WHEREAS**, if the donations of public road rights of way meet the Town's acceptance criterion, a public Town right of way will be recorded and the Town will maintain that right of way in perpetuity; and

**WHEREAS**, staff held several meetings with residents that would be affected by proposed changes related to the paving of dirt roads; and

**WHEREAS**, those meetings with residents resulted in a list of concerns specifically related to the size of the right-of-way, setback and buffer requirements, and the impact on existing density; and

**WHEREAS**, staff has drafted LMO amendments that will provide flexibility related to the size of the right-of-way, setback and buffer requirements, and the impact on existing density; and

**WHEREAS**, the LMO Committee held a public meeting on September 23, 2020 at which time a presentation was made by Staff and an opportunity was given for the public to comment on the proposed amendments; and

**WHEREAS**, the LMO Committee recommended that the proposed amendments be forwarded to the Planning Commission with a recommendation of approval; and

**WHEREAS**, the Planning Commission held a public hearing on October 14, 2020 at which time a presentation was made by Staff and an opportunity was given for the public to comment on the proposed LMO amendments; and

**WHEREAS**, after consideration of the Staff presentation and public comments the Planning Commission voted 9-0 to forward the proposed amendments to the Public Planning Committee with a recommendation of approval; and

**WHEREAS**, the Public Planning Committee held a public meeting on October 23, 2020 at which time a presentation was made by Staff and an opportunity was given for the public to comment on the proposed LMO amendments; and

**WHEREAS**, after consideration of the Staff presentation and public comments, the Public Planning Committee voted 2-1 to recommend approval of the proposed LMO amendments; and

**WHEREAS**, after due consideration of said LMO amendments and the recommendation of the Planning Commission, the Town Council, upon further review, finds it is in the public interest to approve the proposed amendments recommended by the Public Planning Committee.

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

**Section 1. Amendment.** That the *Dirt Road Paving LMO Amendments* are adopted and the Land Management Ordinance is amended as shown on Exhibit "A" to this Ordinance. Newly added language is illustrated with double underline and deleted language is illustrated with ~~striketrough~~.

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

**Section 3. Effective Date.** This Ordinance shall be effective upon its adoption by the Town Council of the Town of Hilton Head Island, South Carolina.

**PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2020.**

THE TOWN OF HILTON HEAD  
ISLAND, SOUTH CAROLINA

\_\_\_\_\_  
John McCann, Mayor

ATTEST:

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Krista Wiedmeyer, Town Clerk

Public Hearing: October 14, 2020

First Reading:

Second Reading:

APPROVED AS TO FORM:

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Curtis L. Coltrane, Town Attorney

Introduced by Council Member: \_\_\_\_\_

# Attachment A

## Proposed Dirt Road Paving Amendments

### 16-3: Zoning Districts

#### Section 16-3-104. Residential Base Zoning Districts

##### E. Low to Moderate Density Residential (RM-4) District

<h2 style="margin: 0;">RM-4</h2> <h3 style="margin: 0;">Low to Moderate Density Residential District</h3>			
1. No Change			
2. No Change			
3. Development Form Standards			
MAX. DENSITY (PER NET ACRE) <sup>2</sup>		LOT COVERAGE	
Residential	4 du (6 du if <b>lot</b> area is at least 3 acres; 8 du if <b>lot</b> area is at least 5 acres)	Max. <i>Impervious Cover</i> for All <i>Development</i> Except <i>Single-Family</i> <sup>2</sup>	35%
<i>Bed and Breakfast</i>	10 rooms		
Nonresidential	6,000 GFA	Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
MAX. BUILDING HEIGHT			
All <i>Development</i>	35 ft <sup>1</sup>		
USE AND OTHER DEVELOPMENT STANDARDS			
See Chapter 16-4: Use Standards, Chapter 16-5: Development and Design Standards, and Chapter 16-6: Natural Resource Protection.			
<b>TABLE NOTES:</b>			
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable			
1. May be increased by up to ten percent on demonstration to the <i>Official</i> that:			
a. The increase is consistent with the character of <i>development</i> on surrounding <i>land</i> ;			
b. <i>Development</i> resulting from the increase is consistent with the purpose and intent of the <i>building height</i> standards;			
c. The increase either (1) is required to compensate for some unusual aspect of the <i>site</i> or the proposed <i>development</i> , or (2) results in improved <i>site</i> conditions for a <i>development</i> with <i>nonconforming site features</i> ;			
d. The increase will not pose a danger to the public health or safety;			
e. Any adverse impacts directly attributable to the increase are mitigated; and			
f. The increase, when combined with all previous increases allowed under this provision, does not result in a cumulative increase greater than ten percent.			
2. <u>Each adjacent parcel abutting the Town right of way acquired under the Town's Dirt Road Paving Program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way. See Section 16-5-105.D for additional details.</u>			

F. Moderate Density Residential District (RM-8) District

# RM-8 Moderate to High Density Residential District

**1. No Change**

**2. No Change**

**3. Development Form Standards**

MAX. DENSITY (PER NET ACRE) <sup>2</sup>		LOT COVERAGE	
Residential	8 du	Max. <i>Impervious Cover</i> for All <i>Development</i> Except <i>Single-Family</i> <sup>2</sup>	35%
Nonresidential	6,000 GFA	Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
MAX. BUILDING HEIGHT			
All <i>Development</i>	45 ft <sup>1</sup>		

### USE AND OTHER DEVELOPMENT STANDARDS

See Chapter 16-4: Use Standards, Chapter 16-5: Development and Design Standards, and Chapter 16-6: Natural Resource Protection.

**TABLE NOTES:**

P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = *dwelling units* ; sf = square feet; GFA = *gross floor area* in square feet; ft = feet; n/a = not applicable

1. May be increased by up to ten percent on demonstration to the *Official* that:
  - a. The increase is consistent with the character of *development* on surrounding *land*;
  - b. *Development* resulting from the increase is consistent with the purpose and intent of the *building height* standards;
  - c. The increase either (1) is required to compensate for some unusual aspect of the *site* or the proposed *development*, or (2) results in improved *site* conditions for a *development* with *nonconforming site features*;
  - d. The increase will not pose a danger to the public health or safety;
  - e. Any adverse impacts directly attributable to the increase are mitigated; and
  - f. The increase, when combined with all previous increases allowed under this provision, does not result in a cumulative increase greater than ten percent.

2. Each adjacent parcel abutting the Town right of way acquired under the Town’s Dirt Road Paving Program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way. See Section 16-5-105.D for additional details.

**G. Moderate to High Density Residential District (RM-12) District**

# RM-12 Moderate to High Density Residential District

**1. No Change**

**2. No Change**

**3. Development Form Standards**

MAX. DENSITY (PER NET ACRE) <sup>2</sup>		LOT COVERAGE	
Residential	12 du	Max. <i>Impervious Cover</i> for All <i>Development</i> Except <i>Single-Family</i>	35%
Nonresidential	6,000 GFA		
MAX. BUILDING HEIGHT		Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
<i>All Development</i>	45 ft <sup>1</sup>		

### USE AND OTHER DEVELOPMENT STANDARDS

See Chapter 16-4: Use Standards, Chapter 16-5: Development and Design Standards, and Chapter 16-6: Natural Resource Protection.

**TABLE NOTES:**  
 P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = *dwelling units* ; sf = square feet; GFA = *gross floor area* in square feet; ft = feet; n/a = not applicable

1. May be increased by up to ten percent on demonstration to the *Official* that:
  - a. The increase is consistent with the character of *development* on surrounding *land*;
  - b. *Development* resulting from the increase is consistent with the purpose and intent of the *building height* standards;
  - c. The increase either (1) is required to compensate for some unusual aspect of the *site* or the proposed *development*, or (2) results in improved *site* conditions for a *development* with *nonconforming site features*;
  - d. The increase will not pose a danger to the public health or safety;
  - e. Any adverse impacts directly attributable to the increase are mitigated; and
  - f. The increase, when combined with all previous increases allowed under this provision, does not result in a cumulative increase greater than ten percent.
2. Each adjacent parcel abutting the Town right of way acquired under the Town’s Dirt Road Paving Program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way. See Section 16-5-105.D for additional details.

**Section 16-3-105. Mixed-Use and Business Districts**

**G. Marshfront District (MF)**

<h1 style="margin: 0;">MF</h1> <h2 style="margin: 0;">Marshfront District</h2>				
1. No Change				
2. No Change				
3. Development Form Standards				
MAX. DENSITY (PER NET ACRE) <sup>2</sup>			LOT COVERAGE	
Residential <sup>2</sup>	Along Major Arterials	4 du (8 du if <i>lot</i> area is at least 3 acres)	Max. <i>Impervious Cover</i>	60%
	Along Other <i>Streets</i>	6 du (10 du if <i>lot</i> area is at least 3 acres)	Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
Nonresidential	7,000 GFA			
MAX. BUILDING HEIGHT				
<i>All Development</i>	45 ft <sup>1</sup>			
USE AND OTHER DEVELOPMENT STANDARDS				
See Chapter 16-4: Use Standards, Chapter 16-5: Development and Design Standards, and Chapter 16-6: Natural Resource Protection.				
<b>TABLE NOTES:</b>				
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable				
1. May be increased by up to ten percent on demonstration to the <i>Official</i> that:				
a. The increase is consistent with the character of <i>development</i> on surrounding <i>land</i> ;				
b. <i>Development</i> resulting from the increase is consistent with the purpose and intent of the <i>building height</i> standards;				
c. The increase either (1) is required to compensate for some unusual aspect of the <i>site</i> or the proposed <i>development</i> , or (2) results in improved <i>site</i> conditions for a <i>development</i> with <i>nonconforming site features</i> ;				
d. The increase will not pose a danger to the public health or safety;				
e. Any adverse impacts directly attributable to the increase are mitigated; and				
f. The increase, when combined with all previous increases allowed under this provision, does not result in a cumulative increase greater than ten percent.				
2. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.				
3. <u>Each adjacent parcel abutting the Town right of way acquired under the Town's Dirt Road Paving Program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way. See Section 16-5-105.D for additional details.</u>				

**I. Mitchelville (MV) District**

<h1 style="margin: 0;">MV</h1> <h2 style="margin: 0;">Mitchelville District</h2>	
1. No Change	

<b>2. No Change</b>			
<b>3. Development Form Standards</b>			
<b>MAX. DENSITY (PER NET ACRE )<sup>3</sup></b>		<b>LOT COVERAGE</b>	
Residential <sup>1</sup>	12 du	Max. <i>Impervious Cover</i>	50%
<i>Bed and Breakfasts</i>	10 rooms		
<i>Hotel</i>	35 rooms	Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
<i>Interval Occupancy</i>	12 du		
Nonresidential	8,000 GFA		
<b>MAX. BUILDING HEIGHT</b>			
<i>All Development</i>	75 ft		
<b>USE AND OTHER DEVELOPMENT STANDARDS</b>			
See Chapter 16-4: Use Standards, Chapter 16-5: Development and Design Standards, and Chapter 16-6: Natural Resource Protection.			
<b>TABLE NOTES:</b>			
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable			
1. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.			
2. The minimum number of off-street parking spaces for mixed-use development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.			
3. <u>Each adjacent parcel abutting the Town right of way acquired under the Town's Dirt Road Paving Program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way. See Section 16-5-105.D for additional details.</u>			

**J. Neighborhood Commercial (NC)**

<b>NC</b>			
<b>Neighborhood Commercial District</b>			
<b>1. No Change</b>			
<b>2. No Change</b>			
<b>3. Development Form Standards</b>			
<b>MAX. DENSITY (PER NET ACRE )<sup>3</sup></b>		<b>LOT COVERAGE</b>	
Residential <sup>2</sup>	4 du	Max. <i>Impervious Cover</i>	45%
Nonresidential	3,000 GFA	Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
<b>MAX. BUILDING HEIGHT</b>			
<i>All Development</i>	35 ft <sup>1,3</sup>		
<b>USE AND OTHER DEVELOPMENT STANDARDS</b>			
See Chapter 16-4: Use Standards, Chapter 16-5: Development and Design Standards, and Chapter 16-6: Natural Resource Protection.			



**TABLE NOTES:**

P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = *dwelling units* ; sf = square feet; GFA = *gross floor area* in square feet; ft = feet; n/a = not applicable

1. May be increased by up to ten percent on demonstration to the *Official* that:
  - a. The increase is consistent with the character of *development* on surrounding *land*;
  - b. *Development* resulting from the increase is consistent with the purpose and intent of the *building height* standards;
  - c. The increase either (1) is required to compensate for some unusual aspect of the *site* or the proposed *development*, or (2) results in improved *site* conditions for a *development* with *nonconforming site features*;
  - d. The increase will not pose a danger to the public health or safety;
  - e. Any adverse impacts directly attributable to the increase are mitigated; and
  - f. The increase, when combined with all previous increases allowed under this provision, does not result in a cumulative increase greater than ten percent.
2. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.
3. Each adjacent parcel abutting the Town right of way acquired under the Town’s Dirt Road Paving Program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way. See Section 16-5-105.D for additional details.

**N. Stoney (S) District**

<h1 style="margin: 0;">S</h1> <h2 style="margin: 0;">Stoney District</h2>			
<b>1. No Change</b>			
<b>2. No Change</b>			
<b>3. Development Form and Parameters</b>			
<b>MODIFIED ADJACENT STREET AND USE SETBACK STANDARDS</b>			
<b>No Change</b>			
<b>MAX. DENSITY (PER NET ACRE )<sup>4</sup></b>		<b>LOT COVERAGE</b>	
Residential <sup>2</sup>	10 du	Max. <i>Impervious Cover</i>	50%
<i>Bed and Breakfasts</i>	10 rooms		
<i>Hotel</i>	35 rooms	Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
Nonresidential	7,000 GFA		
<b>MAX. BUILDING HEIGHT</b>			
All <i>Development</i>	45 ft <sup>1</sup>		
<b>USE AND OTHER DEVELOPMENT STANDARDS</b>			
See Chapter 16-4: Use Standards, Chapter 16-5: Development and Design Standards, and Chapter 16-6: Natural Resource Protection.			
<p><b>TABLE NOTES:</b>                      P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable</p> <p>1. May be increased by up to ten percent on demonstration to the <i>Official</i> that:</p>			

a. The increase is consistent with the character of <i>development</i> on surrounding <i>land</i> ;
b. <i>Development</i> resulting from the increase is consistent with the purpose and intent of the <i>building height</i> standards;
c. The increase either (1) is required to compensate for some unusual aspect of the site or the proposed <i>development</i> , or (2) results in improved site conditions for a <i>development</i> with <i>nonconforming site features</i> ;
d. The increase will not pose a danger to the public health or safety;
e. Any adverse impacts directly attributable to the increase are mitigated; and
f. The increase, when combined with all previous increases allowed under this provision, does not result in a cumulative increase greater than ten percent.
2. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.
3. The minimum number of off-street parking spaces for mixed-use development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.
<u>4. Each adjacent parcel abutting the Town right of way acquired under the Town's Dirt Road Paving Program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way. See Section 16-5-105.D for additional details.</u>

## O. Waterfront Mixed-Use (WMU) District

<h1 style="margin: 0;">WMU</h1> <h2 style="margin: 0;">Waterfront Mixed-Use District</h2>			
<b>1. No Change</b>			
<b>2. No Change</b>			
<b>3. Development Form Standards</b>			
MAX. DENSITY (PER NET ACRE) <sup>1-5</sup>		LOT COVERAGE	
Residential <sup>3</sup>	16 du	Max. <i>Impervious Cover</i>	50%
<i>Bed and Breakfasts</i>	10 rooms		
<i>Hotel</i>	35 rooms	Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
<i>Interval Occupancy</i>	16 du		
Nonresidential	8,000 GFA		
MAX. BUILDING HEIGHT <sup>2 3</sup>			
All <i>Development</i>	75 ft		
USE AND OTHER DEVELOPMENT STANDARDS			
See Chapter 16-4: Use Standards, Chapter 16-5: Development and Design Standards, and Chapter 16-6: Natural Resource Protection.			
<b>TABLE NOTES:</b>			
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf= square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable			
1. For purposes of calculating new <i>density</i> , only 25% of total square footage devoted to boat dry storage facilities shall be counted.			

2. Where a *parcel* in the WMU District adjoins a zoning district with a *height* limit lower than that in the WMU District, no part of a *building* on the WMU-zoned *parcel* shall exceed a *height* equal to the *height* limit in the adjoining district plus 1 foot, or major fraction thereof, for each foot of horizontal distance from the adjoining district.

3. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.

4. The minimum number of off-street parking spaces for mixed-use development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.

5. Each adjacent parcel abutting the Town right of way acquired under the Town's Dirt Road Paving Program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way. See Section 16-5-105.D for additional details.

## 16:5: Development and Design Standards

TABLE 16-5-102.C: ADJACENT STREET SETBACK REQUIREMENTS				
PROPOSED USE		MINIMUM SETBACK DISTANCE <sup>1</sup> / MAXIMUM SETBACK ANGLE <sup>2</sup>		
		ADJACENT STREET (BY CLASSIFICATION)		
		MAJOR ARTERIAL	MINOR ARTERIAL	ALL OTHER STREETS
<i>Single-Family</i> <sup>3</sup>	Structure > 24 in high	50 ft <sup>3,4,5</sup> /75°	40 ft <sup>3,4,5</sup> / 70°	20 ft <sup>3,4,5</sup> /60°
	Structure ≤ 24 in high	50 ft <sup>3,4,5</sup> /n/a	30 ft <sup>3,4,5</sup> /n/a	10 ft <sup>3,4,5</sup> /n/a
All Other <i>Uses</i>		50 ft <sup>3,4,5</sup> /75°	40 ft <sup>3,4,5</sup> /70°	20 ft <sup>3,4,5</sup> /60°

NOTES: in = inches ft = feet ° = degrees

1. No Change

2. No Change

3. The adjacent street setback shall be a minimum of five (5) feet on any parcel abutting a Town right of way acquired under the Town's Dirt Road Paving Program. See Section 16-5-105.D for additional details.

~~3.~~ 4. No Change

~~4.~~ 5. No Change

TABLE 16-5-103.D: ADJACENT STREET BUFFER REQUIREMENTS			
PROPOSED USE	ADJACENT STREET (BY CLASSIFICATION)		
	MAJOR ARTERIAL	MINOR ARTERIAL	ALL OTHER STREETS
All <i>uses</i> <sup>2</sup>	E	B	A

NOTES:

- Descriptions and width and screening requirements for the various buffer types are set out in Sec. 16-5-103.F, Buffer Types.
- There shall be no adjacent street buffer required on any parcel abutting a Town right of way acquired under the Town's Dirt Road Paving Program. See Section 16-5-105.D for additional details.

### Sec.16-5-105. - Mobility, Street, and Pathway Standards

A. – C. No Changes

### **NEW SECTION**

#### **D. Exceptions for Streets in the Town's Dirt Road Paving Program**

The Town has a program to accept donations of public road rights of way on qualifying private unpaved roads with a goal to provide publicly maintained infrastructure within these rights of way. The Town may approve different right of way design standards on these particular roads, including streets, pathways, and storm drainage, to achieve this goal. If the donations of public road rights of way meet the Town's acceptance criterion, a public Town right of way will be recorded and the Town will maintain that right of way in perpetuity. The criterion are as follows:

- The road must serve more than five dwelling units, each with an individual address point; and
- Property owners must express interest in public road right of way assemblage (100% willing participation); and
- Land for the public road right of way must be donated to the Town; and

- Condemn land only as necessary due to unclear title issues; and
- Community volunteers may assist staff with facilitating right of way donations.

In an effort to encourage the right of way donations, the Town will provide relief to certain standards as described below:

1. Right of way width standards per Sec 16-5-105.D.1. shall apply, except the Town Engineer may accept a minimum right-of-way width of 30' for two-way traffic and a minimum right-of-way width of 24' for one-way traffic where physical and property constraints preclude the standard widths from reasonably being met.
2. End Treatments shall be constructed in accordance with Sec 16-5-105.H, except where the Town Engineer and Fire Marshal have deemed physical and property constraints preclude this from reasonably being met.
3. Adjacent street setbacks shall be five feet along properties abutting the new Town right of way.
4. Adjacent street buffers shall not apply to properties abutting the new Town right of way.
5. Each adjacent parcel abutting the Town right of way acquired under this program shall be permitted to develop to its full density potential based on the size of the parcel prior to the establishment of the Town right-of-way.

**D. E. Design Standards by Street Type**

TABLE 16-5-105.D.E.1: STREET STANDARDS <sup>1</sup>				
STREET TYPE	MAXIMUM AADT	MINIMUM PAVEMENT WIDTH <sup>1</sup> <sub>2</sub>	MINIMUM SHOULDER WIDTH <sup>2</sup> <sub>3</sub>	MINIMUM RIGHT-OF-WAY
Lane	50	20 ft	4 ft	30 ft
Cul-de-sac <sup>3</sup> <sub>4</sub>	250	20 ft	4 ft	40 ft
	500	20 ft	8 ft	50 ft
Local <i>Access</i>	2,000	22 ft	8 ft	50 ft
Subcollector	4,000	24 ft	8 ft	60 ft
Collector	6,000	24 ft	10 ft	70 ft
Minor Arterial	25,000	24 ft	10 ft	70 ft
Major Arterial	50,000	24 ft	12 t	120

1. Right of way width standards shall apply, except the Town Engineer may accept a minimum right-of-way width of 30' right of way for two-way traffic and a minimum right-of-way width of 24' for one-way traffic for streets acquired under the Town's Dirt Road Paving Program where physical and property constraints preclude the standard widths from reasonably being met.

1-2. One-way *streets* shall have a minimum clear pavement width of 14 feet.

2 3. Shoulders shall be stable areas adjoining both sides of the *roadway* that are capable of supporting vehicles. They shall have a cross-slope no steeper than 12:1 (8.33%), and be clear of obstructions. If the required shoulder width is not desirable or attainable, raised curbing compliant with SCDOT standards may be substituted for the shoulder.

3 4. A hammerhead may be used in place of a *cul-de-sac* if the maximum AADT are 250 trips or less.



## **MEMORANDUM**

**TO:** Town Council

**FROM:** John Troyer, CPA, Director of Finance

**VIA:** Joshua A. Gruber, Assistant Town Manager

**VIA:** Stephen G. Riley, ICMA-CM, Town Manager

**DATE:** November 5, 2020

**RE:** **Second Reading of Proposed Ordinance No. 2020-31**

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### **Recommendation:**

Staff recommends Town Council approve the second reading of Proposed Ordinance No. 2020-31. The Ordinance provides for the authorization to issue up to \$6,000,000 Special Revenue bonds to refund Special Revenue bonds Series 2010 to achieve savings. The Town has previously directed the Financial Advisor and Bond Counsel to seek opportunities to take advantage of market conditions to save the Town money on its outstanding debt. This recommendation is a result of those efforts. The bonds are expected to be priced in January and closed in January.

**There have been no changes since the First Reading.**

FOURTH SUPPLEMENTAL ORDINANCE

PROVIDING FOR THE ISSUANCE AND SALE OF NOT EXCEEDING \$6,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, STORMWATER SYSTEM REFUNDING REVENUE BONDS, SERIES 2021, FOR THE PURPOSE OF REFINANCING ALL OR A PORTION OF THE OUTSTANDING \$13,810,000 ORIGINAL PRINCIPAL AMOUNT TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, STORMWATER SYSTEM REFUNDING REVENUE BOND, SERIES 2010; DELEGATING THE AUTHORITY TO THE TOWN MANAGER TO DETERMINE CERTAIN MATTERS WITH RESPECT TO THE SERIES 2021 BONDS; PRESCRIBING THE FORM AND DETAILS OF SUCH BONDS; OTHER MATTERS RELATING THERETO; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Town Council (the “Council”) of the Town of Hilton Head Island, South Carolina (the “Town”), enacted Ordinance No. 2002-44 (the “General Bond Ordinance”) on December 3, 2002, to authorize generally the issuance of Stormwater System Revenue Bonds (as defined in the General Bond Ordinance); and

WHEREAS, pursuant to the General Bond Ordinance, the Bonds are payable from and secured by a pledge of Revenues (as defined in the General Bond Ordinance); and

WHEREAS, the Town has heretofore issued its \$13,810,000 original principal amount Town of Hilton Head Island, South Carolina, Stormwater System Refunding Revenue Bond, Series 2010, dated December 1, 2010, which are presently outstanding in the principal amount of \$6,265,000 (the “Bond of 2010”); and

WHEREAS, the Council originally enacted the Third Supplemental Ordinance (as defined herein) to authorize not exceeding \$14,000,000 principal amount of its Stormwater System Revenue Bonds, in one or more series, for the purpose, among others, of refinancing all or a portion of the Bond of 2010, but when the Town issued the Bond of 2018 (as defined herein) pursuant to such authorization in order to finance certain capital improvements, market conditions did not warrant undertaking such refinancing; and

WHEREAS, the Town now desires to issue not exceeding \$6,000,000 principal amount of its Stormwater System Refunding Revenue Bonds, Series 2021 (the “Series 2021 Bonds”) to refinance all or a portion of the Bond of 2010 and repeal the remaining authorization of Stormwater System Revenue Bonds contained in the Third Supplemental Ordinance, upon issuance of the Series 2021 Bonds; and

WHEREAS, the Council has been advised that in order to refinance all or a portion of the Bond of 2010, the Council must enact an appropriate ordinance supplemental to the General Bond Ordinance authorizing the issuance of the Series 2021 Bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AS FOLLOWS:

ARTICLE I

FINDINGS AND DETERMINATIONS

Section 1.01. Certain Findings and Determinations.

The Council hereby finds and determines:

(a) This Ordinance (the “Fourth Supplemental Ordinance”) constitutes and is a “Supplemental Ordinance” within the meaning of such quoted term as defined and used in Ordinance No. 2002-44 enacted by the Council on December 3, 2002, as amended (as so amended, the “General Bond Ordinance”), and is enacted under and pursuant to the General Bond Ordinance.

(b) The Series 2021 Bonds (as defined herein) constitute and are “Bonds” within the meaning of the quoted word as defined and used in the General Bond Ordinance.

(c) The Revenues pledged under the General Bond Ordinance are not encumbered by any lien and charge thereon or pledge thereof, other than (i) the lien and charge thereon and pledge thereof created by the General Bond Ordinance and the Second Supplemental Ordinance (as defined herein) for payment and security of the Bond of 2010 (if any) which remain outstanding after the issuance of the Series 2021 Bonds, (ii) the lien and charge thereon and pledge thereof created by the General Bond Ordinance and the Third Supplemental Ordinance (as defined herein) for payment and security of the Bond of 2018 (as defined herein and (iii) the lien and charge thereon and pledge thereof created by the General Bond Ordinance and this Fourth Supplemental Ordinance for payment and security of the Series 2021 Bonds.

(d) There does not exist an Event of Default (as defined in the General Bond Ordinance), nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute such Event of Default.

(e) The estimated cost of refinancing the Bond of 2010 is approximately \$6,352,083.50.

(f) Section 4.02(B) of the General Bond Ordinance provides that Bonds may be issued at any time for the purpose of refunding (including by purchase) other Bonds, including amounts to pay principal, redemption premium and interest to the date of redemption (or purchase) of the refunded Bonds; provided that (i) the aggregate Debt Service on all Bonds to be Outstanding after the issuance of the proposed Series of refunding Bonds shall not be greater than would have been the aggregate Debt Service of all Bonds not then refunded and the Bonds to be refunded; or (ii) the requirements of parts 4.02(A)1-6 and 4.02(A)(7)(a) of the General Bond Ordinance are met with respect to the refunding Bonds. Bonds issued upon compliance with Section 4.01 and Section 4.02 of the General Bond Ordinance shall be issued on a parity as to the Net Revenues of the System in all respects *inter sese*.

(g) Section 16.01 of the General Bond Ordinance provides that the obligations of the Town under the Ordinance and the liens, pledges, charges, trusts, covenants and agreements of the Town made or provided for therein shall be fully discharged and satisfied as to any Bond, and such Bond shall no longer be deemed to be Outstanding under the General Bond Ordinance when payment of the principal of, premium, if any, and interest on such Bond shall have been provided for by irrevocably depositing with the Paying Agent



in trust and irrevocably set aside exclusively for such payment, (A) moneys sufficient to make such payment, or (B) Defeasance Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee.

(h) The Town proposes to issue the Series 2021 Bonds, together with other available amounts, for the following principal purposes: (i) refinancing the Bonds to be Refunded, (ii) financing the 2021 Reserve Fund Requirement (if any) through a deposit into the 2021 Debt Service Reserve Fund (if any) of cash, a Letter of Credit, a Surety Bond or a combination thereof, and (iii) paying the costs of issuing the Series 2021 Bonds.

(i) The period of usefulness of the System is in excess of forty (40) years from the date hereof.

(j) It is in the best interest of the Town to authorize the issuance of the Series 2021 Bonds for the purposes set forth in this Fourth Supplemental Ordinance.

## ARTICLE II

### DEFINITIONS

Section 2.01. Definitions. The terms in this Section 2.01 and all words and terms defined in the General Bond Ordinance as from time to time amended or supplemented by a Supplemental Ordinance (as so amended and supplemented, the “Ordinance”) (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this Fourth Supplemental Ordinance have the respective meanings given to them in the General Bond Ordinance and in Section 2.01 hereof.

“2021 Debt Service Fund” shall mean the Fund established pursuant to Section 4.01 hereof to provide for the payment of the principal of and interest on the Series 2021 Bonds.

“2021 Debt Service Reserve Fund” shall mean the Fund, if any, established pursuant to Section 4.02 hereof (a) to insure the timely payment of the principal and interest on the Series 2021 Bonds related thereto; and (b) to provide for the redemption of the Series 2021 Bonds related thereto.

“2021 Reserve Fund Requirement” shall mean the amount, if any, established pursuant to Section 4.02 hereof.

“Beneficial Owner” shall mean any purchaser who acquires beneficial ownership interest in an Initial Bond (to be defined) held by the Depository. In determining any Beneficial Owner the Town, the Trustee and the Paying Agent may rely exclusively upon written representations made and information given to the Town, the Registrar and the Paying Agent, as the case may be, by the Depository or its Participants with respect to any Series 2021 Bond held by the Depository or its Participants in which a beneficial ownership interest is claimed.

“Book-Entry Form” or “Book-Entry System” shall mean with respect to the Initial Bonds, a form or system, as applicable, under which (a) the ownership of beneficial interests in the Initial Bonds may be transferred only through a book-entry and (b) physical bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Holder, with the physical bond certificates “immobilized” in the custody of the Depository. The book-entry maintained by the Depository is the

record that identifies the owners of participatory interest in the Initial Bonds, when subject to the Book-Entry System.

“Bond Insurer” shall mean the issuer of the Insurance Policy (if any) for the Series 2021 Bonds, or a Surety Bond (if any) to satisfy the 2021 Reserve Requirement.

“Bond of 2010” shall mean the \$13,810,000 original principal amount Town of Hilton Head Island, South Carolina, Stormwater System Refunding Revenue Bond, Series 2010 dated December 1, 2010.

“Bond of 2018” shall mean the \$3,200,000 original principal amount Town of Hilton Head Island, South Carolina, Stormwater System Revenue Bond, Series 2018A dated January 31, 2018.

“Bonds to be Refunded” shall mean all or a portion of the Bond of 2010, as determined by the Town Manager, to be refunded with the Series 2021 Bonds.

“Business Day” shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State are required or authorized by law (including executive orders) to close.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and any applicable Treasury regulations.

“Continuing Disclosure Certificate” shall mean the meaning given that term in Section 5.02 hereof.

“Cost of Issuance Fund” shall mean the fund of that name created pursuant to Section 4.05 hereof.

“Custodian” shall have the meaning set forth in Section 4.05 hereof.

“Depository” shall mean any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its Participants or otherwise, a Book-Entry System to record ownership of beneficial interests in the Initial Bonds, and to effect transfers of the Initial Bonds, in Book-Entry Form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Escrow Agent” shall mean the Paying Agent for the Bonds to be Refunded.

“Escrow Agreement” shall mean, collectively, one or more Escrow Deposit Agreements dated the date of its respective execution between the Town and the Escrow Agent.

“Escrow Fund” shall mean, collectively, the funds of that name created pursuant to the Escrow Agreement.

“First Amending Ordinance” shall mean Ordinance No. 2003-04 enacted by the Council on February 18, 2003.

“Fourth Supplemental Ordinance” shall mean this Ordinance enacted by the Council on this date, authorizing the Series 2021 Bonds.

“Initial Bonds” shall mean such Bonds (if any) which are registered and held subject to the Book-Entry System of the Depository.

“Interest Payment Date” shall mean April 1 and October 1 of each year commencing April 1, 2021, or such other dates as may be determined by the Town Manager.

“Insurer Default” shall mean there shall exist a default in the payment by the Bond Insurer of principal of or any interest on any New Bond when required to be made by the applicable Policy or Surety Bond.

“Letter of Credit” shall mean, subject to Section 4.02 hereof, a letter of credit (if any) issued by a bank or other financial institution satisfactory to the Town, to satisfy all or a portion of the 2021 Reserve Fund Requirement, if any.

“Paying Agent” shall mean the bank, financial institution or such other entity (including the Town) designated by the Town Manager to serve as Paying Agent for the Series 2021 Bonds.

“Principal Payment Date” shall have the meaning given to such term in Section 3(a).

“Purchase Contract” shall mean the Bond Purchase Agreement (if any) to be dated the date of execution and delivery thereof between the Town and the Underwriter, as it may relate to the Series 2021 Bonds.

“Purchaser” shall mean the purchaser of the Series 2021 Bonds, if sold through a private placement or sale. The Purchaser shall not mean the Underwriter.

“Registrar” shall mean the bank, financial institution or such other entity (including the Town) designated by the Town Manager to serve as Registrar for the Series 2021 Bonds.

“Second Supplemental Ordinance” shall mean Ordinance No. 2010-23 enacted by the Council on November 17, 2010, authorizing the Bond of 2010.

“Series 2021 Bonds” shall mean the Town of Hilton Head Island, South Carolina, Stormwater System Refunding Revenue Bonds, Series 2021, in the aggregate principal amount of not exceeding \$6,000,000 authorized to be issued hereunder.

“Stormwater Act” shall mean the Stormwater Management and Sediment Reduction Act, codified as Section 48-14-10 et. seq., Code of Laws of South Carolina, 1976, as amended.

“Surety Bond” shall mean, subject to Section 4.02, the Surety Bond or surety bond, if any, issued by the Bond Insurer in connection with the Series 2021 Bonds and payable to the Paying Agent.

“Third Supplemental Ordinance” shall mean Ordinance No. 2017-20 enacted by the Council on December 5, 2017, authorizing the Bond of 2018.

“Trustee” shall mean the bank, financial institution, if any, or such other entity designated by the Town Manager to serve as Trustee under the General Bond Ordinance.

“Underwriter” shall mean such bank or financial institution selected by the Town Manager.

“Value” or “Values” means, if a Surety Bonds is in effect for the Series 2021 Bonds, with respect to any Permitted Investments for the 2021 Debt Service Fund and 2021 Debt Service Reserve Fund established for the Series 2021 Bonds, the amount calculated under the Ordinance determined as of any date of calculation as follows:

- (a) the bid price published by a nationally recognized pricing service as selected by the Town in its sole discretion;
- (b) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and
- (c) as to any investment not specified above: the value thereof established by prior agreement between the Town and the Bond Insurer.

### ARTICLE III

#### THE SERIES 2021 BONDS

##### Section 3.01. Authorization of Series 2021 Bonds.

(a) There is hereby authorized to be issued a Series of Bonds (as defined in the General Bond Ordinance) designated “Town of Hilton Head Island, South Carolina Stormwater System Refunding Revenue Bonds, Series 2021” (the “Series 2021 Bonds”), in the aggregate principal amount of not to exceed \$6,000,000. The proceeds of the Series 2021 Bonds will be used, together with other available amounts, for the purposes of providing funds to (i) refinance the Bonds to be Refunded, (ii) finance the 2021 Reserve Fund Requirement (if any) through a deposit into the 2021 Debt Service Reserve Fund (if any) of cash, the Letter of Credit (if any), the Surety Bond (if any) or a combination thereof, and (iii) pay the costs of issuing the Series 2021 Bonds, including the premiums for the Insurance Policy or Surety Bond (if any); provided, however, that if the Series 2021 Bonds are issued after 2021, any references herein to such Series 2021 Bonds or to the 2021 Debt Service Fund, the 2021 Debt Service Reserve Fund (if any), the 2021 Reserve Fund Requirement (if any) or otherwise, which is identified by the relevant year of issue, such references may be modified to reflect the actual year in which such Series 2021 Bonds are issued and the Series 2021 Bonds shall bear such further numbers, letters or additional words as determined by the Town Manager in order to identify individual series thereof, to identify the purposes for which such Bonds are being issued and to identify the taxable or tax-exempt status thereof.

The Series 2021 Bonds shall mature on such date in each of the years and in the principal amounts, and bear interest at the rates per annum, as determined by the Town Manager pursuant to Section 3.05 hereof.

(b) Such of the Series 2021 Bonds as the Town Manager shall determine pursuant to Section 3.05 hereof shall be subject to mandatory redemption at a redemption price equal to the principal amount

of the Series 2021 Bonds to be redeemed, together with interest accrued from the date of redemption, in the years and in the amounts determined by the Town Manager pursuant to Section 3.05 hereof.

The Trustee or Registrar, if any, without further authorization or direction from the Town, shall give notice of all mandatory redemptions within the time periods and in the manner specified in Article IV of the General Bond Ordinance.

At its option, to be exercised on or before the sixtieth (60<sup>th</sup>) day prior to any mandatory redemption date, the Town may (i) deliver to the Trustee or Registrar, if any, for cancellation Bonds which are subject to mandatory redemption in any aggregate principal amount desired or (ii) receive a credit in respect of its mandatory redemption obligation for any such Bonds which, prior to such date, have been purchased or redeemed (otherwise than through the operation of the mandatory redemption requirement) by the Town and cancelled by the Trustee or Registrar, if any, and not theretofore applied as a credit against any mandatory redemption obligation. Each Bond so delivered or previously purchased or redeemed shall be credited by the Trustee or Registrar, if any, at one hundred percent (100%) of the principal amount thereof, to the obligation of the Town on those respective mandatory redemption obligations in such order as the Town may direct, and the principal amount of the Series 2021 Bonds to be redeemed by operation of the mandatory redemption requirement shall be accordingly reduced.

(c) The Series 2021 Bonds shall originally be dated the date of delivery thereof, and shall be issued as fully registered Bonds in the denominations of \$5,000 and integral multiples of \$5,000, or such other date or denomination (as applicable) as the Town Manager shall determine pursuant to Section 3.05 hereof.

(d) Principal of and redemption premium, if any, on the Series 2021 Bonds shall be payable at the designated corporate trust office of the Trustee or Paying Agent, if any. Interest on the Series 2021 Bonds shall be payable semiannually each Interest Payment Date, in each case to the Holders as of the immediately preceding Record Date, such interest to be paid by check or draft mailed to each Holder at the address as it appears on the Books of Registry maintained at the designated corporate trust office of the Trustee or Registrar, if any, or, in the case of a Holder of \$1,000,000 or more in principal amount of Bonds, by wire transfer to an account within the continental United States upon the timely receipt of a written request of such Holder.

(e) A copy of the approving opinion to be rendered on the Series 2021 Bonds shall be printed on the back of such Bonds, preceding the same a certificate shall appear, which shall be signed on behalf of the Town by a facsimile signature of the Town Clerk. Such certificate shall be in the form substantially as follows:

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the approving opinion of Burr & Forman LLP, Columbia, South Carolina, the original of which was manually executed, dated and issued as of the date of the delivery of and payment for the Series 2021 Bonds, and a copy of which is on file with the Town.

THE TOWN OF HILTON HEAD, SOUTH CAROLINA

By: \_\_\_\_\_  
Town Clerk

Section 3.02. Optional Redemption of Series 2021 Bonds. Such of the Series 2021 Bonds as may be determined by the Town Manager pursuant to Section 3.05 hereof shall be subject to redemption

prior to maturity, at the option of the Town, in whole or in part at any time in such order of their maturities as the Town shall determine and by lot within a maturity, at the respective redemption prices with respect to each Series 2021 Bond, expressed as a percentage of principal amount of the Series 2021 Bonds to be redeemed, as shall be determined by the Town Manager pursuant to Section 3.05 hereof, together, in each such case, with the interest accrued on such principal amount to the date fixed for redemption.

Section 3.03. Designation of Trustee, Registrar, Paying Agent and Custodian. The Town Manager is hereby authorized and empowered to select the Registrar and the Paying Agent, if any, for the Series 2021 Bonds, and the Custodian (if any) for the Cost of Issuance Fund, and to take all actions necessary or desirable to designate the Trustee, if any, under the General Bond Ordinance and/or the Payment Agent for the Bonds to be Refunded. The Trustee, Registrar and Paying Agent (if any), and the Custodian (if any) shall signify their acceptances of their respective duties upon delivery of the Series 2021 Bonds.

Section 3.04. Book-Entry System; Recording and Transfer of Ownership of the Series 2021 Bonds.

The Initial Bonds will be eligible securities for the purposes of the Book-Entry System of transfer maintained by the Depository, and transfers of beneficial ownership of the Initial Bonds shall be made only through the Depository and its participants in accordance with rules specified by the Depository. Such beneficial ownership must be of \$5,000 principal amount of Initial Bonds of the same Series and maturity or any integral multiple of \$5,000.

The Initial Bonds will be issued in fully-registered form, as a single bond representing the entire principal amount of the Series 2021 Bonds, in the name of Cede & Co., as the nominee of the Depository. When any principal of, premium, if any, or interest on the Initial Bonds becomes due, the Town shall transmit or cause the Paying Agent to transmit to the Depository an amount equal to such installment of principal, premium, if any, and interest. Such payments will be made to Cede & Co. or other nominee of the Depository as long as it is owner of record on the applicable Record Date. Cede & Co. or other nominee of the Depository shall be considered to be the owner of the Initial Bonds so registered for all purposes of this Fourth Supplemental Ordinance, including, without limitation, payments as aforesaid and receipt of notices. The Depository shall remit such payments to the Beneficial Owners of the Series 2021 Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption of the Initial Bonds or any portion thereof shall be sent to the Depository in accordance with the provisions of the General Bond Ordinance.

The Depository is expected to maintain records of the positions of Participants in the Initial Bonds, and the Participants and persons acting through Participants are expected to maintain records of the Beneficial Owners in the Initial Bonds. The Town, the Trustee, the Registrar and the Paying Agent (if any) make no assurances that the Depository and its Participants will act in accordance with such rules or expectations on a timely basis, and the Town, the Trustee, the Registrar and the Paying Agent (if any) shall have no responsibility for any such maintenance of records or transfer of payments by the Depository to its Participants, or by the Participants or persons acting through Participants to the Beneficial Owners.

The Town, the Trustee, the Paying Agent and the Registrar (if any) may treat the Depository (or its nominee) as the sole and exclusive owner of the Series 2021 Bonds registered in its name for the purpose of payment of the principal of, interest or premium, if any, on the Series 2021 Bonds, giving any notice permitted or required to be given to Bondholders under the General Bond Ordinance or this Fourth Supplemental Ordinance, registering the transfer of the Series 2021 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any

notice to the contrary. The Town, the Trustee, the Paying Agent and the Registrar (if any) shall not have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Series 2021 Bonds under or through the Depository or any Participant, or any other person which is not shown on the Books of Registry of the Town maintained by the Trustee or Registrar (if any) as being a Bondholder, with respect to: the accuracy of any records maintained by the Depository or any Participant or the maintenance of any records; the payment by the Depository or any Participant of any amount in respect of the principal of, interest or premium, if any, on the Series 2021 Bonds; the sending of any transaction statements; the delivery or timeliness of delivery by the Depository or any Participant of any notice which is permitted or required to be given to Bondholders thereunder; the selection of Bondholders to receive payments upon any partial redemption of the Series 2021 Bonds; or any consent given or other actions taken by the Depository as a Bondholder.

If (a) the Depository determines not to continue to act as securities depository for the Series 2021 Bonds, and gives reasonable notice to the Registrar or the Town, or (b) the Town has advised the Depository of the Town's determination that the Depository is incapable of discharging its duties, then the Town shall attempt to retain another qualified securities depository to replace the Depository. Upon receipt by the Town or the Registrar of the Initial Bonds together with an assignment duly executed by the Depository, the Town shall execute and deliver to the successor depository, the Series 2021 Bonds of the same principal amount, interest rate and maturity. If the Town is unable to retain a qualified successor to the Depository, or the Town has determined that it is in its best interest not to continue the Book-Entry System of transfer or that interests of the Beneficial Owners of the Series 2021 Bonds might be adversely affected if the Book-Entry System of transfer is continued (the Town undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify Beneficial Owners of the Series 2021 Bonds by mailing an appropriate notice to the Depository, upon receipt by the Town of the Initial Bonds together with an assignment duly executed by the Depository, the Town shall execute, authenticate and deliver to the Depository Participants the Series 2021 Bonds in fully-registered form, in authorized denomination; provided, however, that the discontinuation of the Book-Entry System of registration and transfer with respect to the Series 2021 Bonds or the replacement of the Depository or any successor depository shall be subject to the applicable rules and procedures of the Depository or such successor depository on file or otherwise approved by the Securities and Exchange Commission.

#### Section 3.05. Sale and Issuance of Series 2021 Bonds; Official Statement.

(a) The Town Manager of the Town is hereby authorized and empowered to determine the aggregate principal amount of the Series 2021 Bonds, if less than authorized by this Fourth Supplemental Ordinance, the principal amount of each maturity of the Series 2021 Bonds, the interest rates for the Series 2021 Bonds, the original issue date, initial Interest Payment Date and Principal Payment Dates for the Series 2021 Bonds, which Bonds (if any) are Initial Bonds and issued on a taxable or tax-exempt basis (and, to the extent all or any portion of the Series 2021 Bonds are issued on a federal-tax exempt basis, determine whether the Series 2021 Bonds shall be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct, from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations), the Bonds to be Refunded, the Series 2021 Bonds to be subject to mandatory and optional redemption, the redemption prices of the Series 2021 Bonds subject to optional redemption, any Underwriter's, Purchaser's or original issue discount at which the Series 2021 Bonds will be sold, whether an Insurance Policy will be purchased with respect to the Series 2021 Bonds; whether the 2021 Debt Service Reserve Fund will be established and funded and, if so, the manner in which the 2021 Reserve Fund Requirement will be satisfied; the Trustee, Registrar and Paying Agent (if any) for the Series 2021 Bonds; the Custodian (if any) for the Cost of Issuance Fund and such other terms and conditions related to the Series 2021 Bonds.

(b) The Series 2021 Bonds shall either be sold publicly, following a private sale to the Underwriter, or directly to the Purchaser in a private offering. In connection with a public offering, the Town hereby finds and determines that the Purchase Contract to be dated the date of its execution, submitted by the Underwriter for the purchase of all or a portion (if any) of the Series 2021 Bonds is fair and reasonable and in the best interest of the Town; that, if executed, the Series 2021 Bonds contemplated by the Purchase Contract shall be sold to the Underwriter upon the terms and conditions set forth in the Purchase Contract and upon the basis of the representations therein set forth, and that all conditions precedent to or concurrent with the acceptance of the Purchase Contract by the Town have been met. The Town Manager is hereby authorized and directed to approve the form of Purchase Contract, together with such amendments and modifications to the form thereof as the Town Manager shall negotiate and approve, and to execute the Purchase Contract, as so modified and amended, and deliver the same to the Underwriter, the Town Manager's execution and delivery of the Purchase Contract constituting conclusive evidence of approval of the matters therein contained. Notwithstanding the foregoing, the Town Manager is hereby authorized to take all actions, including the preparation and dissemination of requests for proposals and the publication and/or distribution of information relating to the Town and the System, to solicit interest and receive offers from financial institutions to purchase the Series 2021 Bonds in a private offering, and to accept such offer which is in the best interest of the Town and execute such documents as may be necessary in connection therewith.

(c) The Town Manager is hereby authorized and directed to prepare a Preliminary Official Statement, relating to a public offering of the Series 2021 Bonds (the "Preliminary Official Statement"), and to take such actions necessary to "deem final" the Preliminary Official Statement for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

(d) The Town hereby authorizes the Final Official Statement of the Town to be dated on or about the date of the execution and delivery of the Purchase Contract, relating to the Series 2021 Bonds substantially in the form of the Preliminary Official Statement, with such modifications as the Town Manager approves; the Town Manager of the Town is hereby authorized and directed to execute copies of the Final Official Statement and deliver the same to the Underwriter, which execution and delivery shall be conclusive evidence of the approval of any such modifications; and the Town hereby authorizes the use of the Preliminary Official Statement and Final Official Statement and the information contained therein in connection with the public offering and sale of the Series 2021 Bonds by the Underwriter.

(e) A copy of this Fourth Supplemental Ordinance shall be filed with the minutes of this meeting.

(f) The Town hereby authorizes and directs all of the officers and employees of the Town to carry out or cause to be carried out all obligations of the Town under the aforesaid Purchase Contract and to perform such other actions as they shall consider necessary or advisable in connection with the issuance, sale and delivery of the Series 2021 Bonds.

(g) The Town hereby authorizes the use of the General Bond Ordinance and this Fourth Supplemental Ordinance, which together are the "Ordinance" and the information contained therein in connection with the public offering and sale of the Series 2021 Bonds by the Underwriter.

(h) The Council hereby authorizes the Town Manager to negotiate the terms of, and execute, in the name and on behalf of the Town, and deliver investment agreements, forward delivery agreements, repurchase agreements and other agreements in connection with the Series 2021 Bonds, to prepare and solicit



bids for providers of such agreements and to execute, in the name and on behalf of the Town, written confirmations of any such agreements and other documents as may be necessary in connection therewith.

(i) The Council hereby ratifies, confirms and approves the actions of the Town Manager heretofore undertaken with regard to applications for Insurance Policies, Surety Bonds, Letters of Credit, and other credit enhancements and liquidity arrangements relating to the Series 2021 Bonds from municipal bond insurance companies or financial institutions and to enter into, execute and deliver on behalf of the Town, such loan, insurance, reimbursement or guaranty agreements as shall be necessary and advisable, with advice of counsel, in connection with the transactions and other matters referred to herein; provided, however, that the representations and covenants contained in such agreements may be incorporated in this Fourth Supplemental Ordinance as if fully set forth herein.

Section 3.06. Form of Bonds. The Series 2021 Bonds shall be in substantially the form set forth in Exhibit A hereto, with such necessary or appropriate variations, omissions and insertions as are incidental to the series, numbers, denominations, maturities, dates, interest rate or rates, redemption provisions, the purpose of issuance and other details thereof or as are otherwise permitted or required by law or by the Ordinance, including this Fourth Supplemental Ordinance. The Series 2021 Bonds shall be executed in the name and on behalf of the Town by the manual or facsimile signatures of the Mayor and Town Clerk.

#### ARTICLE IV

#### ESTABLISHMENT OF FUNDS; DISPOSITION OF BOND PROCEEDS

Section 4.01. Establishment of 2021 Debt Service Fund. In accordance with Section 7.04 of the General Bond Ordinance, the 2021 Debt Service Fund is hereby directed to be established and held by the Trustee or the Paying Agent, if any, on the date of the original delivery of the Series 2021 Bonds for the benefit of the Holders of the Series 2021 Bonds. Payments into the 2021 Debt Service Fund shall be made pursuant to the provisions of Section 7.02 of the General Bond Ordinance.

Section 4.02. Establishment of the 2021 Reserve Fund Requirement and 2021 Debt Service Reserve Fund. In accordance with Section 7.05 of the Ordinance, the Town Manager may determine whether it is necessary or desirable to establish the 2021 Debt Service Reserve Fund for the benefit of the Holders of the Series 2021 Bonds and the amount and timing of funding of the 2021 Reserve Fund Requirement, and, if so, such 2021 Debt Service Reserve Fund shall be established on the date of the original delivery of the Series 2021 Bonds and held by the Trustee or the Paying Agent, if any, with regard to the Series 2021 Bonds, all as provided in the Ordinance; and (2) in the event of any full or partial defeasance of the Series 2021 Bonds under Article XVI of the Ordinance, then the 2021 Reserve Fund Requirement established for the Series 2021 Bonds shall be recalculated based on the then Outstanding principal amount of such Series 2021 Bonds. If the 2021 Debt Service Reserve Fund is established, the 2021 Reserve Fund Requirement initially will be satisfied by the Town by the deposit of cash into the 2021 Debt Service Reserve Fund (which may, as designated by the Town Manager, be funded from the proceeds of the Series 2021 Bonds on the date of delivery thereof or from Gross Revenues thereafter), by securing the Letter of Credit, with the purchase of the Surety Bond, or any combination of the foregoing, in each case for the benefit of the Holders of the Series 2021 Bonds for which the 2021 Debt Service Reserve Fund (or separate funds or accounts, as applicable) is established.

Section 4.03. Disposition of Proceeds of Series 2021 Bonds and Certain Other Moneys.

The proceeds derived from the sale of the Series 2021 Bonds, net of the original issue discount or premium, the Underwriter's or Purchaser's discount, the premiums on the Insurance Policy and Surety

Bond (if any), shall be deposited with the Trustee, Paying Agent, Escrow Agent, Custodian or the Town, respectively, and used for one or more of the following purposes:

(a) A portion of the proceeds of the Series 2021 Bonds shall be paid over to the paying agent for the Bonds to be Refunded or the Escrow Agent (as applicable), an amount which the Town Manager determines to be required, together with amounts (if any) transferred from the Debt Service Fund related to the Bonds to be Refunded and other available moneys of the Town, to provide for the payment of principal of, redemption premium, if any, and interest on the Bonds to be Refunded upon the redemption thereof.

(b) If the Town Manager determines that a 2021 Debt Service Reserve Fund shall be established and the 2021 Reserve Fund Requirement shall be funded with a portion of the proceeds of the Series 2021 Bonds, there shall be deposited with the Trustee or the Paying Agent (if any) for deposit into such 2021 Debt Service Reserve Fund an amount equal to the 2021 Reserve Fund Requirement.

(c) The remaining amount of the proceeds of the Series 2021 Bonds shall be deposited with the Town or a Custodian (if any) into the Cost of Issuance Fund established in Section 4.05 hereof to be used and applied to the payment of Cost of Issuance as provided in that Section.

The respective amounts specified in this Section 4.03 shall be determined by the Town upon delivery of the Series 2021 Bonds.

Section 4.04. Authorization to Effect Refunding; Redemption of the Bonds to be Refunded. The Town Manager is hereby authorized and directed for and on behalf of the Town to take such actions, including but not limited to the execution by the Town Manager of the Escrow Agreement or other agreements, the giving of any such directions to the paying agent and/or registrar of the Bonds to be Refunded calling all or a portion of the Bonds to be Refunded for redemption on one or more dates or other directions as shall be necessary to carry out the provisions of this Fourth Supplemental Ordinance. If executed, the Escrow Agreement shall be dated the date of delivery of the Series 2021 Bonds to the initial purchaser thereof, and substantially in the form approved by the Town Manager upon the advice of counsel to the Town. The execution thereof shall be evidence of the approval of any such form of agreement.

Upon delivery of the Series 2021 Bonds, a portion of the principal proceeds thereof, together with amounts (if any) deposited in the Debt Service Fund with respect to the Bonds to be Refunded and other funds of the Town, shall be used to refinance the Bonds to be Refunded or, if applicable, be deposited with the Escrow Agent and held by it under the Escrow Agreement and in the Escrow Fund. Subject to the terms of the Escrow Agreement, it shall be the duty of the Escrow Agent to keep such proceeds invested and reinvested to the extent that it shall be practical in Defeasance Obligations and to apply the principal and interest of the trust so established in the manner prescribed in such Escrow Agreement and the General Bond Ordinance.

The Town Manager is hereby authorized to take such actions as may be necessary or desirable, upon the advice of counsel to the Town, to secure the Defeasance Obligations to be purchased under the Escrow Agreement, including but not limited to the preparation and dissemination of bid specifications and subscription documents and the execution of directions to purchase such Defeasance Obligations.

Section 4.05. Establishment of Cost of Issuance Fund. There is hereby created and established the Cost of Issuance Fund which fund shall be held by the Town or by one or more banks or other financial institutions designated by the Town (the "Custodian"). If held by a Custodian, the Town Manager is authorized and directed to negotiate, execute and deliver such agreements with such Custodian as may be necessary or desirable in connection therewith. The moneys on deposit in the Cost of

Issuance Fund shall be used and applied to the payment of the Costs of Issuance incidental to the issuance and sale of the Series 2021 Bonds.

Moneys held for the credit of the Cost of Issuance Fund shall be invested to the fullest extent practicable and reasonable, in Authorized Investments, maturing at such times and in such amounts as shall be required to provide moneys to make the payments required to be made from such Fund.

Withdrawals from the Cost of Issuance Fund shall be made in the manner withdrawals from other funds of the Town are made.

If after the payment in full of all Costs of Issuance any moneys remain in the Cost of Issuance Fund, such excess shall be paid in to the 2021 Debt Service Fund and shall be used only for the payment of the interest coming due on the Series 2021 Bonds.

## ARTICLE V COVENANTS AND AMENDMENTS

Section 5.01. Federal Tax Covenant. The Town hereby covenants and agrees with the Holders of the Series 2021 Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Series 2021 Bonds to become includable in the gross income of the Holders for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Series 2021 Bonds. The Town further covenants and agrees with the Holders of the Series 2021 Bonds that no use of the proceeds of the Series 2021 Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Series 2021 Bonds would have caused the Series 2021 Bonds to be “arbitrage bonds,” as defined in the Code; and to that end the Town hereby shall:

- (a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as any of the Series 2021 Bonds are Outstanding;
- (b) establish such funds, make such calculations and pay such amounts, if necessary, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebate of certain amounts to the United States; and
- (c) make such reports of such information at the times and places required by the Code.

The Town Manager is hereby further authorized, in accordance with the provisions of the Code, to make such election or designation (as applicable) necessary to be made by or on behalf of the Town that all or a portion of the Series 2021 Bonds are “qualified tax-exempt obligations” as defined in the Code.

Section 5.02. Continuing Disclosure. Pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended (“Section 11-1-85”), the Town covenants that it will file with a central repository for availability in the secondary bond market when requested:

- (a) An annual independent audit, within thirty days of the Town’s receipt of the audit; and
- (b) Event specific information within thirty (30) days of an event adversely affecting more than five (5%) percent of Gross Revenues or the Town’s tax base.

The only remedy for failure by the Town to comply with the covenant of this paragraph shall be an action for specific performance of this covenant. The Town specifically reserves the right to amend or delete this covenant to reflect any change in Section 11-1-85, without the consent of any Bondholder.

In addition, the Town Manager is hereby authorized and directed to approve the form of, and executed and deliver, a Continuing Disclosure or Reporting Certificate of the Town, related to the Series 2021 Bonds as required by applicable law, and the Town hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure or Reporting Certificate. Notwithstanding any other provisions of this Fourth Supplemental Ordinance, failure of the Town to comply with the Continuing Disclosure or Reporting Certificate shall not be considered an Event of Default, and no liability for damages shall attach therefor. The sole remedy for such failure to comply shall be that any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Town to comply with their obligations under this paragraph.

Section 5.03. Modification of General Bond Ordinance.

The Third Supplemental Ordinance contained certain amendments to the General Bond Ordinance. The Holders of the Bond of 2018 and the Series 2021 Bonds, by their acceptance thereof, have or are deemed to have consented to the amendments set forth in the Third Supplemental Ordinance.

ARTICLE VI  
MISCELLANEOUS

Section 6.01. Further Actions. The Mayor, Clerk, Town Manager, Assistant Town Manager, Director of Finance and Town Attorney are hereby authorized and directed to take any and all such further actions as shall be deemed necessary or desirable in order to effectuate issuance of the Series 2021 Bonds pursuant to the Purchase Contract, to secure a Letter of Credit or purchase the Insurance Policy or Surety Bond (including the execution and delivery of the commitments relating thereto) and to carry out the intentions of this Fourth Supplemental Ordinance.

Section 6.02. Headings. The headings and titles of the several sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Fourth Supplemental Ordinance.

Section 6.03. Notices. All notices, certificates or other communications hereunder or under the General Bond Ordinance shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, or given when dispatched by telegram addressed as follows:

If to the Town:

Town of Hilton Head Island, South Carolina  
One Town Center Court  
Hilton Head Island, South Carolina 29928-2701  
Attention: Town Manager

The Town and the Trustee may, by notice given to the other parties, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 6.04. Severability. If any section, phrase, sentence, or portion of this Fourth Supplemental Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 6.05. Codification. This Fourth Supplemental Ordinance shall be forthwith codified in the Code of Town Ordinances in the manner required by law.

Section 6.06. Effective Date. This Fourth Supplemental Ordinance shall be effective upon its enactment by the Council of the Town of Hilton Head Island, South Carolina.

Section 6.07. Repeal of Inconsistent Ordinances. All ordinances of the Town, and any part of any ordinance, inconsistent with this Fourth Supplemental Ordinance are hereby repealed to the extent of such inconsistency. Upon issuance of the Series 2021 Bonds, any remaining authorization to issue Stormwater System Revenue Bonds contained in the Third Supplemental Ordinance shall be repealed and rescinded.

PASSED, APPROVED, AND ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA ON THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2020.

---

John J. McCann, Mayor

ATTEST:

---

Krista M. Wiedmeyer  
Town Clerk

APPROVED AS TO FORM:

---

Curtis L. Coltrane, Town Attorney

First Reading:  
Second Reading:

Introduced by Council Member:

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TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA,  
STORMWATER SYSTEM REFUNDING REVENUE BONDS, SERIES \_\_\_\_\_

No. R-\_\_\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Issue Date</u>	<u>CUSIP</u>
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Registered Holder:

Principal Amount:

THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA (the "Town") a public body corporate and politic and a political subdivision of the State of South Carolina (the "State"), created and existing by virtue of the laws of the State, acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Owner named above or registered assigns, the Principal Amount set forth above on the Maturity Date stated above, unless this Bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender hereof at the corporate trust office of \_\_\_\_\_ in \_\_\_\_\_, and to pay interest on such Principal Amount at the annual Interest Rate stated above (calculated on the basis of a 360-day year of twelve (12) 30-day months), until the obligation of the Town with respect to the payment of such Principal Amount shall be discharged. Interest on this Bond shall be payable in semiannual installments on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year beginning \_\_\_\_\_, 2021. All payments shall be paid to the person in whose name this Bond is registered at the close of business on the fifteenth day of the calendar month preceding each Bond Payment Date (the "Record Date"). The payments shall be payable by check or draft mailed at the times provided herein from the Town (or the Paying Agent or its behalf) to the person in whose name this Bond is registered at the address shown on the registration books. The payments are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

[If Bond is sold bank-qualified, insert Bank Qualification Rider, if any]

THIS BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF TITLE 6, CHAPTER 21, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED AND SECTION 48-14-10 ET. SEQ., CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED; THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE TOWN WITHIN THE MEANING OF ANY PROVISION, LIMITATION OR RESTRICTION OF THE CONSTITUTION OR THE LAWS OF THE STATE OF SOUTH CAROLINA, OTHER THAN THOSE PROVISIONS AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A REVENUE-PRODUCING PROJECT NOT INVOLVING REVENUES FROM ANY TAX OR LICENSE. THE TOWN IS NOT OBLIGATED TO PAY ANY OF THE BONDS OR THE INTEREST THEREON EXCEPT FROM GROSS REVENUES OF THE SYSTEM. THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE TOWN, THE STATE OF SOUTH CAROLINA, OR ANY POLITICAL SUBDIVISION THEREOF.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Trustee.

This Bond is one of an issue of bonds of the Town in the aggregate principal amount of \_\_\_\_\_ Million Dollars (\$\_\_\_\_\_) of like tenor, except as to number, rate of interest, date of maturity and redemption provides, issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina (the "State"), including particularly Chapter 21, Title 6, inclusive, Code of Laws of South Carolina, 1976, as amended, Section 48-14-10 et. seq., Code of Laws of South Carolina, 1976, as amended, Ordinance No. 2002-44 duly enacted by the Town Council of the Town (the "Council") on December 3, 2002, as amended (as so amended, the "General Bond Ordinance"), and Ordinance No. \_\_\_\_\_ duly enacted by the Council on \_\_\_\_\_, 2020 (the "Fourth Supplemental Ordinance") (the General Bond Ordinance and the Fourth Supplemental Ordinance are herein collectively referred to as the "Ordinances") for the purpose of providing moneys, which together with other moneys made available by the Town shall be sufficient to (i) refinance the Bonds to be Refunded, (iii) [satisfy the 2021 Reserve Fund Requirement [through the purchase of a [Letter of Credit][Surety Bond], and (iv)] pay all costs of issuing the Bonds[, including the premium[s] for the Insurance Policy or Surety Bond].

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinances. Certified copies of the Ordinances are on file in the office of the Trustee and in the office of the Clerk of Court for Beaufort County, South Carolina.

The Ordinances contain provisions defining terms, including the properties comprising the System; set forth the revenues pledged for the payment of the principal of and interest on this Bond and the Bonds of other series herewith which may hereafter be issued on a parity herewith under the Ordinances; set forth the nature, extent and manner of enforcement of the security of this Bond and of such pledge, and the rights and remedies of the Holder hereof with respect thereto; set forth the terms and conditions upon which and the extent to which the Ordinances may be altered, modified and amended; set forth the terms and conditions upon which this Bond is issued upon which other bonds may be hereinafter issued payable as to principal, premium, if any, and interest on a parity with this Bond and equally and ratably secured herewith; sets forth the rights, duties and obligations of the Town thereunder; and set forth the terms and conditions upon which the pledge made in the Ordinances for the security of this Bond and upon which the covenants, agreements and other obligations of the Town made therein may be discharged at or prior to the maturity or redemption of this Bond with provisions for the payment thereof in the manner set forth in the Ordinances. Reference is hereby made to the Bond Ordinance to all of the provisions of which any holder of this Bond by the acceptance hereof thereby assents. The provisions of the General Bond Ordinance pertaining to (1) the definitions of the "Additional Bonds," "Expenses of Operating and Maintaining the System," (2) the ability of underwriters, purchasers or bond insurers to assent to amendments to the General Bond Ordinance, and (3) certain other provisions of the General Bond Ordinance, have been amended by Supplemental Ordinances to the General Bond Ordinance. The provisions of the Act and the Ordinances shall be a contract with the holder of this Bond.

**This Bond and the Series of Bonds of which it is one and the interest thereon are special obligations of the Town and are secured by and payable solely from, and secured equally and ratably by a pledge of and lien upon, the Revenues (as defined in the General Bond Ordinance) derived by the Town from the System.**

The General Bond Ordinance authorizes the issuance of additional bonds on a parity with the Bonds of this issue which, when issued in accordance with the provisions of the General Bond Ordinance, will rank equally and be on a parity herewith.



This Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

This Bond is transferable, as provided in the Ordinances, only upon the registration books of the Town kept for that purpose and maintained by the Trustee, by the Holder hereof in person or by his duly authorized attorney, upon (a) surrender of this Bond and an assignment with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder hereof or his duly authorized attorney and (b) payment of the charges, if any, prescribed in the Ordinances. Thereupon a new Bond of the same aggregate principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor as provided in the Ordinances. The Town, the Trustee and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of this Bond, the Town or the Trustee or Registrar, as the case may be, may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

[Redemption Provisions]

If less than all the Bonds of any maturity are called for redemption, the Bonds of such maturity to be redeemed shall be selected at random by the Trustee or Registrar, if any. In the event any of the Bonds or portions thereof are called for redemption, the Trustee or Registrar, if any, shall give notice, in the name of the Town, of redemption of Bonds by first-class mail, postage prepaid, to the Holder thereof as shown on the Books of Registry of the Town and to such Securities Depositories as the Town may designate not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for the redemption thereof. If this Bond be redeemable and shall have been duly called for redemption and notice of the redemption hereof mailed as aforesaid, and if on or before the date fixed for such redemption, payment thereof shall be duly made or provided for, interest hereon shall cease or accrue from and after the redemption date hereof.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, that the amount of this Bond, together with all other indebtedness of the Town, does not exceed any limit prescribed by such Constitution or statutes.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA has caused this Bond to be signed by the manual or facsimile signature of its Mayor, its corporate seal to be reproduced hereon and the same to be attested by the manual or facsimile signature of its Town Clerk.

THE TOWN OF HILTON HEAD ISLAND,  
SOUTH CAROLINA

By: \_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

By: \_\_\_\_\_  
Town Clerk

**FORM OF CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds of the issue described in the within mentioned Ordinance.

\_\_\_\_\_, as Trustee

By: \_\_\_\_\_  
Authorized Agent

Date: \_\_\_\_\_

**FORM OF ASSIGNMENT**

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(please print or type name and address of Transferee and Social Security or other identifying number of Transferee)

the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

STAMP Language

Signature Guaranteed: \_\_\_\_\_

NOTICE: Signature(s) must be guaranteed  
By an institution which is a participant in the  
Securities Transfer Agent Medallion Program  
(STAMP) or similar program.

NOTICE: The signature to this assignment  
must correspond with name as it appears  
upon the face of the within bond in every  
particular, without alteration or enlargement  
or any change whatever.

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Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

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PRIOR BOND DEBT SERVICE

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
 Refunding of 2010 Stormwater Bonds 21oct2020

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	975,000	2.780%	87,083.50	1,062,083.50	1,062,083.50
10/01/2021			73,531.00	73,531.00	
04/01/2022	1,000,000	2.780%	73,531.00	1,073,531.00	1,147,062.00
10/01/2022			59,631.00	59,631.00	
04/01/2023	1,030,000	2.780%	59,631.00	1,089,631.00	1,149,262.00
10/01/2023			45,314.00	45,314.00	
04/01/2024	1,055,000	2.780%	45,314.00	1,100,314.00	1,145,628.00
10/01/2024			30,649.50	30,649.50	
04/01/2025	1,085,000	2.780%	30,649.50	1,115,649.50	1,146,299.00
10/01/2025			15,568.00	15,568.00	
04/01/2026	1,120,000	2.780%	15,568.00	1,135,568.00	1,151,136.00
	6,265,000		536,470.50	6,801,470.50	6,801,470.50

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SUMMARY OF BONDS REFUNDED

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
2010 Refunding Bonds	**FINAL PRICING**, 2010:				
SERIALS	04/01/2021	2.780%	975,000.00		
	04/01/2022	2.780%	1,000,000.00	04/01/2021	100.000
	04/01/2023	2.780%	1,030,000.00	04/01/2021	100.000
	04/01/2024	2.780%	1,055,000.00	04/01/2021	100.000
	04/01/2025	2.780%	1,085,000.00	04/01/2021	100.000
	04/01/2026	2.780%	1,120,000.00	04/01/2021	100.000
			6,265,000.00		

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ESCROW REQUIREMENTS

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Period Ending	Principal	Interest	Principal Redeemed	Total
04/01/2021	975,000.00	87,083.50	5,290,000.00	6,352,083.50
	975,000.00	87,083.50	5,290,000.00	6,352,083.50

ESCROW STATISTICS

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow:						
6,352,083.50				6,341,445.34		10,638.16
6,352,083.50				6,341,445.34	0.00	10,638.16

Delivery date            01/28/2021  
Arbitrage yield           0.960100%



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SUMMARY OF REFUNDING RESULTS

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Dated Date	01/28/2021
Delivery Date	01/28/2021
Arbitrage yield	0.960100%
Escrow yield	0.000000%
Value of Negative Arbitrage	
Bond Par Amount	5,695,000.00
True Interest Cost	0.960100%
Net Interest Cost	0.960000%
Average Coupon	0.960000%
Average Life	2.653
Par amount of refunded bonds	6,265,000.00
Average coupon of refunded bonds	2.780000%
Average life of refunded bonds	2.755
PV of prior debt to 01/28/2021 @ 0.960100%	6,629,298.62
Net PV Savings	162,215.12
Percentage savings of refunded bonds	2.589228%
Percentage savings of refunding bonds	2.848378%

SAVINGS

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 01/28/2021 @ 0.9601004%
04/01/2021	1,062,083.50	1,029,567.60	32,515.90	32,461.44
04/01/2022	1,147,062.00	959,880.00	187,182.00	185,329.75
04/01/2023	1,149,262.00	966,096.00	183,166.00	179,585.22
04/01/2024	1,145,628.00	962,168.00	183,460.00	178,112.67
04/01/2025	1,146,299.00	958,192.00	188,107.00	180,832.75
04/01/2026	1,151,136.00	964,168.00	186,968.00	177,976.79
	6,801,470.50	5,840,071.60	961,398.90	934,298.62

Savings Summary

PV of savings from cash flow	934,298.62
Less: Prior funds on hand	(774,791.75)
Plus: Refunding funds on hand	2,708.25
Net PV Savings	162,215.12

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SOURCES AND USES OF FUNDS

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Sources:

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Bond Proceeds:	
Par Amount	5,695,000.00
Other Sources of Funds:	
2010 Bond 4/1/2021 Interest Set Aside (3 months)	43,541.75
2010 Bond 4/1/2021 Principal Set Aside (9 months)	731,250.00
	<hr/>
	774,791.75
	<hr/>
	6,469,791.75
	<hr/> <hr/>

Uses:

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Refunding Escrow Deposits:	
Cash Deposit	6,352,083.50
Delivery Date Expenses:	
Cost of Issuance	115,000.00
Other Uses of Funds:	
Proceeds	2,708.25
	<hr/>
	6,469,791.75
	<hr/> <hr/>

BOND PRICING

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Single-A RBI 20oct2020 3-yr Spot + 55 bps:					
	04/01/2021	1,020,000	0.960%	0.960%	100.000
	04/01/2022	915,000	0.960%	0.960%	100.000
	04/01/2023	930,000	0.960%	0.960%	100.000
	04/01/2024	935,000	0.960%	0.960%	100.000
	04/01/2025	940,000	0.960%	0.960%	100.000
	04/01/2026	955,000	0.960%	0.960%	100.000
		5,695,000			

Dated Date	01/28/2021	
Delivery Date	01/28/2021	
First Coupon	04/01/2021	
Par Amount	5,695,000.00	
Original Issue Discount		
Production	5,695,000.00	100.000000%
Underwriter's Discount		
Purchase Price	5,695,000.00	100.000000%
Accrued Interest		
Net Proceeds	5,695,000.00	

BOND SUMMARY STATISTICS

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Dated Date	01/28/2021
Delivery Date	01/28/2021
Last Maturity	04/01/2026
Arbitrage Yield	0.960100%
True Interest Cost (TIC)	0.960100%
Net Interest Cost (NIC)	0.960000%
All-In TIC	1.749870%
Average Coupon	0.960000%
Average Life (years)	2.653
Duration of Issue (years)	2.612
Par Amount	5,695,000.00
Bond Proceeds	5,695,000.00
Total Interest	145,071.60
Net Interest	145,071.60
Total Debt Service	5,840,071.60
Maximum Annual Debt Service	1,029,567.60
Average Annual Debt Service	1,128,516.25
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
	_____
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Single-A RBI 20oct2020 3-yr Spot + 55 bps	5,695,000.00	100.000	0.960%	2.653
	5,695,000.00			2.653

	TIC	All-In TIC	Arbitrage Yield
Par Value	5,695,000.00	5,695,000.00	5,695,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		(115,000.00)	
- Other Amounts			
Target Value	5,695,000.00	5,580,000.00	5,695,000.00
Target Date	01/28/2021	01/28/2021	01/28/2021
Yield	0.960100%	1.749870%	0.960100%

BOND DEBT SERVICE

Town of Hilton Head Island, SC (21oct2020 SWU Refunding Update)  
Refunding of 2010 Stormwater Bonds 21oct2020

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	1,020,000	0.960%	9,567.60	1,029,567.60	1,029,567.60
10/01/2021			22,440.00	22,440.00	
04/01/2022	915,000	0.960%	22,440.00	937,440.00	959,880.00
10/01/2022			18,048.00	18,048.00	
04/01/2023	930,000	0.960%	18,048.00	948,048.00	966,096.00
10/01/2023			13,584.00	13,584.00	
04/01/2024	935,000	0.960%	13,584.00	948,584.00	962,168.00
10/01/2024			9,096.00	9,096.00	
04/01/2025	940,000	0.960%	9,096.00	949,096.00	958,192.00
10/01/2025			4,584.00	4,584.00	
04/01/2026	955,000	0.960%	4,584.00	959,584.00	964,168.00
	5,695,000		145,071.60	5,840,071.60	5,840,071.60



# TOWN OF HILTON HEAD ISLAND

## *Executive Department*

**TO:** Town Council  
**FROM:** Joshua A. Gruber, Esq., ~ Deputy Town Manager  
**DATE:** November 13, 2020  
**VIA:**  
**SUBJECT:** US 278 Independent Engineering Review  
**CC:** Stephen G. Riley, ICMA~CM, ~ Town Manager

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### **Background:**

In the summer of 2020, the Town of Hilton Head Island began pursuing the engagement of a third-party, independent engineering review of the US 278 Corridor project. This action was pursued in order to respond to a number of public questions and concerns that have arisen regarding the currently identified Preferred Alternatives and the processes that were utilized to identify these alternatives. The product of these discussions was the development by Town staff of an initial scope of work that was provided to Beaufort County staff as a potential partner in this project. After review and multiple discussions of this matter, on October 26, 2020, Beaufort County Council approved an amended scope of work to engage HDR Engineering to perform the independent review and proposed a Memorandum of Agreement with the Town to jointly manage and pay for this project.

Following an initial discussion of this proposal by Town Council on November 3, 2020, the Mayor requested that members of Town Council forward any questions or comments that they may have regarding these documents to the Deputy Town Manager. Having received several comments and suggestions for proposed revisions, the attached documents reflect the results of these discussions.

### **Memorandum of Agreement**

Staff received comments regarding proposed changes to language of the Memorandum of Agreement between the Town and Beaufort County. Primarily, these comments were in relation to clearly setting forth that the Town was an equal partner and co-manager of this project alongside the County even though the County would technically be the primary point of contact with the vendor due solely to their preexisting contractual relationship. As such, additional language was included to reinforce this aspect of the Agreement.

### **HDR Scope of Work**

The comments that were received regarding the proposed scope of work primarily centered along the following concepts:

- Ensuring the Corridor boundaries of the Moss Creek intersection to the Cross Island Parkway

- 
- Evaluation of potential alternatives
  - Addressing safety as a component of the project

Staff has reviewed the comments that were received and believes that the existing proposed scope of work sufficiently addresses all of these items. Within the body of the proposal, the project boundaries are specifically referred to as existing between the Moss Creek intersection and the Cross Island Parkway on Hilton Head Island. Additionally, within a non-exhaustive list of possible alternatives that could be examined as part of this review includes a specific reference to potential roadway connections with the Cross Island Parkway. This is in addition to a statement that the scope of work includes, “[v]erify findings of alternatives already identified to ensure viable ideas were not prematurely discarded **and explore other possible alternatives that have not already been examined.**” Lastly, the concerns regarding safety are already inherently within both the initial work that has been done by SCDOT as well as the review that will be done by HDR. Both entities are subject to professional licensing requirements that mandate that all work that they perform be done to the highest professional levels. This includes ensuring that any proposed designs or redesigns be done with safety as a core foundational support of any proposal. Additionally, a US 278 Corridor Safety Study that was performed in 2016 and looked at all intersections and roadways through the entire length of the corridor. The findings of this study have been incorporated where appropriate into the existing analysis.

Because of this, staff believes that all comments that were submitted have been sufficiently addressed within the existing scope of work. As such, no further amendments are proposed at this time.

### **Summary**

Staff recommends that Town Council approve the modified Memorandum of Agreement with Beaufort County and the attached scope of work for HDR Engineering in the amount of \$134,732.00 to be split 50/50 between the parties.

#### Attachments:

Proposed Draft Memorandum of Agreement

Draft Scope of Work for US 278 Independent Engineering Review

Exhibit A – HDR Confirmation of Scope of Work and Cost



STATE OF SOUTH CAROLINA	)	
	)	MEMORANDUM OF AGREEMENT
COUNTY OF BEAUFORT	)	TOWN OF HILTON HEAD ISLAND

**THIS AGREEMENT** is made and entered into this \_\_\_ day of \_\_\_\_\_, 2020 by and between the Town of Hilton Head Island, South Carolina (“Town”), and Beaufort County, South Carolina (“County”).

**WHEREAS**, the Town and the County wish to procure an independent engineering study of the SCDOT conceptual and preliminary engineering work on the US 278 Corridor Improvement Project (“Project”); and

**WHEREAS**, the Town and the County recognize that it is mutually beneficial to procure and share in the coordinated oversight of professional assistance to conduct this independent review as a means of quality assurance that the conceptual and preliminary engineering work on the Project have adequately assessed and addressed the project goals and desires of the County and the Town; and

**WHEREAS**, in consultation with the Town, the County has, in accordance with its procurement procedures, selected and contracted the firm of HDR Engineering of the Carolinas, Inc. (“HDR”) to provide traffic engineering and professional consulting services along the US 278 corridor, within the limits of the Project; and

**WHEREAS**, due to its prior contractual relationship with HDR Engineering, the County shall administer the agreement and the work thereunder as a contractual formality; however, the Town and County shall have full and equal participation in all decision-making processes regarding the development of a mutually agreed to scope of work, any and all discussions regarding analysis and project execution, invitations to all project related meetings, equal participation in all presentations to elected officials, and access to all contract data and deliverables, and;

**WHEREAS**, the County shall enter into a contract amendment with HDR for professional services in the amount of \$134,732.00, attached as Exhibit A; and

**WHEREAS**, the Town and County shall agree to share in the expense of the contract price as stated above at an equal 50/50 rate with such funds coming from each entities respective General Fund unless otherwise agreed to by both parties. Should there be any changes to the contract amount, a change order shall be approved by both the Town and County prior to execution of work and the cost of that change order shall be shared at the same 50/50 rate as stated above, and;

**WHEREAS**, the Town and County shall agree to the appointment of a Public Oversight Committee, consisting of 1 Beaufort County staff member, 1 Town of Hilton head Island staff member, 1 Jenkins Island at-large member, 2 Hilton Head Island at-large members, and 2 Stoney at-large members. The Beaufort County staff member and Jenkins Island at-large member shall be

appointed by the Chairman of County Council. The Town of Hilton Head staff member, the Hilton Head Island at-large members shall be appointed by the Mayor of Hilton Head Island. The Stoney at-large members shall be mutually agreed upon by both the County Council Chairman and the Mayor of Hilton Head Island.

**WHEREAS**, the purpose and purview of this Public Oversight Committee shall be to assure the general public that the study has been conducted in accordance with the contract scope of work in an independent and autonomous manner. The Committee shall be given access to study deliverables in a timely manner for review and the Committee shall liaise with the consultant through County staff to address any questions that may arise on behalf of the contractor pertaining to the scope of work.

**WHEREAS**, both parties have been authorized by their respective councils to enter into this agreement; and

**NOW, THEREFORE**, be it known, this agreement shall be in effect from the date of execution until the work contracted for is complete and the obligations herein are met.

**IN WITNESS WHEREOF**, the parties have executed this agreement as of the day and year first above written.

WITNESSES:

BEAUFORT COUNTY

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Interim County Administrator

TOWN OF HILTON HEAD ISLAND

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: Stephen G. Riley  
Title: Town Manager



**COUNTY COUNCIL OF BEAUFORT COUNTY  
ENGINEERING DIVISION**  
2266 Boundary Street, Beaufort, South Carolina 29902  
Post Office Drawer 1228, Beaufort, South Carolina 29901-1228  
Telephone: 843-255-2940  
Website: [www.beaufortcountysc.gov](http://www.beaufortcountysc.gov)

October 28, 2020

Mr. David A. Kinard, PE, VP  
Program Manager  
HDR  
4400 Leeds Avenue, Suite 450  
North Charleston, SC 29406

RE: US 278 Independent Engineering Review

Dear Mr. Kinard:

The South Carolina Department of Transportation (SCDOT), in cooperation with Beaufort County and the Town of Hilton Head Island, is developing the US 278 Corridor project to address safety and capacity issues currently being experienced within the corridor. The identified project limits are from the Moss Creek intersection to the Cross Island Parkway on Hilton Head Island. SCDOT owns the roads and bridges in question and will be controlling Federal Highway Administration funds associated with the project and as such is leading the environmental assessment and design process through the help of their previously selected consultant design team led by KCI.

Over the past several weeks, there has been much discussion to pursue an independent engineering review of work completed to date by the SCDOT to ensure that safety and traffic congestion mitigation options are optimized while minimizing detrimental environmental and community impacts in a way that is reflective of local operational and aesthetic expectations. Evaluation of adjacent roadway segments and nearby intersection beyond the project boundary stated above is considered an essential component of the independent review.

The scope of the independent engineering review shall include the following:

**Scope of Services**

- Receive and review all of the design information and data inputs from SCDOT, and also such additional information and data as may be necessary to perform the tasks set forth in this scope, in that this scope shall not be limited to a technical peer review of SCDOT inputs
- Review and verify that the assumptions and methodologies employed for proposed design elements (i.e.,- future traffic volumes and expected growth rates) are appropriate and meet professional standards for validation of use within the project's design
- Verify findings of alternatives already identified to ensure viable ideas were not prematurely discarded and explore other possible alternatives that have not already been examined. Possible alternatives include, but are not limited to: Cross Island Parkway connection; grade-separated intersections; reversible lanes; High Occupancy Vehicle lane, Express Lanes, turning movement prohibitions, specific local traffic only lanes;

intelligent signal system, other improvements without widening to six lanes; and a base alternative that contemplates replacing the deficient bridge, fixing the safety issues on Jenkins Island, improving pedestrian crossing safety, optimizing intersections, and developing a land use plan.

- Review & verify the cost estimates for all of the alternatives that SCDOT has explored thus far and provide a cost estimate for any alternative developed that has not already been explored by SCDOT, including, without limitation, a cost estimate for each SCDOT alternative that assumes the eastern terminus of the alternative is extended to the Cross Island Parkway. Provide cost estimates for all alternatives in a tabular format.
- Review and confirm the operational analyses of the reasonable alternatives and the other possible alternatives identified (both the intersections and the corridor performance) as a measure of delay throughout the entire corridor limits.
- Provide recommendations of feasible options or improvements identified through the study that merit further consideration by the SCDOT design team. Consider and provide recommendations for any landscaping, land use planning, or aesthetic concepts that are developed by others during the study period, such to include, without limitation, recommendations on how to mitigate the disruptive impact the project will have on the Stoney Community.
- Incorporate public participation through the means of the oversight committee. The oversight committee will include at the minimum a resident from the Stoney Community and Jenkins Island to ensure their input is considered. Conduct up to 4 virtual progress meetings with oversight committee.

In addition to the scope as described, please ensure that the following questions are specifically answered as part of the study

Question #1A – Is the projected growth of 39% peak traffic in 25 years realistic?

Question #1B – Do the viable alternatives accommodate growth beyond the 2045 design year?

Question #2 – Are there SAFER alternative designs besides just adding signals and pavement?

Question #3 – Have all reasonable alternatives been considered and fully evaluated?

### **Schedule & Deliverables**

- Provide a detailed engineering report with analysis and recommendations within sixty (60) days from established Notice To Proceed. The report shall contain the following sections: Executive Summary and Recommendations, Goals and Objectives of the Report, Review of Design Data, Criteria, Assumptions and Methodologies, Assessment of Project Needs, Operational Traffic Analysis of Alternatives and Intersections Ancillary to the Corridor, PowerPoint presentation materials for the Elected Official Meetings, and requisite Appendices.
- Provide an interim update within thirty (30) days of commencing work to oversight committee.
- Present findings at both County Council and Town Council meetings in a manner in which the general public will be able to easily and sufficiently understand the results of this examination. VISSIM models or other suitable methods to clearly convey findings to general public and elected officials shall be employed.
- All work must be certified by a Professional Engineer registered in South Carolina.

The intent of this specific project is to ensure that all alternatives, to include those that have been previously established and those that have been potentially unexamined, are fully explored and any findings or recommendations established are provided to SCDOT as additional public input per the NEPA process. Please contact me with any questions you may have and provide a fee proposal for the scope of services outlined herein by Tuesday, October 6. We look forward to acting on this additional design review and ensuring that the benefits proposed as part of the US 278 Corridor Project are meaningful and long lasting, resulting in an improved corridor and project results that are well-received by the citizens of Beaufort County and Hilton Head Island.

Kindest Regards,



Jared Fralix, PE

Assistant County Administrator – Engineering



October 30, 2020

Jared Fralix, PE  
Assistant County Administrator - Engineering  
Beaufort County  
100 Ribaut Road  
Beaufort, SC 29902

Re: **US 278 Independent Review**

Dear Mr. Fralix:

HDR Engineering, Inc. of the Carolinas (HDR) appreciates this opportunity to provide Beaufort County with a proposal to provide engineering and planning services associated with the US 278 Environmental Document. It is our understanding that the County wishes to have an independent review of the ongoing SCDOT study and alternatives. Based on the scope of services, questions, deliverables and schedule provided by the County dated October 28, 2020, HDR will review verify existing documentation, explore additional options, make recommendations for additional study and present our findings in a report and to Beaufort County and Town of Hilton Head Councils.

**Scope of Services**

The scope of the independent engineering review will include the following:

**Task 1 – Project Management and coordination.**

**Task 2 - Receive and review relevant design information and data from SCDOT.**

**Task 3 - Review and verify that the assumptions and methodologies employed for proposed design elements (i.e.,- future traffic volumes and expected growth rates) are appropriate and meet professional standards for validation of use within the project's design.**

**Task 4 - Verify findings of alternative screenings already identified to determine that viable ideas were not prematurely discarded and explore other possible alternatives that may not have already been examined. These possible alternatives to be explored will be coordinated with the Oversight Committee and limited to a maximum of five (5).**

**Task 5 - Review and verify the high-level cost estimates for the SCDOT alternatives explored. Create high level cost estimates for alternatives identified in Task 4.**

**Task 6 – Perform cursory review of the operational analyses of the reasonable alternatives and a high level review of the other possible alternatives identified (both the intersections and the corridor performance) in an effort to determine if the alternative are viable and should require additional study by SCDOT.**

**Task 7 - Provide recommendations of feasible options or improvements identified through the study that merit further consideration by the SCDOT design team. Provide coordination for**

recommendations regarding landscaping, land use planning and aesthetic concepts developed by others.

**Task 8** - Conduct up to 4 virtual progress meetings with oversight committee.

**Deliverables**

**Deliverable 1** - Provide a report with analysis summary and recommendations. The report will contain the following sections: Executive Summary and Recommendations, Goals and Objectives of the Report, Review of Design Data, Criteria, Assumptions and Methodologies, Assessment of Project Needs, Review of Operational Traffic Analysis of Alternatives and Intersections Ancillary to the Corridor, PowerPoint presentation materials for the Elected Official Meetings, and requisite Appendices.

**Deliverable 2** - Provide an interim update within thirty (30) days of commencing work to the Oversight Committee and others as necessary.

**Deliverable 3** - Present findings at both Beaufort County Council and Hilton Head Island Town Council meetings in a manner in which the general public will be able to easily and sufficiently understand the results of this examination. Methods to clearly convey findings to general public and elected officials will be employed.

**Deliverable 4** - All work will be reviewed by a Professional Engineer registered in South Carolina.

**Fee**

HDR proposes to perform the tasks described in this proposal as outlined below:

Task 1	\$5,700.00	(32 manhours)
Task 2	\$7,968.00	(42 manhours)
Task 3	\$12,983.00	(80 manhours)
Task 4	\$20,812.00	(120 manhours)
Task 5	\$14,995.00	(76 manhours)
Task 6	\$19,773.00	(120 manhours)
Task 7	\$6,193.00	(32 manhours)
Task 8	\$8,692.00	(48 manhours)
Deliverable 1	\$27,470.00	(152 manhours)
Deliverable 2	\$3,096.00	(16 manhours)
Deliverable 3	\$6,193.00	(32 manhours)
Direct Expenses	\$857.00	
<b>Total</b>	<b><u>\$134,732.00</u></b>	<b>(750 manhours)</b>

**Schedule**

Our current workload will permit us to begin work immediately upon approval of the scope and issuance of notice to proceed. We anticipate an estimated project schedule of 60 Days from Notice to Proceed to provide a report with analysis summary and recommendations.

Once again, HDR appreciates this opportunity to provide assistance to the Beaufort County. We look forward to working with you on this project. Please call 803-509-6626 with any questions or comments you may have.

Sincerely,

**HDR ENGINEERING, INC. OF THE CAROLINAS**



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Phillip Hutcherson, P.E.  
Project Manager



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Jonathan Henderson, P.E., VP  
South Atlantic Area Manager





# **TOWN OF HILTON HEAD ISLAND**

## *Community Development Department*

**TO:** Stephen G. Riley, ICMA~CM, *Town Manager*  
**VIA:** Shawn Colin, AICP, *Director of Community Development*  
**VIA:** Jennifer Ray, ASLA, *Deputy Director of Community Development*  
**FROM:** Jayme Lopko, AICP, *Senior Planner*  
**DATE:** November 2, 2020  
**SUBJECT:** Honey Horn Sublease

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**Recommendation:** The Community Services and Public Safety Committee (CS&PSC) recommends that Town Council approve the Sublease with the Coastal Discovery Museum for a portion of Honey Horn to be used as a Debris Management Site (DMS).

The CS&PSC met on October 26, 2020 and voted unanimously to forward the Sublease to Town Council with a recommendation of approval.

**Summary:** Approval of the Sublease will allow the Town to utilize areas of Honey Horn for debris management under a declared State of Emergency by the Mayor with compensation to the Coastal Discovery Museum for use of the property.

**Background:** The Town utilized portions of Honey Horn in 2016 and 2017 as a DMS for the cleanup efforts related to Hurricane Matthew. As a result, the Coastal Discovery Museum was closed for an extended period of time. This Sublease will provide a mechanism for cost recovery for the Town and financial protection for the Coastal Discovery Museum.

The Town desires to reimburse the Coastal Discovery Museum for the use of the property and ensure that the Town could be reimbursed by FEMA for a portion of that cost. For this to happen, the Town needs an agreement that outlines the specific arrangement and cost for use of the site.

The Town identified areas of Honey Horn to be used for the DMS, as shown on Attachment B, and determined a cost per square foot for land area included in the DMS.

**Exhibits:**

Exhibit A: Sublease

Exhibit B: Location Map

**AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF A SUBLEASE WITH THE COASTAL DISCOVERY MUSEUM, RELATED TO THE LEASE OF REAL PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, PURSUANT TO THE AUTHORITY OF S.C. CODE ANN. SEC. 5-7-40 (SUPP. 2012), AND SEC. 2-7-20, CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, the Town of Hilton Head Island, South Carolina (“Town”), owns one or more parcels of real property known generally as “Honey Horn” (“Property”); and

**WHEREAS**, on January 29, 2002 the Town of Hilton Head Island adopted a resolution which entered into an agreement with the Coastal Discovery Museum, regarding a Lease of the Honey Horn property which is owned by the Town of Hilton Head Island, South Carolina; and

**WHEREAS**, the Town now desires to sublease a portion of the Property from the Coastal Discovery Museum, (“Museum”), for the operation of a Debris Management Site in accordance with that certain Sublease attached hereto as Exhibit “A”; and

**WHEREAS**, on October 26, 2020, the Community Services and Public Safety Committee met and voted unanimously to forward the Sublease to Town Council with a recommendation of approval; and

**WHEREAS**, the Town Council of the Town is authorized to enter into leases of Town-owned land under the authority of S.C. Code Ann. Section 5-7-40 (Supp. 2010) and Section 2-3-30 and Section 2-7-20, *Code of The Town of Hilton Head Island*, South Carolina (1983, as amended); and

**WHEREAS**, the Town Council for the Town has determined that it is in the best interests of the Town to enter into a Sublease with the Museum for a Debris Management Site in the Town of Hilton Head Island in substantial conformance with the attached Exhibit “A”.

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

**Section 1 - Execution, Delivery and Performance of Lease.**

(a) The Mayor and/or Town Manager are hereby authorized to execute and deliver the Sublease in substantial conformance with the attached Exhibit “A”; and

(b) The Town Manager is hereby authorized to take such other and further actions as may be necessary to complete the performance of the Town's obligations under the terms and conditions of the Sublease.

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

**Section 3 - Effective Date.** This Ordinance shall be effective upon adoption thereof by the Town Council for the Town of Hilton Head Island, South Carolina.

**PASSED AND APPROVED BY THE TOWN COUNCIL FOR THE TOWN OF  
HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS \_\_\_\_ DAY OF  
\_\_\_\_\_, 2020.**

THE TOWN OF HILTON HEAD  
ISLAND, SOUTH CAROLINA

\_\_\_\_\_  
John McCann, Mayor

ATTEST:

\_\_\_\_\_  
Krista Wiedmeyer, Town Clerk

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Curtis L. Coltrane, Town Attorney

Introduced by Council Member: \_\_\_\_\_

Exhibit A

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF BEAUFORT )

**SUBLEASE**

**THIS SUBLEASE AGREEMENT** dated as of September 16th, 2020 entered into by Coastal Discovery Museum., (hereinafter the “Landlord”) and the Town of Hilton Head Island, South Carolina (hereinafter the “Tenant”).

WITNESSETH

**WHEREAS**, the Landlord is a South Carolina not for profit corporation, existing as such under and by virtue of the Constitution, statutes and laws of the State of South Carolina; and,

**WHEREAS**, the Tenant, is a political subdivision of the State of South Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of South Carolina; and

**WHEREAS**, the Landlord, has leased certain real property on Hilton Head Island and the Tenant desires to sublease a portion thereof, (approximately 12.34 acres or 537,000 square feet of open land with existing infrastructure, see exhibit A) in order for the Tenant to operate a Debris Management Site, DMS, to carry out the Tenant’s debris management plan; and

**NOW THEREFORE**, for and in consideration of the sum of nine cents per square foot, (\$0.09 per square foot) to be paid on a monthly basis, to be prorated if Tenant to does not occupy for a full month, and the performance of the mutual promises, conditions and covenants herein set forth, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Landlord, the Parties hereto agree as follows:

ARTICLE 1

1.1 Use of the Premises: The Tenant shall use the premises for the operation of a Debris Management Site and for other related needs.

1.2 Maintenance of Premises and Compliance with Law: During the term of this lease, the Tenant shall, at its sole cost and expense, provide for the maintenance or upkeep of any of its equipment and property

located within the Premises, and provide for insurance of any of its equipment and property located within the Premises, subject to the South Carolina Tort Claims Act.

1.3 Compliance with Laws: The Tenant shall at all times comply with any and all applicable statutes, ordinances or regulations governing its occupancy or use of the premises, and the same may from time to time be in effect.

## ARTICLE 2

2.1 Term of this lease: This Lease shall commence after the declaration of a State of Emergency by the Mayor of the Town of Hilton Head Island, and when the Town Manager of Hilton Island, or his designee, deems the commencement of the lease to be necessary to begin recovery operations, and ending when the Town Manager of Hilton Head Island, or his designee, deems it appropriate.

2.2 Required Insurance: The Tenant hereby covenants, agrees and represents to the Landlord that it has liability insurance with the State Insurance Reserve Fund in keeping with the requirements of the State of South Carolina Under the South Carolina Tort Claims Act providing coverage against potential liability arising from and in any manner relating to the Tenant's user or occupation of the Premises. The Tenant warrant that it shall keep and maintain such insurance in effect for the full term of this lease.

2.3 Hold Harmless: The Landlord agrees to hold Tenant harmless for any damage done to the property as a result of its use as a debris management site, Tenant will return property to the condition it was in prior to being used as a debris management site.

## ARTICLE 3

3.1 Assignment and Subletting: This Lease shall not be assigned by the Tenant for any reason. The Tenant shall have the right to sublease the Premises, in whole or in part, upon the consent of the Landlord.

3.2 Encumbrances Prohibited: The Tenant shall not grant any easements, licenses or right-of-way or enter into any agreement which would in any way affect the title of the Premises.

## ARTICLE 4

4.1 Notices: All notices, certificates or other communications required hereunder shall be sufficiently given and shall be deemed given when delivered in person, or mailed by certified mail, return

receipt requested postage prepaid, address as follows, or to such other addresses as may be designated, in writing, by Parties:

To The Landlord: Coastal Discovery Museum  
Mr. Rex Garniewicz  
70 Honey Horn Drive  
Hilton Head Island, SC 29926

To the Tenant Town of Hilton Head Island  
Stephen G. Riley, ICMA-CM, Town Manager  
One Town Center Court  
Hilton Head Island, SC 29928

## ARTICLE 5

5.1 Waivers: In the event that any agreement contained herein should be breached by either party and thereafter waived by the other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

5.2 Binding Effect: This Lease shall inure to the benefit of and shall be binding upon the Landlord and Tenant and their respective successors and assigns, if any are permitted hereunder.

5.3 Entire Agreement/Amendment and Modifications: This Lease supersedes all prior discussions and agreements between the Parties with respect to the Leased Premises and all other matters contained herein, and constitutes the sole and entire agreement and understanding between the Landlord and Tenant with respect to the Lease of the leased premises. This Leases shall not be modified or amended except by an instrument in writing signed by the Landlord and Tenant.

5.4 Severability: In the event that any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not be invalidated or rendered unenforceable any other provision hereof.

5.5 Applicable Law: This lease shall be governed by and construed in accordance with the Laws of the State of South Carolina.

5.6 Captions: The captions or headings herein are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of Articles of this Lease.

5.7 Recording Prohibited: The parties hereto may not record this Lease in the Office of the Register of Deed for Beaufort County, South Carolina.

5.8 Further Assurances and Corrective Documents: The Landlord and Tenant agree to do, execute, acknowledge, deliver, or cause to be done all such further acts as may be reasonably determined to be necessary to carry out this Lease and give effect hereto. The Landlord and Tenant agree that each shall, upon request, execute and deliver such other or corrective documents as may be reasonably determined to be necessary, either before or after the execution, cancellation, or termination of this Lease.

**IN WITNESS WHEREOF**, the parties hereto have affixed their signatures hereto the date first written hereinabove.

**WITNESSES:**

By: Coastal Discovery Museum

\_\_\_\_\_  
By: Rex Garniewicz  
Its: Manager

\_\_\_\_\_  
  
\_\_\_\_\_

**WITNESSES:**

**TOWN:**

Town of Hilton Head Island

\_\_\_\_\_  
By: Stephen G. Riley, ICMA – CM  
Its: Town Manager

\_\_\_\_\_  
  
\_\_\_\_\_



WILLIAM HILTON PARKWAY

Temporary Locking Security Gate

Inspection Tower

Grinded Material Storage Area (0.82 ac)

Grinder

Grinded Material Storage Area (1.87 ac)

Temporary Locking Security Gate

Inspection Tower

**ZONE A**

**ZONE B**

Debris Storage Area (2.83 ac)

Office Trailer and Comfort Station

Temporary Locking Security Gate

Debris Storage Area (1.73 ac)

Debris Storage Area (1.36 ac)

Potential White Food Storage or Debris Storage Area (1.26 ac)

Debris Storage Area (2.47 ac)

Buildings at Honey Horn

Coastal Discovery Museum

Honey Horn Stage

Honey Horn DMS Conceptual



Exhibit B

SOL BLATT JR PARKWAY

SOL BLATT JR PARKWAY

SOL BLATT JR PARKWAY

SOL BLATT JR PARKWAY

SOL BLATT JR PARKWAY

SOL BLATT JR PARKWAY

SOL BLATT JR PARKWAY





# TOWN OF HILTON HEAD ISLAND

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**To:** Stephen G. Riley, ICMA-CM, Town Manager  
**Via:** Scott Liggett, Director of Public Projects and Facilities  
Shawn Colin, Director of Community Development  
Josh Gruber, Deputy Town Manager  
**From:** Joheida Fister, Deputy Fire Chief of Administration  
**Date:** November 5, 2020  
**Subject:** Special Events Ordinance Amendment

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## **Recommendation**

The Community Services & Public Safety Committee recommends amending section 17-12 of the Municipal Code of the Town of Hilton Head Island to reduce the threshold for events requiring a special event permit from 500 to 250. In addition, the Community Services & Public Safety Committee recommends adding a requirement for the special event application to include a hygiene plan upon submittal. Currently for events of 250 or greater, special approval is required by the State Department of Commerce and submission of this plan to the State is also required.

## **Summary**

AccelerateSC guidelines recommend event attendance be limited to 250 or less. Changing the Town ordinance for permitting requirements from 500 to 250, allows the Town's various Departments to review applications, make recommendations, and ensure guidelines put out by AccelerateSC and CDC are in place. These guidelines should be a part of every special event application. The Town will rely on the State authorities to enforce the health safety provisions. However, event non-compliance with permit conditions may jeopardize the issuance of permits for future events by the offending event sponsor. Town Council is reminded that they are the appeal body for event organizers denied a special event permit.

## **Background**

The virus that causes COVID-19 can be spread to others by infected persons who have few or no symptoms. Even if an infected person is only mildly ill, the people they spread it to may become seriously ill or even die, especially if that person is 65 or older with pre-existing health conditions that place them at higher risk. Because of the hidden nature of this threat, special events with large numbers of people gathering are of great concern. A team made up personnel from Fire Rescue, Engineering, Facilities and Community Development worked together to create protocols for special events within the Town limits of Hilton Head Island.

**Attachment:**

Attachment 1: Accelerate SC – Guidelines for Re-opening Festivals and Special Events

Attachment 2: CDC – Events and Gatherings: Readiness and Planning Tool

**AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND**

**AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, BY AMENDING CHAPTER 12 OF TITLE 17, TO REDUCE THE THRESHOLD REQUIREMENT FOR EVENTS REQUIRING A SPECIAL EVENT PERMIT FROM FIVE HUNDRED (500) ATTENDEES TO TWO HUNDRED FIFTY (250) ATTENDEES; AND ADDING A REQUIREMENT THAT SPECIAL EVENT APPLICANTS INCLUDE A PUBLIC HEALTH PLAN AS PART OF THE APPLICATION PROCESS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, special events which are conducted within the Town of Hilton Head Island, such as concerts, festivals, and parades, provide cultural opportunities, recreation, and enjoyment to both residents and visitors; and

**WHEREAS**, such special events, if not properly coordinated, can create unnecessary and unsafe traffic conditions, excessive noise, and otherwise constitute a hazard to the health, safety and welfare of adjoining properties and the community at large; and

**WHEREAS**, the Town Council of the Town of Hilton Head Island, after careful consideration, has determined that it is the best interests of the citizens of the community to provide for the regulation of special events in order to facilitate such activities while minimizing the potential for hazards and nuisances.

**NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS ORDAINED BY THE AUTHORITY OF THE TOWN COUNCIL THAT THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, SHALL BE AMENDED AS FOLLOWS;**

**Underlined and bold-face typed** text indicates additions to the Municipal Code of the Town of Hilton Head Island, South Carolina. ~~Stricken~~ text indicates deletions from the Municipal Code of the Town of Hilton Head Island, South Carolina.

**Section 1.** Amendment to the Municipal Code of the Town of Hilton Head Island. The Municipal Code of the Town of Hilton Head Island, South Carolina, Section 17-12-115, is amended as follows:

Sec. 17-12-115. Area of Applicability.

- (a) Except as otherwise provided herein, this chapter shall apply to:
- (1) Outdoor musical concerts, festivals, fairs, carnivals, which may be expected to have **two hundred fifty (250)** ~~five hundred (500)~~ or more people at any one time.
  - (2) Sporting events which require the use of temporary structures, including grandstands and tents, and which may be expected to have three thousand (3,000) or more people at any one time.
  - (3) Other outdoor places of public assembly for the gathering of persons for commercial, civic or social functions or recreation or for food or drink consumption, which may be expected to have **two hundred fifty (250)** ~~five hundred (500)~~ or more people at any one time.
- (b) The provisions of sections 17-12-140 and 17-12-141 of this chapter shall also apply to all grandstands, stages, tents or groups of tents.

- (c) The provisions of section 17-12-150 of this chapter shall apply to any event using mechanical amusement rides.
- (d) This chapter shall not apply to places of personal residence, nor to activities within a permanent facility specifically approved and permitted for the proposed activity.
- (e) This chapter shall not apply to activities which are conducted by a duly authorized residential property owners association, occur entirely within the area of its jurisdiction, are arranged primarily for the benefit of association members, generate minimal outside traffic, and do not benefit any outside organization; provided, however, that the provisions of subsections (b) and (c) above shall apply where appropriate and such associations shall be expected to notify the county sheriff's department of the event and shall contact the town fire and rescue division to assure that life safety consideration have been adequately addressed.

**Section 2.** Amendment to the Municipal Code of the Town of Hilton Head Island. The Municipal Code of the Town of Hilton Head Island, South Carolina, Section 17-12-125, is amended as follows:

Sec. 17-12-125. – Security and safety.

Prior to the issuance of any permit or license for events, the applicant shall make the following arrangements:

- (1) In consultation with the county sheriff's department, develop and submit for approval a plan to address crowd control during the event. A minimum of two (2) paid security/law enforcement officers to monitor crowd control shall be provided for events anticipated to generate between **two hundred fifty (250)** ~~five hundred (500)~~ and one thousand (1,000) persons and for every anticipated one thousand (1,000) persons thereafter. The county sheriff's department shall have the authority to determine the anticipated number of persons in attendance. Additionally, the county sheriff's department may require that law enforcement be provided to monitor crowd control during the event. The security/law enforcement officers shall be paid by the applicant of the event. A copy of a signed contract with the security/law enforcement agency shall be provided, and the required funds shall be placed in escrow with the town finance director. The above minimum requirements may be reduced upon authorization of the town manager in consultation with the county sheriff.
- (2) In consultation with the town fire and rescue division, develop and submit for approval a plan to address all fire and life safety concerns and the provisions of the Standard Fire Prevention Code of Title 15 of this Code. Based upon the plan, the fire marshal shall determine the appropriate number of fire and medical personnel needed to provide fire prevention and medical coverage. The costs of these personnel shall be paid by the applicant of the event by placing the required funds in escrow with the town finance director. The Town may require that added funds be paid by an applicant in the event additional (beyond that approved) law enforcement, fire and rescue division personnel are required to work an event. Applicant shall pay to the town such added funds within five (5) working days from the demand date.
- (3) **In consultation with current South Carolina Department of Health and Environmental Control recommendation's relating to large gatherings, develop and submit for approval to address public health concerns occurring before, during, and after the event.**

**Section 3.** Amendment to the Municipal Code of the Town of Hilton Head Island. The Municipal Code of the Town of Hilton Head Island, South Carolina, Section 17-12-130, is amended as follows:

Sec. 17-12-130. – Toilet facilities.

Adequate toilet shall be provided. The following minimum standards shall generally apply, although the town may approve variation from these standards based on the length of the event, the spatial characteristics of event, or other factors or considerations;

- (1) A minimum of ten (10) toilet facilities shall be provided to serve an anticipated attendance of **two hundred fifty (250)** ~~five hundred (500)~~ people. In addition, two (2) toilet facilities shall be provided for each additional two hundred fifty (250) people anticipated to attend.
- (2) Public or common use toilets must comply with the Federal ADA accessibility guidelines, which required that five (5) percent of the total number, or no less than one toilet facility per each cluster of toilet facilities, must be accessible to guests with disabilities.

**PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2020.**

TOWN OF HILTON HEAD ISLAND,  
SOUTH CAROLINA

\_\_\_\_\_  
John J. McCann, Mayor

ATTEST:

\_\_\_\_\_  
Krista M. Wiedmeyer, Town Clerk

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Curtis L. Coltrane, Town Attorney

Introduced by Council Member: \_\_\_\_\_

*\*Guidelines are updated frequently to align with modifications from the CDC and executive orders.\**

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**\*Executive Order 2020-63:** SC Commerce, in close consultation with DHEC, is managing an [exception process](#) specific to events/large mass gatherings where more than 250 guests are expected, as outlined in the [recent executive order](#). These events will be required to satisfactorily demonstrate an ability to comply with federal and state COVID-19 procedures and protocols.

### **INTRODUCTION**

The recommendations set forth in the following pages are specific to the reopening of community festivals and special events in South Carolina and are intended for use by event planners, local officials, participating vendors, entertainers and other personnel working with the planning and execution of these events. Attendees of community festivals and other special events should follow the personal health and safety guidelines issued by the CDC and SCDHEC as well as local health authorities and specific guidelines provided by the event they attend. These recommendations are not intended for private gatherings like weddings, conventions, conferences, reunions, or athletic tournaments.

Festivals and special events, for the purposes of these recommendations, are defined as planned, public gatherings with in primarily outdoor temporary or permanent venues. Festivals are generally subject to the Governor's Executive Order that established the [event exception process](#) run by the Department of Commerce for > 250 attendee events. While some recommendations here may be beneficial, indoor event venues are encouraged to reference the AccelerateSC [Guidelines & Resources for Reopening & Operating Attractions](#).

These recommendations have been kept deliberately broad because of the varied size, footprint, and scope of community festivals and special events in SC intended to be represented. Federal, state and local guidelines and regulations are changing and evolving frequently. Anyone planning a public event should consult the current CDC guideline, state guidelines, as well as their local current guidelines (city, county, town, municipality) from the local health department, fire marshal, police, councils, etc.

### **CONSIDERATIONS**

If more than 250 people are expected, an [event exception](#) must be obtained from the Department of Commerce. Above any and all other recommendations stated in the following pages, consideration of your event's ability to adequately adjust to changing social distancing guidance as well as attendee, volunteer, and staff safety should remain the priority. If, because of size, scope, location, community infection rates, historical attendance or any other planning influence, you are not able to adhere to the most basic, current social distancing and personal safety guidance, event postponement or cancellation is recommended.

If recommendations included herein may cause disruption to an event's standard operational

*\*Guidelines are updated frequently to align with modifications from the CDC and executive orders.\**

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or financial plans, it may be advisable to postpone the event until such precautions are not necessary.

### **ATTENDEE SAFETY**

Community festivals and events, like all other industries returning to work, should monitor and adjust to the “phased-in” approach many communities are implementing. Crowd capacity and the ability to control the number of attendees within your festival or event site has a direct impact on the immediate safety of attendees.

Careful consideration of current [CDC social distancing recommendations](#) of 6 feet should also guide operational adjustments for your event.

- **ATTENDEE EXPECTATIONS**

A reasonable assumption for anyone attending or working at a community festival or event is that they will be in proximity of large crowds and will be exposed to a large amount of touch points that could expose them to COVID-19 or any other viral disease. Events should create their own set of attendee expectations and clearly communicate these pre-event as well as repeating these expectations often to possible attendees. These questions should be considered when developing your unique set of attendee expectations:

- o Is there a local ordinance requiring the use of face coverings?
- o Do you expect your attendees to wear face coverings?
- o Are face coverings required while within festival grounds or just for entry?
- o Do you expect attendees to adhere to current social distancing and remain 6’ apart while in the festival or event site?
- o Do you expect front of house vendors to follow your guidelines when interacting and serving attendees?
- o Can you enforce expectations?
- o Can you adequately communicate these expectations?
- o Can your event adapt quickly to new guidance from health authorizes?

### **VOLUNTEER, STAFF & CONTRACTOR SAFETY**

Guidance from the [Event Safety Alliance Reopening Guide](#), issued 5/11/20, which includes measures for social distancing, “work teams”, hand washing and sanitation, face coverings and other PPE, temperature screenings, and etiquette, can be a primary guide to develop event specific safety plans. Additional considerations may include:

- Policies for sick or symptomatic staff, volunteers, or contracted vendors that discourage them from coming to work if they have symptoms or are a close contact
- Liability waivers and compliance agreements
- Providing safety “work kits” that could include disposable mask, individual hand

*\*Guidelines are updated frequently to align with modifications from the CDC and executive orders.\**

- 
- sanitizer, and disposable gloves (training on proper use of PPE may be needed)
  - Clearly communicated expectations of safety protocols (example: it is recommended hand washing occur at a minimum of every hour. It is expected all staff, is to wear a mask while on the event site)

### **INGRESS & EGRESS**

Controlled ingress and egress are critical during initial reopening of community festivals and events. Ingress/egress points will vary greatly dependent upon unique footprints, but several standard considerations will apply to many events.

- Strong considerations to gated entry are highly encouraged. Many community events are free and open to the public, however, this greatly limits an event's ability to control crowd capacities, and enforce any new safety guidelines.
  - Events should assess and determine their appropriate capacities with assistance from local fire marshals based on current CDC guidelines on physical distancing. Outdoors 1212 people per acre and indoors 113 square feet per person or 50% occupancy as defined by the fire marshal, whichever is lower.
  - Events that cannot adequately control crowd capacities should consider postponing or cancelling.
- Gated points of entry should consider all possible touch points, including, but not limited to: temporary barricades, tickets, wristbands, hand stamps, ID checks, bag searches, check-in tables, metal detectors, etc.
  - Consider ways to move all admission procedures to online, virtual or touchless procedures
  - Consider how you record admission to control capacity
  - Consider the speed at which attendees can be safely granted entry and how to maintain proper social distancing while waiting in lines
  - Prioritize advanced, cashless, admission sales possibly offering significant savings
  - Consider implementing a no bag or clear bag policy to eliminate bag checks
  - Create one-way ingress/egress points
  - Create "pedestrian flow" within event sites

### **FRONT OF HOUSE VENDORS**

Events should either solicit from Point of Sale (POS) vendors, food & beverage and merchandise, a thorough safety plan or develop and require a compliance agreement to include individual protocols for sanitation and safety prior to arrival on-site, detailing how vendor operations and staff will adhere to your policies, as well as CDC and local health guidance.



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Event specific protocols should be developed and communicated with all vendors in advance and include clear expectations. Contactless POS procedures should be the highly encouraged option if not required. The use of Google Pay, Apple Pay, Venmo, Paypal and other cashless options will require use hotspots, wifi, or broadband.

- **FOOD & BEVERAGE**

1. It is always recommended to know and follow [SCDHEC regulations](#) for providing any food and beverage at festivals and special events, including [COVID-19 specific guidance](#). [Link to SC Restaurant and Lodging Association's Restaurant Guidelines here.](#)
2. It is recommended to minimize touch points where and when possible
3. Use of canned or plastic bottle beverages, alcohol and non-alcoholic, is recommended over draft/fountain served beverages
4. Designate a money handler separate who would not handle food or beverage product
5. Space vendors throughout your site to eliminate food and beverage gathering points
6. Eliminate food and beverage seating unless your footprint allows for proper table and seating spacing and you provide sanitation and cleaning attendants of tables and chairs
7. Condiments should be served with food orders or only at attendees' request, in disposable single-use packages. Open condiment service buffets should not be used.
8. Utensils should be disposable in nature and provided to attendees individually. Straws, stirrers, napkins and cutlery dispensers should not be used.
9. Follow ingress/egress protocols and have clearly designated entry and exit points.
10. Food and beverage samplings are discouraged at this time.
11. **ARTS, CRAFTS & MERCHANDISE**

- It is recommended to minimize touch points where and when possible.
- Determine event standards for touch/non-touch policies on merchandise.
- Any point of sale should offer cashless/touchless options; hand sanitizer should be provided if there are no touchless options.
- Develop and communicate all expectations to POS vendors for protocols when interacting with attendees.
- Properly space POS vendors and have displayed "maximum occupancy" signage for designated space.
- Follow ingress/egress protocols and have clearly designated entry and exit points. Plan for egress in the event of bad weather or other threat that requires a rapid exit.

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**DISCLAIMER**

The information provided in this document is for general informational purposes and to help you make informed decisions. Notwithstanding any and all Federal and State requirements, re-opening and resuming activities are at your own discretion.

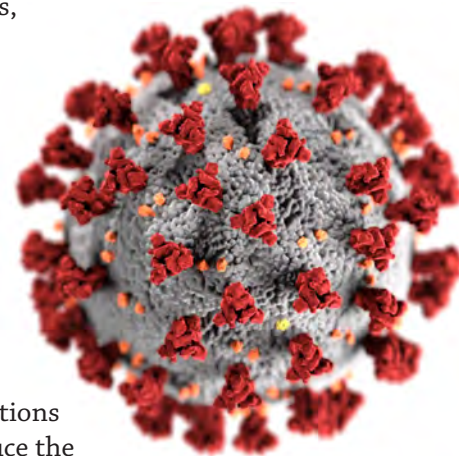
Although all information in this document is provided in good faith, we make no representation or warranty of any kind, express or implied, regarding the adequacy or completeness of these guidelines.

Under no circumstance shall we have any liability to you for any loss or damage of any kind incurred as a result of the use of these guidelines or reliance on any information provided in this document. Your reliance and use, or your non-reliance, on any information provided in this document is solely at your own risk.

# Events and Gatherings: Readiness and Planning Tool

## CDC Readiness and Planning Tool to Prevent the Spread of COVID-19 at Events and Gatherings

As some communities in the United States begin to plan and hold events and gatherings, CDC offers the following readiness and planning tool to share ways event planners and administrators can help protect staff, volunteers, and attendees and slow the spread of COVID-19. This tool aligns with the [Considerations for Events and Gatherings](#) and includes the following:



- General Readiness Assessment
- Preparing for If Someone Gets Sick
- Daily/Weekly Readiness Assessment
- End-of-Day Actions and Resources

Event planners and administrators may review and complete the general readiness assessment while working with state and local officials as part of making initial preparations before the event to promote healthy behaviors, environments, and operations that reduce the spread of COVID-19. The daily/weekly readiness assessment may be used to monitor and maintain recommended practices. Planning tools are also included to help event planners and administrators prepare for if someone gets sick, plan after-event actions, and address the specific needs and circumstances of the local community. Implementation should be guided by what is feasible, practical, acceptable, and tailored to the needs and context of each community.

### Guiding Principles to Keep in Mind

A gathering refers to a planned or spontaneous event, indoors or outdoors, with a small number of people participating, or a large number of people in attendance. Examples of gatherings, small or large, include a community event, concert, festival, conference, parade, wedding, or sporting event.

- The more people an individual interacts with at a gathering and the longer that interaction lasts, the higher the individual's potential risk of becoming infected with COVID-19 and then spreading COVID-19 to others.
- The [higher the level of community transmission](#) in the area where the gathering is held, the higher the risk of COVID-19 spreading at the gathering.
- The size (attendance) of an event or gathering should be determined based on state, local, territorial, or tribal safety laws and regulations.

### The risk of COVID-19 spreading at events and gatherings increases as follows:

- **Lowest risk:** Virtual-only activities, events, and gatherings.
- **More risk:** Smaller outdoor gatherings in which individuals from different households remain spaced at least 6 feet apart, wear cloth face coverings, do not share objects, and come from the same local area (e.g., a community, town, city, or county).
- **Higher risk:** Medium-sized in-person gatherings that are organized/laid out to allow individuals to remain spaced at least 6 feet apart, some wear cloth face coverings and come from outside the local area (e.g., a community, town, city, or county).
- **Highest risk:** Large in-person gatherings where it is difficult for individuals to remain spaced at least 6 feet apart, do not wear cloth face coverings and travel from outside the local area.



[cdc.gov/coronavirus](https://cdc.gov/coronavirus)

## Events and Gatherings: General Readiness Assessment

Use the following tool when making initial preparation before the event to promote healthy behaviors, environments, and operations that reduce the spread of COVID-19.

Policies and Procedures	Facilities and Supplies	Education and Training
<p><b>Point Person(s):</b> _____</p> <p>Review relevant local/state regulatory agency policies and orders, such as those related to events, gatherings, and travel.</p> <p>Consult local health officials about recommended COVID-19 testing policies for events and gatherings.</p> <p>Consult with the venue operators about their COVID-19 policies prior to the event.</p> <p>Develop a plan to conduct daily health checks (e.g., temperature screening and/or <a href="#">symptom checking</a>) of staff and attendees.</p> <p>Develop a plan to allow for social distancing before, during, and after the event (e.g., limiting attendance and modifying layouts before the event, providing physical barriers during the event and staggering exit times after the event).</p> <p>Consider limiting event attendance to staff and attendees who live in the local area (e.g., community, city, town, or county) to reduce risk of spreading the virus from areas with higher levels of COVID-19. If attendance is open to staff and guests from other communities, inform attendees in advance so they can make an informed decision whether they will participate.</p> <p>Develop online attendance options in addition to in-person attendance to help reduce the number of attendees at the event.</p> <p>Develop a flexible refund policy.</p> <p>Designate a staff person responsible for responding to all COVID-19 related situations and concerns. Make sure other staff and attendees know how to contact this person.</p>	<p><b>Point Person(s):</b> _____</p> <p>Obtain supplies including:</p> <ul style="list-style-type: none"><li>soap</li><li>water for hand hygiene</li><li>hand sanitizer (at least 60% alcohol)</li><li>paper towels</li><li>tissues</li><li>cleaning supplies</li><li>EPA approved disinfection supplies</li><li>cloth face coverings</li><li>no-touch/foot pedal trash cans</li><li>no-touch soap/hand sanitizer dispensers</li><li>gloves</li><li>disposable food service items</li><li>other: _____</li></ul> <p>Develop a schedule for increased routine <a href="#">cleaning and disinfection</a>.</p> <p>Close shared spaces (e.g., a lounge); otherwise develop a plan for staggered use of these spaces and <a href="#">cleaning and disinfecting</a>.</p> <p>Develop a plan for the <a href="#">safe and correct use</a> and storage of <a href="#">cleaners and disinfectants</a>, including storing products away from children.</p>	<p><b>Point Person(s):</b> _____</p> <p>Create a plan for educating staff and attendees to ensure they know that they should not come to the event if they become sick with COVID-19 <a href="#">symptoms</a>, test positive for COVID-19, or have been exposed to someone with symptoms or someone suspected or confirmed to have COVID-19. Make sure they know that if they get sick at the event, they should notify event administrators (e.g., the designated COVID-19 point of contact) right away.</p> <p>Develop protocols to educate staff on flexible work and leave policies that encourage sick staff members to stay at home without fear of job loss or other consequences.</p> <p>Create a plan for educating staff and attendees about who should wear <a href="#">cloth face coverings</a>, and communicate the importance of wearing them to both staff and attendees. Cloth face coverings should <b>not</b> be placed on.</p> <ul style="list-style-type: none"><li>• children younger than 2 years old</li><li>• anyone who has trouble breathing or is unconscious</li><li>• anyone who is incapacitated or otherwise unable to remove the cover without help</li></ul> <p>Create information on <a href="#">proper use, removal, and washing of cloth face coverings</a> and distribute to staff members.</p> <p>Create and implement training to be delivered to staff on all COVID-19 safety protocols:</p> <ul style="list-style-type: none"><li>• Conduct <a href="#">training</a> virtually or maintain <a href="#">social distancing</a> during training</li></ul> <p>Other: _____</p>

## Events and Gatherings: General Readiness Assessment (continued from previous page)

### Policies and Procedures

Develop policies that encourage sick staff members to stay at home without fear of job loss or other consequences. Protect their privacy, particularly for those with underlying medical conditions and at higher risk for severe illness).

Develop options for staff at [higher risk for severe illness](#) (e.g., telework or virtual learning opportunities).

Develop flexible sick leave policies and practices.

Develop options for flexible worksites (e.g., telework) and flexible work hours (e.g., staggered shifts).

Develop a plan to monitor absenteeism of staff, cross-train staff, and create a roster of trained back-up staff.

Develop a transportation and parking plan to limit contact between attendees (e.g., staggered arrival and ride share drop-off times or locations).

Develop a plan for if someone gets sick or shows symptoms of COVID-19 while at the event or venue. (See *Preparing for If Someone Gets Sick*).

Develop a plan to safely serve food, beverages, and merchandise, if applicable. Refer to CDC's COVID-19 considerations for [restaurants and bars](#) for guidance.

Other: \_\_\_\_\_

### Facilities and Supplies

Make sure ventilation systems operate properly. If using fans, make sure they do not blow from one person onto another, and increase circulation of outdoor air as much as possible (e.g., opening windows and doors).

Make sure [water systems](#) and features are safe to use after a prolonged facility shutdown.

Develop a plan to use touchless payment options .

Develop a plan to use multiple entrances and exits to discourage crowding in waiting areas.

Develop a plan to change seating layout or availability of seating, or block off rows or sections so that attendees can stay at least 6 feet apart.

Create and install physical barriers, such as sneeze guards and partitions, in areas where it is difficult for individuals to remain at least 6 feet apart.

Create physical guides, such as tape on floors and signs on walls, to promote social distancing.

Develop a plan to eliminate lines or queues if possible or encourage people to stay at least 6 feet apart by providing signs or other visual cues such as tape or chalk marks in congregation areas such as entrances, exits, and restrooms if a 6-foot distance between attendees is hard to ensure.

Develop a plan to reconfigure parking lots, limit congregation points and ensure proper separation (e.g., closing every other space).

Purchase adequate supplies to minimize sharing of materials, or limit use to one per family or group of individuals at a time, and clean and disinfect between use.

Ensure organizations that share the venue facilities such as food vendors are aware of and follow all safety protocols.

Other: \_\_\_\_\_

## Events and Gatherings: General Readiness Assessment

Use the following tool when making initial preparations before the event to promote healthy behaviors, environments, and operations that reduce the spread of COVID-19.

### Communication and Messaging

**Point Person(s):** \_\_\_\_\_

Develop a plan to create and disseminate clear messages (e.g., [videos](#)) about behaviors that prevent spread of COVID-19 to staff and attendees before the event:

websites

email

[social media accounts](#)

other \_\_\_\_\_

Create and post signs in highly visible locations that promote everyday protective measures such as wearing cloth face coverings and that describe how to stop the spread of germs in:

entrances

dining areas

restrooms

other \_\_\_\_\_

Develop a plan to communicate with partner organizations such as vendors to ensure that they are aware of all of your COVID-19 safety protocols.

Develop [signs and communication](#) (e.g., [videos](#)) in alternative formats (e.g., large print posters, braille, American Sign Language) for people who have limited vision, or are blind, or people who are deaf or hard of hearing.

Consider posting signs for the national distress hotline: 1-800-985-5990, text TalkWithUs to 66746; The National Domestic Violence Hotline: 1-800-799-7233, TTY 1-800-787-3224; and The National Suicide Prevention Lifeline: 1-800-273-TALK (8255).

Develop regular announcements on reducing the spread of COVID-19 to be broadcast on public address systems.

Create a plan for communicating with staff and attendees about whom to contact if they have questions and concerns related to COVID-19.

Other: \_\_\_\_\_

### Action Planning—Notes and Next Steps

**Point Person(s):** \_\_\_\_\_

Use this space to note any required resources and next steps, or potential barriers and opportunities:



## Events and Gatherings: Preparing for if Someone Gets Sick

Use the following tool when making initial preparations before the event for if someone gets sick with COVID-19.

### Before Someone Gets Sick

**Point Person(s):** \_\_\_\_\_

Create a plan to educate staff and attendees to ensure they know that they should not come to the event if they become sick with COVID-19 symptoms, test positive for COVID-19, or have been exposed to someone with symptoms or someone with suspected or confirmed COVID-19. Make sure they know that if they get sick at the event, they should notify event planners (e.g., the designated COVID-19 point of contact) right away.

Develop systems to:

Allow staff and attendees to self-report to administrators if they have [symptoms](#) of COVID-19, a positive test for COVID-19, or were exposed to someone with COVID-19 within the last 14 days.

Notify individuals of closures and restrictions put in place to limit COVID-19 exposure.

Develop staff policies for returning to the venue after COVID-19 illness. CDC's [criteria to discontinue home isolation and quarantine](#) can inform these policies.

Identify and create an isolation room or area to separate anyone who has COVID-19 symptoms or who has tested positive but does not have symptoms.

Develop procedures for safely transporting anyone who is sick to their home or to a healthcare facility.

Develop a plan to support staff and attendees experiencing trauma or challenges related to COVID-19.

Other: \_\_\_\_\_

### When Someone Gets Sick

**Point Person(s):** \_\_\_\_\_

Immediately separate individual(s) with COVID-19 [symptoms](#) from others.

Safely transport sick individuals home or to a healthcare facility, depending on how severe their symptoms are.

If calling an ambulance or bringing someone to the hospital, try to call first to alert them that the person may have COVID-19.

Close off areas used by a sick person and do not use these areas until after [cleaning and disinfecting](#) them (for outdoor areas, this includes surfaces or shared objects in the area, if applicable).

Advise sick individuals that they should not return to the venue until they have met CDC's [criteria to discontinue home isolation](#).

Other: \_\_\_\_\_

### Notes and Next Steps:

### After Someone Gets Sick

**Point Person(s):** \_\_\_\_\_

In accordance with state and local laws and regulations, notify [local health officials](#), staff, and families of a person with COVID-19 while maintaining the individual's confidentiality in accordance with the [Americans with Disabilities Act \(ADA\)](#).

Notify individuals of closures and restrictions put in place due to COVID-19 exposure.

Advise those who have had [close contact](#) with a person diagnosed with COVID-19 to stay home, [self-monitor for symptoms](#), and follow [CDC guidance](#) if symptoms develop.

Close off the area and wait at least 24 hours before cleaning and disinfecting. If 24 hours is not feasible, wait as long as possible. Make sure of [safe and correct](#) use and storage of cleaning and disinfection products, including storing them securely away from children.

Other: \_\_\_\_\_

## Events and Gatherings: Daily/Weekly Readiness Assessment

Use the following tool the day of and during the event to monitor and maintain healthy behaviors, environments, and operations that reduce the spread of COVID-19.

Policies and Procedures	Facilities and Supplies	Education and Training
<p><b>Point Person(s):</b> _____</p> <p>Maintain regular contact with local health authorities to ensure adherence to their most up-to-date guidance.</p> <p>Ensure an on-duty staff person is assigned to be responsible for responding to COVID-19 concerns.</p> <p>Monitor absenteeism of staff.</p> <p>Ensure the roster of trained back-up staff is updated in case a staff member is sick.</p> <p>Conduct daily health checks (e.g., temperature screening and/or <a href="#">symptom checking</a>) of staff and attendees, if feasible.</p> <p>Ensure staff are using flexible worksites (e.g., telework) and flexible work hours (e.g., staggered shifts) when needed.</p> <p>Ensure staff and attendees have received communication about all safety protocols and COVID-19 related policies.</p> <p>Ensure that attendees have received communication about refund policies if they get sick and cannot attend the event.</p> <p>Ensure that all protocols developed, to limit contact between staff and attendees and ensure that attendees can maintain 6 feet of distance, are implemented.</p> <p>Ensure limited opportunities for both staff and attendees to share objects.</p> <p>Ensure the broadcasting of regular announcements on reducing the spread of COVID-19 on public address systems throughout the event.</p>	<p><b>Point Person(s):</b> _____</p> <p>Monitor and restock supplies including:</p> <ul style="list-style-type: none"><li>soap</li><li>water for hand hygiene</li><li>hand sanitizer (at least 60% alcohol)</li><li>paper towels</li><li>tissues</li><li>cleaning supplies</li><li>EPA-approved disinfection supplies</li><li>cloth face coverings</li><li>no-touch/foot pedal trash cans</li><li>no-touch soap/hand sanitizer dispensers</li><li>disposable food service items</li><li>gloves</li><li>other: _____</li></ul> <p>Monitor adherence to the schedule for increased, routine cleaning and disinfection of:</p> <ul style="list-style-type: none"><li>frequently touched surfaces</li><li>communal spaces</li><li>shared objects</li><li>other: _____</li></ul> <p>Monitor availability and use of gloves when removing garbage bags or handling and disposing of trash.</p>	<p><b>Point Person(s):</b> _____</p> <p>Ensure that staff and attendees have received communication that they should not come to the event if they become sick with COVID-19 symptoms, test positive for COVID-19, or have been exposed to someone with symptoms or someone with suspected or confirmed COVID-19. Make sure they know that if they get sick at an event, they should notify event administrators (e.g., the designated COVID-19 point of contact).</p> <p>Ensure that staff have reviewed the policies on flexible work and leave that encourage sick staff members to stay at home without fear of job loss or other consequences.</p> <p>Reinforce and monitor <a href="#">handwashing</a> with soap and water for at least 20 seconds or using hand sanitizer containing at least 60% alcohol if soap and water are not readily available.</p> <p>Encourage staff to cover their mouth and nose with a tissue when coughing and sneezing and then wash hands with soap and water for at least 20 seconds.</p> <p>Ensure that communication about the proper use of <a href="#">cloth face coverings</a> is easily seen or heard by staff and attendees. Cloth face coverings should <b>not</b> be placed on.</p> <ul style="list-style-type: none"><li>• children younger than 2 years old</li><li>• anyone who has trouble breathing or is unconscious .</li><li>• anyone who is incapacitated or otherwise unable to remove the cover without help</li></ul>



## Events and Gatherings: Daily/Weekly Readiness Assessment (continued from previous page)

### Policies and Procedures

Review the most recent local/state regulatory agency policies for updates.

Other: \_\_\_\_\_

### Facilities and Supplies

Monitor [safe and correct use](#) and storage of [cleaners and disinfectants](#), including storing products securely away from children.

Ensure adequate ventilation when cleaners and disinfectants are used to prevent staff and attendees from inhaling toxic fumes.

Monitor ventilation systems to determine if they are operating properly.

Ensure that touchless payment options are operational.

Ensure all physical barriers, such as sneeze guards and partitions, in areas where it is difficult for individuals to remain at least 6 feet apart are installed correctly.

Ensure that all physical guides, such as tape on floors and signs on walls, to promote social distancing are easily seen.

Ensure that all changes to the venue such as seating layout, entrances and exits are well marked and easy to understand.

Ensure the staggered use and cleaning and disinfecting between uses of shared spaces.

Ensure the circulation of outdoor air as much as possible throughout the event (e.g., opening windows and doors).

Ensure that adequate supplies are available to minimize sharing of high-touch materials and monitor cleaning and disinfecting between use.

Other: \_\_\_\_\_

### Education and Training

Ensure that information on [proper use, removal, and washing of cloth face coverings](#) is available.

Ensure that all staff present have been trained on relevant COVID-19 safety protocols.

Other: \_\_\_\_\_

## Events and Gatherings: Daily/Weekly Readiness Assessment

Use the following tool the day of and during the event to monitor and maintain healthy behaviors, environments, and operations that reduce the spread of COVID-19.

### Communication and Messaging

**Point Person(s):** \_\_\_\_\_

Ensure that [signs](#) are placed in highly visible locations that [promote everyday protective measures](#) such as wearing cloth face coverings and that describe how to [stop the spread](#) of germs at:

entrances

dining areas

restrooms

other \_\_\_\_\_

Continue to provide or update clear messages (e.g., [videos](#)) about behaviors that prevent spread of COVID-19 when communicating with staff and families on:

websites

email

[social media accounts](#)

other \_\_\_\_\_

Ensure that partner organizations such as vendors have received communication about all COVID-19 safety protocols.

Ensure [signs and communication](#) (e.g., [videos](#)) in alternative formats (e.g., large print posters, braille, American Sign Language) for people who have limited vision or are blind or people who are deaf or hard of hearing are readily available.

Make sure all staff and attendees have been informed which staff person is responsible for responding to COVID-19 concerns and how to contact them.

Encourage staff to take breaks from watching, reading, or listening to news stories about COVID-19, including social media if they are feeling overwhelmed or distressed throughout the event.

Promote healthy eating, exercising, getting sleep, and finding time to unwind among staff to help them cope with stress.

Encourage staff to talk with people they trust about their concerns and how they are feeling.

Other: \_\_\_\_\_

### Action Planning—Notes and Next Steps

**Point Person(s):** \_\_\_\_\_

Use this space to note any required resources and next steps, or potential barriers and opportunities:

## Events and Gatherings: End-of-Day Actions and Other Resources

Use the following resources to conduct end-of-day actions and address any additional considerations specific to your program or community context.

End-of-Day Actions	Other Considerations	Other Resources
<p><b>Point Person(s):</b> _____</p> <p>Meet with the emergency operations coordinator and/or planning team(s) to discuss and note lessons learned.</p> <p>Determine ways to improve planning and implementation processes if the event will happen again.</p> <p>Inform staff and attendees of any changes made.</p> <p>Update your plans regularly according to the state and local situation and orders.</p> <p>Other: _____</p>	<p><b>Point Person(s):</b> _____</p> <p>Use this space to note any other considerations unique to your program or community context.</p>	<p><b>Point Person(s):</b> _____</p> <ul style="list-style-type: none"><li>• <a href="#">Latest COVID-19 Information</a></li><li>• <a href="#">Cleaning and Disinfection</a></li><li>• <a href="#">Guidance for Businesses and Employers</a></li><li>• <a href="#">Guidance for Schools and Childcare Centers</a></li><li>• <a href="#">Guidance for Park Administrators</a></li><li>• <a href="#">Shared and Congregate Housing</a></li><li>• <a href="#">COVID-19 Prevention</a></li><li>• <a href="#">Handwashing Information</a></li><li>• <a href="#">Face Coverings</a></li><li>• <a href="#">Social Distancing</a></li><li>• <a href="#">COVID-19 Frequently Asked Questions</a></li><li>• <a href="#">People at Higher Risk</a></li><li>• <a href="#">People with Disabilities</a></li><li>• <a href="#">Coping with Stress</a></li><li>• <a href="#">HIPAA and COVID-19</a></li><li>• <a href="#">CDC communication resources</a></li><li>• <a href="#">Community Mitigation</a></li></ul>



# TOWN OF HILTON HEAD ISLAND

## *Public Projects and Facilities Management Department*

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**TO:** Stephen G. Riley, ICMA-CM, Town Manager  
**VIA:** Josh Gruber, Assistant Town Manager  
Scott Liggett, PE, Dir. of Public Projects & Facilities / Chief Engineer  
**FROM:** Jeff Buckalew, PE, Town Engineer  
**COPY:** David Wilhelm, PE, Beaufort County Special Projects Director

**DATE:** November 2, 2020  
**SUBJECT:** Summit Drive Re-Alignment for Hilton Head Island Convenience Center Operations

---

### **Recommendation:**

In response to the attached request from Beaufort County (Exhibit A), staff is seeking an endorsement of concept in the insertion of this project as an immediate priority of the Town, the provision of necessary staff support, and eventual funding as requested. Staff is prepared to coordinate with Beaufort County via a Memorandum of Agreement (MOA) to expedite capital roadway improvements and real estate transfers on Summit Drive as necessary to facilitate the new operational procedures at the Hilton Head Island Convenience Center. Subsequent budget amendment approval will be required by Town Council.

### **Summary:**

At its October 26, 2020 meeting, the Community Services and Public Safety Committee unanimously approved a motion to proceed as advised in the staff recommendation (see above). This immediate and urgent project need arises from Beaufort County's plan to enact a decal checkpoint system to better regulate use of the convenience center. To properly do this, roadway improvements are needed to create a separate traffic queue to the checkpoint that will not impact through traffic on Summit Drive and Gateway Circle (see Exhibit B). The proposed improvements must be fully designed and permitted before construction may begin. Summit Drive and Gateway Circle are Town-owned roads, but the improvements will require the County to transfer land for permanent road right of way and temporary construction easements. Construction is estimated to cost as much as \$500,000. The County has offered to use in-house forces to construct a limited portion of the work (primarily the clearing, grading, and road base), and the remainder is to be performed by a Town contractor. The MOA shall set forth the terms and conditions of the partnership on this project.

### **Background:**

Beaufort County Council recently approved the extended funding of operations at the Hilton Head Convenience Center, with a condition that a decal screening system be implemented to better control customer visits and prevent contractor and non-resident dumping. This county-wide decal system is to go into effect on January 1, but that will likely be deferred at the Hilton Head Convenience Center (staff recommended until March 1), to allow for the necessary road work to be completed beforehand.

## **Summit Drive Re-Alignment to support Hilton Head Convenience Center Operations**

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11/2/2020

Page 2

As part of our Capital Improvements Program in 2008-9, the Town developed plans for the re-alignment of Summit Drive. That project was designed to divert convenience center traffic from mainline through traffic on Summit Drive and better define access to airport property. However, that project was shelved as the Town and the County could not reach an agreement to share in the cost of construction. That plan (see Exhibit C) may be updated and used, or it may be modified via options to include traffic calming and preserve several mature live oak trees. Staff must complete the design and obtain necessary permits, including a Public Project Review by the Planning Commission, before construction may begin.

The County owns two parcels that will be permanently affected by the road improvements (see Exhibit D). The County will need to transfer to the Town portions or all of parcels R510 008 000 0160 0000 (0.34 acres) and R510 008 000 0370 0000 (0.26 acres), as well as temporary construction easements on the airport parcel, in order to permit and implement the project.

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

CHERYL H. HARRIS  
EXECUTIVE ASSISTANT

ASHLEY M. JACOBS  
COUNTY ADMINISTRATOR

October 2, 2020

Steve Riley  
Town Manager  
Town of Hilton Head  
One Town Center Court  
Hilton Head Island, SC

Dear Mr. Riley:

Beaufort County would like to request assistance from the Town with the realignment of Gateway Circle/Summit Drive that was designed in 2008 but never constructed.

The enclosed drawing from Town Engineer, Jeff Buckalew, shows the proposed Gateway Circle/Summit Drive realignment in white. This new alignment will make the curve much safer for the public. The benefit to us is that the right turn onto existing Summit Drive (shown in yellow) will now be dedicated solely to convenience center users. We will also have a direct exit road at the decal check point for vehicles not allowed to use the center (contractors, no decal, etc.).

We propose that the Town provide the design, wetlands delineation, tree and topological survey, permitting, site field stakeout, hot mix paving, and striping. The County Public Works Department will build the road base (clearing, grading, placing stone). We believe the County's work can easily be completed in less than two weeks.

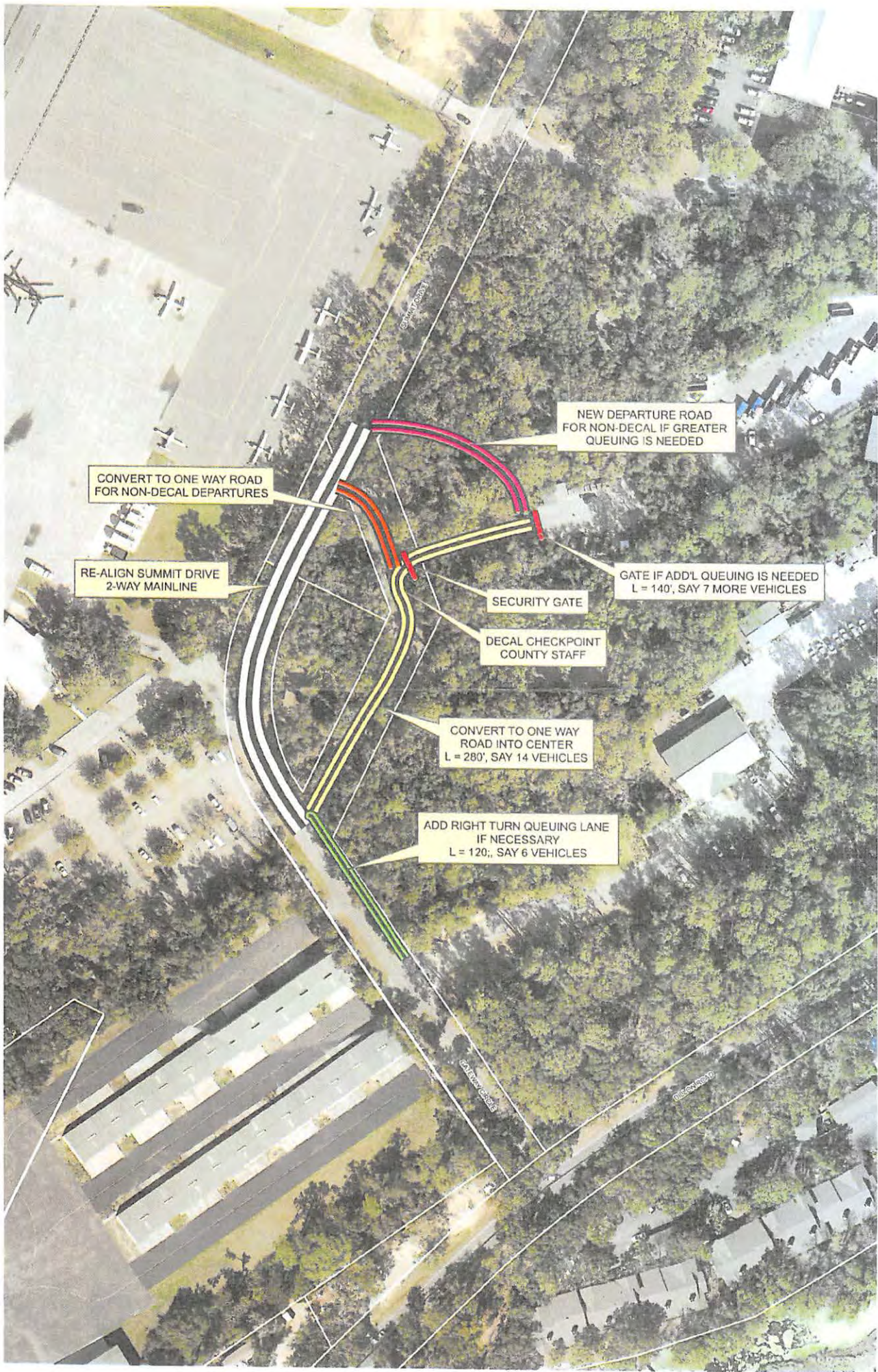
Please let me know if you're in agreement. I believe this is in the best interest of both the County and the Town, and will improve the experience at the convenience center for Hilton Head residents.

Thank you,



Ashley M. Jacobs  
Beaufort County Administrator





CONVERT TO ONE WAY ROAD FOR NON-DECAL DEPARTURES

RE-ALIGN SUMMIT DRIVE 2-WAY MAINLINE

NEW DEPARTURE ROAD FOR NON-DECAL IF GREATER QUEUING IS NEEDED

GATE IF ADD'L QUEUING IS NEEDED L = 140', SAY 7 MORE VEHICLES

SECURITY GATE

DECAL CHECKPOINT COUNTY STAFF

CONVERT TO ONE WAY ROAD INTO CENTER L = 280', SAY 14 VEHICLES

ADD RIGHT TURN QUEUING LANE IF NECESSARY L = 120', SAY 6 VEHICLES



COUNTY PARCEL R510 008 000 0370 0000  
PORTION REQUIRED FOR ROAD R/W

RE-ALIGN SUMMIT DRIVE  
2-WAY MAINLINE

OPTIONAL ROUNDABOUT  
TO PRESERVE 3 LIVE OAKS

COUNTY PARCEL R510 008 000 0160 0000  
PORTION REQUIRED FOR ROAD R/W

CONVERT TO ONE WAY ROAD  
FOR DENIED MOTORIST DEPARTURES

ENTRANCE TO  
CONVENIENCE CENTER

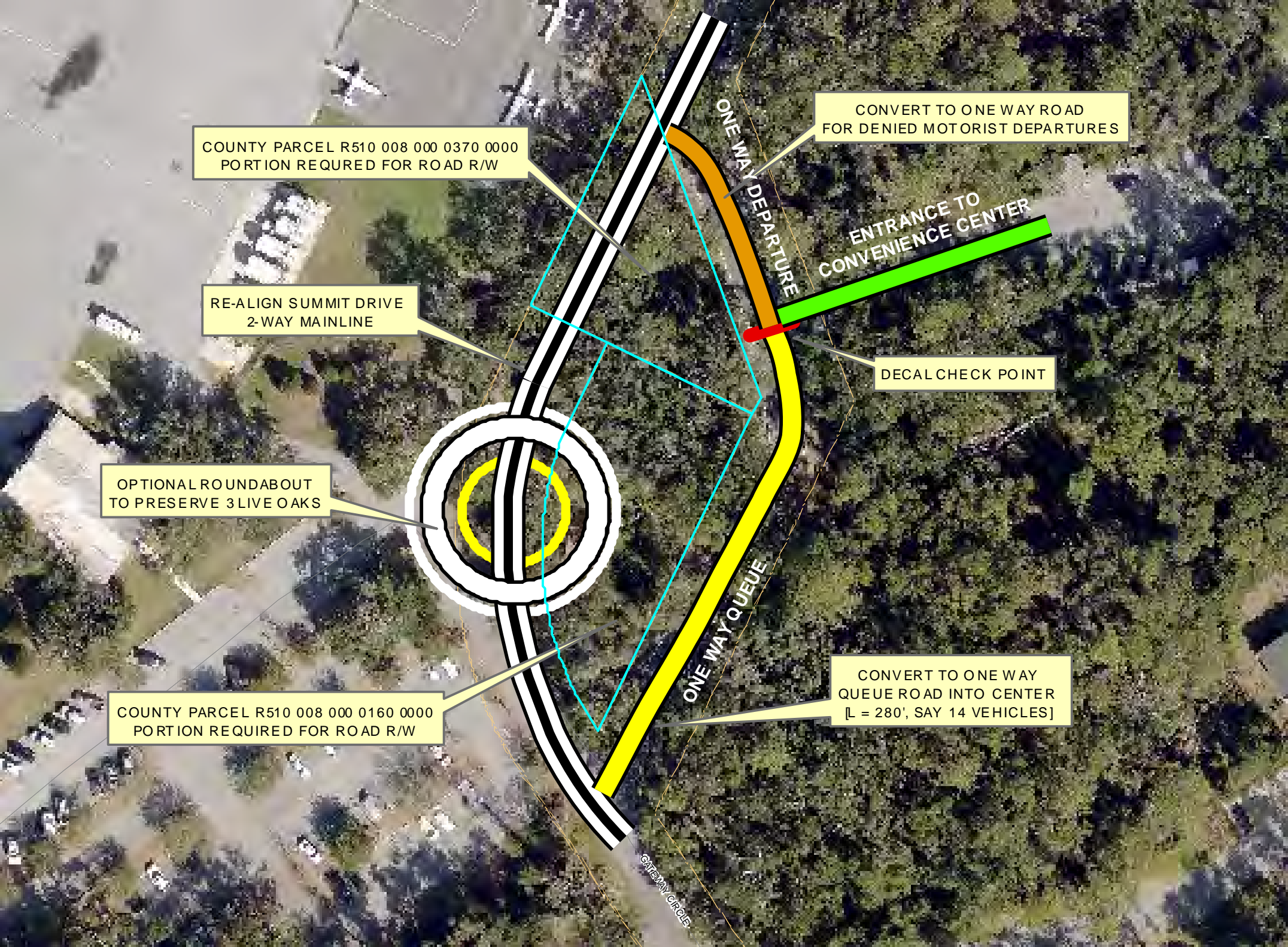
DECAL CHECK POINT

CONVERT TO ONE WAY  
QUEUE ROAD INTO CENTER  
[L = 280', SAY 14 VEHICLES]

ONE WAY DEPARTURE

ONE WAY QUEUE

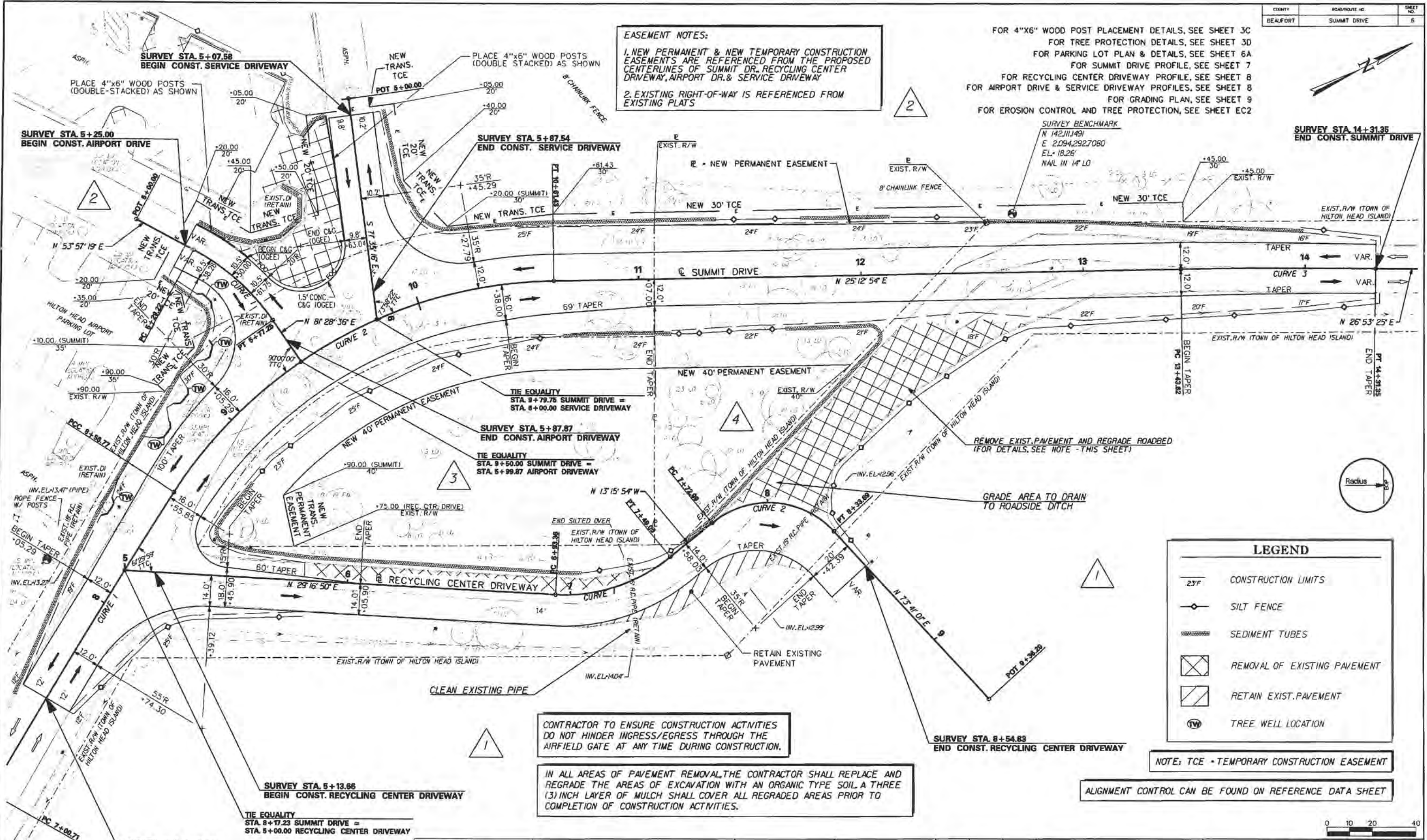
GATEWAY CIRCLE





**EASEMENT NOTES:**  
 1. NEW PERMANENT & NEW TEMPORARY CONSTRUCTION EASEMENTS ARE REFERENCED FROM THE PROPOSED CENTERLINES OF SUMMIT DR., RECYCLING CENTER DRIVEWAY, AIRPORT DR. & SERVICE DRIVEWAY  
 2. EXISTING RIGHT-OF-WAY IS REFERENCED FROM EXISTING PLATS

FOR 4"x6" WOOD POST PLACEMENT DETAILS, SEE SHEET 3C  
 FOR TREE PROTECTION DETAILS, SEE SHEET 3D  
 FOR PARKING LOT PLAN & DETAILS, SEE SHEET 6A  
 FOR SUMMIT DRIVE PROFILE, SEE SHEET 7  
 FOR RECYCLING CENTER DRIVEWAY PROFILE, SEE SHEET 8  
 FOR AIRPORT DRIVE & SERVICE DRIVEWAY PROFILES, SEE SHEET 8  
 FOR GRADING PLAN, SEE SHEET 9  
 FOR EROSION CONTROL AND TREE PROTECTION, SEE SHEET EC2



CONTRACTOR TO ENSURE CONSTRUCTION ACTIVITIES DO NOT HINDER INGRESS/EGRESS THROUGH THE AIRFIELD GATE AT ANY TIME DURING CONSTRUCTION.

IN ALL AREAS OF PAVEMENT REMOVAL THE CONTRACTOR SHALL REPLACE AND REGRADE THE AREAS OF EXCAVATION WITH AN ORGANIC TYPE SOIL A THREE (3) INCH LAYER OF MULCH SHALL COVER ALL REGRADED AREAS PRIOR TO COMPLETION OF CONSTRUCTION ACTIVITIES.

ALIGNMENT CONTROL CAN BE FOUND ON REFERENCE DATA SHEET

LEGEND	
23F	CONSTRUCTION LIMITS
◆	SILT FENCE
▨	SEDIMENT TUBES
⊗	REMOVAL OF EXISTING PAVEMENT
▧	RETAIN EXIST. PAVEMENT
⊙	TREE WELL LOCATION

NOTE: TCE - TEMPORARY CONSTRUCTION EASEMENT



3/12/2010 F:\08157\summit\plan\sm\_06\_pln\_summit.dgn



PLANS PREPARED BY:  
**Florence & Hutcheson, Inc.**  
 CONSULTING ENGINEERS  
 P.O. Box 50800 Columbia, SC 29250-1501, 1409 River Street Columbia, SC 29201

THIS MEDIA SHOULD NOT BE CONSIDERED A CERTIFIED DOCUMENT.

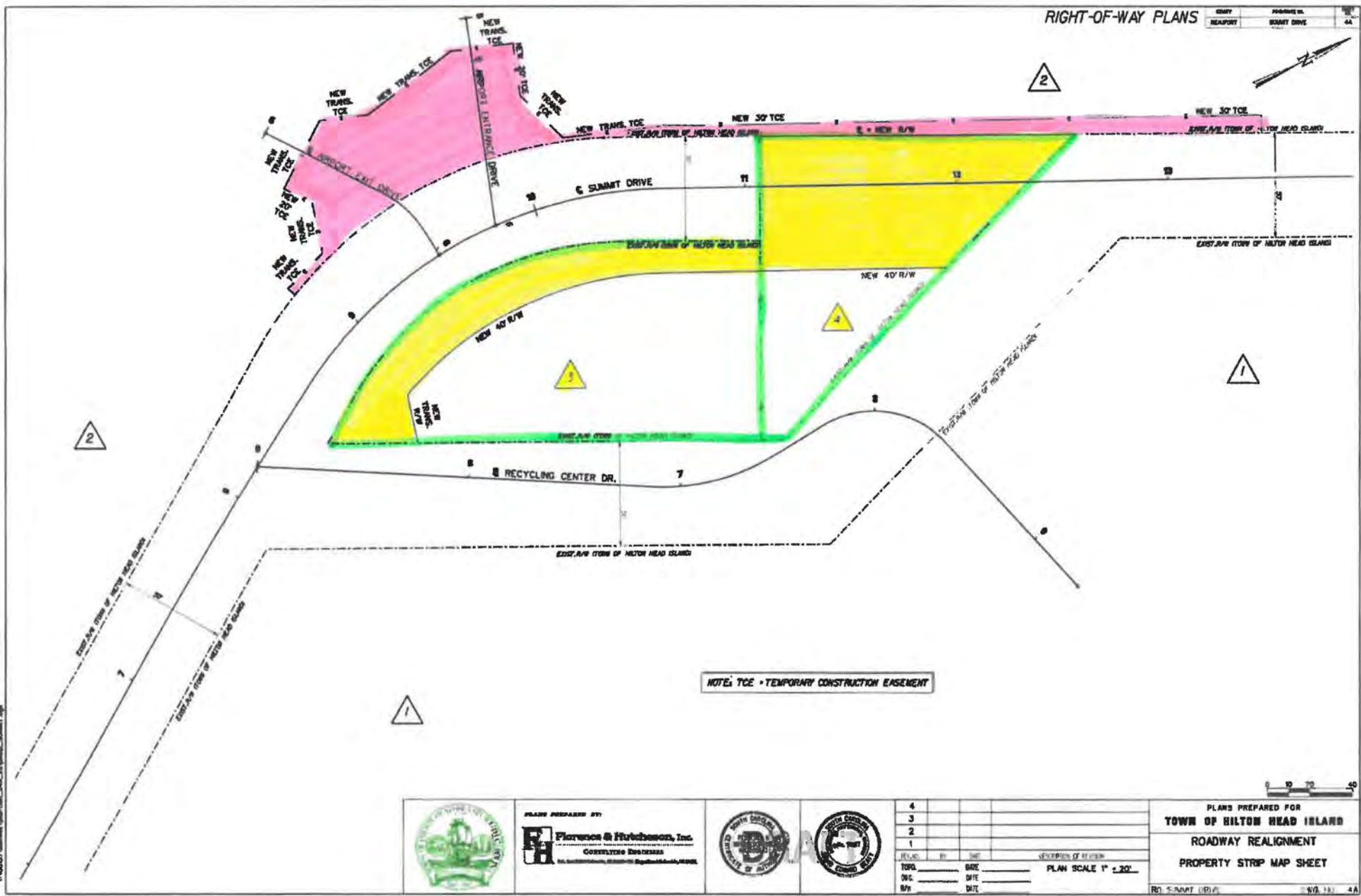
THIS DOCUMENT ORIGINALLY ISSUED AND SEALED BY:  
 DAVID EDWARD BEATY  
 P.E. NO. 18297 ON 3-12-10

4			
3			
2	BL	2-17-10	REVISED TEMP. CONST. EASEMENT (TRACT 2)
1	BL	10-1-09	REVISED R/W TO PERMANENT EASEMENTS (TRACTS 3 & 4)
REV. NO.	BY	DATE	DESCRIPTION OF REVISION
TOPD.		DATE	PLAN SCALE 1" = 20'
DWG.		DATE	
R/W		DATE	

PLANS PREPARED FOR  
**TOWN OF HILTON HEAD ISLAND**  
 ROADWAY REALIGNMENT  
 SUMMIT DRIVE PLAN  
 RD. SUMMIT DRIVE DWG. NO. 6





RIGHT-OF-WAY PLANS

DATE: 08/11/2009  
 DRAWN BY: J. HARRIS  
 PROJECT NO.: 08-010  
 SHEET NO.: 4A



NOTE: TCE = TEMPORARY CONSTRUCTION EASEMENT

10/17/2009 10:00 AM C:\Users\jrharris\Documents\08-010\08-010-04A.dwg J. HARRIS

	PLANS PREPARED BY:  <b>Florence &amp; Hutchinson, Inc.</b> CONSULTING ENGINEERS 101 South 17th Street, Suite 200, Hilton Head Island, SC 29928			4				PLANS PREPARED FOR <b>TOWN OF HILTON HEAD ISLAND</b> ROADWAY REALIGNMENT PROPERTY STRIP MAP SHEET (R) SUMMIT DRIVE (R) 08-010-4A
				3				
2								
1								
TOTAL: _____ DATE: _____ ONE: _____ DATE: _____ TWO: _____ DATE: _____	PLAN SCALE 1" = 20'							







# TOWN OF HILTON HEAD ISLAND

*Public Projects and Facilities Management Department*

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**TO:** Stephen G. Riley, ICMA-CM, Town Manager  
**FROM:** Scott Liggett, PE, Dir. of Public Projects & Facilities / Chief Engineer  
**DATE:** November 3, 2020  
**SUBJECT:** Accessible Covered Overlook at Islanders' Beach Park

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## **Recommendation:**

The Community Services and Public Safety Committee endorses the concept of an accessible, covered overlook to be constructed at Islanders' Beach Park and further recommends that this project become a priority for fiscal year (FY) 2021 and be directly inserted in the Town's Capital Improvements Program (CIP).

Funding is to be provided via the "parks upgrades" line by replacing the picnic pavilion previously planned for construction this year at Barker Field Extension with the covered overlook. The estimated costs of the two projects are similar with the total cost of the beachfront covered overlook estimated to not exceed \$90,000 (survey, design, permitting and construction). Funding source is proposed to be Sunday Liquor Permit Fee Revenues. This item was also reviewed, discussed and endorsed by the Public Planning Committee in August.

## **Summary:**

A handicapped accessible covered overlook with sufficient space for five (5) wheelchairs, associated care-givers and requisite support items is desired at Islanders' Beach Park. Staff estimates that a 25' x 15' decked, covered structure to be located seaward of the line of mature vegetation but landward of the State's and Town's beachfront development control lines is feasible.

## **Background:**

Currently, the Town does not have the amenity as described above. It appears to be a regulatorily feasible addition at Islanders' Beach Park, funding is available, though an adjustment to current FY project priorities is necessary.



# **TOWN OF HILTON HEAD ISLAND**

## *Community Development Department*

**TO:** Stephen G. Riley, ICMA~CM, *Town Manager*  
**VIA:** Shawn Colin, AICP, *Director of Community Development*  
**FROM:** Jennifer Ray, ASLA, *Deputy Director of Community Development*  
**DATE:** November 10, 2020  
**SUBJECT:** Palmetto Bay Business Park Proposals

---

### **Recommendation:**

Staff recommends Town Council authorize release of a RFP for solicitation of a developer to purchase Town-owned property in the Palmetto Bay Road area to be utilized in a manner consistent with the Town's adopted Comprehensive Plan, initial acquisition goals, and related Declaration of Covenants and Restrictions.

### **Summary:**

Authorization by Town Council will allow staff to finalize the development of a RFP to be issued by the Town to solicit a developer to purchase Town-owned property in the Palmetto Bay Road area to achieve Town objectives in a manner consistent with the original objectives stated when the land was acquired and subject to Covenants and Restrictions including first right of refusal, Town obligations for roads and drainage, subdivision approval rights, and architectural approval.

### **Background:**

The Town purchased +/- 6.6 acres in the Palmetto Bay Road area in January 1999 with the intention to restrict access from Palmetto Bay Road, establish and maintain a buffer along the roadway, and eventually dispose of the properties in pursuit of goals in the Comprehensive Plan. The proposed site plan includes a 75' buffer along Palmetto Bay Road and access from Palmetto Business Park Drive and Bow Circle. Allowed uses per the Covenants and Restrictions include Lawyer', Physicians', Dentists' and similar professional offices; General Business Offices; and Retail and wholesale offices and facilities approved by "The Company", a joint venture between "The Furtado Corp." and the Sea Pines Company (which no longer exists). Additional uses would require approval as outlined in the restrictive covenants. Development must be connected and walkable and be designed consistent with character of Hilton Head Island brand.

### **Exhibits:**

- Exhibit A – Draft RFP
- Exhibit B – Existing Conditions (300 scale)
- Exhibit C – Existing Conditions (100 scale)
- Exhibit D – Proposed Site Plan (100 scale)
- Exhibit E – Current Entitlements
- Exhibit F – Declaration of Covenants and Restrictions
- Exhibit G – Supplemental Declaration of Covenants and Restrictions

**TOWN OF HILTON HEAD ISLAND  
RFP XXXX-2020**

**Sale of Town-owned Property in the Palmetto Bay Road Area**

**I. GENERAL INFORMATION AND SUBMITTAL INSTRUCTIONS**

The Town of Hilton Head Island (“Town”) is soliciting sealed proposals from qualified developers (“Offerors” or “Developers”) interested in purchasing any or all of the +/- 6.6 acres of Town-owned property in the Palmetto Bay Road area in accordance with the specifications provided herein.

Proposals must be submitted by the Proposal Submittal Deadline shown on the Transmittal Page. Proposals will ONLY be accepted electronically via the Town’s Procurement Portal which can be accessed using the following link [hiltonheadislandsc.bonfirehub.com](http://hiltonheadislandsc.bonfirehub.com). If electronic submittal poses a hardship, please notify the Town Contact person identified on the Transmittal Page.

Proposals will be publically opened at the time and location specified on the Transmittal Page. Only the names of Offerors will be provided at the opening.

All questions regarding this solicitation must be submitted in writing via the procurement portal. Questions will be answered via the procurement portal as well. Offerors who have downloaded an original solicitation will receive email notification if any addendums have been issued for that solicitation. **However, it is still the Offeror’s responsibility to check the procurement portal for any issued addendums prior to submitting their proposal.**

The Town reserves the right to accept or reject any or all proposals received as a result of this solicitation, to negotiate with all qualified Offerors, to award multiple contracts for all or part of the scope of work, or to cancel in part or in whole this solicitation, if in the best interests of the Town. The Town reserves the right to refuse any and all proposals and to waive any technicalities and formalities. The Town reserves the right to waive any requirement in this solicitation, including material requirements, if such requirement is unmet by all Offerors, and, such a waiver is determined to be in the best interests of the Town.

This solicitation does not commit the Town to award a contract or to procure for any articles of goods or services. The Town shall not incur or pay for any costs associated with the preparation of Offeror proposals.

Proposals must be signed by an official of Offeror authorized to bind Offeror. Electronic signature using secure signature software is acceptable. By

## EXHIBIT A

submitting a proposal, Offeror agrees that its proposal shall be good and held open for a period of at least sixty (60) days from the Due Date.

The Town does not discriminate on the basis of race, color, national origin, sex [including pregnancy and childbirth (or related medical conditions)], religion, age or disability in employment or in the provision of goods and services.

The Town recognizes that small businesses enterprises as well as businesses enterprises owned and operated by women and/or minority persons (collectively “disadvantaged business”) have historically faced challenges resulting in less than full participation in the free enterprise system to a degree disproportionate to other businesses. Therefore, the Town is committed to ensuring that such disadvantaged business enterprises are afforded every opportunity to fully and fairly participate in the Town’s procurement process for goods and services. In the event of a tie after the scoring of proposals involving a certified disadvantaged Offeror and a non-disadvantaged Offeror, the Town will award the contract to the certified disadvantaged Offeror. Tied proposals involving two certified disadvantaged Offerors will be settled by selecting the proposal having the lowest total cost to the Town. It is the obligation of the disadvantaged Offeror to submit proof of current certification from a governmental entity in the United States at the time they submit their proposal in order for the certification to be considered by the Town in determining an award as described above. Tied proposals involving two non-disadvantaged Offerors will be settled by selecting the proposal having the lowest total cost to the Town.

The Town offers a **Local Vendor Certification** whereby such certified vendors will be granted a preference by having their bid price reduced by five percent (5%), up to a maximum reduction of ten thousand dollars (\$10,000.00). The reduction in price is only for evaluation purposes, and if such a vendor is awarded a contract, the final contract price will reflect the original bid amount before the local vendor preference was applied. **To receive the local vendor preference, Offeror must be certified by the Town prior to the submittal deadline and submit a copy of their certification with their proposal.** Offerors submitting a local vendor form with their proposal which has not been certified by the Town, will not be eligible to have the local vendor preference applied to their proposal. **A copy of the Local Vendor Certification Form can be found in the Supporting Documentation section for this solicitation.**

## II. BACKGROUND

The Town of Hilton Head Island seeks a developer interested in purchasing any or all of the +/- 6.6 acres of Town-owned property in the Palmetto Bay Road area as part of a development proposal for the utilization of the land consistent with the Comprehensive Plan, the original objectives of land purchase, and

subject to existing Covenants and Restrictions.

### **III. SCOPE OF WORK / SPECIFICATIONS**

**Property Description:** The Town owns a tract of 11 Town-owned parcels located in the Palmetto Bay Business Park area with 900 feet of frontage on Palmetto Bay Road. The tract abuts Palmetto Business Park Drive, Bow Circle, and Arrow Road. As shown in the Existing Conditions Plan (see Exhibit C) lots 2, 4, 6, 7, and 25 are portions of the Palmetto Business Park proper. Lots B, C, D, E, F, and G are portions of the Palmetto Bay Road Subdivision. The property was purchased by the Town in January 1999 with the intention to: restrict access from Palmetto Bay Road, establish and maintain a buffer along the roadway, and eventually dispose of the properties in pursuit of goals in the comprehensive plan.

**Proposed Use:** The Proposed Site Plan (see Exhibit D) includes +/- 6.6 acres. A 75' buffer is proposed adjacent to Palmetto Bay Road. The buffer area shown is restricted from development to preserve the frontage but is included as development rights toward the project. Access to the property is available from Bow Circle and Palmetto Business Park Drive. The Developer is required to provide vehicular and bike/pedestrian connectivity to and within the project, such as by connecting the two existing cul-de-sacs. No access will be allowed from Palmetto Bay Road or Arrow Road. The Proposed Site Plan (Exhibit D) represents how the existing subdivision could be reconfigured with consistent size and shape lots for the purpose of this solicitation. Developers may use any or all of the property. Projects that use less than all of the property must demonstrate a development pattern that does not leave any portion of the property undevelopable/unusable.

**Entitlements:** The official zoning map for the Town of Hilton Head Island defines the area as "Light Commercial". See Exhibit E for complete list of zoning entitlements per the Land Management Ordinance (LMO). The property is subject to items outlined in the Covenants and Restrictions (Exhibit F) and the amendments to the Covenants and Restrictions (Exhibit G).

### **IV. PROPOSAL REQUIREMENTS AND FORMATTING**

Submission must include the following:

- Cover Letter stating proposer's interest in property.
- Development Plan and Timeline including type of proposed development, standards and regulations for the development of the property with adequate details including understanding of design and character consistent with Hilton Head Island brand, and an estimated timeline for implementation. Development Plan should also identify the overall capital investment for the property; the contribution the



## EXHIBIT A

development will make toward increased employment and earnings in the Town including the number and type of jobs created and average salary; and the beneficial impact development may have on the surrounding area. 2 options for preferred property configuration must be submitted with minimum and maximum acreage range.

- Client References

Offerors are REQUIRED to submit all requested information and/or documentation outlined in this section of the solicitation. Any Offeror failing to do so may have their proposal rejected as being non-responsive and making them ineligible for contract award. Offeror must complete and return with their proposal the "Checklist of Proposal Submittal Requirements", a copy of which is included in this solicitation as Exhibit 1 (will be attached before issuance). Offeror shall submit their proposals in a format and sequence that follows the section numbering and layout provided in this solicitation to assist the Town in its evaluation of proposals. General marketing or other material that is not submitted in direct response to any of the requirements of this solicitation is undesirable, should not be included and if included will not be evaluated.

Please provide a minimum of 2 client references. Please take note of the following as it pertains to references:

- References for clients where the work performed was similar in size and scope are preferred, and will be given more weight than those not of similar size and scope. The Town shall be sole determiner on whether a project is of "similar size and scope".
- The Town will only be evaluating 2 references, regardless of how many are provided by Contractor. Town is not obligated to make more than a single attempt to contact a listed reference.
- If less than the requested number of references are provided, OR the Town is unable to obtain the desired number of responses, this will be reflected in the scoring of your proposal.
- The Town is not responsible for incorrect reference contact information.
- The Town reserves the right to only check references on those Contractors deemed to be "finalists" after initial scoring of proposals.

## **V. EVALUATION CRITERIA AND CONTRACT AWARD**

Proposals for purchase and development of the Property will be evaluated based on the following criteria:

- Development Plan & Timeline – consideration will include but not be limited to the following: capital investment; number of jobs created and average salary; the degree to which the development may potentially stimulate other desirable economic development and/or

## EXHIBIT A

redevelopment activity; the beneficial economic impact the development may have on the area surrounding the property; walkability/connectivity; and design and character consistent with Hilton Head Island brand; and

- Financial Offer – price per acre; include assumptions made to justify prices and time needed for closing; and
- Financial Ability to Perform – demonstration that developer is financially capable of performing its obligations to purchase the Town-owned property contained within this RFP. If funding will be borrowed based on this RFP, a letter of reference stating the source of funds must be provided from a bank or financial entity.

If a contract is awarded as result of this solicitation, such award shall be made to the responsive and responsible Offeror with the highest rated proposal based on the stated evaluation criteria. In the event that contract negotiations with the highest rated Offeror are unsuccessful, the Town reserves the right to begin contract negotiations with next highest rated Offeror.

### **VI. STANDARD CONTRACT TERMS AND CONDITIONS**











Offeror acknowledges it has read and understands the terms and conditions provided in the Town's standard contract clauses attached hereto as Exhibit 2 (will be attached before issuance), and Offeror also agrees that such clauses shall substantially form the basis for a contract between Offeror and Town. Offeror also acknowledges that terms and conditions provided in this RFP, either in their entirety or relevant portions thereof, may be included and become part of any resulting contract.

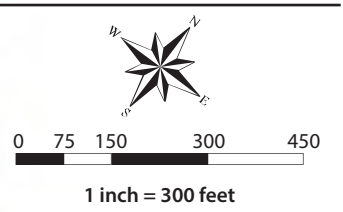




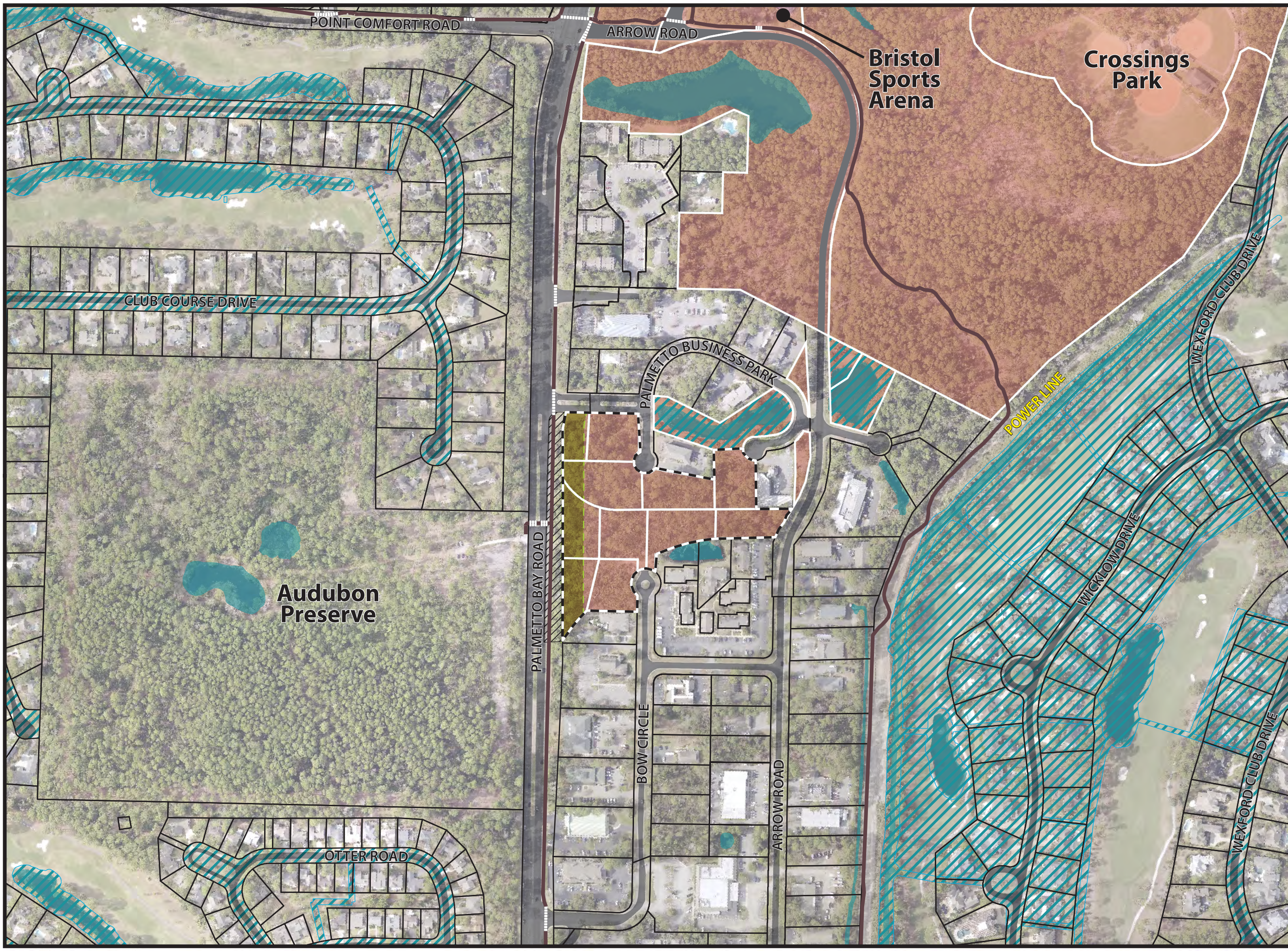
**Palmetto Bay Business Park  
Town-Owned Office Parcels  
EXISTING CONDITIONS  
300 Scale**  
October 28, 2020

**Legend**

-  Town-Owned Parcels
-  1999 Acquired Office Parcels
-  75-foot Buffer Area
-  SCDOT R/W Acquired Before Town Purchase
-  Town Drainage Easement
-  Other Parcels
-  Lagoons and Channels
-  75-foot Buffer Line
-  Pathways
-  Crosswalks



The information on this map has been compiled from a variety of sources and is intended to be used only as a guide. It is provided without any warranty or representation as to the accuracy or completeness of the data shown. The Town of Hilton Head Island assumes no liability for its accuracy or state of completion or for any losses arising from the use of the map.



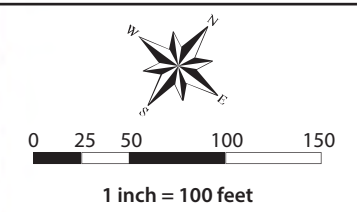




**Palmetto Bay Business Park  
Town-Owned Office Parcels  
EXISTING CONDITIONS**  
October 28, 2020

- Legend**
- Town-Owned Parcels
  - 1999 Acquired Office Parcels
  - Lots for Consideration
  - 75-foot Buffer Area
  - SCDOT R/W Acquired Before Town Purchase
  - Town Drainage Easement
  - 25-foot Drainage Easement
  - Other Parcels
  - Lagoons and Channels
  - 75-foot Buffer Line
  - Pathways
  - Crosswalks

- 75-Foot Buffer Area**
- Buffer Area Total Acres: 1.22 +/-
- Lot 2**  
Total Acres: 0.31 +/-  
Buffer: 0.28 +/-
  - Lot 6**  
Total Acres: 0.86 +/-  
Buffer: 0.18 +/-
  - Lot F**  
Total Acres: 0.59 +/-  
Buffer: 0.38 +/-
  - Lot G**  
Total Acres: 0.49 +/-  
Buffer: 0.38 +/-



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# Palmetto Bay Business Park Town-Owned Office Parcels PROPOSED

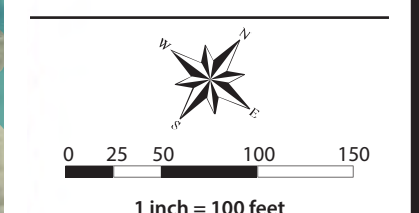
November 4, 2020

## Legend

- Town-Owned Parcels
- 1999 Acquired Office Parcels
- 75-foot Buffer Area
- SCDOT R/W Acquired Before Town Purchase
- Town Drainage Easement
- 25-foot Drainage Easement
- 50-foot R/W for New Road
- Other Parcels
- Lagoons and Channels
- 75-foot Buffer Line
- Pathways
- Crosswalks
- Vehicular Access

## Proposed Parcel Recombination

- Buffer Total Acres: 1.2 +/-
- Recombined Lot 4 (Lots 2 & 4)**  
Total Acres: 0.94 +/-  
Buffer Portion: 0.27 +/-
- Recombined Lot 6 (Lots 6 & F)**  
Total Acres: 1.04 +/-  
Buffer Portion: 0.28 +/-
- Recombined Lot D (Lots D & F)**  
Total Acres: 1.09 +/-  
Buffer Portion: 0.28 +/-
- Recombined Lot E (Lots E & G)**  
Total Acres: 1.07 +/-  
Buffer Portion: 0.37 +/-



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EXHIBIT E

**PALMETTO BAY BUSINESS PARK  
ZONING ENTITLEMENTS PER LMO**

**Permitted Uses in LC "Light Commercial" District:**

Group Living	Mixed Used (PC)	Recreational Vehicle (PC)
Single-Family	Community Service	Education
Government	Major Utilities (SE)	Minor Utilities
Public Parks	Religious Institutions	Telecommunication Antenna (PC)
Telecommunication Towers, Monopole (PC)	Other Health Services	Hotels
Indoor Commercial Recreation Use	Outdoor Commercial Rec Uses (other than water parks) (PC)	Contractor's Offices (PC)
Other Office Uses	Animal Services (PC)	Bicycle Shops (PC)
Convenience Stores (PC)	Eating Establishments	Grocery Stores
Landscape Business (PC)	Liquor Stores (SE)	Nightclubs or Bars (PC)
Open Air Sales (PC)	Shopping Centers (PC)	Tattoo Facilities (PC)
Other Commercial Services	Auto Rentals	Auto Repairs (PC)
Auto Sale	Car Washes	Gas Sales (PC)
Taxicab Services	Watercraft Sales, rentals, or services (PC)	Light industrial, manufacturing, and warehouse uses (PC)
Self-service Storage (PC)	Wholesale Sales	Agriculture Uses

**Density:**

<b>Non-Residential</b>	<b>Residential</b>	<b>Hotel</b>
10,000 SF/acre	4 du/acre	35 Rooms

**Height & Impervious Coverage:**

<b>Height - Maximum</b>	45 feet
<b>Impervious Coverage</b>	60%

**Setbacks/Setback Angles:**

<b>Street Setback From Major Arterial</b>	<b>Street Setback From Other Streets</b>	<b>Adjacent Use Setback For Office Use</b>
50 feet/75 degrees	20 feet/60 degrees	20 feet/75 degrees

**Buffers:**

<b>Street Buffer From Major Arterial</b>	<b>Street Buffer From Other Streets</b>	<b>Adjacent Use Buffer For Office Use</b>
Type E - 50 or 35 feet based on vegetation	Type A - 20 or 10 feet based on vegetation	N/A

Property is located within the COR, "Corridor Overlay" District.  
Property is further restricted by Covenants and Restrictions.



ARTICLE I - DEFINITION

1. "Association" means the Palmetto Business Park Owners Association, an association of all owners of Lots within the Properties.
2. "Assessment" means the share of the Common Expenses of a record owner, assessed against said record owner and his individual lot, from time to time, by the Association, in the manner hereinafter provided.
3. "Broad Creek" means Broad Creek Development Company, a South Carolina Joint Venture of Sea Pines Company, and Three Fountainview Corporation, its successors and assigns.
4. "Common Expenses" means (a) all expenses incident to the administration, maintenance, repair and replacement of the Common Properties; (b) expenses determined by the Association to be Common Expenses and which are lawfully assessed against the individual lot owner; (c) costs of electricity for street and common signage lighting, sprinkler controls and costs for water service for the common areas; (d) taxes and insurance on the Common Properties as may be deemed desirable; (e) maintenance cost for the Common Properties, including cost of upkeep and expense for any lagoons, landscaping, parking areas, roadways, driveways and walkways; (f) a management fee, if any, for the administration of the Palmetto Business Park Owners Association; and any special assessments for capital improvements as hereinafter described.
5. "Common Properties" means those areas of land with any improvements thereto which are deeded to the Association and designated as "Common Properties," including any personal property acquired by the Association if said property is designated as "Common Property." All Common Properties are to be devoted to and intended for the common use and enjoyment of the owners of the Properties, (subject to any fee schedules and operating rules of the Association).
6. "Company" means Palmetto Business Park Associates, its successors and assigns.
7. "Development Area" means that portion of the Properties upon which units are constructed or property improved in any way, including the individual lots and the Common Properties.
8. "Lot" means any improved or unimproved parcel of land intended for the construction of a business unit or related



facility as shown on the Plat and as further limited herein, with the exception of Common Properties as heretofore defined. It is the area (a) capable of individual ownership by the record owner of each lot, (b) in which no fee ownership rights are present in any other person except the record owner of said lot, and (c) capable of hypothecation or conveyance by said record owner in accordance with the terms hereof and in accordance with the laws of the State of South Carolina. When approved by the Company or Sea Pines, adjacent individual lots as shown on the plat may be combined into a single lot.

9. "Lot Owner" means the record owner, whether one or more persons, whether artificial or natural, of the fee simple title or estate for years in and to any Lot within the Development Area, excluding however, those persons having such interest merely as security for the performance of an obligation.

10. "Party Wall" means a wall built partly on the land of one owner and partly on the land of another owner for the common benefit of both in supporting construction of contiguous structures not in violation of these Covenants and shall be given the general meaning and legal rights, responsibilities, and definitions as established by the laws of the State of South Carolina. The fact that said party wall may be by error or design located solely on the land of one owner shall not be conclusive evidence that said wall is not intended to be a party wall as defined.

11. "Plat" means that plat of the Properties entitled "Plat of Palmetto Business Park" prepared for Broad Creek Development Company, prepared by Gifford, Nielson and Williams, as recorded in Plat Book 31 at Page 137 in the records of the Office of the Clerk of Court for Beaufort County, South Carolina, said plat being incorporated herein by specific reference. In addition, Plat shall also refer to any subsequently recorded Plat for subsequent phases, if any, or any modification of the Plat permitted by these Covenants. Until conveyance of all Lots and Common Properties to individual owners and/or the Association, the Company, reserves the right to modify the Plat to change boundaries of un conveyed Lots, distances, designation of properties and the general development plan contained in the Plat.

12. The "Properties" means all the Existing Property more clearly described on the Plat.

13. "Sea Pines" means Sea Pines Company, its successors and assigns.

14. "Unit" means any approved building situated on a Lot intended for use and occupancy as a business office, retail or wholesale facility or related approved facility.

#### ARTICLE II - THE PROPERTY

1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these Covenants, is located on Hilton Head Island, Beaufort County, South Carolina, and is more particularly described in Exhibit A, hereto attached and by reference incorporated herein. All of the real property hereinabove described shall hereinafter be referred to as "Existing Property". The Company intends to develop the Existing Property in accordance with the Plat.

The Company shall convey the open spaces, drives and parking areas and a non-exclusive right to all access and utility easements shown on the Plat to the Association as provided in Article V. The Company shall be free to develop such portions or sections of the lands depicted, as in the reasonable exercise of its discretion, it deems in the best interest of the entire development without regard to the relative location of such portions or sections. It shall not be required to follow any predetermined sequence or order of improvements and development. It may bring within these Covenants additional lands, and develop the same before or after completing the development of the existing property.

2. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner:

(a) Additions. The Company shall have the right without consent of the Association, to bring within this Declaration, additional properties in future stages of the development. The additions authorized under this and the succeeding sub-section shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of this Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Company, to reflect the different character, if any, of the added properties and as are not inconsistent with the plan of this Declaration, particularly that portion limiting the use of the Properties.

(b) Other Additions. Upon approval in writing of the Association pursuant to three-fourths of the vote at a duly called meeting or by written approval of two-thirds of the Lot owners (with each Lot being counted separately), the owner of any property other than the Company, who desires to add it to the plan of the Covenants and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Company, to reflect the different character, if any, of the added properties and as are not inconsistent with the Plan of this Declaration.

(c) Mergers. Upon a merger or consolidation of the Association with another association as provided for in the By-Laws of the Association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association, or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Existing Property, as herein provided.

#### ARTICLE III - PURPOSES IN GENERAL

1. The Units to be constructed on each Lot shall be individual free-standing office, retail or wholesale Units, unless otherwise authorized by Company or Sea Pines.
2. The Common Properties shall be governed, controlled and maintained by the Association as hereinafter described.
3. The Lot and its accompanying easement appurtenant to the Common Properties shall not be separately conveyed or encumbered.
4. It shall be the responsibility of each Lot Owner to maintain and keep in good repair and maintenance his Lot and Unit. In the event the Lot Owner does not maintain and keep in good repair and condition his Lot and Unit, the Association, the Company or Sea Pines shall have the right, but not the obliga-

tion, to order any unsightly, dangerous or unkempt condition to be corrected within ten (10) days from the date of written notice, return receipt requested, mailed to the Lot Owner thereof. Should the required action not be taken by said Lot Owner within the ten (10) day period described above, the Association, the Company or Sea Pines may at said Lot Owner's sufferance, enter upon an individual Lot and/or Unit and correct the unsightly, unkempt, poorly maintained or unrepaired condition, and shall then have the right to charge the offending Lot Owner (i) for the actual cost of correcting said condition, plus (ii) interest on such cost at the rate of twelve (12%) percent per annum from the date of demand for payment until time of payment, and (iii) all costs of collection, including reasonable attorneys' fees and court costs. Such amounts shall be a lien upon the offending Lot Owner's Lot, and collectible in accordance with the provisions of this Declaration. The lien for assessments shall be subordinate to any prior attaching mortgage lien.

#### ARTICLE IV - PALMETTO BUSINESS PARK OWNERS ASSOCIATION

1. The Company, and every Lot Owner of a fee simple or undivided simple interest in any property which is subject by the Covenants to assessment by the Association shall be a member of the Association. Any entity which holds such title or interest merely as security for the performance of an obligation shall not be a member of the Association.

2. The Association shall have two classes of voting membership:

CLASS "A" - Class "A" Members shall be all those Lot Owners as defined in Article I with the exception of the Company. Class "A" Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article I. When more than one person or entity holds such interest or interests in any Lot, all such persons shall cumulatively be a member and the vote of such Lot shall be exercised as they, among themselves, determine but in no event shall more than one vote be cast with respect to any such Lot. When one or more co-owners sign a proxy or purports

to vote for his or her co-owners, such vote shall be counted unless one or more of the other co-owners is present and objects to such vote, or if not present, submits a proxy or objects in writing delivered to the Secretary of the Association



before the voting is counted. If co-owners disagree as to the vote, the vote shall be split equally among the co-owners.

CLASS "B" - Class "B" Members shall be the Company. Until all of the Lots within the Properties shall have been sold by the Company, the Class "B" Members shall be entitled to one vote plus one vote for each vote held by a Class "A" Member. The total vote of the Association shall consist of the sum of the votes of the Class "A" Members and of the votes of the Class "B" Members. The Class "B" Membership of the Company may be assigned to any successor or assign and shall thereafter cease to exist upon sale of all Lots located on the Properties.

3. The purpose of the Association is to take all necessary action regarding the governing, maintenance and repair of the Common Properties and endeavor to make certain that no unsightly, dangerous, bad repair or other condition exists. The Association shall have the power to order the Lot Owners to keep in good repair and maintenance their Lots and Units and for failure to do so, said Association may take action as herein provided.

4. The Association may contract for all types of insurance in connection with the Common Properties as may be deemed desirable and serve as Trustee under the insurance trust herein created to hold and disburse insurance proceeds as the Association may designate.

5. All hazard insurance policies obtained by the Association shall designate the Association as the named insured and, unless otherwise specified by the Association, pursuant to Section 8, as Insurance Trustee for the benefit of all the Lot Owners and their mortgagees collectively, as their respective interests may appear. In the event of loss or damage, all insurance proceeds shall be paid to the Insurance Trustee under the provisions of this Article. If obtainable at reasonable rates, all hazard insurance policies upon the Property shall include a provision waiving any rights of the insurer to subordination against the Association, its agents and employees, and against the individual lot owner, their servants, agents, and guests.

6. The Association may obtain comprehensive public liability insurance with limits and provisions as deemed desirable and as may be obtainable. All such policies shall con-

tain severability of interests clauses or endorsements extending coverage to liabilities of the Association to an individual Lot Owner and to liabilities of one Lot Owner to another Lot Owner.

7. All premiums upon insurance policies purchased by the Association shall be assessed as common expenses and paid by the Association.

8. The Association may decline to serve as Insurance Trustee and may appoint in its place any financial institution which is qualified and willing to act as Trustee and which also has offices in Beaufort County, South Carolina. Any substitute Insurance Trustee appointed by the Board shall succeed to all of the powers and responsibilities vested in the Association as Insurance Trustee under the terms of these covenants.

9. In the event of casualty loss to the Properties, all insurance proceeds indemnifying the loss or damage shall be paid to the Insurance Trustee. The Insurance Trustee shall receive and hold all insurance proceeds in trust for the purpose stated in this Article, and for the benefit of the Record Owners and their respective mortgagees in the following shares:

(i) Insurance proceeds paid on account of loss or damage to the Common Properties only shall be held in the same proportion as the undivided interest in the Common Property which is appurtenant to each of the Lots.

(ii) If a Certificate of Insurance has been issued to a Lot Owner bearing a mortgagee endorsement, the share of the owner shall be held in trust for the mortgagee and the Record Owner as their interest may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired, and no mortgagee shall have the right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except for the insurance proceeds paid jointly to the Record Owner and the respective mortgagee pursuant to the provisions of these covenants.

10. In the event of a casualty loss or damage to the Properties, the Association shall be responsible for applying the proceeds of all casualty insurance to the repair or reconstruction of the Properties in accordance with the provisions of this

Article. Reconstruction or repair shall be mandatory unless determined to the contrary by the Association and all members suffering a loss or damage.

ARTICLE V - COMMON EXPENSES AND ASSESSEMENTS

1. The Association shall, from time to time, and at least annually, prepare a budget for said Association, and determine the amount of the assessments payable by the Lot Owners to meet the current expenses of said Association.

2. The Association shall advise all Lot Owners annually, in writing, of the amount of Common Expenses payable by each of them, respectively, as determined by the budget of such Association, as aforesaid, and shall furnish copies of such budget to all Record Owners. Until the Association has prepared and approved a budget, the Common Expenses hereby assessed by the Association shall be five hundred (\$500) dollars per year per Lot until a Unit is completed on said Lot. Upon issuance of a Certificate of Occupancy for said Unit (or similar evidence of the readiness of the Unit for use), the Assessment shall be increased to one thousand (\$1000) dollars per year per Unit. The Common Expenses so assessed against the Lot Owner shall be a lien on said Lot Owner's individual Lot but subordinate to any prior attaching mortgage lien. The annual assessment may be increased by the Association by a percentage which does not exceed the increase, if any, in the Consumer Price Index (all items) for Atlanta, Georgia, for the preceding calendar year. The annual assessment may be increased or decreased by the Association by a greater amount only with the assent of two-thirds of the votes of the Association who are voting in person or by proxy at a meeting duly called for this purpose or by written assent of two-thirds of the members obtained without such meeting.

3. All Lot Owners shall pay the Common Expenses assessed by the Association monthly or at such other time or times as said Association may determine and said expenses shall constitute a lien on the lots. The Association may authorize Common Expenses to be collected by a managing agent and delegate such other duties to the managing agent as deemed desirable. Until all Lots within the Properties have been sold to individual Lot Owners no expenses shall be assessed to the Company. If the Common Properties are completed and conveyed to the Association prior to the sale of all Lots within the Properties, the Company shall be required to pay its proportionate share of the Common Expenses based on the number of platted Lots to which it retains title.

4. In addition to the annual assessments authorized above to be paid upon the direction of the Association, the

Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Properties, including fixtures and personal property related thereto, provided any such assessment shall have the assent of two-thirds (2/3) of the votes of the members of the Association who are voting in person or by proxy at a meeting duly called for this purpose or by written assent of two-thirds (2/3) of the members obtained without such meeting.

5. No Lot Owner may exempt himself from liability for his contribution for the Common Expenses by waiver of the use or enjoyment of any of the Common Properties or by abandonment of his Lot.

6. No Lot Owner shall be liable for the payment of any part of the Common Expenses assessed subsequent to a sale, transfer or other conveyance of his Lot and Unit, such date to be determined by the date the deed of conveyance is recorded in the Office of the Clerk of Court for Beaufort County.

7. A purchaser or grantee of the Lot shall be jointly and severally liable with the seller thereof for the payment of Common Expenses assessed against said Lot prior to the acquisition or conveyance of said Lot, without prejudice to the purchaser's or grantee's right to recover from the seller the amounts paid by the purchaser or grantee thereof. The purchaser's or seller's liability for Common Expenses assessed prior to the acquisition or conveyance of such Lot shall not be in excess of the amount set forth in a statement provided under paragraph 2 herein. A mortgagee of a Lot at a foreclosure sale of such Lot or acquiring said Lot by deed in lieu of foreclosure shall not be liable for, and such Lot shall not be subject to a lien for the payment of Common Expenses or special assessments assessed prior to the foreclosure sale or the date of the conveyance of the Lot to the mortgagee in lieu of foreclosure. Such unpaid Common Expenses shall then be deemed to be Common Expenses collectible as the Association deems appropriate.

8. The Association shall promptly provide any Lot Owner or grantee or prospective grantee or purchaser so requesting the same in writing, a written statement of all unpaid Common Expenses or other assessments due from such Lot Owner.

9. The Association shall shall take prompt action to collect any Common Expenses due from any Lot Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. Any Lot Owner who fails to pay such assessment



within said thirty (30) day period shall be considered in default and shall thereafter, until such default is cured, not be entitled to vote at meetings of the Association.

10. In the event of default by any Lot Owner in paying to the Association the Common Expenses assessed against him, said Lot Owner shall be obligated to pay interest at the maximum rate permitted by law from the date of demand for payment until time of payment, and shall also be liable for all costs of collection, including reasonable attorney's fees and court costs incurred by the Association in any proceeding brought to collect such unpaid Common Expenses. The Association shall have the right and duty to attempt to recover any unpaid Common Expenses and all expenses of collection. The unpaid Common Expenses together with the aforesaid interest and costs of collection shall become a charge and continuing lien on the Lot and all improvements thereon.

11. The Association shall have the right to foreclose its lien for unpaid Common Expenses in accordance with the laws of the State of South Carolina pertaining to foreclosure of mortgages on real estate.

12. In any action brought by the Association to foreclose its lien on a Lot, the Lot Owner shall be required to pay reasonable rent, as determined by said Association, for the use of his Lot from the date of his default in payment of Common Expenses and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect said rent. The Association, acting on behalf of all Lot Owners, shall have the right to purchase such Lot at said foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same, subject, however, to applicable restrictions of record.

13. A suit to recover a money judgment for unpaid Common Expenses shall be maintainable by the Association without first foreclosing or waiving its lien for unpaid Common Expenses.

#### ARTICLE VI - PROPERTY RIGHTS IN THE COMMON PROPERTIES

1. Member's Easement of Enjoyment. Subject to the provisions of these Covenants and the rules and regulations of the Association, every Lot Owner shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with title of every Lot.

2. Title to Common Properties. The Company may retain the legal title to the Common Properties until such time as it has completed improvements thereon and until such time as,

in the opinion of the Company the Association is able to maintain the same. Notwithstanding any provisions herein, the Company hereby covenants, for themselves, their successors and assigns, that it shall convey the Common Properties to the Association within one hundred eighty (180) days of the time that all Lots are conveyed to Lot Owners. At its option, the Company may convey, and the Association must accept the Common Properties at any time prior to the date all Lots are conveyed. Said Common Properties may be conveyed subject to all Covenants of record. If the Company conveys the Common Properties to a successor prior to sale of the Lots to individual purchasers, this Covenant shall be the sole responsibility of Broad Creek, or such other successors. After conveyance of the Common Properties and all easements granted herein to the Association or any Lot Owner, Company, its successors and assigns shall retain a non-exclusive easement for the use of such Common Properties and easements.

3. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) The right of the Association, in accordance with its By-Laws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties;
- (b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures.

#### ARTICLE VII - USE OF PROPERTY

In order to maximize the mutual benefit that would naturally accrue to each Lot Owner if all Units constructed on the Properties were used for the same general purposes and to insure that the mutual business interests of the Owners are not negatively impacted upon by the nature of the business activities conducted on the Properties, the use of the Lots shall be limited as follows:

- (a) Lawyers', Physicians', Dentists' and similar professional offices;
- (b) General Business Offices;
- (c) Retail and wholesale offices and facilities approved by Company or Sea Pines.

Any other use not approved by Company or Sea Pines must be approved by the Association in writing by a vote of at least two-thirds (2/3) of the total membership of the Association, in addition to meeting the requirements of any other recorded restrictions on the Properties. The Association may require the proposed user to provide information regarding the use, user and other relevant information prior to such decision.

ARTICLE VIII - CONSTRUCTION MAINTENANCE AND ALTERATION  
OF UNITS

1. No building or structure of any kind, including fences, signs or other forms of advertisement, shall be erected, placed or altered on any Lot until the following have been submitted to and approved in writing by Sea Pines or its designee: (a) a tree survey showing all trees of eight (8") inches or more in diameter at a point three (3) feet from ground level; (b) architectural and landscaping plans; (c) specifications, elevations, construction material, exterior color or finish; (d) plot plan overlaying the tree survey and showing the proposed location of such building, fence or structure, drives and parking areas and identifying trees to be removed in construction; (e) storm drainage plans and (f) construction schedule. Prior to any review action by Sea Pines, the Lot Owner shall be required to pay to Sea Pines or its designee, an architectural review service fee of One Hundred (\$100.00) Dollars per Lot, said fee to be paid simultaneously with the submission of architectural plans. Sea Pines reserves the right to increase this fee by an amount equal to the annual percentage increase in the Consumer Price Index during the previous calendar year. The primary consideration in granting or approving such approval shall be given to quality of design, workmanship and materials, harmony of external design with existing structures, retention and enhancement of natural foliage and any other appropriate or reasonable consideration with a view to the development of an attractive and convenient commercial area of integrated design and function as herein set forth. If Sea Pines or its agents, successors or assigns do not act on an application made to them for approval within sixty (60) days after receiving all the information required and written demand for such approval, such application shall be deemed approved. Approval granted shall not be considered a warranty of any kind for structural fitness or building integrity and the Company and Sea Pines are expressly relieved from any and all liability, costs or demands resulting from the construction of any structure or building from approved plans.

2. Sea Pines may disapprove any plans which provide for ground coverage with impervious surfaces of more than sixty (60%) percent of the acreage within a Lot.

3. No building or other structure constructed on the Lot shall have more than the lesser of (a) five (5) habitable stories or exceed a ceiling of six (6) stories above existing grade, one or more of which may be used for parking, or (b) such maximum stories as are permitted by law.

4. No obnoxious or offensive activities shall be carried on in the Lots or Units, nor shall anything be done thereon or therein tending to cause embarrassment, discomfort, annoyance, or nuisance to the other Lot Owners. There shall not be maintained on any Lot any poultry, animals or device or thing of any sort whose normal activities or existence is in any way obnoxious, dangerous, unsightly, unpleasant, or of a nature that may diminish the enjoyment of the Common Properties or adjacent Lots and Units.

5. The exterior of all buildings and other structures must be completed within eighteen (18) months after the construction of a particular building or structure shall have commenced, except where such completion is impossible because of the size or complexity of the structure; or, as determined by Sea Pines, would result in great hardship to the Lot Owner or builder due to strikes, fires, national emergency or natural calamities. No structures may be temporarily or permanently occupied until the exteriors thereof have been completed. All of the landscaping shown in plans submitted to Sea Pines must be completed within six (6) months of the initial occupancy.

6. During the continuance of construction, the Lot Owner and the contractor shall maintain the site of the building in a reasonably clean and uncluttered condition, and construction may not commence before 7:00 a.m. or be continued after 7:00 p.m. more than twenty (20) days a year if located within three hundred (300) feet of an occupied Lot. Each Lot Owner shall use its best efforts to ensure that said construction does not impair business operations of neighboring Lots in the Park.

7. Each Lot Owner shall provide covered sanitary receptacles for garbage and refuse in a screened area not generally visible from the Common Areas, roads or parking areas or provide underground garbage receptacles or similar facilities in accordance with reasonable standards established by Sea Pines. Such facilities shall be kept in a clean and sanitary condition. All garbage and refuse which is likely to generate odors shall be sealed in plastic garbage bags or similar containers.

8. No structure of a temporary character shall be placed upon any of the Properties at any time, provided, however, that this prohibition shall not apply to shelters used by the



contractor during the construction of any permanent structure. Such temporary shelters shall not, at any time, be used as residences or for any commercial uses or be permitted to remain on the Lot after completion of construction.

9. No Lot shall be subdivided or its boundaries changed, except with the written consent of the Company or Sea Pines. However, the Company and or Sea Pines hereby reserves to itself, its successors or assigns, the right to replat any lot shown on the referenced plat as set forth herein.

10. Unless expressly approved in writing by Company, no promotional, advertising or commercial lights, signs or ornaments, whether mobile or fixed, may be erected on the Lot by any one except where approved by Company and/or Sea Pines in the following limited circumstances:

- (a) During and preceding construction, the identification of all financiers, sponsors, designers and builders of the project may be provided on one (1) sign structure for the entire site not exceeding twenty (20) square feet on each side;
- (b) A sign not in excess of four (4) square feet on each side advertising property being offered for sale either pursuant to an order of the court or to avert a serious hardship; and
- (c) To display lights, flags and ornaments during holiday seasons. Company and/or Sea Pines may establish reasonable rules and regulations governing the lighting, size, color, materials, nature, graphic standards and content of any signs or ornaments which it approves.
- (d) One attractive, landscaped information or directional sign designed and constructed by professional graphic designers and builders, which sign shall not exceed ten (10') feet in height above existing grade and shall contain not more than thirty (30') feet of space on each face.

The Company may require that all signs comply with standards of design, format, shape, lettering, materials, colors, location and lighting established by Company. Prior to erection

of any sign, the Lot Owner of the Lot on which the sign is to be erected shall provide to Company or its designee proposed plans for such sign which show such information and such other information as may reasonably be required by Company or its designee.

The Company or Sea Pines shall have the right, after thirty (30) days notice is given to the Lot Owner, to enter upon the lands or premises of any Lot Owner to remove any non-conforming sign at the expense of the owner of the sign, and by this reservation, such entry shall not be a trespass.

11. No antenna, receiver or similar device for receipt of radio microwave or television broadcast signals may be erected or maintained on the exterior of any building or Lot if or after Company or its designee has installed and made available to the Lot coaxial cable, fiber optical cable or other transmission conduit running from an operating master antenna system, control satellite earth station or central satellite earth station(s) provided by Company or its designee. Lot Owners who utilize such communications services shall pay reasonable fees established by the Company or its designee for the provision of such services.

No radio, television, microwave, infrared or other form of electromagnetic or light radiation or propagation of energy waves shall be permitted to originate from any portion of the Lot if said radiation or propagation interferes with any right reserved by the Company or Sea Pines hereunder or interferes with the proper reception of radio, television or related signals within the Properties by any Lot Owner, their lessees and guests.

12. Neither the Company, Sea Pines, nor any Lot Owner shall erect, or suffer or permit to be erected, on any part of the Properties, any structure or operation for the manufacture or production of any manufactured goods intended for off-premise sale; or any forge, foundry, blacksmith shop, furnace or factory of any kind or nature whatsoever for the manufacture and operation of industry. Nothing herein shall prohibit the use, of kilns, furnaces and welding or similar equipment in any artist or craft studio previously approved hereunder.

13. Each Lot Owner shall: prevent and remove the accumulation of litter, trash, packing crates or rubbish, or the development of any unclean, unsightly or unkempt conditions of buildings or grounds on the Lot or Properties either before, during or after construction; and, shall keep its buildings, structures, landscaping and other improvements well maintained and in good repair.

14. The Company or Sea Pines may establish and enforce reasonable regulations pertaining to drainage and siltation ori-

ginating on construction sites, porosity of pavement materials used on roadways and parking lots, and similar provisions relating to hydrological factors on the Properties.

15. Lot Owner shall prevent the release of obnoxious smells and odors from his Lot which might tend to adversely affect the reasonable use and enjoyment of the lands and other interests in realty owned by adjacent and nearby Lot Owners.

16. The Company and/or Sea Pines reserves unto themselves, their successors and assigns, a perpetual, alienable and releasable easement and right on, over and under the ground of the Properties, to erect, maintain and use poles, wires, cables, conduits, sewers, water mains, signs and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water, cable television or other public or private conveniences, signs or utilities on, in or over those portions of each Lot and Common Properties as may be reasonably required for utility line and signage purposes, provided, however, that no such utility easement shall be applicable to any portion of such Lot as may (a) have been used prior to the installation of such utilities for construction of a building which plans were approved pursuant to these Covenants by the Company and Sea Pines, or (b) have been designated as a site for construction of a building on a plat which has been filed with the Company and Sea Pines and which as been approved in writing by the Company and Sea Pines. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. The Company further reserves the right to locate wells, pumping stations and tanks within the Properties or to locate same upon any Lot with the permission of the Lot Owner. Such rights may be exercised by any licensee of the Company but this reservation shall not be considered an obligation of the Company to provide any such utility or service.

17. All utility lines and related facilities shall be underground unless otherwise approved by the Company and/or Sea Pines.

18. The Properties shall be subdivided into a maximum of twenty-two (22) Lots, not including any Additions to the Property.

19. A fifteen (15) feet wide structural setback from all side and rear Lot lines as shown on the plat and a thirty (30') feet structural setback line from all entry side lot lines will be maintained.

20. A ten (10') feet wide natural or landscaped buffer shall be maintained along all side and rear Lot lines and a fifteen (15') feet wide natural or landscaped buffer shall be maintained along all entry side Lot lines.

21. Where "rollover curb" is used along roadways, the curb shall not be cut by an entry road unless an alternative curbing approved by Company is substituted therefor at the Lot Owner's cost.

22. The Company and/or Sea Pines reserves the right to grant variances from any of the within established construction criteria.

#### ARTICLE IX - EASEMENTS

1. Each Lot Owner, his heirs, executors, administrators, successors, assigns, agents, servants, (invitees of all kinds and members of their families) are hereby granted an easement for ingress and egress over the Common Properties for the use and enjoyment thereof, including an easement over all rights-of-way, roadways and walkways established in the future within the Company Properties.

2. The Lot Owners, their heirs, executors, administrators, assigns, agents, servants, invitees and business guests of all kinds are hereby granted a general non-exclusive easement to park vehicles on the parking areas provided within any areas of the Common Properties designated as parking area by the Company and/or Sea Pines, as such on the Plat. Said easement right shall nevertheless be limited by any and all restrictions placed thereon by the Association or the Company.

3. Notwithstanding any provision contained herein in these Covenants, the above easements are perpetual and shall not be terminated upon the termination of said Covenants.

#### ARTICLE X - ADDITIONS, LIMITATIONS, DURATION AND VIOLATION OF COVENANTS AND AMENDMENTS

1. The Covenants, shall run with the land and shall be binding on all parties and persons claiming by or under them to include, but not limited to, the successors and assigns, if any, of the Company or the Association for a period of twenty-five (25) years from the execution date of this document. Thereafter, the Covenants shall be automatically extended from year to year for an unlimited number of years unless an instrument signed by the majority of the then Record Owners terminates said Covenants.



2. In the event of a violation or breach of any of the Covenants by anyone, the Company, the Association, Sea Pines, the Lot Owners, or any of them, jointly or separately, shall have the right to proceed at law or equity to seek damages or compel compliance with the terms hereof, and to prevent further violations or breaches.

3. The invalidation by any court of any provision or portion of the Covenants shall not affect any of the other provisions or portions, and the remaining portions hereof shall remain in full force and effect.

4. Any of the foregoing terms of this Declaration may be amended except where these Covenants would otherwise provide, by a vote of three-fourths (3/4) of the total membership of the Association; provided, however, that no right vested in the Company or Sea Pines may be amended without its express written consent.

5. The Company declares that the provisions contained herein are rights, restrictions, conditions, and affirmative obligations, all constituting Covenants running with the land conveyed by Company by deed or other written instrument in which reference is specifically made to those Covenants.

#### ARTICLE XII - RIGHT OF FIRST REFUSAL

1. No Unit or Lot shall be sold by any Lot Owner without first offering said property to Company, its successor or assigns, in accordance with this paragraph. If any Lot Owner should receive an offer to purchase his property, it shall be offered for sale to Company, its successors or assigns, at the same price and terms at which the highest bona fide offer has been made for the property and with full disclosure of the intended purchaser; and Company shall have fifteen (15) after receipt thereof days within which to exercise its option to purchase said property at this price. Should Company fail or refuse, within fifteen (15) days after receipt of written notice of the price and terms of sale to exercise its option to purchase said property at the offered price and upon the offered terms, then the Lot Owner shall be entitled to sell the Lot to the aforesaid bona fide purchaser. The right of first refusal as described herein shall not apply to a Lot foreclosed on by a mortgagee or deeded by a Lot Owner to a mortgagee, in lieu of foreclosure of a bona fide mortgage obligation, or acquired by laws of inheritance. Upon termination of existence of the Company by dissolution or otherwise, this right of first refusal shall automatically vest in Sea Pines.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed the day and year first above written.

WITNESS

PALMETTO BUSINESS PARK ASSOCIATES

FURTADO CORPORATION, a Joint Venturer

Billie A. Wiggins  
Terry L. Wynn

BY: Donald A. Furtado  
*President*  
ATTEST: Mary Lou Corbett  
*Asst. Secretary*

SEA PINES COMPANY, a Joint Venturer

Terry L. Wynn  
Sara A. Parker

BY: [Signature]  
*Vice President*  
ATTEST: [Signature]

STATE OF SOUTH CAROLINA )  
  )  
COUNTY OF BEAUFORT )

P R O B A T E

PERSONALLY appeared before me Billie A. Wiggins, who being duly sworn, deposes and says that she saw the within named Furtado Corporation by Donald A. Furtado, its President, and by Mary Lou Corbett, its Assistant Secretary, sign, seal, and as its act and deed, deliver the within written instrument, and that she with Terry L. Wynn witnessed the execution thereof.

SWORN to before me this 1 day of July, 1983.

Billie A. Wiggins  
(witness)

Terry L. Wynn  
Notary Public for South Carolina  
My Commission expires: 10/28/92



2/10

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**SUPPLEMENTAL DECLARATION OF COVENANTS  
AND RESTRICTIONS FOR PALMETTO BUSINESS PARK,  
HILTON HEAD ISLAND, SOUTH CAROLINA**

THIS SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS FOR PALMETTO BUSINESS PARK, HILTON HEAD ISLAND, SOUTH CAROLINA, is made this 24th day of October, 1997, by Palmetto Business Park Owners Association, Inc., a South Carolina not-for-profit corporation (the "Association").

WHEREAS, by vote of three fourths (3/4th) of the members of the Association, the Association has approved the amendment of the Declaration of Covenants and Restrictions for Palmetto Business Park, Hilton Head Island, South Carolina, and provisions for Palmetto Business Park Owners Association (the "Covenants"), which Covenants were recorded in Book 372, Page 1586 et seq. of the official records of the Register of Mesne Conveyances for Beaufort County, South Carolina; and

WHEREAS, the Association desires to record the amendment in order to provide proper notice to all interested parties.

NOW, THEREFORE, the Covenants are amended by adding the following:

"Article XIII, Exemptions

Notwithstanding the above provisions, (a) any portion of the "Right-of-Way" of the Dual Route (as that term is defined in Exhibit A of the October 14, 1997 Settlement Agreement between the Town of Hilton Head Island and the Association) which is owned by the Town of Hilton Head Island shall be exempt from the Covenants, including any obligation to pay any Common Expenses and assessments thereon; and (b) the Board of Directors may exempt from Common Expenses and assessments any portion of a Lot remaining after acquisition of public road right-of-way by the Town if, in the opinion of the Board of Directors, (i) more than half of the Lot lies within the public right-of-way, and (ii) the remaining portion of the Lot to be exempted is not adjacent to another undeveloped Lot owned by the same entity and is so configured so as to have limited development potential."

In witness whereof, the Association has caused this Supplemental Declaration to be executed the day and year first above written.

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PALMETTO BUSINESS PARK OWNERS ASSOCIATION, INC.

WITNESSES:

Pat H. Hag

Donald A. Furtado  
Donald A. Furtado, President

Janie K. Case

STATE OF SOUTH CAROLINA)

COUNTY OF CHARLESTON )

ACKNOWLEDGEMENT

I, the undersigned Notary Public, do hereby certify that Donald A. Furtado, who is known to me, personally appeared before me on this day and duly acknowledged on behalf of Palmetto Business Park Association, Inc. the execution of the foregoing instrument.

Sworn to and subscribed before me this 24th day of October, 1997.

Janie K. Case

My commission expires: 2/08/2001  
Notary Public for South Carolina

7703 Cottone

FILED  
JOHN A. SULLIVAN - RMC  
STANFORD COUNTY, S.C.

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business opportunities with the understanding that such arrangements shall not constitute interference with or a conflict of interest with his responsibilities under this Agreement. Joshua A. Gruber agrees to notify Town Council of such outside business opportunities.

C. Joshua A. Gruber agrees to keep Town Council informed of his absences from his duties.

**Section 4: COMPENSATION OF THE INTERIM TOWN MANAGER**

A. The Interim Town Manager shall be compensated at an annual salary of \$178,130.81 payable in equal bi-weekly installments.

B. Future increases in the level of compensation of the Interim Town Manager will be considered by the Town subject to periodic reviews by the Town of the performance of the Interim Town Manager or upon expansion of the duties and responsibilities imposed on the Interim Town Manager by the Town. Any increases will be paid only after a specific vote of Town Council.

**Section 5: FRINGE BENEFITS**

Mr. Gruber will continue to receive the same benefits he received as Deputy Town Manager. Mr. Gruber's benefits will not be diminished in any way by his appointment as Interim Town Manager.

**Section 6: INDEMNIFICATION**

The Interim Town Manager will be covered by a comprehensive tort liability policy issued by the South Carolina Insurance Reserve Fund, by the insurance program sponsored by the Municipal Association of South Carolina, or by any similar program selected and paid for by the Town.

**Section 7: TERMINATION OF THIS EMPLOYMENT AGREEMENT**

This Employment Agreement may be terminated as follows:

A. **Resignation.** The Interim Town Manager may terminate this Agreement at any time by delivery of a Notice of Resignation to the Town with a minimum of 30 days' notice. If Joshua A. Gruber fails to give and work at least a 30 day notice, he may forfeit the right to payment of accrued and unpaid benefits, unless the parties agree otherwise.

B. **Expiration of the Term.** This Agreement will terminate at such time as a permanent Town Manager assumes day to day operations for the Town.

C. **Unilateral termination by Town Council.** Town Council may terminate this contract by written notification of no less than 30 days to the Interim Town Manager of the termination.



D. **Disability.** This Agreement will terminate upon Joshua A. Gruber's having been continuously unable to perform the full range of his duties for 90 consecutive calendar days in any 365 consecutive days. The termination of this Agreement due to Joshua A. Gruber's disability shall not immediately terminate his status as an employee of the Town. In such a case, he will remain an employee on leave of absence in accordance with the terms of the Family and Medical Leave Act.

E. **For Cause.** The Town has the right to terminate this Agreement with cause and without notice or further compensation. If Joshua A. Gruber is terminated for cause under this provision, he will receive only any sums due him as base salary through the date of termination. "Cause" includes but is not limited to:

- i. Joshua A. Gruber's commission or omission of any act which, in Town Council's opinion, is intended to cause, causes, or is reasonably likely to cause harm to the Town, including harm to its reputation;
- ii. The indictment of Joshua A. Gruber for the commission or perpetration of any crime involving dishonesty, moral turpitude, or fraud;
- iii. Joshua A. Gruber's material breach of this Agreement;
- iv. Joshua A. Gruber's violation of Town policies;
- v. The exhibition by Joshua A. Gruber of a standard of behavior that is disruptive to the orderly conduct of the Town's business operations to a level which, in Town Council's opinion, is detrimental to the Town's best interest; or
- vi. Joshua A. Gruber's failure to disclose any outside teaching, consulting or other business opportunities to Town Council or to comply with Town Council's direction regarding such arrangements.

**Section 8:** **SEARCH FOR TOWN MANAGER** The Town intends to begin a search for a Town Manager following its annual goal setting retreat in January of 2021. Joshua A. Gruber agrees that he will not make an application for the position of Town Manager in that search.

**Section 9:** **RESUMPTION OF DEPUTY TOWN MANAGER POSITION**

The Town agrees that in the event a permanent Town Manager is hired, it shall, as condition of the permanent Town Manager's employment and as a contract provision of the permanent Town Manager, require that the Interim Town Manager shall, contemporaneous with the permanent Town Manager's assumption of duties, resume duties as Deputy Town Manager as the salary of \$159,045.37.

**Section 10: AMENDMENT**

The parties may amend this Agreement at any time, but no amendment shall be effective unless in writing and executed in the same formality as this Agreement. The failure of either party to insist on any right under this Agreement shall not constitute an amendment of the Agreement or a waiver of that party's right to insist on compliance with the Agreement in the future.

**Section 11. GENERAL PROVISIONS**

A. The text of this Agreement constitutes the entire agreement between the parties. Any representations, statements, promises or understandings not contained herein shall be of no continued force, effect or validity.

B. **Binding Effect.** This Agreement shall be binding on the parties as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. **Effective Date.** This Agreement is effective on December 31, 2020.

D. **Severability.** The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

IN WITNESS WHEREOF, the parties have executed this Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Joshua A. Gruber

**TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA**

\_\_\_\_\_  
JOHN J. MCCANN  
MAYOR

\_\_\_\_\_  
DAVID AMES  
COUNCIL MEMBER

\_\_\_\_\_  
TAMARA BECKER  
COUNCIL MEMBER

\_\_\_\_\_  
MARC A. GRANT  
COUNCIL MEMBER

\_\_\_\_\_  
WILLIAM D. HARKINS  
COUNCIL MEMBER

\_\_\_\_\_  
THOMAS W. LENNOX  
COUNCIL MEMBER

\_\_\_\_\_  
GLENN STANFORD  
COUNCIL MEMBER