

**BEAUFORT COUNTY TRANSPORTATION COMMITTEE
MINUTES OF MEETING ON MAY 18, 2016**

The regular meeting of the Beaufort County Transportation Committee (BCTC) was held on May 18, 2016 in the Executive Conference Room of the Beaufort County Administrative Complex located at 100 Ribaut Road, Beaufort, South Carolina.

MEMBERS PRESENT: Kraig Gordon, Bob Arundell, Joe DeVito, Mark McCain, James Morrall, Paul Runko, Joseph Stroman, Stephen Wilson

MEMBERS ABSENT: Craig Forrest, Steve Miller, Vacant District 7

OTHERS PRESENT: Rob McFee, Beaufort County Division Director for Construction, Engineering & Facilities
Colin Kinton, Beaufort County Division Director for Transportation & Traffic Engineering
Darrin Shoemaker, Town of Hilton Head Traffic Engineer
Evan Wheeler, District Manager SCE&G
Greg Gay, Hargray Engineering Department Representative

Notification. An audio recording of this meeting is available from the Beaufort County Engineering Department. Please contact the department at 843 255-2700 and request an audio copy.

1. **Call to Order & Members Roll Call.** Meeting was called to order at approximately 4:00 p.m. by Chairman Gordon and an attendance roll call was taken.

Motion: Motion was made and seconded to approve the minutes from the March 16, 2016 meeting. Motion passed unanimously.

2. **Public Comment.** No public comment given.

3. **Status of Current Road Projects.** Mr. McFee reviewed the current road projects on the Road Status Reports for May 2016. Design/Build Contract 47 is no longer being pursued because County could not come to terms with the contractor. The two roads in Contract 47, Trotters Loop and Johnson Landing Road have been added to the Contract 50 which is a design-bid-build contract. Design Build Contract 49 continues under construction with Wimbee Landing Road Phases 2 & 3 remaining to be paved.

The SCDOT Resurfacing Project for \pm 28 miles of SCDOT roadway has been awarded to Lane Construction Corporation. Total contract amount is \$5,599,857. Total project budget is \$6.1 million. County Engineering will manage the resurfacing project with construction inspection services/management provided by an outside agency. The local SCDOT office will also provide assistance. Encroachment permits have been obtained from SCDOT.

Mr. McFee, for Mr. Mulligan, SCDOT Resident Maintenance Engineer, reported on the following SCDOT maintenance resurfacing projects currently under construction.

Preservation – US 21, Parris Island Gateway from SC 170 to Dowlingwood Drive

SC 170 from CEC to Bailey Circle & SC 170 from US 278 to Cherry Pt Road

Resurfacing – US 21 from Lenora Drive to Dowlingwood Drive & US 21 from Detour Road to Keans Neck Road

Keans Neck Road from US 21 to Kinloch Road

Joe Frazier Road & Broad River Drive

Proposed SCDOT Resurfacing Projects are Carolina Avenue, Seabrook Road, the end section of Keans Neck Road, Prince Street from Charles Street to Carteret Street and Brickyard Point Road from Pleasant Point Road to the County boat ramp. Construction should start soon on the traffic circle at Holly Hall and Brickyard Point Road.

4. **Utility Infrastructure.** Staff representatives from the various County utility companies were invited to attend the May BCTC meeting in order to discuss the utilities' involvement with and coordination on CTC projects. One of the items

reviewed was the utilities infrastructure status for County dirt roads that are dropped by the County from maintenance when right of way cannot be obtained for dirt road improvements. Old Polowana Road on St Helena Island was a County dirt road that right of way could not be acquired and the County abandoned this road. BJWSA has service lines adjacent to Old Polowana Road. Mr. DeVito and Mr. McFee have discussed what would be the status of utility infrastructure when private property owners assert their right not to grant right of way. Mr. McFee has presented this to County legal staff but has not gotten a response yet. Mr. McFee is working with County Legal Department to come up with a procedure to include the utilities in the right of way/abandonment decision by the County. Utility access could then be provided by easement from the private property owner.

The utilities have worked with the County in order to relocate infrastructure. It would help the utilities if they could get involved in the early phases especially in order to provide funding stream for up grading the utility infrastructure. BJWSA has partnered with the County's contractor/engineer especially on the design build projects to provide the utility upgrade construction. The 3 to 5 year project listing provided by the County is helpful.

5. OLD BUSINESS

A. **Establishment of a Reserve Fund.** Mr. Arundell reviewed the attached cash reserve recommendation with the BCTC. The BCTC should establish a cash reserve fund and determine over what period to time to set aside funds. During the reserve fund discussion, the March 31, 2016 Financial Statement was summarized by Mr. McFee. The uncommitted C funds available at March 31, 2016 are \$1.5 million.

The C Fund Program establishes that a CTC can have 300% of revenue held in reserve with the standard spending criteria as a guideline. The C Fund Program would not want the CTC's to reserve funds without a purpose. The 300% was established as a cap.

Mr. McCain indicated that a reserve fund should be a scalable program and not jump to the benchmark amount in its entirety at one time. The reserve fund set aside would be collected over a period of time. It appears that in the past the BCTC had an informal policy of not spending/programming all revenue received and thus having an informal reserve fund. Now the BCTC is taking a formal step to establish a reserve fund.

Motion: Motion was made by Mr. Arundell to establish a cash reserve fund of 25% of the average annual income. Seconded by Mr. DeVito. Motion passed unanimously.

Motion: Motion was made by Mr. Arundell that the BCTC cash reserve funding would be over a 5 year period at a minimum of 20% per year. Seconded by Mr. Wilson. Motion passed unanimously.

B. **Dirt Road Evaluation Process.** The subcommittee has not been able to hold a meeting. As soon as Mr. Forrest is available the subcommittee can start on the evaluation of needs rating criteria.

6. New Business

A. **Chairman's Update.** The BCTC Chairman is now a member of the MPO Technical Committee. The first meeting that Chairman Gordon will be attending is on June 4, 2016. The MPO's 2015-2019 Transportation Improvement Program-Lowcountry Area Transportation Study (LATS) was distributed to the committee and reviewed/discussed. The operation of the MPO is handed by LCOG. US 17 infrastructure adjacent to the proposed Jasper Ocean Terminal/Port is a critical area. The State Legislature passed in 2007/2008 funding for the off-site infrastructure for the port. Jasper & Beaufort County will approach Senator Davis to appropriate \$1 million to start moving on the I-95 Exit 3. The Chairman recommended that the BCTC take the opportunity to review the MPO report.

The Chairman has continued to discuss with County Council members a resolution starting in 2017 that appoints the CTC as the recommending body for the use of County TAG funds. It is anticipated that a draft resolution would be completed in 40 to 60 days.

B. Funding Request for Traffic Signal Enhancement/Data Collection. Mr. Colin Kinton presented a County funding request in the amount of \$187,000 for traffic signal and data collection system upgrades for the intersection of US 21 and SC 170 (Parris Island Gateway & Robert Smalls Parkway). The request proposes the construction of a mono-tube mast arm and high-resolution data system improvements at this high use arterial intersection in the City of Beaufort. The signal at US 21 and SC 170 is due for new signal power installation. SCDOT will contribute \$80,000 to \$100,000 for the basic construction and installation of new signal heads, new signal cabinets and wiring. The \$187,000 upgrade request by the County is in addition to the SCDOT contribution. Normal mast arm signal poles cannot be used at this intersection due to the intersection configuration. SCDOT has given the County Traffic Engineer permission to use the mono-tube mast arms. The upgraded data collection will allow for traffic monitoring and signal timing adjustments. The mono-tube mast arms will only require 2 signal poles instead of the 4 poles that are in place now.

This improvement can allow the County to use the roadways we have more efficiently with added safety benefits. Boundary Street Redevelopment project will also include the high-resolution data collection system requested for US 21 and SC 170.

Motion: Motion was made by Mr. DeVito and seconded by Mr. Wilson to approve the County's request for \$187,000 in funding for the traffic signal enhancement/data collection upgrades for the US 21-SC 170 intersection. Motion passed unanimously.

Improvements such as the mono-tube mask arm and high-resolution data system helps to show SCDOT an effective implementation of the use of technology so the County can develop with SCDOT a level of comfort for future projects.

Mr. McCain asked that the County Traffic Engineer provide a comprehensive strategic plan in order to tie in needs to the BCTC's transportation plan. Mr. DeVito requested that the County Traffic Engineer present an update on the data collected from the intersection upgrades.

7. Meeting Adjourned. A special meeting with Senator Davis while be held on June 22, 2016 at 4:00 p.m. The next regular meeting is scheduled for on Wednesday, July 20, 2016 at 4:00 p.m. Both meetings will be held in the Executive Conference Room, County Administration Building, Robert Smalls Complex, Beaufort, SC.

BEAUFORT COUNTY TRANSPORTATION COMMITTEE
CASH RESERVE RECOMMENDATION

According to financial expert Hal Shelton¹, most financial experts recommend three to six months of operating expenses, but using this for every business in every situation can be misleading. There are several factors that need consideration including:

1. How much do you spend each year?
2. How much control do you have over costs? (For example: if the cost of materials is a large component of your expenditures, what fluctuations in materials cost could affect your expenditures?)
3. How much control do you have over cash income? (For example, do sales fluctuate greatly; are sources of cash subject to outside influences; what control do you have over those outside influences?)
4. Are there other sources of cash?
5. How long will it take to get more cash? (The longer it takes to get additional funds, the greater need for a reserve.)

My understanding of our committee leads me to the following answers to the above questions:

1. Determined each year by the legislature/County Council.
2. We control contracts and, to a certain degree, cost overruns. Unforeseen circumstances, not so much.
3. None. We get what is allocated to us by others in a political process.
4. None upon which we can rely with any degree of certainty.
5. Most government related funding requests, absent a dire emergency, takes considerable amount of time with no guarantee of success. Also, I think it would be inappropriate for the committee to rely on the County's general reserve fund as it serves an entirely different purpose.

I recommend a cash reserve of 25% of current annual expenditures.

¹ Hal Shelton is a SCORE mentor who is passionate about helping small businesses start and grow. He has been a CFO and board member for NYSE/NASDAQ publicly traded companies and nonprofits. He is currently an active investor in early-stage technology companies and is the Amazon bestselling author of The Secrets to Writing a Successful Business Plan.