



**Town of Sullivan's Island, South Carolina**  
**Finance Committee**  
**Meeting Minutes**  
**Friday, March 11, 2022**

A Finance Committee Meeting of Town Council was held on the above date at 8:45 a.m., all requirements of the Freedom of Information Act having been satisfied.

Present were: Patrick M. O'Neil, Mayor  
Scott Millimet, Councilmember (Chair)  
Kaye Smith, Councilmember  
Justin Novak, Councilmember

- I. Chair Millimet called the meeting to order at 8:45 a.m. and stated the press and public had been notified in accordance with State Law. Staff members present were: Andy Benke, Jason Blanton, Fire Chief Anthony Stith, Police Chief Chris Griffin, Joe Henderson, and Bridget Welch. There were three (3) members of the public present, with no members of the media present.
  
- II. **Public Comments**
  - a. David Seay, 1746 Atlantic Avenue  
Mr. Seay would like to explore keeping the Sand Dunes Club within the Town and suggested appealing to Dominion for a six-month delay of the sale date for Council and the Town to work out some purchase options.
  - b. Tim Reese, 305 Station 20  
His recommendation, as a former council member that worked on The Sand Dunes Club project, is to let the process work itself out. The sale of the Club for \$19 million is not definite, but he feels it operating as a private club is a good option for the Town. However, if it doesn't work out, then the Town could come up with some possible options for acquiring the Club for Town use.
  
- III. **Sand Dunes Club Sale** – Chair Millimet stated the property has been put up for sale by Dominion Energy. There was previously a memorandum of understanding for the purchase of the property by a Sullivan's Island resident. That sale was rejected, and it

is now up for sale, but the original asking price is unknown. Bids are now open and due by March 28th.

Some residents have expressed interest in the Town purchasing the property, but there are a few different issues with that possibility. While the exact asking and appraisal price of the property is unknown, it is most likely upwards of \$15 million, and the Town does not have a surplus that large.

Other issues include the uncertainty of the current conditions of the Club and potential revenues and operating costs. Another consideration if it were owned by the Town, is that it would be open to the public, both residents and non-residents. It would also be quite costly to issue a bond to cover the costs of acquisition.

Chair Millimet also mentioned the inclusion of residential lots on the 3 ½ acre lot that would be included in the property sale. These could potentially be sold off, offsetting some of the purchase price. He recommends having the Town look into borrowing costs, the rate we could fund a purchase at, finding out the appraisal costs, and trying to find out all the current unknowns before moving forward.

Councilmember Kaye Smith questioned if there was possibility, based on past action by Dominion, of giving the community a reduced price. Mr. Reese stated while this has happened before, it's unlikely given the value of the property, as well as the current financial problems Dominion Energy is facing. He also mentioned there have not been a lot of offers or interest in the purchase given its high cost.

Chair Millimet suggested trying to get an appraisal on the property, as well as find out what the Town's options are in terms of bonds and collateral. Councilmember Novak agrees there is not enough information to make a definite decision at this point but supports finding out as much as possible for the benefit of the residents. Mayor O'Neil also agrees but would also like to poll the community about interest in the Town acquiring the property. He also reiterated the property is still considered a historic property and would have to be used as a member only club, regardless of who purchases it.

Mr. Reese suggested an appraisal could cost a few thousand dollars, but a real estate agent could provide a comparative market value, which would also determine the property's worth. Mr. Benke suggested having a broader discussion at the next Council meeting's Executive Session, as well talking with the financial advisor for some options and estimates.

To conclude, the Committee agreed to move forward with any estimates and discussions that can be done for free until after the March 28<sup>th</sup> due date. There will also be a more in-depth discussion during the next Executive Session. Mr. Seay commented he would be able to provide a CMV for the Town free of charge.

**IV. Adjourn**

**Motion was made by Mayor O'Neil, seconded by Councilmember Kaye Smith, to adjourn the meeting at 9:23 a.m., carried unanimously.**

Respectfully submitted,



Bridget Welch