

AGENDA
COUNTY COUNCIL OF BEAUFORT COUNTY
Monday, February 8, 2010
4:00 p.m.
Council Chambers
Administration Building

Citizens may participate in the public comment periods and public hearings from a telecast site at the Hilton Head Island Branch Library.

- 4:00 p.m.**
1. CALL TO ORDER
 2. PLEDGE OF ALLEGIANCE
 3. INVOCATION
 4. REVIEW OF MINUTES – [January 25, 2009](#)
 5. PROCLAMATION
 - Boy Scouts of America, Centennial Celebration Day
Mr. Matt Miller, District Executive for the Lowcountry
 6. PUBLIC COMMENT
 7. COUNTY ADMINISTRATOR’S REPORT ([Backup](#))
Mr. Gary Kubic, County Administrator
 - Two-Week Progress Report
 - Report on Bond Sale Rating / Moody’s and Standard & Poor’s
 - Presentation / Advancements in Aerial Photography
Mr. Dan Morgan, GIS Director
 - Introduction / Mr. Jeff Fuqua, President, The Sembler Company
 8. DEPUTY COUNTY ADMINISTRATOR’S REPORT ([Backup](#))
Mr. Bryan Hill, Deputy County Administrator
 - Two-week Progress Report

Over



9. RESOLUTION ADOPTING THE BEAUFORT TRANSPORTATION ADVISORY GROUP RECOMMENDATIONS ([Backup](#))
 - Public Facilities Committee discussion and recommendation to approve January 26, 2010 / Vote 6:0
 - Beaufort Transportation Advisory Group discussion and recommendation to approve January 20, 2010
10. TEXT AMENDMENT TO THE BEAUFORT COUNTY COMPREHENSIVE PLAN, POPULATION AND DEMOGRAPHICS, CHAPTER 2 (REPLACES IN-KIND) ([Backup](#))
 - Consideration of first reading approval February 8, 2010
 - Natural Resources Committee discussion and recommendation to approve February 1, 2010 / Vote 7:0

CONSENT AGENDA

Items 11 through 12

11. COLLECTION SERVICES FOR BEAUFORT COUNTY EMS ([Memo](#))
 - Finance Committee discussion and recommendation to approve January 19, 2010 / Vote 7:0
 - Contract award: Security Collection Agency, Edenton, North Carolina
 - Contract amount: \$15,000 per year for an initial contract term of one year with four additional one year contract renewal period all subject to the approval of Beaufort County
 - Funding source: Services paid from collected fees based on percentage of money collected from actions taken by collections agency.
12. TEXT AMENDMENT TO THE ZONING AND DEVELOPMENT STANDARDS ORDINANCE (ZDSO), ARTICLE XIII, SEC. 106-2729. STREET DESIGN STANDARDS (TO ESTABLISH CONSTRUCTION STANDARDS FOR UNPAVED ROADS AND TO PERMIT ACCEPTANCE OF UNPAVED ROADS BY THE COUNTY FOR MAINTENANCE OR OWNERSHIP FOR AFFORDABLE HOUSING DEVELOPMENTS WHEN APPROVED BY COUNTY COUNCIL) ([Proposed Amendment](#))
 - Consideration of first reading approval February 8, 2010
 - Natural Resources Committee discussion and recommendation to approve February 1, 2010 / Vote 7:0

PUBLIC HEARINGS

Items 13 through 14

13. BEAUFORT COUNTY ZONING MAP AMENDMENT/REZONING REQUEST FOR THREE (3) LADY'S ISLAND PROPERTIES TOTALING 0.917 ACRE AT THE INTERSECTION OF SAM'S POINT ROAD AND MAYFAIR COURT: R201-015-517

AND R201-015-518 FROM PROFESSIONAL OFFICE DISTRICT/POD TO VILLAGE CENTER/VC, AND R201-105-519 FROM LADY'S ISLAND COMMUNITY PRESERVATION/LICP TO VILLAGE CENTER/VC ([Backup](#))

- Consideration of third and final reading February 8, 2010
- Second reading approval January 25, 2010 /Vote 11:0
- First reading approval January 11, 2010 / Vote 11:0
- Natural Resources Committee discussion and recommendation to approve November 30, 2009 / Vote 5:0
- Council consideration of first reading approval October 12, 2009 / Tie vote 5:5
- Natural Resources Committee discussion and recommendation to deny October 5, 2009 / Vote 3:2

14. AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$48,755,000; AUTHORIZING THE BONDS TO BE ISSUED AS TAX-EXEMPT BONDS OR TAXABLE BUILD AMERICA BONDS; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO ([Backup](#))

- Consideration of third and final reading February 8, 2010
- Second reading approval January 25, 2010 / Vote 11:0
- Finance Committee discussion and recommendation to approve January 19, 2010 / Vote 11:0
- Announcement of public hearing February 8, 2010, beginning at 6:00 p.m. in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort
- First reading, by title only, approval January 11, 2010 / Vote 11:0

15. TEXT AMENDMENTS TO THE BEAUFORT COUNTY ZONING AND DEVELOPMENT STANDARDS ORDINANCE (ZDSO) THAT REPLACES ALL THE COMMUNITY OPTIONS WITH A TRADITIONAL NEIGHBORHOOD DEVELOPMENT OPTION

- Announcement of public hearing only – February 22, 2010, beginning at 6:00 p.m. Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort

16. [COMMITTEE REPORTS](#)

17. PUBLIC COMMENT

18. ADJOURNMENT

County TV Rebroadcast	
Wednesday	11:00 p.m.
Friday	9:00 a.m.
Saturday	12:00 p.m.
Sunday	6:30 a.m.

Cable Casting of County Council Meetings <i>The County Channel</i>	
Charter Cable	CH 20
Comcast	CH 2
Hargray Cable	CH 252
Hargray Video on Demand	600
Time Warner Hilton Head Cable	CH 66
Time Warner Sun City Cable	CH 63

2010 Annual Planning Meeting
Thursday, February 18, 2010
Friday, February 19, 2010
Saturday, February 20, 2010
Conference Room
Beaufort/Jasper Water and Sewer Authority
6 Snake Road, Okatie

Official Proceedings
County Council of Beaufort County
January 25, 2010

The electronic and print media were duly notified in accordance with the State Freedom of Information Act.

The regularly scheduled meeting of the County Council of Beaufort County was held at 4:00 p.m. Monday, January 25, 2010, in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Weston Newton, Vice Chairman D. Paul Sommerville and members Steven Baer, Rick Caporale, Gerald Dawson, Brian Flewelling, Herbert Glaze, William McBride, Stu Rodman, Gerald Stewart and Laura Von Harten were present.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance to the Flag.

INVOCATION

Councilman Stu Rodman gave the Invocation.

REVIEW OF PROCEEDINGS OF THE REGULAR MEETING HELD JANUARY 11, 2010

It was moved by Mr. McBride, seconded by Mr. Baer, that Council approves the minutes of the regular meeting held January 11, 2010. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

PUBLIC COMMENT

The Chairman recognized Mr. Rodney Small, representing New Life Deliverance Temple at 12 Halifax Road, St. Helena Island. Halifax Road is a county road. It has been in existence for more than 20 years. It is a dirt road. There are 150 parishioners who attend services three to five times per week. Concerns are many and resources are limited, but this road needs the county's attention. Mr. Small circulated photographs showing the conditions of the road. Several vehicles were stuck in the mud over the weekend.

Mr. Brian Bee, a St. Helena Island resident, is a horseshoe player. There is no designated place in the County for horseshoe play. He asked Council to consider establishing a few horseshoe pits in a couple of the parks in northern and southern Beaufort County.

Mrs. Paula Loftis, a Lady's Island resident, addressed two issues – the River Buffer Ordinance and the delegation of ordinance authority to homeowner associations. A few years ago there was standing room only in these Chambers in support of the River Buffer Ordinance. People want it to protect the river buffer. Unfortunately, the ordinance is not being enforced and a homeowners association is not being in compliance, but rather given county permission to obliterate the buffers. The buffers are on tidal waterways near rookeries and provide habitat for endangered birds. We have wood storks, filtration and support for water quality and public health. At a March 2009 formerly named Land Management meeting, volunteers on a homeowners association and the board stated the rights of property owners trumps the homeowners association covenants even though the county delegated ordinance authority based on the homeowners association covenants. That is a catch-22. The delegation of ordinance authority, our laws, and our environmental protections cannot and should not be given over to volunteers living in homeowner associations. Nevertheless, that is what happened in Beaufort County. She has been informed that the impetus for this county activity is for efficiency. It is not efficient when expensive and irreparable damage is done to our environment or our public health. Efficient means to be professional, capable and competent. None of which can be attributed to volunteers with their own agendas and without accountability living in homeowner associations. In her career, if she delegated her responsibilities to volunteers, she would have lost her license to practice and she should have. Clemson researchers have produced a document titled, "Community Associations and Stormwater Management." Dr. Dan Hitchcock, identifying "growing numbers of developments are governed by these community associations in coastal South Carolina and the question often arises as to whether these associations are willing to or can provide and maintain the natural amenities, landscape and environmental quality that may have attracted homebuyers. These overreaching research questions, 'How does Lowcountry community association members' perception affect this?'" The authoritative document frames the issue in a scholarly manner and the conclusion is evident that this is not a way to protect our environment. Please direct County staff to enforce the river buffer ordinance and reverse and cease the delegation of ordinance authority to homeowner associations.

Mr. Troy Davenport, representing Island Tax Service / Liberty Tax Service located on Lady's Island, stated his issue has been addressed to his satisfaction. He appreciates the County's time and efforts regarding his issue.

Mr. Reed Armstrong, representing the Beaufort Office of the S.C. Coastal Conservation League, stated later on tonight Council will take up a second reading of the Traditional Neighborhood Design (TND) ordinance and expressed support for that ordinance. This concept is in conformance with the Northern Regional Plan and our move toward form-based code, at least in cases where there is sufficient infrastructure to support such projects. Also, TND's are a step toward our goal of developing more walkable and sustainable communities. He asked for Council's support for this ordinance.

Mr. Edgar Williams, a Yemassee resident and speaking on behalf of some of the residents in the Dale community, Sheldon Township, talked about Middlefield Circle Road. This road is in horrible condition. EMS could not traverse the road last week following the heavy rainfall. His

concern, as well as the concern of the community, is that road was on the road paving list in 2004. He circulated a petition for paving of Middlefield Circle Road. The petition was signed by 40 individuals. It is his understanding this road is .8 miles long, but only roads measuring .9 miles or longer are paved. Having attended a meeting several years ago of the County Transportation Committee (CTC), whose members Council appoint, roads have a pecking order based on school bus traffic, road safety and the number of homes. What priority rating is used to pave the road?

Mr. Newton replied CTC members are appointed by the Legislative Delegation. It would be helpful to the Legislative Delegation if Mr. Williams would share his thoughts with them as well.

Mr. Dawson asked staff to forward the petition to CTC member Mr. Leroy Norris.

Mrs. Sandy Stephan, a Lady's Island resident, expressed concern with the County delegating ordinance authority based on the homeowner association covenants. In the case of Pleasant Point Plantation she was told because the area had been mowed before that they would continue to mow it the way it was before. That interpretation changes every time someone says the word grandfather and whoever is thinking about that term, they change it as well. So the area was mowed totally down. It was not that way before. It used to be a golf course and the golfers did not want to lose their golf balls into the alligator pond, so we know there was a buffer at one time. When speaking of grandfathering, it is very scary. She is not even sure it is a legal term. Does that mean really the implication that anything that is currently developed on a river or wetland or a tidal pond can be grandfathered in perpetuity even if the property changes hands? This property now belongs to the property owners. It just recently turned over and yet it can continue to be grandfathered? Something is wrong here. She does not know what it is. She is not going to drop it. She asked Council to please help her pursue it and figure out how we can do better. We can continue to try to educate our own board; they change, just as Council does. An education process continues. Gathering is just not what you do with the environment.

Ms. Lenora Mulligan, a Seabrook resident, has been living on Middlefield Circle Road for 34 years. The road is in bad condition because of the heavy rainfall that occurred last week. Some of the school children have to walk to the head of the road because the buses cannot traverse the road. The same situation occurs with EMS vehicles. Please pave Middlefield Circle Road.

Mr. Johnny Hannah, a Dale resident, stated Middlefield Circle Road does need paving. His major concern is for the children because when two cars pass, the children have to move into the ditch. Please pave Middlefield Circle Road.

COUNTY ADMINISTRATOR'S REPORT

Two-Week Progress Report

Mr. Gary Kubic, County Administrator, circulated copies of his Two-Week Progress Report, which summarized his activities from January 11, 2010 through January 22, 2010. On January 28, 2010 Chairman Newton, Chief Financial Office David Starkey, Deputy County

Administrator Bryan Hill and he will travel to New York for the purpose of making presentations to Moody's and Standard and Poor's with regard to the \$48 million general obligation bond issuance. Staff worked hard to develop a positive presentation. The purpose of telling our story now is not with the expectation that we think we are going to necessarily improve our rating, but it is to establish relationships with the rating services. We have held our own. We have grown in the reserve fund. We have done a lot of positive things with the County in these difficult times. It is a very positive story to tell. Mr. Kubic has been employed by the County six years and this will be his first presentation for Beaufort County in New York. Typically in other areas where he worked, presentations are made on a much-more routine basis. It is time that we go to New York.

Update / Technical College of the Lowcountry Activities Ongoing and Planned Projects

Dr. Tom Leitzel, President of the Technical College of the Lowcountry (TCL), gave a PowerPoint presentations briefly updating Council on ongoing and planned projects. TCL is changing to meet challenges. TCL with Council is building a better community. TCL takes its responsibilities very seriously to include the Beaufort County public schools, as well as USC-Beaufort. Growth is one of those challenges. The head count credit enrollment trend line from fall 2007 to fall 2011 increased from 1,893 to 3,196. The head count credit enrollment trend line from spring 2007 to spring 2012 increased from 1,712 to 3,090. TCL is experiencing record enrollment at all of its campuses. As enrollment grows on the credit side, TCL is also serving more students on the non-credit side, which is responsive programs to emerging needs in the community. TCL continues to pledge its continued operations there where we even try new programs, begin them on the non-credit side even before they even begin on the credit side. Growth continues. At the same time TCL is experiencing another type of decline, which is no surprise to Council.

At the same time enrollments are growing TCL state support is not as great as it once was. TCL will begin its next budget year with a 15% decline over its current budget year. Not necessarily a good news story, but TCL rises to challenges. Projected enrollment gain in full time equivalent credit enrollment from FY 2007/2008 to FY 2010/2011 is 65%; the state allocation for the same time period is a 36% decrease. Beaufort County Council funds 16% to 18% of the TCL operating budget. Seventy-three percent of all credit-base students come from Beaufort County. TCL's vision statement "The Technical College of the Lowcountry will be the premier academic institution – visionary, vibrant and valued – engaged in leading the region to economic prosperity by providing innovative workforce solutions."

Two innovative operations follow: One, TCL has a very successful tidal generator because Beaufort County has a very successful tidal swale. TCL harnessed that power and is now experimenting with tidal power research. It powered the holiday tree. Two, TCL is experimenting with a new plant, miscanthus, a form of switchgrass, but a very rapidly growing blend of plant. This plant can grow approximately 18 feet to 20 feet and produce enough biomass that can be converted into woodchip pellets which is energy efficient and carbon neutral.

TCL wants to be a leader in innovative workforce solutions. What it transfers to later is a lot of jobs.

Dr. Lietzel introduced Mr. Hayes Wisner, Vice President of Administrative Services; and Ms. Camille Myers, Research Director.

Summary / Beaufort Transportation Advisory Group Meeting

Mr. Gary Kubic, County Administrator, said Council will discuss a resolution later during today's meeting. He highlighted some of the factors involved so the community understands the process in its entirety. Everyone knows we had a sales tax / transportation referendum passed by the voters wherein there was an outline of projects that were to be complete with the use both the sales tax dollars generated, not to exceed \$152 million, as well as other sources of revenue, primarily impact fees. With the economy in decline and impact fee generation at a standstill, it begs the question, "what to do with the overall project list?" The process began with a Beaufort Transportation Advisory Group (BTAG) meeting originally and a legal opinion rendered to the members of BTAG, as well as County Council. The legal opinion basically vested the ability of delaying the projects or reconfiguring the priority of the projects and the funding of the projects to County Council remembering BTAG, as an advisory board, was heavily involved in the process of determining those original ten projects. It was also decided and heavily discussed that the projects, as a whole, if it was one single unit some projects would be deferred. No projects in the BTAG discussions were talked about in terms of being eliminated. With that, staffs from all the municipalities and the county were brought together to formulate a recommendation. That was reported recently to BTAG. A motion was generated from BTAG membership that County Council adopt their policy, which would be to delay all of the projects approved by the referendum with the delaying of the bridge construction project along the Bluffton Parkway 5A and maintain the widening of US Highway 278 all the way to SC Highway 170. That is formatted in a resolution for Council consideration. It was at the suggestion by Beaufort City Mayor Billy Keyserling that we move this forward as quickly as possible. There is a design agreement that we have held in abeyance until this matter could be resolved. We thought it best to accommodate the Mayor's suggestion and bring it to the full body of Council tonight. Council can discuss it. If you want to send it back to committee and bring it back out, is Council prerogative.

Mr. Rob McFee, Division-Director Engineering and Infrastructure, reported at the conclusion of the BTAG meeting he telephoned SCDOT and indicated it appeared that as we move forward in this process, S.C. Highway 170 would not get the attention it may have received earlier in the program with regard to the lack of impact fees. Mr. McFee asked them to provide the County a price estimate for that portion between Buckwalter Parkway and U.S. Highway 278, which has been in poor shape for many years and continues to deteriorate with the traffic as well as the rainfall. SCDOT looked at it today and Mr. McFee is hopeful this week SCDOT will give us an idea of the repair cost, and we will continue to push with them to try to get some attention on that section.

Mr. Newton explained typically BTAG recommendations go through the Public Facilities Committee and then come back to Council. Mayor Keyserling reported / made a plea that we have been sitting on the award of a design contract for a number of months, being held by staff to see if we were going to make modifications to the list of projects under the penny sales tax program, and requested we try to move that determination forward as quickly as possible. It is here tonight simply on the agenda for Council to either bring it up by way of a motion and discuss whether we are going to accept the recommendation (a deferral of a couple of the projects and move forward with the rest including this City of Beaufort design contract) or whether Council will send it to Public Facilities Committee for further discussion and deliberation before coming back to County Council.

Mr. Stewart commented it was reported as a result of the BTAG meeting in the newspaper at least in the southern part of the county, not only the changes Mr. Kubic mentioned but also a recommendation to delay the work going forward on Route 170, the widening and construction between US Highway 278 and SC Highway 46. That created somewhat / quite a bit of concern in his Council District 10, as well as Mr. Newton's Council District 4, because that road is in significant disrepair. There have been several accidents and fatalities on that road. There is real concern if it is delayed a significant amount of time that things were only going to get worse and the traffic is getting heavier on that road.

Mr. Newton replied what was reported in the newspaper was not what BTAG approved.

Mr. Newton stated the BTAG recommendation involved adjustments in terms of scheduling all ten of the projects. The resolution including in today's data package says the BTAG recommendation was that County Council accept the staff recommendation with two exceptions. The exceptions are very clear. The underlying recommendations coming from BTAG are not. They are not included in the package. Those of us who were at the BTAG meeting or perhaps picked up a handout the day of the meeting, have those recommendations. Mr. Newton's concern is the substance of staff's recommendations is not included in Council's packet of materials. As a consequence, the resolution is listed as item 8 on the agenda for discussion purposes, but this Council ought not be encouraged nor even recommended to vote on something they do not have the underlying recommendations to vote on without seeing it. Mr. Newton removed item 8 from the agenda for even purposes of discussion, asked Mr. Glaze to add this issue as an off-agenda item to receive the presentation at the February 26, 2010 Public Facilities Committee meeting, and then to make the full text of staff's recommendation as modified by BTAG included on the February 8, 2010 Council agenda.

Mr. Rodman is of the opinion the BTAG motion had two pieces. One to finish out U.S. Highway 278 to S.C. Highway 170, and two to defer the bridge connection on the Bluffton Parkway, which is in the resolution before Council. That would leave some amount of money on the order of \$15 million to \$20 million with four projects that would be potentially deferred or use some of that money to finish the bridge, Bluffton Parkway 5B, S.C. Highway 170 and Boundary Street projects. The second group Mr. Rodman views as having to back through committee and requires analysis from staff before Council can react to those projects. But the first two projects, it seems to Mr. Rodman, Council is positioned if it wants to undertake those

unless time is not of the essence on either one of those. Mr. Rodman views the resolution as written sounded like it addressed what was at BTAG and it would not preclude looking at how we would allocate the remaining money to the remaining projects.

Mr. Newton said he is not even thinking about the committee at this point nor looking at the allocation of the remainder of the money. The problem is the text of this resolution, which says, "A motion was made to accept staff's recommendation with two changes." There is no staff recommendation in any of this material that has been disseminated to Council as a whole and we do not have it here tonight. It asks folks to accept a set of recommendations they have never seen. It is not ideal that a two week delay ensues, but asking Council to vote on something they have never seen is inappropriate. As a matter of course, Mr. Newton removed item 8 from the agenda.

Mr. Baer said with regard to the recommendation that is now removed, there are two items of subtleties he does not want to see lost. Number one, with regard to the extension of U.S. Highway 278 all the way to S.C. Highway 170, there were extra monies to be spent on meeting the stormwater requirements. That was brought up and he does not want to see money frittered away to other places before Council has dealt with that. Number two, with regard to doing 5A except for the bridge, there is significant engineering and funding to be considered for what we do with the traffic. Are we going to dump it on the Moss Creek traffic light or Buckingham Landing? Council has not dealt with any of that. At the BTAG meeting it was discussed that funds have to be allocated to deal with that traffic, to do those engineering studies and to come up with a plan to fix the stub we have now created. Mr. Baer does not want to see that lost in any of the resolutions nor to see the money frittered away before we deal with it.

Ms. Von Harten remarked there is some time sensitivity with the City of Beaufort and some of the plans they have for the redevelopment of U.S. Highway 21 Corridor. She knows Council does not want to rush things, but wants to make sure we do not delay too much longer than we have already delayed with that project.

Mr. Sommerville said we created a hardship for the City of Beaufort, through no one's fault, by not continuing with the engineering they need to proceed with the Boundary Street project. The City is funding that through a number of sources, only one of which is the penny sales tax and they are on hold for their entire project pending receipt of the engineering which is critical to them.

Mr. Caporale referenced the issue of unpaved county roads. He would like to understand a little more clearly if projects are getting bumped, and if so, how or why, and what the mechanism is.

Dirt Roads in Rural Areas

Mr. Gary Kubic, County Administrator, said he received numerous telephone calls regarding a solution of county-owned dirt roads, but calls for private road as well. The difficulty with each and every call, Mr. Kubic said is to satisfy the concerns because they are basically always the same. We have families. We have children. We have emergency vehicles – fire, ambulance.

All of those things need to be satisfied. The problem becomes a little more complex when you talk about what we do with regard to private roads. The axiom or theme Mr. Kubic must follow is whether or not public monies can be spent, not only on county roads, but private roads so that they achieve all of the public safety features and we are not “benefiting” private property. On the private side of the equation, Mr. Kubic would encourage all people who are listening to him today; the county would like to require the ability to ascertain all of the appropriate easements, all of the appropriate rights-of-way requirements. Typically what happens when we talk about dirt roads on private property is that most property owners fear the “taking” of what is required for right-of-way or easement because the road is barely two lanes and when you want those right-of-way and requirements for both stormwater and to do all the kinds of things that we want to do. Sometimes we have situations where citizens are for and their neighbors are not, and we try to work through those issues. On each and every call so far Mr. Kubic tries to send out representatives of Public Works for an evaluation. The evaluation involves how many people live on the road, how many are affected, the condition of the roadway, and in some cases, ironically, we cannot, at this time, because of the saturation, go out and do much of anything. Sometime scrapping and another rain make it worse. County staff is making lists of all of the roads where people hope to get some relief from the county and we are going through that list. If it takes the County Transportation Committee (CTC) to reevaluate some of those roads because the evaluation was made earlier and the conditions have changed, and some roads may be more immediate in terms of having a solution applied quickly; then, Mr. Kubic would be in favor of that. On the private roads, county staff knows of some where the conditions are so deplorable we cannot get an emergency vehicle in them and we still have to service those families so Mr. Kubic tries to treat that as an exception. There are so many people calling his office about their road because of the extreme rain conditions, he asked people to be patient. We are getting them one at a time for either an evaluation; if it is favorable, we will try to affect the repairs.

DEPUTY COUNTY ADMINISTRATOR’S REPORT

Mr. Bryan Hill, Deputy County Administrator, circulated copies of his Two-Week Progress Report, which summarized his activities from January 11, 2010 through January 22, 2010.

The Council data package includes a financial update through December 31, 2009. That document includes actual expenditures through December 31, 2009, as well as a revised budget. The Finance Department posted an array of documents online– Comprehensive Annual Financial Reports (CAFR), budget preparation schedule, county line item budget, monthly general fund report (unaudited) and general obligation bonds. Mr. Hill asked Council to allow him not to provide these reports in paper, but pointed Council to the Web site.

New Bridge over Beaufort River / US 21 / SC 802 Construction Project

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported the new bridge over the Beaufort River will be a 4,200-foot bridge. The contractor is United Contractors Inc. of Great Falls, South Carolina. The cost is \$34,573,368. The completion date is August 2011. The project is 21% complete. The contractor continues to drive piles, pour caps and decks on the Lady’s Island side. Drill shafts continue on the Port Royal side. A quick overview on the relative

amounts of money spent in correlation to the completion dates –25% with Dennis Corporation, 21% with United Contractors and 28% with Sanders Bros.

S.C. Highway 802 Roadway Construction Project

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported the S.C. Highway 802 roadway project involves the widening of 5.2 miles (two sections). The contractor is Sanders Bros. of Charleston South Carolina. The cost is \$10,852,393. The completion date is December 2010. The project 28% complete. Utility relocations, fill operations and pipe placement are underway on both sections.

REPAYMENT / \$240,000 HILTON HEAD ISLAND AIRPORT ADVANCE TO LADY'S ISLAND AIRPORT (OCCURRED AROUND 1999)

This item comes before Council under the Consent Agenda. It was discussed and approved at the January 19, 2010 Finance Committee meeting.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council authorizes the appropriate financial entries be made to reflect repayment of the \$240,000 loan from the Lady's Island Airport to the Hilton Head Island Airport. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

BEAUFORT COUNTY ZONING MAP AMENDMENT/REZONING REQUEST FOR THREE (3) LADY'S ISLAND PROPERTIES TOTALING 0.917 ACRE AT THE INTERSECTION OF SAM'S POINT ROAD AND MAYFAIR COURT: R201-015-517 AND R201-015-518 FROM PROFESSIONAL OFFICE DISTRICT/POD TO VILLAGE CENTER/VC, AND R201-105-519 FROM LADY'S ISLAND COMMUNITY PRESERVATION/LICP TO VILLAGE CENTER/VC

This item comes before Council under the Consent Agenda. It was discussed and approved at the November 30, 2009 Finance Committee meeting.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approves on second reading a Beaufort County Zoning Map Amendment/rezoning request for three (3) Lady's Island properties totaling 0.917 acre at the intersection of Sam's Point Road and Mayfair Court: R201-015-517 and R201-015-518 from Professional Office District/POD to Village Center/VC, and R201-105-519 from Lady's Island Community Preservation/LICP to Village Center/VC. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

The Chairman announced a public hearing would occur on Monday, February 8, 2010 beginning at 6:00 p.m. in Council Chambers of the Administration Building.

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$48,755,000; AUTHORIZING THE BONDS TO BE ISSUED AS TAX-EXEMPT BONDS OR TAXABLE BUILD AMERICA BONDS; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approves on second reading an ordinance authorizing the issuance and sale of general obligation bonds, in one or more series, with appropriate series designations, of Beaufort County, South Carolina, in the principal amount of not exceeding \$48,755,000; authorizing the bonds to be issued as Tax-Exempt Bonds or Taxable Build America Bonds; fixing the form and details of the bonds; authorizing the county administrator or his lawfully-authorized designee to determine certain matters relating to the bonds; providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

The Chairman announced a public hearing would occur on Monday, February 8, 2010 beginning at 6:00 p.m. in Council Chambers of the Administration Building.

RESOLUTION ADOPTING THE FEE SCHEDULE FOR PARKS AND LEISURE SERVICES DEPARTMENT

Mr. Glaze expressed concern with the fee schedule. He realizes the financial impact it has on the County. It appears the larger the family, the greater the reduction for multiple siblings. Are these fees appropriate and fair countywide?

Mr. Arthur Middleton, Chairman of the Parks and Leisure Services Board, noted the Board received a number of concerns regarding the fee structure. Consideration was given to families with a number of children enrolled in the program. The Board and staff revisited the schedule in place and made some changes to include an athletic registration sliding fee for multiple siblings.

Mr. Caporale inquired about the scholarship program. Mr. Middleton replied the Board and staff are in the process of developing an equitable proposal.

Mr. Newton pointed out in the Bluffton and Hilton Head Island areas there has been a lot of confusion about ballfields, the use of those ballfields and the fees that either paid by some groups or not paid by some groups. The PALS Board has now recommended there be rental charge for youth sports changing our fees structure which is \$75 with lights up to three hours and \$50

without lights. Mr. Newton appreciates the PALS Board's work in that regard as well. Hopefully, this helps to solve the problems about more people wanting to use ballfields in the southern portion of the County.

It was moved by Mr. McBride, as Community Services Committee Chairman (no second required), that Council adopts a resolution relative to the fee schedule for the Parks and Leisure Services Department. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

TEXT AMENDMENTS TO THE BEAUFORT COUNTY ZONING AND DEVELOPMENT STANDARDS ORDINANCE (ZDSO) THAT REPLACES ALL THE COMMUNITY OPTIONS WITH A TRADITIONAL NEIGHBORHOOD DEVELOPMENT OPTION: ARTICLE V, DIVISION 1, TABLE 106-1098 USE TABLE; ARTICLE VI, DIVISION 2, TABLE 106-1526 OPEN SPACE AND DENSITY STANDARDS; ARTICLE VI, DIVISION 3, TABLE 106-1556 LOT AND BUILDING STANDARDS; ARTICLE VI, DIVISION 4, TABLE 106-1617 BUFFERYARD AND LANDSCAPING STANDARDS; ARTICLE XI, DIVISIONS 1 AND 2

It was moved by Mr. Sommerville, as Natural Resources Committee Chairman (no second required), that Council approves on second reading text amendments to the Beaufort County Zoning and Development Standards Ordinance (ZDSO) that replaces all the Community Options with a Traditional Neighborhood Development Option: Article V, Division 1, Table 106-1098 Use Table; Article VI, Division 2, Table 106-1526 Open Space And Density Standards; Article VI, Division 3, Table 106-1556 Lot and Building Standards; Article VI, Division 4, Table 106-1617 Bufferyard and Landscaping Standards; Article Xi, Divisions 1 and 2.

Mr. Baer said he continues to have concerns about the Traditional Neighborhood Development (TND) and to answer Mr. Reed's comment, he is not against TND, but he thinks they belong in the right place. They belong adjacent to or in our cities because if we sprinkle them around no matter how cute they look, they are going to suck the life from our cities. They are not going to contribute to public transportation. They are not going to contribute to stores, walkable shops and such things that we need in our cities. We are just sprinkling them around our landscape. To quickly reiterate comments of last meeting, buried in this proposal is density about twice of what we have right now. Up to a maximum gross density of 4.5 units per acre and 6.1 net. The number of kids per unit that was assumed was 1.39. Mr. Baer challenged that last time and asked someone to look at similar kinds of housing in Bluffton to see what the numbers were there. He is worried developers are going to game this and build low-cost housing, which makes the numbers recovered in dollars not work. He worried about the load on the school system. By his own calculation, there is an increase in just these 13 locations; they are going to sprinkle around mainly in Mr. Glaze's district 960 additional dwelling units, and if you add 1.5 kids per dwelling unit that is another 1,400 kids added to the school system. Mr. Baer has not seen the Board of Education provide any kind of impact analysis. Someone spoke to that issue at the January 4, 2010 meeting and recommended against it as an individual. This is cute development,

wrong location and fuzzy thinking. This issue needs to be rethought specifically as to location and some of the impact numbers of the schools. He will vote against it.

Mr. Sommerville said the origin of this TND ordinance is the charge of the Zoning Board of Appeals to the Planning Commission to rewrite the Community Use Option. The Community Use Option was passed by Council in 1999 and that was the same time Planned Unit Development was removed. PUDs were reinstructed in 2003. The Community Use Option has yet to be used. Somebody did try to use it, Cherokee Farms, and because of the way it was written, unintelligible, the Zoning Board of Appeals then charged, which they have the right and responsibility to do, the Planning Commission to redo it. The TND is the result of that charge. The purpose of the TND is to “support the development of human scale walkable communities where residences, businesses, and commercial uses are within walking distance of one another.” What this attempts to do is remove the likelihood of sprawl and to give us more control over some of the development in some of the areas. This only applies in Suburban and Urban areas which only exist in the Burton area. It is fair to say this is an interim step. We all agree that we are headed toward form-based codes. He will support the issue.

Ms. Von Harten said the area this is most going to apply to is near Habersham, which is already like its own little town. A community has already formed there. This will increase community somewhat. It is going to allow that community to continue to form in a way that is appropriate for what people living in that community want. It is not going to affect the rest of the county.

Mr. Flewelling said the reason he is going to vote for this is because those identified as being affected by the TND are all within the growth areas for the City of Beaufort and Town of Port Royal. That pretty much answers the question about it being next / to adjacent to our towns. This is where our towns are growing in the next 25 years. We are meeting the need for people who own property and develop it, as well as meeting the need of the cities and municipalities of places to grow. It seems like a natural fit.

Mr. Stewart remarked the numbers Mr. Baer quoted would not all go into housing for homes and livable space for people. There is commercial included in that. So it breaks down a little bit differently. Right? Wrong? There will be more commercial. There will be more live / work in these places than just increased density of residential housing. It is his understanding you cannot take all the density and put it into residential.

Mr. Rob Merchant, Beaufort County Long-Range Planner, said the TND ordinance as proposed does allow a mix of uses, which would allow commercial in addition to a mix of residential units. The way the ordinance is written you could put all the density into residential because we have presented different types of districts that each TND could utilize. Only the town center district has the commercial component, but the other districts have a mix of housing types, but do not necessarily have commercial. There is nothing in the ordinance that requires a certain percentage to be commercial of each development.

Mr. Dawson said it is safe to say under the by-right of Suburban and Urban zoning districts to change from that and go to the TND does allow for density increase. Mr. Merchant replied it is a

little more confusing because under the current Suburban zoning there are several different options that somebody could develop at. Under a conventional suburban subdivision the density is two units per acre. But you can go up to 2.6 as a planned community, which is an option currently in the Zoning and Development Standards Ordinance, and up to 5 units per acre under multi-family. There is a range a density permitted in the district now. The TND ordinance in the Suburban area would be three dwelling units per acre, the maximum density permitted. Someone could do a mix of development types under the current zoning – single family and multi-family – and come up with a density higher than three units per acre. It is hard to say it is a definite upzoning. In the quick fiscal analysis presented earlier this month, we used that base zoning of two units per acre to draw a comparison if somebody did a conventional subdivision versus a TND. That may be where we are getting the density comparison of current zoning versus the TND ordinance.

Mr. Dawson remarked that was his basis for voting against it initially because he understood the TND zoning would allow the density to almost double to the exact figures Mr. Baer cited earlier. If that stands to be true, he will vote against it tonight.

Mr. Merchant remarked when staff presented the fiscal analysis there were three scenarios used. The first was the conventional subdivision of two dwelling units per acre. The second comparison was a mixed-used development allowed under the current ordinance. The third was a TND.

Mr. Sommerville said under the existing Suburban zoning with multi-family you can go up to five units per acre. If Council passes, the TND that caps it at three. You can certainly pick an argument that it is less density, not more.

Mr. Merchant replied the density is offered to facilitate the mix of dwelling units that we are calling for in this type of development. It is lower than the multi-family, but it is definitely higher than if somebody did a single-family subdivision under Suburban.

Ms. Von Harten inquired about hydric soils. Mr. Merchant replied a lot of Beaufort County is hydric soil. The Natural Resources Element of the Comprehensive Plans maps the areas. There are a number of characteristics of hydric soils, but basically the soil is saturated. There are a number of different conditions that would make soil hydric, depending upon what the water table is or the ability of the soil to drain. Ideally, you are better off building on non-hydric soil. Proper engineering has enabled people to build on hydric soil, but it is not ideal. It is expensive. You want to build on non-hydric.

Ms. Von Harten said if you want to have affordable housing in some of these areas, these are some of places; even if it is not contiguous to the city at present. It is where it is most appropriate to build in terms of affordability.

Mr. Flewelling asked how TND fits into our stated goal to implement form-based code into Beaufort County. Mr. Merchant replied staff has always seen this as an interim step. This is definitely the type of development we are hoping to promote with form-based code. This offers

an interim step to facilitate this type of development. Long-term when we develop form-based code it may be calibrated to a different area of the county. It is hard to say what the end products can be like.

Mr. Rodman assumes Mr. Merchant agrees all 13 fall within the growth boundaries. Mr. Merchant replied in the affirmative. Mr. Rodman assumes this does not create an additional density over and above what would be created if these areas were annexed into Beaufort City and Port Royal Town. The question Mr. Rodman asks himself, given that we define the growth boundaries as a way for some logical planning of the way that the towns would annex some of the adjacent property, are they in agreement with what we are doing here and is it creating problems for them relative to when they do annex those properties to say we wish you had done it some other way. Do we have a sense where the two municipalities are?

Mr. Merchant replied, insofar as coordination with the Beaufort City and Port Royal Town, the County presented this to their staffs. We also presented this to the Northern Implementation Committee. We offered an opportunity for them to comment. Insofar as the type of development this would create a type of development more consistent with the City's and Town's goal for growth. If, in the future they were to annex one of these areas, this would be more consistent with the type of development they would be calling for.

Mr. Glaze asked if a traffic analysis exists for this geographic area. It is amazing how we circumvent the rules. It is amazing how we manipulate to put things in place to satisfy other people's need. Now we are talking about soil content. Any time you have fertile soil there is farm land and most likely you are going to have that type of non-hydric soil. There is a lot of that type of soil on St. Helena Island and in Dale. He will not support TND. Council is circumventing the rules by manipulating this ordinance to slide it through the backdoor.

Ms. Von Harten, looking at copy of the City of Beaufort Comprehensive Plan, said this is what the residents of the City of Beaufort (City) wanted. The City is not in all of Burton yet, but Burton is within that growth boundary. Part of this entire Northern Regional Plan agreement is that we will have growth within the growth boundary and we are going to leave the other areas rural. We are all going to have to have an attitude adjustment. Ms. Von Harten is going to have to get used to having townhouses and apartments and condominiums in her neighborhood, Mossy Oaks, because it is going to get a little bit denser. People in other neighborhoods are going to have to confront more density within the cities. Places like Burton are going to get a little denser. That is a sacrifice we are making in order to preserve those rural areas. We have got to create places for people to live.

Mr. Rodman would not vote against this because it needs to be on the table. However, he is torn between two things. We have identified growth boundaries for annexation which would argue for doing it and at the same time if our Council member who represents that area is adamantly opposed to it. This puts Mr. Rodman in a difficult position. He will reserve judgment to the third reading, but will vote to move it forward.

Mr. Baer said it would be good at third reading to have someone official from the School District appear before Council and say they have conducted an analysis of this, have looked at the numbers and blessed it. We have not had that yet. We have not had their concurrency. We have had someone say it is not good.

The vote was: FOR – Mr. Flewelling, Mr. Newton, Mr. Rodman, Mr. Stewart, Mr. Sommerville and Ms. Von Harten. OPPOSED – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Glaze and Mr. McBride. The motion passed.

The Chairman announced a public hearing would occur on Monday, February 22, 2010 beginning at 6:00 p.m. in Council Chambers of the Administration Building.

The Chairman passed the gavel to the Vice Chairman in order to receive committee reports.

COMMITTEE REPORTS

Community Services Committee

Disabilities and Special Needs Board

Mr. McBride, as Community Services Committee Chairman, nominated Grace Dennis, Beverly Dore, Margaret Gatch and Helen Gruber for reappointment to serve as members of the Disabilities and Special Needs Board.

Library Board

Mr. McBride, as Community Services Committee Chairman, nominated Theresa Dunn, Valerie Donaldson, Eileen Fitzgerald, Patsy Hand and Norma Stewart for reappointment to serve as members of the Library Board.

Hospital Board Nominating Process

It was moved by Mr. McBride, as Community Services Committee Chairman (no second required), that Council accepts the Hospital Board recommendation to amend the nominating process that would allow the Board to submit the incumbent for approval without a stalking horse candidate. If that candidate cannot obtain the required number of votes necessary for reappointment, the Governance Committee and the Board would then engage in its process to interview and approve a nominee for that seat in the same manner as it would for a true vacancy.

Mr. McBride added the Hospital Board has a three-term limit provision in the By Laws. Therefore, an individual can only be appointed 3 times for a maximum of 12 years.

The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

Beaufort Memorial Hospital Board

Mr. McBride, as Community Services Committee Chairman, nominated Gerald Schulze and Patricia Thompson for reappointment to serve as a member of the Beaufort Memorial Hospital Board.

Finance Committee

Accommodations Tax Board

Mr. Rodman, as Finance Committee Chairman, nominated Jeff Thomas for reappointment to serve as a member of the Accommodations Tax Board.

Tax Equalization Board

Mr. Rodman, as Finance Committee Chairman, nominated Sheila Chesney and Jimmy Mackey for reappointment to serve as members of the Tax Equalization Board.

PUBLIC COMMENT

There were no requests to speak during public comment.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Caporale, seconded by Mr. Flewelling, that Council go immediately into executive session for the purpose of discussing negotiations incident to proposed contractual arrangements and proposed purchase of property as well as receipt of legal advice relating to pending and potential claims covered by the attorney-client privilege. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

EXECUTIVE SESSION

RECONVENE OF REGULAR SESSION

It was moved by Mr. Stewart, seconded by Mr. Sommerville, that Council purchase through the Rural and Critical Lands Program two parcels of land: (i) 5.65 acre parcel of land with frontage on Barrel Landing Road known as the Braniger Tract for a purchase price of \$600.00 in accordance with the terms of the agreement of sale, as amended, in favor of Conservation Consulting Company, dated July 23, 2009 and (ii) 7.01 acre parcel of land with frontage on Barrel Landing Road known as the Faulker Tract for a purchase price of \$1,786,500 in

accordance with the terms of the option, as amended, in favor of Conservation Consulting Company, dated August 27, 2009. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

ADJOURNMENT

Council adjourned at 7:42 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST: _____
Suzanne M. Rainey, Clerk to Council

Ratified:

**OFFICE OF THE COUNTY ADMINISTRATOR
COUNTY COUNCIL OF BEAUFORT COUNTY**

GARY KUBIC
COUNTY ADMINISTRATOR

CHERYL HARRIS
EXECUTIVE ASSISTANT

ADMINISTRATION BUILDING
100 RIBAUT ROAD
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BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

LADSON F. HOWELL
STAFF ATTORNEY

**COUNTY ADMINISTRATOR'S REPORT
Monday, February 8, 2010
County Council Chambers, Administration Building**

INFORMATION ITEMS:

- Two - week Progress Report (Enclosure)
- Report on Bond Sale Rating / Moody's and Standard and Poor's
- Presentation / Advancements in Aerial Photography
Mr. Dan Morgan, GIS Director
- Introduction / Mr. Jeff Fuqua, President, The Sembler Company



Memorandum

DATE: February 5, 2010

TO: County Council

FROM: Gary Kubic, County Administrator

SUBJ: County Administrator's Progress Report

The following is a summary of activities that took place January 25, 2010 through February 6, 2010:

January 25, 2010

- University of South Carolina - Beaufort / Art Studio Degree Program at USCB-Hilton Head gateway campus
- Meeting with Weston Newton, Council Chairman, and Paul Andres, Airports Director, re: Hilton Head Airport Master Plan Briefing
- County Council meeting

January 26, 2010

- Public Facilities Committee meeting (unable to attend due to a scheduling conflict)

January 27, 2010

- Staff meeting re: St. Helena / Penn Center Library project
- Meeting with County Assessor Ed Hughes
- Meeting with Arthur Cummings, Director of Building Codes, re: roof truss inspections at Sun City

January 28 – 29, 2010

- Moody's bond rating presentations - New York

February 1, 2010

- Meeting regarding animal shelter issues
- Natural Resources Committee meeting
- Public Safety Committee meeting

February 2, 2010

- Meeting with Morris Campbell, Director of Community Services

- Joint Initiative Council / Board of Education meeting (unable to attend due to a scheduling conflict)
- Bimonthly meeting with Weston Newton, Chairman, County Council, Lisa Sulka, Mayor, Town of Bluffton, and Anthony Barrett, Bluffton Town Manager, to discuss county / town issues

February 3, 2010

- Agenda review meeting with Chairman William Newton, Vice Chairman Paul Sommerville, and Administrative Staff to review draft agenda for February 8, 2010 County Council meeting
- Meeting with Robert Achurch, County Attorney
- Deposition at Attorney Paul Infinger's Office

February 4, 2010

- Sembler followup meeting
- Meeting with Mrs. Vernita Dore, State Director, USDA-SC, Jesse Risher, USDA Communities Facilities, Walter Mack, Executive Director of Penn Center, and staff re: St. Helena / Penn Center Library grant funding
- Meeting with Nancy Schilling, Founder, Friends of the River, and Mr. Rob Holquist, River Smart Program Director re: River Smart Program Update

February 5, 2010

- SC 802 management meeting
- SC 46 Simmonsville road management meeting
- US 17 management meeting
- Biweekly meeting with Rob McFee, Division Director of Engineering and Infrastructure
- Meeting with Lad Howell, Staff Attorney, and Edra Stephens, Director of Business Licenses re: POA's /Hospitality / Business License Tax Issues



Memorandum

DATE: February 5, 2010
TO: County Council
FROM: Bryan Hill, Deputy County Administrator
SUBJECT: Deputy County Administrator's Progress Report

The following is a summary of activities that took place January 25, 2010 thru February 5, 2010:

January 25, 2010 (Monday):

- Meet with Philip Foot, Detention Center re: Budget
- County Council

January 26, 2010 (Tuesday):

- Meet with Greg Hunt, Mosquito Control re: Budget
- Meet with Scott Marshall, Voter Registration re: Budget
- Meet with Suzanne Cook, Sheriff's Office re: Budget
- Meet with Gene Hood, Public Defender re: Budget
- Public Facilities

January 27, 2010 (Wednesday):

- Meet with Cris Roberson, PALS re: Budget
- Meet with Toni Lytton, Animal Control re: Budget
- Meet with Eddie Bellamy, Mark Roseneau, Doug Baker, Jim Minor, Dan Ahern and Carolyn Wallace, Public Works re: Budgets

January 28, 2010 (Thursday):

- New York - Bond Ratings

January 29, 2010 (Friday):

- New York - Bond Ratings

January 30, 2010 (Saturday):

- New York - Bond Ratings

February 1, 2010 (Monday):

- DA Meeting
- Meet with Ed Hughes, Assessor re: Budget
- Meet with Bob Klink, Engineering re: Budget
- Meet with Carol Wallace, Dan Ahern and David Starkey re: Stormwater Revenue
- Natural Resources Committee Meeting
- Public Safety Committee Meeting

February 2, 2010 (Tuesday):

- Meet with Anna Hays, Staff Services re: Budget
- Attend PALS Update Meeting

February 3, 2010 (Wednesday):

- Agenda Review
- Meet with Master-in-Equity re: Budget
- Meet with Suzanne Gregory, Employee Services re: Budget
- Meet with Rob McFee, Public Services re: BTAG Backup
- Beaufort High School, National Signing Day "Justin Parker"

February 4, 2010 (Thursday):

- Meet with Greg Hunt, Mosquito Control re: Budget
- Meet with Toni Lytton, Animal Control re: Budget
- Attend USDA Grant Meeting re: St. Helena/Penn Center Library
- Meet with Dan Morgan, GIS re: Budget
- Meet with Anna Hays, Staff Services re: Budget

February 5, 2010 (Friday)--Bluffton:

- Bluffton Hours
- Budget (No Meetings Scheduled)

RESOLUTION

COUNTY COUNCIL APPROVAL OF BEAUFORT TRANSPORTATION ADVISORY GROUP RECOMMENDATIONS

WHEREAS, the Beaufort Transportation Advisory Group met on Wednesday, January 20, 2010; and

WHEREAS, in 2006, the citizens of Beaufort County approved a penny sales tax referendum for the construction of highway projects throughout Beaufort County; and

WHEREAS, the anticipated collection of \$152,000,000 was combined with a substantial amount of impact fees for completion of all projects; and

WHEREAS, the economic conditions have now resulted in a loss of impact fee revenue and as a result, some of the transportation projects will have to be deferred or delayed to a later timeframe; and

WHEREAS, members of the Beaufort Transportation Advisory Group participated in the original recommendation for projects approved by referendum; and

WHEREAS, the Beaufort Transportation Advisory Group charged the staff of all of the municipalities and the County with responsibility to prioritize and categorize projects based on funds remaining, projects started and projects completed; and

WHEREAS, the joint staff of the governmental entities presented to the Beaufort Transportation Advisory Group an opinion and recommendation regarding the continuance, delay or completion of the projects; and

WHEREAS, a motion was passed by the Beaufort Transportation Advisory Group to accept the joint staff recommendations regarding the penny sales tax road projects with two exceptions: (1) delay bridge construction on Bluffton Parkway Phase 5A; and (2) maintain the widening on U.S. 278 all the way to SC 170.

NOW, THEREFORE, BE IT RESOLVED by Beaufort County Council that the recommendations approved by the Beaufort Transportation Advisory Group be adopted as current official policy of Beaufort County with reference to the completion and/or delay of the projects approved by referendum.

Adopted this ____ day of _____, 2010.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST:

Suzanne M. Rainey, Clerk to Council

BCTAG Staff Meeting Agenda

November 30, 2009

Time: 1:00 p.m.

Location: Engineering Conference Room

1. Welcome & Introductions– Rob McFee

2. Status of Existing Contracts – Rob McFee

3. Financial Update – Rob McFee

4. Project Engineering Analysis – Colin Kinton

5. Discussion and Q/A – Rob McFee

6. Formulation of Recommendation – Rob McFee

Beaufort County and Municipal Staff BTAG prioritization meeting
Meeting Minutes 11/30/09

Staff members

Darrin Shoemaker, Town of HHI
Bob Klink, Beaufort County
Marc Orlando, Town of Bluffton
Karen Jarrett, Town of Bluffton
Rob McFee, Beaufort County
Colin Kinton, Beaufort County
Scott Dadson, City of Beaufort
Van Willis, Town of Port Royal
Scott Liggett, Town of HHI

The discussion of projects began with an understanding that all the projects have value and serve worthy purposes. It was agreed the projects should be evaluated with 3 basic and equal considerations in mind:

- 1) What value does the project possess in terms of performance, safety, capacity and interconnectivity improvements (as well as hurricane evacuation) .
- 2) To what extent have funds already been expended on the project and what would a delay mean to the project development process.
- 3) As Traffic Impact fees are collected separately in the southern and northern portions of the county and it is the lack of impact fees which have necessitated the prioritization of projects, it is best to keep the collected fees in the appropriate area.

Handouts detailing existing contracts for each project were distributed and discussed. A project by project update, both financial and physical, was then presented by Robert McFee with discussion and clarification on numerous points.

At this point Colin Kinton presented each project from a traffic engineering standpoint describing in detail each project, its potential impact now as well as the model predictions for that facility in the future. Also presented were the various phasing options available on the projects and their relative benefit to traffic capacity and safety.

A thorough question and answer discussion then took place with the municipalities sharing their positions and thoughts on the various projects. The respective staffs then began the process of developing a Priority Listing based on all the information presented. Attached is the agreed upon staff recommendation list for projects.

PROJECT PRIORITY ENGINEERING ANALYSIS

November 30, 2009

South of Broad River

1. US 278 Connector Roads

- a. Plantation Business Park
 - i. Represents significant safety, capacity and connectivity benefits
- b. Bluffton Fire to Berkeley Hall
 - i. Provides significant safety, capacity and connectivity benefits

2. Bluffton Parkway 5A:

- a. Complete to Buckingham Plantation Drive
 - i. While models indicate 23-27% fewer vehicles (8,000 to 10,000 vpd) would be diverting from US 278 to Bluffton Parkway without the bridge flyover connection, this improvement would result in an 24% reduction of traffic along US 278 and improvement to LOS C along US 278. It would also aid materially in a hurricane evacuation, congestion and incident management.
 - ii. Delay bridge construction until 2011/2012

3. US 278 Widening

- a. Complete widening through Buckwalter Parkway to address short-term capacity improvement needs through the key intersections (of Buck Island Road and Buckwalter Parkway).

4. SC 170

- a. Complete between US 278 and Bluffton Parkway
 - i. Greater Development Potential
 - ii. Existing capacity and safety needs due to very poor pavement and shoulder conditions – Will provide significant safety and capacity improvements where existing crash data indicates need
 - iii. Improvement for rerouting of US 278 traffic and increased utilization of Bluffton Parkway.
 - iv. Operationally improve service levels for Sun City traffic.
 - v. Reduce demand along US 278 of approximately 15% and increase longevity of 4-lane section of US 278.
 - vi. Key intersections along SC 170 to the south of Bluffton Parkway have already been significantly improved with sufficient short-term capacity.
 - vii. Recognizes the hurricane evacuation constraints of existing two-lane bridge on SC 46/SC 170 crossing the New River.

- b. Complete between Bluffton Parkway and SC 46/SC170 roundabout.

5. Bluffton Parkway 5B

- a. Phasing options not practical due to termini
- b. Sufficient existing capacity on existing Bluffton Parkway alignment at 19,000 ADT
- c. Short-term OK; however, Long-term Need

North of Broad River

1. Boundary Street

- a. Proceed with design of entire project.

- b. Bid to construction that portion from Neil Street to Hogarth Street integrating the first portion of the parallel road to Hogarth. This will include Duct Banking and Multi-use Pathways along entire route .
 - i. Significant capacity and safety benefits (51 % of Corridor Accidents; Address critical capacity deficiencies at intersections; 10-15% Capacity Improvement at SC 170).
 - ii. Establishes connectivity
- c. Proceed with "block by block" phased improvements towards municipal complex.

2. Northern Bypass

- a. City does not believe Bellamy Curve Option is the best long term solution but understands other alignment alternatives are problematic and that each alternative was fully vetted independently. Elimination of Bellamy Curve Option does not make other options "More Feasible". While it is understood that the continued expenditure of engineering study and analysis will not make the other alternatives feasible, it is the City's desire to have the consultant produce an Environmental Assessment to finally determine the full extent of the environmental impact and likelihood of successful permitting. City will 1) Select the routing (other than the Bellemy Curve option) for further study; 2) Have the second phase of engineering done up to the \$1.1 million already contracted for completed; and 3) Depending on the outcome of this second phase, either: a) Keep going with the next phase of Northern Crossing Study, et al, or; b) Put \$4.9m dollar balance into the Boundary/Parallel Road Project.



Beaufort County 1% Sales Tax Projects Encumbrance History by Project

Project Number	Project	Service	Date Encumbered	Contract Amount
1	Bluffton Parkway 5A and 5B	Original Design (initial portion to be paid with impact fees)	25-Jan-08	\$1,200,000.00
1	Bluffton Parkway 5A and 5B	Original Design (remaining portion to be funded with sales tax)	28-Apr-08	\$423,035.57
1	Bluffton Parkway 5A and 5B	Design CM#1 (for additional environmental)	28-Apr-08	\$183,982.07
1	Bluffton Parkway 5A and 5B	Design CM#2 (to add Flyover design)	28-Apr-08	\$1,830,808.95
1	Bluffton Parkway 5A	Santee-Cooper Power Pole Relocations	28-Apr-08	\$7,500,000.00
1	Bluffton Parkway 5A	Palmetto Electric U/A #1 - power line poles	5-May-09	\$162,837.70
1	Bluffton Parkway 5A	Palmetto Electric U/A #2 - road & drain avoidance	5-May-09	\$346,989.93
1	Bluffton Parkway 5A	Palmetto Electric U/A #3 - overhead flyover conflicts	5-May-09	\$207,305.75
1	Bluffton Parkway 5A	Palmetto Electric U/A #4 - move cables	5-May-09	\$128,326.03
1	Bluffton Parkway 5A	BJWSA U/A #1 - Santee Cooper relocations	5-May-09	\$105,100.00
1	Bluffton Parkway 5A	BJWSA U/A #2 - remainder of relocations	7-Jul-09	\$450,200.00
1	Bluffton Parkway 5A	SCE&G U/A #1 - Santee Cooper relocations	18-May-09	\$117,578.00
1	Bluffton Parkway 5A	ROW Tract purchases (through 9/30/09)	30-Sep-09	\$5,787,006.00 -
1	Bluffton Parkway 5A	ROW Danger Tree Tract purchases (through 10/31/09)	31-Oct-09	\$23,000.00
2a	William Hilton Parkway Resurfacing	Phase 1 Design & Construction	13-Aug-08	\$2,550,000.00
2a	William Hilton Parkway Resurfacing	Amendment #1 - Bids came in higher	17-Oct-08	\$483,522.00
2a	William Hilton Parkway Resurfacing	Phases 2 & 3 Design & Construction	13-Nov-09	\$4,238,323.00
2b	Squire Pope Road Intersection	Hilton Head Design and Construction	18-Jan-08	\$2,400,000.00
2c	US 278 Widening	Earmark Match	17-Jun-08	\$3,200,475.00
2d	US 278 Frontage Roads	Design (F&H)	19-May-08	\$197,958.16
2d	US 278 Frontage Roads	St. Gregory the Great Design (Ward-Edwards)	22-Aug-08	\$24,200.00
2d	US 278 Frontage Roads	ROW Tract purchases (through 10/31/09) -	31-Oct-09	\$681,250.00
3	SC 170 Widening	Original Design	29-May-07	\$1,419,855.00
3	SC 170 Widening	Change Orders #1 - #13 (through 9/30/09)	16-Sep-09	\$88,150.00
4	US 17 Ace Basin Widening	Beaufort County portion of Design-Build Contract	18-Jul-07	\$7,000,000.00
5	Boundary Street Widening	25% Plans Design	27-Aug-07	\$762,500.00
6	Boundary Street Parallel Road	25% Plans Design	27-Aug-07	\$637,500.00
6	Boundary Street Parallel Road	Scope reduction	30-Sep-08	-\$200,000.00
7	Ribaut Road Intersections	Original Design (Ward Edwards S/A #1)	4-Jan-05	\$10,650.00
7	Ribaut Road Intersections	Supplementary Design (Ward Edwards S/A #2)	3-Nov-05	\$37,500.00
7	Ribaut Road Intersections	Final Design (Dennis Corporation W/A #1)	31-Mar-08	\$67,000.00
7	Ribaut Road Intersections	Bid Process (Dennis Corporation W/A #2)	23-Dec-08	\$12,752.92
7	Ribaut Road Intersections	ROW Tract purchases (through 9/30/09)	31-Jan-09	\$28,800.00
7	Ribaut Road Intersections	Construction	24-Nov-08	\$772,398.00
8	SC 802 Widening and Bridge	Original Design	18-May-07	\$2,066,398.17
8	SC 802 Widening and Bridge	Addendum #1 - Noise Walls	31-May-07	\$16,577.50
8	SC 802 Widening and Bridge	ROW Tract purchases (through 9/30/09)	30-Sep-09	\$95,630.00
8	SC 802 Widening and Bridge	Mitigation Credits Purchase from SCDOT	12-Jun-09	\$1,257,750.00
8	SC 802 Widening and Bridge	Construction (Road)	26-Jun-09	\$5,407,183.00
8	SC 802 Widening and Bridge	Construction (Bridge)	26-Jun-09	\$34,573,386.35
9	Northern Beaufort Bypass	Feasibility Study, Environmental Assessment, and EIS	28-Apr-08	\$1,105,000.00
10	SC 802 (Savannah Hwy) Widening	Original Design	18-May-07	\$986,446.83
10	SC 802 (Savannah Hwy) Widening	Addendum #2 - Noise Study	31-May-07	\$6,957.50
10	SC 802 (Savannah Hwy) Widening	ROW Tract purchases (through 9/30/09)	24-Mar-09	\$70,650.00
10	SC 802 (Savannah Hwy) Widening	Construction	26-Jun-09	\$5,470,548.55
PM	Sales Tax Program	Program Management	15-Jan-08	\$2,179,401.00
PM	Sales Tax Program	Construction Management	15-Jan-08	\$1,458,115.81
PM	Sales Tax Program	Construction Engineering & Inspection	15-Jan-08	\$4,186,999.19
TOTAL				\$101,739,805.98



Beaufort County 1% Sales Tax Projects Chronological Encumbrance History

Project Number	Project	Service	Date Encumbered	Contract Amount
7	Ribaut Road Intersections	Original Design (Ward Edwards S/A #1)	4-Jan-05	\$10,650.00
7	Ribaut Road Intersections	Supplementary Design (Ward Edwards S/A #2)	3-Nov-05	\$37,500.00
1	Bluffton Parkway 5A and 5B	Original Design (initial portion to be paid with impact fees)	25-Jan-06	\$1,200,000.00
8	SC 802 Widening and Bridge	Original Design	18-May-07	\$2,066,398.17
10	SC 802 (Savannah Hwy) Widening	Original Design	18-May-07	\$866,446.83
3	SC 170 Widening	Original Design	29-May-07	\$1,419,855.00
8	SC 802 Widening and Bridge	Addendum #1 - Noise Walls	31-May-07	\$16,577.50
10	SC 802 (Savannah Hwy) Widening	Addendum #2 - Noise Study	31-May-07	\$6,957.50
4	US 17 Ace Basin Widening	Beaufort County portion of Design-Build Contract	18-Jul-07	\$7,000,000.00
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2a	William Hilton Parkway Resurfacing	Phases 2 & 3 Design & Construction	13-Nov-09	\$4,236,323.00
TOTAL				\$101,739,805.98

BTAG Recommendation:

Revised motion made by Mayor Tom Peebles and seconded by County Councilman Paul Sommerville:

To defer the Bluffton Parkway Phase 5A bridge and preserve the widening of US 278 all the way to SC 170.

Have our collective staffs get back together and evaluate the estimated impacts of these two modifications to their recommendation and bring back to this body (BTAG) advice regarding what to do with any residual.

Motion passed unanimously.

2010 /

AN ORDINANCE OF THE COUNTY OF BEAUFORT, SOUTH CAROLINA, TO AMEND THE 2007 BEAUFORT COUNTY COMPREHENSIVE PLAN TO ADOPT THE POPULATION AND DEMOGRAPHICS ELEMENT (CHAPTER 2).

BE IT ORDAINED, that the County Council of Beaufort County, South Carolina, hereby adopts a new Population And Demographics Element (Chapter 2) of the 2007 Beaufort County Comprehensive Plan, as amended, under the authority of the South Carolina Local Government Comprehensive Planning Enabling Act of 1994, Chapter 29, Title 6, Section 6-29-510, *et. seq.*, of the *Code of Laws of South Carolina*, 1976, as amended.

Adopted this ____ day of _____, 2010.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Ladson F. Howell, County Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

(Amending 2007/40)

2

Beaufort County Comprehensive Plan Population and Demographics



Table of Contents

Introduction	1
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Introduction

In less than 30 years, Beaufort County has more than doubled in population. In 1980, the U.S. Census reported that the County had 65,364 persons. The most recent Census projections (2007~~8~~) estimates that the County's population now exceeds ~~143,000~~ 146,000. The sheer magnitude of this population growth and the likelihood that it will continue into the future has tremendous policy implications on the provision of public facilities, the transportation network, the availability of affordable housing, natural resources, water quality and cultural resources. Population growth has brought about many changes in the County's demographics. Much of the recent growth has been a result of people moving to Beaufort County from other parts of the country or from other countries for retirement or to seek economic opportunities. Compared to 1980, on average, today's population is older, lives in smaller households, is better educated and is wealthier. However, these demographic trends do not apply evenly to all population subgroups or across geographic regions of the County.

The purpose of this chapter is to analyze historic and current population and demographic trends; and to provide reasonable projections of future population growth to help guide policy decisions through the lifespan of this plan (2025). Each of the following chapters of this plan utilize these projections to help shape their recommendations. It is important to note that nine years have elapsed since the 2000 Census. This chapter uses 2007~~8~~ U.S. Census estimates and information compiled in the 2005~~6~~-2007~~8~~ American Community Survey (also conducted by the U.S. Census Bureau). When the County receives data from the 2010 U.S. Census, this chapter will be updated to reflect this data.



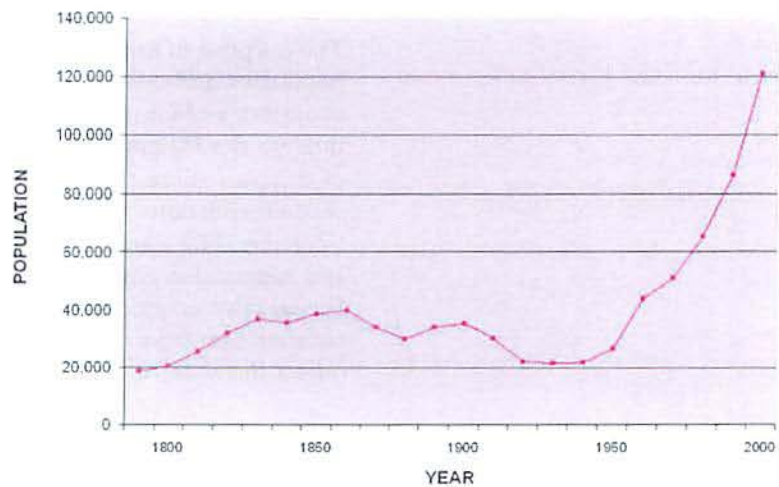
Historic, Current, and Projected Growth Trends

Beaufort County Population Growth – 1790-2000

Year	Population
1790	18753
1800	20428
1810	25887
1820	32199
1830	37032
1840	35794
1850	38805
1860	40053
1870	34359
1880	30176
1890	34119
1900	35495
1910	30355
1920	22269
1930	21815
1940	22037
1950	26993
1960	44187
1970	51136
1980	65364
1990	86425
2000	120937

Beaufort County's rapid growth rate is a relatively recent phenomenon in its 240-year history. The County was established in 1769 when South Carolina was still a British Colony. Over 200 years of census data reveal that Beaufort County's growth rate began to consistently trend upward after the 1950 census. Two events helped to spur this growth. In Northern Beaufort County the establishment of the US Marine Corps Air Station in 1955 eventually brought thousands of military and civilian jobs to the region. In Southern Beaufort County, the construction of a bridge to Hilton Head Island in 1956 spurred the development of the County's tourism and retirement based infrastructure.

Figure 2-1: Historic Population Growth Trends 1790-2000¹



¹ Beaufort County's original boundaries included present-day Hampton and Jasper Counties. Two historic downward growth trends can be explained by the establishment of Hampton County in 1877 and Jasper County in 1912.

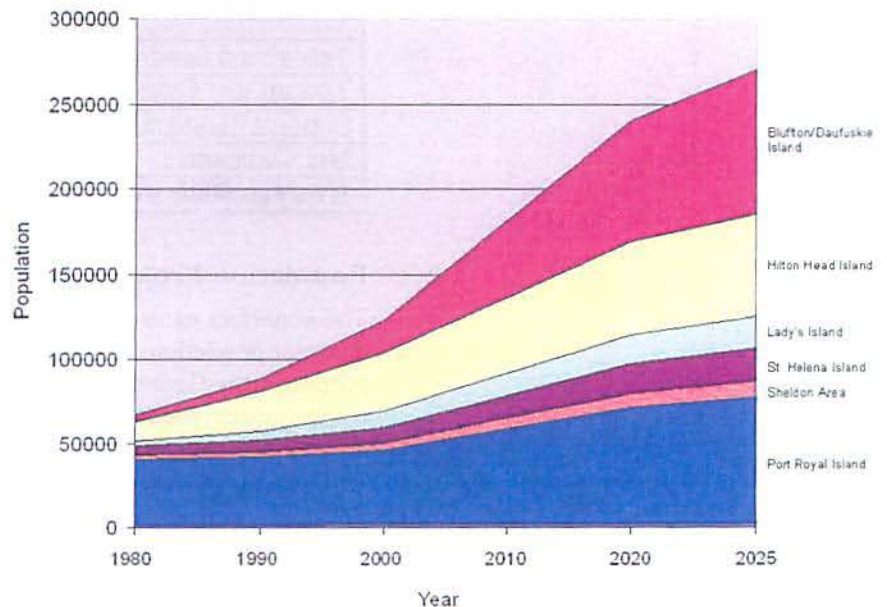
Current Year-round Population

The US Census estimates that Beaufort County's current population (July 2007²) is ~~143,421~~ 146,743. This figure represents a ~~119%~~ 125% increase in population since 1980. This is a dramatic increase compared to population increases in South Carolina and the United States during the same period (Figure 2-2). Figure 2-3 helps to illustrate that this growth has occurred and will continue to occur unevenly across the County with the greatest increases occurring in Bluffton, Hilton Head Island and on Lady's Island.

Figure 2-2: Comparison of Growth Rates 1980-2007²

	Beaufort County	South Carolina	United States
1980	65,364	3,122,814	226,545,805
1990	86,425	3,486,703	249,639,692
2000	120,937	4,012,012	281,421,906
2007 ²	143,421 <u>146,743</u>	4,330,933 <u>4,403,175</u>	298,757,310 <u>301,237,703</u>
%change 1980-2008	119.4% <u>124.5%</u>	38.7% <u>41.0%</u>	31.9% <u>32.9%</u>

Figure 2-3: Comparison of Growth by Planning Area 1980-2000 2025



² US Census estimate as of July 1, 2007².

Average Daily Population

In addition to Beaufort County's permanent population, tourists and other visitors, seasonal residents, and a net influx of daily commuters increases the County's population by 19% on an average day. This increase has a significant impact on the County's roadways, other public facilities and the provision of public services such as law enforcement, fire protection, and emergency medical services. Figure 2-4 summarizes the County's estimated average daily population.

- **Tourists and Other Visitors:** According to estimates from the Hilton Head Island Chamber of Commerce and estimates based on accommodations tax receipts, Beaufort County had approximately 2,961,285 visitors in 2008. This translates to 8,112 visitors on an average day. This number peaks in July at 10,411 visitors a day.
- **Seasonal Residents:** Based on the 2000 Census and estimates for 2008, there are 14,206 seasonal dwellings in the County. Assuming that one third of seasonal dwellings are occupied on any given time, there are 10,702 seasonal residents on an average day.
- **Net Influx of Commuters:** Based on the 2000 Census and estimates for 2008, there is net influx of 8,993 commuters daily in Beaufort County.

Figure 2-4: Beaufort County Average Daily Population

Population Segment	Estimated 2008 Average Daily Population
<u>Year-round Residents</u>	<u>146,743</u>
<u>Tourists and Other Visitors</u>	<u>8,112</u>
<u>Seasonal Residents</u>	<u>10,702</u>
<u>Net Commuters</u>	<u>8,993</u>
Average Daily population	174,550

Population Projections

The imperfect nature of population projections results in a number of different predictions of future growth in the County. For planning purposes, the County utilizes the projections employed in its transportation model.

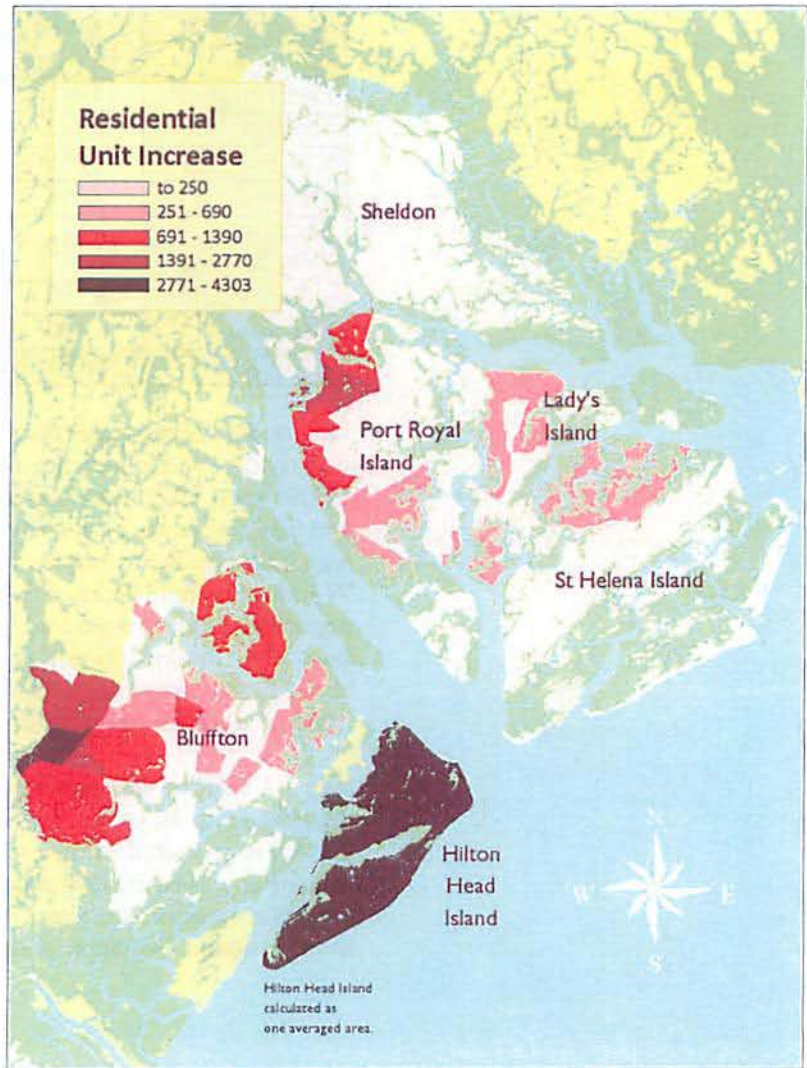
Figure 2-5: Beaufort County Population Estimates from its Transportation Model

Planning Area	2006 Dwelling Units	2006 Population	2025 Dwelling Units	2025 Population
Port Royal I.	19,875	50,244	30,587	76,299
Sheldon	2,123	5,266	3,696	9,203
Lady's I.	4,855	11,918	7,430	18,911
St. Helena I.	7,599	13,190	8,937	19,119
Greater Bluffton Area	17,510	36,864	39,291	83,616
Hilton Head I.	28,299	39,985	38,692	60,000
Daufuskie I.	170	340	315	630
TOTAL	80,431	157,807	128,948	267,778

The model utilizes projections compiled by the County's planning staff that divides the County into 124 Transportation Analysis Zones (TAZ). Within each TAZ, historic growth rates, planned development patterns, and land capacity are used to predict future growth. Other sources of population forecasts include the SC Budget and Control Board and Woods and Poole Economics, Inc. It is important to note that population estimates derived from national and state sources tend to be lower than locally derived data. Large area sampling methodologies tend toward conservative averaging, while local, area-specific transportation modeling tends toward maximal accounting.

Map 2-1 helps to illustrate where future growth is likely to occur over the next 15 to 20 years. The western portion of southern Beaufort County is projected to receive the greatest number of dwelling units as existing approved subdivisions build out in those areas. Additional growth is forecasted on Port Royal Island in the vicinity of Habersham and Clarendon Plantation, and in northern Lady's Island. Based on

Map 2-1: Projected Residential Unit Increase by
Transportation Analysis Zone: 2005-2025



current projections, southern Beaufort County (south of the Broad River) is anticipated to surpass northern Beaufort County in year-round population in 2012 or 2013. This population shift will have implications on County Council representation in future years.



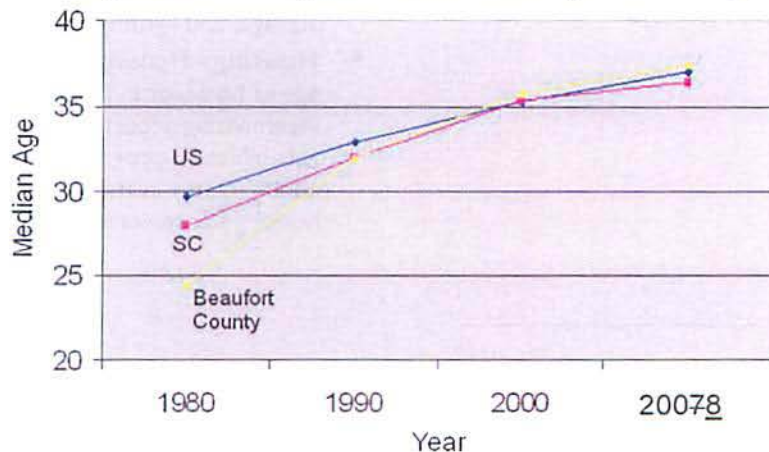
Characteristics of Population

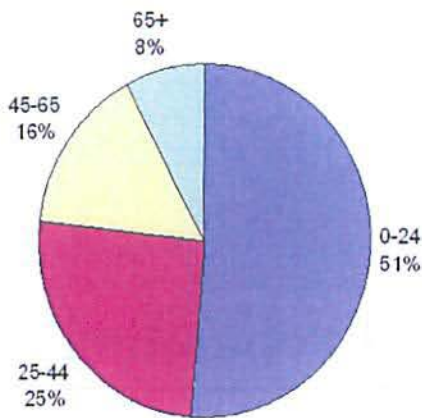
This section explores various attributes of Beaufort County's population including age, household size, race and ethnicity, educational attainment, and income. There are two noteworthy demographic trends in Beaufort County. One trend is the increased proportion of residents over 65 years of age. The other trend is the significant growth of the County's Hispanic community. In many ways, these two trends stand in contrast to each other. For example, the median age of the County's Hispanic population is 12 years younger than the County average. Hispanic households are, on average, 1.35 persons larger than the County average while elderly residents tend to live in smaller households. While these two demographic trends reflect national trends, they are amplified in Beaufort County by the region's popularity as a retirement destination and its relative prosperity over the last 15 years, which has attracted in-migration.

Age

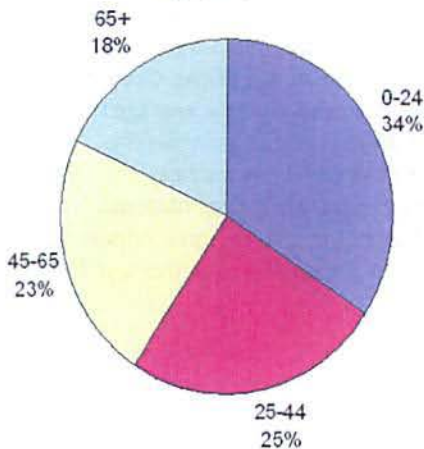
The age of Beaufort County's population has changed significantly since the 1980 census. In 1980, the median age was 24.5, much lower than both state and national median ages (see Figure 2-6).

Figure 2-6: Comparison of Median Age 1980-2007





1980 distribution of population among age groups.



2007 distribution of population among age groups.

In 2007, Beaufort County's median age grew to 37.5 38.1, slightly higher than the state and the nation. Another significant statistic is the growth of the 65-year and older age cohort. In 1980, this group only made up 8% of the County's population. In 2007, it was estimated that nearly over 18% of County residents were 65 years or older (see sidebar).

Beaufort County's aging population can be attributed to several factors; primarily the County's popularity as a retirement destination. Other factors include the advance of the Baby Boom generation and improvements in the standard of living as Beaufort has transformed from a poor rural county to a relatively prosperous urbanizing county.

In 2011, the first Baby Boomers will turn 65. The US Census predicts that the 65 and older population will grow from 34.9 million (one in eight Americans) to 53.7 million (one in six) by 2020. This national demographic trend is anticipated to have a significant impact and policy implications on Beaufort County and the surrounding region. The Atlanta Regional Commission (ARC), through a series of public meetings, developed a set of strategies to deal with the issue of an aging population. The ARC "Lifelong Communities" program was set up with the goal to develop communities where older adults can age in place. Many of these strategies have land use, housing and transportation components and are very relevant to Beaufort County. The following is a summary of some of the "Lifelong Communities Strategies and Solutions":

- **Land Use Issues:** Strategies are aimed at developing walkable communities to eliminate the need for older adults to drive; and to develop land use policies that promote a diversity of housing choices so that older adults can live near children and grandchildren.
- **Transportation:** Transportation strategies include enhancing public transportation options to better serve older adults; Integrating modifications to new and existing roadways to reduce accidents and assist older drivers (left hand turn lanes, improved signage, and lighting); and improving sidewalk infrastructure.
- **Housing:** Housing strategies are aimed at allowing older adults to age at home or in proximity to their families. Strategies include incentivizing accessory dwelling units; expanding housing rehabilitation programs, including weatherization, to help older adults to stay in their houses; and providing incentives to develop housing for seniors³.

³ Atlanta Regional Commission. "Lifelong Communities: A Regional Approach to Aging: Strategies and Solutions," http://www.atlantaregional.com/documents/ag_llc_solutions_strategies_5_13_08.pdf

These strategies will be addressed further in the Land Use, Transportation, Housing and Energy chapters of this plan.

Household size

An average household in Beaufort County in 2007~~8~~ contained ~~2.43~~ 2.41 persons compared to 2.84 in 1970. This reduction in household size mirrors the national trend of a growing number of smaller families, single parent households and an aging population. This downward trend will likely continue as the County's population ages.

Figure 2-7: Comparison of Persons per Household 1980-2007~~8~~

	1980	1990	2000	2007 8
United States	2.75	2.63	2.59	2.61
South Carolina	2.93	2.68	2.53	2.52
Beaufort County	2.84	2.59	2.51	2.431

Race and ethnicity

Population growth over the last 30 years has brought about several changes to the racial and ethnic makeup of the County. From 1980 to 2007~~8~~, Beaufort County's white population grew by +50% 155% while the black population grew by only 42% 39%. In 1980, one third of all Beaufort County residents were African-American compared to 24% in 2007. This demographic change is largely due to the influx of new residents, including retirees, from other parts of the county.

Figure 2-8: Racial Trends 1980-2007~~8~~

	1980	1990	2000	2007 8
White	42,454	59,843	85,451	106,414 <u>108,366</u>
Black	21,504	24,582	29,005	30,573 <u>29,864</u>
Asian, Pacific Islander	610	813	1,016	1,372 <u>1,196</u>
Native American	161	251	321	313 <u>254</u>
Other	635	936	4,823	4,749 <u>7,063</u>

Another significant trend is the growth of Beaufort County's Hispanic community. Nationally, the Hispanic population is the fastest growing demographic segment. Until the early 1990s, Hispanic immigration was largely limited to southwestern states, and a handful of other states including Florida and Illinois. Since the early 1990's, there has been a significant growth in Hispanic immigration to other parts of the country including the southeast. For example, between 1990 and 2000, South

Carolina's Hispanic population grew by 211% from 30,551 to 96,178. Within South Carolina, Beaufort County has the second largest Hispanic community (Figure 2-9).

Figure 2-9: Hispanic Population

	1980	1990	2000	2007
# of Hispanics	1,329	2,168	8,208	13,280 14,122
% of total population	2.0%	2.5%	6.7%	9.3% 9.6%

Mexicans make up approximately 57% of the County's Hispanic population with Puerto Ricans (8.5%) making up the second largest group. Over 33% are from various countries in Central and South America. It is likely that the actual numbers and percentages of Hispanic residents are significantly higher than reported census data and estimates. National and regional evidence supports that this population is undercounted.

The recent growth of Beaufort County's Hispanic community poses several challenges to public policy makers. One challenge is the language barrier. According to recent data, 57% of foreign-born Hispanics in the southeast do not speak English or do not speak it fluently.⁴ This barrier presents a challenge to public service providers, public safety officials and teachers. Another concern is health care. Approximately 66% of Hispanics in the United States, who primarily speak Spanish, do not have a regular doctor; 45% have no insurance; and 33% use only public health services.⁵

Educational attainment

Another significant change over the last 30 years in Beaufort County's population is educational attainment. From 1980 to present, Beaufort County went from having nearly 30% of its population lacking a high school diploma to exceeding state and national averages in terms of the percentage of high school and college graduates (Figure 2-10). In 2000, 40% of Beaufort County's residents that were 65 years or older had a college degree compared to the only 33% of the general population. This statistic indicates that some of the improvements in educational attainment are a result of and influx of educated retirees.

⁴ "The Growing Hispanic Population in South Carolina: Trends and Issues", Richard D. Young, Institute of Public Service and Policy Research, University of South Carolina, 2005

⁵ "Uninsured Hispanics with limited English face formidable barriers to health care", The Commonwealth Fund, 2003

Figure 2-10: Comparison of Educational Attainment: 1980-2007

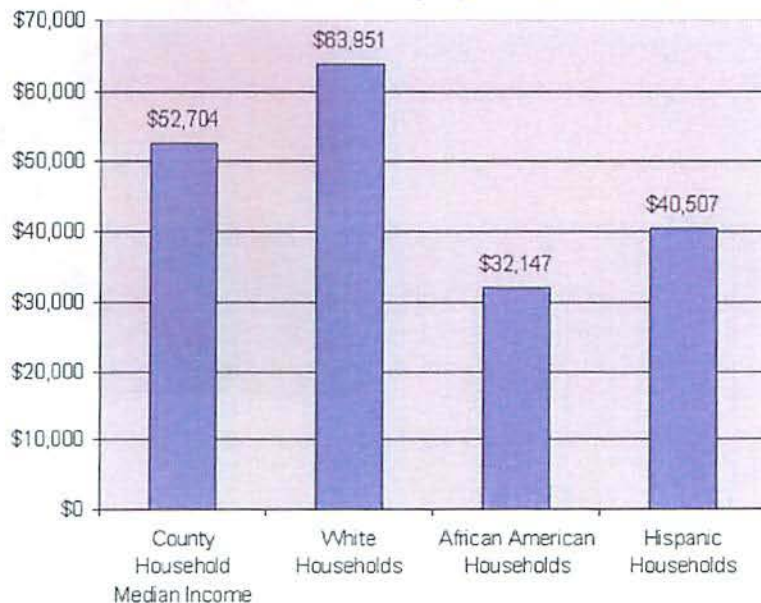
	1980	1990	2000	2007
No High School Diploma	28.0%	16.6%	12%	9.8%
High School Graduate	50.1%	56.8%	54.6%	53.93%
4-year College or greater	21.9%	26.5%	33.2%	36.29%

Income

In terms of per capita and median income, Beaufort County is the wealthiest in South Carolina. However, the County is unique in that only 56% of household income is derived from actual wages. A large percentage (30.6%) of personal income comes from interest, dividends and rent. This is indicative of the County's large retiree population. Beaufort County's median income was estimated to be \$62,367 in 2007. This is slightly higher than the national median income (\$60,374) and 20% higher than the state average (\$51,954). At the same time, statewide average weekly wages (\$668) exceed the County's average (\$595) by 12%. This data begins to indicate that Beaufort County's wealth does not evenly benefit all segments of the County's population.

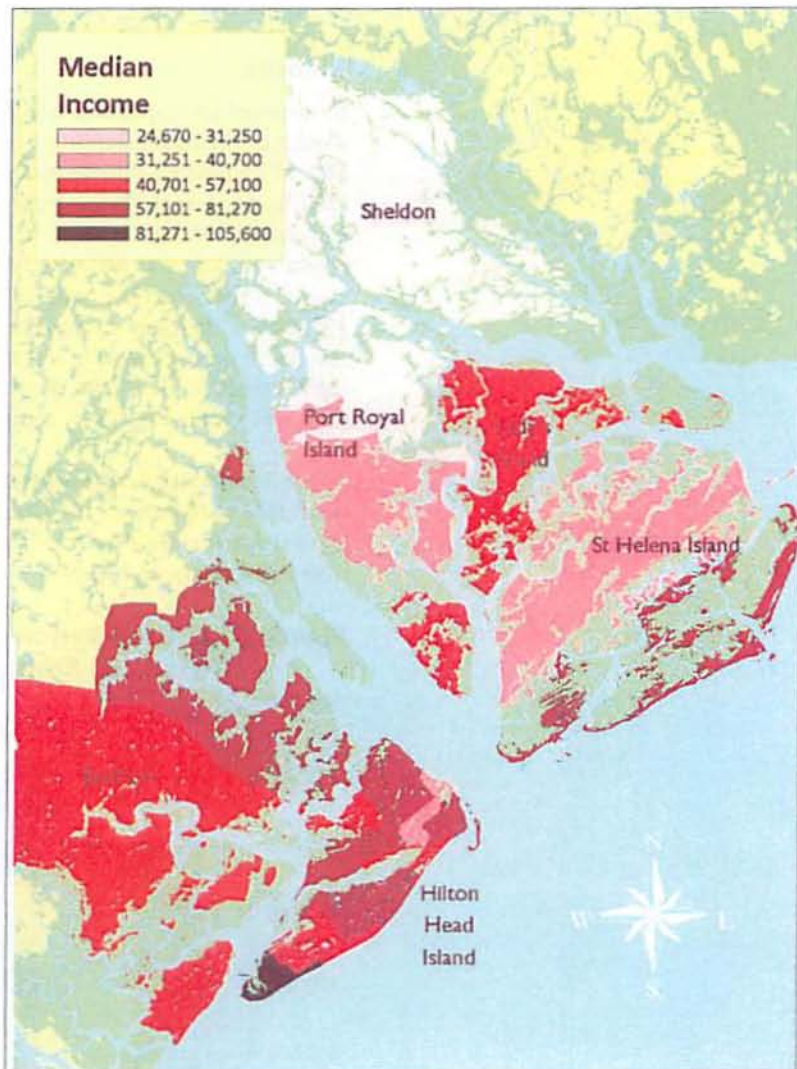
There is a disparity of income among racial and ethnic groups and among geographical regions of the County. Figure 2-11 shows that the median income for African American and Hispanic households is significantly lower than the County as a whole.

Figure 2-11: Comparison of Median Household Income among Racial and Ethnic Groups (2000 U.S. Census)



Map 2-2 indicates that wealth is not spread evenly countywide. Higher income households are generally concentrated in Southern Beaufort County. Rural communities, such as Sheldon and St. Helena Island have much lower household incomes than the County's median income.

Map 2-2: Median Income per Census Tract (2000 U.S. Census)





**COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT**

Building 2, 102 Industrial Village Road
Post Office Drawer 1228, Beaufort, SC 29901-1228
Phone: (843) 470-2735 Fax: (843) 470-2738

TO: Councilman Stewart H. Rodman, Chairman, Finance Committee

VIA: Gary Kubic, County Administrator *GKubic*
Bryan Hill, Deputy County Administrator *BHill*
David Starkey, Chief Financial Officer *DStarkey*
William Winn, Public Safety Director *WWinn*
Donna Ownby, EMS Director *DOwnby*

FROM: Dave Thomas, CPPO, Purchasing Director *DThomas*

SUBJ: RFP 3946/100919 Collection Services for Beaufort County EMS

EVALUATION COMMITTEE NOTES: The evaluation committee consisted of Donna Ownby, Director EMS, Howell Yomans, Assistant Director, EMS, Marci Taylor, EMS Administration, Donna Kalty, EMD. The evaluation committee interviewed the top three firms and selected Security Collection Agency as the number one ranked firm. We are currently paying 18% to 28% per account depending on the time it takes for collection (Contract Callers is our current service provider).

FINAL EVALUATION RANKING

- 1 Security Collection Agency, Edenton, NC
- 2 Professional Recovery Consultants, Durham, NC
- 3 NCO, Signal Mountain, Tenn.
- 4 Lanier Collection Agency & Services, Savannah, GA
- 5 CCA, Norwell, MA
- 6 Contract Callers, Augusta, GA
- 7 Penn Credit Corporation, Harrisburg, PA
- 8 Medical Business Bureau, Park Ridge, IL
- 9 Lowcountry Billing Services, Lexington, SC

FUNDING: Services are paid from the collected fees based on a percentage of money collected from the actions taken by the collections agency. Total collected in 2008 \$55,262.29. Commissions paid to the current company were \$14,339.83. \$40,922.46 was added to Beaufort County's Revenue from this practice. Percentages vary based on the number of days the account is passed due. In 2009 approximately \$46,108.05 was collected, commission of approximately \$12,856.28 resulting in approximately \$33,251.77 in revenue to Beaufort County.

RECOMMENDATION: The Finance Committee approve and recommend to County Council the contract award to Security Collection Agency for collection services, the top ranked firm, with the anticipated cost per year of \$ 15,000.00 for an initial contract term of one year (1) with four (4) additional one (1) year contract renewal periods all subject to the approval of Beaufort County.

cc:Richard Hinefine, Elizabeth Smith

2010 /

AN ORDINANCE OF THE COUNTY OF BEAUFORT, SOUTH CAROLINA, TO AMEND THE ZONING AND DEVELOPMENT STANDARDS ORDINANCE ARTICLE XIII, SECTION 106-2729. STREET DESIGN STANDARDS (TO ESTABLISH CONSTRUCTION STANDARDS FOR UNPAVED ROADS AND TO PERMIT ACCEPTANCE OF UNPAVED ROADS BY THE COUNTY FOR MAINTENANCE OR OWNERSHIP FOR AFFORDABLE HOUSING DEVELOPMENTS WHEN APPROVED BY COUNTY COUNCIL)

Whereas, Standards that are underscored shall be added text and Standards ~~lined through~~ shall be deleted text.

Adopted this ____ day of _____, 2010.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Ladson F. Howell, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

(Amending 99/12)

ARTICLE XIII. SUBDIVISION AND LAND DEVELOPMENT STANDARDS

DIVISION 2. STREET STANDARDS

Sec. 106-2729. Street design standards.

(e) *Minimum construction specifications for, and County acceptance of, unpaved roads.* For the purposes of this article, unpaved road shall not mean dirt road, per se, but shall be referred to as “stabilized aggregate” road. Unpaved roads are to be utilized for residential, low volume traffic usage only. ~~For subdivision of land, low volume traffic shall mean that the highest traffic potential of traffic than can be generated based on the underlying zoning district.~~ All minor subdivisions of land, as long as no more than four lots are served by the proposed road, may utilize a stabilized aggregate, per county standards as follows: 6” of crushed granite or equal as approved by the County Engineer. All major subdivisions shall require paved roads, per county standards. Unpaved roads shall remain private roads and not be accepted by the county for maintenance or ownership unless specifically approved by County Council for an affordable housing development as defined in Sec. 106-2081(3)(a).

2010 /

BEAUFORT COUNTY ZONING MAP AMENDMENT / REZONING REQUEST FOR THREE (3) LADY'S ISLAND PROPERTIES TOTALING 0.917 ACRE AT THE INTERSECTION OF SAM'S POINT ROAD AND MAYFAIR COURT: R201-015-517 AND R201-015-518 FROM PROFESSIONAL OFFICE DISTRICT/POD TO VILLAGE CENTER/VC, AND R201-105-519 FROM LADY'S ISLAND COMMUNITY PRESERVATION/LICP TO VILLAGE CENTER/VC.

BE IT ORDAINED, that County Council of Beaufort County, South Carolina, hereby amends the Zoning Map of Beaufort County, South Carolina. The map is attached hereto and incorporated herein.

Adopted this _____ day of _____, 2010.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Ladson F. Howell, Staff Attorney

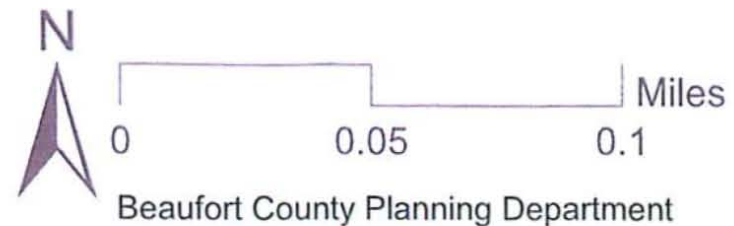
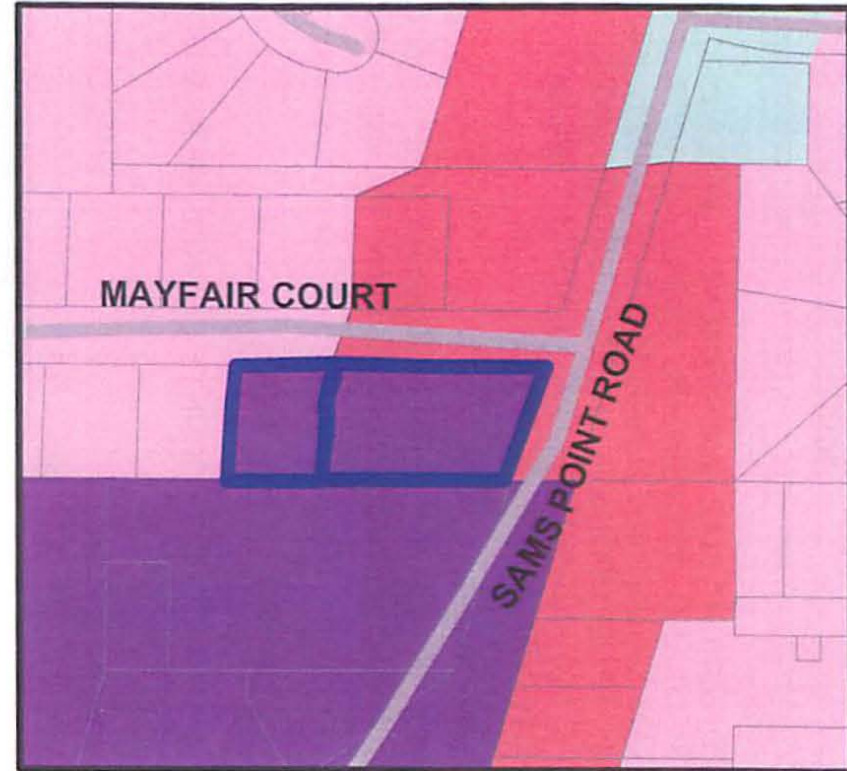
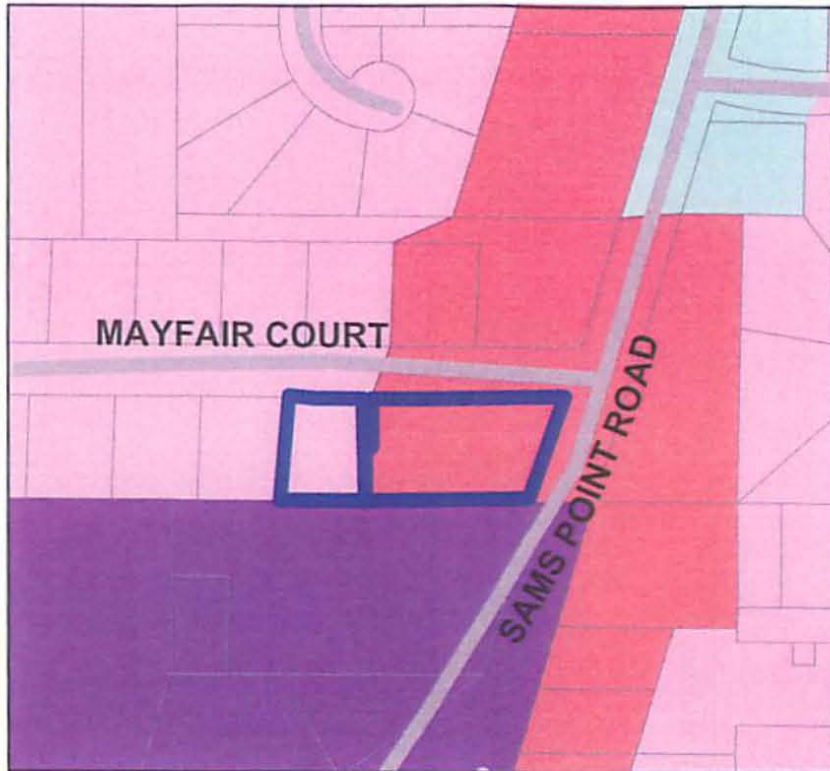
ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading: January 11, 2010
Second Reading: January 25, 2010
Public Hearing:
Third and Final Reading:

(Amending 99/12)

R-201-015-517, -519 rezoning from Professional Office and Community Preservation to Village Center



ORDINANCE NO. _____

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$48,755,000; AUTHORIZING THE BONDS TO BE ISSUED AS TAX-EXEMPT BONDS OR TAXABLE BUILD AMERICA BONDS; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE COUNTY COUNCIL OF BEAUFORT COUNTY, SOUTH CAROLINA, AS FOLLOWS:

SECTION 1. Findings and Determinations. The County Council (the "County Council"), of Beaufort County, South Carolina (the "County"), hereby finds and determines:

(a) Pursuant to Section 4-9-10, Code of Laws of South Carolina 1976, as amended, and the results of a referendum held in accordance therewith, the Council-Administrator form of government was adopted and the County Council constitutes the governing body of the County.

(b) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that each county shall have the power to incur bonded indebtedness in such manner and upon such terms and conditions as the General Assembly shall prescribe by general law. Such debt must be incurred for a public purpose and a corporate purpose in an amount not exceeding eight percent (8%) of the assessed value of all taxable property of such county.

(c) Pursuant to Title 4, Chapter 15 of the Code (the same being and hereinafter referred to as the "County Bond Act"), the governing bodies of the several counties of the State may each issue general obligation bonds to defray the cost of any authorized purpose and for any amount not exceeding its applicable constitutional limit.

(d) The County Bond Act provides that as a condition precedent to the issuance of bonds an election be held and the result be favorable thereto. Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended, provides that if an election be prescribed by the provisions of the County Bond Act, but not be required by the provisions of Article X of the Constitution, then in every such instance, no election need be held (notwithstanding the requirement therefor) and the remaining provisions of the County Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions.

(e) The American Recovery and Reinvestment Act of 2009 (the "ARRA"), Pub. L. 111-5, Feb. 17, 2009, 123 Stat. 115, amends the Internal Revenue Code of 1986, as amended (the "Code"), to provide for the issuance of Build America Bonds ("BABs") if (a) the interest on such obligation would otherwise be excludable from gross income under Section 103 of the Code; (b) such obligation is issued before January 1, 2011; and (c) the issuer makes an irrevocable election to have Section 54AA of the Code apply to the obligation. BABs are taxable obligations which provide a tax credit in the amount of 35% of the interest payable by the issuer, either as an annual credit to the respective bondholders under

Section 54AA(a) of the Code, or, if the bond is qualified under Section 54AA(g) of the Code, and the issuer so elects, as an annual direct payment to the issuer under Section 6431 of the Code.

(f) In a referendum (the "Referendum") held in the County on November 7, 2006, the following question was submitted to the qualified electors of the County:

Shall the County be empowered to issue, either at one time as a single issue or from time to time as several separate issues, general obligation bonds of the County in the aggregate principal amount not to exceed \$50,000,000, the proceeds of which shall be used for the purpose of defraying the costs of the County Rural and Critical Land Preservation Program which preserves land by purchasing open land, development rights and conversation easements in all areas of Beaufort County, in order to alleviate traffic congestion in high growth areas and to protect water quality, natural lands, wildlife areas, farmland, parkland, coastal areas, rivers and wetlands, legal fees and costs of issuance of such bonds, provided that all expenditures shall be prioritized based upon the official criteria and ranking system established for the County and subject to annual audit?

The Referendum was duly conducted and a majority of the qualified electors of the County voted in favor of the issuance of the general obligation bonds.

(g) Article X, Section 15 of the Constitution further provides that general obligation bond anticipation notes may be issued in anticipation of the proceeds of general obligation bonds which may lawfully be issued under such terms and conditions that the General Assembly may prescribe by law.

(h) Pursuant to the provisions of Title 11, Chapter 17 of the Code of Laws of South Carolina, 1976, as amended ("Title 11, Chapter 17"), any county, whenever authorized by general or special law to issue bonds, may, pending the sale and issuance thereof, borrow in anticipation of the receipt of the proceeds of the bonds. Such provisions also provide that if any approval be necessary prior to the issuance of bonds by the county, the county must obtain the same approval prior to the issuance of temporary financing provided therein.

(i) Pursuant to the Constitution, the Referendum and Title 11, Chapter 17, the County issued its \$48,755,000 General Obligation Bond Anticipation Notes, Series 2009 (the "2009 Notes") which mature on March 10, 2010.

(j) The assessed value of all the taxable property in the County as of June 30, 2009, is \$1,794,765,540. Eight percent of the assessed value is \$143,581,243. As of the date hereof, the outstanding general obligation debt of the County subject to the limitation imposed by Article X, Section 14(7) of the Constitution is \$106,425,458. Thus, the County may incur not exceeding \$37,155,785 of additional general obligation debt within its applicable debt limitation.

The calculation above includes the portion (\$28,755,000) of the County's 2009 Notes which counts against the County's constitutional debt limit and which will be paid at maturity with the proceeds of the bonds authorized herein. Upon the issuance of the bonds authorized herein and payment of the 2009 Notes, the County's available debt limitation will remain unchanged.

(k) It is now in the best interest of the County for the County Council to provide for the issuance and sale of not exceeding \$48,755,000 aggregate principal amount general obligation bonds of the County, the proceeds of which along with other available funds of the County will be used for the

following purposes: (i) paying at maturity the 2009 Notes; (ii) paying legal and financial advisor fees and other costs of issuance of the Bonds (hereinafter defined); and (iii) such other lawful purposes as the County Council shall determine.

SECTION 2. Authorization and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding \$48,755,000 aggregate principal amount of general obligation bonds of the County to be designated "48,755,000 (or such lesser amount issued) General Obligation Bonds (appropriate series designation), of Beaufort County, South Carolina" (the "Bonds"), for the purpose set forth in Section 1(k) and other costs incidental thereto, including without limiting the generality of such other costs, engineering, financial and legal fees.

The Bonds shall be issued as fully registered bonds registrable as to principal and interest; shall be dated their date of delivery to the initial purchaser(s) thereof; shall be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; shall be subject to redemption if such provision is in the best interest of the County; shall be numbered from R-1 upward; shall bear interest from their date payable at such times as hereinafter designated by the County Administrator and/or his lawfully-authorized designee at such rate or rates as may be determined at the time of the sale thereof; and shall mature serially in successive annual installments as determined by the County Administrator and/or his lawfully-authorized designee.

~~Wells Fargo Bank, N.A., Atlanta, Georgia, shall serve as~~ Within twenty-four (24) hours after the receipt of bids, the County Administrator is hereby authorized to designate the registrar and paying agent (the "Registrar/Paying Agent") for the Bonds. The Registrar/Paying Agent shall be a bank, trust company, depository or transfer agent located either within or without the State of South Carolina.

SECTION 3. Delegation of Authority to Determine Certain Matters Relating to the Bonds. Without further authorization, the County Council hereby delegates to the County Administrator his lawfully-authorized designee the authority to determine which Bonds, if any, shall be issued as traditional tax-exempt bonds and which bonds, if any, shall be issued as BABs.

In connection with the issuance of traditional tax-exempt bonds, the County Council hereby delegates to the County Administrator or his lawfully-authorized designee the authority to determine: (a) the maturity dates of the Bonds and the respective principal amounts maturing on such dates; (b) the interest payment dates of the Bonds; (c) redemption provisions, if any, for the Bonds; (d) the date and time of sale of the Bonds; (e) the authority to receive bids on behalf of the County Council; and (f) the authority to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Bonds.

In connection with the issuance of BABs, the County Council hereby delegates to the County Administrator or his lawfully-authorized designee the authority to determine: (a) the maturity dates of the Bonds and the respective principal amounts maturing on such dates; (b) the interest payment dates of the Bonds; (c) redemption provisions, if any, for the Bonds; (d) the date and time of sale of the Bonds; (e) the authority to receive bids on behalf of the County Council; (f) the authority to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Bonds, provided it reflects the lowest cost of borrowing to the County; (g) whether the tax credit shall be provided as a credit to the bondholders or as a direct payment to the County, and (h) to make an irrevocable election to have Section 54AA of the Code apply to the Bonds issued as BABs.

After the sale of the Bonds, the County Administrator and/or his lawfully-authorized designee shall submit a written report to County Council setting forth the details of the Bonds as set forth in this paragraph.

SECTION 4. Registration, Transfer and Exchange of Bonds. The County shall cause books (herein referred to as the "registry books") to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Bonds. Upon presentation at its office for such purpose the Registrar/Paying Agent shall register or transfer, or cause to be registered or transferred, on such registry books, the Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

Each Bond shall be transferable only upon the registry books of the County, which shall be kept for such purpose at the principal office of the Registrar/Paying Agent, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar/Paying Agent duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such Bond the Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee a new fully registered Bond or Bonds, of the same aggregate principal amount, interest rate, and maturity as the surrendered Bond. Any Bond surrendered in exchange for a new registered Bond pursuant to this Section shall be canceled by the Registrar/Paying Agent.

The County and the Registrar/Paying Agent may deem or treat the person in whose name any fully registered Bond shall be registered upon the registry books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor the Registrar/Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring Bonds is exercised, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. Neither the County nor the Registrar/Paying Agent shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an interest payment date on such Bonds.

SECTION 5. Record Date. The County hereby establishes a record date for the payment of interest or for the giving of notice of any proposed redemption of Bonds, and such record date shall be the fifteenth (15th) day (whether or not a business day) preceding an interest payment date on such Bond or in the case of any proposed redemption of Bonds, such record date shall be the fifteenth (15th) day (whether or not a business day) prior to the giving of notice of redemption of bonds.

SECTION 6. Mutilation, Loss, Theft or Destruction of Bonds. In case any Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the County shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a new Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event the applicant for the issuance of a substitute Bond shall furnish the County and the Registrar evidence or proof satisfactory to the County and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity in an amount as may be required by the laws of the State of South Carolina or such greater amount as may be required by the County and the Registrar. Any duplicate Bond issued under the provisions of this Section in

exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance as was the original Bond in lieu of which such duplicate Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder.

All expenses necessary for the providing of any duplicate Bond shall be borne by the applicant therefor.

SECTION 7. Execution of Bonds. The Bonds shall be executed in the name of the County with the manual or facsimile signature of the Chairman of the County Council attested by the manual or facsimile signature of the Clerk to the County Council under a facsimile of the seal of the County impressed, imprinted or reproduced thereon; provided, however, the facsimile signatures appearing on the Bonds may be those of the officers who are in office on the date of enactment of this Ordinance. The execution of the Bonds in such fashion shall be valid and effectual, notwithstanding any subsequent change in such offices. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Bond shall bear a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.

SECTION 8. Form of Bonds. The Bonds and the certificate of authentication shall be in substantially the form set forth in Exhibit A attached hereto and incorporated herein by reference. For any Bonds issued as BABs, appropriate changes will be made in the form of the bonds attached hereto.

SECTION 9. Security for Bonds. The full faith, credit, and taxing power of the County are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature, and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the County Auditor and collected by the County Treasurer, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

The County Council shall give the County Auditor and County Treasurer written notice of the delivery of and payment for the Bonds and they are hereby directed to levy and collect annually, on all taxable property in the County, a tax, without limit, sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor. To the extent allowed by law, the County Auditor and County Treasurer, may consider the amounts available as an annual direct payment to the County under Section 6431 (or other relevant section) of the Code when levying and collecting the taxes provide for herein, for any Bonds issued as BABs.

SECTION 10. Notice of Public Hearing. The County Council hereby ratifies and approves the publication of a notice of public hearing regarding the Bonds and this Ordinance, such notice in substantially the form attached hereto as Exhibit B, having been published in *The Island Packet* and *The Beaufort Gazette*, newspapers of general circulation in the County, not less than 15 days prior to the date of such public hearing.

SECTION 11. Initiative and Referendum. The County Council hereby delegates to the County Administrator and/or his lawfully-authorized designee the authority to determine whether the Notice prescribed under the provisions of Section 5 of Title 11, Chapter 27 of the Code relating to the initiative and referendum provisions contained in Title 4, Chapter 9, Article 13 of the Code shall be given with respect to this Ordinance. If said Notice is given, the County Administrator and/or his lawfully-

authorized designee are authorized to cause such Notice to be published in a newspaper of general circulation in the County, in substantially the form attached hereto as Exhibit C.

SECTION 12. Exemption from State Taxes. Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the Code of Laws of South Carolina 1976, as amended, from all State, county, municipal, County and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

SECTION 13. Tax Covenants. The County hereby covenants and agrees with the holders of the Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the holders of the Bonds 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 Bonds; provided, however, that for purposes of this covenant only, the County shall not be in violation of this covenant solely because it makes the irrevocable election under Section 54AA(d) or (g) (as applicable) of the Code with respect to Bonds to be issued as BABs. The County further covenants and agrees with the holders of the Bonds that no use of the proceeds of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds would have caused the Bonds to be "arbitrage bonds," as defined in Section 148 of the Code, and to that end the County hereby shall:

(a) comply with the applicable provisions of Sections 54(A)(A), 103 and 141 through 150 of the Code and any regulations promulgated thereunder so long as the Bonds are outstanding;

(b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States; and

(c) make such reports of such information at the time and places required by the Code.

SECTION 14. Book-Entry System. The Bonds initially issued (the "Initial Bonds") will be eligible securities for the purposes of the book-entry system of transfer maintained by The Depository Trust Company, New York, New York ("DTC"), and transfers of beneficial ownership of the Initial Bonds shall be made only through DTC and its participants in accordance with rules specified by DTC. Such beneficial ownership must be of \$5,000 principal amount of Bonds of the same maturity or any integral multiple of \$5,000.

The Initial Bonds shall be issued in fully-registered form, one Bond for each of the maturities of the Bonds, in the name of Cede & Co., as the nominee of DTC. When any principal of or interest on the Initial Bonds becomes due, the Paying Agent, on behalf of the County, shall transmit to DTC an amount equal to such installment of principal and interest. DTC shall remit such payments to the beneficial owners of the 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 DTC in accordance with the provisions of the Ordinance.

If (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the County has advised DTC of its determination that DTC is incapable of discharging its duties, the County shall attempt to retain another qualified securities depository to replace DTC. Upon receipt by the County the Initial Bonds together with an assignment duly executed by DTC, the County shall execute and deliver to the successor securities depository Bonds of the same principal amount, interest rate, and maturity registered in the name of such successor.

If the County is unable to retain a qualified successor to DTC or the County 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 Bonds might be adversely affected if the book-entry system of transfer is continued (the County 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 Bonds by mailing an appropriate notice to DTC, upon receipt by the County the Initial Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Bonds in fully-registered form, in substantially the form set forth in Section 8 of this Ordinance in the denomination of \$5,000 or any integral multiple thereof.

Notwithstanding the foregoing, at the request of the purchaser, the Bonds will be issued as one single fully-registered bond and not issued through the book-entry system.

SECTION 15. Sale of Bonds, Form of Notice of Sale. The Bonds shall be offered for public sale on the date and at the time designated by the County Administrator and/or his lawfully-authorized designee. A Notice of Sale in substantially the form set forth as Exhibit D attached hereto and incorporated herein by reference shall be distributed to prospective bidders and a summary of such Notice of Sale shall be published in a newspaper of general circulation in the State of South Carolina and/or in a financial publication published in the City of New York not less than seven (7) days prior to the date set for such sale. For any Bonds to be offered as BABS, appropriate modifications shall be made in the Notice of Sale.

SECTION 16. Preliminary and Final Official Statement. The County Council hereby authorizes and directs the County Administrator and/or his lawfully-authorized designee to prepare, or cause to be prepared, a Preliminary Official Statement to be distributed to prospective purchasers of the Bonds together with the Notice of Sale. The County Council authorizes the County Administrator to designate the Preliminary Official Statement as "final" for purposes of Rule 15c2-12 of the Securities Exchange Commission. The County Administrator and/or his lawfully-authorized designee are further authorized to see to the completion of the final form of the Official Statement upon the sale of the Bonds so that it may be provided to the purchaser of the Bonds.

SECTION 17. Filings with Central Repository. In compliance with Section 11-1-85, South Carolina Code of Laws 1976, as amended, the County covenants that it will file or cause to be filed with a central repository for availability in the secondary bond market when requested: (a) a copy of the annual financial report of the County within thirty (30) days from the County's receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which adversely affects more than five (5%) percent of the revenues of the County or the County's tax base.

SECTION 18. Continuing Disclosure. In compliance with the Securities and Exchange Commission Rule 15c2-12 (the "Rule") the County covenants and agrees for the benefit of the holders from time to time of the Bonds to execute and deliver prior to closing, and to thereafter comply with the terms of a Disclosure Dissemination Agent Agreement in substantially the form appearing as Exhibit E

attached to this Ordinance. In the event of a failure of the County to comply with any of the provisions of the Disclosure Dissemination Agent Agreement, an event of default under this Ordinance shall not be deemed to have occurred. In such event, the sole remedy of any bondholder or beneficial owner shall be an action to compel performance by this Ordinance.

SECTION 19. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bonds shall be deposited with the County Treasurer in a special fund and shall be applied solely to the purposes for which the Bonds have been issued, including payment of costs of issuance of the Bonds, except that any premium shall be placed in the sinking fund established for the Bonds.

SECTION 20. Defeasance. The obligations of the County under this Ordinance and the pledges, covenants and agreements of the County herein made or provided for, shall be fully discharged and satisfied as to any portion of the Bonds, and such Bond or Bonds shall no longer be deemed to be outstanding hereunder when:

(a) such Bond or Bonds shall have been purchased by the County and surrendered to the County for cancellation or otherwise surrendered to the County or the Paying Agent and is canceled or subject to cancellation by the County or the Paying Agent; or

(b) payment of the principal of and interest on such Bonds either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with a corporate trustee in trust and irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment, or (2) Government Obligations (hereinafter defined) 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 corporate trustee. At such time as the Bonds shall no longer be deemed to be outstanding hereunder, such Bonds shall cease to draw interest from the due date thereof and, except for the purposes of any such payment from such moneys or Government Obligations, shall no longer be secured by or entitled to the benefits of this Ordinance.

“Government Obligations” shall mean any of the following:

- (a) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America;
- (b) non-callable, U. S. Treasury Securities - State and Local Government Series (“SLGS”); and
- (c) general obligation bonds of the State, its institutions, agencies, school districts and political subdivisions.

SECTION 21. Authorization to Issue General Obligation Bond Anticipation Notes. Pursuant to the Constitution and Title 11, Chapter 17, pending the issuance of the Bonds, County Council hereby authorizes the issuance of general obligation bond anticipation notes in an amount not to exceed \$48,755,000 (the “Notes”) for the purposes set forth in Section 1(k) herein. In the event, Notes are issued prior to issuing the Bonds, County Council will adopt a resolution prior to the issuance thereof setting forth the details of the Notes.

SECTION 22. Miscellaneous. The County Council hereby authorizes the County Administrator, Chair of the County Council, the Clerk to the County Council and County Attorney to execute such documents and instruments as necessary to effect the issuance of the Bonds. The County Council hereby retains McNair Law Firm, P.A., as bond counsel and Ross, Sinclaire & Associates, LLC, as financial advisor in connection with the issuance of the Bonds.

All rules, regulations, resolutions, and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its enactment.

Enacted this ____ day of _____, 2009.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair, County Council

(SEAL)

ATTEST:

Clerk, County Council

First Reading: January 11, 2010
Second Reading: January 25, 2010
Public Hearing:
Third and Final Reading:

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT
GENERAL OBLIGATION BOND, SERIES 2010_

No. R-

<u>INTEREST</u>	<u>MATURITY</u>	<u>ORIGINAL</u>	
<u>RATE</u>	<u>DATE</u>	<u>ISSUE DATE</u>	<u>CUSIP</u>

REGISTERED HOLDER:

PRINCIPAL AMOUNT: DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Beaufort County, South Carolina (the "County"), is justly indebted and, for value received, hereby promises to pay to the registered holder specified above, or registered assigns, the principal amount specified above on the maturity date specified above, upon presentation and surrender of this Bond at the principal office of Wells Fargo Bank, N.A., in the City of Atlanta, State of Georgia (the "Paying Agent"), and to pay interest on such principal amount from the date hereof at the rate per annum specified above until this Bond matures. Interest on this Bond is payable _____ 1, 20____, and semiannually on _____ 1 and _____ 1 of each year thereafter, until this Bond matures, and shall be payable by check or draft mailed to the person in whose name this Bond is registered on the registration books of the County maintained by the registrar, presently Wells Fargo Bank, N.A. in Atlanta, Georgia (the "Registrar"), at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, that interest on this fully registered Bond shall be paid by check or draft as set forth above.

This Bond shall not be entitled to any benefit under the Ordinance (hereafter defined), nor become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been duly executed by the Registrar.

For the payment hereof, both principal and interest, as they respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are irrevocably pledged and there shall be levied annually by the Auditor of the County and collected by the Treasurer of the County, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this Bond as they respectively mature and to create such sinking fund as may be necessary therefor.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, denomination, date of maturity, redemption provisions, and rate of interest, aggregating _____ Dollars (\$ _____), issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 15, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. _____ duly enacted by the County Council on _____, 2010.

[Redemption Provisions]

This Bond is transferable as provided in the Ordinance, only upon the books of the County kept for that purpose at the principal office of the Registrar by the registered holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or his duly authorized attorney. Thereupon a new fully registered Bond or Bonds of the same aggregate principal amount, interest rate redemption provisions, if any, and maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance. The County, the Registrar and the Paying Agent 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 hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina, this Bond and the interest hereon are exempt from all State, county, municipal, County and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to or in the issuance of this Bond exist, have happened and have been performed in regular and due time, form and manner as required by law; that the amount of this Bond, together with all other indebtedness of the County, does not exceed the applicable limitation of indebtedness under the laws of the State of South Carolina; and that provision has been made for the levy and collection of a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this Bond as the same shall respectively mature and to create such sinking fund as may be necessary therefor.

IN WITNESS WHEREOF, BEAUFORT COUNTY, SOUTH CAROLINA, has caused this Bond to be signed with the manual or facsimile signature of the Chairman of the County Council, attested by the manual or facsimile signature of the Clerk to the County Council and the seal of the County impressed, imprinted, or reproduced hereon.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair of County Council

(SEAL)

ATTEST:

Clerk of County Council

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

This bond is one of the Bonds described in the within mentioned Ordinance of Beaufort County, South Carolina.

_____ as Registrar

By: _____ Authorized Officer

The following abbreviations, when used in the inscription on the face of this Bond shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - As tenants in common

UNIF GIFT MIN. ACT

TEN ENT - As tenants by the entireties

_____ Custodian _____
(Cust.) (Minor)

JT TEN - As joint tenants with right of survivorship and not as tenants in common

under Uniform Gifts to Minors

_____ (State)

Additional abbreviations may also be used though not in list above.

[FORM OF ASSIGNMENT]

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

_____ (Name and address of Transferee)

the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

_____ Signature Guaranteed:

_____ (Authorizing Officer)

Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP") or similar program.

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

A copy of the final approving opinion to be rendered shall be attached to each Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the County with a manual or facsimile signature of the Clerk to the County Council. The certificate shall be in substantially the following form:

[FORM OF CERTIFICATE]

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the complete final approving opinion (except for date and letterhead) of McNair Law Firm, P.A., Columbia, South Carolina, approving the issue of Bonds of which the within Bond is one, the original of which opinion was manually executed, dated and issued as of the date of delivery of and payment for the Bonds and a copy of which is on file with the County Council of Beaufort County, South Carolina.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Clerk of County Council

FORM OF NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Beaufort County, South Carolina (the "County"), County Administration Building, 100 Ribaut Road, Beaufort, South Carolina, at 6:00 p.m. on February 8, 2010.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of General Obligation Bonds of Beaufort County, South Carolina, in the principal amount of not exceeding \$48,755,000 (the "Bonds"). The proceeds of the bonds will be used together with other available funds of the County for the following purposes: (i) paying at maturity the County's \$48,755,000 General Obligation Bond Anticipation Notes, Series 2008; (ii) paying legal and financial advisor fees and other costs of issuance of the bonds; and (iii) such other lawful purposes as the County Council shall determine.

The full faith, credit, and taxing power of the County will be pledged for the payment of the principal of and interest on the Bonds and a tax, without limit, will be levied on and collected annually, in the same manner other County taxes are levied and collected, on all taxable property of the County sufficient to pay to principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

At the public hearing all taxpayers and residents of the County and any other interested persons who appear will be given an opportunity to express their views for or against the Ordinance and the issuance of the Bonds.

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA

FORM OF NOTICE

NOTICE OF ADOPTION OF ORDINANCE

Notice is hereby given that on _____, 2010, the Beaufort County Council adopted an ordinance entitled: "ORDINANCE NO. _____ AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$48,755,000; AUTHORIZING THE BONDS TO BE ISSUED AS TAX-EXEMPT BONDS OR TAXABLE BUILD AMERICA BONDS; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO" (the "Ordinance").

The proceeds of the bonds will be used together with other available funds of the County for the following purposes: (i) paying at maturity the County's \$48,755,000 General Obligation Bond Anticipation Notes, Series 2008; (ii) paying legal and financial advisor fees and other costs of issuance of the bonds; and (iii) such other lawful purposes as the County Council shall determine.

Pursuant to Section 11-27-40(8) of the South Carolina Code of Laws, 1976, as amended, unless a notice, signed by not less than five (5) qualified electors of the County, of the intention to seek a referendum is filed both in the office of the Clerk of Court of the County and with the Clerk of the County Council, the initiative and referendum provisions of South Carolina law, Sections 4-9-1210 to 4-9-1230, South Carolina Code of Laws 1976, as amended, shall not be applicable to the Ordinance. The notice of intention to seek a referendum must be filed within twenty (20) days following the publication of this notice of the adoption of the aforesaid Ordinance in a newspaper of general circulation in Beaufort County.

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA

FORM OF NOTICE OF SALE

OFFICIAL NOTICE OF SALE

\$ _____ GENERAL OBLIGATION BONDS, SERIES 2010_,
OF BEAUFORT COUNTY, SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that sealed bids, facsimile bids and electronic bids will be received on behalf of Beaufort County, South Carolina (the "County"), _____, Beaufort, South Carolina, until 11:00 a.m, South Carolina time, on _____, _____, 2009, at which time said proposals will be publicly opened for the purchase of \$ _____ General Obligation Bonds, Series 2010_, of the County (the "Bonds").

Sealed Bids: Each hand delivered proposal shall be enclosed in a sealed envelope marked "Proposal for \$ _____ General Obligation Bonds, Series 2010_, Beaufort County, South Carolina" and should be directed to the County Administrator at the address in the first paragraph hereof.

Facsimile Bids: The County will accept the facsimile transmission of a manually signed Official Bid Form at the risk of the Bidder. The County shall not be responsible for the confidentiality of bids submitted by facsimile transmission. Any delay in receipt of a facsimile bid, and any incompleteness or illegible portions of such bid are the responsibility of the bidder. Bids by facsimile should be transmitted to the attention of the County Administrator, fax number (843) _____.

Electronic Bids: Electronic proposals must be submitted through i-Deal's Parity Electronic Bid Submission System ("Parity"). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Parity may be obtained from i-Deal, 1359 Broadway, 2nd Floor, New York, New York 10018, Customer Support, telephone (212) 849-5021.

PROPOSALS MAY BE DELIVERED BY HAND, BY MAIL, BY FACSIMILE TRANSMISSION OR BY ELECTRONIC BID, BUT NO PROPOSAL SHALL BE CONSIDERED WHICH IS NOT ACTUALLY RECEIVED BY THE COUNTY AT THE PLACE, DATE AND TIME APPOINTED, AND THE COUNTY SHALL NOT BE RESPONSIBLE FOR ANY FAILURE, MISDIRECTION, DELAY OR ERROR RESULTING FROM THE SELECTION BY ANY BIDDER OF ANY PARTICULAR MEANS OF DELIVERY OF BIDS.

Book-Entry-Only Bonds: The Bonds will be issued in fully-registered form. One Bond representing each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds and each such Bond will be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates representing each maturity with DTC.

The Bonds will be issued in fully-registered form registered as to principal and interest; will be dated _____, 2010; will be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing in each year; and will mature serially in successive annual installments on _____ in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount*</u>
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*Preliminary, subject to adjustment.

Adjustment of Maturity Schedule. The County reserves the right, in its sole discretion, either to decrease or increase the principal amount of the Bonds maturing in any year (all calculations to be rounded to the near \$5,000), provided that any such decrease or increase shall not exceed 10% of the Bonds. Such adjustment(s), if any, shall be made within twenty-four (24) hours of the award of the Bonds. In order to calculate the yield on the Bonds for federal tax law purposes and as a condition precedent to the award of the Bonds, bidders must disclose to the County in connection with their respective bids the price (or yield to maturity) at which each maturity of the Bonds will be reoffered to the public.

In the event of any adjustment of the maturity schedule for the Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. Nevertheless, the award of the Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Bonds offered, without taking into account any adjustment in the amount of the Bonds pursuant to this paragraph.

The Bonds will bear interest from the date thereof payable semiannually on _____ and _____ of each year, commencing _____, until they mature.

[Redemption Provisions]

Registrar/Paying Agent: ~~Wells Fargo Bank, N.A., will serve as Registrar/Paying Agent for the Bonds.~~ Within twenty-four (24) hours after the receipt of bids, the County will designate the registrar and paying agent (the "Registrar/Paying Agent") for the Bonds. The Registrar/ Paying Agent shall be a bank, trust company, depository or transfer agent located either within or without the State of South Carolina.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 of 1% and the interest rate specified for any maturity shall not be lower than the interest rate specified for any previous maturity. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. A bid for less than all the Bonds, a bid at a price less than par or a bid which includes a premium in excess of 10% of the par amount of the Bonds will not be considered. In addition to the bid price, the successful bidder must pay accrued interest from the date of the Bonds to the date of full payment of the purchase price.

Award of Bid. The Bonds will be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost (TIC) to the County. The TIC will be the nominal interest rate which, when compounded semiannually and used to discount all debt service payments on the Bonds (computed at the interest rates specified in the bid and on the basis of a 360-day year of twelve 30-day months) to the dated date of the Bonds, results in an amount equal to the price bid for the Bonds. In the case of a tie bid, the winning bid will be awarded by lot. The County reserves the right to reject any and

all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 3:00 p.m., South Carolina time, on the date of the sale.

Security: The full faith, credit, and taxing power of the County are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature, and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the Auditor of the County and collected by the Treasurer of the County, in the same manner as other county taxes are levied and collected, an ad valorem tax, without limit, on all taxable property in the County sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

Good Faith Deposit: No good faith deposit is required.

Bid Form: Proposals should be enclosed in a separate sealed envelope marked "Proposal for \$ _____ General Obligation Bonds, Series 2010_ of Beaufort County, South Carolina" and should be directed to the County Administrator at the address in the first paragraph hereof. It is requested but not required that you submit your bid on the Proposal for Purchase of Bonds supplied with the Official Statement.

Official Statement: Upon the award of the Bonds, the County will prepare an official statement (the "Official Statement") in substantially the same form as the preliminary official statement subject to minor additions, deletions and revisions as required to complete the Official Statement. Within seven (7) business days after the award of the Bonds, the County will deliver the Official Statement to the successful bidder in sufficient quantity to comply with Rule G-32 of the Municipal Securities Rulemaking Board. The successful bidder agrees to supply to the County all necessary pricing information and any Underwriter identification necessary to complete the Official Statement within 24 hours after the award of the Bonds.

Continuing Disclosure: In order to assist the bidders in complying with S.E.C. Rule 15c2-12(b)(5), the County will undertake, pursuant to an ordinance and a continuing disclosure certificate, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Legal Opinion: The County Council shall furnish upon delivery of the Bonds the final approving opinion of McNair Law Firm, P.A., Columbia, South Carolina, which opinion shall accompany each Bond, together with the usual closing documents, including a certificate of the County that no litigation is pending affecting the Bonds.

Certificate as to Issue Price: The successful bidder must provide a certificate to the County by the date of delivery of the Bonds, stating the initial reoffering price of the Bonds to the public (excluding bond houses and brokers) and the price at which a substantial amount of the Bonds were sold to the public, in form satisfactory to Bond Counsel. A sample copy of such a certificate may be obtained from Bond Counsel.

Delivery: The Bonds will be delivered on or about _____, 2010, in New York, New York, at the expense of the County. The balance of the purchase price then due, including the amount of accrued interest, must be paid in federal funds or other immediately available funds.

BEAUFORT COUNTY, SOUTH CAROLINA

s/ _____
Chair of County Council

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT**DISCLOSURE DISSEMINATION AGENT AGREEMENT**

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of _____, 2010, is executed and delivered by Beaufort County, South Carolina (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the Repository.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Bonds" means the obligations of the Issuer as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice required to be submitted to the Repository under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"Disclosure Representative" means the Chief Financial Officer, the senior member of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means the Annual Financial Information, the Audited Financial Statements (if any) the Notice Event notices, and the Voluntary Reports.

“Notice Event” means an event listed in Sections 4(a) of this Disclosure Agreement.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Official Statement” means that Official Statement prepared by the Issuer in connection with the Bonds as listed on Appendix A.

“Repository” means the MSRB through its Electronic Municipal Market Access (“EMMA”) system at www.emma.msrb.org.

“Trustee” means the institution identified as Registrar/Paying Agent in the document under which the Bonds were issued.

“Voluntary Report” means the information provided to the Disclosure Dissemination Agent by the Issuer pursuant to Section 7.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the Repository not later than 210 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2010. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification) no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Notice

Event as described in Section 4(a)(12) has occurred and to immediately send a notice to the Repository in substantially the form attached as Exhibit B.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 12:00 noon on the first business day following the Annual Filing Date for the Annual Report, a Notice Event described in Section 4(a)(12) shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the Repository in substantially the form attached as Exhibit B.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certificate, together with a copy for the Trustee, for filing with each National Repository and the State Depository (if any).

(e) The Disclosure Dissemination Agent shall:

- (i) upon receipt, promptly file each Annual Report received under Section 2(a) with the Repository;
- (ii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the Repository;
- (iii) upon receipt, promptly file the text of each disclosure to be made with the Repository together with a completed copy of the MSRB Material Event Notice Cover Sheet in the form attached as Exhibit C, describing the event by checking the box indicated below when filing pursuant to the Section of this Disclosure Agreement indicated:
 - 1. "Principal and interest payment delinquencies," pursuant to Sections 4(c) and 4(a)(1);
 - 2. "Non-Payment related defaults," pursuant to Sections 4(c) and 4(a)(2);
 - 3. "Unscheduled draws on debt service reserves reflecting financial difficulties," pursuant to Sections 4(c) and 4(a)(3);
 - 4. "Unscheduled draws on credit enhancements reflecting financial difficulties," pursuant to Sections 4(c) and 4(a)(4);
 - 5. "Substitution of credit or liquidity providers, or their failure to perform," pursuant to Sections 4(c) and 4(a)(5);
 - 6. "Adverse tax opinions or events affecting the tax-exempt status of the security," pursuant to Sections 4(c) and 4(a)(6);
 - 7. "Modifications to rights of securities holders," pursuant to Sections 4(c) and 4(a)(7);
 - 8. "Bond calls," pursuant to Sections 4(c) and 4(a)(8);

9. "Defeasances," pursuant to Sections 4(c) and 4(a)(9);
10. "Release, substitution, or sale of property securing repayment of the securities," pursuant to Sections 4(c) and 4(a)(10);
11. "Ratings changes," pursuant to Sections 4(c) and 4(a)(11);
12. "Failure to provide annual financial information as required," pursuant to Section 2(b)(ii) or Section 2(c), together with a completed copy of Exhibit B to this Disclosure Agreement;
13. "Other material event notice (specify)," pursuant to Section 7 of this Agreement, together with the summary description provided by the Disclosure Representative.

- (iv) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the Repository, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the information provided in the Official Statement under the headings: "THE BONDS - Security," "DEBT STRUCTURE - Outstanding Indebtedness," "CERTAIN FISCAL MATTERS - Assessed Value of Taxable Property in the County," "- Estimated True Value of All Taxable Property in the County," "- Tax Rates," "- Tax Collections for Last Five Years," and "- Ten Largest Taxpayers."

(b) Audited Financial Statements prepared in accordance with GAAP as described in the Official Statement will be included in the Annual Report.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with the Repository. If the document incorporated by reference is a final official statement, it must be available from the Repository. The Issuer will clearly identify each such document so incorporated by reference.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events, if material, with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. **Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;**
5. **Substitution of credit or liquidity providers, or their failure to perform;**
6. **Adverse tax opinions or events affecting the tax-exempt status of the Bonds;**
7. **Modifications to rights of Bond holders;**
8. **Bond calls;**
9. **Defeasances;**
10. **Release, substitution, or sale of property securing repayment of the Bonds;**
11. **Rating changes on the Bonds;**
12. **Failure to provide annual financial information as required; and**
13. **Other material event notice (specify) _____.**

The Issuer shall promptly notify the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c). Such notice shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information.

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within five business days of receipt of such notice, instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c), together with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information.

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the Repository.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, notices of Notice Events, and Voluntary Reports filed pursuant to Section 7(a), the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the

Disclosure Dissemination Agent to so advise the Issuer shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Reports.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file information with the Repository, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

THE ISSUER AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and neither of them shall incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the Issuer.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10

days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of New York (other than with respect to conflicts of laws), except the capacity of the Issuer to enter into this Disclosure Agreement and its enforceability against the Issuer shall be governed by and construed in accordance with the laws of the State of South Carolina.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent and the Issuer have caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: _____
Name: _____
Title: _____

BEAUFORT COUNTY, SOUTH CAROLINA,
as Issuer

By: _____
Name: Gary Kubic
Title: County Administrator

EXHIBIT A
NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer	Beaufort County, South Carolina
Obligated Person(s)	David Starkey Chief Financial Officer
Name of Bond Issue:	General Obligation Bonds, Series 2010, \$ _____
Date of Issuance:	_____, 2010
Date of Official Statement	_____, 2010
CUSIP Number:	

EXHIBIT C
MATERIAL EVENT NOTICE COVER SHEET

This cover sheet and material event notice should be sent to the Municipal Securities Rulemaking Board or to all Nationally Recognized Municipal Securities Information Repository, and the State Information Depository, if applicable, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name: _____

Issuer's Six-Digit CUSIP Number: _____

or Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates:

Number of pages of attached material event notice: ____

Description of Material Events Notice (Check One):

1. Principal and interest payment delinquencies
2. Non-Payment related defaults
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions or events affecting the tax-exempt status of the security
7. Modifications to rights of securities holders
8. Bond calls
9. Defeasances
10. Release, substitution, or sale of property securing repayment of the securities
11. Rating changes
12. Failure to provide annual financial information as required
13. Other material event notice (specify)
14. _____

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: _____

Name: _____ Title: _____

Employer: Digital Assurance Certification, L.L.C.

Address: _____

City, State, Zip Code: _____

Voice Telephone Number: _____

Committee Reports

February 8, 2010

A. REPORTING COMMITTEES

1. Community Services

① Disabilities and Special Needs Board

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
01.25.10	Grace Dennis	At Large	Reappoint	10 of 11
01.25.10	Beverly Dore	At Large	Reappoint	10 of 11
01.25.10	Margaret Gatch	At Large	Reappoint	8 of 11
01.25.10	Helene Gruber	At Large	Reappoint	8 of 11

② Library Board

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
01.25.10	Theresa Dunn	Council District 1	Reappoint	10 of 11
01.25.10	Valerie Donaldson	Council District 8	Reappoint	8 of 11
01.25.10	Eileen Fitzgerald	Council District 3	Reappoint	8 of 11
01.25.10	Patsy Hand	Council District 5	Reappoint	8 of 11
01.25.10	Norma Stewart	Council District 10	Reappoint	8 of 11

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Katrina Johnson	Council District 4	Reappoint	8 of 11
02.08.10	Janet Kuchler	Council District 6	Reappoint	10 of 11

③ Hospital Board

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
01.25.10	Gerald Schulze	At Large	Reappoint	10 of 11
01.25.10	Patricia Thompson	At Large	Reappoint	8 of 11

2. Finance

① Accommodations Tax Board

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
01.25.10	Jeff Thomas	Hospitality	Reappoint	6 of 11

② Tax Equalization Board

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
01.25.10	Sheila Chesney	Sheldon Township	Reappoint	10 of 11
01.25.10	Jimmy Mackey	At Large	Reappoint	8 of 11

3. Natural Resources

- ① Minutes are provided from the meeting held February 1. See main agenda items #11 and #12)
- ② Construction Adjustments and Appeals Board

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Herbert Brown	Design Professional	Reappoint	8 of 11

③ Historic Preservation Review Board

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Caroline Donaghy	Port Royal Island	Appoint	6 of 11

④ Northern Corridor Review Board

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Kevin Farruggio	Landscape Architect	Reappoint	8 of 11

⑤ Planning Commission

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Mary Rivers LeGree	Comp. Plan Planning Area	Reappoint	8 of 11

⑥ Southern Corridor Review Board

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Ed Pinckney	Resident of Area Served	Reappoint	8 of 11
02.08.10	James Tiller	Landscape Architect	Reappoint	10 of 11

⑦ Stormwater Management Utility Board

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Donald Smith	Stormwater District #5	Reappoint	10 of 11
02.08.10	Allyn Schneider	Stormwater District #9	Reappoint	8 of 11

⑧ Zoning Board of Appeals

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Edgar Williams	North of Whale Branch River	Reappoint	8 of 11

4. Public Facilities

- ① Minutes are provided from the meeting held January 26. See main agenda item #9.
- ② Airports Board

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Pete Buchanan	Qualifications	Reappoint	10 of 11
02.08.10	Will Dopp	Proximity to HHI Airport	Reappoint	8 of 11
02.08.10	Paul Jorgensen	Proximity to Bft. Cty. Airport	Reappoint	6 of 11
02.08.10	Leonard Law	Proximity to HHI Airport	Reappoint	8 of 11
02.08.10	Jared Newman	Proximity to Bft. Cty. Airport	Reappoint	8 of 11
02.08.10	Ross "Max" Sanders	Active pilot/aircraft owner LI Airport	Reappoint	8 of 11

5. Public Safety

- ① Minutes are provided from the meeting held February 1.
- ② Bluffton Fire District

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Rainie Steedley	At Large	Reappoint	10 of 11

- ③ Daufuskie Island Fire District

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Jon Michael Bryant	At Large	Reappoint	8 of 11
02.08.10	George Jenkins	At Large	Reappoint	10 of 11

- ④ Lowcountry Regional Transportation Authority

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
02.08.10	Craig Forrest	At Large	Reappoint	8 of 11
02.08.10	Dick Stewart	At Large	Appoint	6 of 11

B. COMMITTEE MEETINGS

1. Community Services

William McBride, Chairman

Gerald Dawson, Vice Chairman

➔ Next Meeting – Monday, February 15 at 4:00 p.m., Building 2, Beaufort Industrial Village

2. Finance

Stu Rodman, Chairman

William McBride, Vice Chairman

➔ Next Meeting – Monday, February 15 at 2:00 p.m., Building 2, Beaufort Industrial Village

3. Natural Resources

Paul Sommerville, Chairman

Jerry Stewart, Vice Chairman

➔ Next Meeting – Monday, March 1 at 2:00 p.m.

4. Public Facilities

Herbert Glaze, Chairman

Steven Baer, Vice Chairman

➔ Next Meeting – Tuesday, February 23 at 4:30 p.m.

5. Public Safety

Jerry Stewart, Chairman

Brian Flewelling, Vice Chairman

➔ Next Meeting – Monday, March 1 at 4:00 p.m.

6. Transportation Advisory Group

Weston Newton, Chairman

Stu Rodman, Vice Chairman

NATURAL RESOURCES COMMITTEE

February 1, 2010

The electronic and print media were duly notified in accordance with the State Freedom of Information Act.

The Natural Resources Committee met on Monday, February 1, 2010 at 2:00 p.m., in the Executive Conference Room of the Administration Building, Beaufort, South Carolina.

ATTENDANCE

Natural Resources Committee Members: Chairman Paul Sommerville; Vice Chairman Jerry Stewart; Steven Baer, Gerald Dawson, Brian Flewelling, William McBride and Stewart Rodman attended.

County Staff: Delores Fraizer, Assistant Division Head - Planning Department; Dan Ahern, Manager – Stormwater Management Department; Suzanne Larson, County Public Information Officer; Rob Merchant, Beaufort County long-range planner; Rob Mc Fee, Division Director – Public Services Department; Brian Hill, County Deputy Administrator.

Public: Joe Crowley, Hilton Head Island Association of Realtors; Reid Armstrong, Coastal Conservation League; Ann, Open Land Trust; Pete Richards, Friends of Fort Fremont, Marian Rollins, Friends of Fort Fremont, Ray Rollins, Friends of Fort Fremont, and Jim Braden, Friends of Fort Fremont.

Media: Richard Brooks, *Bluffton Today*.

ACTION ITEMS

1. **Text Amendment to the Zoning and Development Standards Ordinance (ZDSO), Article III, Sec. 106-2729. Street Design Standards (to establish construction standards for unpaved roads and to permit acceptance of unpaved roads by the county for maintenance or ownership when approved by County Council).**

Discussion: Mr. Sommerville said Tony Criscitiello, Planning Director, is absent due to a family illness. He said the Committee's thoughts and prayers are with them.

Mrs. Delores Fraizer, Assistant Division Head - Planning Department, gave a brief presentation on the proposed text amendment. She said it will allow the County to take ownership of new, unpaved roads for affordable housing developments with specific County Council approval. Staff initiated this amendment at the request of the Public Facilities Committee last August, when it recommended the County accept ownership of an unpaved road on St. Helena Island for a new Habitat for Humanity development. The proposed amendment

also specifies construction standards for new unpaved roads. At the Jan. 7, 2010 meeting, the Planning Commission voted to recommend approval.

Mr. Bill McBride moved to recommend the full Council approves a text amendment to the Zoning and Development Standards Ordinance, Article III, Sec. 106-2729. Street Design Standards, to establish construction standards for unpaved roads and to permit acceptance of unpaved roads by the County for maintenance or ownership when approved by County Council. Mr. Brian Flewelling seconded the motion.

Mr. McBride said he supported this change as long as it comes to Council on a case-by-case basis.

It was moved Mr. McBride moved, seconded by Mr. Flewelling, that Council approve of first reading a text Amendment to the Zoning and Development Standards Ordinance (ZDSO), Article III, Section 106-2729. Street Design Standards (to establish construction standards for unpaved roads and to permit acceptance of unpaved roads by the county for maintenance or ownership for affordable housing when approved by County Council). The vote was: FOR – Mr. Baer, Mr. Gerald Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council approve on first reading a text amendment to the Zoning and Development Standards Ordinance (ZDSO), Article III, Section 106-2729. Street Design Standards (to establish construction standards for unpaved roads and to permit acceptance of unpaved roads by the county for maintenance or ownership for affordable housing when approved by County Council).

2. Text Amendment to the Beaufort County Comprehensive Plan, Population and Demographics (Replaces In-Kind)

Discussion: Mr. Rob Merchant, Beaufort County long-range planner, gave a presentation about the proposed text amendment. Mr. Merchant focused on the changes made. Outlined changes since presented in November 2009 are: more updated estimates available from the American Community Surveys, an added comparison of historic and projected population growth provided on chart of growth by planning area (combines U.S. Census data with planning department information on the transportation model which is used to project future growth).

According to the presentation, the purpose of population and demographics is to analyze historic and current population trends; and provide future projections to help guide policy decisions. In Beaufort County, population more than doubled since 1980 (at which time it was 65,364) to 146,743. This growth will continue to have significant implications on transportation, public facilities, housing, water quality, etc. Demographics continue to shift with an aging population and the growth of the Hispanic community. More updated information will be available at the conclusion of the 2010 Census.

Members questioned calculation methods. Mr. Flewelling asked how Mr. Merchant got figures in the transportation model, why there is a disparity between the populations used in the chart and the data from the U.S. Census numbers. He said the numbers should be adjusted based on what is known for 2008. Mr. Merchant said the department uses two different methods – the Census projections, which tend to be more conservative than the actual numbers on the ground, and the transportation model, which is a combination of Census data, building permit data and aeriels of houses/vacancy rates. He acknowledged discrepancy between the methods.

The committee then discussed the average daily population in Beaufort County, which factors in tourist numbers. In 2008, there was an average 146,743 year-round residents per day, 8,112 tourists/visitors, 10,702 seasonal residents and 8,993 commuters. The median age is in the late 30s. For tourists/visitors, information came from data from the Hilton Head Chamber of Commerce looking at hotel and short-term rental property and receipts from the accommodations tax with assumptions for average room rate and occupancy.

Mr. Baer asked how many timeshares, hotel rooms, rentals, etc. are on Hilton Head Island. Mr. Merchant said he has that information, but not with him. Mr. Baer said he thinks the estimates of tourists are low. Mr. Merchant said there seems to be a disconnection between how many people we think are here versus what the numbers come up with.

Mr. Merchant said the estimates on the military are in the works, but not available at the time.

Mr. Stewart moved to recommend the text amendment to the Beaufort County Comprehensive Plan, Demographics (replaces In-Kind). Mr. Flewelling seconded.

Mr. Rodman said he thinks the average daily population calculation is incorrect, looking at Fig. 2-4, pg. 4. If you just look at Hilton Head and assume there are 2 million tourists with an average stay of five days, you have about 10 million room nights/people days. Then, you divide that by 365 days, it is about 30,000 of the average people who are there. Mr. Merchant said the figures are from the Chamber and assumptions about accommodations tax are based upon the number of overnight stays in a room.

It was moved by Mr. Stewart, seconded by Mr. Flewelling, that the Committee recommends to Council first reading approval of text amendments to the Beaufort County Comprehensive Plan, Population and Demographics Element (Chapter 2) (replaces in-kind). The vote was FOR - Mr. Steven Baer, Mr. Gerald Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council approves on first reading text amendments to the Beaufort County Comprehensive Plan, Population and Demographics Element (Chapter 2) (replaces in-kind).

3. Water Budget Contract with South Carolina Department of Natural Resources

Discussion: Mr. Dan Ahern, Manager – Stormwater Management Department, came to the table to give a presentation on the Water Budget Study to the Natural Resources Committee. According to his presentation, the study will try to address Stormwater Runoff volume in three steps. The first two (new development & approved, but not built developments) are needed immediately, and the third (existing development) can be addressed from a future public investment/control, which maximizes the benefits for the public investment/controls established. The Water budget study effort is needed for Step 3 Policy Decisions. This study will give us valuable data and information to make these future policy decisions. He then reviewed the reasons the study is needed: the current modeling for stormwater studies is based on a long-time (June 1986) Soil Conservation Service publication Technical Release 55 – Urban Hydrology for Small Watersheds, and it was used primarily for peak flow analysis (it has done a good job at that); we do not know the impact of irrigation on Stormwater runoff volume; the study can also be used to determine the excess stormwater runoff volume but this is new and there have been concerns if it will be accurately predicting volumes with impact of irrigation and well pumping; Limited testing indicates a disconnect between expected flow and actual flow data.

The study will give data to determine if Beaufort County needs to consider restricting the use of imported water for irrigation in volume sensitive watersheds, knowledge about whether maintaining irrigated landscape changes stormwater runoff amount from what is predicted by current models and guidance for Beaufort Jasper Water and Sewer Authority to focus marketing of Reuse Water vs. Stormwater reuse. Mr. Ahern said, “We may be faced with policy decisions on what to do to address currently impaired waters. These may include controls and well as public investment. We need data on the impact of irrigation and developments impact on runoff volume to make reasoned decisions on public investments. We are partnering with BJWSA on this proposed study because if irrigation is a significant impact on Stormwater runoff volume they will play a role in developing solutions.”

Mr. Ahern added the study, a hydrology study, will not provide water quality data, solutions to the May River fecal coliform problems nor information about the first two stormwater volume issues. The study is a cooperative agreement with the South Carolina Department of Natural Resources’ Hydrology Office. The County funds equipment, data collection, processing and maintenance and one maintenance tech. The South Carolina Hydrology Office supplies personnel to Review Data, report on Impacts of Development and suitability of TR-55 for stormwater modeling in Coastal South Carolina.

Mr. Brian Flewelling asked Mr. Ahern why the study is being conducted at the May River, where development is approved but not built up. Why not Battery Creek to get a more accurate picture of how development affects the waters? He said he is concerned there is a great deal of time and money spent on the May River while many other County waterways are ignored. He said he realizes the May River serves as a microcosm of all County waterways used to conduct studies.

Mr. Ahern replied that at one point, they were looking at fecal coliform and initial work was done on the May River. It has just continued there because the background data was in place. He said he thinks the data collected from the May will be applicable to other watersheds. Mr. Ahern added the May River waterway is on a spectrum, as opposed to one end or the other.

Mr. Rodman asked if money for the study comes from stormwater utility fees and Mr. Ahern said yes. Mr. Rodman then asked if the average rainfall affects results. He also wondered if there should be an expenditure on new development because the concern for building up's effects on the County's great natural resources. He suggested this would be an area for a task force. Mr. Sommerville suggested a sort of brain trust might work.

The Committee then discussed unmaintained drainage ditches, particularly with heavy rains.

Mr. McBride said there are rural areas with drainage canals, which have not been attended in ages. He said there has not been improvement in these areas where many of the ditches were dug 40 to 50 years ago. He said the focus should be on maintaining those ditches and that could alleviate some of the stormwater runoff.

Mr. Sommerville said he thinks there would be a large problem with right-of-way on properties with drainage ditches. He said there are many heirs' properties with ditches crying out for maintenance.

Mr. McBride agreed and said if the County does not try to address the problem, it will not succeed in fixing it. However, he said he realized it is not a simple issue.

Mr. Dawson agreed the County will have to initiate the process. Then, it will have grounds to stand on. He said to redo all of the drainage ditches would be a massive undertaking. He said he wondered if many citizens feel like they pay their stormwater fees without reaping any of the benefits. However, he said anytime he hears of a problem, Eddie Bellamy and the Public Works crew are quick to address and remedy.

Mr. Sommerville said to tackle the problem, the ditches in need of work must be identified first.

Mr. Brian Hill, County Deputy Administrator, said with more rain the County gets more calls about drainage. He also acknowledged ditch maintenance becomes an easement issue. He asked for time to address the problems. Mr. McBride said it is not a criticism and he thinks the County does a great job, but he said there is a greater problem.

Mr. Stewart brought the discussion back to the study and said he thinks the study will give a lot more information, not just volume related but rate related. He said there are many watersheds the County could study, but as long as the data could be extrapolated he moved to accept the study and allocate the money. Mr. Flewelling seconded the motion.

Mr. Baer said the goal is to protect all bodies of water, not just the May River. Water planning covers all bodies of water. He said he resonates with what Mr. McBride said and all ends of the problem should be worked.

It was moved by Mr. Stewart, seconded by Mr. Flewelling, that the Natural Resources Committee recommend that Council enters into an intergovernmental agreement with the South Carolina Department of Natural Resources' Hydrology Office to conduct a Water Budget Study of the May River to be used in planning and strategy for stormwater usage; and that Beaufort County Council approves \$115,878 to conduct the study, funded by stormwater utility funds. The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council enters into an intergovernmental agreement with the South Carolina Department of Natural Resources' Hydrology Office to conduct a Water Budget Study of the May River to be used in planning and strategy for stormwater usage; and that Beaufort County Council approves \$115,878 to conduct the study, funded by stormwater utility funds.

4. Consideration of Reappointments and Appointments

Construction Adjustment and Appeals Board – The Committee voted to recommend the reappointment of Herbert Brown. It tabled finding an appointment for John B. Catoe's vacant seat.

It was moved by Mr. Flewelling, seconded by Mr. Dawson, the recommendation to Council to reappoint Herbert Brown to the Construction Adjustment and Appeals Board. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Forestry Commission – The Committee tabled the reappointment/appointment to the Forestry Commission.

Historic Preservation Review Board – The Committee voted to recommend appointment of Caroline Donaghy for Jean Von Harten's vacant seat.

It was moved by Mr. Flewelling, seconded by Mr. McBride, the recommendation to Council to appoint Caroline Donaghy to the Historic Preservation Review Board. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Northern Corridor Review Board – The Committee voted to recommend the reappointment of Kevin Farruggio.

It was moved by Mr. McBride, seconded by Mr. Stewart, the recommendation to Council to reappoint Kevin Farruggio to the Northern Corridor Review Board. The vote was: FOR -

Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Planning Commission – The Committee voted to recommend the reappointment of Mary Rivers LeGree.

It was moved by Mr. Flewelling, seconded by Mr. McBride, the recommendation to Council to reappoint Mary Rivers LeGree to the Planning Commission. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Southern Corridor Review Board — The Committee voted to recommend the reappointments of Ed Pinckney and James K. Tiller.

It was moved by Mr. Stewart, seconded by Mr. Dawson, the recommendation to Council to reappoint Ed Pinckney and James K. Tiller to the Southern Corridor Review Board. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Stormwater Management Utility Board – The Committee voted to recommend the reappointments of Donald J. Smith and Allyn Schneider.

It was moved by Mr. Dawson, seconded by Mr. Flewelling, the recommendation to Council to reappoint Donald J. Smith and Allyn Schneider to the Stormwater Management Utility Board. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Zoning Board of Appeals – The Committee voted to recommend the reappointment of Edgar Williams. The Committee also will determine what Chester William's intent is for reappointment and defer the appointment for a vacant *ex-officio* seat.

It was moved by Mr. Dawson, seconded by Mr. Flewelling, the recommendation to Council to reappoint Edgar Williams to the Zoning Board of Appeals. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Coastal Zone Management Appellate – The Committee tabled the reappointment/appointment decision until a further meeting.

INFORMATION ITEMS

5. Update on Status of Work at Fort Fremont

Discussion: Mr. Sommerville introduced the discussion on Fort Fremont by letting the Committee know the County purchased the property some years ago. In that time, the property has come a long way however he said more work needs to be done to preserve the fort.

Mr. Pete Richards, Friends of Fort Fremont, came to the table to give the Committee an overview of the progress at the fort, as well as what Friends of Fort Fremont is. According to Mr. Richard's presentation to the Natural Resources Committee, Fort Fremont is a unique, unspoiled example of Spanish American War era fortification. He said the group has spent more than a year doing analysis, historic fortification research and professional consultation. There are 47 recommendations the group brought forward to create the Fort Fremont Historical Park in April 2009. The recommendations are designed to accomplish three things: assist Beaufort County in developing and implementing the historic park, support the County in battery preservation program and develop a community support program for the Fort Fremont Historical Park. The critical elements for consideration of the site are park safety & security, coastal view corridor, natural wooded & open space, unified infrastructure and the historic military battery preservation.

Friends of Fort Fremont budget the cost for Phase I, or to develop the historic park site, at \$75,000, which includes safety railing, historical signs, improvements to the infrastructure and landscape maintenance. Phase II included battery preservation – historical restoration to clean up graffiti, preserve artifacts, support archeological assessment, assess structural integrity, add signage and public access to the fort interior, enhance infrastructure and have community programs.

Mr. Richards said the Friends of Fort Fremont ask for a County decision authority to implement issues and opportunities.

Mr. Baer said if you look around Beaufort County, there are a dozen key historical sites and we do not do a very good job of advertising those. He compared it to Boston's historical sites. He suggested a map and trail of these local sites might encourage tourism.

Ms. Mary Ann Rowlings, Friends of Fort Fremont, who said she's an engineer by trade also mentioned the fort is the only in the U.S. preserved from that era. It is critical to recognize and preserve it, she said.

PUBLIC FACILITIES COMMITTEE

January 26, 2010

The electronic and print media were duly notified in accordance with the State Freedom of Information Act.

The Public Facilities Committee met on Tuesday, January 26, 2010 at 4:30 p.m., in the Executive Conference Room of the Administration Building, Beaufort, South Carolina.

ATTENDANCE

Public Facilities Committee Members: Chairman Herbert Glaze, Vice Chairman, Steven Baer, Gerald Dawson, Brian Flewelling, William McBride, Paul Sommerville and Jerry Stewart attended. Non-committee members Laura Von Harten and Rick Caporale also attended.

County Staff: Rob McFee, Division Director, Engineering and Infrastructure; Christina Roberson, Director, Parks and Leisure Services; Bob Klink, County Engineer; Eddie Bellamy, Public Works Director.

Public: Jenny Horn, SGA Architecture, Bobbi Helton, Manager, The Litter Box Thrift Store; Chuck Lane, Chairman, Hilton Head Humane Association; and Norman Vaughn.

Media: Committee Chairman Herbert Glaze chaired the meeting.

ACTION ITEMS

1. Burton Wells Regional Park - Phase 2 Master Plan & Phase 2A Construction Plan

Discussion: Ms. Cristina Roberson, Director of Parks and Leisure Services Department, said in 2009, county council awarded a contract to SGA Architecture to develop plans for Phase 2 of Burton Wells Park, approximately 69 acres of park improvement. She said Norman Vaughn, a member of the Parks and Leisure Services (PALS) Board and a member of the standing committee that works with projects and Jenny Horn from SGA Architecture, were available for committee's questions.

Mr. Baer asked for clarification of the phases. Ms. Roberson said they are now in Phase 2, which is sub-phased as 2A, 2B and 2C. Ms. Horn Said Phase 1 and Phase 2a are the same. Ms. Roberson said today they are addressing the master plan for Phases 2a, 2b, And 2c, focusing on the design and complete construction of 2A.

Ms. Horn made a presentation, beginning with an explanation of where the Burton Wells Park is. The regional park is 306 acres, roughly, and is bordered by rural residential. The dissection leaves roughly 69 acres east of Burton Wells Road. Phase 1 of Burton Wells Park,

which included all active sites, was completed in 2004. She showed the 69 acres which they have studied with PALS and engineering. It is completely wooded and beautiful for passive recreation. To start the process, they engaged the community in two workshops to vote on passive recreational opportunities. From those workshops, they developed a program to move forward with their concept. They presented three concepts and from that developed the final master plan.

In the southern portion, there will be security fencing from the south to north border. There will be a lake pavilion in the heart of the park, a picnic shelter with restrooms, a splash zone and a playground. There will be a small boat dock for kayaks and canoes, and trails throughout the park for two miles of multi-use (biking, running, etc.) There will be a dog park in the north side of the park with parking and another picnic pavilion with restrooms. Just east of that will be an amphitheater. There will be primitive camping on the easternmost edge of the site to allow isolation. The idea on the trails will be walking through a wooded natural landscape with pockets into open space for kite flying, star-gazing, etc. There will be enough room to play soccer and football. They hope to encourage fishing in the park. They may at some point add a skate park and basketball courts to the more active portion of the park.

Phase 2B includes the construction of part of the road into parking, clearing of open spaces, construction of two picnic areas and pavilion, expansion and renovation of the lake, clearing the dog park, amphitheater grading and terracing, and parking. They will begin trail areas and boardwalks, also. This phase is \$1.4 million. Phase 2 will be the remainder build-out at approximately \$1.8 million. Phase 3 construction will be basketball courts and the skate park for \$718,000.

Ms. Von Harten said the kids at Battery Creek High School want to know how big the skate park is compared to the park in Port Royal. Ms. Horn said it has not been designed yet, so she cannot say. Mr. Baer said horseshoes would be cheaper than a skate park, and it was recommended at the previous night's County Council meeting. Ms. Horn said that might be a possibility. Mr. Caporale said in the future it would be nice to have a more definite answer about horseshoes.

Mr. Caporale asked how security would be maintained, after the park closes especially with camping. Ms. Horn said that take place later when PALS develops the gate system. Ms. Roberson said the campsites will give Scouts and Cubs an opportunity to camp out. Mr. Caporale said security will be an additional operational cost. Ms. Roberson said the fee structure and type of security will be vetted in the future. Mr. Caporale asked if there will be ways to communicate other than cell phones within the park. Ms. Horn said that is plausible. With the lake pavilion's electrical components, that is possible and is something to think about. Ms. Roberson said it will have a phone, and they will consider other locations so staff and others can call if there is an issue.

Mr. Baer feels they're approving the Master Plan and also authorizing the funding for Phase 2A. He added the condition that it's in the CIP already. Mr. Flewelling said he believed that they would approve that when they had the contractor to build.

Mr. David Hughes, CIP Manager, said they are asking for approval of the Phase 2 Master Plan and the first phase of construction, to do the design and receive the bids. Once they have bids, they'll be back for approval to let the contract.

Mr. Flewelling amended the motion to approve Phase 2 Master Plan and 2A construction plan for Burton Wells Regional Park and Mr. Baer seconded. Mr. Flewelling said he's also in favor of the horseshoe park. Chairman Glaze said it sounds good and can be dealt with later on. Mr. Sommerville commented to the committee that 25 acres on Lady's Island were set aside for an active park, and \$2 million in CIP money was deleted to zero this year.

It was moved Mr. Flewelling moved, seconded by Mr. Baer, that the Committee recommends Council approves the Phase 2 Master Plan and 2A construction plan for Burton Wells Regional Park. The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Glaze, Mr. Flewelling, Mr. McBride, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council approves the Phase 2 Master Plan and 2A Construction Plan for Burton Wells Regional Park.

2. Consideration of Reappointments and Vacancies / Airports Board

Discussion: Mr. Peter Buchanan, Chairman of the Airports Board, said one member of the board, Rich Tritschler, has not been in attendance for seven meetings in a row. He advised they need a replacement for him. Mr. Sommerville said he followed up about this and was told Mr. Trishler enrolled as a full-time student. Mr. Buchanan said Mr. Trishler had been a Navy corpsman and may have gone back to the medical profession.

Chairman Glaze read a letter requesting reappointment from Peter Buchanan.

It was moved by Mr. Flewelling, seconded by Mr. McBride, to reappoint of Peter Buchanan to serve as a member of the Airports Board. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Glaze, Mr. Flewelling, Mr. McBride and Mr. Sommerville. ABSENT - Mr. Stewart. The motion passed.

It was moved by Mr. Baer, seconded by Mr. Flewelling, to reappointment of Will Dopp, Paul Jorgensen, Leonard Law, Jared Newman, and Ross Sanders to serve as members of the Airports Board. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Glaze, Mr. Flewelling, Mr. McBride and Mr. Sommerville. ABSENT - Mr. Stewart. The motion passed.

Chairman Glaze said the names would be forwarded to council for their consideration.

Mr. Caporale said he believed that there needed to be a motion regarding the action taken toward Mr. Trishler. He said the Chamber of Commerce made the appointment. Chairman Glaze asked what procedure was in this case. Mr. Caporale said there needed to be a letter sent to the

Chamber to notify them that Mr. Trishler had been removed due to personal circumstances and to ask them for a nomination to replace him. The Chamber won't act until they're notified.

It was moved by Mr. Flewelling, seconded by Mr. McBride, to send a letter to the Beaufort Regional Chamber of Commerce requesting a nomination from the Board of Directors to replace Mr. Rich Tritschler as a member of the Airports Board. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride and Mr. Sommerville. ABSENT - Mr. Stewart. Chairman Glaze temporarily left the room. The motion passed.

Recommendation: Council approves the reappointments of Peter Buchannan, Will Dopp, Paul Jorgensen, Leonard Law, Jared Newman and Ross Sanders to serve as members of the Airports Board.

3. Resolution Adopting the Beaufort Transportation Advisory Group Recommendations

Chairman Glaze asked for a motion to add an agenda item dealing with the Beaufort Transportation Advisory Group (BTAG) resolution, which the committee received the day before. Chairman Glaze passed the gavel to vice-chair Mr. Baer.

Mr. McFee read "The BTAG Recommendation: Revised motion made by Mayor Tom Peeples and seconded by county Councilman Paul Sommerville: To defer the Bluffton Parkway Phase 5A bridge and preserve the widening of U.S. 278 all the way to S.C. 170. Have our collective staffs get back together and evaluate the estimated impacts of these two modifications to their recommendation and bring back to BTAG advice regarding what to do with any residual. The motion passed unanimously."

Mr. McFee said what was before the committee today was concurrence with the recommendation to go to Council with it.

Mr. Baer said he thinks it's a good motion, and he'd like to see added, when it goes back to staff: the recommendation made earlier in the meeting by Mr. Stewart about 170; the way of handling the traffic without the bridge at 5A; that it be "costed out"; and stormwater mitigation at the 278 and 170 crossing. He said these matters all came up in "by talk" at the meeting. Mr. McBride said that's not for the committee to approve, just suggestions to staff.

Ms. Von Harten asked what the City of Beaufort needs to do to make progress on getting the Boundary Street Project moved forward.

Mr. McFee said he wanted to give a brief history first. The Boundary Street Master Plan was paid for by traffic impact fees; the Kimley-Horn study was paid for out of one-cent program monies. These are the two premise documents for the Boundary Street Project and they had their genesis with the County Council. They have not been awarding any contracts in the period of mid-course readjustment. The engineer-select has been informed he could proceed at his own risk developing plans for the Boundary Street Project. Mr. McFee said he wouldn't dismiss any

direction that said they wanted to move forward with the award of this contract and the legal opinion is to do it. The engineer selected to do the final design at this point was Thomas and Hutton.

Ms. Von Harten asked if money needs to be gotten from another source. Mr. McFee said there are sufficient funds now. Mr. Baer proposed passing the recommendation and then moving on to the Boundary Street Project. Mr. Flewelling said he prefers to pass the Boundary Street Project matter as a resolution to amend, so it's all one matter. Mr. McBride said he supports doing the Boundary Street Project matter separately. Mr. Flewelling said he wants it as an amendment in the resolution to show unity between northern and southern Beaufort County. If it's done separately, it's likely to cause division. He supports the widening of 278 and also feels Beaufort deserves to have the engineering done on the Boundary Street Project. He feels it's all "of a piece, it's all one thing in the end." In front of the full council, he feels it will gain support if it's together.

Mr. Sommerville said when he seconded the revised motion at the BTAG meeting, he thought he was seconding deferring 5A but that's not what the motion says. He doesn't know what else is in 5A besides the bridge. He and Mr. Baer looked at the images, and Mr. Sommerville said he believes the subject is still open to debate about where 5A stops. Either a little bit is done or none of it is done. To him, the recommendation is unclear on this. His intention in seconding Tom Peeples' motion was that there was a lot of money involved in 5A that Mayor Peeples and he (and others) felt could go to projects which they felt passionately about. There was agreement on the relative importance of both of those projects. He doesn't know where the question of where 5A ends gets resolved, but it apparently wasn't done at the BTAG meeting. Mr. Baer said the staff is meant to go back and decide what to do with it. Mr. Sommerville said if that's correct, then the committee should decide how much of 5A they want to cut out, since it concerns a question of money that will flow to the Boundary Street Project and Highway 278 widening or not. They could get to a point where there's not a lot of money to do either of these projects; the place to find the money is in 5A. The .802 project is already started. As a committee, he thinks they need to decide if staff needs a little more direction about what they want, as council is ultimately responsible, not staff. He would like to trim 5A back to a specific point, not just to say, "Don't build a bridge."

Mr. Baer said they don't have the data yet. The bridge will be stopped, and the engineering numbers will be developed to go back to BTAG to figure out what to do next. He said no one in the room knows how much the cutback will save. Mr. McFee said BTAG will pick a logical stopping point for 5A, not build to the water's edge. They look at how to maximize the monies. He referred to meeting minutes that give perspective. Mr. Flewelling called the question on the initial motion. The motion passed unanimously.

It was moved by Mr. Baer, seconded by Mr. Flewelling, that the Committee recommends Council approves the BTAG Recommendation: Revised motion made by Mayor Tom Peeples and seconded by County Councilman Paul Sommerville to defer the Bluffton Parkway Phase 5A bridge and preserve the widening of U.S. 278 all the way to S.C. 170 to have our collective staffs get back together and evaluate the estimated impacts of these two modifications to their

recommendation and to bring back to BTAG advice regarding what to do with any residual. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Glaze, Mr. Flewelling, Mr. McBride and Mr. Sommerville. ABSENT - Mr. Stewart. The motion passed.

Mr. Flewelling made a motion to forward a recommendation to county council to go forward with the engineering on the Boundary Street Project. Mr. Sommerville seconded. Ms. Von Harten said she feels it would be in the county's best interest to move ahead with the Boundary Street Project. Though they're likely to be short on funds at some point, there may be money in the Northern Crossing project that could be diverted to the Boundary Street Project if necessary. This would be a sacrifice for Beaufort, but it will let Beaufort know that the county council is doing the right thing by letting them move ahead.

Mr. Baer asked about the cost to move ahead on the engineering for the Boundary Street Project and Mr. McFee answered \$550,000.

It was moved by Mr. Flewelling, seconded by Mr. Sommerville, that the Committee forward a recommendation to Council to go forward with the engineering on the Boundary Street Project. The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Glaze, Mr. Flewelling, Mr. McBride, Mr. Sommerville. ABSENT - Mr. Stewart. The motion passed.

S.C. Highway 170

Mr. Stewart said that staff recommended to the BTAG committee to lower the priority listing for the widening and resurfacing of Highway 170. To Mr. Stewart and the people who live in the part of the county he lives in, the road is in very bad repair. He's concerned about the area from Highway 170 to the Bluffton Parkway. It's a high-speed road, a major artery for residents to go to Savannah. There are many accidents and fatalities every year. He'd like to see data on the fatalities, and asked Mr. McFee for that. He suggested that ALL of 5A be reduced in priority. If the first part is done, there are indications that modifications would need to be done at Moss Creek. Those changes may not be needed; he hopes that money isn't being spent that doesn't need to be. He feels it's best to do projects completely, not piecemeal. He feels Highway 170 should have higher priority because of safety issues, and he'd like the committee to consider that. He encouraged those who haven't driven it to do so.

Mr. Flewelling said there had been talk of redesign, so that it's 4 lanes separated by a median. He asked Mr. Stewart, if the existing roadway is used, if that would be enough to satisfy people for awhile with an improved shoulder on either side. Mr. Stewart said that's a possibility. Mr. Stewart said Mr. McFee is going to speak with SCDOT about that. Mr. McFee said he wants to focus on the immediate maintenance need; that needs to be addressed and that's how he's approaching SCDOT. By the next Council meeting, he'll have feedback on what they can do in this regard.

Mr. Stewart said Bluffton would like it to be a slower speed road; the majority of those who live there see it as a major highway to Savannah, where a lot of risks are taken in passing.

Most collisions there are head-on. With approved development, they will not be able to maintain the road in the condition they'd like to see it, and the county is going to have to step up.

Mr. Baer suggested continuing with this topic and closing it out today. The BTAG recommendation was to defer Bluffton Parkway Phase 5A bridge and preserve the widening of US 278 to SC 170. Staffs are to evaluate the estimated impact of these modifications and bring advice back to BTAG for input on what to do with the residual. Mr. Stewart said the recommendation includes accepting the resolution, and they'd have to vote on taking it out of the resolution. Ms. Von Harten said the recommendation says to complete 170. Mr. Baer made a motion to accept BTAG's recommendation to defer Bluffton Parkway Phase 5A bridge and preserve the widening of US 278 to SC 170. Mr. Flewelling seconded. Mr. Baer held up the recommendation "on the blue sheet in front of us" and said that was a new draft of the resolution and is what should be voted on. Chairman Glaze said he wanted to defer further conversation on this matter until later in the meeting.

Recommendations:

One: Council approves the BTAG Recommendation: Revised motion made by Mayor Tom Peeples and seconded by County Councilman Paul Sommerville to defer the Bluffton Parkway Phase 5A bridge and preserve the widening of U.S. 278 all the way to S.C. 170 to have our collective staffs get back together and evaluate the estimated impacts of these two modifications to their recommendation and to bring back to BTAG advice regarding what to do with any residual.

Two: Council approves going forward with the Boundary Street Project.

4. Non-profit Thrift Stores

Discussion: Mr. Baer asked to discuss an off-agenda item and there was unanimous assent. At the October 26, 2009 County Council meeting, there were comments about non-profit thrift stores. The following day at the Public Facilities meeting, Eddie Bellamy presented the convenience center's side of the issue but the other side hasn't been heard. He introduced Chuck Laine to make a presentation from the thrifts' perspective. Mr. Baer distributed hand-outs.

Mr. Laine is chairman of the Hilton Head Humane Association which runs a thrift store, and he was asked to speak on behalf of the five thrift stores on Hilton Head, but said there are 15 to 20 thrift stores throughout Beaufort County. For all the Hilton Head numbers, he said, you could multiply by three to get numbers for the county.

The merchandise comes from the community they're in; they're the conduit to the dump. On Hilton Head, a million dollars goes back into the community from the thrift stores. Not all of the donated merchandise is saleable and some must be taken to the convenience center, but they're not allowed to. They're looking for ways to reduce costs. All the thrift stores have dumpsters for normal waste, and each has a comprehensive recycling program. They are asking to have Section 62-30 of Chapter 62 of Solid Waste amended so that thrift store trucks can use

the convenience centers. Hilton Head thrift stores will limit usage to 10 trips per month, 2 per month per store. The trucks will have logos. Charitable contributions will be given back to the community, commensurate with the organizations' savings on transporting waste. The impact on Dillon Road will be "immaterial."

Mr. Sommerville asked him where \$100,000 would go, were they to save that much through such a program. Mr. Laine said his thrift store would give the money back to helping care for animals in Hilton Head and Bluffton. Mr. Laine went on to explain how the savings would occur. Mr. Sommerville said it looks as if the cost is being passed on to someone else, specifically the taxpayers, which come back to the charities. Mr. Laine said a portion of those costs would be added on there, but only a percentage.

Mr. Sommerville said he's trying to figure out how much of the organizations' savings would be put on to the county to process the waste. Mr. Laine said he didn't know. Mr. Sommerville said the organizations would save money for not having to make the trip to Hickory Hill, but the county would have additional costs because it still needs to get to Hickory Hill. So there's no net saving; it's just a matter of who gets the money. Mr. Baer said there are tens of thousands of pounds taken out of the waste stream and sold by thrifts, which doesn't add to the county's waste.

Chairman Glaze called on Mr. Bellamy, Public Works Director, to speak. He distributed a staff recommendation and said the decision to allow non-residential waste disposal at the convenience centers by organizations including non-profits needs to be a Council decision; he doesn't make policy but carries it out. His recommendation is that County Council does not make an exception for the non-profit thrift stores because they're not residential and the convenience centers are residential sites, limited to that by ordinance.

He said the center on Hilton Head is stressed and close to capacity and large quantities of waste would stress it further. They have a problem with various commercial enterprises doing illegal dumping there. He also is concerned other nonprofits will want to dump there if the thrift stores are allowed to and there are 700+ nonprofits in Beaufort County. Determining who's a nonprofit and whether they rate exception would be challenging to staff. The impact of the five thrift stores is not immaterial and would make it difficult to provide service for residents with bulky waste. The uses are incompatible between nonprofits and residents. It might even lead to requests for all commercial disposals to be free as was once done. He shared other information contained in the packet including further concerns about the origins of the items and the thrifts' business license statuses.

Mr. Caporale asked Mr. Laine if he could estimate the tonnage under discussion from the 10 monthly trips. Mr. Bellamy answered that they're given a tonnage ticket at Hickory Hill, so they know what their tonnage is. He added that the transportation costs aren't free; it costs \$107 per can to pull them from the drop-off centers, and they're trying to get more trash in each can with compactors, but there's not room for that in Hilton Head. He added that nearly full cans can be filled up by a thrift store truck, and then they're unable to take bulky trash anymore, if it's on a Sunday.

Chairman Glaze said a decision must be made. Bobbi Helton said the waste under discussion *is* residential, as it comes from residents' donations that can't be sold. They would like the opportunity to get rid of furniture that can't be repaired or a stained mattress. They break down the furniture and would like to be able to take single pieces of furniture, even in a van, not a truck. There would not be that much waste, she said, and it would be things that less conscious people would take to the convenience centers themselves. What they want is on a limited basis. She feels like it's punitive to organizations that do a service to the community.

Mr. Baer said he uses the Dillon Road Center a lot. It's never been full when he's gone on weekdays or weekends. The thrift stores take probably 20,000 to 30,000 pounds a month out of the waste stream and recycle it for sale, then the monies go to a good cause. He thinks it could be limited to ten pick-up trucks-worth per month.

Mr. McBride said he feels it's a matter of who pays for it and compared it to a conversation about a county contribution to Haiti. He thinks it's best for individuals to make these decisions. He feels if they start doing this, it will "open doors" and create future problems. Mr. Dawson said he doesn't think allowing the thrifts to use the convenience centers will cause them to sell any less than what they're selling now. One convenience site was closed last month, and to allow the thrifts to use those sites could present a challenge to the solid waste officials and staff to deal with extra waste at the cost of passing it on to taxpayers, which would be "almost suicide for many of us." He thinks it is "ill-advised to open up this Pandora's box."

It was moved by Mr. Dawson, seconded by Mr. McBride, to accept staff's request to deny use of the convenience centers by thrift stores. The vote was FOR - Gerald Dawson, Herbert Glaze, Paul Sommerville. AGAINST - Mr. Baer. The motion passed.

Ms. Von Harten expressed her support for the staff and agreement with the motion.

Recommendation: Council approves staff's request to deny use of the convenience centers by thrift stores.

INFORMATION ITEMS

5. Airports Briefing / Anderson Aviation Flight Training

Discussion: Mr. McFee said this item is for information only. Anderson Aviation LLC asked for authorization to provide flight training instruction at Lady's Island airport. Their commercial operating application was in the committee's packets. He read from the application re: revenue and endorsements. He said Paul Andres and he have been in conversation for many months about developing revenue, rather than just focusing on costs. Mr. Baer offered congratulations on looking at the revenue side of airports. With regard to the list, he asked to see if the 3% fee on business agreements was comparable to other airports. Using A-Tax funds was brought up, then dropped from the list. And landing fees might offer 100's of thousands of dollars to help bring airports into the black.

Mr. Flewelling said if they should decide to do landing fees, they should be discussed in the agreement somewhere. Mr. McFee said he'd add the three items and thought the A-Tax idea was excellent. Mr. Caporale agreed as well and said that idea should be pursued. He thinks they're doing a good job. While the landing fees have always been controversial, he thinks they should be added in some fashion. Sedona's airport has landing fees for some aircraft and might be a model for how to do this.

6. Consideration Of Contract Award: Architectural and Engineering Design Services for the St. Helena Penn Center Library

Discussion: Mr. McFee said Mr. Kubic requested this item be pulled from the agenda so he can pin down where the library will be on the property with Penn Center before "the architects are rolling." There should be a meeting in the next two weeks. Mr. Hill said last evening he was told it was pulled from the agenda by Mr. Kubic. Mr. McBride said the issue will be resolved ASAP.

7. Beaufort County Dirt Road Paving Program

Discussion: Mr. McFee said this information was sent to the committee electronically. The C program began in 1946 and is derived from a gasoline tax. He explained how funds are allocated, including tag funds. He showed the make-up of the County Transportation Committee (CTC) by district and went on to explain the history and achievements of the program. 90 miles of dirt road have been paved since 1993 in Beaufort County. Almost 70 miles of state and county roads have been resurfaced. The average cost is \$1.75 million per year. One requirement that has been vexing is that the South Carolina requires a 50' minimum right-of-way for road improvements. Other improvements will use Tag Funds. The present evaluation form consists of:

1. What's on the road?
2. How much does it cost to maintain the road?
3. How much does it cost to pave the road?

Mr. Caporale asked if the low score wins, and Mr. McFee said the high-score wins: the higher the score, the greater the need.

Mr. Sommerville said it has nothing to do with the price of the road. Mr. Caporale disagreed.

Bob Klink, County Engineer, indicated the form and said it's using a cost-benefit ratio in a complicated equation. Mr. Caporale said some of the services are critical, and he's curious if the cost could undermine that.

Mr. McFee said the computation sheet tries to balance out the limited resources. The cost to pave a road MUST come into the equation, but it's balanced by other factors.

Mr. Caporale asked if that accounts for why some roads get bumped.

Mr. McBride said it's a right-of-way problem.

Mr. Baer said in his district he was amazed at how many roads there were in District 2 alone, a 10 to 15 year backlog.

Ms. Von Harten asked about the assignment of points and asked if the committee decides point values and could be lobbied to change some of the values. Mr. McFee said certainly. He said this sheet he was showing or a similar version has been in use since the beginning. One of the profound difficulties with the program is maintaining objectivity and balance. It's been very successful in spite of the overwhelming enormity of the need. He showed a slide of future projects for the next 4 years.

Ms. Von Harten asked about the proximity of a road to one higher on the list; if it's high on the list and is getting paved, is it a cost savings to pave the road adjacent to it? Mr. McFee answered with a slide about the project implementation process. Mr. Dawson asked if the next 4 years refers to January 2010 to January 2014. Mr. McFee said yes.

Steps in the process:

1. The next 4 years' selections are grouped based on location, cost, and priority.
2. Right-of-way acquisition
3. Engineering and permitting process – secure permits for land disturbance and wetlands effects
4. Advertise for bid and award
5. Construction phase
6. Project final acceptance

Chairman Glaze said in a cluster of roads, if four really require it for moving equipment, the fifth would be added in. Mr. McFee said the roads in a region usually have a good candidate to fill out a contract. They want to minimize mobilizations as much as possible. County decided a less intense schedule would be a better use of monies. Mr. Sommerville asked if roads weren't still being built between 2006 and 2010. Those contracts have just gone out, and he's under the impression that "we're running behind." Mr. McFee said if they are behind, it's by about 8 months. Mr. Sommerville said it's not a criticism but asked if this will delay the end of this project in 2014.

Mr. McFee showed a slide of the current status of various dirt paving projects, which is also in the electronic packet sent to the committee: contracts #34, 39, 40 and 41. These are the last of the 4-year cycle. All but #41 is in process or completed.

Ms. Von Harten asked if it would be possible for roads that were on the list for a very long time to be given a higher rating to satisfy those who have "been on the list for decades." Mr. McFee replied that money is the primary constraint for whatever approach they take. Ms. Von

Harten said if someone's road was on the list for 30 years, and they lose out to someone whose road was on the list for ten, there is bitterness about that. Mr. McFee said there were a lot of dirt roads in 1994. If Ms. Von Harten's idea is implemented, there might be roads paved that don't serve the current need but just have been on the list for awhile. Ms. Von Harten said if roads are terrible, no one will want to build on them; therefore, they won't get the points they need to get better. Mr. McFee replied that he has seen exquisite houses built on dirt roads in poor shape. The real estate market will dictate where houses are built. The CTC has done an exemplary job up to now, even if there are holes in the process, and he invited conversation about it.

Mr. McBride said he thinks the system could be massaged but is good. There have been good projects in the last 10 to 15 years. At one time, state senators would be contacted about the roads. He's skeptical about tampering with the present process because of possible worse, unintended consequences. Chairman Glaze agreed. He said no action was necessary on this matter; it was for the committee's information. The committee offered thanks to Mr. McFee.

8. Other Business

Discussion: Mr. McBride asked Mr. Bellamy what the process is for residents who are willing to give the right-of-way for their dirt road for the county's consideration. Mr. Bellamy referred to a 2003 memorandum. Mr. McBride said he's asking about an unnamed road with ten residences and asked what they need to do to get it before the individuals who are making the decisions. Mr. Bellamy said "Go see Eric Klatt," who is the right-of-way manager.

PUBLIC SAFETY COMMITTEE

February 1, 2010

The electronic and print media were duly notified in accordance with the State Freedom of Information Act.

The Public Safety Committee met on Monday, February 1, 2010 at 4:00 p.m., in the Executive Conference Room of the Administration Building, Beaufort, South Carolina.

ATTENDANCE

Public Safety Committee Members: Chairman Jerry Stewart, Vice Chairman Brian Flewelling, Rick Caporale, Gerald Dawson, Stewart Rodman and Laura Von Harten were in attendance. Herbert Glaze was absent. Non Committee members William McBride and Steven Baer also attended.

County Staff: Lad Howell, Staff attorney, Brian Hill, County Deputy Administrator; Gary Kubic, County Administrator; Toni Lytton – Director Animal Shelter and Control; William Winn, Division Director Public Safety.

Legislative Delegation: State Representative Bill Herbkersman, District 118, and State Senator Tom Davis

Public: Joe Crowley, Hilton Head Association of Realtors; Kim Statler, Lowcountry Economic Network; Nick Crowser, Government and Business Affairs Committee Sun City; George Simpson, Government and Business Affairs Committee Sun City.

Media: Richard Brooks, *Bluffton Today*.

Committee Chairman Jerry Stewart chaired the meeting.

ACTION ITEM

1. Consideration of Reappointments and Appointments

Bluffton Fire District - the Committee voted to recommend the reappointment of Rainie Steedley.

It was moved by Mr. Flewelling, seconded by Mr. Dawson, to recommend to Council the reappointment of Rainie Steedley to the Bluffton Fire District. The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Glaze. The motion passed.

Daufuskie Island Fire District – The Committee voted to recommend the reappointments of Jon Michael Bryant and George F. Jenkins.

It was moved by Mr. Flewelling, seconded by Ms. Von Harten, to recommend to Council the reappointment of Michael Bryant and George F. Jenkins to the Daufuskie Island Fire District. The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Glaze. The motion passed.

Lady's Island/St. Helena Island Fire District – For discussion at the April meeting.

Lowcountry Regional Transportation Authority – The Committee voted to recommend the reappointment of J. Craig Forrest and the appointment of Dick Stewart for Richard North's vacant seat.

It was moved by Mr. Stewart, seconded by Mr. Dawson, the recommendation to Council to reappoint J. Craig Forrest to the Lowcountry Regional Transportation Authority. The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Glaze. The motion passed.

It was moved by Mr. Stewart moved, seconded by Ms. Von Harten the recommendation to Council to appoint Dick Stewart to the Lowcountry Regional Transportation Authority. The vote was FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Glaze. The motion passed.

INFORMATIONAL ITEMS

2. Discussion of Issues before the Legislature that Would Affect Beaufort County and the Surrounding Region

Discussion: Mr. Stewart briefed the Committee that it gets Legislative Alerts from the South Carolina Association of Counties, which wants to know the County's stance on H.3272, regarding ATI. He said the House passed H.3272 and it is before the Senate. He said the discussion before the Senate is waiting for a compromise position to be brought forward between the Realtors and Homebuilders Association and the Association of Counties and Municipal Association. The Municipal Association and the Association of Counties both oppose the actions being taken, to eliminate the point of sale. The realtors and homebuilders are in favor of removing it. There is now a new proposal to include 4 percent now, as opposed to just 6 percent properties, and to use the appraisal of 80 percent of the fair market value, as opposed to full market under the current ATI. Mr. Stewart said the purpose is to get back to the Association of Counties and weigh in with our thoughts, a position, etc. with respect to the ATI agenda. He said the Council opposed it in the form of H.4942, Point of Sale Revision, through a resolution adopted April 14, 2009.

Senator Davis then gave the Committee a summary of the evolution of the Point of Sale revision to explain how it got to where it is today. He said the bill originated in the S.C. House

last session. The initial bill passed by the House called for point of sale assessment to be deferred until the next countywide reassessment. It then went to the Senate Finance Committee, which amended it to provide when there is a sale of property, the point of sale assessment is limited to 15 percent of its previous value then to become the base upon which it could be increased by an additional 15 percent in the next countywide reassessment. That was the posture of the bill when it was put in the box for special priority at the end of last year's session; we did not get to it. The bill was in the box waiting for us, when we reconvened a few weeks ago, Sen. Davis said. There were negotiations between local governments and realtors with an amendment coming out of those, which called for no point of sale relief provided in regard to 4 percent, or primary residences. But the amendment included point of sale relief in regard to 6 percent, investment properties, at 100 percent the first year and phased out over a period of three years. Sen. Davis said the amendment was then withdrawn due to lack of support among realtors. Parties went back to the drawing board to renegotiate. Sen. Davis said as of last week there was a new offer including both 4 percent and 6 percent properties for relief from point of sale, but the adjustment would be 80 percent of the sales price, a continuation *ad infinitum*, not phased out. He said it was not clear what the economic impact was going to be on local governments, and frankly it is the last he had heard of it as of Feb. 1.

The amendment on the desk is the relief for 6 percent phasing out over a three year period with no relief for 4 percent, according to Sen. Davis. There has been no substitute offered at this time. Sen. Davis said his understanding is that if there is not agreement among the stakeholders in regard to either amendment, the Senate will probably go for a vote on what came out of the Senate Finance Committee.

Mr. Stewart said the estimated impact, based upon the Association of Counties, is from \$10.4 million per year and \$40 million per year. He said there are also considerations about making the issue retroactive to 2006. He said the Association of Counties wants a weigh-in on excluding the 4 percent properties from proposal, a vote against any retroactivity, a vote against the Finance Committee amendment and support of the agreement reached last Tuesday, in which the realtors renege the proposal with cap increases and 6 percent property value when an ATI is triggered to 80 percent of the difference between the cap value and the fair market value of the property.

Sen. Davis then said the Point of Sale deals with only the symptoms of a problem, not the disease, which is Act 388. He said there's a deeper underlying problem that schools are paid for by private entities creating inequities generated by this law. He said the point of sale is a Band-Aid approach to the problem. The Committee then discussed the many versions of the bill and the impacts it would have locally.

Mr. Stewart asked for the Committee's stance on the issue, and perhaps a letter from the Chairman based on that stance.

Ms. Von Harten said from a historical perspective there are a lot of boom and bust periods in South Carolina. She said she thinks the real estate industry is one of those things that boomed. It's busting and will not ever get back to what it was. She said she thinks the real estate

people need to get real. Shrimping declined, oystering declined, cotton, indigo, rice, etc. She said we are moving toward a different type of economy and real estate will be a part of it, but it will not be the same as it was in the last century. Rep. Herbkersman said from his perspective the real estate industry is not in danger with a million new households created each year in the United States with a majority going to the coasts. Sen. Davis said he disagreed with Ms. Von Harten's premise; he said he thinks our neck of the woods is paradise and a place people want to come, despite a current lull. He said this is a chance to get the house in order, in terms of environmental protection, best management practices and the tax code.

Mr. Sommerville discussed the original intent of Act 388. He said his concern was to protect long-term residents from getting taxed out of their homes; that was a primary driving force and he said it is debatable how it got to where it is today. He said many older people in Beaufort are/were taxed out of their homes.

Mr. Rodman said he thinks any action to make the point of sale retroactive would be money out of the local governments' pockets, which would be a disaster when we are trying to recover. He said under the issue of point of sale - the way we set the millage rate is to figure out what we think we need to spend and then divide by the assessed value. We are really talking about what the assessed value is going to be. If the point of sale is included, the assessed value gets a bit bigger. In reality, we will probably spend the same amount of money as a county and are only talking about what the tax burden is between the two groups. He said with the 15 percent cap put into effect, about 90 percent of the property in the county that the 15 percent cap came into effect on the reassessment. Those 90 percent of properties are running off of the historic value. There is a large divergence of the two different types of properties, which might actually be identical and right next to each other. He said it discourages people from buying property. He said he thinks the best option would be the one to minimize the differences.

Sen. Davis asked the Committee which of the proposed amendments are most palatable. The Committee members expressed the lesser of the evils was probably the proposal which diminished over three years. Mr. McBride said in regard to the Association of Counties, their staff has studied all of these proposals and he believes its recommendation for a proposal is the most advantageous to the local governments. He said he supports that position. Mr. Sommerville agreed and said he would support that position.

It was moved by Mr. Dawson, seconded by Mr. McBride, to determine County Council members' support for the position of the South Carolina Association of Counties by a show of hands. The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Stewart and Ms. Von Harten. AGAINST – Mr. Flewelling and Mr. Rodman. ABSENT – Mr. Glaze. The motion passed.

The Committee briefly discussed the Voter ID bill and a bill for local option tourism fee of 1 percent aimed at Beaufort County only.

Status: No action necessary. The vote was a gauge of Council support for the South Carolina Association of Counties' position in regard to the state bill covering point of sale.

3. Text Amendment to the Animal Control Ordinance

Discussion: Mr. Stewart reviewed the objectives for discussing the Animal Control Ordinance. He reminded Committee members the ordinance is to protect the health and safety of the citizens of Beaufort County through enforcement of laws requiring animals to be inoculated against diseases and the control of aggressive animals, as well as to protect the well-being of animals by reducing their population through an aggressive spay and neutering program to result in fewer unwanted, abused, stray and euthanized animals. Council's responsibility covers enacting a Beaufort County Animal Control Ordinance that is consistent with, and will cause the above objectives to be realized, and to monitor the enactment of the Animal Control Ordinance to ensure it is applied in a manner consistent with achieving the stated goals/objectives. The Public Safety Department / Animal Control Division's responsibility is to provide a Policy Manual to identify the manner in which the Animal Control Ordinance will be carried out.

Further, it is understood specific instructions/recommendations of Council will not be a part of the Animal Control Ordinance. It is suggested these instructions /recommendations necessary to fully convey the intent of Council will be stated in an accompanying Resolution. Items to be covered in the Resolution may include, but not be limited to the following: Capital improvement needs; Establishing a program for and the manner in which funds will be provided for a spay and neuter program; Incentives to encourage veterinarians to participate in the County program; a County-wide awareness through educational programs.

Mr. Stewart then told members they would review the revised ordinance being proposed. There have been several sections omitted, for various reasons, he said. He said he does not expect to take a vote on this issue today as the Committee should give it time to digest. It will be further discussed at the annual Council retreat.

Mr. Stewart turned the meeting over to Mr. Lad Howell, who addressed the changes to the proposed ordinance. He gave credit for many of the revisions to Ms. Toni Lytton, Director – Animal Shelter and Control, and her staff. Mr. Howell briefly reviewed to ordinance saying the old ordinance lacked flow and was haphazard; many of the changes remedy that. Antiquated provision were eliminated or updated. The ordinance was revised to fit today's needs with an emphasis on spay/neuter and requirements of redemption of pets by owners whose pets are impounded, he said. He said license requirements were not included in the revised version, and replaced with other redemption factors to recoup fees, which is felt to be fairer.

The Committee discussed definitions, word usage and merits of being specific versus broad to some length.

The Committee members suggested changes be made to the proposed animal control ordinance, among those: the language explaining adoption fees and sterilization be clarified; the addition of person to the section of burden of care; ferrets be removed from the definition of wild animals Sec. 14.26 Definitions, strike "in lieu of" from Sec. 14-35. Regulation of Dangerous Animals (a) Confinement. (1); add "working days" to the five days for an owner to redeem their pet.

Status: No action necessary. The issue will come before the Committee again on March 1, 2010, at which time the Committee will consider moving it forward. It will also open up to citizen, groups for comment at that time.

4. Lowcountry Economic Network Activity Update

Discussion: Ms. Kim Statler, Lowcountry Economic Network, gave an update/landscape on projects for the Lowcountry Economic Network. The LEN tracks inquiries based on subject matter. Inquiry focus areas are green (310), healthcare (325), manufacturing (839), headquarters (125) and knowledge-intensive (450). She then showed a charted illustrating what the Lowcountry Economic Network is working on regionally. At the bottom, there are two sums: the total job count (2,056) and the total square-feet of existing space needed (330,000 ft²). She said she wanted to demonstrate is only one project the network is working with has not come in and asked for a building. They want existing space. Of those, they have not been able to find the needed square-footage. She said she wanted to give the Committee and idea of the magnitude of the missing product (missing space). Ms. Statler said the network has tried to retrofit to come up with the structures, but right now as far as the Department of Commerce is concerned there is one building eligible for them to showcase. It is in Jasper County and a business which is failing. She also addressed a potential counter argument that if there available space is not there, the private sector should just build it. She said the problem is she is competing with areas which do have it. She also said she has found out through talks with people that it is nearly impossible to get new buildings financed. It takes an 85 percent secured occupancy formula before the space is built; it used to be 50-50.

Then, Ms. Statler briefed the Committee on the network's Beaufort Industrial park, which was purchased years ago. The network came due to refinance last spring. The original terms were interest-only payments, quarterly, so every time land was sold in the park 80 percent went to bank and 20 percent went into their escrow account. Through the refinancing process, the terms have changed to no longer include an interest-only scenario, principal and interest roll together, a floor of 6.25 percent, which puts the network in a position where it is unable to carry it more than six months, an 85-15 percent split. She said she can no longer hold acres aside for spec purposes with a minimum sales price of \$23,000 per acre and her ability to negotiate with the prospect has been pulled off the table. She said the network is in a terrible situation. She said there is a dilemma of finding a way to retain the Beaufort Industrial Park, right across from the Marine Corps Air Station Beaufort and part of the strategy, in a way in which we control what happens to it. This is not a new issue, buildings are absolutely necessary to translate the prospects, she said. She said the network has until June until it has expended all of its funds to hang onto the park. The network is looking for a partner to unwind this situation, she said. As it relates to the F-35, the network spent time with the Department of Commerce last week to develop a joint strategy to pursue companies to locate as a result of that. They indicated the same thing; the county does not see more prospects because it does not have buildings and the ports negotiate cargo rate based upon where the company locates its facility (i.e. a reduced shipping rate for locating in Georgia). She said it has to be offset on the South Carolina side.

Mr. Stewart said perhaps future discussions could include whether the county would want to acquire the land, but today's item was to let the Committee know what is happening. Secondly, Jasper County is in its third spec building, Colleton County has spec buildings and Hampton County has spec buildings. Beaufort County is at a distinct disadvantage because of lack of a building.

Status: No action necessary.