

COUNTY COUNCIL OF BEAUFORT COUNTY
ADMINISTRATION BUILDING
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX
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BEAUFORT, SOUTH CAROLINA 29901-1228
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D. PAUL SOMMERVILLE
CHAIRMAN

GERALD W. STEWART
VICE CHAIRMAN

COUNCIL MEMBERS

RICK CAPORALE
MICHAEL E. COVERT
GERALD DAWSON
BRIAN E. FLEWELLING
STEVEN G. FOBES
YORK GLOVER, SR.
ALICE G. HOWARD
STEWART H. RODMAN
ROBERTS "TABOR" VAUX

THOMAS J. KEAVENY, II
INTERIM COUNTY ADMINISTRATOR
COUNTY ATTORNEY

AGENDA
COUNTY COUNCIL OF BEAUFORT COUNTY

REGULAR SESSION

Monday, July 23, 2018

6:00 p.m.

Council Chambers, Administration Building
Beaufort County Government Robert Smalls Complex
100 Ribaut Road, Beaufort

1. CALL TO ORDER - 6:00 P.M.
2. REGULAR SESSION
3. PLEDGE OF ALLEGIANCE
4. INVOCATION – Councilman Stewart Rodman
5. RECOGNITION / ADOPT-A-HIGHWAY VOLUNTEER GROUPS
6. ADMINISTRATIVE CONSENT AGENDA
 - A. Approval of Minutes
 1. July 2, 2018 Special Session ([backup](#))
 2. June 25, 2018 Caucus ([backup](#))
 3. June 25, 2018 Regular Session ([backup](#))
 4. June 11, 2018 Caucus ([backup](#))
 5. June 11, 2018 Regular Session ([backup](#))
 6. May 29, 2018 Caucus ([backup](#))
 7. May 29, 2018 Regular Session
 - B. Committee Reports (next meeting)
 1. Community Services (August 20, 2018 at 4:00 p.m., ECR)
 - a. Minutes – June 18, 2018 ([backup](#))
 2. Executive (September 10, 2018 at 3:00 p.m., ECR)
 - a. Minutes – June 25, 2018 ([backup](#))
 3. Finance (August 13, 2018 at 2:00 p.m., ECR)
 - a. Minutes – June 4, 2018 ([backup](#))
 4. Governmental (August 6, 2018 at 4:00 p.m., ECR)
 - a. Minutes – June 4, 2018 ([backup](#))
 5. Natural Resources (August 20, 2018 at 2:00 p.m., ECR)
 - a. Minutes – June 18, 2018 ([backup](#))
 6. Public Facilities (August 27, 2018 at 3:00 p.m., HHI Library)
 - a. Minutes – June 25, 2018 ([backup](#))
 - b. Minutes – June 11, 2018 ([backup](#))



7. PUBLIC COMMENT – Speaker sign-up encouraged no later than 5:45 p.m. day of meeting

8. OLD BUSINESS

A. DISCUSSION OF COUNTY ADMINISTRATOR

9. NEW BUSINESS

A. AN ORDINANCE AMENDING THE EXISTING “NO BENEFIT” POLICY PURSUANT TO A REQUEST OF THE SOUTH CAROLINA STATE HOUSING TRUST FUND CLARIFYING RESTRICTIONS ON THE USE OF FUNDS RECEIVED FROM THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY PROGRAM ([backup](#))

1. Consideration of first reading, by title only, to occur July 23, 2018

10. TIME-SENSITIVE ITEMS POTENTIALLY COMING FORTH FROM JULY 23, 2018 COMMITTEE MEETINGS FOR COUNCIL CONSIDERATION

A. ENGINEERING AND CONSULTING SERVICES FOR LOWCOUNTRY REGIONAL STORMWATER ORDINANCE AND DESIGN MANUAL ([backup](#))

1. Consideration of approval to occur July 23, 2018

2. Issue to be discussed at Finance Committee on Monday, July 23, 2018 beginning at 3:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, Beaufort, South Carolina

B. CONSULTANT WORK AUTHORIZATION FOR HILTON HEAD ISLAND AIRPORT ([backup](#))

1. Consideration of approval to occur July 23, 2018

2. Issue to be discussed at Finance Committee on Monday, July 23, 2018 beginning at 3:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, Beaufort, South Carolina

C. CONSULTING SERVICES TO UPDATE BEAUFORT COUNTY IMPACT FEES AND TO STUDY A POTENTIAL NEW SCHOOL DISTRICT CONSTRUCTION IMPACT FEE ([backup](#))

1. Consideration of approval to occur July 23, 2018

2. Issue to be discussed at Finance Committee on Monday, July 23, 2018 beginning at 3:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, Beaufort, South Carolina

D. RECYCLABLES COLLECTION AND PROCESSING FOR BEAUFORT COUNTY ([backup](#))

1. Consideration of approval to occur July 23, 2018

2. Issue to be discussed at Finance Committee on Monday, July 23, 2018 beginning at 3:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, Beaufort, South Carolina

E. AMENDMENT TO THE AGREEMENT BETWEEN SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION (SCDOT) AND BEAUFORT COUNTY FOR THE PLANNING AND IMPLEMENTATION OF THE U.S. HIGHWAY 278 CORRIDOR IMPROVEMENTS IN BEAUFORT COUNTY ([backup](#))

1. Consideration of approval to occur July 23, 2018
2. Issue to be discussed at Finance Committee on Monday, July 23, 2018 beginning at 3:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, Beaufort, South Carolina

F. MCIP AGREEMENT WITH JASPER COUNTY REGARDING THE FUTURE PORT PROPERTY

1. Consideration of approval to occur July 23, 2018
2. Issue to be discussed at Finance Committee on Monday, July 23, 2018 beginning at 3:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, Beaufort, South Carolina

G. AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF LIMITED GENERAL OBLIGATION BONDS (BLUFFTON TOWNSHIP FIRE DISTRICT), SERIES 2018B OR SUCH OTHER APPROPRIATE SERIES DESIGNATION OF BEAUFORT COUNTY, SOUTH CAROLINA IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,000,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR OR HIS/HER LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND DISPOSITION OF THE PROCEEDS THEREOF AND OTHER MATTERS RELATING THERETO; AND REPEALING ORDINANCE NO. 2018/10 ([backup](#))

1. Consideration of first reading approval to occur July 23, 2018
2. Issue to be discussed at Finance Committee on Monday, July 23, 2018 beginning at 3:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, Beaufort, South Carolina

H. CONSIDERATION OF A RESOLUTION SUPPORTING PLANS TO BUILD A NATIONAL INTERPRETATIVE CENTER ON RECONSTRUCTION HISTORY AND TO WORK WITH ALL PARTNERS TOWARD THE SUCCESS ON SUCH IMPLEMENTATION ([backup](#))

1. Consideration of adoption to occur July 23, 2018
2. Issue to be discussed at Finance Committee on Monday, July 23, 2018 beginning at 3:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, Beaufort, South Carolina

11. CONSENT AGENDA

- A. AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND BETWEEN BEAUFORT COUNTY, SOUTH CAROLINA (THE “COUNTY”) AND A COMPANY IDENTIFIED FOR THE TIME BEING AS PROJECT MCCLELLAN, ACTING FOR ITSELF, ONE OR MORE AFFILIATES, AND/OR OTHER PROJECT SPONSORS (COLLECTIVELY, THE “COMPANY”), PURSUANT TO WHICH THE COUNTY SHALL COVENANT TO ACCEPT CERTAIN NEGOTIATED FEES IN LIEU OF AD VALOREM TAXES WITH RESPECT TO THE ESTABLISHMENT OF CERTAIN FACILITIES IN THE COUNTY (THE “PROJECT”); (2) CERTAIN SPECIAL SOURCE REVENUE CREDITS WITH RESPECT TO THE PROJECT; (3) THE BENEFITS OF A MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE PROJECT; AND (4) OTHER MATTERS RELATING THERETO ([ordinance](#)) ([agreement](#))
1. Consideration of second reading approval to occur July 23, 2018
 2. Public hearing – Monday, August 27, 2018 beginning at 6:30 p.m. in the large meeting room, Hilton Head Island Branch Library, 11 Beach City Road, Hilton Head Island, South Carolina
 3. First reading approval occurred June 11, 2018 / Vote 10:0
 4. Finance Committee discussion occurred June 4, 2018
- B. AN ORDINANCE AUTHORIZING AND APPROVING (1) THE DEVELOPMENT OF A NEW JOINT COUNTY INDUSTRIAL AND BUSINESS PARK PURSUANT TO SECTION 4-1-170 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN CONJUNCTION WITH JASPER COUNTY (THE “PARK”) SUCH PARK TO BE GEOGRAPHICALLY LOCATED IN BEAUFORT COUNTY AND TO INCLUDE THE BELOW REFERENCED PROPERTY; (2) THE EXECUTION AND DELIVERY OF A WRITTEN PARK AGREEMENT WITH JASPER COUNTY AS TO THE REQUIREMENT OF PAYMENTS OF FEE IN LIEU OF AD VALOREM TAXES WITH RESPECT TO PARK PROPERTY AND THE SHARING OF THE REVENUES AND EXPENSES OF THE PARK; (3) THE DISTRIBUTION OF REVENUES FROM THE PARK WITHIN BEAUFORT COUNTY; AND (4) OTHER MATTERS RELATED THERETO ([ordinance](#)) ([agreement](#))
1. Consideration of second reading approval to occur July 23, 2018
 2. Public hearing – Monday, August 27, 2018 beginning at 6:30 p.m. in the large meeting room, Hilton Head Island Branch Library, 11 Beach City Road, Hilton Head Island, South Carolina
 3. First reading approval occurred June 11, 2018 / Vote 10:0
 4. Finance Committee discussion occurred June 4, 2018

- C. MAP AMENDMENT TO THE BEAUFORT COUNTY COMPREHENSIVE PLAN, CHAPTER 4: FUTURE LAND USE MAP 4-9 TO: REMOVE THE HAMLET PLACE TYPE ON THE BUCKINGHAM LANDING COMMUNITY AT THE FOOT OF THE BRIDGE TO HILTON HEAD ISLAND ([backup](#))
1. Consideration of second reading approval to occur July 23, 2018
 2. Public hearing – Monday, August 27, 2018 beginning at 6:30 p.m. in the large meeting room, Hilton Head Island Branch Library, 11 Beach City Road, Hilton Head Island, South Carolina
 3. First reading approval occurred June 25, 2018 / Vote 8:0
 4. Natural Resources Committee recommend to approve ordinance on first reading occurred June 18, 2018 / Vote 5:0
 5. Planning Commission discussion and recommendation to approve text amendment occurred June 4, 2018 / Vote 9:0
- D. MAP AMENDMENT TO THE BEAUFORT COUNTY COMMUNITY DEVELOPMENT CODE, PREAMBLE, DIVISION P.20, PAGES P10 AND P-11 TO REMOVE THE HAMLET PLACE TYPE FROM THE BUCKINGHAM LANDING COMMUNITY AT THE FOOT OF THE BRIDGE TO HILTON HEAD ISLAND ([backup](#))
1. Consideration of second reading approval to occur July 23, 2018
 2. Public hearing – Monday, August 27, 2018 beginning at 6:30 p.m. in the large meeting room, Hilton Head Island Branch Library, 11 Beach City Road, Hilton Head Island, South Carolina
 3. First reading approval occurred June 25, 2018 / Vote 8:0
 4. Natural Resources Committee recommend to approve ordinance on first reading occurred June 18, 2018 / Vote 5:0
 5. Planning Commission discussion and recommendation to approve text amendment occurred June 4, 2018 / Vote 9:0
12. PUBLIC HEARING – 6:30 P.M.
- A. AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE COUNTY BEAUFORT, SOUTH CAROLINA, AND SEABROOK SOLAR, LLC ([ordinance](#)) ([agreement](#))
1. Public hearing one of two July 23, 2018
 2. Consideration of second reading approval to occur July 23, 2018
 3. Public hearing two of two – Monday, August 27, 2018 beginning at 6:30 p.m. in the large meeting room, Hilton Head Island Branch Library, 11 Beach City Road, Hilton Head Island, South Carolina
 4. First reading approval occurred June 11, 2018 / Vote 10:0
 5. Finance Committee discussion occurred June 4, 2018
13. MATTERS ARISING OUT OF EXECUTIVE SESSION
14. PUBLIC COMMENT – Speaker sign-up encouraged
15. ADJOURNMENT

Official Proceedings
County Council of Beaufort County
Special Session
July 2, 2018

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

A special regular session of the County Council of Beaufort County was held Monday, July 2, 2018 beginning at 8:45 a.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Council members Rick Caporale, Michael Covert, Gerald Dawson, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, and Roberts "Tabor" Vaux present. Council member Stewart Rodman and Vice Chairman Gerald Stewart absent.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Fobes, seconded by Mr. Covert, that Council go immediately into executive session regarding discussion of employment of a person regulated by County Council; interviews with candidates for Beaufort County Administrator; and discussion of candidates for Beaufort County Administrator. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. Sommerville and Mr. Vaux. ABSENT – Mr. Glover, Mr. Rodman and Mr. Stewart. The motion passed.

EXECUTIVE SESSION

RECONVENE SPECIAL SESSION

MATTERS ARISING OUT OF EXECUTIVE SESSION

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council narrow the search for County Administrator to two individuals – Alan M. Ours and William P. "Bill" Shanahan, Jr and invite them to meet the community in July 2018. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Glover, Mr. Fobes, Mrs. Howard, Mr. Sommerville and Mr. Vaux. ABSENT – Mr. Rodman and Mr. Stewart. The motion passed.

ADJOURNMENT

Council adjourned at 1:16 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

AS TO FORM:

ATTEST: _____
Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

Ratified:

DRAFT

Official Proceedings
County Council of Beaufort County
June 25, 2018

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

A caucus of the County Council of Beaufort County was held Monday, June 25, 2018 beginning at 5:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart, and Council members Rick Caporale, Brian Flewelling, York Glover, Alice Howard, Stewart Rodman and Roberts "Tabor" Vaux present. Council member Michael Covert, Gerald Dawson and Steven Fobes absent.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Flewelling, seconded by Mrs. Howard, that Council go immediately into executive session for discussion of Interim County Administrator; discussion of contractual arrangements with designated marketing organizations (DMO); receipt of legal advice regarding the status of pending litigation (Hilton Head National); and receipt of legal advice regarding potential purchase of property in southern Beaufort County. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

EXECUTIVE SESSION

ADJOURNMENT

Council adjourned at 6:00 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

Ratified:

Official Proceedings
County Council of Beaufort County
June 25, 2018

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

The regular session of the County Council of Beaufort County was held Monday, June 25, 2018 beginning at 6:00 p.m. in the Council Chambers, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart, Council members Rick Caporale, Brian Flewelling, York Glover, Alice Howard, Stewart Rodman and Roberts "Tabor" Vaux present. Council members Michael Covert, Gerald Dawson and Steven Fobes absent.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

INVOCATION

Council member Roberts "Tabor" Vaux gave the Invocation.

RECOGNITION / ADOPT-A-HIGHWAY VOLUNTEER GROUPS

Chairman Paul Sommerville recognized the following Adopt-A-Highway/Boat Landing groups – Bermuda Bluff Island Property Owners Association, Kiwanis Club of Beaufort, Rotary Club of the Low Country / Beaufort High Interact Club, and Pleasant Point -- and thanked them for their vigilant efforts in making Beaufort County a cleaner, safer and more beautiful place to live, work and visit.

ADMINISTRATIVE CONSENT AGENDA

Committee Reports

Public Facilities Committee

Public Facilities Committee Chairman Stu Rodman said there are two items coming out of the June 25, 2018 meeting of the Public Facilities Committee Work Session – Council's approval to move forward with a co-located fire/EMS station at the corner of S.C. Highway 170 and S.C. Highway 46 and approval of a contract renewal to Daufuskie Island Ferry Services, LLC for ferry services on Daufuskie Island.

Co-Located Fire / EMS Station

It was moved by Mr. Glover, no second required, that Council approve to move forward with a co-located fire/EMS station at the corner of S.C. Highway 170 and S.C. Highway 46. The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Covert, Mr. Dawson and Mr. Fobes. The motion passed.

Contract Renewal / Ferry Services on Daufuskie Island

It was moved by Mrs. Howard, no second required, that Council award a contract renewal to Daufuskie Island Ferry Services, LLC, in the amount of \$361,630.08 to provide ferry services for a period beginning July 1, 2018 and ending on June 30, 2019. The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Covert, Mr. Dawson and Mr. Fobes. The motion passed.

PUBLIC COMMENT

Mr. Perry White, representative of St. James Baptist Church and Mitchelville Community, spoke to Council about the conflict between the Church and the Hilton Head Island Airport. When the Airport was built, the plan was to relocate the Church. That did not go well with the Church or the community. Recently, St. James Baptist Church, its members and officials, voted to relocate the Church. This discussion has been ongoing for many years. It does not matter how noisy it is, the Church is located in the hazardous zone district of Hilton Head Island Airport. There has been dialogue with officials with the Town of Hilton Head Island and Beaufort County as well as problems finding the right location for the relocation. They would like to remain in Mitchelville Community. The Town presented a plan that conflicted with other uses of the park. There is unused land on Beach City Road. To move less than a mile up the road would satisfy the congregation. There have been discussions with Council members and feel this is a reasonable request. Let's work together. This is a win-win situation that we all can benefit from.

NEW BUSINESS / RECEIPT OF FISCAL YEAR 2017 CERTIFIED AUDITED FINANCIAL REPORT (CAFR)

Mr. Brian Nicholson, CPA, Mauldin and Jenkins, provided Council with the following upcoming released reports: Auditors' Opinion Report, Yellow-book Report, Single Audit Report, and Passenger Facilities Charges Report. At the governmental level, the County had \$730 million in assets and deferred resources, an increase of \$74 million over the previous year. In FY2017, the County had \$415 million in liabilities, which is an increase from \$85 million. This has to do with the new debt the County took on to pay for disaster expenditures. The County had \$38 million in disaster expenditures. The General Fund helped absorb most of the costs. It only showed a \$785,000 decrease. That is incredible.

The GFO requires counties to release their audits six months after year end. With Beaufort County's budgetary cycle ending June 30, the audit is required to be complete by December 31. The County had been delinquent the last five years. There needs to be something done to ensure the audit gets out on time.

CONSENT AGENDA

MAP AMENDMENT TO THE BEAUFORT COUNTY COMPREHENSIVE PLAN, CHAPTER 4: FUTURE LAND USE MAP 4-9 TO REMOVE THE HAMLET PLACE TYPE ON THE BUCKINGHAM LANDING COMMUNITY AT THE FOOT OF THE BRIDGE TO HILTON HEAD ISLAND

It was moved by Mr. Rodman seconded by Mr. Flewelling, that Council approve a Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to remove the Hamlet Place Type on the Buckingham Landing Community at the foot of the bridge to Hilton Head Island. The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Covert, Mr. Dawson and Mr. Fobes. The motion passed.

MAP AMENDMENT TO THE BEAUFORT COUNTY COMMUNITY DEVELOPMENT CODE, PREAMBLE, DIVISION P.20, PAGE P10 AND P11 TO REMOVE THE HAMLET PLACE TYPE FROM THE BUCKINGHAM LANDING COMMUNITY AT THE FOOT OF THE BRIDGE TO HILTON HEAD ISLAND

It was moved by Mr. Rodman seconded by Mr. Flewelling, that Council approve a Map Amendment to the Beaufort County Community Development Code, Preamble, Division P20, Page P10 and P11 to remove the Hamlet Place Type from the Buckingham Landing Community at the foot of the bridge to Hilton Head Island. The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Covert, Mr. Dawson and Mr. Fobes. The motion passed.

PUBLIC HEARING

AN ORDINANCE ESTABLISHING A CONDITIONAL USE FOR AFFORDABLE HOUSING DEVELOPMENT IN THE REGIONAL CENTER MIXED USE (C5) ZONE DISTRICT (AMENDS BY SUBSTITUTION, HOTEL TO APARTMENT CONVERSION ON UNIT-TO-UNIT BASIS)

The Chairman opened a public hearing beginning at 6:30 p.m. for the purpose of receiving public comment regarding an ordinance establishing a conditional use for affordable housing development in the Regional Center Mixed Use (C5) Zone District (amends by substitution, hotel to apartment conversion on unit-to-unit basis). After calling three times for public comment and receiving none, the Chairman called the hearing closed at 6:31.

It was moved by Mr. Flewelling, as Natural Resources Committee Chairman, no second required, that Council approve on third and final reading an ordinance establishing a conditional use for affordable housing development in the Regional Center Mixed Use (C5) Zone District (amends by substitution, hotel to apartment conversion on unit-to-unit basis). The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mrs. Howard, Mr. Rodman, Mr. Sommerville and Mr. Vaux. NAYS – Mr. Stewart. ABSTAIN – Mr. Glover. ABSENT – Mr. Covert, Mr. Dawson and Mr. Fobes. The motion passed.

MATTERS ARISING OUT OF EXECUTIVE SESSION

It was moved by Mr. Stewart, seconded by Mrs. Howard, that Council appoint Mr. Tom Keaveny to serve as as Interim County Administrator, effective July 20, 2018, beginning at 12:01 a.m. at a salary of \$150,000 until a date to be determined by County Council. The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Covert, Mr. Dawson and Mr. Fobes. The motion passed.

It was moved by Mr. Vaux, seconded by Mr. Rodman, that Council authorize the Interim County Administrator to purchase real property owned by Queensborough National Bank & Trust, Co. and described as Parcel ID R600 041 000 008 000 for \$2.2 million. Funding will come from the General Fund. The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Covert, Mr. Dawson and Mr. Fobes. The motion passed.

PUBLIC COMMENT

There were no requests to speak.

ADJOURNMENT

Council adjourned at 6:42 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

AS TO FORM:

ATTEST: _____
Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

Ratified:

Official Proceedings
County Council of Beaufort County
June 11, 2018

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

A caucus of the County Council of Beaufort County was held Monday, June 11, 2018 beginning at 2:30 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart, and Council members Rick Caporale, Michael Covert, Gerald Dawson, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, Stewart Rodman and Roberts “Tabor” Vaux present. Mr. Dawson absent.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Rodman, seconded by Mr. Covert, that Council go immediately into executive session regarding receipt of information from GoyHR relative to the search for a new County Administrator. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

EXECUTIVE SESSION

RECONVENE OF CAUCUS

INFORMATION RELATIVE TO SEARCH FOR NEW COUNTY ADMINISTRATOR

Chairman Sommerville announced that in Executive Session, County Council discussed candidates for the position of County Administrator. Council has decided to interview six candidates on July 2, 2018.

It was moved by Mr. Covert, seconded by Mr. Flewelling, that Council agree to interview the six selected candidates for the position of County Administrator in Executive Session on July 2, 2018. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Stewart and Mr. Vaux. NAYS – Mr. Sommerville. ABSENT – Mr. Dawson. The motion passed.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Stewart, seconded by Mr. Flewelling, that Council go immediately into executive session for discussions incident to proposed contractual negotiations and the possible purchase of property (Bluffton Property) and Legal Department discussions relative to pending litigation (potential annexation of property in unincorporated Beaufort County). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

EXECUTIVE SESSION

RECONVENE OF CAUCUS

DISCUSSION / CONSENT AGENDA

Finance Committee Chairman Jerry Stewart stated at the June 4, 2018 meeting of the Finance Committee, members discussed a Fee in Lieu of Tax (FILOT) Agreement and a Multi-County Industrial Park (MCIP) Agreement for Project Solar. The Committee was in agreeance with moving forward with the agreements, however, there was no consensus as to the distribution of the revenue. During the agenda review meeting, the possibility of creating a work session for further discussion relative to the distribution of the revenue, prior to third and final reading. In addition, Section 4, has since been inserted into the MCIP Agreement that says revenues generated from industries and businesses located in the Multi-County Park and received by Beaufort County, shall be distributed by Beaufort County in accordance with an ordinance to be passed by Beaufort County Council. At some later date we will need to come forward with a consensus. He asked if there are any objections to this process but received none.

ADJOURNMENT

Council adjourned at 6:00 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

Ratified:

Official Proceedings
County Council of Beaufort County
June 11, 2018

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

The regular session of the County Council of Beaufort County was held Monday, June 11, 2018 beginning at 6:00 p.m. in the Council Chambers, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart, Council members Rick Caporale, Mike Covert, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, Stewart Rodman and Roberts “Tabor” Vaux present. Gerald Dawson absent.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

INVOCATION

Council member Michael Covert gave the Invocation.

PROCLAMATION

Chairman Paul Sommerville proclaimed the week of July 28, to August 5, 2018 as Gullah / Geechee Nation Appreciation Week.

ADMINISTRATIVE CONSENT AGENDA

Committee Reports

Community Services Committee

Library Board

Victoria Woodhead

The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. Ms. Woodhead, representing Council District 5, received the six votes required for appointment to serve as a member of the Library Board.

Natural Resources Committee

Natural Resources Committee Chairman Brian Flewelling informed Council that coming out of the Planning Commission recently are a lot of changes to the Community Development Code. Their recommendations will be forwarded to the next meeting of the Natural Resources Committee.

Beaufort/Jasper Water and Sewer Authority

Donald Manson

The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. Mr. Manson received the eight votes required for reappointment to serve as a member of the Beaufort/Jasper Water and Sewer Authority.

Public Facilities Committee

Public Facilities Committee Chairman Stu Rodman said the Committee will be holding a work session for discussion of solid waste and recycling in June.

PUBLIC COMMENT

Mr. Mike Thompson, a Beaufort resident, stated over the last several months he has contacted the Beaufort Sheriff's Department and Beaufort City Police regarding noise. Beaufort County's noise ordinance dates back to 1982. He is concerned about the noise near Jay Garden area. According to the ordinance, 1:00 a.m. is the cut off time for loud music. He asks Council to consider reviewing the noise ordinance. Also, another part of the noise problem includes hot rod cars. The area from Parris Island Gateway to Broad River to Walmart is a playground for these bikes and hot rod cars. We need some enforcement with the loud mufflers and exhaust pipes.

Mr. Skip Hoagland, a resident of Hilton Head Island, spoke before Council regarding the Beaufort Regional Chamber of Commerce and the separation of tourist-related activities. The Beaufort County Visitor's Bureau is currently the accommodations tax (ATax) funded designated marketing organization (DMO). It should show entirely how the ATax funds are being spent. They must also submit to procurement requirements and a DMO contract. Interim County Administrator, Josh Gruber, has refused to do this. The South Carolina Supreme Court recently ruled against all taxpayers in saying Chambers are not public bodies and taxpayers cannot FOIA the Chambers directly. Chamber lawyers say taxpayers can now come before the Council that issues the ATax funds. Please provide this information. No one on this Council has seen an independent financial audit or forensic audit for any Chamber DMO. You cannot confirm anything without a forensic audit. Council must start requiring more information.

Mr. Tommy O'Brien, a resident of Beaufort, said he is sure everyone knows about the excavator issue. The County employee did not call Mr. Gruber. Mr. O'Brien called Mr. Gruber and passed the phone off to the employee. Mr. O'Brien also spoke about the Boundary Street Project. He does not know where the funding for this Project came from, but a lot of the money was wasted. The boardwalks along the marsh by Battery Creek had to be redone because someone complained they could not see through the boardwalks. When you are coming from the north to the south, the first boardwalk you cannot see because of the trees and weeds. The rest is blocked as well with trees and bad views. Pampas grass was also planted in the medians and it is bug-infested junk. You want the view to be beautiful for the tourists, but common sense has gone out the window. If you want to improve something, improve the roads coming from the south.

Mrs. Deborah Johnson, facilitator for Lowcountry Affordable Housing Coalition, spoke in favor of an ordinance establishing a conditional use for affordable housing developments in the Regional Mixed-Use Zone District. The housing needs assessment was produced at the end of May which she provided the statistical data on the needs in Beaufort County. The ordinance will not solve everything as it relates to affordable housing, but it is a step in the right direction.

TIME-SENSITIVE ITEMS POTENTIALLY COMING FORTH FROM THE JULY 11, 2017 COMMITTEE MEETINGS FOR COUNCIL CONSIDERATION

CONTRACT AWARD / HDPE PIPE SUPPLY SERVICES / PUBLIC WORKS DEPARTMENT / STORMWATER SECTION

At the June 11, 2018 meeting of the Public Facilities Committee, the Committee approved a contract award in the amount of \$70,200 to Crumpler Plastic Pipe, Inc. of Roseboro, North Carolina for high density polyethylene pipe (HDPE) supplies for Public Work's Stormwater Projects.

CONTRACT AWARD / HAULING YARD WASTE RECYCLING SERVICES / PUBLIC WORKS DEPARTMENT / SOLID WASTE AND RECYCLING SECTION

Discussion and recommendation to approve this contract award occurred at the June 11, 2018 meeting of the Public Facilities Committee.

It was moved by Mr. Rodman, as Public Facilities Committee Chairman, no second required, that Council award a contract to South Coast Resources, Inc., Savannah, Georgia, in the amount of approximately \$192,000 (\$115 per load for first year and \$120 per load for second year and \$125 per load thereafter. Funding will come from Solid Waste and Recycling Account 10001340-51166. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

CONTRACT AWARD / SCRAP WASTE TIRE SERVICES / PUBLIC WORKS DEPARTMENT / SOLID WASTE AND RECYCLING SECTION

At the June 11, 2018 meeting of the Public Facilities Committee, the Committee awarded a contract to CTG, Ltd Company at \$350 per ton (total estimated cost of \$94,500) for tire hauling and recycling services. Funding will come from account 23450011-51160, South Carolina DHEC Waste Tire Fees.

CONSIDERATION OF APPROVAL OF JENKINS ISLAND CONTRACT MODIFICATION AND PROJECT FEE SUMMARY

Discussion and recommendation to approve this contract modification occurred at the June 11, 2018 meeting of the Public Facilities Committee.

It was moved by Mr. Rodman, as Public Facilities Committee Chairman, no second required, that Council approve HDR/ICA Engineering scope and fee in the amount of \$170,493.80 for the Jenkins Island-Alternative 2A. Funding will come from 2017 General Obligation Bonds, Account 40100011-54500, Jenkins Island Road Improvement Project. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

CONSIDERATION OF AWARD FOR OUTDOOR WARNING SIREN GRANT DISASTER RECOVERY

Discussion and recommendation to approve this award for outdoor warning siren grant disaster recovery occurred at the June 4, 2018 meeting of the Governmental Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve the award of funding in the amount of \$187,475 for the Outdoor Warning Siren Grant Project. Funding will come from the Beaufort County Reserve Fund. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

CONSENT AGENDA

CONTRACT RENEWALS PURSUANT TO FY 2019 BUDGET AUTHORIZATION

This item comes before Council under the Consent Agenda. Discussions and recommendations to approve these contract renewals occurred at the June 4, 2018 meeting of the Finance Committee.

Republic Waste Services / Hauling Services to Include Daufuskie Island

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Republic Waste Services, in the amount of \$1,538,000 for hauling services to include Daufuskie Island. Funding will come from accounts 10001340-51165 and 10001340-5116A, Solid Waste and Recycling. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Southern Health Partners / Healthcare Services for County Facilities

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Southern Healthcare Partners, Inc., Chattanooga, Tennessee, in the amount of \$681,428 for healthcare services for County Detention Center inmates. Funding will come from account 10001250-51190, Medical/Dental Services. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

A & B Cleaning Services, Inc. / Janitorial Services for County Facilities

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to A&B Cleaning Services, Inc., Greenville, North Carolina in the amount of \$602,382 for janitorial services at County facilities. Funding will come from the following accounts: 10001310-51210, Facilities Management–Cleaning Services, 51000011-51210, Lady’s Island Airport–Cleaning Services, and 54000011-51210, Hilton Head Island Airport–Cleaning Services. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Oakwood Landfill Waste Management / Disposal of Class II Waste

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Oakwood Landfill (Waste Management), Ridgeland, South Carolina in the amount of \$350,000 for disposal of Class II waste. Funding will come from account 10001340-51166, Solid Waste Disposal. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Summit Food Services (Formerly ABL Management) / Food Service Program for the Beaufort County Detention Center

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Summit Food Services (formerly ABL Management), Atlanta, Georgia in the amount of \$300,000 for the Food Service Program for the Beaufort County Detention Center. Funding will come from account 10001250-51200, Detention Center. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

South Data / Printing and Mailing Services for the County Property Tax Bills

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to South Data, Mount Airy, North Carolina in the amount of \$300,000, for printing and mailing services for the for the County property tax bills. Funding will come from the following accounts: 10001020-51010, Treasurer and 20110011-51010, Treasurer. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Eastern Aviation / AVGAS and Jet Fuel for Resale

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Eastern Aviation, Charlotte, North Carolina in the amount of \$276,000 for AVGAS and Jet Fuel for resale (Beaufort County Airport (Lady's Island)). Funding will come from account 51000011-58000, Lady's Island Airport - Purchases-Fuels. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Clarke Mosquito Control Products, Inc. / Public Health Insecticide for Mosquito Control

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Clarke Mosquito Control Products, Inc., St. Charles, Illinois, in the amount of \$250,000 for public health insecticide for Mosquito Control. Funding will come from account 10001400-52320, Mosquito Control, Public Health Products. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Manatron / Aumentum (Thomas Reuters) / Property Assessment and Tax Software and Support for the Assessor, Auditor and Treasurer Offices

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Manatron / Aumentum (Thomson Reuters), Chicago, Illinois in the amount of \$231,529 for property assessment and tax software and support for the Assessor, Auditor, and Treasurer's Offices. Funding will come from account 10001150-51110, Maintenance Contracts. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Automated Business Resources (ABR) / Photocopier / Multi-function Printer Lease and Print Management Services for Beaufort County

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Automated Business Resources (ABR), Savannah, Georgia, in the amount of \$210,000 for photocopier/multi-function printer lease and print management services for Beaufort County. Funding will come from various departments. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

SHI-Software House, Inc. / Microsoft Enterprise Agreement

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to SHI-Software House, Inc., Charlotte, North Carolina in the amount of \$205,769 for Microsoft Enterprise Agreement. Funding will come from account 10001150-51110, Maintenance Contracts, MIS. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

EMS Management and Consultants / Billing Services for Beaufort County EMS

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to EMS Management and Consultants, Lewisville, North Carolina, in the amount of \$190,000 for billing services for Beaufort County Emergency Medical Services. Funding will come from account 10000001-44220, EMS. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Beaufort County Open Land Trust / Rural and Critical Land Preservation Program Consulting Services

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Beaufort County Open Land Trust, Beaufort, South Carolina in the amount of \$179,000 for Rural and Critical Land Preservation Program Consulting Services. Funding will come from account 45000011-51160, Professional Services. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Care Environmental Corporation / Hauling Services for Hazardous Waste

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Care Environment Corporation, Dover, New Jersey in the amount of \$160,000 for hauling services of hazardous waste for the Solid Waste Department. Funding will come from account 10001340-51160, Professional Services, Solid Waste. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Tyler Technologies / Annual Support and License Agreement for Munis (Includes Disaster Recovery Contract)

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Tyler Technologies, Dallas, Texas in the amount of \$140,046 for annual support and license agreement for Munis, to include a Disaster Recovery Contract. Funding will come from various accounts. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Beaufort County Disabilities and Special Needs / Janitorial Services for Buckwalter, Burton, St. Helena Library

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Beaufort County Disabilities and Special Needs (DSN) in the amount of \$116,224 for janitorial services at Buckwalter Regional Park, Burton Wells Regional Park and St. Helena Island Branch Library. Funding will come from accounts 10001310-51210, Facilities Management and 10001600-51210, PALS. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

Hilton Head Humane Association (SNAC: Spay/Neuter) / Veterinary and Spay / Neuter Services for County Animal Shelter

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council award a contract renewal, for fiscal year 2019, to Hilton Head Humane Association, Hilton Head Island, South Carolina in the amount of \$100,000 for veterinary and spay/neuter services for the County Animal Shelter. Funding will come from account 10001270-51165, Professional Services–Spay/Neuter. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

A RESOLUTION AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND BETWEEN BEAUFORT COUNTY, SOUTH CAROLINA (THE “COUNTY”) AND A COMPANY IDENTIFIED FOR THE TIME BEING AS PROJECT MCCLELLAN, ACTING FOR ITSELF, ON OR MORE AFFILIATES AND/OR OTHER PROJECT SPONSORS (COLLECTIVELY, THE “COMPANY”), PURSUANT TO WHICH THE COUNTY SHALL COVENANT TO ACCEPT CERTAIN NEGOTIATED FEE IN LIEU OF AD VALOREM TAXES WITH RESPECT TO THE ESTABLISHMENT OF CERTAIN FACILITIES AT ONE OR MORE LOCATIONS IN THE COUNTY (COLLECTIVELY, THE “PROJECT”); (2) THE BENEFITS OF A MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE PROJECT; (3) CERTAIN SPECIAL SOURCE REVENUE CREDITS IN CONNECTION WITH THE PROJECT; AND (4) OTHER MATTERS RELATING THERETO

This item comes before Council under the Consent Agenda. Discussion and recommendation to adopt this resolution occurred at the June 4, 2018 meeting of the Finance Committee.

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council adopt a resolution authorizing (1) the execution and deliver of a Fee in Lieu and Incentive Agreement by and between Beaufort County and a company identified for the time being as Project McClellan; (2) the benefit of a Multi-County Industrial or Business Park to be made available to the Company or the Project; (3) certain special source revenue credits in connection with the Project; and (4) other matters related thereto. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND BETWEEN BEAUFORT COUNTY, SOUTH CAROLINA (THE “COUNTY”) AND A COMPANY IDENTIFIED FOR THE TIME BEING AS PROJECT MCCLELLAN, ACTING FOR ITSELF, ON OR MORE AFFILIATES AND/OR OTHER PROJECT SPONSORS (COLLECTIVELY, THE “COMPANY”), PURSUANT TO WHICH THE COUNTY SHALL COVENANT TO ACCEPT CERTAIN NEGOTIATED FEE IN LIEU OF AD VALOREM TAXES WITH RESPECT TO THE ESTABLISHMENT OF CERTAIN FACILITIES AT ONE OR MORE LOCATIONS IN THE COUNTY (COLLECTIVELY, THE “PROJECT”); (2) THE BENEFITS OF A MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE PROJECT; (3) CERTAIN SPECIAL SOURCE REVENUE CREDITS IN CONNECTION WITH THE PROJECT; AND (4) OTHER MATTERS RELATING THERETO

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve this ordinance on first reading occurred at the June 4, 2018 meeting of the Finance Committee.

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council approve on first reading an ordinance authorizing (1) the execution and delivery of a Fee In Lieu and Incentive Agreement by and between Beaufort County and a company identified for the time being as Project McClellan; (2) the benefit of a Multi-County Industrial or Business Park to be made available to the Company or the Project; (3) certain special source revenue credits in connection with the Project; and (4) other matters related thereto. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

AN ORDINANCE AUTHORIZING AND APPROVING (1) THE DEVELOPMENT OF A NEW JOINT COUNTY INDUSTRIAL AND BUSINESS PARK PURSUANT TO SECTION 4-1-170 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN CONJUNCTION WITH JASPER COUNTY (THE “PARK) SUCH PARK TO BE GEOGRAPHICALLY LOCATED IN BEAUFORT COUNTY AND TO INCLUDE THE BELOW REFERENCED PROPERTY; (2) THE EXECUTION AND DELIVERY OF A WRITTEN PARK AGREEMENT WITH JASPER COUNTY AS TO THE REQUIREMENT OF PAYMENTS OF FEE IN LIEU OF AD VALOREM TAXES WITH RESPECT TO PARK PROPERTY AND THE SHARING OF THE REVENUES AND EXPENSES OF THE PARK; (3) THE DISTRIBUTION OF REVENUES FROM THE PARK WITHIN BEAUFORT COUNTY; AND (4) OTHER MATTERS RELATED THERETO

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve this ordinance on first reading occurred at the June 4, 2018 meeting of the Finance Committee.

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council approve on first reading an ordinance authorizing and approving (1) the development of a new Joint County Industrial and Business Park pursuant to Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended, in conjunction with Jasper County (the “Park”) such park to be geographically located in Beaufort County; (2) the execution and delivery of a written park agreement with Jasper County as to the requirement of payments of fee in lieu of ad valorem taxes with respect to the park property and the sharing of the revenues and expenses of the park; (3) the distribution of revenues from the Park within Beaufort County; and (4) other matters related thereto. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE COUNTY BEAUFORT, SOUTH CAROLINA, AND SEABROOK SOLAR, LLC

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve this ordinance on first reading occurred at the June 4, 2018 meeting of the Finance Committee.

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council approve on first reading an ordinance approving a Development Agreement by and between Beaufort County, South Carolina and Seabrook Solar, LLC. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

AN ORDINANCE ESTABLISHING A CONDITIONAL USE FOR AFFORDABLE HOUSING DEVELOPMENT IN THE REGIONAL CENTER MIXED USE (C5) ZONE DISTRICT (AMENDS BY SUBSTITUTION, HOTEL TO APARTMENT CONVERSION ON UNIT-TO-UNIT BASIS)

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve this ordinance, on second reading, as a substitute for hotel conversion, occurred at the May 21, 2018 meeting of the Natural Resources Committee.

It was moved by Mr. Fobes, seconded by Mr. Vaux, that Council approve on second reading an ordinance establishing a conditional use for affordable housing development in the Regional Center Mixed Use (C5) Zone District (amends by substitution, hotel to apartment conversion on unit-to-unit basis). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

PUBLIC HEARINGS

FISCAL YEAR 2018-2019 AIRPORTS BUDGET PROPOSAL (ENTERPRISE FUND)

The Chairman opened a public hearing beginning at 6:30 p.m. for the purpose of receiving public comment regarding an ordinance approving Fiscal Year 2018-2019 Airports Budget. After calling three times for public comment and receiving none, the Chairman called the hearing closed at 6:31 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on third and final reading, an ordinance adopting a Beaufort County Airports Budget for the fiscal year beginning July 1, 2108 and ending June 30, 2019. The vote: YEAS - Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

FISCAL YEAR 2018-2019 STORMWATER MANAGEMENT UTILITY BUDGET PROPOSAL (ENTERPRISE FUND)

The Chairman opened a public hearing beginning at 6:31 p.m. for the purpose of receiving public comment regarding an ordinance approving Fiscal Year 2018-2019 Stormwater Management Utility Budget. After calling three times for public comment and receiving none, the Chairman called the hearing closed at 6:32 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on third and final reading, an ordinance approving the FY2018-2019 Beaufort County Stormwater Management Utility Budget (Enterprise Fund). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

AN ORDINANCE TO PROVIDE FOR APPROPRIATIONS FROM THE LOCAL ACCOMMODATIONS TAX FUND TO THE SANTA ELENA FOUNDATION IN THE AMOUNT NOT TO EXCEED \$100,000 TO PROVIDE FOR FEES ASSOCIATED WITH A TWO-YEAR LEASE EXTENSION FOR PROPERTY KNOWN AS THE DOWLING FAMILY LOT

The Chairman opened a public hearing beginning at 6:33 p.m. for the purpose of receiving public comment regarding an ordinance provide for appropriation from the Local Accommodations Tax Fund to the Santa Elena Foundation in the amount not to exceed \$100,000 to provide for fees associated with a two-year lease extension for property known as the Dowling Family Lot. After calling three times for public comment and receiving none, the Chairman called the hearing closed at 6:34 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on third and final reading, an ordinance to provide for appropriation from the Local Accommodations Tax Fund to the Santa Elena Foundation in the amount not to exceed \$100,000 to provide for fees associated with a two-year lease extension for property known as the Dowling Family Lot. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

AN ORDINANCE TO PROVIDE FOR ALLOCATION OF FUNDS FOR BEAUFORT MEMORIAL HOSPITAL INDIGENT CARE, BEAUFORT / JASPER / HAMPTON COMPREHENSIVE HEALTH SERVICES, INC., ECONOMIC DEVELOPMENT, AND HIGHER EDUCATION BASED ON A MILLAGE AMOUNT TO BE DETERMINED BY THE ANNUAL BUDGET ORDINANCE

The Chairman opened a public hearing beginning at 6:34 p.m. for the purpose of receiving public comment regarding an ordinance to provide for allocation of funds for Beaufort Memorial Hospital Indigent Care, Beaufort / Jasper / Hampton Comprehensive Health Services, Inc., Economic Development, and Higher Education based on a millage amount to be determined by the annual budget ordinance. After calling three times for public comment and receiving none, the Chairman called the hearing closed at 6:35 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, Council approve on third and final reading, an ordinance to provide for allocation of funds for Beaufort Memorial Hospital Indigent Care, Beaufort / Jasper / Hampton Comprehensive Health Services, Inc., Economic Development, and Higher Education based on a millage amount to be determined by the annual budget ordinance. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 1, SECTION 66-29 POWERS AND DUTIES (DMO)

The Chairman opened a public hearing beginning at 6:36 p.m. for the purpose of receiving public comment regarding text amendment to the Beaufort County Code of Ordinances, Chapter 66, Article II, Accommodations Tax Board, Division 1, Section 66-29 Powers and Duties. After calling three times for public comment and receiving none, the Chairman called the hearing closed at 6:37 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on third and final reading, text amendment to the Beaufort County Code of Ordinances, Chapter 66, Article II, Accommodations Tax Board, Division 1, Section 66-29 Powers and Duties.

Mr. Covert spoke about how education is not funded in South Carolina. He implored everyone to contact their State Senator and State Representative. Why is it that Beaufort County is the largest

source of funds for our higher education? Without Beaufort County, those two institutions could not open their door. We are in a position that we have got to educate the leaders of today and tomorrow. It is places like USC-Beaufort and Technical College of the Lowcountry that are critical to keep educating.

Mr. Glover spoke about the healthcare industry. There are a lot of indigent patients and associated costs incurred. Healthcare is a major problem not just for Beaufort County but across the nation.

Mr. Flewelling said we usually use the time of budget preparation to receive a report from these entities about their fiscal health. He hopes these entities still provide their annual financial report.

The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 2, SECTION 66-47 MANAGEMENT AND USE OF LOCAL (3%) ACCOMMODATIONS TAX

The Chairman opened a public hearing beginning at 6:40 p.m. for the purpose of receiving public comment regarding text amendment to the Beaufort County Code of Ordinances, Chapter 66, Article II, Accommodations Board Tax, Division 2, Section 66-47 Management and Use of Local (3%) Accommodations Tax. After calling once for public comment, the Chairman recognized Mr. Skip Hoagland, a resident of Hilton Head Island, who said the County is in violation for not putting the designated marketing organization (DMO) out for bid. There is no DMO contract which needs an audit provision. You cannot continue to fund this until there is a full accounting of dollars spent. The procurement has to be put out to ad agencies. Chambers should not even be in this business.

After calling twice more for public comment and receiving none, the Chairman called the hearing closed at 6:44 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on third and final reading, text amendment to the Beaufort County Code of Ordinances, Chapter 66, Article II, Accommodations Tax Board, Division 2, Section 66-47 Management and Use of Local (3%) Accommodations Tax. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

AN ORDINANCE AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE NECESSARY DOCUMENTS TO GRANT AN EASEMENT AND MAINTENANCE AGREEMENT WITH THE CITY OF BEAUFORT FOR A PEDESTRIAN AND BICYCLE TRAIL CONNECTING THE CITY'S SOUTHSIDE PARK AND THE COUNTY'S ADJACENT PARK FACILITY AT 1405 BATTERY CREEK ROAD

The Chairman opened a public hearing beginning at 6:50 p.m. for the purpose of receiving public comment regarding an ordinance authorizing the Interim County Administrator to execute necessary documents to grant an easement and maintenance agreement with the City of Beaufort for a pedestrian and bicycle trail connecting the City's Southside Park and the County's adjacent park facility at 1405 Battery Creek Road. After calling three times for public comment and receiving none, the Chairman called the hearing closed at 6:51 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on third and final reading, an ordinance authorizing the Interim County Administrator to execute necessary documents to grant an easement and maintenance agreement with the City of Beaufort for a pedestrian and bicycle trail connecting the City's Southside Park and the County's adjacent park facility at 1405 Battery Creek Road. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

FISCAL YEAR 2018-2019 BEAUFORT COUNTY BUDGET PROPOSAL

The Chairman opened a public hearing beginning at 6:52 p.m. for the purpose of receiving public comment regarding an ordinance approving Fiscal Year 2018-2019 Beaufort County Budget. After calling three times for public comment and receiving none, the Chairman called the hearing closed at 6:53 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on third and final reading, the Fiscal Year 2018-2019 County budget proposal as follows: County Operations 50.03 mills, Higher Education 2.37 mills, Purchase of Real Property Program 4.80 mills, County Debt 5.58 mills, Bluffton Fire District 24.10 mills operations and 1.45 mills debt service, Burton Fire District 68.82 mills operations and 5.15 mills debt service, Daufuskie Island Fire District 60.27 mills operations and 0.00 mills debt service, Lady's Island/St. Helena Island Fire District 39.30 mills operations and 2.00 mills debt service, and Sheldon Fire District 37.18 mills operations and 3.21 mills debt service.

Mr. Covert said it is the 11th of June and we have still not seen the FY2017 CAFR.

Mr. Stewart said the external auditors will be here to present the CAFR and management letter at the June 25, 2018 County Council meeting.

The vote: YEAS –Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. NAYS – Mr. Caporale and Mr. Covert. ABSENT – Mr. Dawson. The motion passed.

FISCAL YEAR 2018-2019 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET PROPOSAL

The Chairman opened a public hearing beginning at 6:56 p.m. for the purpose of receiving public comment regarding an ordinance approving Fiscal Year 2018-2019 School District Budget. After calling once for public comment, the Chairman recognized Mr. Skip Hoagland, a resident of Hilton Head Island who said the FBI is involved with the Beaufort County School District. Dr. Jeffrey Moss, School District Superintendent, and the District attorney are both gone. Anyone who controls our tax money, needs to go under a forensic audit. No one has seen accounting. This is crazy. Everyone should get defunded until we see an audit. There is corruption all over.

Mrs. Tonya Crosby, Chief Financial and Operations Officer, Beaufort County School District, thanked County Council for their support of the FY2019 School District budget. The goal this year was to increase teacher salaries. It is crucial we are fully staffed and have highly qualified teachers in our schools. This budget is tax neutral. At the last School Board meeting, a draft P-Card audit report. It was a glowing report. Auditors will be on site July 10, 2018. This is an audit of the FY2016-2017 for all P-Card transactions in the School District. No transaction of personal purposes, unauthorized purchases or any transactions that circumvent the Procurement Code. All transactions were properly supported by documentation and the purpose of each transaction and receipt was documented.

Ms. Lisa Galella, a Beaufort County teacher, thanked Council for passing the locality supplement. It is the end of another school year, where she said she has said farewell to a number of teachers who could no longer afford to work here. A number of teachers have second jobs. Thank you for your support.

After calling twice more for public comment and receiving none, the Chairman called the hearing closed at 7:04 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on third and final reading, Fiscal Year 2018-2019 School District budget proposal as follows: School Operations 104.60 mills and School Bond Debt Service (principal and interest) 31.71 mills. The vote: YEAS – Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSTAIN – Mr. Caporale. ABSENT – Mr. Dawson. The motion passed.

MATTERS ARISING OUT OF EXECUTIVE SESSION

It was moved by Mr. Vaux, seconded by Mr. Flewelling, that Council authorize the Interim County Administrator to execute a contract with Dolphin Shared Management Services to provide for acceptance and disposal of residential solid waste in certain areas on Daufuskie Island. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Dawson. The motion passed.

PUBLIC COMMENT

Mr. Skip Hoagland, a resident of Hilton Head Island, spoke in regard to the Chambers of Commerce. He is asking the FBI to get involved and to forensically audit all of these audits. The Chambers and the School District have created crimes. The bottom line is until a forensic audit is done, you do not know anything. Council continues to approve misuse of designated marketing organization (DMO) funds that go to Canada to fund the Chamber app and website, not supporting local businesses. The Chambers are committing IRS violations and committing unfair competition to local media. Numbers do not lie, people lie. A Chamber or DMO should not sell advertising. Council members, town lawyers and managers used tax dollars to join the Chambers. Why have you not asked the Chambers for access to their books? There are three lawsuits coming to Beaufort County.

Mr. Rodman said we have the ability to ask for anything by providing money. If they do not provide the information, we cannot give money. He believes if there are criminal questions, then a forensic audit would be warranted. Council, as a body, does not have that authority.

ADJOURNMENT

Council adjourned at 7:17 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

Ratified:

Official Proceedings
County Council of Beaufort County
May 29, 2018

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

A caucus of the County Council of Beaufort County was held Tuesday, May 29, 2018 beginning at 5:00 p.m. in the Large Meeting Room, Bluffton Branch Library, 120 Palmetto Way, Bluffton, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart, and Council members Rick Caporale, Michael Covert, Gerald Dawson, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, Stewart Rodman and Roberts "Tabor" Vaux present.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

PRESENTATION / HOUSING NEEDS ASSESSMENT

Mr. Patrick Bowen, President, Bowen National Research, provided Council with a PowerPoint presentation on Beaufort County's Housing Needs Assessment. The presentation included an overview of the Scope of Work to include the following: (1) evaluation of 100+ demographic characteristics and trends; (2) analyzation of dozens of economic conditions and initiatives; (3) inventory of existing housing stock costs, performance, conditions and features; (4) study of various "other" housing factors, such as crime, proximity to community services, mobility and transportation, military housing, etc.; (5) gather of input from community stakeholders, residents and employers; (6) providing of quantifiable demand estimates of housing products; and (7) establishment of housing priorities and strategies.

The High Priority Needs of Beaufort County includes the following: (1) develop housing plans and goals that meet the specific needs of the different areas of the County; (2) support affordable rental housing for lower-income households; (3) support efforts to enable older adults and seniors to transition into housing to meet their specific needs; (4) encourage development of for-sale housing affordable to moderate, and high-income households; (5) and adopt a balanced approach to developing housing plans and goals that meet the broad housing needs of the County. Moderate Priority Needs of Beaufort County include the following: (1) support residential development of product that will appeal to millennials and young professionals and (2) continue efforts to maintain existing housing stock.

Recommended strategies for Beaufort County includes the following:

Policies

- Implement Inclusionary Zoning for Targeted Residential Projects
- Offer Density Bonus to Developments that Achieve Public Policy Goal
- Establish Expedited Permitting Processes for Targeted Residential Projects
- Waive/Reduce Residential Development Fees to Support Targeted Residential Projects
- Offer Tax Abatements for Targeted Residential Projects

Financing and Resources

- Issue a Housing Bond
- Establish Local Housing Trust Fund
- Explore Grant Funding Opportunities
- Establish Down Payment Assistance for Low-Income First-Time Homebuyers
- Establish a Revolving Loan Fund for Residential Maintenance and Repairs

Initiatives

- Establish an Affordable Housing Land Trust (Community Land Trust)
- Support/Encourage Residential Land Leases to Reduce Initial Development Costs
- Encourage or Establish Public-Private Partnership to Support Targeted Residential Development
- Support Adoptive Reuse of Existing Vacant/Unused Structures for Residential Purposes
- Support Projects Developed with Low-Income Housing Credit Financing for Rental Housing Development
- Make Filing the Housing Enrichment Coordinator Position a Priority

Planning & Oversight

- Set Realistic Housing Goals and Objectives
- Develop Next-Steps Plans with the Lowcountry Affordable Housing Coalition and Interested Parties
- Monitor Residential Housing Market Conditions and Effectiveness of Housing Initiatives on a Periodic Basis

A full presentation of the Housing Needs Assessment will be provided on May 30, 2018 at a Joint Meeting of the Lowcountry Affordable Housing Coalition and the Beaufort County Human Service Alliance, Grace Coastal Church, 15 Williams Drive, Okatie, South Carolina.

UPDATE / GOVHR

Chairman Sommerville said Council needs to provide the consultant, Mrs. Sarah McKee, Vice President, GovHR USA, with guidance on whether any discussions will result in the need for an Executive Session on June 11, 2018. At that meeting, Mrs. McKee will bring forth the names of 12 candidates and their qualifications. Do we want to discuss the full list of candidates in open session?

Mr. Tom Keaveny, County Attorney, provided members of Council with an update on the County Administration Recruitment Schedule. Currently, the consultant is going through the process of evaluating the 49 applications received and narrowing down to a list of approximately 12 applicants, which she will bring forth for Council's consideration on June 11, 2018. For the Top Tier candidates, she has set up interviews via Skype, which will take place May 30 through June 1. Between now and the meeting of June 11, 2018, Mrs. McKee plans to provide two references for each applicant. Council will then have the opportunity to review the list of applicants and their qualifications, then narrow that list down further for a two-round interview process. The hope is to line up the interviews of the candidates with Council between June 11 and June 25. Once Council identifies the list of applicants to interview, Mrs. McKee will provide further background checks -- education verification, criminal checks, credit checks, and DMV checks.

Mr. Caporale wanted to know why there is consideration in changing the process. It was decided previously that everything would be kept confidential until the list was reduced to three applicants.

Mr. Sommerville said he supports a completely transparent and open process.

Mr. Flewelling stated the system we had in place previously worked. We should respect the applicants' privacy, until the time to publicly reveal such information. We should reveal the names when we are down to three applicants.

Mr. Fobes stated the consultant should provide the information on whether the applicant wants their name released or kept confidential.

Mr. Sommerville said the consultant needs to know the process moving forward so she can inform the applicants.

Mr. Covert said we need to be cognizant of the FOIA requirements. He would never release private information without the approval from the applicant. He is 100% for transparency, but we need to be cognizant of the applicants' current employment and the effect going public might have on such.

Mr. Vaux does not feel the decision needs to be made tonight. We need to find out if any of the applicants want the information to remain confidential.

Mr. Keaveny said the consultant needs to know whether this will be handled in public so she can let the candidate know, so if there are any applicants who do not want their identities revealed, they can step out of the process.

Mr. Stewart said the question is whether we want the consultant to discuss the 12 candidates publicly or in executive session. We need to let her know before she talks to the applicants.

Mr. Rodman said a typical headhunter is expected to interview these applicants and bring forth the top candidates. In the past, we opened it up to where if any Council member wanted to review the other applications, they could do so. We ought to be giving her the task of bringing forth the top

five to six applicants. She could then ask them if they want confidentiality. Twelve applicants are too many.

Mr. Flewelling said until we go public with our final three, all of it should be confidential to protect their privacy and our ability to get the best person for the position.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council approve taking the position of discussing and reviewing the top 12 applicants and their qualifications in executive session. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mr. Rodman, and Mr. Vaux. NAYS – Mrs. Howard, Mr. Sommerville and Mr. Stewart. The motion passed.

It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Council approve conducting the first round of interviews with however many candidates our consultant, GovHR USA, recommends in executive session. Mr. Flewelling, as maker of the motion, and Mr. Dawson, as seconder of the motion, withdrew the motion.

RECESS

Council recessed at 6:00 p.m. in order to convene regular session.

RECONVENE OF CAUCUS

CALL FOR EXECUTIVE SESSION

It was moved by Flewelling, seconded by Mrs. Howard, that Council go immediately into executive session regarding discussion incident to proposed contractual negotiations and the proposed purchase of property (Sea Trawler Restaurant) and discussion incident to proposed contractual negotiations (facilitator selection process for Council Strategic Planning Session). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

EXECUTIVE SESSION

ADJOURNMENT

Council adjourned at 8:00 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

ATTEST:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

Ratified:

DRAFT

Official Proceedings
County Council of Beaufort County
May 29, 2018

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

The regular session of the County Council of Beaufort County was held Tuesday, May 29, 2018 beginning at 6:00 p.m. in the Large Meeting Room, Bluffton Branch Library, 120 Palmetto Way, Bluffton, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart, Council members Rick Caporale, Mike Covert, Gerald Dawson, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, Stewart Rodman and Roberts "Tabor" Vaux present.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

INVOCATION

Council member Brian E. Flewelling gave the Invocation.

ADMINISTRATIVE CONSENT AGENDA

Review of the Proceedings of the Caucus held May 14, 2018

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Rodman, seconded by Mr. Flewelling, that Council approve the minutes of the caucus held May 14, 2018. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. Mr. Glover temporarily left the room and was not present during vote. The motion passed.

Review of the Proceedings of the Regular Session held May 14, 2018

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Rodman, seconded by Mr. Flewelling, that Council approve the minutes of the regular session held May 14, 2018. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. Mr. Glover temporarily left the room and was not present during the vote. The motion passed.

Committee Reports

Community Services Committee

Library Board

Community Services Committee nominated Ms. Victoria Woodhead, representing Council District 5, to serve as a member of the Library Board.

Finance Committee

Finance Committee Chairman Jerry Stewart said the External Auditors will provide Council a presentation on the 2017 Comprehensive Annual Financial Report on June 25, 2018. Presentation of the Management Letter will be presented at either a meeting of the Finance Committee or during Caucus on June 25, 2018 as well.

Natural Resources Committee

Beaufort/Jasper Water and Sewer Authority

Natural Resources Committee nominated Mr. Donald Manson for reappointment to serve as a member of the Beaufort/Jasper Water and Sewer Authority.

Public Facilities Committee

Public Facilities Committee Chairman Stu Rodman said the Committee will hold a work session for discussion of solid waste and recycling in June.

RECOGNITION / RETIREMENT OF MR. TONY CRISCITIELLO, COMMUNITY DEVELOPMENT DIRECTOR

Chairman Paul Sommerville recognized Mr. Tony Criscitiello, Community Development Director, on his upcoming retirement from 18 years of service to Beaufort County.

Mr. Skeet Von Harten, former County Council member, expressed his appreciation and thanks to Mr. Criscitiello for all of his assistance during his tenure on Beaufort County Council.

PUBLIC COMMENT

Mr. Ahmad Ward, Executive Director, Mitchelville Preservation, spoke before Council in support of a referendum for the Rural and Critical Lands Preservation Program. Mitchellville had trouble getting the Mitchelville Preservation Project off of the ground; but due to support from Beaufort County Council, as well as funding from the Rural and Critical Lands Preservation Program, we

are now in a position to have a Master Plan for the project. Mitchellville would not be at this point without the funding. This is an once-in-a-lifetime story which can now be told.

Ms. Jody Struck, a parent of a student in the Beaufort County School District (District), encouraged Council to vote in favor of the FY2018-2019 District budget proposal. It includes an increase in pay for all District employees, which is very much needed and deserved. She read recently, there was some discussion regarding Council putting pressure on the District to not impose a referendum for capital projects because it might conflict with some of the projects the Council is encouraging and hoping will pass. She does not approve of such action of y Council. The District will need to build schools at some point. It is not just about roads and bridges. We need additional space in our classrooms as well. She asked that Council be more supportive of that need in the County as well.

Mr. Morris Campbell, a Hilton Head Island resident, thanked Council for their effort on doing a study on housing needs in this County. The report presented earlier provided us some information that we can use, as a community and as a County, to address the basic needs of people in this County. Council should continue to take the lead in addressing the issue. It will require the whole community and other entities working together to accomplish the goals. Also, he thanked Council for their discussion of hiring the new County Administrator and ensuring the process remains transparent. The public trust is at hand. The more we can do in open session to allow the public to be a part of the process, the better it will be for the individual hired for the position as well as for the community. He spoke to Council about Mr. Tony Criscitiello, who has always had the community and the betterment of Beaufort County at heart.

ITEM REMOVED FROM CONSENT AGENDA

A RESOLUTION AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN BEAUFORT COUNTY AND ROBERT L. GRAVES (OKATIE RIVER PARK AND DEVELOPMENT OF PEPPER HALL PLANTATION)

Natural Resources Committee Chairman Brian Flewelling stated this is a Memorandum of Understanding Beaufort County would be entering into with Mr. Robert L. Graves, owner of Pepper Hall Plantation. There was an effort a few years ago to develop the property, but it was defeated. In the interim, Beaufort County purchased 18 acres from the owner to ensure the property is protected. Now we have agreed to mutually support one another in developing the property. We would like public access to the property. We have a long way to go before development and to gain access to the Rural and Critical Lands property. This Memorandum of Understanding helps to set the framework to get to where we are going.

Mr. Covert removed this item from the Consent Agenda. This is a success. It took communication and relationship building. The Subcommittee went into this with an open mind. He thanked everyone for their participation in making this happen.

Mr. Stewart said the group came together wanting to do something positive and beneficial to the citizens of Beaufort County. It is easy as a group to come together and identify the problems, but unique to come up with the things we want to do together. We took a positive and productive approach.

Mr. Glover said he appreciated the Subcommittee for working together towards a solution. He was a part of the Rural and Critical Lands Board when this property was purchased. This is a win-win situation for all of us.

It was moved by Mr. Flewelling, as Natural Resources Committee Chairman, no second required, that Council adopt a resolution authorizing the Interim County Administrator to execute a Memorandum of Understanding between Beaufort County and Robert L. Graves. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville and Mr. Stewart. RECUSED – Mr. Vaux. Mr. Vaux recused himself, left the room, and was not present for any of the discussion relative to Pepper Hall. His law firm represents the property owner. The motion passed.

CONSENT AGENDA

FISCAL YEAR 2018-2019 AIRPORTS BUDGET PROPOSAL (ENTERPRISE FUND)

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance occurred at the May 7, 2018 meeting of the Finance Committee.

Mr. Rodman removed this item from the Consent Agenda for discussion only and added it back to the Consent Agenda for a matter of vote. This is on a cycle for three readings, but feels one reading would be efficient. We have three readings for things like taxes and zoning. Why is not one vote efficient?

Mr. Gruber said historically this is something that had not been brought forward. Last year, at the request of several Council members, we began treating this like any other operating budget--bringing it forward for approval and ratification of County Council.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council approve on second reading, an ordinance adopting a Beaufort County Airports Budget for the fiscal year beginning July 1, 2108 and ending June 30, 2019. The vote: YEAS - Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

FISCAL YEAR 2018-2019 STORMWATER MANAGEMENT UTILITY BUDGET PROPOSAL (ENTERPRISE FUND)

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance occurred at the May 7, 2018 meeting of the Finance Committee.

Mr. Rodman removed this item from the Consent Agenda for discussion only and added it back to the Consent Agenda for a matter of vote. This is on a cycle for three readings, but feels one reading would be efficient. We have three readings for things like taxes and zoning. Why is not one vote efficient?

Mr. Gruber said historically this is something that had not been brought forward. Last year, at the request of several Council members, we began treating this like any other operating budget-- bringing it forward for approval and ratification of County Council.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council approve on second reading an ordinance approving the FY2018-2019 Beaufort County Stormwater Management Utility Budget (Enterprise Fund). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

AN ORDINANCE TO PROVIDE FOR AN APPROPRIATIONS FROM THE LOCAL ACCOMMODATIONS TAX FUND TO THE SANTA ELENA FOUNDATION IN THE AMOUNT NOT TO EXCEED \$100,000 TO PROVIDE FOR FEES ASSOCIATED WITH A TWO-YEAR LEASE EXTENSION FOR PROPERTY KNOWN AS THE DOWLING FAMILY LOT

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Council, that Council approve on second reading, an ordinance to provide for an appropriation from the Local Accommodations Tax Fund to the Santa Elena Foundation in the amount not to exceed \$100,000 to provide for fees associated with a two-year lease extension for property known as the Dowling Family Lot. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

AN ORDINANCE TO PROVIDE FOR ALLOCATION OF FUNDS FOR BEAUFORT MEMORIAL HOSPITAL INDIGENT CARE, BEAUFORT / JASPER / HAMPTON COMPREHENSIVE HEALTH SERVICES, INC., ECONOMIC DEVELOPMENT, AND HIGHER EDUCATION BASED ON A MILLAGE AMOUNT TO BE DETERMINED BY THE ANNUAL BUDGET ORDINANCE

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on second reading, an ordinance to provide for allocation of funds for Beaufort Memorial Hospital Indigent Care, Beaufort / Jasper / Hampton Comprehensive Health Services, Inc., Economic Development, and Higher Education based on a millage amount to be determined by the annual budget ordinance. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 1, SECTION 66-29 POWERS AND DUTIES (DMO)

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council approve on second reading, text amendment to the Beaufort County Code of Ordinances, Chapter 66, Article II, Accommodations Tax Board, Division 1, Section 66-29 Powers and Duties. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 2, SECTION 66-47 MANAGEMENT AND USE OF LOCAL (3%) ACCOMMODATIONS TAX

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council approve on second reading, text amendment to the Beaufort County Code of Ordinances, Chapter 66, Article II, Accommodations Tax Board, Division 2, Section 66-47 Management and Use of Local (3%) Accommodations Tax. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

AN ORDINANCE AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE NECESSARY DOCUMENTS TO GRANT AN EASEMENT AND MAINTENANCE AGREEMENT WITH THE CITY OF BEAUFORT FOR A PEDESTRIAN AND BICYCLE TRAIL CONNECTING THE CITY'S SOUTHSIDE PARK AND THE COUNTY'S ADJACENT PARK FACILITY AT 1405 BATTERY CREEK ROAD

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the April 23, 2018 meeting of the Public Facilities Committee.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council approve on second reading, an ordinance authorizing the Interim County Administrator to execute necessary documents to grant an easement and maintenance agreement with the City of Beaufort for a pedestrian and bicycle trail connecting the City's Southside Park and the County's adjacent park facility at 1405 Batter Creek Road. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

CONDEMNATION FOR EASEMENT / FOUR TRACTS ASSOCIATED WITH THE PINE GROVE ROAD, KATO LANE AND BURLINGTON CIRCLE

This item comes before Council under the Consent Agenda. Discussion and recommendation to begin the formal condemnation process occurred at the May 21, 2018 meeting of the Natural Resources Committee.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council approve authorizing the Interim County Administrator to pursue condemnation of four tracts of land (R100-24-42B, R100-24-284, R100-24-285 and R100-24-287) associated with Pine Grove Road, Kato Lane and Burlington Circle to complete a significant ditch system. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

CONDEMNATION FOR EASEMENT / JENKINS ROAD TRACT 15-103

This item comes before Council under the Consent Agenda. Discussion and recommendation to begin the formal condemnation process occurred at the May 21, 2018 meeting of the Natural Resources Committee.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council authorize the Interim County Administrator to pursue condemnation of Tract R700-15-103 off Jenkins Road to complete a significant ditch system. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AUTHORIZATION TO ACQUIRE DRAINAGE EASEMENT ON BESSIES LANE AND YOUNG CIRCLE, UP TO, AND INCLUDING CONDEMNATION, IF NECESSARY

This item comes before Council under the Consent Agenda. Discussion and recommendation to begin the formal process to acquire drainage easement, to include condemnation, if necessary, occurred at the May 21, 2018 meeting of the Natural Resources Committee.

It was moved by Mr. Flewelling, seconded by Mr. Covert, that Council authorize the Interim County Administrator to instruct staff to proceed with best practices to obtain five tracts (R100-13-0001, R100-13-0008, R100-13-0009, R100-13-007C, R100-16-0006) off Bessie Lane and Young Circle. The tracts unobtainable through typical negotiations, the Committee recommends Council authorize the Interim County Administrator to pursue condemnation to complete a significant ditch system. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

PUBLIC HEARING

AN ORDINANCE AUTHORIZING THE PLACEMENT OF A QUESTION ON THE OFFICIAL BALLOT FOR THE GENERAL ELECTION TO BE CONDUCTED NOVEMBER 6, 2018, CONCERNING A PROPOSITION AUTHORIZING BEAUFORT COUNTY TO ISSUE GENERAL OBLIGATION BONDS TO ACQUIRE LANDS FOR PRESERVATION AND TO PAY CERTAIN COSTS AND DEBT SERVICE RELATED THERETO

The Chairman opened a public hearing beginning at 6:30 p.m. for the purpose of receiving public comment regarding an ordinance authorizing the placement of a question on the Official Ballot for the General Election to be conducted November 6, 2018, concerning a proposition authorizing Beaufort County to issue General Obligation Bonds in an amount not to exceed an amount not to exceed \$25 million to acquire lands for preservation and to pay certain costs and debt services related thereto. After calling once for public comment, the Chairman recognized Mr. Scott Marshall, Deputy Town Manager, Town of Bluffton, stated Bluffton Town Council and staff appreciate Beaufort County Council, the Rural and Critical Lands Board and staff who have worked hard to make this program successful in the region. Our collective investments are obvious and are paying dividends to our community. He provided an overview of the successes this Program has had on the Town of Bluffton. In light of the undeniable success of this Program, the Town of Bluffton, Town Council and staff request County Council's favorable consideration of the ordinance authorizing the placement of a question on the official ballot concerning a proposition authorizing Beaufort County to issue general obligation bonds to acquire lands for preservation and to pay certain costs and debt service related thereto.

Mrs. Elizabeth Grace, former County Council member, said she was part of the institution of the Rural and Critical Lands Preservation Program, the Rural and Critical Lands Preservation Board and the first referendum question on the ballot. It was overwhelmingly approved by the public. Every referendum since that time has been heavily supported as well. In the housing study, the two main barriers are the cost of land and infrastructure. That is why this referendum is so important. You can look all around the County and see the success of this Program. Development costs more to service than open land and farm land. This is especially true for roads and bridges. Protecting the land allows us to spend our limited dollars on roads, bridges and other infrastructure. She hopes County Council has the confidence to once again approve the Rural and Critical Lands referendum.

Mrs. Kate Schaefer, South Coast Director, Coastal Conservation League, thanked County Council for their support of the Rural and Critical Lands Program and this referendum at second reading and asked for continued support tonight at third and final reading.

Mr. Glen McCaskey, a resident of Hilton Head Island, congratulated the Beaufort County community for approving these Rural and Critical Lands Program referendums. It is unusual in a community to consistently support the qualities that have been supported. He thanked everyone for taking action to perpetuate the treasure and the heritage that we have inherited.

Ms. Michelle Wycoff, Vice President of Partner Advancement & Strategic Development, Hilton Head Island-Bluffton Chamber of Commerce, said preservation is a part of what is important to the businesses in the community. The Chamber of Commerce and its members care about cultural and coastal tourism. They need those to thrive and grow their businesses. Many would see this referendum favorably.

Mr. Emmett McCracken, a Bluffton resident, spoke in support of a referendum for Rural and Critical Lands Preservation Program. He asked Council to support this referendum on third and final reading.

After calling twice more for public comment and receiving none, the Chairman declared the hearing closed at 6:42 p.m.

It was moved by Mr. Flewelling, as Natural Resources Committee Chairman, no second required, that Council approve on third and final reading an ordinance authorizing the placement of a question on the Official Ballot for the General Election to be conducted November 6, 2018, concerning a proposition authorizing Beaufort County to issue General Obligation Bonds in an amount not to exceed \$25 million to acquire lands for preservation and to pay certain costs and debt services related thereto.

Mr. Rodman stated some time back, the Rural and Critical Lands Program looked at the property known as the Battle of Port Royal Island. We never did execute the plan. He asked the Program to potentially revisit the property.

The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

FISCAL YEAR 2018-2019 BEAUFORT COUNTY BUDGET PROPOSAL

The Chairman opened a public hearing beginning at 6:44 p.m. for the purpose of receiving public comment regarding an ordinance approving Fiscal Year 2018-2019 Beaufort County Budget. After calling once for public comment, the Chairman recognized Mr. Erin Benton, who thanked Council for considering an increase in teacher pay. He started teaching in Beaufort County four and half years ago and his first paycheck was in the amount of \$873.65. Rent was \$800. It is hard when you have bills to pay and student debt. He quickly realized he needed a second job. He found out a full-time server was making more money than him with two jobs. He continued to work for the School District and a restaurant while getting his Master's Degree. The Master's Degree helps. He then got engaged which made the realization that living on two teachers' salaries was not feasible. He recently accepted a job in the corporate world. The move had to be made financially. It is tough to lose teachers due to finances. There is a ton of good teachers who deserve a pay increase. Children deserve the best. Hiring quality teachers will only impact the area in a positive way. Please invest in the future by paying the teachers what they deserve.

After calling twice more for public comment and receiving none, the Chairman called the hearing closed at 6:48 p.m.

Mr. Rodman commended staff on their outstanding job preparing the budget that is tax neutral. There are two important items: (i) potentially transferring recreation activities to the municipalities which with the change in administration will peak and can be picked up next year and (ii) Hilton Head Hospital in under financial strain. He asked the Hospital to come forward and highlight their shortfall.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on second reading, the Fiscal Year 2018-2019 County budget proposal as follows: County Operations 50.03 mills, Higher Education 2.37 mills, Purchase of Real Property Program 4.80 mills, County Debt 5.58 mills, Bluffton Fire District 24.10 mills operations and 1.45 mills debt service, Burton Fire District 68.82 mills operations and 5.15 mills debt service, Daufuskie Island Fire District 60.27 mills operations and 0.00 mills debt service, Lady's Island/St. Helena Island Fire District 39.30 mills operations and 2.00 mills debt service, and Sheldon Fire District 37.18 mills operations and 3.21 mills debt service. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

FISCAL YEAR 2018-2019 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET PROPOSAL

The Chairman opened a public hearing beginning at 6:52 p.m. for the purpose of receiving public comment regarding an ordinance approving Fiscal Year 2018-2019 School District Budget. After calling once for public comment, the Chairman recognized Mr. Jeffrey Moss, School District Superintendent (District), who thanked Council for partnering with the School District in educating our community, students and providing business leaders with the talent they need to be successful. County and District staff did a remarkable job bringing everything together to ensure revenue is coming in as projected. The FY2019 budget is revenue neutral; but, allows a funding increase in both the classrooms and teachers' salary. The District wants to keep talent teaching our children. This budget has been certified by the Board of Education.

Ms. Megan Smith, a School District teacher, thanked County Council for their support at first reading of the Beaufort County School District FY2018-2019 budget. As a teacher, it is encouraging to see local government leaders invest in the future of our schools and our children. Beaufort County is truly a special place. We, as a community, have engaged some difficult challenges in the sphere of education – increasing enrollment, widening gap between tax revenue and school funding needs, the opening of new schools and two hurricanes. We have met these situations in dynamic and innovated ways. She spoke about the issues of teachers pay with the high cost of living in Beaufort County. She is encouraged to see the continued improvements to

teachers' pay, as well as the ones made in the past. We are moving in the right direction. She stated the improvements, unfortunately, were not happening in time for her to stay in Beaufort County. She will be moving to the Atlanta, Georgia area in June 2018, where apartment rates are similar to that in Beaufort County, but where the base pay as a teacher is about \$5,000 more. Our main concern as teachers should be for our students and our families, but this does become difficult as we stretch to make ends meet.

Mrs. Valerie Seldes, a School District teacher, thanked County Council for approving the FY2018-2019 School District budget, with the locality supplement, on first reading. So many of us rely on this to help make ends meet that the regular salaries do not. She and her husband are both teachers with 18+ years' experience and with Master Degrees, but still struggle. Even with twin 16-month old daughters, she will be taking on a second job. The locality supplement helps pay for bills such as medical debt owed from being born prematurely with developmental delays. She said they also like to visit family once a year and without the supplement that would not be possible. In order to keep seasoned teachers, and attract new candidates, she hopes Council continues to support the locality supplement.

Ms. Sarah Hurst, a mother of a 4.5-year girl in the Special Needs Program at Bluffton Elementary, spoke on behalf of several parents in support of the salary and supplement increase. Her daughter's special needs teacher works daily to help children to reach their greater and individual potential. Unfortunately, due to the cost of living here, her daughter's teacher has to live with her parents and has a second job in retail. It is saddening to think teachers are not paid enough to survive on their own or that they have to struggle and cut corners for their own children. Please take these teachers into consideration when reviewing this budget. They work so hard and touch so many lives. This increase would make such a big difference to those men and women in our children's lives.

Mrs. Christine Brown, Principal, Bluffton Elementary, said she has to recruit and retain the best teachers. Being in an environment where they feel comfortable and know they are supported, cannot oversee the fact they cannot afford to be here. Almost 60% of staff at Bluffton Elementary have a second job or more. Teachers should not have to worry about being able to afford to live once they walk out of the school building. She thanked Council for their support and asked for continued support.

Mr. Laurence Anderson, a teacher at River Ridge Academy, thanked Dr. Moss for adding the locality supplement and a salary increase in the budget. This is not just about the teachers, but the community.

After calling twice more for public comment and receiving none, the Chairman called the hearing closed at 7:08 p.m.

It was moved by Mr. Stewart, as Finance Committee Chairman, no second required, that Council approve on second reading, Fiscal Year 2018-2019 School District budget proposal as follows: School Operations 104.60 mills and School Bond Debt Service (principal and interest) 31.71 mills.

Mr. Flewelling said Beaufort County and a lot of coastal counties in South Carolina are hampered by the amount of money we can give our school district. We are required by State Law to only tax the properties that are not owner occupied (6% properties). We are limited to the number of properties being taxed. The school assessments fall inordinately on one segment of the population. It is a real problem. So far this has received unanimous support from members of County Council.

Mr. Rodman said a couple years ago we started with the local supplement and thought \$5,000 would be a good number. How close are we to where we need to be?

Dr. Moss said in talking with the Teacher Forum Group, the hope and desire is for the Board of Education to talk to County Council about instituting an additional increase over the next three to five years to get the supplement between \$8,000 and \$10,000.

Mr. Rodman said in the last session there was discussion about whether the Board of Education will put another referendum on the ballot in November. We have a Transportation Sales Tax Referendum going forward that is critical. The Rural and Critical Lands Program/Board agreed to cut in half their referendum amount. We had a priority from County Council to change the Form of Government, but did not want referenda fatigue, so it did not move forward. He hopes the Board of Education will weigh in with their intentions to put a referendum on the ballot. That is a concern.

Mr. Glover spoke in support of the Beaufort County School District budget and paying teachers. At the local level, we can only do so much. Our biggest problem is with our State Legislature. There needs to be a change in school funding.

Mr. Dawson said Council is here considering the proposed budget before us. The District has done what we asked and provided a revenue neutral budget. That is sufficient. It is immaterial whether they consider putting a referendum on the November ballot. We cannot hold their budget hostage under the suspicion that they might put a referendum on the November ballot.

Mr. Rodman said he disagrees and feels Council has the right to ask the question.

Mr. Vaux stated these are separate points and Council cannot hold the teachers and student hostage over a political fight.

The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

MATTERS ARISING OUT OF EXECUTIVE SESSION

There were no matters arising out of Executive Session

PUBLIC COMMENT

There were no requests to speak.

ADJOURNMENT

Council adjourned at 7:30 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

Ratified:

DRAFT

COMMUNITY SERVICES COMMITTEE

June 18, 2018

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

The Community Services Committee met Monday, June 18, 2018 beginning at 4:00 p.m. in the Executive Conference Room of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Alice Howard, and members Michael Covert, and York Glover present. Vice Chairman Rick Caporale and members Steven Fobes and Roberts “Tabor” Vaux absent. Non-committee member Gerald Dawson present. (Paul Sommerville, as County Council Chairman, serves as an *ex-officio* member of each standing committee of Council and is entitled to vote.)

County staff: Ben Boswell, Administrative Manager, Human Services Alliance; Joshua Gruber, Interim County Administrator; Tom Keaveny, County Attorney; Fred Leyda, Director, Human Services Alliance; Monica Spells, Assistant County Administrator–Civic Engagement and Outreach; and Dave Thomas, Purchasing Director.

Public: Danielle Breidung, VITA Coalition and Richard, Ingles, Director of Transportation, Haig Point.

Councilwoman Howard chaired the meeting.

INFORMATION ITEMS

1. Update / Lowcountry Area Volunteer Income Tax Assistance (VITA) Coalition

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Fred Leyda, Director, Human Services Alliance, introduced Ms. Danielle Breidung, Lowcountry Area Volunteer Income Tax Assistance (VITA) Coalition, who provided the Committee with a PowerPoint presentation and an update on the progress of the Lowcountry Area Volunteer Income Tax Assistance (VITA) Coalition.

VITA is an IRS program that provides free state and federal income tax assistance to people who earn less than \$54,000 annually, are at least 60 years of age and have a disability or who possess limited English Proficiency. In Beaufort County there are 37 IRS certified volunteers who donated 3,430 hours of services, filed 1,7557 tax returns, operated 7 VITA sites, returned \$4,356,824 to the local economy and secured \$681,761 in Earned Income Tax Credits.

Statistical data for client satisfaction survey results, ethnicity served, filing status, and clients' feedback follows:

Priorities for FY 2018/2019 include:

- Recruiting more volunteers
- Enhancing partnerships with large employers and higher education institutions
- Collaboration with other organizations to provide financial literacy, educational materials and classes
- Expand the community's awareness of MyFreeTaxes.com

Ongoing and improve initiatives in FY2018/2019 include:

- Basic and advanced tax law training classes
- Earned Income Tax Credit (EITC) events in January
- Paperless program administration
- Self-prep tax stations at traditional VITA sites
- Continue offering appointments at select sites
- Spanish and English publicity and website content

Ms. Spells said staff will be asking for a slight increase in FY2020 due to the equipment and staff time.

Ms. Breidung stated the operating budget is approximately \$55,000 total for the seven counties. The biggest expense is personnel.

Status: Information only.

2. **Contract Renewal / FY2019 Daufuskie Island Ferry Services**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Dave Thomas, Purchasing Director, reviewed this item with the Committee. This is a contract renewal to Daufuskie Island Ferry Services, LLC, in the amount of \$361,630.08 (\$30,135.84 per month) for ferry services for a period beginning July 1, 2018 and ending on June 30, 2019.

Mr. Richard Ingles, Director of Transportation, Haig Point, and operator of Daufuskie Island Ferry Services, LLC, spoke to the Committee regarding services provided – 8 boats and 29 round trips a week. The services have been well received. Approximately 12,000 customers are served annually. This year, a QR Code System has been implemented. Challenges include uncertainty with the embarkation location of Buckingham Landing, managing parking and

providing early departure for residents working on the mainland. Also implemented was a 24-hour water taxi.

Status: Due to the lack of a quorum, Committee Chairman Alice Howard will forward this item to the next available Committee for recommendation for Council approval prior to the June 25, 2018 meeting of County Council.

3. Text Amendment / Beaufort County Code of Ordinances, Chapter 46, Article III Disabilities and Special Needs Board, Section 46-92 - Membership

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: This item was deferred to a later meeting of the Community Services Committee.

DRAFT

EXECUTIVE COMMITTEE

June 25, 2018

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

The Executive Committee met Monday, June 25, 2018 beginning at 4:30 p.m. in the Executive Conference Room of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Jerry Stewart and members Brian Flewelling, Alice Howard and Stu Rodman. Member Gerald Dawson absent. Non-Committee members Rick Caporale, York Glover and D. Paul Sommerville also present.

County staff: Susan Fogleman, Temporary Clerk to Council; Alicia Holland, Assistant County Administrator–Finance; Joshua Gruber, Interim County Administrator; Chris Inglese, Assistant County Attorney; and Tom Keaveny, County Attorney.

Public: Brian Nicholson, Mauldin and Jenkins; Joe Passiment, Sun City resident and Council District 6 candidate.

Media: Joe Croley, *Lowcountry Inside Track*.

Councilman Jerry Stewart chaired the meeting.

INFORMATION ITEM

1. Discussion / Receipt of Fiscal Year 2017 Comprehensive Annual Financial Report (CAFR)

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Committee Chairman Jerry Stewart introduced this item to the Committee. There has been a lot of controversy regarding the FY2017 Comprehensive Annual Financial Report (CAFR) and the fact that it is significantly later this year. We will finally receive the audited financial findings at today's Council meeting. This meeting is to receive an explanation of the Management Letter that goes with the CAFR.

Mr. Brian Nicholson, CPA with Mauldin and Jenkins, stated the Auditor's Opinion will be emailed tomorrow, June 26, 2018. It will be a clean opinion with no findings. We are here today to figure out why it has taken so long to get this audit complete.

- July 6, 2017 the PVC list was sent to the County
- July 10, 2017 the Engagement Letter was sent
- September 11, 2017 Hurricane Irma hit and notice was provided by the County that field work would be delayed
- We did not come back out into the field until April 2018. At that point we are already delinquent.

The firm receives the numbers from the Finance Department and everything looks good with a few adjustments. The issue arises with the County preparing the information for the auditors. The County had been delinquent the last five years. If we do not have all of the pieces, we cannot complete the report.

Mrs. Holland said the April 23, 2018 Finance Committee meeting, we discussed the recommendation for the process change for how general revenues are recorded in the general ledger. That is a lot of what takes so long to get things ready. From Mauldin and Jenkins information they feel the information is in great shape; but, that is due to the time it takes to get the information to that point which needs to be happening on a daily basis. The Management Letter from Mauldin and Jenkins speaks to the timeliness and the internal process changes needed. In 2012, the processes changed wherein the Finance Department was no longer involved in the way general revenues were recorded. At that time the Treasurer's Office set up electronic workflow that allowed Departments to send money directly to them, then manually key the information into the general ledger. Internally, we feel it would behoove us in a timely audit.

Mr. Stewart said he is frustrated about the lack of the Management Letter. Why is it not available?

Mr. Nicholson said last week the final draft of the CAFR was received from the Finance Department. We cannot give you the opinion until we know that everything is good. Mauldin and Jenkins have set aside November and December for this engagement. We cannot make the County be ready and cannot audit data that is not available. In the last two years, Mauldin and Jenkins has written off over \$20,000 doing this audit.

Mr. Flewelling said Council has been told that Mrs. Holland is understaffed and overworked. We know you do a professional and a great job for the County. Do you feel that every month or every quarter, additional staff would be needed?

Mrs. Holland said quality is a hard aspect to attain if the pay is not there. She would love to document what has occurred over the last ten years to today. When something has been living on an old system for 50 years, ten years of a new system cannot fix that. It is a combination of quality and it may benefit to bring in specialized help on a contract basis.

Mr. Stewart said we have discussed the flow of work from departments, to the Treasurer's Office, to the Finance Department. Council has redirected that flow and the Finance Department is now keying the data. There are now new positions for additional staff in the budget. The flow will be much more conducive.

Mrs. Holland said with the additional staff and process change she is hopeful to get the information together for a timely audit.

Mr. Nicholson said stated Mrs. Holland does just about everything. He suggests considering bringing in a third-party CPA to help with the June 30, 2018 closing of the books.

Mr. Caporale stated it is inappropriate to talk about staff. If the contractor has any observations about staff, it needs to discuss with the Interim County Administrator, since it is not under the purview of the Council.

Mr. Rodman said he is interested in being informed of what needs to be done differently to eliminate future problems. There has been a continued dispute between three bodies – one that reports to Council and two that are elected. We need to commission an outside consultant to tell us what the problems are and what Council needs to do to fix it.

Mr. Glover stated Mrs. Holland spoke about staffing and quality of staff. We need to do whatever it takes to support Mrs. Holland. He hopes Mr. Stewart does whatever he can during his duration on Council to improve the system and get a better footing for next year.

Mr. Stewart said Mrs. Holland is making the decision on whether an individual(s) is the right one to hire and qualified. That will be accomplished appropriately since Mrs. Holland knows what she needs. Transitioning the authority from another elected official, who is not under the control of Council or administration, putting them where they belong in the Finance Department, and hiring staff to take care of those responsibilities, would address some of the issues.

Mr. Gruber said we need help understanding the expectations of Council. What does Council want to see? It is administration's responsibility to take that information and understand what it will take to achieve that expectation. If additional resources are needed, administration would come back before Council for such resources.

Mr. Flewelling said he believes getting the CAFR mid-December is preferable; no later than the end of December is an expectation.

Status: Information only.

FINANCE COMMITTEE

June 4, 2018

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

The Finance Committee met Monday, June 4, 2018 beginning at 2:00 p.m., in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Jerry Stewart and members Rick Caporale, Gerald Dawson, Brian Flewelling, Steven Fobes and Stu Rodman present. Non-committee member Alice Howard present. Vice Chairman Michael Covert absent. (Paul Sommerville, as County Council Chairman, serves as an *ex-officio* member of each standing committee of Council and is entitled to vote.)

County staff: Cindy Carter, Solid Waste and Recycling Coordinator; Kimberly Chesney, Tax Collector; Susan Fogleman, Temporary Clerk to Council; Phil Foot, Assistant County Administrator–Public Safety; Terry Geitner, Director of Adult Services, Disabilities and Special Needs; Quandara Grant, Detention Center Director; Joshua Gruber, Interim County Administrator; Patrick Hill, Director, Systems Management Department; Alicia Holland, Assistant County Administrator–Finance; Greg Hunt, Mosquito Control; Shannon Loper, Parks and Leisure Services Director; Donna Ownby, EMS Director; Daniel Morgan, Mapping and Applications Director; John Rembold, Airports Director; Shakeeya Polite, IT Department; Mark Roseneau, Facilities Management Director; Monica Spells, Assistant County Administrator–Civic Outreach and Engagement; Marci Taylor, Administrative Assistant, EMS; Dave Thomas, Purchasing Director; and Matt Watt, Parks and Leisure Services Deputy Director.

Public: Tushar Chikhliker, Economic Development Attorney, Nexen Pruet; and Nicole Ewing, Special Counsel, Nexsen Pruet.

Media: Joe Croley, *Lowcountry Inside Track*.

Councilman Stewart chaired the meeting.

ACTION ITEMS

1. Consideration of Contract Award for Airport Consulting Services

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Dave Thomas, Purchasing Director, reviewed this item with the Committee. Beaufort County issued a Request for Qualifications (RFQ) to firms capable of providing the requisite consulting services in support of Beaufort County Airports. This RFQ was issued in compliance with procurement best practices which recommends a solicitation periodically. This practice is also endorsed by the Federal Aviation Administration.

Three qualification packages were received on April 29, 2018 and reviewed by a staff evaluation committee comprised of Rob McFee, Colin Kinton, and Jon Rembold. After the initial reviews by the evaluation committee and by using the published evaluation criteria for scoring, Talbert, Bright and Ellington of Charlotte, North Carolina, received the highest score and were ranked number one. Additionally, it was determined based on demonstrated success and the qualifications package submitted by the firm, that Talbert, Bright and Ellington was the unanimous selection. Because of this, it was not necessary to conduct interviews of the three firms.

This contract currently has no cost associated with it. As projects occur, the consultant is contacted to provide services. At that time, the consultant will provide a work authorization that includes a cost and the work authorization is brought before the Council Committee as part of the project approval process, including the total project cost.

The Beaufort County Airports Board voted unanimously on May 17, 2018 in favor of forwarding the resulting consulting agreement to County Council via the Finance Committee.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Committee recommend Council award a contract to Talbert, Bright and Ellington of Charlotte, North Carolina for consulting services for the Beaufort County Airports. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract to Talbert, Bright and Ellington of Charlotte, North Carolina for consulting services for the Beaufort County Airports.

2. Consideration of Fiscal Year 2019 Contract Renewals

- Republic Waste Services / Hauling Services

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Republic Waste Services in the amount of \$1,538,000 is for hauling services to include Daufuskie Island. Funding will come from accounts 10001340-51165 and 10001340-5116A, Solid Waste and Recycling.

Mr. Flewelling wanted to know if the contract requires the service provider to pick up the waste that has fallen out of their trucks. It is a major concern.

Mr. Gruber agreed it is a major concern. There is nothing in this specific contract, but staff is looking at implementing tighter restrictions and tying it into the permit process.

Mr. Flewelling said that is not good enough. At this moment in time we have the power to dictate the requirements. Once we have the contract, if we do not give them the sticker permit, we are out of everything we paid and contracted for. Now is the time to say the contract includes the requirement that they pick up the trash blown out of the back of a truck and require a phone number and truck number posted on the back of each truck for people to report when they have seen debris blown out of the truck. He is willing to delay action on this a few weeks.

Mr. Gruber said his concern is if Beaufort County is not able to enter into a contract, we may not be able to hire a firm to provide this service. At that point, we are unable to remove the waste from Daufuskie Island and the convenience centers.

We can put requirements in place in order to receive the permit sticker to operate within Beaufort County. If you want them to post a number on the back of each truck, Beaufort County can require that, but it needs to be part of the ordinance as a permit requirement.

Mr. Stewart said extended discussion of this item would belong at either the Governmental Committee or Public Facilities Committee. We are here to talk about a contract renewal.

Mrs. Howard said the litter enforcement officers have written tickets to the waste management companies with little to no effect. It needs a long-term look, because they continue to let debris blow out of the trucks.

Mr. Stewart said it is not only a debris issue, but also bad driving habits of some of the drivers.

Mr. Gruber said this would need to go to Council for final approval. That will give time to provide a comprehensive proposal to accomplish the desires of Council. The current contract runs out the end of June 2018. We would need something in place prior to July 1, 2018.

Mr. Dawson inquired about the price increase.

Mr. Gruber stated in previous discussions regarding the budget, he indicated there will be an approximately \$400,000 increase in solid waste hauling and disposal costs year-after-year. What is factored in, this renewal, is the CPI.

Mr. Rodman said there will be a Public Facilities Committee meeting June 11, 2018. This could be discussed further at that time. He also informed the Committee of an upcoming Public Facilities Committee and Solid Waste Work Session.

Mr. Flewelling said all the haulers need to be aware that things are going to change. It will cost a little more due to the new requirements. We do not expect them to do it for free, but we do expect them to do it right.

Mr. Gruber said one of the options discussed is the inability to keep debris from coming out of their truck, maybe we should increase the permit to approximately \$15,000 permit and use that money to hire staff to pick up the litter.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Republic Waste Services, in the amount of \$1,538,000 for hauling services to include Daufuskie Island. Funding will come from accounts 10001340-51165 and 10001340-5116A, Solid Waste and Recycling. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Republic Waste Services, in the amount of \$1,538,000 for hauling services to include Daufuskie Island. Funding will come from accounts 10001340-51165 and 10001340-5116A, Solid Waste and Recycling.

3. Consideration of Fiscal Year 2019 Contract Renewals

- **Southern Health Partners / Healthcare Services for County Detention Center Inmates**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Southern Healthcare Partners, Inc. in the amount of \$681,428 is for healthcare services for County Detention Center inmates. Funding will come from account 10001250-51190, Detention Center - Medical/Dental Services.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Southern Healthcare Partners, Inc., Chattanooga, Tennessee, in the amount of \$681,428 for healthcare services for County Detention Center inmates. Funding will come from account 10001250-51190, Medical/Dental Services. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Southern Healthcare Partners, Inc., Chattanooga, Tennessee, in the amount of \$681,428 for healthcare services for County Detention Center inmates. Funding will come from account 10001250-51190, Medical/Dental Services.

4. Consideration of Fiscal Year 2019 Contract Renewals

- **A & B Cleaning Services, Inc. / Janitorial Services for County Facilities**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to A & B Cleaning Services, Inc. in the amount of \$602,382 is for janitorial services for County facilities. Funding will come from the following accounts: 10001310-51210, Facilities Management– Cleaning Services, 51000011-51210, Lady’s Island Airport–Cleaning Services, and 54000011-51210, Hilton Head Island Airport–Cleaning Services.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to A&B Cleaning Services, Inc., Greenville, North Carolina in the amount of \$602,382 for janitorial services at County facilities. Funding will come from the following accounts: 10001310-51210, Facilities Management–Cleaning Services, 51000011-51210, Lady’s Island Airport–Cleaning Services, and 54000011-51210, Hilton Head Island Airport–Cleaning Services. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to A&B Cleaning Services, Inc., Greenville, North Carolina in the amount of \$602,382 for janitorial services at County facilities. Funding will come from the following accounts: 10001310-51210, Facilities Management–Cleaning Services, 51000011-51210, Lady’s Island Airport–Cleaning Services, and 54000011-51210, Hilton Head Island Airport–Cleaning Services.

5. Consideration of Fiscal Year 2019 Contract Renewal

- **Oakwood Landfill (Waste Management) / Disposal of Class II Waste**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Oakwood Landfill (Waste Management), Ridgeland, South Carolina in the amount of \$350,000 is for disposal of Class II waste. Funding will come from account 10001340-51166, Solid Waste Disposal.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Oakwood Landfill (Waste Management), Ridgeland, South Carolina in the amount of \$350,000 for disposal of Class II waste. Funding will come from account 10001340-51166, Solid Waste Disposal. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Oakwood Landfill (Waste Management), Ridgeland, South Carolina in the amount of \$350,000 for disposal of Class II waste. Funding will come from account 10001340-51166, Solid Waste Disposal.

6. Consideration of Fiscal Year 2019 Contract Renewal

- **Summit Food Service (formerly ABL Management) / Food Service Program for Beaufort County Detention Center**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Summit Food Services (formerly ABL Management), Atlanta, Georgia in the amount of \$300,000 is for the Food Service Program for the Beaufort County Detention Center. Funding will come from account 10001250-51200, Detention Center.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Summit Food Services (formerly ABL Management), Atlanta, Georgia in the amount of \$300,000 for the Food Service Program for the Beaufort County Detention Center. Funding will come from account 10001250-51200, Detention Center. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Summit Food Services (formerly ABL Management), Atlanta, Georgia in the amount of \$300,000 for the Food Service Program for the Beaufort County Detention Center. Funding will come from account 10001250-51200, Detention Center.

7. Consideration of Fiscal Year 2019 Contract Renewal

- **South Data / Printing and Mailing Services for the County Property Tax Bills**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to South Data, Mount Airy, North Carolina in the amount of \$300,000 is for printing and mailing services for the County property tax bills. Funding will come from the following accounts: 10001020-51010, Treasurer and 20110011-51010, Treasurer.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to South Data, Mount Airy, North Carolina in the amount of \$300,000, for printing and mailing services for the for the County property tax bills. Funding will come from the following accounts: 10001020-51010, Treasurer and 20110011-51010, Treasurer. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to South Data, Mount Airy, North Carolina in the amount of \$300,000, for printing and mailing services for the for the County property tax bills. Funding will come from the following accounts: 10001020-51010, Treasurer and 20110011-51010, Treasurer.

8. Consideration of Fiscal Year 2019 Contract Renewal

- **Eastern Aviation Fuels / AVGAS and Jet Fuel for Resale (Beaufort County Airport (Lady's Island))**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Eastern Aviation in the amount of \$276,000 is for AVGAS and Jet Fuel for resale. Funding will come from account 51000011-58000, Lady's Island Airport - Purchases-Fuels.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Eastern Aviation, Charlotte, North Carolina in the amount of \$276,000 for AVGAS and Jet Fuel for resale (Beaufort County Airport (Lady's Island). Funding will come from account 51000011-58000, Lady's Island Airport - Purchases-Fuels. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Eastern Aviation, Charlotte, North Carolina in the amount of \$276,000 for AVGAS and Jet Fuel for resale (Beaufort County Airport (Lady's Island). Funding will come from account 51000011-58000, Lady's Island Airport - Purchases-Fuels.

9. Consideration of Fiscal Year 2019 Contract Renewal

- **Clarke Mosquito Control Products / Public Health Insecticides for Mosquito Control**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Clarke Mosquito Control Products, Inc., in the amount of \$250,000 is for public health insecticide for Mosquito Control. Funding will come from account 10001400-52320, Mosquito Control, Public Health Products.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Clarke Mosquito Control Products, Inc., St. Charles, Illinois, in the amount of \$250,000 for public health insecticide for Mosquito Control. Funding will come from account 10001400-52320, Mosquito Control, Public Health Products. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Clarke Mosquito Control Products, Inc., St. Charles, Illinois in the amount of \$250,000 for public health insecticide for Mosquito Control. Funding will come from account 10001400-52320, Mosquito Control, Public Health Products.

10. Consideration of Fiscal Year 2019 Contract Renewal

- **Manatron / Aumentum (Thomson Reuters) / Property Assessment and Tax Software and Support for the Assessor, Auditor, and Treasurer Offices**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Manatron/Aumentum (Thomson Reuters), Chicago, Illinois in the amount of \$231,529 is for property assessment and tax software and support for the Assessor, Auditor, and Treasurer Offices. Funding will come from account 10001150-51110, Maintenance Contracts.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Manatron/Aumentum (Thomson Reuters), Chicago, Illinois in the amount of \$231,529 for property assessment and tax software and support for the Assessor, Auditor, and Treasurer's Offices. Funding will come from account 10001150-51110, Maintenance Contracts. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Manatron/Aumentum (Thomson Reuters), Chicago, Illinois in the amount of \$231,529 for property assessment and tax software and support for the Assessor, Auditor, and Treasurer's Offices. Funding will come from account 10001150-51110, Maintenance Contracts.

11. Consideration of Fiscal Year 2019 Contract Renewal

- **Automated Business Resources (ABR) / Photocopier / Multi-Function Printer Lease and Print Management Services for Beaufort County**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Automated Business Resources (ABR), Savannah, Georgia, in the amount of \$210,000 is for photocopier/multi-function printer lease and print management services for Beaufort County. Funding will come from various departments.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Automated Business Resources (ABR), Savannah, Georgia, in the amount of \$210,000 for photocopier/multi-function printer lease and print management services for Beaufort County. Funding will come from various departments. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Automated Business Resources (ABR), Savannah, Georgia, in the amount of \$210,000 for photocopier/multi-function printer lease and print management services for Beaufort County. Funding will come from various departments.

12. Consideration of Fiscal Year 2019 Contract Renewal

- **SHI – Software House, Inc. / Microsoft Enterprise Agreement**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to SHI – Software House Inc., Charlotte, North Carolina in the amount of \$205,769 is for a Microsoft Enterprise Agreement. Funding will come from account 10001150-51110, Maintenance Contracts, MIS.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to SHI – Software House, Inc., Charlotte, North Carolina in the amount of \$205,769 for Microsoft Enterprise Agreement. Funding will come from account 10001150-51110, Maintenance Contracts, MIS. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to SHI – Software House, Inc., Charlotte, North Carolina in the amount of \$205,769 for Microsoft Enterprise Agreement. Funding will come from account 10001150-51110, Maintenance Contracts, MIS.

13. Consideration of Fiscal Year 2019 Contract Renewal

- **EMS Management and Consultation / Billing Services for EMS**

This contract renewal was discussed and voted on as part of the consent agenda

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to EMS Management and Consultants, Lewisville, North Carolina, in the amount of \$190,000 is for billing services for Beaufort County Emergency Medical Services. Funding will come from account 10000001-44220, EMS.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to EMS Management and Consultants, Lewisville, North Carolina, in the amount of \$190,000 for billing services for Beaufort County Emergency Medical Services. Funding will come from account 10000001-44220, EMS. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to EMS Management and Consultants, Lewisville, North Carolina, in the amount of \$190,000 for billing services for Beaufort County Emergency Medical Services. Funding will come from account 10000001-44220, EMS.

14. Consideration of Fiscal Year 2019 Contract Renewal

- **Beaufort County Open Land Trust / Rural and Critical Land Preservation Program Consulting Services**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Beaufort County Open Land Trust, Beaufort, South Carolina in the amount of \$179,000 is for Rural and Critical Land Preservation Program Consulting Services. Funding will come from account 45000011-51160, Professional Services.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Beaufort County Open Land Trust, Beaufort, South Carolina in the amount of \$179,000 for Rural and Critical Land Preservation Program Consulting Services. Funding will come from account 45000011-51160, Professional Services. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Beaufort County Open Land Trust, Beaufort, South Carolina in the amount of \$179,000 for Rural and Critical Land Preservation Program Consulting Services. Funding will come from account 45000011-51160, Professional Services.

15. Consideration of Fiscal Year 2019 Contract Renewal

- **Care Environment Corporation / Hauling Services for Hazardous Waste**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Care Environment Corporation, Dover, New Jersey in the amount of \$160,000 is for hauling services of hazardous waste for the Solid Waste Department. Funding will come from account 10001340-51160, Professional Services, Solid Waste.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Care Environment Corporation, Dover, New Jersey in the amount of \$160,000 for hauling services of hazardous waste for the Solid Waste Department. Funding will come from account 10001340-51160, Professional Services, Solid Waste. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Care Environment Corporation, Dover, New Jersey in the amount of \$160,000 for hauling services of hazardous waste for the Solid Waste Department. Funding will come from account 10001340-51160, Professional Services, Solid Waste.

16. Consideration of Fiscal Year 2019 Contract Renewal

- **Tyler Technologies / Annual Support and License Agreement for Munis, Including Disaster Recover Contract**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Tyler Technologies, Dallas, Texas in the amount of \$140,046 is for annual support and license agreement for Munis, to include a Disaster Recovery Contract. Funding will come from various accounts.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Tyler Technologies, Dallas, Texas in the amount of \$140,046 for annual support and license agreement for Munis, to include a Disaster Recovery Contract. Funding will come from various accounts. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Tyler Technologies, Dallas, Texas in the amount of \$140,046 for annual support and license agreement for Munis, to include a Disaster Recovery Contract. Funding will come from various accounts.

17. Consideration of Fiscal Year 2019 Contract Renewal

- **Disabilities and Special Needs (DSN) / Janitorial Services for Buckwalter Regional Park, Burton Wells Regional Park and St. Helena Island Branch Library**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Beaufort County Disabilities and Special Needs (DSN) in the amount of \$116,224 for janitorial services at Buckwalter Regional Park, Burton Wells Regional Park and St. Helena Island Branch Library. Funding will come from accounts 10001310-51210, Facilities Management and 10001600-51210, PALS.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Beaufort County Disabilities and Special Needs (DSN) in the amount of \$116,224 for janitorial services at Buckwalter Regional Park, Burton Wells Regional Park and St. Helena Island Branch Library. Funding will come from accounts 10001310-51210, Facilities Management and 10001600-51210, PALS. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Beaufort County Disabilities and Special Needs (DSN) in the amount of \$116,224 for janitorial services at Buckwalter Regional Park, Burton Wells Regional Park and St. Helena Island Branch Library. Funding will come from accounts 10001310-51210, Facilities Management and 10001600-51210, PALS.

18. Consideration of Fiscal Year 2019 Contract Renewal

- **Hilton Head Humane Association / Veterinary and Spay/Neuter Services for County Animal Shelter**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Hilton Head Humane Association, Hilton Head Island, South Carolina in the amount of \$100,000 is for veterinary and spay/neuter services for the County Animal Shelter. Funding will come from the following account 10001270-51165, Professional Services–Spay/Neuter.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee approve and recommend Council award a contract renewal, for fiscal year 2019, to Hilton Head Humane Association, Hilton Head Island, South Carolina in the amount of \$100,000 for veterinary and spay/neuter services for the County Animal Shelter. Funding will come from account 10001270-51165, Professional Services–Spay/Neuter. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal, for fiscal year 2019, to Hilton Head Humane Association, Hilton Head Island, South Carolina in the amount of \$100,000 for veterinary and spay/neuter services for the County Animal Shelter. Funding will come from account 10001270-51165, Professional Services–Spay/Neuter.

19. Items Arising Out of Executive Session

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Main Motion #1: It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Committee recommend Council approve a Fee in Lieu of Tax (FILOT) Agreement and Multi-County Industrial Park (MCIP) Agreement for Project Solar, as presented to the Committee, with the provision that 50% of the revenue gained be reserved for economic development and the remaining 50% be distributed in the same manner as any ad valorem tax bill for the Sheldon District.

Mr. Rodman agrees with the dollars going toward economic development. However, he does not see the need to split, because the School District has the ability, through referendum for capital, and the ability to increase the operational millage rate through County Council.

Motion to amend by substitution #1: It was moved by Mr. Rodman, that Committee recommend Council approve a Fee in Lieu of Tax (FILOT) Agreement and Multi-County Industrial Park (MCIP) Agreement for Project Solar, as presented to the Committee, with the provision that 100% of the revenue gained be reserved for economic development. The motion died due to lack of a second.

Mr. Stewart stated the Beaufort County School District is being constrained by the acts of the Legislature as well as losing their pool of resources to get money for operations. They also have the cap, so they do not have the ability to increase their base mileage rate. If you look into the future, at the rate they are going and lack of support, they will reach their capped millage rate. They are in a precarious position. He suggests Council treat the FILOT as if it were an ad valorem tax. If we want to designate some to economic development, it should be the County's portion.

Motion to amend by substitution #2: It was moved by Mr. Stewart, seconded by Mr. Dawson, that Committee recommend Council approve a Fee in Lieu of Tax (FILOT) Agreement and Multi-County Industrial Park (MCIP) Agreement for Project Solar, as presented to the Committee, with the provision that FILOT revenue received be distributed as if it were ad valorem taxes, and the County's portion of revenue be reserved for economic development. The vote: YEAS – Mr. Dawson and Mr. Stewart. NAYS - Mr. Caporale, Mr. Flewelling, Mr. Fobes and Mr. Rodman. ABSENT – Mr. Covert. The motion failed.

Vote on the Main Motion #1: YEAS – Mr. Flewelling and Mr. Fobes. NAYS - Mr. Caporale, Mr. Dawson, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion failed.

Main Motion #2: It was moved by Mr. Stewart, seconded by Mr. Dawson, that Committee recommend Council approve a Fee in Lieu of Tax (FILOT) Agreement and Multi-County Industrial Park (MCIP) Agreement for Project Solar, as presented to the Committee, with the provision that FILOT revenue received be distributed as if it were ad valorem taxes. The vote: YEAS – Mr. Dawson and Mr. Stewart. NAYS - Mr. Caporale, Mr. Flewelling, Mr. Fobes and Mr. Rodman. ABSENT – Mr. Covert. The motion failed.

Recommendation: Council discussion and consideration.

INFORMATION ITEMS

20. Consideration of Fiscal Year 2019 Contract Renewal

- **Strickland Electric Recycling, LLC / Electronic Waste Recycling Services**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Strickland Electric Recycling, LLC, North, South Carolina in the amount of \$90,000 is for electronic waste recycling services. Funding will come from account 10001340-51164, E-waste, Solid Waste.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee award a contract renewal, for fiscal year 2019, to Strickland Electric Recycling, LLC, North, South Carolina in the amount of \$90,000 for electronic waste recycling services. Funding will come from account 10001340-51164, E-waste, Solid Waste. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Status: Committee awarded a contract renewal, for fiscal year 2019, to Strickland Electric Recycling, LLC, North, South Carolina in the amount of \$90,000 for electronic waste recycling services. Funding will come from account 10001340-51164, E-waste, Solid Waste.

21. Consideration of Fiscal Year 2019 Contract Renewal

- **Pictometry International Corporation / License Image Software / Aerial Photos**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to Pictometry International Corporation, Rochester, New York in the amount of \$85,364 is for license image software and aerial photos. Funding will come from account 10001152-51250, GIS/MIS - Aerial Photos.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee award a contract renewal, for fiscal year 2019, to Pictometry International Corporation, Rochester, New York in the amount of \$85,364 for license image software and aerial photos. Funding will come from account 10001152-51250, GIS/MIS - Aerial Photos. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Status: Committee awarded a contract renewal, for fiscal year 2019, to Pictometry International Corporation, Rochester, New York in the amount of \$85,364 for license image software and aerial photos. Funding will come from account 10001152-51250, GIS/MIS - Aerial Photos.

22. Consideration of Fiscal Year 2019 Contract Renewal

- **USI Insurance Services National, Inc. / Benefit Consulting Services**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to USI Insurance Services National, Inc., Dallas, Texas, in the amount of \$66,950 is for benefit consulting services. Funding will come from account 10001160-51160, Employee Services.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee award a contract renewal, for fiscal year 2019, to USI Insurance Services Nation, Inc., Dallas, Texas in the amount of \$66,950 for benefit consulting services. Funding will come from account 10001160-51160, Employee Services. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Status: Committee awarded a contract renewal, for fiscal year 2019, to USI Insurance Services Nation, Inc., Dallas, Texas in the amount of \$66,950 for benefit consulting services. Funding will come from account 10001160-51160, Employee Services.

23. Consideration of Fiscal Year 2019 Contract Renewal

- **South Carolina Judicial Department / Court Management System Support**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to South Carolina Judicial Department, Columbia, South Carolina in the amount of \$60,000 is for court management system support. Funding will come from the following accounts: 10001030-51110 Clerk of Court, Maintenance Contracts and 10001081-51110 Magistrate, Maintenance Contracts.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee award a contract renewal, for fiscal year 2019, to South Carolina Judicial Department, Columbia, South Carolina in the amount of \$60,000 for court management system support. Funding will come from the following accounts: 10001030-51110 Clerk of Court, Maintenance Contracts and 10001081-51110 Magistrate, Maintenance Contracts. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Status: Committee awarded a contract renewal, for fiscal year 2019, to South Carolina Judicial Department, Columbia, South Carolina in the amount of \$60,000 for court management system support. Funding will come from the following accounts: 10001030-51110 Clerk of Court, Maintenance Contracts and 10001081-5111 Magistrate, Maintenance Contracts.

24. Consideration of Fiscal Year 2019 Contract Renewal

- **New Vision System / Official Records Software and Maintenance Support**

This contract renewal was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: This contract renewal to New Visions Systems, New Canaan, Connecticut, in the amount of \$52,048 is for official records software and maintenance support. Funding will come from account 10001122-51110, Register of Deeds - Maintenance Contracts.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Dawson, that Committee award a contract renewal, for fiscal year 2019, to New Visions Systems, New Canaan, Connecticut in the amount of \$52,048 for official records software and maintenance support. Funding will come from account 10001122-51110, Register of Deeds - Maintenance Contracts. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Status: Committee awarded a contract renewal, for fiscal year 2019, to New Visions Systems, New Canaan, Connecticut in the amount of \$52,048 for official records software and maintenance support. Funding will come from account 10001122-51110, Register of Deeds - Maintenance Contracts.

25. FY 2018/2019 Budget Proposal

- **Burton Fire District**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: The Burton Fire District provided a FY 2018/2019 budget proposal as follows:

Operations - \$5,667,981 (68.82 mills)

Debt Service - \$385,268 (5.15 mills)

Mr. Flewelling said all the fire districts seem to be going down in their millage requests, with the exception of the Burton Fire District. Mrs. Howard, Mr. Dawson and he met with the Burton Fire District Chief to troubleshoot the reason. The problem seems to be the annexation of property and how it balances out. They are going through the process of reconciling the amount

necessary to compensate the Burton Fire District for the properties the municipalities have annexed. That requires a mediation process. They cannot anticipate how it will work out. We have talked to the Chief about potential money-saving ideas such as reducing the service area. They need to redesign the service and coverage area. The Chief and Commissioners will discuss and come forward with a recommendation. This is a difficult, time-consuming, and passionate problem. He envisions that all of Port Royal Island to have one fire district. It does not make sense to have such a large, expensive fire district servicing such a small area. He would like the entire County under one fire district, with different divisions. We need to find a way to acquire the City of Beaufort and the Town of Port Royal Fire Districts and provide the services necessary at the expense that they are currently being charged, or for the municipalities to acquire the Burton Fire District. One of those two things will need to happen.

Mr. Stewart said this is an important problem. The consolidation of the fire districts has been discussed for several years. Maybe this is a good reason to take a more serious effort to move forward. There are issues outside of our control. Both the Burton Fire District and Lady's Island/St. Helena Island Fire District are under the control of the Legislative Delegation. This topic came up at a Legislative Delegation meeting, and, at that time, they did not want to get involved. The fire districts do not want to bring it before a referendum or resolve the issue. We, as a Council, need to take a more serious approach and aggressive effort. There are ways to consolidate. It would be a tremendous benefit to all.

Mr. Dawson said the municipalities annexing cannot provide service. Until this is settled legally, we will continue to see the Burton Fire District operating under these terms.

Mr. Stewart said this is supposed to be worked out prior to annexation. The problem is there is no penalty to a municipality if they do not do it. There needs to be some teeth into the law.

Mr. Rodman said it seems we need someone to run a pro forma of the financial impact of consolidation.

Mr. Flewelling said that has been done.

Mr. Gruber said we would not be able to provide countywide fire services at or below the existing cost of what taxpayers are paying. We would probably have to subsidize certain portions of the County in order to be able to consolidate.

Mr. Dawson said we cannot have small fire districts subsidizing larger fire districts.

Status: Information only.

26. FY 2018/2019 Budget Proposal

• **Bluffton Township Fire District**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: The Bluffton Fire District provided a FY 2018/2019 budget proposal as follows:

Operations - \$15,086,666 (24.10 mills)

Debt Service - \$850,000 (1.45 mills)

Status: Information only.

27. FY 2018/2019 Budget Proposal

• **Daufuskie Island Fire District**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: The Daufuskie Island Fire District provided a FY 2018/2019 budget proposal as follows:

Operations - \$1,219,630 (60.27 mills)

Debt Service - \$0 (0 mills)

Status: Information only.

28. FY 2018/2019 Budget Proposal

• **Lady's Island / St. Helena Island Fire District**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: The Lady's Island / St. Helena Island Fire District provided a FY 2018/2019 budget proposal as follows:

Operations - \$6,111,258 (39.30 mills)

Debt Service - \$311,338 (2 mills)

Status: Information only.

29. FY 2018/2019 Budget Proposal

• Sheldon Fire District

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: The Sheldon Fire District provided a FY 2018/2019 budget proposal as follows:

Operations - \$1,408,269 (37.18 mills)

Debt Service - \$139,259 (3.21 mills)

Status: Information only.

30. Continued Discussion / Airports FY2018/2019 Budget Proposal

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: At the May 7, 2018, meeting of the Finance Committee, Mr. Jon Rembold, Airports Director, presented to the Committee the Airports FY2018/2019 budget proposal as follows:

Hilton Head Island Airport

Total Operating Revenue - \$1,831,000

Total Operating Expenses - \$1,877,000

Non-Operating Expenses - \$1,755,000

Beaufort County / Lady's Island Airport

Total Operating Revenue - \$630,000

Total Operating Expenses - \$672,000

Non-Operating Expenses - (\$105,000)

At that meeting, the members asked Mr. Rembold to come back before the Committee with additional financial information. Mr. Rembold and Mrs. Alicia Holland, Assistant County Administrator–Finance, provided the Committee with additional information on the financial trends, enplanement/deplanement, detailed operational expenses, amortization of debt and cash flow.

Status: Information only.

31. Consideration of Reappointments and Appointments

- **Accommodations (State 2%) Tax Board**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: No action taken at this time.

32. Executive Session

- **Discussion Incident to Terms of a FILOT and MCIP Agreements (Project Solar)**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Motion: It was moved by Mr. Rodman, seconded by Mr. Flewelling, that Committee go immediately into Executive Session for discussions incident to terms of a FILOT and MCIP Agreement (Project Solar). The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Covert. The motion passed.

Staff: The Committee went immediately into Executive Sessions for discussions incident to terms of a FILOT and MCIP Agreement (Project Solar)

GOVERNMENTAL COMMITTEE

June 4, 2018

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

The Governmental Committee met Monday, June 4, 2018 beginning at 4:00 p.m. in the Executive Conference Room of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Gerald Dawson, Vice Chairman Steven Fobes, and members Brian Flewelling, Jerry Stewart present. Mr. Vaux participated telephonically. Members Michael Covert and York Glover absent. Non-committee members Rick Caporale and Stu Rodman also present. (Paul Sommerville, as County Council Chairman, serves as an *ex-officio* member of each standing committee of Council and is entitled to vote.)

County staff: Andrea Atherton, Capital Improvements Project Construction Manager; Pamela Cobb, Disaster Recovery Coordinator; Phil Foot, Assistant County Administrator–Public Safety; Stephanie Garst, Court Administrator, Magistrate’s Office; Shawn Gleason, EMS; Joshua Gruber, Interim County Administrator; Chris Inglese, Assistant County Attorney; Tom Keaveny, County Attorney; Eric Larson, Division Director–Environmental Engineering and Land Management; Donna Ownby, EMS Director and Matt Watt, Parks and Leisure Services Deputy Director.

Public: Heather Rath, Chairman, Greater Island Council; and Van Willis, Manager, Town of Port Royal.

Media: Joe Croley, *Lowcountry Inside Track*.

Councilman Dawson chaired the meeting.

ACTION ITEM

1. Annual Update / Disaster and Recovery / Award for Outdoor Warning Siren Grant Project

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Eric Larson, Division Director–Environmental Engineering and Land Management, provided the Committee with an update on the Disaster Recovery Plan. The two-page report, dated May 30, 2018, provided an overview of annual preparations and grants as well as an update on Hurricane Matthew and Hurricane Irma, to include costs, projects, and public assistance.

Ms. Cobb provided the Committee with an update on the award for Outdoor Warning Siren Grant Project. The Project has been awarded by South Carolina Emergency Management Division, under the Hazard Mitigation Grant Program, Floods of 2015. This Project will install 12 outdoor-warning sirens to be placed on 12 poles throughout the County. These locations have been chosen to cover most of the outdoor recreational venues in the County. The system will include a master controller, antenna, power packs, poles and other equipment outlined in the project. The sirens would be automatically tied to the National Weather Service Polycom warning system and activated, automatically, by radio signal originated from the master controller, which will be housed in the Sheriff's Office, Emergency Management Operation Center.

The cost of the project is \$520,769 with a federal share of \$333,294 and non-federal share of \$184,475. The local match would come from the County reserve fund. The project must be completed within a 36-month time period and completed no later than April 2, 2020.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Committee recommend Council approve funding in the amount of \$187,475 for the Outdoor Warning Siren Grant Project. Funding will come from the County Reserve Fund. The vote: YEAS –Mr. Dawson, Mr. Fobes, Mr. Flewelling and Mr. Stewart. ABSENT – Mr. Covert, Mr. Glover and Mr. Vaux. The motion passed.

Recommendation: Council approve funding in the amount of \$187,175 for the Outdoor Warning Siren Grant Project. Funding will come from the County Reserve Fund.

INFORMATION ITEMS

2. Update / University of South Carolina-Beaufort

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Committee Chairman Gerald Dawson, informed the Committee that Dr. Anna Ponder, Vice Chancellor for Development, University of South Carolina-Beaufort, sent an email saying they would not be able to attend today's meeting. This update will be provided at a later meeting.

Status: This item will be discussed at a later meeting of the Governmental Committee.

3. Discussion / Driving Under the Influence (DUI) Prosecution

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Committee Chairman Gerald Dawson introduced this item to the Committee. This has been added to the agenda due to the request by several Council members.

Mr. Caporale said during a meeting with former Chief Magistrate Larry McElynn, Mr. McElynn mentioned that the DUI conviction rate in Magistrate Court is horrendous. In following up on the conversation, Mr. Caporale, received information from Ms. Stephanie Garst, Court Administrator, Magistrate's Office, which he distributed to Council. He then spoke with Solicitor Duffie Stone and came up with the idea of giving Solicitor Stone, two attorneys, for two years, to allow him to attack the problem. The cost would be approximately \$150,000. We would need to set targets, goals and draft a Memorandum of Understanding. The attorneys would work with Officers and State Troopers, who are now prosecuting their own case. That is why the conviction rates are so low. Inexperienced Officers are going up against experienced attorneys. We have an offer from Solicitor Stone and in speaking with Sheriff Tanner, he agreed it was a good idea.

Mr. Vaux said municipal courts have their own prosecutors but magistrate courts do not. We have Officers prosecuting their own cases, which can be problematic at times. We need to look at this beyond DUIs. Do we do this just for DUIs or for all cases that may need additional help? The Officers need help.

Mr. Fobes wanted to know if state law issues impact the prosecution rate.

Mr. Vaux replied in the affirmative. When the current DUI law was adopted, it was strictly enforced. As the law shifted, the interpretation of the law changed and become prosecution friendly. There are a lot of technical issues regarding DUIs in South Carolina.

Mr. Fobes wanted to know if the proposal would significantly help the situation or would we need a combination of things to help the prosecution rate.

Mr. Vaux said we do not have enough details on the statistics. The Solicitor's suggestion will help the problem.

Mr. Gruber said based upon the information received in 2017, between the Bluffton Magistrate Court and Beaufort Magistrate Court, there were approximately 300 DUI citations. Of that, the conviction rate was about 33%.

Mr. Vaux said for a more accurate assessment of conviction rates the statistics should be broken down by the blood alcohol level, if alcohol, or if a drug (DUAC) case. Those numbers should be compared to the following: whether the person plead guilty to any level of DUI or DUAC or tried in their absence; whether the person was found guilty by bench trial or jury trial;

whether the person was found not guilty by bench trial or jury trial; whether the person plead guilty to a moving violation, other than DUI, as part of a plea agreement; and whether the charge was dismissed on a motion by the defense counsel outside of a bench or jury trial. We need all of that information in order to do a proper assessment.

Mr. Dawson suggested having Solicitor Stone come before the Committee and present the statistics and continue this discussion at that time.

Mr. Gruber said the Magistrate Court would have the information, not the Solicitor. If we have them break it down, in that manner suggested, we may be able to better comprehend the information. We could then use that as a baseline data and see if other jurisdictions use full time solicitors to prosecute. We want to eliminate whether or not state law, is, perhaps, hindering a higher conviction rate.

Mr. Flewelling said the purpose of the data is to have a baseline so in a year we can evaluate the performance. We need to move forward with this now.

Mr. Gruber stated we need to ensure we have accurate data in order to come up with a solution to identify the solution. Also, if Council provides additional money to the Solicitor's Office, the Public Defender's Office will want to have parity.

Mr. Vaux said we would not be increasing the number of cases coming forward to trial. We would only have a prosecutor available to prosecute the cases, rather than the Officer.

Status: Additional documentation and statistics will be provided at the next meeting of the Governmental Committee.

4. Discussion / Transfer Ownership and Maintenance of Parks Located on Hilton Head Island to the Town of Hilton Head

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Phil Foot, Assistant County Administrator–Public Safety, spoke before the Committee. In 2015 Beaufort County provided the Town of Hilton Head Island (Town) with a proposed plan for the transfer of county-owned and maintained recreational assets to the Town. A counter offer to that proposal was received in a letter dated April 20, 2018. Their offer is Beaufort County contribute \$600,000 a year, with \$100,000 increases annually for years 2, 3, and 4, bringing the County's contribution to \$900,000 which would be the base contribution. Thereafter, they are asking that annual contributions, from the County, be adjusted from the \$900,000 base contribution in accordance with an agreed upon measure such as CPI.

Mr. Foot said the original offer was approximately \$400,000, which would be weaned after five years. We are going in two different directions. At this point, he suggests Beaufort County continuing maintain the properties on Hilton Head Island. It is too late in the budget

cycle to consider this at this time. We should continue discussions and come to some kind of understanding in an effort to get the numbers closer together.

Mr. Fobes asked about the operating costs of the County. The information provided only includes information on the properties.

Mr. Foot said the Facility Maintenance Department spent \$100,000 on grounds in FY 2015. The Town never provided a breakdown of their intended use of the dollars.

Ms. Heather Rath, Chairman, Town Parks and Recreation Commission, said she was hoping for a better outcome. For far too long, the Town has had a fuzzy relationship with Beaufort County in terms of maintenance. She distributed pictures of Barker Field to show the lack of maintenance by Beaufort County and how the County maintains parks on Hilton Head Island. This is why the Town wants to control their assets. Regarding the first proposal, there was some heartburn because of the term after five years. The Town went through the process to determine the cost to maintain the parks to the standard and level of service.

Mr. Stewart said he when you become a municipality, you take on the responsibility of things within the municipality. Beaufort County offered to give the Town the assets, equipment and transition to take it over. It was a fair offer. Ultimately, the Town should have been taking care of them all along. He does not see the County paying \$900,000 and increasing costs to take care of parks on Hilton Head Island. There is a problem with the long-term commitment expected for something that should have been the Town's responsibility in the first place.

Ms. Rath said in coming up with the counteroffer, the Committee evaluated whether the Town was getting their fair share, what is the fair share, and why is this terminating after four years when citizens will continue to pay taxes.

Mr. Rodman said matter was identified as Council priority in 2017 and 2018. Discussion at that time included whether the other municipalities would want to do the same thing. It is broader than just Hilton Head Island. We need to look at what is best for the County. If we are collecting taxes countywide the argument should be whether the money should go with the transfer.

Status: Further discussion will occur at a later meeting of the Governmental Committee.

5. Discussion / CIP Project EMS Station Bluffton / Prichardville Fire Department

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Phil Foot, Assistant County Administrator-Public Safety, provided an update on the EMS Station Project. In 2013, the County began the process of putting additional ambulance stations north and south of the Broad River. In 2014, located an ambulance at the Sun City Station, which was small, but there were no other opportunities. In 2014 the County

began looking at buying property next to the Prichardville Fire Station for EMS expansion; but, landscaping company bought the property. The EMS Project was added to, but later removed from, the Sales Tax Referendum project list due to concerns of it not passing. The EMS project was included in the 2016 general obligation bond issuance.

Mr. Foot was instructed to find property south of the Broad River to build an EMS Station. The Prichardville Station was too small. Property in Bluffton is not easy to find and is expensive. Staff explored South Carolina Electric and Gas (SCE%G) site, which did not work out. Hargray property, off of Gibbett Road in Bluffton, was then explored. A facility is need at the southwest corridor of Beaufort County in order to strategically locate our EMS vehicles. There is so much going on in that corridor and Gibbett Road would be a perfect spot. Staff have been negotiating with Hargray representatives, who are willing to lease property for the EMS Station.

In April, Mr. Gruber received an email from Councilman Covert asking that Beaufort County re-evaluate the Pritchardville property to see if we could co-locate on that property. Beaufort County engineers looked at the property, as well as Mr. Larson for the stormwater portion. The property is built out for stormwater purposes.

Mr. Stewart suggested co-locating with the fire district in another area, possibly the fire station being built off Bluffton Parkway.

Mr. Foot said he does not think it would be a good location geographically, and he does not believe they would have the four beds available.

Mr. Stewart suggested speaking with the Town of Bluffton for their assistance in finding land in the New River area.

Mr. Foot said Beaufort County could lease land with Hargray, has the General Obligation Bond approval and has the contractor for the construction of the station. Just before the County was to sign the contract with Hargray, Mr. Covert asked staff to re-evaluate the Pritchardville location.

Mr. Stewart suggests Mr. Foot to bring forth the lease agreement for Council's consideration since the re-evaluation of the Pritchardville location deems it undoable.

Mr. Flewelling asked for the location of the specific property on Gibbett Road to see if it meets future expansion needs, lease arrangements and response times from that location.

Mr. Foot stated they talked about moving the fire station on Pritchardville Road, but it would not be for another two-years.

Mr. Flewelling wanted to know why the County does not buy the fire station at Pritchardville and give them any incentive to move out of the location. We could then work on temporary quarters in this coverage area.

Mr. Stewart said the amount of the lease to Hargray could be provided to the district for incentive.

Mr. Flewelling wanted to know the budget for building a new station.

Mr. Foot replied \$1.6 million.

Status: Committee asked staff to provide the future expansion needs, lease arrangement and response time for the location at Gibbett Road, as well as speak with the fire district and explore the possibility of taking on the station located at Pritchardville Road.

DRAFT

NATURAL RESOURCES COMMITTEE

June 18, 2018

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

The Natural Resources Committee met Monday, June 18, 2018 beginning at 2:30 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Committee Chairman Brian Flewelling, Vice Chairman Tabor Vaux, and members Rick Caporale, Mr. Dawson, York Glover and Alice Howard present. Member Steven Fobes absent. Non-committee member Michael Covert also present.

County Staff: Eric Greenway, Director, Community Development Department; Josh Gruber, Interim County Administrator; Patrick Hill, Director, Systems Management Department; and Tom Keaveny, County Attorney.

Public: Jeff Tibles, representing Scratch Golf, LLC.

Media: Joe Croley, *Lowcountry Inside Track*.

Committee Chairman Brian Flewelling chaired the meeting.

ACTION ITEM

- 1. Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to Remove the Hamlet Place Type on the Buckingham Landing Community at the Foot of the Bridge to Hilton Head Island**

Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to Change the Village Place Type that Corresponds with the Hilton Head National Property at the Corner of Bluffton Parkway and Malphrus Road to a Hamlet Place Type

Map Amendment to the Beaufort County Community Development Code, Preamble, Division P.20, Page P10 and P11 to Remove the Hamlet Place Type from the Buckingham Landing Community at the Foot of the Bridge to Hilton Head Island

Map Amendment to the Beaufort County Community Development Code, Preamble, Division P.20, Page P10 and P11 to Change the Village Place Type that Corresponds with the Hilton Head National Property at the Corner of Bluffton Parkway and Malphrus Road to a Hamlet Place Type

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Rob Merchant, Deputy Director, Community Development Department, reviewed this item with the Committee. The Future Land Use Chapter of the Comprehensive Plan contains a special land use designation called the Place Type Overlay. The purpose of the Place Type Overlay is to identify locations in the County to propose appropriately scaled walkable environments with a mix of housing, civic, retail and service choices. The overlay establishes five place types going from the most rural to the most urban – rural, crossroad, hamlet, village, town and city. The Beaufort County Community Development Code (Code) assists in the implementation of these place types through the use of the transect Zones found in Article 3 of the Code.

Members of Council expressed concern that some of the place types may be promoting too much residential and commercial development, having the potential to overload the road network and negatively impact existing neighborhoods. Council held two workshops earlier this year to conduct an in-depth analysis of land use policy in southern Beaufort County. At the March 19, 2018 meeting of the Natural Resources Committee, the Committee discussed the following changes to the Place Type Map: remove the Hamlet that corresponds with the Buckingham Landing Community and evaluate the appropriateness of the Village Place Type at Hilton Head National.

The Community Development Department staff analyzed the two discussion items from the Natural Resources Committee and has brought forth the following recommendations:

- Remove the Hamlet Place Type from the Buckingham Landing Community
- Change the place type at Bluffton Parkway and Malphrus Road from Village to Hamlet
- Amend Pages P10 and P11 of the Preamble of the Community Development Code to match the revised maps from the Comprehensive Plan.

At the June 4, 2018 meeting of the Planning Commission, the Commission approved moving forward with the Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to remove the Hamlet Place Type on the Buckingham Landing Community at the foot of the bridge to Hilton Head Island and the Map Amendment to the Beaufort County Community Development Code, Preamble, Division P20, Page P10 and P11 to remove the Hamlet Place Type from the Buckingham Landing Community at the foot of the bridge to Hilton Head Island.

Motion 1: It was moved by Mr. Vaux, seconded by Mr. Caporale, that Committee recommend Council approve on first reading a Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to remove the Hamlet Place Type on the Buckingham Landing Community at the foot of the bridge to Hilton Head Island and a Map Amendment to the Beaufort County Community Development Code, Preamble, Division P20, Page P10 and P11 to remove the Hamlet Place Type from the Buckingham Landing Community at the foot of the bridge to Hilton Head Island. The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mr. Glover, Mrs. Howard and Mr. Vaux. ABSENT – Mr. Dawson (arrived late) and Mr. Fobes. The motion passed.

At the June 4, 2018 meeting of the Planning Commission a motion to move forward with Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to change the Village Place Type that corresponds with the Hilton Head National property at the corner of Bluffton Parkway and Malphrus Road to Hamlet Place Type and the Map Amendment to the Beaufort County Community Development Code, Preamble, Division P20, Pages P10 and P11 to change the Village Place Type that corresponds with the Hilton Head National property at the corner of Bluffton Parkway and Malphrus Road to a Hamlet Place Type failed.

Motion 2: It was moved by Mr. Vaux, seconded by Mr. Glover, that Committee recommend Council approve on first reading a Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to change the Village Place Type that corresponds with the Hilton Head National property at the corner of Bluffton Parkway and Malphrus Road to Hamlet Place Type and a Map Amendment to the Beaufort County Community Development Code, Preamble, Division P20, Pages P10 and P11 to change the Village Place Type that corresponds with the Hilton Head National property at the corner of Bluffton Parkway and Malphrus Road to a Hamlet Place Type.

Mr. Jeff Tibles, representing the owner of Scratch Golf, LLC, stated his concerns relative to the process. There are pending litigations relative to this property and the overlay district on the property. Removal of that Village Place Type designation could negatively impact the litigation, could take decisions and remedies away from the judge, and it comes at a critical juncture in the litigation proceedings as it relates to the underlying merits and the parties discussing alternative ways to resolve the disputes among them. He asked the Committee to consider following the recommendation of the Planning Commission or a deferral to provide additional time for the process to play out in court.

Mr. Flewelling said this is an amorphous star. It is not detailing with one piece of property, but an entire area. It was not intended to be exclusive of the referenced property.

Motion 3: It was moved by Mr. Vaux, seconded by Mrs. Howard, that Committee go immediately into Executive Session to receive legal advice relative to pending litigation. The vote: YEAS – Mr. Caporale, Mr. Flewelling, Mr. Glover, Mrs. Howard and Mr. Vaux. ABSENT – Mr. Dawson (arrived late) and Mr. Fobes. The motion passed.

EXECUTIVE SESSION

RECONVENE OF REGULAR SESSION

Vote on motion 2: YEAS – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glover, Mrs. Howard and Mr. Vaux. ABSENT – Mr. Mr. Fobes. The motion passed.

Recommendation: Council approve on first reading a: (1) Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to remove the Hamlet Place Type on the Buckingham Landing Community at the foot of the bridge to Hilton Head Island; (2) Map Amendment to the Beaufort County Community Code, Preamble, Division P20, Page P10 and P11 to remove the Hamlet Place Type from the Buckingham Landing Community at the foot of the bridge to Hilton Head Island; (3) Map Amendment to the Beaufort County Comprehensive Plan, Chapter 4: Future Land Use Map 4-9 to change the Village Place Type that corresponds with the Hilton Head National property at the corner of Bluffton Parkway and Malphrus Road to Hamlet Place Type; and (4) Map Amendment to the Beaufort County Community Development Code, Preamble, Division P20, Pages P10 and P11 to change the Village Place Type that corresponds with the Hilton Head National property at the corner of Bluffton Parkway and Malphrus Road to a Hamlet Place Type.

INFORMATION ITEMS

2. Update / Previous Planning Commission Meeting

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Eric Greenway, Director, Community Development Department, provided the Committee with an update from the June 4, 2018 meeting of the Planning Commission. At that meeting, there was an appeal of the Academy Park Estate approval for subdividing the property. The Planning Commission ruled that staff made them aware of the approval of that plan. We are studying some mechanisms written into the Community Development Code to keep situations like that from occurring in the future. Additionally, the ordinance involving Affordable Housing Developments in the Regional Center Mixed Use (C5) Zone District that came of the last Natural Resources Committee meeting was presented to the Commission. The Commission voted 9:1 in favor of approving the text amendments. Some commissioners felt that the ordinance was not bold enough and would be a way for someone to game the system to build hotels then covert to apartments. This text amendment would apply to C5 only and would have limited applicability.

Status: Information only.

3. Update / Previous Southern Lowcountry Regional Planning Commission Meeting

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Eric Greenway, Director, Community Development Department, provided the Committee an update on the last meeting of the Southern Lowcountry Regional Planning Commission (SOLOCO) meeting. At that meeting mailboxes and postal policies were discussed. It does come into play for Planning Departments, for design purposes, but enforcement of retroactive policies for existing subdivisions would lie with the Postal Service. Also discussed was Malind Bluff annexation.

Status: Information only.

DRAFT

PUBLIC FACILITIES COMMITTEE

June 11, 2018

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

The Governmental Committee met Monday, June 11, 2018 beginning at 1:00 p.m. in the Executive Conference Room of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Stu Rodman, Vice Chairman York Glover and members Rick Caporale, Michael Covert, Alice Howard, Jerry Stewart and Roberts “Tabor” Vaux present. Non-Committee members Steven Fobes, D. Paul Sommerville present. (Paul Sommerville, as County Council Chairman, serves as an *ex-officio* member of each standing committee of Council and is entitled to vote.)

County staff: Andrea Atherton, Capital Improvements Project Construction Manager; Phil Foot, Assistant County Administrator–Public Safety; Sean Gleason, EMS Supervisor; Josh Gruber, Interim County Administrator; Patrick Hill, Director, Systems Management Department; Chris Inglese, Assistant County Attorney; Thomas Keaveny, County Attorney; Colin Kinton, Division Director–Transportation Engineering; Eric Larson, Division Director–Environmental Engineering and Land Management; Rob McFee, Division Director–Facilities and Construction Engineering; Karen Morris, Training Coordinator, EMS; Donna Ownby, EMS Director; Dave Thomas, Purchasing Director; and David Wilhelm, Public Works Director.

Public: Joe Frazier, Frazier Construction; Craig Gordon, Chairman, Beaufort County Transportation Committee; Mark McCain, Beaufort County Transportation Committee; and Casey Scott.

Chairman Stu Rodman chaired the meeting.

ACTION ITEMS

1. Consideration of Contract Award

- **Hauling Yard Waste Recycling Services for Beaufort County Public Works Department Solid Waste and Recycling Station**

This contract was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Dave Thomas, Purchasing Director, reviewed this item with the Committee. Beaufort County issued a Request for Proposal (RFP) to solicit proposals from

qualified firms to provide services to Beaufort County Public Works Department Solid Waste and Recycling Section to provide yard waste recycling services for County Convenience Centers. A pre-proposal meeting was held on April 5, 2018 and the proposals were opened on April 26, 2018.

The staff evaluation committee received the proposals for capability, the firms' experience, performance capabilities and proposed cost. The panel ranked the firms, according to the RFP selection criteria and determined South Coast Resources, Inc., of Savannah, Georgia to be the top ranked firm.

Motion: It was moved by Mr. Caporale, seconded by Mr. Glover, that Committee recommend Council award a contract to South Coast Resources, Inc., of Savannah, Georgia, in the amount of approximately \$192,000 (\$115 per load for first year and \$120 per load for second year and \$125 per load thereafter. Funding will come from Solid Waste and Recycling Account 10001340-51166. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Stewart and Mr. Vaux. The motion passed.

Recommendation: Council award a contract to South Coast Resources, Inc., of Savannah, Georgia, in the amount of approximately \$192,000 (\$115 per load for first year and \$120 per load for second year and \$125 per load thereafter. Funding will come from Solid Waste and Recycling Account 10001340-51166.

2. Consideration of Contract Award

- **Smartnet Renewal – CISCO Software to Support Voice Over Internet Protocol (VOIP) Phone System for Information Technology Division Via State Contract Pricing to NWN Corporation, Greenville, South Carolina**

This contract was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Dave Thomas, Purchasing Director, reviewed this item with the Committee. This is contract renewal to NWN Corporation of Greenville, South Carolina in the amount of \$167,809.30 for CISCO Software to support Voice over Internet Protocol (VoIP) Phone System. This is a State Contract. Funding will come from Account 10001150-51110, Information Technology Systems Management Department, Maintenance Contracts.

Motion: It was moved by Mr. Caporale, seconded by Mr. Glover, that Committee recommend Council award a contract renewal to NWN Corporation of Greenville, South Carolina in the amount of \$167,809.30 for CISCO Software to support Voice over Internet Protocol (VOIP) Phone System. Funding will come from Account 10001150-51110, Information Technology System Management Department, and Maintenance Contracts. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Stewart and Mr. Vaux. The motion passed.

Recommendation: Council award a contract renewal to NWN Corporation of Greenville, South Carolina in the amount of \$167,809.30 for CISCO Software to support Voice over Internet Protocol (VOIP) Phone System. Funding will come from Account 10001150-51110, Information Technology System Management Department, Maintenance Contracts

3. U.S. Highway 278 Corridor Gateway Projects Update

- **Long Range Transportation Model**
- **Bridges Environmental Assessment**
- **SIB Application**
- **Referendum Education**
- **Consideration of Approval of Jenkins Island Contract Modification and Project Fee Summary**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Colin Kinton, Division Director–Transportation Engineering, provided the Committee with an update on the Long-Range Transportation Model. He presented existing conditions with 2016 volumes which showed two areas in the County with a problem – US 278 and Sea Island Parkway. Based upon the 2020 Beaufort County Comprehensive Plan Transportation Improvement Projects, the only places with foreseen issues is the bridge at Lady’s Island to Sea Island Parkway for northern Beaufort County and U.S. Highway 278, plus a few hotspots on Hilton Head Island for southern Beaufort County.

Mr. Rob McFee, Division Director–Facilities and Construction Engineering provided the Committee with an update on the environmental assessment. The consultant, KCI, has finished all of the work that was outlined in the limited notice to proceed. That included the inspection of the existing span, aerial survey, linear survey, and geotechnical work. At this point, SCDOT has finished their negotiations with KCI. The process they have pursued and the goal, is that KCI is able to be contracted for not only the environment document, but 30% design plans. That would accelerate this project. The initial cost agreement with SCDOT dealt with just the environmental document and not the design effort. At this point in time, the environmental document, plus the 30% design will require an additional \$2 million from local entities.

Mr. Gruber said historically, the County entered into an agreement with SCDOT to fund the environmental assessment. The next step would be the environmental impact statement. SCDOT wants to go forward with KCI to produce the 30% plans for whatever product is needed to address this issue. This is due to the tight timelines we are working under. He reiterated the importance of the Sales Tax Referendum on the November 2018 ballot, which would form the foundation for funding for this project. The eastbound span of the bridge that has reached the end of its useful life will have to be repaired by SCDOT at some time in the near future. If we do not have this project in place, we will miss out on \$40 million available to fix the concern of lack of capacity. In looking at the additional funding required from the County, it would be a pledge payment for in the future for when the contractor reaches the point of need, we would agree to be responsible for the amount. The hope is that by the time the contractor reaches that point, we

would have had the referendum passed and will have \$80 million to draw from to keep this project moving forward. This is also an opportunity to continue our partnership with the Town of Hilton Head Island. Recently we entered into an agreement with them to split the cost of the consultant for the SIB Application.

Mr. McFee informed the Committee that when KCI conducted the bridge inspection, the westbound, Mackey Creek span has some cracking they will have to fix. They did not anticipate seeing that in one of the new spans of the bridge. They will integrate that into the existing structure model.

Mr. McFee provided an update on the SIB Application. Beaufort County is meeting weekly with our consultant crafting that document. Council will see the support resolutions that will be making their way through the legislative process.

Mr. Gruber provided an update on education of the One Cent Sales Tax Referendum. There have been some preliminary discussions with the consultant. They are in the process of gathering backup documentation to help develop multiple target areas for messaging. There is a lot of background work going on at this time. In August we will begin to see the forward work with the messages going out to the various groups within the community. We are relying on the historical performance of this consultant group. They were successful in Charleston County with their billion-dollar capital projects referendum. They knew how to identify which areas needed to be messaged to, developed the appropriate content for those areas and helped deliver it.

Mr. Kinton reviewed this item with the Committee. After meeting with the Town of Hilton Head, staff took a second look at the design plans. The design change would incorporate curb and gutter which would reduce the number of trees removed, reduce the clearing that would have to be done and opens up more area in the median for landscaping. It would provide a better parkway feel. The Town of Hilton Head Island is on board with the scope of the work. Mr. Kinton stated the intention is to begin the project in the fall and would take 12-18 months for completion.

On May 16, 2016, the Beaufort County Public Facilities awarded HDR/ICA Engineering a project known as Engineering Design Services for Jenkins Island-Alternative 2A. The final contract value was \$412,176.22. The plans with the current design are considered 90% complete; however, in order to minimize right-of-way and tree impact, Beaufort County has requested that the design be revised. This change to the project design will result in updating plans for review as well as final construction plans for bidding. Additional fees for proposed plan revisions total \$170,493.80. Plans will be developed to provide the following:

- A reduced 45 mph design speed along U.S. Highway 278
- A modified typical section of the 12-foot wide traveled-way lanes in both directions, with curb and gutter in the median and outside lanes
- Revisions to drainage design due to the proposed closed drainage system
- Rolling the profile grade of eastbound and westbound travel lanes to meet minimum requirements for drainage on curb and gutter roadways
- Adding of curb grade profiles

- Removing the biowale design and design an inline water quality system to address Beaufort County's infiltration requirements
- Modification to Nationwide Permit and Critical Area Permit
- Update the traffic control plans, erosion control plans, typical sections, signing and pavement marking plans, signal plans, cross sections and utility sheets
- Coordination with utility owners for necessary relocation and permits

Motion: It was moved by Mr. Caporale, seconded by Mr. Covert, that Committee recommend Council approve HDR/ICA Engineering scope and fee in the amount of \$170,493.80 for the Jenkins Island-Alternative 2A. Funding will come from 2017 General Obligation Bonds, Account 40100011-54500, Jenkins Island Road Improvement Project. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Stewart and Mr. Vaux. The motion passed.

Recommendation: Council approve HDR/ICA Engineering scope and fee in the amount of \$170,493.80 for the Jenkins Island-Alternative 2A. Funding will come from 2017 General Obligation Bonds, Account 40100011-54500, Jenkins Island Road Improvement Project.

INFORMATION ITEMS

4. Consideration of Contract Award

- **Scrap/Waste Tire Services for Beaufort County Public Works Department Solid Waste and Recycling Station**

This contract was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Dave Thomas, Purchasing Director, reviewed this item with the Committee. Beaufort County issued an Invitation for Bid (IFB) to solicit bids from qualified firms to provide tire hauling and recycling services for the Beaufort County Public Works Department Solid Waste and Recycling Section. Tires are collected at the County Convenience Centers and hauled to the County's Tire Collection facility for removal. Services include the hauling of scrap/waste tires to a licensed tire recycling facility. An initial IFB received no response. The second IFB proposals were opened on May 17, 2018.

The staff evaluation committee reviewed the bids for capability, the firms' experience, performance capabilities and proposed cost. The panel selected CTG, Ltd Company as the lowest responsive/responsible company in the amount of \$350 per ton. The total estimated cost per year is \$94,500 and would come from account 23450011-51160, South Carolina DHEC Waste Tire Fees.

Motion: It was moved by Mr. Caporale, seconded by Mr. Glover, that Committee award a contract to CTG, Ltd Company at \$350 per ton (total estimated cost of \$94,500) for tire hauling and recycling services. Funding will come from account 23450011-51160, South Carolina DHEC Waste Tire Fees. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Stewart and Mr. Vaux. The motion passed.

Status: Committee awarded a contract to CTG, Ltd Company at \$350 per ton (total estimated cost of \$94,500) for tire hauling and recycling services. Funding will come from account 23450011-51160, South Carolina DHEC Waste Tire Fees.

5. Consideration of Contract Award

- **HDPE Pipe Supply Services to Crumpler Plastic Pipe, Inc., in Support of Beaufort County's Public Works Department, Stormwater Section**

This contract was discussed and voted on as part of the consent agenda.

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Dave Thomas, Purchasing Director, reviewed this item with the Committee. The Purchasing Department received two bids on May 2, 2018, from qualified high density polyethylene pipe (HDPE) suppliers. The awarded contractor will provide HDPE piping supplies on an on-call basis in support of Public Work's Stormwater Project. This contract is good for one year and may be renewed each year for a total not to exceed five years subject to County Council approval.

The Purchasing Department recommends the Committee to approve a contract award in the amount of \$70,200 to Crumpler Plastic Pipe, Inc., to provide high density polyethylene pipe (HDPE) piping supplies for Public Work's Stormwater projects. Funding would come from the Stormwater Utility Enterprise Fund, Account 50250011-53270, Pipe Supplies.

Motion: It was moved by Mr. Caporale, seconded by Mr. Glover, that Committee approve a contract award in the amount of \$70,200 to Crumpler Plastic Pipe, Inc., Roseboro, North Carolina for high density polyethylene pipe (HDPE) supplies for Public Work's Stormwater Projects. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Stewart and Mr. Vaux. The motion passed.

Recommendation: Committee approved a contract award in the amount of \$70,200 to Crumpler Plastic Pipe, Inc., Roseboro, North Carolina for high density polyethylene pipe (HDPE) supplies for Public Work's Stormwater Projects.

6. Introduction of Upcoming Solid Waste Workshop

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Dave Wilhelm, Public Works Director, informed the Committee of an upcoming Solid Waste Workshop agenda will include the following topics: convenience centers, curbside pickup, policy, transfer stations, waste energy plant, composting, recycling, and landfill options.

Status: Information only.

7. Beaufort County Transportation Committee Update

- SCDOT Turnback Program
- SCDOT District 6 Agreement on Selection Process for State Roads in the County
- CTC Year 1 Paving Projects
- Alternative Dirt Road Paving Methods Update

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Craig Gordon, Beaufort County Transportation Committee (BCTC) Chairman, provided the Committee with an update on the BCTC. The update included an overview of the South Carolina Department of Transportation (SCDOT) Turnback Program. The Program would transfer roads, when mutually agreed upon by SCDOT and local government, out of the state-owned system to the locals along with the funding to accompany them. It is not voluntary and is not mandatory, unilateral or devolution without funding.

The general concept is that SCDOT and local government entity mutually agreed upon the section of the roadway that is proposed to be removed from the state-owned system and placed in the system of the local government. SCDOT would calculate a value of the transfer based on the present condition of the paved road and the cost for maintenance and resurfacing over a 40-year life cycle. An agreement would be executed between the local government and SCDOT that documents the transfer. A case study of Louisiana Department of Transportation was provided to the Committee.

SCDOT wants to try this on a trial basis by setting aside \$10 million in order to determine the level of interest and potential effectiveness of such program.

He said since the Commission approved the implementation of a voluntary roadway turn-back program, he has had a conversation with the District 1 Commissioner for SCDOT wherein he expressed his concerns in regard to the lack of funding increases to the BCTC but putting money into this Program. He was informed there are municipalities in favor of doing this Program.

Mr. Gordon stated he is here today to inform Council of this Program. The BCTC does not see any roads for participation in the Program at this time. This Program he feels is more suitable for poor Counties who would need the money for operations rather than to fix the road.

Mr. Gordon also provided the Committee with the BCTC's year two Paving Plan and an overview of a State Program that would provide a schedule for bidding. He distributed to the Committee a map of the Asphalt Market Areas in the State. The hope of the State Program is to get more bidders in the maintenance areas. The BCTC is attempting to tie in Beaufort County contracting in with the State contracting to reduce costs.

Mr. Gordon gave an overview of an alternative dirt road paving method. This is a geogrid that would take away two inches of subbase which saves money. The BCTC is looking at using a combination of Tensar and gravel to provide surface on the low-density routes in the County. Tensar is made from various products to include plastic, woven material, and HDPE. It looks like fencing. The geotextile will allow less base.

Status: Information only.

8. Ratification of Lease Agreement with Hargray for Gibbett Road EMS Station

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Rodman said the previous bonding authorized two EMS Stations. The issue at this point in time is the location. This item was previously discussed at the June 4, 2018 meeting of the Governmental Committee. At that time the Committee asked staff to provide additional information to include future expansion needs, response time for the location and the lease agreement for Council's review. The Committee also asked staff to explore the possibility of taking on the current fire station located on Pritchardville Road.

Mr. Gruber said this project has its genesis in the early to mid-2000s. At that time there was discussion about the need for additional EMS units and service in the Bluffton area. In 2009, the County began receiving correspondence from the Bluffton Township Fire District, individuals from the Town of Bluffton and others stating there was not a sufficient level of service in the Bluffton area. In 2011, there was a study conducted looking at all EMS services countywide. The future growth areas based upon the number of calls for service received for emergency medical services were a part of that study. That is what started to identify the Pritchardville area as an area for additional services based upon the number of calls received. In 2013, Council approved the funding for two new EMS units – one north of the Broad River and one south of the Broad River. There was no facility existing for these units to move into. The unit south of the Broad River was moved into the existing co-located facility with Bluffton Township Fire District and Beaufort County EMS at Sun City. Right now, we have created and staffed an additional unit but have not placed that unit strategically within the community. In 2013, we began discussions regarding the need for new stations. In 2016, a new station was included in the Capital Project Sales Tax for funding. In 2017, Council funded the two new

stations through a GO Bond. Staff went forward to identify a location within the service area. Through that exercise is where we ended up with the property at Gibbett Road.

The issue is what is the best based upon needs. Short-term view is that we have this unit and these employees that have no place to depart from to serve the needed service area. We have a station that is housing one fire unit and two EMS units. We have a non-ideal situation with where they are currently housed as well as a not ideal response time. We have a site that has been identified and a proposed lease agreement with Hargray. In the last few months, however, we have had a more long-term vision come into play. There are currently discussions with the Bluffton Township Fire District regarding a piece of property they might buy in that geographic area. If they are successful in acquiring that property, there is a possibility of us co-locating another facility with them in this area. It may be some time before the Fire District is able to buy the property, design the facility, construct and open the facility. We have a short-term need verse a long-term view. The two are conflicting regarding which one takes priority over the other. Staff needs guidance on the direction to take.

Mr. Covert asked about the status of the Hampton Lake Station.

Mr. Gruber said it is in the design phase. That was a property that the Bluffton Township Fire District acquired from the School District.

Mr. Covert wanted the distance between the Sun City Station and the Hampton Lake Station.

Mr. Sean Gleason, EMS Supervisor, stated it is four miles from the Hampton Lake Station to the S.C. Highway 170 circle. From the Gibbett area, you are talking about 2/10 of a mile. There is a huge distance in response time. The response time from the Sun City Station is approximately 4.2 miles. They are close, but not ideal.

Mr. Covert wanted to know the timeline on the design of Hampton Lake Station and the timeline of the proposal for a station on Gibbett Road.

Mr. Gruber stated the Hampton Lake Station has been on the books for a while. Chief Thompson is trying to create a template station in order to have a model for future construction.

Mr. Covert said the Fire District's plan at Hampton Lake Station is actually a fire/EMS complex. There have been several discussions involving the Town of Bluffton and because of the growth center in Pritchardville, the thought is to have a complex to host more fire and EMS equipment operating up and down S.C. Highway 170 and May River. There is a contract to sell the current station at Pritchardville. Mr. Covert said his constituents are getting in tune to unit pricing. We want to keep response times down, but there is a concern of unit costs when it comes to fire and EMS.

Mr. Gruber said the price received on the land is below market price. The concept of a one-roof public safety complex makes a lot of sense. The only downfall is time.

Mr. Stewart said things are moving faster at the Hampton Lake Station than mentioned. He feels the time difference between pre-positioning the ambulance at the Hampton Lake Station, then transfer to the other complex. The difference in time is shrinking. He said it bothersome to construct a building on leased land.

Mr. Gruber said the building the County is going to construct has a useful life. When you look at the length of the lease negotiated, it is well beyond the length of the useful life of the building. We would have fully realized the value for which we have paid and put into that building.

Mr. Stewart feels looking at the future to be far more beneficial. We need to consolidate the time frame and work aggressively.

Mr. Rodman wanted to know the difference in time between completions of the two fire stations.

Mr. McFee spoke about the proposed station at Gibbett Road. In March, Council awarded a design-build contract to Frazier Construction. We have worked through the preliminaries and have a 14-month schedule for completion. This is a 50-year lease, with automatic 50-year extension for \$65,000.

Mr. McFee said if the Gibbett Road location raises that much concern, staff will determine what can be done on the same timeline to possibly issue a change order to the contract with Frazier Construction.

Mr. Stewart suggests staff to work toward a consolidated station. The Fire District is ready to work together. It would be well worth taking a few weeks to work with the various parties, consolidate the time, and consolidate the funds. Staff then could come before the Committee with an update. This is in the best interest of the constituents in that area.

Status: Staff to bring forward an update on this at the next meeting of the Public Facilities Committee.

9. Discussion / Boys and Girls Club of the Lowcountry / Proposed Purchase Agreement

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: Due to lack of time, this item will be discussed at the next meeting of the Public Facilities Committee.

10. SC 46/Bluffton Parkway Roundabout Overhead Signage Update

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: Due to lack of time, this item will be discussed at the next meeting of the Public Facilities Committee.

11. Daufuskie Updates

- **Marshside Mammals**
- **Facilities and Beach Bathrooms**

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: Due to lack of time, this item will be discussed at the next meeting of the Public Facilities Committee.

12. Consideration of Reappointments and Appointments / Beaufort County Transportation Committee (District 5 Vacancy)

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: Due to lack of time, this item will be discussed at the next meeting of the Public Facilities Committee.

13. Consideration of Reappointments and Appointments / Keep Beaufort County Beautiful Board

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: Due to lack of time, this item will be discussed at the next meeting of the Public Facilities Committee.

14. Executive Session / Contractual Negotiations for Potential Services on Daufuskie Island

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: The Committee went into Executive Session regarding contractual negotiations for potential services on Daufuskie Island.

15. Matters Arising Out of Executive Session

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Status: No matter arisen out of Executive Session

DRAFT

PUBLIC FACILITIES COMMITTEE

June 25, 2018

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

The Public Facilities Committee met Monday, June 25, 2018 beginning at 2:30 p.m. in the Executive Conference Room of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Stu Rodman, Vice Chairman York Glover and members Rick Caporale, Alice Howard, Jerry Stewart and Roberts "Tabor" Vaux present. Member Michael Covert absent. Non-Committee member D. Paul Sommerville present. (Paul Sommerville, as County Council Chairman, serves as an *ex-officio* member of each standing committee of Council and is entitled to vote.)

County staff: Susan Fogleman, Temporary Clerk to Council; Patrick Hill, Director, Systems Management Department; Chris Inglese, Assistant County Attorney; Ashley Jenkins, Solid Waste and Recycling; Thomas Keaveny, County Attorney; Colin Kinton, Division Director–Transportation Engineering; Eric Larson, Division Director–Environmental Engineering and Land Management; Rob McFee, Division Director–Facilities and Construction Engineering; Donna Ownby, EMS Director; Monica Spells, Assistant County Administrator–Civic Outreach and Engagement; and David Wilhelm, Public Works Director.

Public: Lawrence Bryan, Solid Waste and Recycling Board; Kim Corley, Solid Waste and Recycling Board; Russ Hightower, Waste Management; and Joe Passiment, Sun City resident and Council District 6 candidate.

Media: Joe Croley, *Lowcountry Inside Track*.

Chairman Stu Rodman chaired the meeting.

ACTION ITEMS

1. Discussion of EMS Relocation to S.C. Highway 170/ S.C. Highway 46 Circle

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: At the June 11, 2018 meeting of the Public Facilities Committee, the staff presented the Committee with a lease agreement for construction of a station on Gibbett Road. At that time, the possibility of a consolidated fire and EMS station was discussed. The

Motion: It was moved by Mr. Stewart, seconded by Mr. Howard, that Committee recommend Council award a contract renewal to Daufuskie Island Ferry Services, LLC, in the amount of \$361,630.08 for ferry services for a period beginning July 1, 2018 and ending on June 30, 2019. The vote: YEAS – Mr. Caporale, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Covert. The motion passed.

Recommendation: Council award a contract renewal to Daufuskie Island Ferry Services, LLC, in the amount of \$361,630.08 for ferry services for a period beginning July 1, 2018 and ending on June 30, 2019.

INFORMATION ITEMS

3. Discussion / Boys and Girls Club of the Lowcountry / Proposed Purchase Agreement

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Josh Gruber, Interim County Administrator, said issue involves a donation of land from the Boys and Girls Club with Beaufort County agreeing to cover the cost of closing on the property. This property is adjacent to Beaufort County Mosquito Control Facility on Shanklin Road. It would allow us a larger footprint to work toward the development of an EMS station.

Motion: It was moved by Mr. Glover, seconded by Mr. Howard, that Committee approve a proposed purchase agreement between Boys and Girls Club of the Lowcountry and Beaufort County for 2.937 acres of land. The vote: YEAS – Mr. Caporale, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Stewart and Mr. Vaux. ABSENT – Mr. Covert. The motion passed.

Status: Committee approved a purchase agreement between Boys and Girls Club of the Lowcountry and Beaufort County for 2.937 acres of land.

4. SC 46 / Bluffton Parkway Roundabout Overhead Signage Update

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Mr. Colin Kinton, Division Director–Transportation Engineering, provided the Committee with an update on the overhead signage at S.C. Highway 46 and Bluffton Parkway roundabout. Staff has ordered the poles and signage to be installed. It will take 12 to 15 weeks for them to be fabricated. Once they arrive, Beaufort County will contract with a provider to have those signs installed. Staff is working with a consultant to identify the scope and fee to do the design work.

Mr. Rodman said we had a consultant look at this roundabout, who said it was over capacity and provided alternatives, one of which was signage.

Mr. Glover expressed interest in touring Daufuskie Island and the property.

Mr. Rodman asked staff to circulate an email to Council to obtain a headcount of those wishing to tour Daufuskie Island. He also asked staff to come back with a draft Request for Proposals.

Mr. Vaux said the bathrooms have been secured and are not usable. Historically, the bathrooms were open to the public. We have always talked about redoing the bathrooms. Also, Daufuskie beach is the only beach with no public facilities. There is a condominium that previously indicated we could tie-in to their system.

Mr. Gruber said if you are going to do any capital projects, the bathroom at the boat landing are the highest priority. We received a quote on rehabilitating the existing restroom facilities. That quote was \$90,000 and would be within the jurisdiction of the Committee and appropriate for sources of funding such as accommodations tax or hospitality tax funds.

Status: Committee directed staff to provide a draft Request for Proposals for the Marshside Mammas property and staff's recommendation for restroom facilities on Daufuskie Island at the next meeting of the Public Facilities Committee.

6. Solid Waste and Recycling Work Session

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2

Discussion: Committee Chairman Stu Rodman opened up a work session for Solid Waste and Recycling discussion. The work session included a review of current methods, practices and policies as well as short-term and long-range planning. Discussions included:

- Review of Resolution 2016/9 to implement curbside collection of solid waste and recyclables
- Waste Management landfill in Jasper County
- Various disposal options include a landfill in Beaufort County, transfer station, regionalization, waste-to-energy plant, or other technologies
- Current policy of the County paying for disposal of waste
- Composting
- Recycling
- Creation of an independent solid waste authority
- Consultant

Committee discussions, questions, concerns and direction included the following:

- Consensus to remove a landfill in Beaufort County from the list of disposal options.
- Possibility of converting a larger convenience center to a transfer station
- Consensus to explore the possibility of regionalization.

ORDINANCE 2018 / ___

AN ORDINANCE AMENDING THE EXISTING “NO BENEFIT” POLICY PURSUANT TO A REQUEST OF THE SOUTH CAROLINA STATE HOUSING TRUST FUND CLARIFYING RESTRICTIONS ON THE USE OF FUNDS RECEIVED FROM THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY PROGRAM.

WHEREAS, the Beaufort County Disabilities and Special Needs Board (BCDSNB) is a governmental agency established by Beaufort County Council; and

WHEREAS, the mission of the BCDSNB is “to provide quality services and support to our consumers and to facilitate opportunities for them to live productively and inclusively in the community”; and

WHEREAS, the South Carolina Department of Disabilities and Special Needs encourages its providers for the sake of prudent financial sources to participate in the forgivable loan program through the South Carolina Housing Trust Fund of the South Carolina State Housing Finance and Development Authority; and

WHEREAS, BCDSNB has applied for such participation for the next two fiscal years (FY18-19 and FY19-20); and

WHEREAS, the South Carolina State Housing Trust Fund requires that funding provided by the trust fund be restricted and that no employee, agent, consultant, Board member or officer of the BCDSNB benefit financially from the grant funds; and

WHEREAS, the County’s enabling ordinance provides a “no benefit” provision, however, it lacks specific language that would satisfy the requirements of the South Carolina Housing Trust Fund.

NOW, THEREFORE, BE IT ORDAINED by the Beaufort County Council, that Section 46-92 paragraph (c) of the Beaufort County Code of Ordinances is hereby amended by adding the following text:

“No employee, agent, consultant, Board member or officer of the Beaufort County Disabilities and Special Needs Department may obtain a financial interest or benefit from the South Carolina State Housing Finance and Development Authority program, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder during one’s tenure, or for one (1) full year thereafter. Nor shall an immediate family member or business associate of an employee agent, consultant, Board member or officer, or any organization, which

employs or is about to employ such employee, agent, consultant, Board member or officer, obtain a financial interest or benefit from the transaction or contract of the Beaufort County Disabilities and Special Needs Department related to participation in any South Carolina State Housing Finance and Development Authority program.”

Adopted on the ___ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny II, Esquire
County Attorney

First Reading
Second Reading:
Public Hearing:
Third and Final Reading:



COUNTY COUNCIL OF BEAUFORT COUNTY

PURCHASING DEPARTMENT

106 Industrial Village Road, Bldg. 2, Post Office Drawer 1228
Beaufort, South Carolina 29901-1228

David L Thomas, Purchasing Director
dthomas@bcgov.net 843.255.2353

TO: Councilman Jerry Stewart, Chairman, Finance Committee
FROM: David L Thomas, CPPO, Purchasing Director
SUBJ: New Contract as a Result of Solicitation
RFQ 051718, Engineering and Consulting Services for Lowcountry Regional Stormwater Ordinance and Design Manual
DATE: 07/18/2018

BACKGROUND:

Beaufort County Purchasing Department issued a Request for Qualifications (RFQ) for Engineering and Consulting Services for Lowcountry Regional Stormwater Ordinance and Design Manual to develop design standards and model ordinance related to Stormwater within public and private developments located in Beaufort and Jasper Counties. The proposal requested that the consultant address the different needs required throughout the region.

The Selection Committee consisted of members of the Southern Lowcountry (SoLoCo) Board Stormwater Technical Subcommittee and representatives from municipalities in Northern Beaufort County as follows: Stormwater Manager or designee from: Beaufort County, Jasper County, Town of Bluffton, Town of Port Royal, City of Beaufort, and City of Hardeeville. The six (6) representatives of the SoLoCo unanimously selected The Center for Watershed Protection. The contract terms shall be negotiated and based on the length of the project. Contract fee for the projects will be a negotiated amount not to exceed \$179,554.

VENDOR INFORMATION:

The Center for Watershed Protection

COST:

NTE \$179,554

FUNDING:

Cost Share Arrangement Among Participating Jurisdictions Based on Population (See Attached Memo) - Beaufort County Primary Funding – 50250013-51160

PROPOSED COST: \$179,554

Stormwater Utility Enterprise Fund, Fiscal Year 2018 Preliminary Fund Balance of \$6 million.

Funding approved: Yes By: aholland Date: 07/18/2018

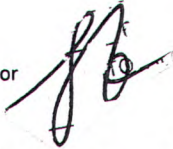
FOR ACTION: Finance Committee meeting July 23, 2018.

RECOMMENDATION:

The Purchasing Department recommends that the Finance Committee approves and recommends to County Council the contract award to The Center for Watershed Protection for Consulting Services for Stormwater Management not to exceed \$179,554.

Attachment:  RFQ 051718 Attach SoLoCo SW tech sub comm memo 06182018 draft 01.pdf
111.14 KB

cc: Joshua Gruber, Interim County Administrator



Approved: Select...

Date: 07/19/2018

Check to override approval: Overridden by:

Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved: Yes

Date: 07/18/2018

Eric Larson, Director, Environmental Engineering & Land Mar

Approved: Yes

Date: 07/18/2018

Check to override approval: Overridden by:

Override Date:

ready for admin:

Thomas Keaveny Interim County Administrator

Approved: Select...

Date:

Check to override approval: Overridden by: lmaietta

Override Date: 07/19/2018

ready for admin:

After Initial Submission, Use the Save and Close Buttons

MEMORANDUM

TO: Members of the Southern Lowcountry Regional Board (SoLoCo)
Elected representatives of the City of Beaufort, & Towns of Port Royal & Yemassee

FROM: SoLoCo Stormwater Technical Subcommittee (incl. staff from BC, JC, ToB, CoB, CoH,
and ToPR)

DATE: June 18, 2018

SUBJECT: Recommendations to select a consultant and fund a project to develop a regional
stormwater technical standard and model ordinance

Recommendation:

The Stormwater Technical Subcommittee recommends the elected officials of SoLoCo and throughout the Lowcountry region agree to the procurement of the Center for Watershed Protection, a stormwater consultant, to assist with the development of regional stormwater design standards and a model ordinance. Further, the subcommittee recommends that the cost of said project be shared among all jurisdictions based on a distribution using population figures. The project cost will be \$179,554.

Background:

As directed by our elected officials, making up the membership of the SoLoCo, at the December 5, 2017 meeting, staff members representing participating jurisdictions of the SoLoCo have met multiple times to develop a plan to write a unified regional stormwater technical standard that could be implemented uniformly throughout the region. Understanding the importance of the regional approach, these staff members invited staff from other jurisdictions not part of the SoLoCo, namely the City of Beaufort and Town of Port Royal. This subcommittee has been working to develop a scope of work to achieve these goals. Staff members quickly realized this is an effort that cannot be done within the limited resources, budget, and time of existing departments.

On March 27, 2018, the subcommittee presented a proposal to the SoLoCo Board to hire a consultant and co-fund the project in the amount of \$179,554. During that meeting, the Towns of Ridgeland and Hilton Head Island stated they would not be participating in the project. The SoLoCo Board voted that the members of the Board should consider the request as each jurisdiction prepared their annual budgets. They further agreed to reconvene at the June meeting and state their commitment to participate and fund the project as proposed.

Following that meeting, discussions among the subcommittee members concluded that with a 3-month window until a decision would be made that we should do a 2nd Request for Qualifications and solicit additional proposals. Our scope of services was identical to the scope presented in March. In summary, the project will:

- Benchmark the region among similar communities in SC and the southeast coast
- Define stormwater design standards that are consistent with our mission statement
- Engage stakeholders before, during, and after the standards are developed

The subcommittee received two proposals: 1) The Center for Watershed Protection, and 2) Wood Environment & Infrastructure Solutions. The subcommittee convened on June 1, 2018 to review and rank proposals. In general, both teams were found to be qualified for the project. However, the fee proposals were significantly different, \$179,554 and \$223,420, respectively. Without an overwhelming reason to pay more for the same end product, the subcommittee selected the Center for Watershed Protection without further deliberation.

The following options for a cost sharing arrangement among the participating jurisdictions for this scope of work are as follows. Based on statements made to the SoLoCo Board at the March 27, 2018 meeting, the Towns of Hilton Head Island and Ridgeland have been removed from the proposed cost share:

Cost Share for Regional SW Std. Development	Split by Population ⁽²⁾		Split by land mass (sq. mi) ⁽³⁾		Even Distribution
Port Royal	12,785 (7.6%)	\$13,669	19.0 (1.8%)	\$3,282	\$29,925
Beaufort, City	13,445 (8.0%)	\$14,374	24.7 (2.4%)	\$4,260	\$29,926
HHI ⁽⁴⁾	N/A	\$0	N/A	\$0	\$0
Bluffton	18,897 (11.3%)	\$20,203	52.2 (5%)	\$9,015	\$29,926
Unincorp. BC	98,494 (58.7%)	\$105,302	267.8 (26.0%)	\$46,703	\$29,926
Yemassee ⁽¹⁾	N/A	\$0	N/A	\$0	\$0
Unincorp, Jasper	18,603 (11.1%)	\$19,889	624.2 (60.0%)	\$107,717	\$29,926
Hardeeville	5,721 (3.4%)	\$6,116	49.7 (4.8%)	\$8,576	\$29,925
Ridgeland ⁽⁴⁾	N/A	\$0	N/A	\$0	\$0
Total		\$179,554		\$179,554	\$179,554

⁽¹⁾ Beaufort County will assume this cost wholly on behalf of the Town of Yemassee.

⁽²⁾ Source: Vintage July 1, 2016 Population Estimates: Population Estimates

⁽³⁾ Source: Beaufort County GIS data for BC, Wikipedia search, JC Comp. Plan for JC. (excludes water areas)

⁽⁴⁾ Hilton Head Island and Ridgeland have chosen not to participate in the regional effort.

After careful consideration of the pros and cons for each option, the subcommittee came to consensus on a distribution of cost based on population. While annexations can shift costs, the impacts of growth from development is most evident in population changes. It is the opinion of the subcommittee that the need for uniform regional stormwater standards for future growth is equally as great in "built out" communities facing redevelopment pressures. Population figures more fairly represent needs now and in the future. Thus, the subcommittee recommends a cost share based on population figures. Once the project is underway, the needs and concerns of all jurisdictions participating should be addressed evenly without preference to the larger financial contributors.

The Stormwater Technical Subcommittee thanks you for your continued commitment to regionalism and this important environmental and development topic.



County Council of Beaufort County
Hilton Head Island Airport
120 Beach City Road
Hilton Head Island, South Carolina 29925
Phone: (843) 255-2950 Fax: (843) 255-9424
www.hiltonheadairport.com



TO: Chairman, Beaufort County Finance Committee

FROM: Wally Wallace, Beaufort County Airports Board Chair *AWW*

SUBJ: Hilton Head Island Airport; TBE Work Authorization 1802

DATE: 13 July 2018

BACKGROUND Hilton Head Island Airport's terminal building needs to be modified in order to properly accommodate commercial jet service. It is anticipated that the analysis and planning of these improvements need to be phased so as to address immediate needs of our single airline as well as to address anticipated future needs as commercial service grows.

On June 21, 2018, the Beaufort County Airports Board (BCAB) reviewed Talbert Bright and Ellington Work Authorization 1802 for Hilton Head Island Airport. This work authorization provides the design services related to the aforementioned project and is eligible for FAA Grant funding. The board finds the authorization acceptable and in keeping with the mission of the airport. Therefore, the BCAB forwards them to Finance Committee for their approval and forwarding to County Council for approval.

cc: Joshua A. Gruber Interim County Administrator
Thomas Keaveny
Gerald Stewart
Jon Rembold
Clerk to Council

**HILTON HEAD ISLAND AIRPORT
HILTON HEAD ISLAND, SOUTH CAROLINA
WORK AUTHORIZATION 18-02
May 22, 2018
PROJECT NO.: TBI NO. 2119-1802**

It is agreed to undertake the following work in accordance with the provisions of our Contract for Professional Services.

Description of Work Authorized: This work authorization is to provide an immediate needs package and terminal alternatives analysis for the Hilton Head Island Airport (HXD). The following tasks will be performed:

1. Provide an “Immediate Needs” Package for the HXD Terminal:

- Rework the existing seating layout, counters and exiting of arriving passengers.
- Add temporary bathrooms behind security
- Add a CT-80 for TSA on an interim basis
- Configure existing airport space into TSA space
- Reconfigure last rental car counter area as bag storage
- Implement new ticket counters

2. Provide Architectural, Structural, Mechanical, Electrical, Plumbing and Fire Protection Terminal Alternatives Analysis: The building elements studied in this exercise will include:

- Terminal building size and expansion
- Concourse/holdroom expansion of up to four gates
- General functional circulation and wayfinding
- Curb length including drop-off and pick-up needs
- Ticketing positions, kiosks, and queueing
- Airline Ticket Offices (ATOs)
- Airport Administration Areas
- TSA Leased Areas
- Police area
- Security Screening Checkpoint (SSCP) layout, operations and queuing
- Exit lane configuration and staffing
- Checked Baggage Inspections Systems (CBIS)
- Outbound bag make-up operations
- Non-secure side and secure side concourse areas
- Gates and boarding operations

- Enplaning and deplaning operations
- Concession Areas
- Inbound bag make-up operations and claim devices
- Waiting areas
- Rental car operations
- Passenger support functions
- Support areas including maintenance, storage, janitorial and utility spaces
- Non-secure side and secure side restrooms
- Compliance with Americans with Disabilities Act Accessibility Guidelines (ADAAG) requirements

The architectural, structural, mechanical, electrical, plumbing and fire protection terminal alternatives analysis will be separated into the following tasks:

Task 1 – Existing Conditions/Airport Inventory

- Review and compile record information compiled from original construction drawings, as-builts and renovation drawings
- Verify information on site
- Prepare base drawing
- Locate, quantify and describe facilities
- Review condition, function and life expectancy of systems
 - Architectural components
 - Structural system and roof drainage system
 - Mechanical equipment and controls systems
 - Electrical fixtures, fire alarm and power equipment systems
 - Plumbing and fire protection fixture and distribution systems
 - Access control, security and IT systems
 - Hazardous materials analysis
- Prepare narratives and supporting exhibits
- Provide summary recommendations

Task 2 – Facility Requirements

- Prepare phased development diagrams for the following planning periods based on planning study forecast requirements:
 - Short Term (0 to 5 years)
 - Intermediate Term (6 to 10 years)
 - Long Term (11 to 20 years)
- The phased development diagrams will address all the Terminal Building Elements
- Provide summary recommendations

Task 3 – Alternatives Development and Evaluation

- Provide two preliminary conceptual design schemes for all elements of the master plan expansion identified in Task 2
 - Deliverables will include conceptual level plans, elevations, and image perspectives
 - Create an analysis matrix of the two schemes based on:
 - Operational factors
 - Land use compatibility
 - Costs
 - Environmental and feasibility factors
 - Construction sequencing logistics
 - Structural, Mechanical, Electrical, Plumbing and Fire Protection
 - Provide narrative input for expansion capabilities based on Task 2 phased development plans
- Finalize preferred alternative
 - Provide conceptual level plans, elevations, and image perspectives
 - Provide construction cost opinions for the Short Term (0-5 years) and Intermediate Term (5-10 years) phases

This scope of services does not include design of the results of the terminal alternatives analysis, this will be performed as a separate work authorization.

Estimated Time Schedule: Work shall be completed in accordance with the schedule established and agreed upon by the Owner and Engineer.

Cost of Services: The method of payment shall be in accordance with Article 6 of the contract. The work shall be performed in accordance with Article as a lump sum of **\$27,500.00**. Special services shall be performed on a not to exceed basis with a budget of **\$86,250.00**, which includes reimbursable expenses. For a total of **\$113,750.00**.

Agreed as to Scope of Services, Time Schedule and Budget:

APPROVED:
BEAUFORT COUNTY

APPROVED:
TALBERT, BRIGHT and
ELLINGTON, INC.

Title

Vice President
Title:

Date:

Date:

Witness:

Witness:



COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT

106 Industrial Village Road, Bldg 2—Post Office Drawer 1228
Beaufort, South Carolina 29901-1228

TO: Mr. Jerry Stewart, Chairman, Finance Committee

FROM: David L. Thomas, CPPO, CPPB, Purchasing Director *DLT*

SUBJECT: **Request for Proposals (RFP) 060818 Contract Award Recommendation for Update Impact Fee Study for Beaufort County**

DATE: July 23, 2018

BACKGROUND:

The Beaufort County Impact Fee Study was last updated in 2006 and many changes with our growth and development patterns have occurred since that point. In addition, we now possess the ability, based upon changes to State Statutes, to adopt a school impact fee. The discussions for adequate revenue for the BCSD and the capital needs has been a major topic for Beaufort County over the last few years. As a result of these factors, Beaufort County is seeking a qualified consultant (or consultant team) to prepare a comprehensive update to the County's Road, Park and Library impact fee. In addition, the County desires that a new impact fee category for Schools be prepared. As part of this evaluation, the County request includes an evaluation of the relevant statutory and other legal issues associated with this updated impact fee program. This will include the preparation of relevant ordinances, Administration Manual, as well as review of the technical impact fee methodology. The County sought proposals on two occasions and each solicitation only received one responsive bidder with the following bid details:

FIRMS FINAL RANKING: One (1) firm submitted a proposal:

1. TischlerBise, Inc., Bethesda, Maryland and Bradenton, Florida (\$246,250.00). *

*See the attached pricing breakdown.

FUNDING: Beaufort County Reserve Fund (Amount \$133,680). Beaufort County will pay \$133,680 and staff will request the Beaufort County School District pay the remaining \$95,170 for the total \$246,250.00.

FOR ACTION: Finance Committee Meeting on July 23, 2018.

RECOMMENDATION: The Purchasing Department recommends that the Finance Committee approve and recommend to County Council the contract award to TischlerBise, Inc the Impact Fee Study Update with Beaufort County paying \$133,680 from the Reserve Fund and Beaufort County School District paying the remaining \$95,170 for the total \$246,250.00.

CC: Thomas Keaveny, Interim County Administrator *TK*
Alicia Holland, Asst. County Administrator, Finance
Eric Larson, Director of Environmental Engineering and Land Management
Eric Greenway, AICP, Community Development Director

Cost and Expense

June 8, 2018

Mr. Dave Thomas, CPPO, CBBP, Purchasing Director
 Beaufort County
 Post Office Drawer 1228
 Beaufort, SC 29901

RE: Price Proposal for RFP# 060818

Mr. Thomas:

TischlerBise, on behalf of Clarion Associates, is pleased to submit the enclosed pricing proposal for preparing roads, parks, libraries and a new school impact fee for Beaufort County. We look forward to the possibility of working once again with Beaufort County and are committed to providing cost-effective, high-quality support for this assignment. The following is our fixed fee price proposal to complete the effort outlined in our Proposal. This price proposal shall remain valid for a period of 120 days.

PROPOSED FEE SCHEDULE FOR BEAUFORT COUNTY, SOUTH CAROLINA						
Project Team Member:	Bise	Herlands	Richardson	King	Total	
Job Title:	Project Manager	Project Analyst	Legal	Project Analyst	Hours	Cost
Hourly Rate*	\$210	\$190	\$225	\$135		
COUNTY IMPACT FEE STUDY						
Task 1: Project Initiation/Data Acquisition	16	8	8	8	40	\$7,760
Task 2: Prepare Land Use Assumptions and Development Projections	16	60	0	12	88	\$16,380
Task 3: Determine Capital Facility Needs and Service Levels	60	120	8	0	188	\$37,200
Task 4: Evaluate Different Allocation Methodologies	24	48	8	0	80	\$15,960
Task 5: Determine Need for "Credits"	8	24	4	0	36	\$7,140
Task 6: Conduct Funding and Cash Flow Analysis	4	16	0	0	20	\$3,880
Task 7: Prepare Impact Fee Reports, Public Presentations	32	80	16	4	132	\$26,060
Task 8: Stakeholder Outreach	24	4	8	0	36	\$7,600
Task 9: Prepare Impact Fee Ordinances	0	0	40	20	60	\$11,700
Subtotal:	184	360	92	44	680	\$133,680
SCHOOL IMPACT FEE STUDY						
Task 1: Project Initiation/Data Acquisition	16	8	8	8	40	\$7,760
Task 2: Recommend Student Generation Rates	8	40	0	16	64	\$11,440
Task 3: Determine Capital Facility Needs and Service Levels	32	40	0	8	80	\$15,400
Task 4: Determine the Need for Credits	4	8	8	0	20	\$4,160
Task 5: Conduct Funding Source and Cash Flow Analysis	4	8	0	0	12	\$2,360
Task 6: Legal Review and Comment on Technical Analysis	0	0	24	0	24	\$5,400
Task 7: Preparation of School Impact Fee Report, Public Presentation	32	40	0	0	72	\$14,320
Task 8: Stakeholder Outreach	24	4	8	0	36	\$7,600
Task 9: Prepare County School Impact Fee Ordinance	0	0	54	0	54	\$12,150
Task 10: Prepare Interlocal Agreements	0	0	60	8	68	\$14,580
Subtotal:	120	148	162	40	470	\$95,170
Expenses:						\$17,400
Total Cost:	304	508	254	84	1150	\$246,250



COUNTY COUNCIL OF BEAUFORT COUNTY

PURCHASING DEPARTMENT

106 Industrial Village Road, Bldg. 2, Post Office Drawer 1228
Beaufort, South Carolina 29901-1228

David L Thomas, Purchasing Director
dthomas@bcgov.net 843.255.2353

TO: Councilman Jerry Stewart, Chairman, Finance Committee
FROM: David L Thomas, CPPO, Purchasing Director
SUBJ: New Contract as a Result of Solicitation
RFP 053118, Recyclables Collection and Processing for Beaufort County
DATE: 07/10/2018

BACKGROUND:

BACKGROUND: Beaufort County issued a Request for Proposal (RFP) to solicit proposals from qualified firms to provide services to Beaufort County Public Works Department Solid Waste and Recycling section to provide recyclables collection and processing services for County Convenience Centers. Services include container rental, recyclable hauling, recyclable processing and commodity marketing. Pre-proposal meetings were held May 3, 2018 and May 23, 2018. Proposals were opened on May 31, 2018. The County received proposals from the following two firms:

- 1. Waste Management of South Carolina, Inc., Ridgeland, SC
- 2. Republic Services, Beaufort, SC

The staff evaluation committee reviewed the proposals for capability, the firms' experience, performance capability and proposed cost. Evaluation committee members consisted of David Wilhelm, Public Works Director; John Miller, Public Works Operations Manager, Bradley McAbee Solid Waste Operations Superintendent and Cindy Carter, Solid Waste Coordinator. The panel ranked the firms according to the RFP selection criteria and determined Waste Management to be the top ranked firm. See the attached summary sheet and pricing information.

VENDOR INFORMATION:

- 1. Waste Management of South Carolina, Inc., Ridgeland, SC

- 2. Republic Services, Beaufort, SC

COST:

See Funding Below

See Funding Below

FUNDING:

Solid Waste and Recycling Account 10001340-51167. FY18 projected costs from prior contract were \$602,000.00. Current cost estimate will have a 15% increase on container rental and a 6% increase on pulls. Market prices are fluctuating and although the County receives a 70/30 revenue share, additional costs have been noted during FY18.

Funding approved: Yes By: aholland Date: 07/16/2018

FOR ACTION: Finance Committee on July 23, 2018.

RECOMMENDATION:

The Purchasing Department recommends that the Finance Committee approve and recommend to County Council the contract award to Waste Management in the amount of \$640,000. (Estimate based on average number of container pulls, which will vary).

Attachment:  RFP 053118 .pdf
169.7 KB

cc: Joshua Gruber, Interim County Administrator

Approved: Yes

Date: 07/17/2018

Check to override approval: Overridden by:

Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved: Yes

Date: 07/16/2018

Eric Larson, Director, Environmental Engineering & Land Mar

Approved: Yes

Date: 07/16/2018

Check to override approval: Overridden by:

Override Date:

ready for admin:

David Wilhelm, Director, Public Works Department

Approved: Yes

Date: 07/17/2018

Check to override approval: Overridden by:

Override Date:

ready for admin:

After Initial Submission, Use the Save and Close Buttons



Project Name:	Recyclables Collection and Processing Services
Project Number:	RFP #053118
Project Budget:	
Bid Opening Date:	Thursday, May 31, 2018
Time:	3:00 PM
Location:	Building #2 106 Industrial Village Rd, Beaufort, SC
Bid Administrator:	Dave Thomas, Beaufort County Purchasing Director
Bid Recorder:	Cindy Carter, Solid Waste Coordinator

	Base price	Comments	Award
Republic Services	\$115/container	Hauling only; no processing	N/A
Republic Services	\$198.98/pull	Hauling only; no processing	N/A
Waste Management of SC, Inc.	\$75/container	Container rental	Select
Waste Management of SC, Inc.	\$182.59/pull	Container pull	Select
Waste Management of SC, Inc.	\$55/ton	Processing with 70/30 revenue share	Select



COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT

106 Industrial Village Road, Bldg. 2, Post Office Drawer 1228
Beaufort, South Carolina 29901-1228

David L Thomas, Purchasing Director
dthomas@bcgov.net 843.255.2353

TO: Councilman Jerry Stewart, Chairman, Finance Committee

FROM: David L Thomas. CPPO. Purchasing Director

SUBJ: Sole Source Purchase
Amendment to Agreement - Planning and Implementation of the US 278 Corridor Improvements in Beaufort County

DATE: 07/18/2018

BACKGROUND:

Beaufort County Engineering is requesting approval of the Amendment to the Agreement between South Carolina Department of Transportation (SCDOT) and Beaufort County for the planning and Implementation of the US 278 Corridor Improvements in Beaufort County. Beaufort County's participation is a result of a scope expansion to include Preliminary Road plans and Bridge Concept and Feasibility Studies.

VENDOR INFORMATION:

SCDOT

COST:

\$2,043,030.77

FUNDING:


Project cost is \$6,034,374.29.
SCDOT will contribute \$1,991,343.52 of the Federal Bridge Interstate/NHS Funds as initially approve by SCDOT Commission.
The Lowcountry Area Transportation will contribute \$2,000,000.00 of Federal Guideshare Study Funds as approved by LATS.
Beaufort County will contribute \$2,043.030.77. This funding will be provided by Southern Beaufort County (Hilton Head Island/Daufuskie Island/Bluffton/Okatie) Road Impact Fees.

Funding approved: By: Date:

FOR ACTION: Finance Committee Meeting, July 23, 2018.

RECOMMENDATION:

The Finance Committee approve the use of the Southern Beaufort County Road Impact fee's with a balance of \$12,381,882.00 and award the \$2,043,030.77 for Beaufort County's participation portion of this project.

Attachment:  1.01 MB

cc: Joshua Gruber, Interim County Administrator

Approved: Date:

Check to override approval: Overridden by: Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved: Date:

Approved: Date:

Check to override approval: Overridden by: Override Date: ready for admin:

Approved: Date:

Check to override approval: Overridden by: Override Date: ready for admin:

After Initial Submission, Use the Save and Close Buttons

<u>SCDOT USE ONLY</u>
Start Date: _____
Completion Date: _____

<u>SCDOT USE ONLY</u>
WBS No.: _____
Functional Area: _____
Commitment Item: _____
Organization Unit: _____
PIN: _____
DUNS: _____

CFDA No. 20.205
Highway Planning & Construction
FAIN: _____

**FIRST AMENDMENT
TO THE
AGREEMENT BETWEEN THE
SOUTH CAROLINA
DEPARTMENT OF TRANSPORTATION
AND
BEAUFORT COUNTY**

THIS FIRST AMENDMENT is made and entered into this _____ day of _____, 20____, by and between the South Carolina Department of Transportation (hereinafter “SCDOT”) and Beaufort County (hereinafter “COUNTY”) (collectively “the Parties”) to modify the funding specified in the Original Agreement.

WHEREAS, on April 27, 2017, the Parties hereto entered into an Agreement, FPA-29-17 (hereinafter “Original Agreement”), for the planning and implementation of the US 278 Corridor Improvements in Beaufort County; and

WHEREAS, the Parties desire to amend the Original Agreement to modify the total PROJECT cost, funding amounts, and funding sources from those specified in the Original Agreement;

The Parties therefore amend and restate Section III of the Original Agreement to read in its entirety as follows:

III. FUNDING

A. PROJECT COST

The estimated PROJECT cost is \$6,034,374.29. SCDOT will contribute \$1,991,343.52 of Federal Bridge Interstate / NHS Funds as initially approved by the SCDOT Commission on September 15, 2016. The Lowcountry Area Transportation Study (LATS) will contribute \$2,000,000.00 of Federal Guideshare Funds as approved by LATS on January 13, 2017. COUNTY will contribute \$2,043,030.77.

B. INVOICING AND PAYMENT

SCDOT will invoice COUNTY based on this Agreement approximately 30 days after execution of this Agreement.

COUNTY shall remit the invoiced amount to SCDOT by July 31, 2019.

C. COST OVERRUNS

If it becomes apparent that the cost of the PROJECT will exceed the estimated cost set forth above, SCDOT will provide COUNTY notice prior to total expenditure of funding available and will provide the estimate of funds needed to complete the PROJECT. COUNTY and SCDOT shall jointly agree on the appropriateness of any such cost overruns and upon such agreement the COUNTY shall remit to SCDOT within 30 days of receipt of the notice the additional funds needed to complete the PROJECT. In the event of PROJECT overruns, SCDOT will be responsible for 33% of the additional costs, and COUNTY will be responsible for 67% of the additional costs.

D. COST UNDERRUNS

In the event that the total cost of the PROJECT is less than originally estimated, refunds will be issued on a *pro rata* basis. Any refunds will not be unreasonably withheld, delayed, or denied.

E. SPECIAL FUNDING NOTICE

COUNTY will have eighteen months from FHWA approval of the draft Environmental Assessment (EA) Document in which to secure funding for remaining preliminary engineering, right-of-way acquisition, and construction phases of the US 278 Corridor Improvements. Approval of the EA Document is established just prior to the public hearing, and SCDOT will notify COUNTY, in writing, at the start of the eighteen month period.

If COUNTY fails to secure the necessary funding for the remaining preliminary engineering, right-of-way acquisition, and construction phases of the US 278 Corridor Improvements, SCDOT will abandon the Corridor Improvements work described in Section I of this Agreement and will proceed, independent of COUNTY, with plans to replace only the eastbound Mackay Creek Bridge. Additionally, COUNTY will be required to reimburse SCDOT on behalf of LATS for all Federal Guideshare Funds and state matching funds expended on this PROJECT.

SCDOT shall notify COUNTY of the date when the eighteen month period identified above will end, and if reimbursement is required, COUNTY shall make quarterly payments to SCDOT starting at the beginning of the next quarter. COUNTY shall have two years to reimburse all Federal Guideshare Funds and state matching funds to SCDOT.

All other terms and conditions of the Original Agreement not changed, modified, or supplemented by this Amendment shall remain in full force and effect as originally written.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on their behalf

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF

BEAUFORT COUNTY

Witness

By: _____
(Signature)

Title: _____

DUNS No.: _____

SOUTH CAROLINA DEPARTMENT OF
TRANSPORTATION

By: _____
Witness

Deputy Secretary for Finance & Administration or
Designee

RECOMMENDED BY:

Deputy Secretary or Designee

REVIEWED BY:

By: _____

Title: _____

PROFESSIONAL SERVICES CONTRACTING

By: _____
Chief Procurement Officer or Designee

BEAUFORT COUNTY, SOUTH CAROLINA
ROAD (TRAFFIC) IMPACT FEES ANNUAL FINANCIAL DATA

As of July 16, 2018 (Preliminary and Unaudited)

Beaufort County Ordinance 2006/24 adopted October 23, 2006, amended all prior County Ordinances as related to Road Facilities, Library Facilities and Parks and Recreation Facilities Impact Fees.

The information contained in the following pages is specifically related to Beaufort County Road Impact Fees. The service areas are as follows:

Highlights of Road Impact Fees as of July 16, 2018

Hilton Head Island Service Area	
Available Fund Balance	\$ 1,972,509
Bluffton/Okatie Service Area	
Available Fund Balance	\$ 12,379,250
Northern Beaufort County Service Area	
Available Fund Balance	\$ 1,199,881

Note: September 14, 2015, County Council approved the Boundary Street Improvement Project. Approval of this project included a transfer of \$1,069,243 of Northern Beaufort County Road Impact Fees to the Boundary Street Improvement Project.

Note: The Bluffton Parkway Debt Service currently outstanding as of 6/30/2018 is \$25.6 million (principal and interest) with a maturity date in Fiscal Year 2027.

Bluffton Parkway Debt Service (P & I) as of 6/30/2018	\$ 25,642,523
Less: Bluffton Parkway Debt Service Fund Balance available	<u>(3,491,479)</u>
Remaining Debt Service Balance to be funded via Bluffton Road Impact Fees and Local Admissions Fees	\$ 22,151,044

**BEAUFORT COUNTY, SOUTH CAROLINA
ROAD (TRAFFIC) IMPACT FEES - HILTON HEAD ISLAND SERVICE AREA**

	Fiscal Year Ending June 30,																		As of Date of this report	Cumulative Grand Total
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
Revenues																				
Road Impact Fees	\$ 151,532	\$ 202,198	\$ 144,782	\$ 137,403	\$ 294,370	\$ 199,137	\$ 208,758	\$ 92,978	\$ 127,506	\$ 82,115	\$ 56,079	\$ 78,410	\$ 140,167	\$ 148,209	\$ 219,323	\$ 242,637	\$ 288,863	\$ 779,025	\$ 431,297	\$ 4,024,789
Interest	1,385	6,844	5,755	12,736	1,788	360	3,564	5,662	3,723	4,899	1,721	589	344	109	188	100	1,340	4,541	-	55,648
Total Revenues	152,917	209,042	150,537	150,139	296,158	199,497	212,322	98,640	131,229	87,014	57,800	78,999	140,511	148,318	219,511	242,737	290,203	783,566	431,297	4,080,437
Expenditures																				
Professional Services	1,608	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,608
Bluffton Parkway	-	-	-	-	-	-	-	-	-	-	170,000	-	-	-	-	-	-	-	-	170,000
SC 170 Widening	-	-	-	-	-	-	-	-	-	-	-	-	170,000	-	-	-	-	-	-	170,000
Total Expenditures	1,608	-	-	-	-	-	-	-	-	-	170,000	-	170,000	-	-	-	-	-	-	341,608
Debt Service																				
Bluffton County TIF ¹	-	-	-	530,000	252,576	139,396	203,277	65,085	89,254	57,481	40,460	54,887	98,117	103,746	153,526	-	-	(21,485)	-	1,766,320
Total Debt Service	-	-	-	530,000	252,576	139,396	203,277	65,085	89,254	57,481	40,460	54,887	98,117	103,746	153,526	-	-	(21,485)	-	1,766,320
Change in Fund Balance	151,309	209,042	150,537	(379,861)	43,582	60,101	9,045	33,555	41,975	29,533	(152,660)	24,112	(127,606)	44,572	65,985	242,737	290,203	805,051	431,297	1,972,509
Beginning Fund Balance	-	151,309	360,351	510,888	131,027	174,609	234,710	243,755	277,310	319,285	348,818	196,158	220,270	92,664	137,236	203,221	445,958	736,161	1,541,212	-
Ending Fund Balance	\$ 151,309	\$ 360,351	\$ 510,888	\$ 131,027	\$ 174,609	\$ 234,710	\$ 243,755	\$ 277,310	\$ 319,285	\$ 348,818	\$ 196,158	\$ 220,270	\$ 92,664	\$ 137,236	\$ 203,221	\$ 445,958	\$ 736,161	\$ 1,541,212	\$ 1,972,509	\$ 1,972,509

Note 1: The Bluffton County TIF (Tax Increment Financing) Bond financed part of the following road projects: Bluffton Parkway, SC Highway 46 and US Highway 278 Improvements. Below is the link to the 2003 Bluffton Area Redevelopment Project Tax Increment Revenue Bonds. Page 207 of this document shows the details of the projects and the intended funding.

<http://www.bcgov.net/archives/county-government/finance/bond-issues/2003-tir-bonds.pdf>

**BEAUFORT COUNTY, SOUTH CAROLINA
ROAD (TRAFFIC) IMPACT FEES - BLUFFTON/OKATIE SERVICE AREA**

	Fiscal Year Ending June 30,																		As of Date of this report	Cumulative Grand Total
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Revenues																				
Road Impact Fees	\$ 649,423	\$ 506,947	\$ 823,376	\$ 917,719	\$ 806,618	\$ 1,383,608	\$ 1,499,115	\$ 3,348,842	\$ 4,767,747	\$ 1,536,377	\$ 1,977,741	\$ 1,436,149	\$ 1,841,177	\$ 2,426,501	\$ 2,284,577	\$ 2,455,680	\$ 2,831,425	\$ 5,244,529	\$ 4,418,526	\$ 41,156,077
Interest	5,611	19,055	15,275	36,520	2,462	698	6,906	21,669	20,289	24,948	11,768	2,910	1,312	185	722	348	7,036	23,681	-	201,395
Total Revenues	655,034	526,002	838,651	954,239	809,080	1,384,306	1,506,021	3,370,511	4,788,036	1,561,325	1,989,509	1,439,059	1,842,489	2,426,686	2,285,299	2,456,028	2,838,461	5,268,210	4,418,526	41,357,472
Expenditures																				
Professional Services	6,432	-	-	-	-	-	-	-	-	-	-	-	-	61,688	-	39,324	-	-	32,000	139,444
Bluffton Parkway	63,653	165,346	317,979	394,409	208,627	272,206	218,389	34,981	302,705	277,344	837,973	-	49,931	-	-	-	-	-	-	3,143,543
SC 170 Widening	-	-	-	-	-	-	-	-	-	-	-	-	830,000	-	-	-	-	-	-	830,000
Total Expenditures	70,085	165,346	317,979	394,409	208,627	272,206	218,389	34,981	302,705	277,344	837,973	-	879,931	61,688	-	39,324	-	-	32,000	4,112,987
Debt Service																				
Bluffton Parkway ¹	-	-	-	-	-	-	-	-	1,340,431	377,710	594,461	419,745	523,910	727,950	638,347	640,000	640,000	701,217	1,006,294	7,610,065
Bluffton County TIF ²	-	-	-	1,800,000	562,365	968,820	922,748	2,344,190	3,127,673	881,323	1,387,075	979,404	1,222,456	1,698,550	1,489,476	-	-	(208,910)	-	17,175,170
Total Debt Service	-	-	-	1,800,000	562,365	968,820	922,748	2,344,190	4,468,104	1,259,033	1,981,536	1,399,149	1,746,366	2,426,500	2,127,823	640,000	640,000	492,307	1,006,294	24,785,235
Change in Fund Balance	584,949	360,656	520,672	(1,240,170)	38,088	143,280	364,884	991,340	17,227	24,948	(830,000)	39,910	(783,808)	(61,502)	157,476	1,776,704	2,198,461	4,775,903	3,380,232	12,459,250
Beginning Fund Balance	-	584,949	945,605	1,466,277	226,107	264,195	407,475	772,359	1,763,699	1,780,926	1,805,874	975,874	1,015,784	231,976	170,474	327,950	2,104,654	4,303,115	9,079,018	-
Ending Fund Balance	<u>\$ 584,949</u>	<u>\$ 945,605</u>	<u>\$ 1,466,277</u>	<u>\$ 226,107</u>	<u>\$ 264,195</u>	<u>\$ 407,475</u>	<u>\$ 772,359</u>	<u>\$ 1,763,699</u>	<u>\$ 1,780,926</u>	<u>\$ 1,805,874</u>	<u>\$ 975,874</u>	<u>\$ 1,015,784</u>	<u>\$ 231,976</u>	<u>\$ 170,474</u>	<u>\$ 327,950</u>	<u>\$ 2,104,654</u>	<u>\$ 4,303,115</u>	<u>\$ 9,079,018</u>	<u>\$ 12,459,250</u>	<u>\$ 12,459,250</u>
<i>Encumbered</i>																				80,000
<i>Available Fund Balance</i>																				<u>\$ 12,379,250</u>

Note 1: The Bluffton Parkway Debt Service consists of multiple General Obligation Bonds. See the Bluffton Parkway Debt Service Payout on the following page for more information regarding the annual debt service and term of these bonds. Fiscal Year 2018 includes the annual amount to be contributed from Road (Traffic) Impact Fees, Bluffton/Okatie Service Area.

Note 2: The Bluffton County TIF (Tax Increment Financing) Bond financed part of the following road projects: Bluffton Parkway, SC Highway 46 and US Highway 278 Improvements. Below is the link to the 2003 Bluffton Area Redevelopment Project Tax Increment Revenue Bonds. Page 207 of this document shows the details of the projects and the intended funding.

<http://www.bcgov.net/archives/county-government/finance/bond-issues/2003-tir-bonds.pdf>

Beaufort County Debt Workbook.xlsx - BLUFFTON PKWY DEBT SVC

TOTAL DEBT SERVICE (P & I)	TOTAL O/S	2019	2020	2021	2022	2023	2024	2025	2026	2027
2013C Bonds	\$ 21,505,883	2,520,850	2,611,963	2,691,631	2,756,865	2,754,058	2,753,265	2,747,320	2,669,931	-
2014A Bonds	\$ -	-	-	-	-	-	-	-	-	-
2014B Bonds	\$ -	-	-	-	-	-	-	-	-	-
2016A Bonds	\$ 4,136,641	413,130	427,377	441,074	453,283	467,260	473,257	479,134	484,462	497,663
2017 GO BAN (HURRICANE MATTHEW)	\$ -	-	-	-	-	-	-	-	-	-
2017A GO BONDS	\$ -	-	-	-	-	-	-	-	-	-
2017B GO BONDS (REF 2007B)	\$ -	-	-	-	-	-	-	-	-	-
<u>TOTAL DEBT SERVICE (P & I)</u>	<u>\$ 25,642,523</u>	<u>2,933,980</u>	<u>3,039,340</u>	<u>3,132,705</u>	<u>3,210,148</u>	<u>3,221,318</u>	<u>3,226,522</u>	<u>3,226,454</u>	<u>3,154,393</u>	<u>497,663</u>
PRINCIPAL										
2013C Bonds	\$ 18,341,559	1,852,983	1,971,891	2,130,435	2,302,191	2,414,493	2,510,280	2,579,643	2,579,643	-
2014A Bonds	\$ -	-	-	-	-	-	-	-	-	-
2014B Bonds	\$ -	-	-	-	-	-	-	-	-	-
2016A Bonds	\$ 3,580,620	316,001	339,728	360,219	379,632	401,202	415,223	433,557	451,892	483,168
2017 GO BAN (HURRICANE MATTHEW)	\$ -	-	-	-	-	-	-	-	-	-
2017A GO BONDS	\$ -	-	-	-	-	-	-	-	-	-
2017B GO BONDS (REF 2007B)	\$ -	-	-	-	-	-	-	-	-	-
<u>TOTAL PRINCIPAL</u>	<u>\$ 21,922,179</u>	<u>2,168,984</u>	<u>2,311,619</u>	<u>2,490,654</u>	<u>2,681,823</u>	<u>2,815,695</u>	<u>2,925,503</u>	<u>3,013,200</u>	<u>3,031,535</u>	<u>483,168</u>
INTEREST										
2013C Bonds	\$ 3,164,324	667,867	640,072	561,196	454,674	339,565	242,985	167,677	90,288	-
2014A Bonds	\$ -	-	-	-	-	-	-	-	-	-
2014B Bonds	\$ -	-	-	-	-	-	-	-	-	-
2016A Bonds	\$ 556,021	97,130	87,650	80,855	73,651	66,058	58,034	45,577	32,571	14,495
2017 GO BAN (HURRICANE MATTHEW)	\$ -	-	-	-	-	-	-	-	-	-
2017A GO BONDS	\$ -	-	-	-	-	-	-	-	-	-
2017B GO BONDS (REF 2007B)	\$ -	-	-	-	-	-	-	-	-	-
<u>TOTAL INTEREST</u>	<u>\$ 3,720,344</u>	<u>764,996</u>	<u>727,722</u>	<u>642,051</u>	<u>528,325</u>	<u>405,623</u>	<u>301,019</u>	<u>213,254</u>	<u>122,858</u>	<u>14,495</u>

BEAUFORT COUNTY, SOUTH CAROLINA
ROAD (TRAFFIC) IMPACT FEES - NORTHERN BEAUFORT COUNTY SERVICE AREA

	Fiscal Year Ending June 30,																		As of Date of this report	Cumulative Grand Total	
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017			2018
Revenues																					
Road Impact Fees	\$ 292,999	\$ 35,208	\$ -	\$ -	\$ -	\$ 278,155	\$ 811,713	\$ 916,884	\$ 728,067	\$ 277,445	\$ 224,299	\$ 182,969	\$ 362,722	\$ 341,796	\$ 341,728	\$ 312,350	\$ 412,379	\$ 411,768	\$ 429,688	\$ 6,360,170	
Interest	2,906	8,401	4,258	6,209	2,509	654	10,171	22,633	16,407	20,013	-	-	-	187	450	292	700	2,781	-	98,571	
Total Revenues	295,905	43,609	4,258	6,209	2,509	278,809	821,884	939,517	744,474	297,458	224,299	182,969	362,722	341,983	342,178	312,642	413,079	414,549	429,688	6,458,741	
Expenditures																					
Professional Services ¹	13,524	-	-	11,000	11,750	28,901	578,514	310,379	196,845	247,668	3,419	-	-	-	-	-	-	17,562	11,055	1,430,617	
Right of Way Acquisition	-	-	-	-	-	-	-	300,000	-	-	-	-	-	-	-	-	-	-	-	300,000	
Midtown Traffic Signal	-	-	-	-	-	-	-	-	139,000	-	-	-	-	-	-	-	-	-	-	139,000	
US 17 Widening	-	-	-	-	-	-	-	-	-	819,689	998,239	182,072	-	-	-	-	-	-	-	2,000,000	
Boundary Street	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-	-	1,069,243	-	-	1,369,243	
Total Expenditures	13,524	-	-	11,000	11,750	28,901	578,514	610,379	335,845	1,067,357	1,001,658	182,072	300,000	-	-	-	1,069,243	17,562	11,055	5,238,860	
Change in Fund Balance	282,381	43,609	4,258	(4,791)	(9,241)	249,908	243,370	329,138	408,629	(769,899)	(777,359)	897	62,722	341,983	342,178	312,642	(656,164)	396,987	418,633	1,219,881	
Beginning Fund Balance	-	282,381	325,990	330,248	325,457	316,216	566,124	809,494	1,138,632	1,547,261	777,362	3	900	63,622	405,605	747,783	1,060,425	404,261	801,248	-	
Ending Fund Balance	\$ 282,381	\$ 325,990	\$ 330,248	\$ 325,457	\$ 316,216	\$ 566,124	\$ 809,494	\$ 1,138,632	\$ 1,547,261	\$ 777,362	\$ 3	\$ 900	\$ 63,622	\$ 405,605	\$ 747,783	\$ 1,060,425	\$ 404,261	\$ 801,248	\$ 1,219,881	\$ 1,219,881	
<i>Encumbered</i>																				20,000	
<i>Available Fund Balance</i>																				<u>\$ 1,199,881</u>	

Note 1: Professional Services includes various studies and engineering services for road projects - US 17, US 21, SC 802, Boundary Street, Ribaut Road, Lady's Island Drive and access roads.

APPENDIX – TENTATIVE PROJECT SCHEDULE

PHASE 1 PROJECT SCHEDULE

ACTIVITY	2018				2019				
	1st QTR	2nd QTR	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR	4th QTR	
Notice-to-Proceed	●								
Team Kick Off Meeting	●								
Task 1 - Project Management									
Task 2 – Field Surveys									
Preliminary data									
Follow up data for alternatives									
Task 3 – Geotechnical Services									
Phase 1 ESA									
Field Exploration and Lab Testing	on alignment alts				off alignment alts				
Site specific response analysis									
Engineering Analysis									
Task 4 – Traffic Studies & Modeling									
Forecast modeling									
data collection (peak season collection)									
Alternatives Analysis									
Task 5 – Conceptual Bridge and Roadway Plans									
Design criteria (Seismic, typical section, navigational clearances)									
Alternatives Analysis									
Evaluation of existing structures	Roadway alignments and Bridge Feasibility								
Evaluation of alternatives (preliminary, reasonable, preferred)			Conceptual Road &		Bridge Plans				
Preferred alternatives plans and estimates							Costs Estimates		
Task 6 – Environmental Documentation and NEPA Compliance									
Letter of intent	●								
Public Involvement Plan and schedule									
Conceptual Mitigation Plan									
Public Involvement		Public Meeting		●	Public Meeting		●	Public Hearing	
Jurisdictional Determination									
Environmental Assessment Document								FONSI	
Task 7 - Preliminary Utility Report									
Verify existing utilities (Prior Rights Determination)								Report	
Preliminary Utility impact/costs assessment (support alternatives)									
Identify Early relocation opportunities									

● Milestones Task Duration Task Support Duration



ORDINANCE NO. 2018/____

AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF LIMITED GENERAL OBLIGATION BONDS (BLUFFTON TOWNSHIP FIRE DISTRICT), SERIES 2018B OR SUCH OTHER APPROPRIATE SERIES DESIGNATION OF BEAUFORT COUNTY, SOUTH CAROLINA IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,000,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR OR HIS/HER LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND DISPOSITION OF THE PROCEEDS THEREOF AND OTHER MATTERS RELATING THERETO; AND REPEALING ORDINANCE NO. 2018/10.

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 (the “Code”), and the results of a referendum held in accordance therewith, the County 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 within the limitations set forth in Section 14 and Section 12 of Article X.

(c) Article X, Section 12 of the Constitution provides that no law shall be enacted permitting the incurring of bonded indebtedness by any county for fire protection service benefiting only a particular geographical section of the county unless a special assessment, tax or service charge in an amount designed to provide debt service on bonded indebtedness incurred for such purpose shall be imposed upon the area or persons receiving the benefit therefrom.

(d) Article X, Section 14 of the Constitution further provides that general obligation debt may be incurred only for a purpose which is a public purpose and which is a corporate purpose of the County. The power to incur general obligation debt shall include general obligation debt incurred by the County within the limitations prescribed by Article X, Section 12 of the Constitution.

(e) In determining the debt limitations imposed by the provisions of Article X, Section 14 of the Constitution, bonded indebtedness incurred pursuant to Article X, Section 12 shall not be considered.

(f) Pursuant to the provisions of Title 4, Chapter 19 of the Code (the “Act”), the County Council has, among other powers, the power: (1) To designate the areas of the County where fire protection service may be furnished by the County under the Act; and (2) To levy and collect ad valorem taxes without limit as to rate or amount upon all taxable property in the service area where fire protection services are furnished to effect the payment of principal and interest on all bonds issued pursuant to the Act or required for the maintenance and operation of the fire protection system.

(g) Pursuant to the provisions of Ordinance No. 2013/6 enacted by the County Council, the County created the “Bluffton Township Fire District” or the “Fire District.” As such, the Bluffton Township Fire District is a special taxing district.

(h) Pursuant to this Ordinance, the County Council is providing for the levy and collection of an annual ad valorem tax within the Bluffton Township Fire District (the “Fire District”) which will be sufficient to provide for the payment of the principal and interest on the Bonds (hereinafter defined).

(i) In order to continue to provide fire protection services in the Fire District, there is a need to construct and equip two (2) new fire stations and renovate an existing facility in the Fire District (the “Project”).

(j) It is necessary and in the best interest of the County and the residents of the Fire District for the County Council to provide for the issuance and sale of not to exceed \$6,000,000 limited general obligation bonds of the County pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina (the “State”), the proceeds of which will be used: (i) to defray the cost of the Project; (ii) to pay costs of issuance of the Bonds; and (iii) for such other lawful corporate and public purposes as the County Council shall determine.

SECTION 2. Authorizations and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued limited general obligation bonds of the County in the amount of not to exceed \$6,000,000 to obtain funds for the purposes mentioned in Section 1(j) above which shall be designated “\$6,000,000 (or such lesser amount issued) Limited General Obligation Bonds (Bluffton Township Fire District), Series 2018B (or such other appropriate series designation), of Beaufort County, South Carolina” (the “Bonds”).

The Bonds shall be issued as fully-registered bonds; shall be dated as of their date of delivery; shall be in denominations of \$5,000 or any integral multiple thereof not to exceed the principal amount of the Bonds maturing in each year; shall be numbered from R-1 upward; shall bear interest at such times as hereafter designated by the Interim County Administrator or his/her lawfully-authorized designee (the “Administrator”) 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 Administrator.

Both the principal of and interest on the Bonds shall be 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.

Regions Bank, Atlanta, Georgia, shall serve as registrar and paying agent (the “Registrar/Paying Agent”) for the Bonds.

SECTION 3. Delegation of Authority to Determine Certain Matters Relating to the Bonds. The County Council hereby delegates to the Interim County Administrator or his lawfully-authorized designee the authority to: (a) determine the par amount of the Bonds; (b) determine the maturity dates of the Bonds and the respective principal amounts maturing on such dates; (c) determine the interest payment dates of the Bonds; (d) determine the redemption provisions, if any, for the Bonds; (e) determine the date and time of sale of the Bonds; (f) receive bids on behalf of the County Council; and (g) award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Bonds.

After the sale of the Bonds, the 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.

The Administrator may delegate some or all of the duties and responsibilities assigned to him in this Ordinance to a member of County staff or the Fire Chief of the Fire District.

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 or her 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 the Bonds is exercised, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver the 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 mailing of notice of redemption of the 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 as may be required by the laws of the State 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 including the certificate of authentication shall be in substantially the form set forth in Exhibit A attached hereto and incorporated herein by reference.

SECTION 9. Security for the Bonds. For the payment of the principal of and interest on the Bonds, as they respectively mature, pursuant to Section 12 of Article X of the Constitution, the Act and this Ordinance, 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 Fire District, sufficient to pay the principal of and interest on such Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

The County Council shall give the Auditor and Treasurer of the County 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 Fire District, an ad valorem tax 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.

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 Provisions. The County Council hereby delegates to the Administrator the authority to determine whether the Notice prescribed under the provisions 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 Administrator is authorized to have published in a newspaper of general circulation in the County the notice in substantially the same form as attached hereto as Exhibit B.

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 from all State, county, municipal, school district 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 Internal Revenue Code of 1986, as amended (the

“IRC”) and regulations promulgated thereunder in effect on the date of original issuance of the Bonds. 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 IRC, and to that end the County hereby shall:

(a) comply with the applicable provisions of Sections 141 through 150 of the IRC 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 IRC 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 IRC.

SECTION 14. Eligible Securities. 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 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 this 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 of 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 of 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 2 of this Ordinance in the denomination of \$5,000 or any integral multiple thereof.

SECTION 15. Sale of Bonds; Form of Notice of Sale. The Bonds shall be sold at public sale. A Notice of Sale in substantially the form attached hereto as Exhibit C 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 having general circulation in the State or in a financial publication published in the City of New York, State of New York, or both, not less than seven (7) days prior to the date set for such sale.

SECTION 16. Preliminary and Official Statement. The County Council hereby authorizes and directs the Administrator 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 Administrator to designate the Preliminary Official Statement as “near final” for purposes of Rule 15c2-12 of the Securities Exchange Commission. The Administrator is 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 of the Code, 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 audit of the County within thirty (30) days for 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 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 Continuing Disclosure Certificate in substantially the form appearing as Exhibit D to this Ordinance. In the event of a failure of the County to comply with any of the provisions of the Continuing Disclosure Certificate, 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 the County.

SECTION 19. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bonds shall be deposited with the Beaufort County Treasurer and used to pay costs of the Project and costs of issuance of the Bonds, except that the premium, if any, shall be deposited into the sinking fund 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 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 the Paying Agent 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 Paying Agent. 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 as set forth in (ii) above, shall no longer be secured by or entitled to the benefits of this Ordinance.

“Government Obligations” shall mean any of the following:

- (i) 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; and
- (ii) non-callable, U. S. Treasury Securities - State and Local Government Series (“SLGS”).

SECTION 20. Repeal of Ordinance No. 2018/10. County Council hereby repeals Ordinance No. 2018/10 in its entirety which authorized the issuance and sale of not to exceed \$4,150,000 Limited General Obligation Bonds of the County for the benefit of the Fire District previously enacted by County Council on March 12, 2018.

SECTION 21. Miscellaneous. The County Council hereby authorizes the Administrator and the Clerk to County Council to execute such documents and instruments as may be necessary to effect the issuance of the Bonds. The County Council hereby retains McNair Law Firm, P.A., as Bond Counsel and Hilltop Securities, as Financial Advisor, in connection with the issuance of the Bonds. The Administrator is authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate these engagements.

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 adoption.

Enacted this ____ day of _____, 2018.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair, County Council

ATTEST:

Clerk, County Council

Date of First Reading: July 23, 2018 (Tentative)
Date of Second Reading:
Date of Public Hearing
Date of Third Reading:

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
BEAUFORT COUNTY
(BLUFFTON TOWNSHIP FIRE DISTRICT)
LIMITED GENERAL OBLIGATION BOND
SERIES 2018B

No. R-

<u>INTEREST</u> <u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>ORIGINAL</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 named above, or registered assigns, the principal amount shown above on the maturity date shown above, upon presentation and surrender of this Bond at the principal office of _____, in _____, _____ (the "Paying Agent"), and to pay interest on such principal sum from the date hereof at the interest rate per annum shown above until this Bond matures. Interest on this Bond is payable _____ 1, _____ and semiannually thereafter on _____ 1 and _____ 1 of each year, 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 _____, in _____, _____ (the "Registrar"), at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date. The principal 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 of the County authorizing the Bonds, 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, there shall be levied annually by the Auditor of Beaufort County and collected by the Treasurer of Beaufort 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 Bluffton Township Fire District (the "Fire District).

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One bond certificate with respect to each date on which the Bonds are stated to mature, registered in the name of the securities depository nominee, is being issued and required to be deposited with the securities depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the securities depository's participants, beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the securities depository and its participants pursuant to rules and procedures established by the securities depository and its participants. The County and the Registrar/Paying Agent will recognize the securities depository nominee, while the registered owner of this bond, as the owner of this bond for all purposes, including payments of principal of and redemption premium, if any, and interest on this bond, notices and voting. Transfer of principal and interest payments to participants of the securities depository will be the responsibility of the securities depository, and transfer of principal, redemption premium, if any, and interest payments to beneficial owners of the Bonds by participants of the securities depository will be the responsibility of such participants and other nominees of such beneficial owners. The County will not be responsible or liable for such transfers of payments or for maintaining, supervision or reviewing the records maintained by the securities depository, the securities depository nominee, its participants or persons acting through such participants. While the securities depository nominee is the owner of this bond, notwithstanding, the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this bond shall be made in accordance with existing arrangements between the Registrar/Paying Agent or its successors under the Ordinance and the securities depository.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, date of maturity, denomination and rate of interest, aggregating _____ and no/100 Dollars (\$ _____), issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Sections 12 and 14 of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 19 of the Code of Laws of South Carolina 1976, as amended; and Ordinance No. _____ enacted by the County Council on _____, 2018 (the "Ordinance").

[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 of the same aggregate principal amount, interest rate, 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 (the "State"), this Bond and the interest hereon are exempt from all State, county, municipal, school district and 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 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; 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 and interest on this Bond as it respectively matures 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 facsimile signature of the Chair of County Council and attested by the facsimile signature of the Clerk to County Council and the seal of the County impressed, imprinted or reproduced hereon.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair, County Council

ATTEST:

Clerk, 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)
under Uniform Gifts to
Minors Act _____
(state)

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

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

(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

(Authorized Officer)

Notice: 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 assignment 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 legal opinion to be rendered shall accompany each Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the County with a facsimile signature of the Clerk of the County Council of the County. Said certificate shall be in substantially the following form:

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the final legal opinion (except for date and letterhead) of McNair Law Firm, P.A., Columbia, South Carolina, approving the issue of the 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 Beaufort County, South Carolina.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Clerk, 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 6:30 p.m. on _____, 2018.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of Limited General Obligation Bonds (Bluffton Township Fire District) of Beaufort County, South Carolina, in the principal amount of not to exceed \$60,000,000 (the "Bonds"). The proceeds of the Bonds will be used for the following purposes: (i) constructing and equipping two (2) new fire stations and renovating an existing facility in the Bluffton Township Fire District; (ii) paying 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 in the Bluffton Township Fire District 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 the County Council (the "County Council") of Beaufort County, South Carolina (the "County"), on _____, 2018, enacted an ordinance entitled "ORDINANCE NO. _____ AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$6,000,000 LIMITED GENERAL OBLIGATION BONDS OF BEAUFORT COUNTY, SOUTH CAROLINA (BLUFFTON TOWNSHIP FIRE DISTRICT), SERIES 2018B OR SUCH OTHER APPROPRIATE SERIES DESIGNATION; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE ADMINISTRATOR TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO AND REPEALING ORDINANCE NO. 2018/10 (the "Ordinance"). The Ordinance authorizes the issuance and sale of not to exceed \$6,000,000 Limited General Obligation Bonds (Bluffton Township Fire District), Series 2018B (the "Bonds") of the County.

The proceeds of the Bonds will be used: (a) to defray the cost of constructing and equipping two (2) new fire stations and renovating an existing facility in the Bluffton Township Fire District; (b) to pay costs of issuance of the Bonds; and (c) for such other lawful corporate and public 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 intention to seek a referendum must be filed within twenty (20) days following the publication 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

\$ _____ LIMITED GENERAL OBLIGATION BONDS
 (BLUFFTON TOWNSHIP FIRE DISTRICT), SERIES 2018B
 BEAUFORT COUNTY, SOUTH CAROLINA

Time of Sale: NOTICE IS HEREBY GIVEN that bids will be received on behalf of Beaufort County, South Carolina (the “County”), until 11:00 a.m, South Carolina time, on _____, _____, 2018, at which time said proposals will be publicly opened for the purchase of \$ _____ Limited General Obligation Bonds (Bluffton Township Fire District), Series 2018B, of the County (the “Bonds”).

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.

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-only form in the principal amount of \$5,000 or any integral multiple thereof not to exceed 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 _____, 2018; will be in denominations of \$5,000 or any integral multiple thereof not to exceed 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.

Redemption Provisions: [TO BE PROVIDED]

Registrar/Paying Agent: Regions Bank, Atlanta, Georgia shall serve as Registrar/Paying Agent for the Bonds.

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% with no greater difference than two percent (2%) between the highest and lowest rates of interest named by a bidder. 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 Bluffton Township Fire District 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.

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 that no litigation is pending affecting the Bonds.

Issue Price Certificate: [TO BE PROVIDED]

Delivery: The Bonds will be delivered on or about _____, 2018 in New York, New York, at the expense of the County or at such other place as may be agreed upon with the purchasers at the expense of the purchaser. 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.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be set forth on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the successful bidder.

Additional Information: The Preliminary Official Statement of the County with respect to the Bonds will be furnished to any person interested in bidding for the Bonds upon request to McNair Law Firm, P.A., Post Office Box 11390, Columbia, South Carolina 29211, Attention: Francenia B. Heizer, telephone (803) 799-9800, e-mail: fheizer@mcnair.net. The Preliminary Official Statement shall be reviewed by bidders prior to submitting a bid. Bidders may not rely on this Notice of Sale as to the complete information concerning the Bonds. Persons seeking information should communicate with the County's Financial Advisor, Chad Cowan, Director, Hilltop Securities, 5925 Carnegie Boulevard, Suite 380, Charlotte, North Carolina 28209, telephone (704) 654-3454, e-mail: chad.cowan@hilltopsecurities.com

BEAUFORT COUNTY, SOUTH CAROLINA

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by Beaufort County, South Carolina (the “County”) in connection with the issuance of \$ _____ Limited General Obligation Bonds (Bluffton Township Fire District), Series 2018B, Beaufort County, South Carolina (the “Bonds”). The Bonds are being issued pursuant to an ordinance adopted by the County Council of the County (the “Ordinance”). The County covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the County for the benefit of the beneficial owners and in order to assist the Participating Underwriters (defined below) in complying with the Rule (defined below).

SECTION 2. Definitions. The following capitalized terms shall have the following meanings:

“**Annual Report**” shall mean any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“**Bonds**” shall mean the \$ _____ Limited General Obligation Bonds (Bluffton Township Fire District), Series 2018B Beaufort County, South Carolina, dated _____, 2018.

“**Dissemination Agent**” shall mean the County or any successor Dissemination Agent designated in writing by the County and which has filed with the County a written acceptance of such designation.

“**Listed Events**” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“**National Repository**” shall mean for purposes of the Rule, the Electronic Municipal Market Access (EMMA) system created by the Municipal Securities Rulemaking Board.

“**Participating Underwriter**” shall mean _____ and any other original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“**Repository**” shall mean each National Repository and each State Depository, if any.

“**Rule**” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“**State Depository**” shall mean any public or private repository or entity designated by the State of South Carolina as a state depository for the purpose of the Rule. As of the date of this Certificate, there is no State Depository.

SECTION 3. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent to provide, not later than February 1 of each year, commencing in 2019, to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to such date the County shall provide the Annual Report to the Dissemination Agent, if other than

the County; provided, that if the audited financial statements required pursuant to Section 4 hereof to be included in the Annual Report are not available for inclusion in the Annual Report as of such date, unaudited financial statements of the County may be included in such Annual Report in lieu thereof, and the County shall replace such unaudited financial statements with audited financial statements within fifteen (15) days after such audited financial statements become available for distribution. 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 4 of this Disclosure Certificate; provided that the audited financial statements of the County may be submitted separately from the balance of the Annual Report.

(b) If the County is unable to provide to the Repository an Annual Report by the date required in subsection (a), the County shall send a notice to the Municipal Securities Rulemaking Board and State Depository, if any, in substantially the form attached hereto as Exhibit A.

(c) The Dissemination Agent shall:

(1) determine each year prior to the date for providing the Annual Report the name and address of the Repository; and

(2) if the Dissemination Agent is other than the County, file a report with the County and (if the Dissemination Agent is not the Registrar) the Registrar certifying whether the Annual Report has been provided pursuant to this Disclosure Certificate, and, if provided, stating the date it was provided, and listing the Repository to which it was provided.

SECTION 4. Content of Annual Reports. The County's Annual Report shall contain or incorporate by reference the most recent audited financial statements of the Bluffton Town Fire District (the "Fire District"), which shall be prepared in conformity with generally accepted accounting principles (or, if not in such conformity, to be accompanied by a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information) applicable to governmental entities such as the County, and shall, in addition, contain or incorporate by reference the following information for the most recently completed fiscal year:

- (a) County population;
- (b) Total state appropriations subject to withholding under Article X, Sec. 15, South Carolina Constitution;
- (c) Outstanding Indebtedness of the Fire District;
- (d) Market Value/Assessment Summary of taxable property in the Fire District;
- (e) Tax rates for the Fire District;
- (f) Tax collections for Fire District; and
- (g) Five largest taxpayers (including fee-in-lieu-of-tax) for the Fire District.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the County is an "obligated person" (as defined by the Rule), which have been filed with the Repository or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The County shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the County shall give, or cause to be given, notice of the occurrence of any of the following events (the “Listed Events”):

- (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders;
- (8) Bond calls;
- (9) Tender offers;
- (10) Defeasances;
- (11) Release, substitution, or sale of property securing repayment of the securities;
- (12) Rating changes;
- (13) Bankruptcy, insolvency, receivership or similar event of the County;
- (14) The consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
- (15) Appointment of a successor or additional trustee or the change of name of a trustee.

(b) Whenever the County obtains knowledge of the occurrence of a Listed Event described in subsections (a)(2), (7), (8), (11), (14), or (15) above, the County shall as soon as possible determine if such event would be material under applicable federal securities laws. If the County determines that knowledge of the occurrence of such event would be material under applicable federal securities laws, the County shall promptly, and no later than 10 days after the occurrence of the event, file a notice of such occurrence with the Repository.

(c) Whenever the County obtains knowledge of the occurrence of a Listed Event described in subsections (a)(1), (3), (4), (5), (6), (9), (10), (12), or (13) above, the County shall promptly, and no later than 10 days after the occurrence of the event, file a notice of such occurrence with the Repository.

(d) Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8), (9), and (10) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds. For the purposes of the event identified in (a)(13) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of

reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County.

SECTION 6. Termination of Reporting Obligation. The County's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of the Bonds.

SECTION 7. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the County.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the County may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to the County, to the effect that such amendment or waiver 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.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the County or the Dissemination Agent to comply with any provision of this Disclosure Certificate, any beneficial owner may take such actions as may be necessary and appropriate, including seeking injunctive relief or specific performance by court order, to cause the County, or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the County or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the County agrees to indemnify and save the Dissemination Agent, its 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 Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriters, and Holders from time to time of the Bonds and shall create no rights in any other person or entity.

SECTION 13. Counterparts. This Disclosure Certificate 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.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Interim County Administrator

Dated: _____, 2018

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Beaufort County, South Carolina
Name of Issue: \$_____ Limited General Obligation Bonds (Bluffton
Township Fire District), Series 2018B, Beaufort County, South Carolina
Date of Issuance: _____, 2018

NOTICE IS HEREBY GIVEN that Beaufort County, South Carolina (the “County”) has not provided an Annual Report with respect to the above-named Bonds as required by Sections 3 and 4 of the Continuing Disclosure Certificate executed and delivered by the County as Dissemination Agent. The County has notified us in writing that the Annual Report will be filed by _____.

Dated: _____

BEAUFORT COUNTY, SOUTH CAROLINA

RESOLUTION 2018 /

WHEREAS, on January 12, 2017 President Obama proclaimed, through his authority under The Antiquities Act of 1906, The Reconstruction Era National Monument in Beaufort County, SC; and

WHEREAS, through contributions of real property and fees associated with the property transfers, as required under the Antiquities Act, local investment by private donors is estimated to be in excess of \$1.2 million; and

WHEREAS, The National Park Service is busily readying sites at Camp Saxton, Brick Baptist Church, Darrah Hall at Penn Center and Beaufort's old firehouse; and

WHEREAS, Congressmen Clyburn and Sanford and Senators Graham and Scott are promoting legislation that renames the Monument as a National Historical Park, expands the Park boundaries as negotiated with additional properties donated by owners and establishes a national network of Reconstruction sites starting in Beaufort, SC; and

WHEREAS, after receiving a planning grant from The National Endowment for the Humanities, complemented by grants from the Gaylord and Dorothy Donnelly and Coastal Community foundations, a team of experts enlisted from across the United States by The USC College of Education is now competing for the NEH Chairman's Award grant to launch interpretative activities, provide online digital presentations, develop curriculum, install a national museum and partner with others engaged in telling the epic story of Reconstruction; and

WHEREAS, "Free and Equal, Inc." doing business as "Reconstruction Beaufort" and its partner, the USC College of Education are asking for support letters and proclamations from local governments in support of the NEH grant to engage in a comprehensive Reconstruction Era Interpretation project in Beaufort.

NOW, THEREFORE, BE IT RESOLVED that the members of the Beaufort County Council do hereby support plans to build a national interpretative Center on Reconstruction History and will work with all partners toward the success on such implementation.

BE IT FURTHER RESOLVED that the Beaufort County Council is authorized and directed to transmit an appropriate copy of this Resolution to the National Endowment of the Humanities Public History Division.

Adopted this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____

D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

**BEAUFORT COUNTY
ORDINANCE NO. 2018/___**

AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND BETWEEN BEAUFORT COUNTY, SOUTH CAROLINA (THE "COUNTY") AND A COMPANY IDENTIFIED FOR THE TIME BEING AS PROJECT MCCLELLAN, ACTING FOR ITSELF, ONE OR MORE AFFILIATES, AND/OR OTHER PROJECT SPONSORS (COLLECTIVELY, THE "COMPANY"), PURSUANT TO WHICH THE COUNTY SHALL COVENANT TO ACCEPT CERTAIN NEGOTIATED FEES IN LIEU OF AD VALOREM TAXES WITH RESPECT TO THE ESTABLISHMENT OF CERTAIN FACILITIES IN THE COUNTY (THE "PROJECT"); (2) CERTAIN SPECIAL SOURCE REVENUE CREDITS WITH RESPECT TO THE PROJECT; (3) THE BENEFITS OF A MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE PROJECT; AND (4) OTHER MATTERS RELATING THERETO.

WHEREAS, Beaufort County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, and, by incorporation Section 4-29-68 of the Code, the "Special Source Act") (collectively, the "Act") and by Article VIII, Section 13(D) of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, but not limited to, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park ("Multi-County Park") in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, Project McClellan, a [_____], organized and existing under the laws of the State of [_____], acting for itself, one or more affiliates, and/or other project sponsors (collectively, the "Company"), is considering the establishment of certain facilities to be operated primarily for the production of electricity from solar energy at one or more locations

in the County (collectively, the “Project”), and anticipates that, should its plans proceed as expected, it will invest, or caused to be invested, in the aggregate, at least \$100,000,000 in the Project; and

WHEREAS, based on information provided to the County by the Company, the County has determined that the Project will subserve the purposes of the Act and has made certain findings pertaining thereto in accordance with the Act; and

WHEREAS, in accordance with such findings and determinations, and in order to induce the Company to locate the Project in the County, the Council adopted a Resolution on June 11, 2018 (the “Inducement Resolution”), whereby the County agreed to provide the benefits of a negotiated FILOT, a multi-county industrial or business park, and Special Source Credits with respect to the Project; and

WHEREAS, the County and the Company have agreed to specific terms and conditions of such arrangements as set forth herein and in a Fee in Lieu of Tax and Incentive Agreement by and among the County and the Company with respect to the Project (the “Incentive Agreement”), the form of which is presented to this meeting, which Incentive Agreement is to be dated as of [_____, 2018], or such other date as the parties may agree; and

WHEREAS, it appears that the Incentive Agreement and now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by the Council, as follows:

Section 1. As contemplated by Section 12-44-40(I) of the Negotiated FILOT Act, the findings and determinations set forth in the Inducement Resolution are hereby ratified and confirmed. In the event of any disparity or ambiguity between the terms and provisions of the Inducement Resolution and the terms and provisions of this Ordinance and the Incentive Agreement, the terms and provisions of this Ordinance and the Incentive Agreement shall control. Capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed thereto in the Incentive Agreement. Additionally, based on information provided to the County by the Company with respect to the Project, the County makes the following findings and determinations:

(a) The Project will constitute a “project” within the meaning of the Negotiated FILOT Act; and

(b) The Project, and the County’s actions herein, will subserve the purposes of the Negotiated FILOT Act; and

(c) The Project is anticipated to benefit the general public welfare of the State and the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; and

(d) The Project gives rise to no pecuniary liability of the County or an incorporated municipality or a charge against the general credit or taxing power of either; and

(e) The purposes to be accomplished by the Project are proper governmental and public purposes; and

(f) The benefits of the Project are greater than the costs.

Section 2.

(a) The County hereby agrees to enter into the Incentive Agreement, which agreement shall be in the form of a fee agreement, pursuant to the Negotiated FILOT Act, whereby the Company will agree to satisfy, or cause to be satisfied, certain investment requirements with respect to the Project within certain prescribed time periods in accordance with the Negotiated FILOT Act and the County will agree to accept certain negotiated FILOT payments with respect to the Project (the "Negotiated FILOT"), as set forth in **Section 2(b)** hereof and in accordance with the terms of the Incentive Agreement.

(b)

(i) The Negotiated FILOT shall be determined using: (1) an assessment ratio of 6%; (2) the lowest millage rate or millage rates allowed with respect to the Project pursuant to Section 12-44-50(a)(1)(d) of the Negotiated FILOT Act, as set forth in greater detail in the Incentive Agreement, and which, based on the property comprising the Land as of the original execution and delivery of the Incentive Agreement, the County and the Company believe to be [243.54] mills, and which millage rate or rates shall be fixed in accordance with Section 12-44-50(A)(1)(b) of the Negotiated FILOT Act for the entire term of the Negotiated FILOT, all as set forth in greater detail in the Incentive Agreement; (3) the fair market value of such Negotiated FILOT Property as determined in accordance with Section 12-44-50(A)(1)(c) of the Negotiated FILOT Act; and (4) and such other terms and conditions as are or will be specified in the Incentive Agreement including, but not limited to, that the Company and the Project shall be entitled to the maximum benefits allowable under the Negotiated FILOT Act with respect to the disposal and replacement of Project property.

(ii) The Negotiated FILOT shall be calculated as provided in this **Section 2(b)** for all Negotiated FILOT Property placed in service as part of the Project during the Investment Period. For each annual increment of investment in Negotiated FILOT Property, the annual Negotiated FILOT payments shall be payable for a payment period of thirty (30) years. Accordingly, if such Negotiated FILOT Property is placed in service during more than one year, each year's investment

during the Investment Period shall be subject to the Negotiated FILOT for a payment period of thirty (30) years up to an aggregate of thirty-five (35) years or, if the Investment Period is extended as set forth in the Incentive Agreement, up to an aggregate of forty (40) years.

(iii) As authorized in, and subject to the provisions of, Section 12-44-50(A)(3) of the Negotiated FILOT Act, the County hereby approves the Company's request to calculate the Negotiated FILOT payments due with respect to the Project based on an alternative payment method yielding over the thirty-year Negotiated FILOT payment period for each annual increment of investment in the Project, a payment stream which has the same net present value as the payment stream which would be generated using the standard negotiated FILOT calculation provided under Section 12-44-50(A)(1) of the Negotiated FILOT Act and the factors set forth in Section 2(b)(i) hereof. Such net present value calculations shall be determined using a discount rate which is equivalent to the yield in effect for new or existing United States Treasury bonds of similar maturity as published during the month in which the Incentive Agreement is executed. If no yield is available for the month in which the Incentive Agreement is executed, the last published yield for the appropriate maturity available must be used. If there are no bonds of appropriate maturity available, bonds of different maturities may be averaged to obtain the appropriate maturity.

Section 3. As an additional incentive to induce the Company to undertake the Project, and as reimbursement for investment in Special Source Improvements and subject to the requirements of the Special Source Act and the provisions set forth in this Section 4, the County does hereby agree that the Company shall be entitled to receive, and the County shall provide, Special Source Credits against each Negotiated FILOT payment due with respect to the Project for the full term of the Negotiated FILOT in an amount equal to sixty percent (60%) of each such Negotiated FILOT payment, commencing with the tax year for which the initial Negotiated FILOT payment is due with respect to the Project. Notwithstanding the foregoing provisions of this Section 4, (i) in the event that the annual depreciation rate utilized, pursuant to Section 12-44-50(A)(1)(c)(ii) of the Negotiated FILOT Act, in calculating any Negotiated FILOT payment due with respect to all or any portion of the Project, to the extent not already fully depreciated as such purposes, is less than 5%, the above-described initial Special Source Credits percentage (60%) otherwise applicable against the Negotiated FILOT payment due with respect to such property shall be increased by an amount sufficient so that such net Negotiated FILOT payment due after application of such increased Special Source Credits percentage shall equal the amount of such net payment if calculated using a 5% annual depreciation rate and the above-described initial Special Source Credits percentage (60%); and (ii) in the event that the annual depreciation rate utilized, pursuant to Section 12-44-50(A)(1)(c)(ii) of the Negotiated FILOT Act, in calculating any Negotiated FILOT payment due with respect to all or any portion of the Project, to the extent not already fully depreciated for such purposes, is more than 5%, the above-described initial Special Source Credits percentage (60%) otherwise applicable against the Negotiated FILOT payment due with respect to such property shall be decreased by an amount sufficient so that such net Negotiated FILOT payment due after application of such decreased

Special Source Credits percentage shall equal the amount of such net payment if calculated using a 5% annual depreciation rate and the above-described initial Special Source Credits percentage (60%). In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project.

Section 4. As further reimbursement for investment in Special Source Improvements, and in addition to the Special Source Credits set forth in Section 3 hereof, the County does hereby agree that each Credit Eligible Entity shall be entitled to receive, and the County shall provide, Special Source Credits against each net Negotiated FILOT Payment due with respect to the Project, after application of the Special Source Credits set forth in Section 3 hereof, for the full term of the Negotiated FILOT, in an annual amount sufficient to fully **[offset any business license fees imposed by the County pursuant to the County Business License Fee Ordinance, with respect to the Project in excess of the maximum fee to be agreed to by the Company and the County under, and pursuant to, the Development Agreement]**.

Section 5. The County will use its best efforts to ensure that the Project will be included, if not already included, and will remain, within the boundaries of a Multi-County Park pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13(D) of the State Constitution on terms which provide the Company and the Project with any additional jobs creation tax credits afforded by the laws of the State for projects located within Multi-County Parks and on terms which, and for a period of time sufficient to, facilitate the receipt by the Company of the Special Source Credits referenced in Section 3 hereof.

Section 6. The form, provisions, terms, and conditions of the Incentive Agreement presented to this meeting and filed with the Clerk to Council are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated herein by reference as if the Incentive Agreement was set out in this Ordinance in its entirety. The Chairman of the Council is hereby authorized, empowered, and directed to execute the Incentive Agreement in the name and on behalf of the County; the Clerk to Council is hereby authorized, empowered and directed to attest the same; and the Chairman of the Council is further authorized, empowered, and directed to deliver the Incentive Agreement to the Company. The Incentive Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the official or officials of the County executing the same, upon the advice of counsel, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Incentive Agreement now before this meeting.

Section 7. The Chairman of the Council, the County Administrator, and the Clerk to Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to the Incentive Agreement.

Section 8. The provisions of this Ordinance are hereby declared to be separable and if any section, phase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phases, and provisions hereunder.

Section 9. All orders, ordinances, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Ordinance shall take effect and be in full force from and after its passage and approval.

[End of Ordinance]

Enacted and approved, in a meeting duly assembled, this ____ day of _____, 2018.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
D. Paul Sommerville, Chairman, County Council,
Beaufort County, South Carolina

[SEAL]

APPROVED AS TO FORM:

By: _____
Thomas J. Keaveny II, County Attorney
Beaufort County, South Carolina

First Reading: June 11, 2018
Second Reading: _____, 2018
Public Hearing: _____, 2018
Third Reading: _____, 2018

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

by and between

BEAUFORT COUNTY, SOUTH CAROLINA

and

PROJECT MCCLELLAN

Dated as of _____, 2018

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS.....	2
Section 1.01. Definitions.....	2
Section 1.02. References to Agreement.....	8
ARTICLE II REPRESENTATIONS AND WARRANTIES.....	8
Section 2.01. Representations and Warranties by County.....	8
Section 2.02. Representations and Warranties by the Company.	9
ARTICLE III COVENANTS OF COUNTY.....	10
Section 3.01. Agreement to Accept Negotiated FILOT Payments.....	10
Section 3.02. Special Source Credits.	10
Section 3.03. Multi-County Park Designation.....	11
Section 3.04. Commensurate Benefits.....	12
ARTICLE IV COVENANTS OF THE COMPANY	13
Section 4.01. Investment in Project.	13
Section 4.02. Failure to Satisfy Minimum Contractual Investment Requirement.....	15
Section 4.03. Payment of Administration Expenses.....	16
Section 4.04. Use of Project for Lawful Activities.....	16
Section 4.05. Maintenance of Existence.....	16
Section 4.06. Records and Reports.	17
Section 4.07. Funding for Special Source Improvements.....	19
ARTICLE V FEES IN LIEU OF TAXES.....	19
Section 5.01. Payment of Fees in Lieu of <i>Ad Valorem</i> Taxes.	19
Section 5.02. Statutory Lien.....	24
ARTICLE VI THIRD PARTY ARRANGEMENTS	24
Section 6.01. Conveyance of Liens and Interests; Assignment.....	24
Section 6.02. Sponsors and Sponsor Affiliates.....	25
ARTICLE VII TERM; TERMINATION.....	26
Section 7.01. Term.....	26
Section 7.02. Termination.....	26

TABLE OF CONTENTS
(continued)

	Page
ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES	27
Section 8.01. Events of Default.	27
Section 8.02. Remedies on Event of Default	27
Section 8.03. Defaulted Payments	28
Section 8.04. Default by County.....	28
ARTICLE IX MISCELLANEOUS	28
Section 9.01. Rights and Remedies Cumulative.....	28
Section 9.02. Successors and Assigns.....	29
Section 9.03. Notices; Demands; Requests.....	29
Section 9.04. Applicable Law.....	30
Section 9.05. Entire Understanding.	30
Section 9.06. Severability.	30
Section 9.07. Headings and Table of Contents; References.	30
Section 9.08. Multiple Counterparts..	30
Section 9.09. Amendments..	30
Section 9.10. Waiver.....	30
Section 9.11. Further Proceedings..	30
Section 9.12. Disparity or Ambiguity with Inducement Resolution.....	31
EXHIBIT A LEGAL DESCRIPTION.....	A-1

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

THIS FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this "Agreement" dated as of _____, 2018, by and between BEAUFORT COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, and a company identified for the time being as PROJECT MCCLELLAN, a _____ organized and existing under the laws of the State of _____ acting for itself, one or more affiliates, and/or other project sponsors (the "Company").

W I T N E S S E T H:

WHEREAS, the County, acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, and by incorporation, Section 4-29-68 of the Code, the "Special Source Act") (collectively, the "Act") and by Article VIII, Section 13(D) of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, but not limited to, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate and personal property including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, the Company is considering the establishment of certain facilities to be operated primarily for the production of electricity from solar energy at one or more locations in the County (the "Project"), and anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least \$100,000,000 in the Project by the end of the Compliance Period (as defined herein) as set forth in greater detail herein; and

WHEREAS, the County has determined that the Project will subserve the purposes of the Act and has made certain findings pertaining thereto in accordance with the Act; and

WHEREAS, in accordance with such findings and determinations and in order to induce the Company to locate the Project in the County, the County Council adopted a Resolution on

[_____] , 2018 (the “Inducement Resolution”), whereby the County agreed to provide the benefits of a negotiated FILOT, a multi-county industrial or business park, and Special Source Credits, all with respect to the Project, the terms of all of which are set forth in greater detail in this Agreement; and

WHEREAS, the County has determined that it is in the best interests of the County to enter into this Agreement with the Company, subject to the terms and conditions set forth herein, and, by Ordinance No. _____ enacted by the County Council on [_____] , 2018, approved the form, terms and conditions of this Agreement and ratified all prior actions taken with respect to the Project, and authorized the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein, the above recitals which are incorporated herein by reference, the potential investment to be made, or caused to be made, by the Company which contribute to the tax base and the economic welfare of the County, the respective representations and agreements hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings unless the context or use indicates another or different meaning or intent.

“*Act*” shall mean, collectively, the Negotiated FILOT Act and the Multi-County Park Act, including, without limitation, the Special Source Act.

“*Administration Expenses*” shall mean the reasonable and necessary expenses incurred by the County in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including reasonable and necessary attorney’s fees at the hourly rates which are standard for the applicable legal services to the County, but excluding any expenses incurred by the County in defending either challenges to the incentives provided herein by third parties or suits brought by the Company or any other Sponsor or Sponsor Affiliate under **Section 8.04** hereof; provided, however, that no such expense shall be considered an Administration Expense unless the County shall have furnished to the Company, Sponsor, or other Sponsor Affiliate required to pay such expenses hereunder, an itemized statement of all expenses incurred.

“*Affiliate*” shall mean any corporation, limited liability company, partnership or other Person or entity which now or hereafter owns all or part of the Company or any other Sponsor or Sponsor Affiliate, as the case may be, or which is now or hereafter owned in whole or in part by the Company or any other Sponsor or Sponsor Affiliate, as the case may be, or by any partner,

shareholder or owner of the Company or any other Sponsor or Sponsor Affiliate, as the case may be, and shall also include any subsidiary, affiliate or other Person, individual, or entity who now or hereafter bears a relationship to the Company or any other Sponsor or Sponsor Affiliate, as the case may be, as described in Section 267(b) of the Internal Revenue Code.

“*Agreement*” shall mean this Fee in Lieu of Tax and Incentive Agreement as originally executed and from time to time supplemented or amended as permitted herein.

“*Code*” shall mean the Code of Laws of South Carolina 1976, as amended, unless the context clearly requires otherwise.

“*Co-Investor*” shall mean the Company, any other Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) and (20) of the Negotiated FILOT Act, any Affiliate of the Company or of any such other Sponsor or Sponsor Affiliate, any developer in a build-to-suit arrangement or other leasing arrangement with respect to the Project, any lessor of equipment or other property comprising a part of the Project, and any financing entity or other third party investing in, or providing funds for, the Project. The Company shall, to the extent not identified herein, notify the County in writing of the identity of any other Sponsor, Sponsor Affiliate or other Co-Investor and shall, to the extent the Company and any such other entity intend to extend the benefits of the Negotiated FILOT to property owned by any such other entity pursuant to **Section 6.02** hereof, comply with any additional notice requirements, or other applicable provisions, of the Negotiated FILOT Act. **[As of the date of the original execution and delivery of this Agreement, the only Co-Investor is the Company.]**

“*Company*” shall mean a company identified for the time being as Project McClellan, a _____ organized and existing under the laws of the State of _____, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Sections 4.05** or **6.01** hereof or any other assignee or transferee hereunder which is designated by the Company and approved by the County.

“*Compliance Period*” shall mean the period commencing with the first day that Negotiated FILOT Property is purchased or acquired, whether before or after the date of this Agreement, and ending on the fifth anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising all or a portion of the Project is placed in service, all as specified in Section 12-44-30(13) of the Negotiated FILOT Act. It is presently anticipated, but not required, that the initial Negotiated FILOT Property comprising all or a portion of the Project will be placed in service in the Property Tax Year ending on December 31, [20__], and, in such event, the Compliance Period will end on December 31, [20__].

“*County*” shall mean Beaufort County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

“*County Business License Fee Ordinance*” shall mean Section 18-46 et. seq. of the Code of Ordinances of the County or any County ordinance which succeeds, supersedes, or replaces

such County business license fee ordinance or any successor thereto, as may be amended, modified, or supplemented from time to time.

“*County Council*” shall mean the governing body of the County and its successors.

“*Credit Eligible Entity*” shall have the meaning specified in **Section 3.02(a)** hereof.

“*Deficiency Payment*” shall have the meaning specified in **Section 5.01(e)** hereof.

“*Department of Revenue*” shall mean the South Carolina Department of Revenue and any successor thereof.

“*Development Agreement*” shall mean that Project McClellan Development Agreement by and between Project McClellan and Beaufort County, South Carolina effective [_____, 20__], and recorded on _____, 20__, in the Office of the Register of Deeds for Beaufort County in Book ___, Page ___, as amended from time to time.

“*Differential Payment*” shall have the meaning specified in **Section 5.01(c)** hereof.

“*Event of Default*” shall mean an Event of Default, as set forth in **Section 8.01** hereof.

“*Existing Property*” shall mean property which will not qualify for the Negotiated FILOT pursuant to Section 12-44-110 of the Negotiated FILOT Act, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to commencement of the Investment Period and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) the Land; (b) property acquired or constructed by or on behalf of the Company or any other Sponsor or Sponsor Affiliate during the Investment Period which has not been placed in service in this State prior to the commencement of the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property, or property which has been placed in service in the State pursuant to an inducement agreement or other preliminary approval by the County, including the Inducement Resolution, prior to execution of this Agreement pursuant to Section 12-44-40(E) of the Negotiated FILOT Act, which property shall qualify as Negotiated FILOT Property; (c) property purchased by or on behalf of the Company or any other Sponsor or Sponsor Affiliate during the Investment Period in a transaction other than between any of the entities specified in Section 267(b) of the Internal Revenue Code, as defined under Chapter 6 of Title 12 of the Code as of the time of the transfer, to the extent that the Company or such other Sponsor or Sponsor Affiliate invests at least an additional \$45,000,000 in the Project, exclusive of the property identified in this subsection (c); or (d) modifications which constitute an expansion of the real property portion of Existing Property.

“*FILOT*” shall mean fee in lieu of *ad valorem* property taxes.

“*Inducement Resolution*” shall have the meaning specified in the recitals of this Agreement.

“*Investment Period*” shall initially have the same meaning as the Compliance Period; provided that, to the extent permitted by the Negotiated FILOT Act, prior to the end of the Compliance Period, the Company or any other Sponsor or Sponsor Affiliate may request from the County an extension of up to five (5) years beyond the Compliance Period, which extension may be granted by the County, in its sole discretion, and provided further that there shall be no extension of the period for meeting the Minimum Statutory Investment Requirement beyond the Compliance Period, as determined as specified in Section 12-44-30(13) of the Negotiated FILOT Act. In the event that the initial Negotiated FILOT Property comprising all or a portion of the Project is, as presently anticipated, placed in service in the Property Tax Year ending on December 31, [20__], upon any such maximum extension, if granted by the County Council then in office, the Investment Period will end on December 31, [20__].

“*Land*” shall mean the land upon which the Project has been or will be acquired, constructed and equipped, as described in **Exhibit A** attached hereto, as **Exhibit A** may be revised, modified, or supplemented from time to time in accordance with the provisions hereof.

“*Minimum Contractual Investment Requirement*” shall mean investment in the Project, within the period commencing on the first day that Project property comprising all or a portion of the Project is purchased or acquired, whether before or after the date of this Agreement, and ending at the end of Compliance Period, by the Company and all Co-Investors, in the aggregate, of at least \$100,000,000 (without regard to depreciation or other diminution in value).

“*Minimum Statutory Investment Requirement*” shall mean investment in the Project of not less than \$2,500,000 within the Compliance Period, as set forth in by Section 12-44-30(14) of the Negotiated FILOT Act, which investment amount shall be calculated in accordance with, and subject to, Section 12-44-130 of the Negotiated FILOT Act and **Section 6.02** hereof.

“*Multi-County Park*” shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Act and the Multi-County Park Agreement, and any multi-county industrial or business park which now or hereafter includes the Project and which is designated by the County as such pursuant to any agreement, which supersedes or replaces the initial Multi-County Park Agreement.

“*Multi-County Park Act*” shall mean Title 4, Chapter 1 of the Code.

“*Multi-County Park Agreement*” shall mean that certain Agreement for Development of a Joint County Industrial or Business Park (Project McClellan) by and between the County and Jasper County, South Carolina effective as of [_____] , 2018, as supplemented, modified or amended, and, as such agreement may be further supplemented, modified, amended, or replaced from time to time.

“*Negotiated FILOT*” or “*Negotiated FILOT Payments*” shall mean the FILOT payments due pursuant to **Section 5.01** hereof with respect to that portion of the Project consisting of Negotiated FILOT Property qualifying under the Negotiated FILOT Act for the negotiated assessment ratio and millage rate or rates described in **Section 5.01(b)(ii)** hereof.

“*Negotiated FILOT Act*” shall mean Title 12, Chapter 44 of the Code.

“*Negotiated FILOT Property*” shall mean all property qualifying for the Negotiated FILOT as economic development property within the meaning of Section 12-44-30(6) of the Negotiated FILOT Act, including, without limitation, each item of real and tangible personal property comprising the Project which is placed in service during the Investment Period and which meets the requirements of Sections 12-44-30(6) and 12-44-40(C) of the Negotiated FILOT Act, together with all Replacement Property, but excluding any Non-Qualifying Property, and any Released Property.

“*Non-Qualifying Property*” shall mean that portion of the real and personal property located on the Land, which does not qualify as Negotiated FILOT Property, such Non-Qualifying Property to include: (i) Existing Property; (ii) except as to Replacement Property, property which the Company or any other Sponsor or Sponsor Affiliate places in service after the end of the Investment Period; and (iii) any other property which fails or ceases to qualify for Negotiated FILOT Payments under the Negotiated FILOT Act or under this Agreement, including without limitation property as to which the Company or any other Sponsor or Sponsor Affiliate has terminated the Negotiated FILOT pursuant to **Section 4.01(d)(iii)** hereof.

“*Person*” shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

“*Project*” shall mean: (i) the Land; (ii) all buildings, structures, fixtures and other real property improvements now or hereafter constructed on the Land; (iii) all machinery, equipment, furnishings and other personal property now or hereafter acquired by or on behalf of the Company or any other Co-Investors for use on or about the Land; and (iv) any Replacement Property; provided, however, except as to Replacement Property, the term Project shall be deemed to include any such real property improvements and personal property, whether now existing or hereafter constructed, improved, acquired or equipped, only to the extent placed in service within the period commencing on **[January 1, 20__]** and ending at the end of the Investment Period.

“*Property Tax Year*” shall mean the annual period which is equal to the fiscal year of the Company, or any other Co-Investor, as the case may be, *i.e.*, with respect to the Company, the annual period ending on **[December 31]** of each year.

“*Released Property*” shall include property which was initially Negotiated FILOT Property but which is scrapped, sold, disposed of, or released from this Agreement by the

Company or any other Sponsor or Sponsor Affiliate pursuant to **Section 4.01(d)** hereof and Section 12-44-50(B) of the Negotiated FILOT Act, any portion of the Negotiated FILOT Property constituting infrastructure which the Company or any other Sponsor or Sponsor Affiliate dedicates to the public use within the meaning of Section 12-6-3420(C) of the Code, or property which is damaged, destroyed, or taken by process of eminent domain and not restored or replaced.

“Replacement Property” shall mean all property placed in service on the Land in substitution of, or as replacement for, any Negotiated FILOT Property which becomes Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece of such property replaces a single piece of the Negotiated FILOT Property, to the maximum extent that such property may be included in the calculation of the Negotiated FILOT pursuant to **Section 5.01(d)** hereof and Section 12-44-60 of the Negotiated FILOT Act.

“South Carolina Freedom of Information Act” shall mean Title 30, Chapter 4 of the Code.

“Special Source Act” shall mean Section 4-1-175 of the Code.

“Special Source Credits” shall mean the Tier 1 Special Source Credits and the Tier 2 Special Source Credits, collectively, as set forth in **Section 3.02** hereof.

“Special Source Improvements” shall mean to the extent paid for by the Company or any other Sponsor or Sponsor Affiliate, any infrastructure serving the economic development of the County and any improved or unimproved real property, buildings, structural components of buildings, fixtures, or other real property improvements, and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County, all as set forth in the Special Source Act. For purposes of this Agreement, Special Source Improvements shall initially be deemed to include, without limitation, all roadwork, water, sewer, drainage, power and utility facilities serving the Project, as well as the Land, the buildings, fixtures and other real property improvements on the Land, and the machinery and equipment and other personal property comprising the Project, and any additions or improvements to any of the foregoing, whether paid for by the Company or any Sponsor or Sponsor Affiliate directly or through lease payments.

“Sponsor” and *“Sponsor Affiliate”* shall mean an entity whose investment with respect to the Project will qualify for the Negotiated FILOT pursuant to **Section 6.02** hereof and Sections 12-44-30(19) or (20) and Section 12-44-130 of the Negotiated FILOT Act if the statutory investment requirements are met. **[As of the original execution and delivery of the Agreement, the only Sponsor is the Company and there are no Sponsor Affiliates].**

“State” shall mean the State of South Carolina.

“*Term*” shall mean the term of this Agreement, as set forth in **Section 7.01** hereof.

“*Tier 1 Special Source Credits*” shall mean the special source revenue credits hereby granted herein by the County and described in **Section 3.02(a)** hereof.

“*Tier 2 Special Source Credits*” shall mean the special source revenue credits hereby granted herein by the County and described in **Section 3.02(b)** hereof.

“*Transfer Provisions*” shall mean the provisions of Section 12-44-120 of the Negotiated FILOT Act.

Section 1.02. References to Agreement. The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

The County is a duly organized and validly existing body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the County Council, the County has duly authorized (i) the execution and delivery of this Agreement and has duly approved the Negotiated FILOT, Special Source Credits, and the inclusion and maintenance of the Project in the Multi-County Park, all as set forth herein, and (ii) any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby.

On the basis of information supplied to it by the Company, the County has determined the Project will subserve the purposes of the Act and has made all other findings of fact required by the Act in connection with the undertaking of the arrangements set forth herein.

This Agreement has been duly authorized, executed and delivered on behalf of the County. The authorization, execution, and delivery of this Agreement and the performance by the County of its obligations hereunder will not, to the best knowledge of the County, conflict with or constitute a breach of, or a default under, any South Carolina law, court or administrative regulation, decree, order, provision of the Constitution or laws of the State relating to the establishment of the County or its affairs, or any material agreement, mortgage, lease, or other instrument to which the County is subject or by which it is bound, nor, to the best knowledge of the County, any existing law or the provisions of the Constitution of the State.

To the best knowledge of the County, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, any of which to the best knowledge of the County could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

Section 2.02. Representations and Warranties by the Company. The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

The Company is a [_____] validly existing and in good standing under the laws of the State of [_____] and is authorized to do business in the State, has all requisite power to enter into this Agreement and to carry out its obligations hereunder, and by proper action has been duly authorized to execute and deliver this Agreement. The Company's fiscal year end is **[December 31]** and the Company will notify the County of any changes in the fiscal year of the Company.

This Agreement has been duly authorized, executed and delivered on behalf of the Company. The authorization, execution, and delivery of this Agreement and the performance by the Company of its obligations hereunder will not, to the best knowledge of the Company, conflict with or constitute a breach of, or a default under, any State law, court or administrative regulation, decree, order, provision of the Constitution or laws of the State relating to the establishment of the Company or its affairs, or any material agreement, mortgage, lease, or other instrument to which the Company is subject or by which it is bound, nor, to the best knowledge of the Company, any existing law or the provisions of the Constitution of the State.

The Company intends to operate the Project as facilities primarily for the production of electricity from solar energy at one or more locations in the County.

The agreements with the County with respect to the Negotiated FILOT, the Special Source Credits, and the Multi-County Park were factors in inducing the Company to locate the Project within the County and the State.

To the best knowledge of the Company, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal, which would materially adversely affect this Agreement or which would, in any way, adversely affect the validity or enforceability of this Agreement, or the transactions contemplated hereby.

ARTICLE III

COVENANTS OF COUNTY

Section 3.01. Agreement to Accept Negotiated FILOT Payments. The County hereby agrees to accept Negotiated FILOT Payments in accordance with the provisions of **Section 5.01** hereof in lieu of *ad valorem* taxes with respect to that portion of the Project consisting of Negotiated FILOT Property until this Agreement expires or is sooner terminated.

Section 3.02. Special Source Credits.

As reimbursement for investment in Special Source Improvements, and subject to the requirements of the Special Source Act and **Section 4.02** hereof, the County hereby agrees that the Company and each other Sponsor or Sponsor Affiliate (each, a “Credit Eligible Entity”) shall be entitled to receive, and the County shall provide, special source revenue credits against each Negotiated FILOT Payment due from each such Credit Eligible Entity with respect to the Project for the full term of the Negotiated FILOT in an amount equal to sixty percent (60%) of each such Negotiated FILOT Payment, commencing with the tax year for which the initial Negotiated FILOT payment is due hereunder with respect to the Project (the “Tier 1 Special Source Credits”). In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project by the Company and all other Sponsors and Sponsor Affiliates.

Notwithstanding the foregoing provisions of this **Section 3.02(a)**, in the event that the annual depreciation rate utilized, pursuant to Section 12-44-50(A)(1)(c)(ii) of the Negotiated FILOT Act, in calculating any Negotiated FILOT payment due with respect to all or any portion of the Project, to the extent not already fully depreciated as such purposes, is less than 5%, the above-described initial Special Source Credits percentage (60%) otherwise applicable against the Negotiated FILOT payment due with respect to such property shall be increased by an amount sufficient so that such net Negotiated FILOT payment due after application of such increased Special Source Credits percentage shall equal the amount of such net payment if calculated using a 5% annual depreciation rate and the above-described initial Special Source Credits percentage (60%); and (ii) in the event that the annual depreciation rate utilized, pursuant to Section 12-44-50(A)(1)(c)(ii) of the Negotiated FILOT Act, in calculating any Negotiated FILOT payment due with respect to all or any portion of the Project, to the extent not already fully depreciated for such purposes, is more than 5%, the above-described initial Special Source Credits percentage (60%) otherwise applicable against the Negotiated FILOT payment due with respect to such property shall be decreased by an amount sufficient so that such net Negotiated FILOT payment due after application of such decreased Special Source Credits percentage shall equal the amount of such net payment if calculated using a 5% annual depreciation rate and the above-described initial Special Source Credits percentage (60%). In accordance with the Special Source Act, the

Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project.

[As further reimbursement for investment in Special Source Improvements, and in addition to the Tier 1 Special Source Credits, the County does hereby agree that each Credit Eligible Entity shall be entitled to receive, and the County shall provide, special source revenue credits against each net Negotiated FILOT Payment due with respect to the Project, after application of the Tier 1 Special Source Credits, for the full term of the Negotiated FILOT in an annual amount sufficient to fully offset any business license fees imposed by the County **[pursuant to the County Business License Fee Ordinance with respect to the Project in excess of the maximum fee set forth in Section 14(c) of the Development Agreement].**]

The Special Source Credits to which a Credit Eligible Facility is entitled for each tax year of the period set forth in **Section 3.02(a)** hereof shall be reflected by the County on each bill sent by the County to such Credit Eligible Entity for each Negotiated FILOT Payment due from such Credit Eligible Entity with respect to each such tax year, by reducing the total original Negotiated FILOT Payment amount otherwise due from such Credit Eligible Entity for such tax year by the amount of Special Source Credits to which such Credit Eligible Entity is entitled for such tax year.

In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project.

THE SPECIAL SOURCE CREDITS AUTHORIZED HEREIN SHALL NOT CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY, BUT SHALL BE A LIMITED OBLIGATION OF THE COUNTY PAYABLE SOLELY FROM THE NEGOTIATED FILOT PAYMENTS RECEIVED BY THE COUNTY HEREUNDER WITH RESPECT TO THE PROJECT.

To the extent required by, and as set forth in, Section 4-29-68(A)(2)(ii) of the Code, if a Credit Eligible Entity claims Special Source Credits as reimbursement for investment in personal property, including machinery and equipment, if such property is removed from the Project during the term of this Agreement, the amount of the FILOT payments due from such Credit Eligible Entity on such personal property for the year in which the personal property was removed from the Project also shall be due for the two (2) years following such removal.

Section 3.03. Multi-County Park Designation. The County agrees to use its best efforts to designate the Project as part of a Multi-County Park, if not already so designated, and agrees to use its best efforts to maintain the Project within the boundaries of the Multi-County Park pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13(D) of the

State Constitution on terms which provide for all jobs created at the Project from [January 1, 20__] through the end of the Investment Period, any additional jobs tax credits afforded by the laws of the State for projects located within multi-county industrial or business parks, and on terms, and for a duration, which facilitate the provision by the County, and the receipt by the Company, of the Special Source Credits set forth in **Section 3.02** hereof.

Section 3.04. Commensurate Benefits. The parties acknowledge the intent of this Agreement, in part, is to afford the Company and each other Sponsor or Sponsor Affiliate the benefits specified in this Article III in consideration of the Company's decision to locate the Project within the County, and this Agreement has been entered into in reliance upon the enactment of the Act and the County's compliance with the requirements thereof. In the event that a court of competent jurisdiction holds that the Act is, in whole or in part, unconstitutional or this Agreement, the Multi-County Park Agreement, or agreements similar in nature to this Agreement or the Multi-County Park Agreement are invalid or unenforceable in any material respect, or should the Company determine there is a reasonable doubt as to the validity or enforceability of this Agreement or the Multi-County Park Agreement in any material respect, then at the request of the Company, the County agrees to use its commercially reasonable efforts, and to take such other steps as may be necessary, to extend to the Company and each other Sponsor or Sponsor Affiliate the intended benefits of this Agreement, including, but not limited to, the Negotiated FILOT and the Special Source Credits and agrees, if requested by the Company, to enter into a lease purchase agreement with the Company and each other Sponsor or Sponsor Affiliate pursuant to Section 12-44-160 of the Negotiated FILOT Act and Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable. In furtherance of this covenant, the County also agrees that, in the event that, for any reason, the Multi-County Park is declared by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, the Company and the County express their intentions that tax or FILOT payments be reformed so as to best afford the Company and each other Sponsor or Sponsor Affiliate benefits commensurate with, but not in excess of, those intended under this Agreement, including, but not limited to, the Special Source Credits, as then permitted by law, including, without limitation, any benefits afforded under Title 12, Chapter 6, Title 4, Chapter 1 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. The Company acknowledges, if a court of competent jurisdiction holds all or part of the Negotiated FILOT Act is unconstitutional or otherwise illegal, the Negotiated FILOT Act currently provides that the Company and each other Sponsor or Sponsor Affiliate must transfer their respective portion of the Negotiated FILOT Property to the County within one hundred eighty (180) days following such determination in order for the Negotiated FILOT benefits to continue to apply to such property. In any such lease purchase agreement referenced above, the County, upon the conveyance of title to the Project to the County at the expense of the Company or any such other Sponsor or Sponsor Affiliate, as the case may be, shall agree to accept title to the Project and to lease the Project to the Company or any such other Sponsor or Sponsor Affiliate, as the case may be, upon terms and conditions mutually agreeable to the County and the Company. At the end of the term of any such lease purchase agreement, and upon payment of all outstanding obligations incurred under such lease purchase agreement, each of the Company and any such other Sponsor or Sponsor Affiliate shall

have the option to purchase its respective portion of the Project from the County for Ten Dollars (\$10.00).

ARTICLE IV

COVENANTS OF THE COMPANY

Section 4.01. Investment in Project.

The Company hereby agrees to acquire, construct, equip, or improve or cause to be acquired, constructed, equipped, or improved, the Project, as the same shall be determined from time to time by the Company in its sole discretion. As required by Section 12-44-30(2) of the Negotiated FILOT Act, at least a portion of the Negotiated FILOT Property comprising the Project shall be placed in service no later than the end of the Property Tax Year which is three years from the year in which this Agreement is entered, *i.e.*, the Property Tax Year ending on **[December 31, 20__]**.

Notwithstanding anything herein to the contrary, and to the maximum extent permitted by law, investment in the Project by any and all other Co-Investors shall together with investment by the Company, count toward all investment requirements, thresholds, and levels set forth in this Agreement, including, without limitation, the Minimum Contractual Investment Requirement and, to the full extent permitted by the Negotiated FILOT Act, the Minimum Statutory Investment Requirement. Aggregate investment shall generally be determined by reference to the property tax returns of the Company and each other Co-Investor filed with respect to the Project, including without limitation, each such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act, without regard to depreciation or other diminution in value.

Subject to the provisions of **Sections 4.05** and **6.01** hereof, each of the Company and any other Co-Investor shall, retain title to, or other property rights in, its respective portion of the Project throughout the Term of this Agreement, and each of the Company and any other Co-Investor shall have full right to mortgage, lease, or encumber all or any portion of the Project, including without limitation, in connection with any financing transactions, all in its sole discretion.

The Company and each other Co-Investor shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

The Company and each other Co-Investor may, at its own expense, add to the Project all such real and personal property as the Company, or such other Co-Investor, in its discretion deems useful or desirable, including, without limitation, Negotiated FILOT Property, without any limit as to the amount thereof.

Subject to the provisions of **Section 5.01(f)(ii)** hereof, in any instance when the Company or any other Co-Investor, in its discretion, determines any property included in the Project, including without limitation, any Negotiated FILOT Property, has become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, such entity may remove such property from the Project and sell, trade in, exchange, or otherwise dispose of them as a whole or in part, in its sole discretion.

Each of the Company and any other Co-Investor may, at any time and in its sole discretion by written notice to the County, remove any Project property including, but not limited to, Negotiated FILOT Property, real or personal, from the Project or from the provisions of this Agreement including, but not limited to, the Negotiated FILOT arrangement set forth in this Agreement and retain such property for use as part of its operations in the County, whether or not such property remains as part of the Project, and effective as of the date of any such removal, such property will be subject to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be; provided, that, any such notice requirement may be, but shall not be required to be, satisfied by property tax returns filed with respect to the Project and any other such property, including without limitation, such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act, and in such event, any such removal reflected by any such return shall be deemed to be effective as of the date of such removal.

If the Company or any other Co-Investor sells, leases, or otherwise disposes of any portion of, or adds to, the Land, or removes any portion of the Land from the Project, all as permitted herein, the Company or such Co-Investor shall deliver to the County a revised **Exhibit A** to this Agreement or supplements to such **Exhibit A** reflecting any such addition, disposal or removal and such revised or supplemented **Exhibit A** shall, effective as of the date of any such transaction, addition, disposal, or removal, be automatically made a part of this Agreement without further action or proceedings by the County; provided, that any requirement to provide such schedules or supplements to the County may be satisfied by property tax returns filed with respect to the Project and any other such property, including without limitation, such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Negotiated FILOT Act, and in such event, any such addition, disposal, or removal reflected by any such return, shall be automatically deemed effective as of the date of any such addition, disposal, or removal.

All Negotiated FILOT Property sold or otherwise disposed of under this Section shall be deemed Released Property for purposes of this Agreement.

Section 4.02. Failure to Satisfy Minimum Contractual Investment Requirement. If the Minimum Contractual Investment Requirement is not satisfied by the end of the Compliance Period, each of the following subsections (a) – (c) shall apply:

The Company and each other Sponsor or Sponsor Affiliate shall continue to be eligible for the alternate payment method Negotiated FILOT described in **Section 5.01(b)(iii)** hereof and Section 12-44-50(A)(3) of the Negotiated FILOT Act, in the event that the \$45,000,000 investment requirement set forth therein is satisfied, or a standard method Negotiated FILOT under Section 12-44-50(A)(1) of the Negotiated FILOT Act and the factors set forth in **Section 5.01(b)(ii)** hereof, in the event that the investment requirement of Section 12-44-50(A)(3) of the Negotiated FILOT Act is not satisfied, but the Minimum Statutory Investment Requirement is nevertheless satisfied by the end of the Compliance Period.

Each Credit Eligible Entity shall, to the extent required by the below provisions of this **Section 4.02(b)**, reimburse the County for any Tier 1 Special Source Credits previously received, or to be received (upon actual receipt), by such Credit Eligible Entity for each tax year for which such Credit Eligible Entity is entitled to receive Tier 1 Special Source Credits under **Section 3.02(a)** hereof (*i.e.*, each tax year for which a Negotiated FILOT Payment has been, or will be, due to be paid without penalty with respect to the Project on or before the January 15 immediately following the end of the Compliance Period) (collectively, the “Compliance Period Tier 1 Special Source Credits”), taking into account the highest level of aggregate investment in the Project (without regard to depreciation or other diminution in value) within the Compliance Period at any time during the Compliance Period (the “Actual Project Investment”), as compared to the Minimum Contractual Investment Requirement, all as further detailed and illustrated in the formula and examples set forth below:

Formula:

1.
$$\frac{\text{Actual Project Investment}}{\$100,000,000} = \text{Investment Satisfaction Percentage [ISP]}$$
2.
$$100\% - \text{ISP} = \text{Investment Satisfaction Shortfall [ISS]}$$
3. In the event that determination of the Investment Satisfaction Shortfall results in a positive percentage figure, the Investment Satisfaction Shortfall shall be applied to the Compliance Period Tier 1 Special Source Credits received, or to be received (upon actual receipt), by each Credit Eligible Entity as set forth above to determine reimbursement amounts due to the County, if any, from each such Credit Eligible Entity. Any such amounts shall be due to be paid by a Credit Eligible Entity on or before the date by which such Credit Eligible Entity is required, under applicable law, to make its Negotiated FILOT Payment due with respect to the Project for the tax year corresponding to the final Property Tax Year of the Compliance Period (*i.e.*, the Negotiated FILOT Payment due with respect

to Project property placed in service as of the end of the final Property Tax Year within the Compliance Period).

Each Credit Eligible Entity shall continue to be eligible for Tier 1 Special Source Credits against each Negotiated FILOT Payment due from such Credit Eligible Entity with respect to the Project for the remaining tax years of the period set forth in **Section 3.02(a)** hereof; provided, however, in the event that determination of the Investment Satisfaction Factor pursuant to **Section 4.02(b)** hereof results in a positive percentage figure, the initial total Tier 1 Special Source Credits amount set forth in **Section 3.02(a)** hereof shall be reduced for the remaining such tax years by the percentage equal to such Investment Satisfaction Shortfall.

Section 4.03. Payment of Administration Expenses. The Company or any other Sponsor or Sponsor Affiliate will reimburse, or cause reimbursement of, the County from time to time for the County's Administration Expenses incurred in the fulfillment of its obligations hereunder, or in the implementation of this Agreement's terms and provisions, with respect to the Company or such other Sponsor or Sponsor Affiliate, as the case may be, promptly upon written request therefor, but in no event later than forty-five (45) days after receiving written notice from the County specifying the nature of such expense and requesting the payment of the same. The County acknowledges that it imposes no charges in the nature of impact fees or recurring fees in connection with the Project or the incentives authorized by this Agreement, except as may be set forth in the Development Agreement with respect to the Project, and, aside from the attorneys' fees set forth below, the County anticipates no out of pocket expenses in connection with this Agreement and the transactions authorized hereby. The parties understand that the County has incurred, and will incur, legal fees and other expenses for review of the Inducement Resolution, this Agreement, the Development Agreement, the Multi-County Park Agreement and all resolutions, ordinances and other documentation related thereto in an amount not to exceed [\$_____].

Section 4.04. Use of Project for Lawful Activities. Subject to the applicable terms of the Development Agreement, during the Term of this Agreement, the Company and each other Co-Investor may use the Project as it deems fit for any lawful purpose.

Section 4.05. Maintenance of Existence. Except in the event the resulting, surviving or transferee entity is the Company or an Affiliate of the Company, as to which such consolidation, merger, or transfer, the County hereby preapproves and consents, unless the County shall provide prior written consent or subsequent ratification otherwise, which consent or ratification may be provided by the County in its sole discretion, the Company covenants that it will maintain its separate existence and will not dissolve or consolidate with, merge into or transfer, or otherwise dispose of substantially all of its property to any other entity or permit one or more other entities to consolidate with or merge into it or purchase substantially all of its property unless:

the Company shall be the continuing business entity, or the business entity formed by such consolidation or into which the Company is merged or the entity which acquires by conveyance or transfer all or substantially all of the Company's assets shall (i) be an entity organized and

existing under the laws of the United States of America or any state thereof or the District of Columbia and qualified to do business in the State; (ii) have a net worth equal to or greater than the net worth of the Company immediately preceding the date of such merger, consolidation or transfer; and (iii) expressly and unconditionally assume, by written agreement supplemental hereto and acceptable to the County as to form and content, in its reasonable discretion, every payment obligation of the Company herein and the performance of every covenant of this Agreement and the Development Agreement on the part of the Company to be performed or observed with respect to the Project; and

immediately after giving effect to such transaction, no Event of Default, and no event, which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and

the Company shall have delivered to the County (i) a certificate of a duly authorized officer of the Company, accompanied by financial statements of the surviving company (if other than the Company) showing compliance with the net worth requirements specified in paragraph (a) above and (ii) an opinion of counsel for the Company and/or counsel to the transferee company, each stating that such consolidation, merger, conveyance or transfer and such supplement to this Agreement comply with this Section and that all conditions precedent herein provided for relating to such transaction have been complied with.

Upon any consolidation or merger or any conveyance or transfer of all or substantially all of the Company's assets in accordance with this **Section 4.05**, the successor entity formed by such consolidation or into which the Company is merged or to which such conveyance or transfer is made, shall succeed to, and be substituted for, and may exercise every right and power of the Company under this Agreement with the same effect as if such successor entity had been named as the Company herein, and thereafter the Company shall be relieved of all obligations and covenants under this Agreement.

If a consolidation, merger or conveyance or transfer is made as permitted by this Section, the provisions of this Section shall continue in full force and effect and no further consolidation, merger or conveyance or transfer shall be made except in compliance with the provisions of this **Section 4.05**.

The Company acknowledges transfers of this Agreement or the Negotiated FILOT Property may cause the Negotiated FILOT Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 4.06. Records and Reports. (a) The Company and each other Co-Investor will maintain, or cause to be maintained, such books and records with respect to its respective portion of the Project as will permit the identification of those portions of the Project it places in service during the Investment Period, the amount of investment with respect thereto, and any computations of Negotiated FILOT Payments made by such entity hereunder, and will comply

with all reporting requirements applicable to Negotiated FILOT Property under the Negotiated FILOT Act, including without limitation the reports required by 12-44-90 of the Negotiated FILOT Act (collectively, "Filings"); provided, however, that the parties hereby waive the requirement under Section 12-44-55 of the Negotiated FILOT Act for a recapitulation of the terms of this Agreement. In addition, the following records shall be provided to the County:

(i) Upon direction of the governing body of the County, a County Official may request and obtain such financial books and records from the Company and any other Sponsor or Sponsor Affiliate that support the Negotiated FILOT returns of the Company or such other Sponsor or Sponsor Affiliate as may be reasonably necessary to verify the calculations of the Negotiated FILOT Payments by the Company or such other Sponsor or Sponsor Affiliate. For purposes of this Agreement, the term "County Official" shall include the Administrator, Auditor, Assessor, or Treasurer of the County.

(ii) Each year during the Term hereof, the Company and each other Sponsor or Sponsor Affiliate shall deliver to the County Auditor, the County Assessor and the County Treasurer a copy of any form or return it files with the Department of Revenue with respect to the Project at the same time as delivery thereof to the Department of Revenue.

(iii) The Company shall cause a copy of this Agreement, as well as a copy of the completed Form PT-443 required by the Department of Revenue, to be filed within thirty (30) days after the date of original execution and delivery hereof with the County Auditor, the County Assessor and the County Treasurer of the County and of each other county which is a party to the Multi-County Park Agreement, and with the Department of Revenue and shall update such Form PT-443 from time to time to the extent that the information therein is no longer accurate.

(b) The Company acknowledges that the County is subject to the provisions of the South Carolina Freedom of Information Act. The County acknowledges that information the Company may hereafter provide to the County and which is clearly identified as "confidential and proprietary" ("Additional Information") may be deemed by the Company to be confidential and proprietary. To the extent that the Company identifies information in this Agreement or any of the attachments hereto or any Additional Information that it considers to be confidential or proprietary, the County agrees to maintain the confidentiality of such information and will, to the extent permitted by law (including, specifically, the South Carolina Freedom of Information Act), decline to honor any request for release of the information so designated to persons other than the Company and its designated officers and representatives. In the event that the County is required by law to disclose any confidential or proprietary information obtained from the Company to any third party, the County agrees to provide the Company with as much prompt advance notice of such requirement as reasonably possible before making such disclosure. In the event an action at law or equity is brought against the County to require the disclosure of any Additional Information that the Company identified as confidential or proprietary, the County reserves the right to include the Company in such action, and the Company hereby agrees, only

to the extent that it has communicated to the County its desire that such disclosure not be made, to bear the reasonable costs associated with defending the County in such action, including payment of any judgment against the County for attorneys' fees or other liabilities related to such action. Prior to disclosing any confidential or proprietary information or allowing inspections of the Project, the Company may require the execution, to the extent permitted by law, of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees, or agents of the County who would gather, receive, or review such information or conduct or review the results of any inspections.

Section 4.07. Funding for Special Source Improvements. The Company and any other Sponsors or Sponsor Affiliates shall provide, or cause the provision of, funding for the Special Source Improvements related to the Project.

ARTICLE V

FEES IN LIEU OF TAXES

Section 5.01. Payment of Fees in Lieu of *Ad Valorem* Taxes.

In accordance with the Negotiated FILOT Act, the parties hereby agree, during the Term hereof, that there shall be due annually with respect to that portion of the Project constituting Negotiated FILOT Property, whether owned by the Company or by any other Sponsor or Sponsor Affiliate, a Negotiated FILOT Payment calculated as set forth in this Section, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. It is presently anticipated, but not required, that the initial Negotiated FILOT Payment, which shall be due under current Code requirements on the January 15 following the year in which the County adds the initial Negotiated FILOT Property to its tax rolls, will be due on **[January 15, 20__]**. If the Company designates any other Sponsor or Sponsor Affiliates as the same shall have been consented to by the County, (if such consent is required pursuant to **Section 6.02** hereof), the Company must notify the County in writing at the time of such designation as to whether such additional Sponsor or Sponsor Affiliate shall be primarily liable for the Negotiated FILOT Payments due hereunder with respect to such Sponsor or Sponsor Affiliate's respective portion of the Negotiated FILOT Property. Unless and until such additional notification is received, the Company shall be primarily liable for all Negotiated FILOT Payments due with respect to such Negotiated FILOT Property.

Subject to adjustment pursuant to the provisions of this **Section 5.01**, the Negotiated FILOT shall be calculated each year in accordance with the following provisions:

For each annual increment of investment in Negotiated FILOT Property, the annual Negotiated FILOT Payments shall initially be payable for a payment period of thirty (30) years. Accordingly, if such Negotiated FILOT Property is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a payment period of thirty (30) years up to an aggregate of thirty-five (35) years or, if the

Investment Period is extended as set forth in the definition of Investment Period contained in **Section 1.01** hereof, up to an aggregate of forty (40) years.

The Negotiated FILOT shall be determined using (1) a fixed assessment ratio of 6%; (2) the lowest millage rate or rates allowed with respect to the Project pursuant to Section 12-44-50(A)(1)(d) of the Negotiated FILOT Act, which (i) the parties believe to be, with respect to all Negotiated FILOT Property comprised of, or located on, the Land, the millage rate or rates as set forth in **Exhibit A** attached hereto, (ii) based on the property comprising the Land as of the original execution and delivery of this Agreement, and which the parties believe to be **[243.54]** mills with respect to all Negotiated FILOT Property comprised of, or located on, such Land, and (iii) shall be fixed in accordance with Section 12-44-50(A)(1)(b)(i) of the Negotiated FILOT Act for the entire term of the Negotiated FILOT; and (3) the fair market value of such Negotiated FILOT Property as determined in accordance with Section 12-44-50(A)(1)(c) of the Negotiated FILOT Act, which, for typical arm's length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence); provided, however, that the Company or any other Sponsor or Sponsor Affiliate and the County may agree at a later date to amend this Agreement as to Negotiated FILOT Property owned by the Company or such other Sponsor or Sponsor Affiliate so as to determine the fair market value of any such real property in accordance with any other method permitted by the Negotiated FILOT.

As authorized in, and subject to the provisions of, Section 12-44-50(A)(3) of the Negotiated FILOT Act, the County hereby approves the Company's request to calculate the Negotiated FILOT payments due with respect to the Project based on an alternative payment method yielding over the thirty-year Negotiated FILOT payment period for each annual increment of investment in the Project, a payment stream which has the same net present value as the payment stream which would be generated using the standard negotiated FILOT calculation provided under Section 12-44-50(A)(1) of the Negotiated FILOT Act and the factors set forth in **Sections 5.01(b)(i)** and **5.01(b)(ii)** hereof. Such net present value calculations shall be determined using a discount rate which is equivalent to the yield in effect for new or existing United States Treasury bonds of similar maturity as published during the month in which this Agreement is executed, which the parties believe to be [_____]%. If no yield is available for the month in which this Agreement is executed, the last published yield for the appropriate maturity available must be used. If there are no bonds of appropriate maturity available, bonds of different maturities may be averaged to obtain the appropriate maturity.

All such calculations shall take into account all deductions for depreciation or other diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the five-year exemption from County taxes allowed for certain manufacturing, distribution, corporate headquarters and research and development facilities pursuant to Section 3(g) of Article X of the Constitution of the State and Sections 12-37-220(B)(32) and (34) of the Code.

For purposes of calculating the Negotiated FILOT, the Negotiated FILOT Property shall not include any Released Property or Non-Qualifying Property.

The Negotiated FILOT Payments are to be recalculated:

to reduce such payments in the event the Company or any other Sponsor or Sponsor Affiliate disposes of any part of the Negotiated FILOT Property within the meaning of Section 12-44-50(B) of the Negotiated FILOT Act and as provided in **Section 4.01(d)(ii)** hereof, by the amount applicable to the Released Property;

to reduce such payments in the event that the Negotiated FILOT Property or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings or otherwise removed from the Project as a result of circumstances beyond the control of the Company or any other Sponsor or Sponsor Affiliate;

to increase such payments in the event the Company or any other Sponsor or Sponsor Affiliate adds any Negotiated FILOT Property (other than Replacement Property) to the Project;
or

to adjust such payments if the Company or any other Sponsor or Sponsor Affiliate elects to convert any portion of the Negotiated FILOT Property from the Negotiated FILOT to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be, as permitted by **Section 4.01(d)(iii)**;

provided, however, that, notwithstanding the foregoing provisions of **Section 5.01(c)** hereof, if any part of the Negotiated FILOT Property is disposed of, released or converted to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be, by the Company or any other Sponsor or Sponsor Affiliate, then such Company or any such other Sponsor or Sponsor Affiliate shall pay to the County an amount equal to the difference, to that point in time, between what such entity would have paid to the County using the standard Negotiated FILOT calculation described in Section 12-44-50(A)(1) of the Negotiated FILOT Act and the factors set forth in **Section 5.01(b)(ii)** hereof and the amount actually paid using the alternative payment method Negotiated FILOT described in **Section 5.01(b)(iii)** hereof (a “Differential Payment”), after taking into account the Special Source Credits that would have applied, or did apply, to each such payment, as the case may be. Such Differential Payment will be made and included by such owing entity with the next FILOT payment due to the County.

Upon installation or placing in service of any Replacement Property for any Released Property, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by the Negotiated FILOT Act, subject to the following rules:

Such Replacement Property does not have to serve the same function as the Released Property it is replacing. Replacement Property is deemed to replace the oldest property subject

to the Negotiated FILOT, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Released Property which it is replacing in the same Property Tax Year. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Released Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes, or to the FILOT payments pursuant to the Multi-County Park Act, as the case may be, which would have been paid on such property but for this Agreement. Replacement Property is entitled to the Negotiated FILOT Payments for the remaining portion of the Negotiated FILOT Payment period set forth in **Section 5.01(b)(i)** hereof applicable to the Released Property

The Company or any other Sponsor or Sponsor Affiliate shall maintain, or cause to be maintained, records sufficient to identify all Replacement Property it places in service, and the Negotiated FILOT Payments with respect thereto shall be calculated using the millage rate and assessment ratio provided on the property it is replacing.

In the event that, for any reason, the Negotiated FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Negotiated FILOT Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company and each other Sponsor or Sponsor Affiliate benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder with respect to the portion of the Negotiated FILOT Property affected by such circumstances *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, and that, to the extent permitted by law, the Company and any other Sponsor or Sponsor Affiliate shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes, or from FILOT payments pursuant to the Multi-County Park Act, as the case may be, provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive all other tax credits which would be due if the Company and each other Sponsor or Sponsor Affiliate were obligated to pay *ad valorem* taxes, or make FILOT payments pursuant to the Multi-County Park Act, as the case may be, hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable from the Company and any other Sponsor or Sponsor Affiliate, as the case may be, with respect to such entity's portion of the Negotiated FILOT Property in question, an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, or as FILOT payments pursuant to the Multi-County Park Act, as the

case may be, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a “Deficiency Payment”).

(f)

In the event that either the Minimum Statutory Investment Requirement is not satisfied by the end of the Compliance Period as to any Sponsor or Sponsor Affiliate then all Negotiated FILOT Payments with respect to that portion of the Project owned by such non-qualifying Sponsor or Sponsor Affiliate shall revert retroactively to *ad valorem* taxes or to FILOT payments pursuant to the Multi-County Park Act, as the case may be, calculated as set forth in paragraph (e) above, and a Deficiency Payment from each such owing entity shall be due and payable to the County with respect to Negotiated FILOT Payments theretofore made. To the extent necessary to collect a Deficiency Payment under this clause (i) due to failure to satisfy the Minimum Statutory Investment Requirement, Section 12-44-140(D) of the Negotiated FILOT Act provides that any statute of limitations that might apply pursuant to Section 12-54-85 of the Code is suspended.

If the Minimum Contractual Investment Requirement is not satisfied by the end of the Compliance Period, but the Minimum Statutory Investment Requirement is nevertheless satisfied by the end of the Compliance Period, the Company and each other Sponsor or Sponsor Affiliate shall, subject to the provisions of **Section 5.01(f)(iv)** hereof, continue to be eligible to take advantage of the Negotiated FILOT described in **Section 5.01** hereof, but the County shall have the rights specified in **Section 4.02** hereof with respect to the Special Source Credits.

In the event that the Minimum Statutory Investment Requirement is satisfied by the end of the Compliance Period, but following the Compliance Period, investment in the Project, without regard to depreciation or other diminution in value, falls below the investment level set forth in the Minimum Statutory Investment Requirement, then the Project shall prospectively be subject to *ad valorem* taxes, or to FILOT Payments pursuant to the Multi-County Park Act, as the case may be, calculated as set forth in paragraph (e) above, in accordance with Section 12-44-140(C) of the Negotiated FILOT Act, commencing with any Negotiated FILOT Payments due with respect to Project property placed in service as of the end of the Property Tax Year in which such deficiency occurs.

In the event that investment in the Project by the Company, all other Sponsors and Sponsor Affiliates and, to the extent permitted by the Negotiated FILOT Act, all other Co-Investors does not satisfy the \$45,000,000 investment requirement set forth in Section 12-44-50(A)(3) of the Negotiated FILOT Act, but nevertheless satisfies the Minimum Statutory Investment Requirement, then the Negotiated FILOT Payments shall revert retroactively and prospectively to the amounts due under the standard method Negotiated FILOT under Section 12-44-50(A)(1) of the Negotiated FILOT Act and the factors set forth in **Sections 5.01(b)(i)** and **5.01(b)(ii)** hereof, and then the Company and each other Sponsor or Sponsor Affiliate shall pay to the County a Differential Payment with respect to the Project as described in **Section 5.01(c)** hereof.

In accordance with the provisions of **Sections 4.01(b)** and **6.02** hereof, except for Existing Property, the investment in all property utilized by the Company or any other Co-Investor at the Land which is subject to *ad valorem* taxes, or the Negotiated FILOT, in the County, whether owned by the Company or any other Co-Investor outright or utilized by the Company or any other Co-Investor pursuant to any financing agreement or any lease or other arrangement with the Company or any other Co-Investor and whether or not subject to this Agreement, shall be counted toward all investment obligations under this Agreement, including, to the extent permitted by law, investment obligations under the Negotiated FILOT Act.

Except as otherwise set forth in this Agreement or as otherwise required by the Act, any amounts due to the County under **Section 5.01(e)** as a Deficiency Payment or other retroactive payment shall be paid within ninety (90) days after receipt by the Company or any other Sponsor or Sponsor Affiliate of notice from the County that such a Deficiency Payment or other retroactive payment is due from such entity.

Section 5.02. Statutory Lien. The parties acknowledge the County's right to receive Negotiated FILOT Payments hereunder and that the County is entitled to and shall have a statutory lien with respect to the Project pursuant to Section 12-44-90(E) of the Negotiated FILOT Act and Title 12, Chapter 54 of the Code relating to the collection and enforcement of *ad valorem* property taxes.

ARTICLE VI

THIRD PARTY ARRANGEMENTS

Section 6.01. Conveyance of Liens and Interests; Assignment. The County agrees that the Company and each other Sponsor or Sponsor Affiliate may at any time (a) transfer all or any of its rights and interests hereunder or with respect to all or any part of the Project to any Person; or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all or any part of the Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Project, whereby the transferee in any such arrangement leases the portion of the Project in question to the Company or any other Sponsor or Sponsor Affiliate or operates such assets for the Company or any other Sponsor or Sponsor Affiliate or is leasing all or a portion of the Project in question from the Company or any other Sponsor or Sponsor Affiliate. In the event of any such transfer, lease, financing, or other transaction described above, the rights and interests of the Company or such other Sponsor or Sponsor Affiliate under this Agreement, including, without limitation, the benefits of the Negotiated FILOT and the Special Source Credits, with respect to any Project property so transferred, leased, financed, or otherwise affected shall be so transferred and preserved, automatically, without further action or proceedings of the County, subject to the following provisions: (i) except in connection with any transfer to any other Sponsor or Sponsor Affiliate

or an Affiliate of the Company or any other Sponsor or Sponsor Affiliate, or transfers, leases, or financing arrangements pursuant to clause (b) above, as to all of which transfers and other transactions the County hereby consents, the Company shall obtain the prior written consent or subsequent ratification of the County, which consent or subsequent ratification of the County may be provided by the County in its sole discretion; (ii) except when a financing entity which is the income tax owner of all or part of the Project property is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company or any such other Sponsor or Sponsor Affiliate hereunder, or when the County consents in writing or when the transfer relates to Released Property pursuant to **Section 4.01(d)** hereof, no such transfer shall affect or reduce any of the obligations of the Company or any such other Sponsor or Sponsor Affiliate hereunder; (iii) to the extent the transferee or financing entity shall become obligated to make Negotiated FILOT payments hereunder, the transferee shall assume the then current basis of the Company or any such other Sponsor or Sponsor Affiliate (or prior transferee) in the Negotiated FILOT Property transferred; (iv) the Company or any such other Sponsor or Sponsor Affiliate, transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue notice of any such transfer agreement; and (v) the Company or any such other Sponsor or Sponsor Affiliate and the transferee shall comply with all other requirements of the Transfer Provisions in order to preserve the benefits of the Negotiated FILOT.

Subject to County consent when required under this **Section 6.01**, and at the expense of the Company or any such other Sponsor or Sponsor Affiliate, the County agrees to take such further action and execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or any other Sponsor or Sponsor Affiliate under this Agreement and/or any release of the Company or any other Sponsor or Sponsor Affiliate pursuant to this **Section 6.01**.

The Company acknowledges that any transfer of an interest under this Agreement or in the Negotiated FILOT Property may cause all or part of the Negotiated FILOT Property to become ineligible for a Negotiated FILOT or result in penalties under the Negotiated FILOT Act absent compliance by the Company or any such Sponsor or Sponsor Affiliate with the Transfer Provisions.

Section 6.02. Sponsors and Sponsor Affiliates. The Company may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Negotiated FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of the Company or other Persons described in **Section 6.01(b)** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Negotiated FILOT Act must be approved by Resolution of the County Council. To the extent that a Sponsor or Sponsor Affiliate invests an amount equal to the Minimum Statutory Investment Requirement at the Project by the end of the Compliance Period all investment by

such Sponsor or Sponsor Affiliate shall qualify for the Negotiated FILOT payable under **Section 5.01** hereof (subject to the other conditions set forth therein) in accordance with Section 12-44-30(19) of the Negotiated FILOT Act. To the extent that the aggregate investment in the Project by the end of the Compliance Period by the Company, all Sponsors and Sponsor Affiliates and, to the extent provided by law, other Co-Investors, exceeds \$5,000,000 as provided in Section 12-44-30(19) of the Negotiated FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the Negotiated FILOT pursuant to **Section 5.01** of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Minimum Statutory Investment Requirement by the end of the Compliance Period. The Company shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate designated pursuant to this **Section 6.02** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Negotiated FILOT Property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Negotiated FILOT Act.

ARTICLE VII

TERM; TERMINATION

Section 7.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained or as provided in the Act, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executes this Agreement, and ending at midnight on the later of (i) the day the last Negotiated FILOT Payment is made hereunder; or (ii) the day that all Special Source Credits due from the County hereunder have been fully provided by the County.

Section 7.02. Termination. In addition to the termination rights of the County under **Section 8.02(a)** hereof, the County and the Company may jointly agree to terminate this Agreement at any time, or the Company, may, at its option, unilaterally terminate this Agreement at any time, with respect to all, or any portion, of the Project in which event the Project, or such portion of the Project, shall be subject to *ad valorem* taxes, or to FILOT payments under the Multi-County Park Act, as the case may be, from the date of termination.

Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for any retroactive *ad valorem* taxes, Deficiency Payments, Differential Payments, interest or penalties, and the same enforcement rights with respect to such obligations as it would have with respect to *ad valorem* taxes, and the County's rights arising under **Section 5.01** prior to the time of such termination shall survive any such termination.

Notwithstanding anything herein to the contrary, termination of this Agreement with respect to all, or any portion of, the Project shall not result in the termination of the Development Agreement with respect to such Project property, except as may be set forth in the Development Agreement.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.01. Events of Default. Any one or more of the following events (herein called an “Event of Default”, or collectively “Events of Default”) shall constitute an Event of Default by the Company or any other Sponsor or Sponsor Affiliate (the “Defaulting Entity”) but only with respect to such Defaulting Entity’s rights, duties, and obligations contained herein:

if default shall be made in the due and punctual payment of any Negotiated FILOT Payments, which default shall not have been cured within sixty (60) days following receipt of written notice of such default from the County; or

if default shall be made in the due performance of or compliance with any of the terms hereof, other than those referred to in the foregoing paragraph (a), and such default shall continue for ninety (90) days after the County shall have given the Defaulting Entity written notice of such default; provided, the County may, in its discretion, grant the Defaulting Entity a longer period of time as necessary to cure such default if the Defaulting Entity proceeds with due diligence to cure such default; provided however, that no Event of Default shall exist under this Agreement during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Defaulting Entity has contested the occurrence of such default.

Notwithstanding anything herein to the contrary, failure to meet any investment or job creation requirements, thresholds, or levels set forth in this Agreement shall not be deemed to be an Event of Default under this Agreement, but may terminate certain benefits hereunder or obligate the Company or other Sponsor or Sponsor Affiliate, as the case may be, to make certain additional payments to the County, all as set forth in **Sections 4.02** and **5.01(f)** hereof.

Section 8.02. Remedies on Event of Default. Upon the occurrence of any Event of Default by the Company or any other Sponsor or Sponsor Affiliate, the following remedies may be exercised by the County only as to the Defaulting Entity:

the County may terminate this Agreement by delivery of written notice to the Defaulting Entity not less than thirty (30) days prior to the termination date specified therein;

the County may have access to and inspect, examine, and make copies of the books and records of the Defaulting Entity pertaining to the construction, acquisition, or maintenance of the Project or calculation of the Negotiated FILOT as provided in **Section 4.06** hereof;

the County may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then due or enforce the County’s rights hereunder, it being the express intent of the parties that the County, without limitation, shall have the same remedies available

by law to collect Negotiated FILOT Payments as if they were delinquent *ad valorem* tax payments, including execution upon the lien referred to in **Section 5.02** hereof.

Although the parties hereto acknowledge that the Negotiated FILOT Property is exempt from *ad valorem* property taxes, the County and any other taxing entity affected thereby may, without limiting the generality of the foregoing, exercise any remedies provided by general law (Title 12, Chapters 49 and 51 of the Code or any other statutory provision for tax collection of property taxes (the “Tax Statute”)) relating to the enforced collection of taxes, including an Event of Default under **Section 8.01(a)** hereof pertaining to the failure to make Negotiated FILOT Payments. The Company expressly acknowledges that in the event of its failure to make the required Negotiated FILOT Payments, that the County is only required to give notice thereof in accordance with the Tax Statute, and that no further notice is required hereunder in order to enforce the remedies set forth in this paragraph.

Section 8.03. Defaulted Payments. In the event the Company or any other Sponsor or Sponsor Affiliate should fail to make any of the payments required to be made by such entity under this Agreement, the item or installment so in default shall continue as an obligation of such entity until the amount in default shall have been fully paid. If any such default relates to its obligations to make Negotiated FILOT Payments hereunder, such entity shall pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Negotiated FILOT Act.

Section 8.04. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Company and any other Sponsor or Sponsor Affiliate may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation a suit for *mandamus* or specific performance.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Company or any other Sponsor or Sponsor Affiliate provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers, and remedies are sought to be enforced; and the exercise by the County or by the Company or any other Sponsor or Sponsor Affiliate of any one or more of the rights, powers, or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company or any other Sponsor or Sponsor Affiliate of any or all such other rights, powers, or remedies.

Section 9.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, any Sponsor or Sponsor Affiliate hereof, and their respective successors and assigns as permitted hereunder; provided, however, that notwithstanding anything herein to the contrary, the County may not assign any or all of its rights, duties, and obligations in, to, and under this Agreement without the written consent of the Company, which consent may be provided by the Company in its sole discretion.

Section 9.03. Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid, or via facsimile transmission or reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Beaufort County
Attn: County Administrator
PO Box 1228
Beaufort, South Carolina 29901
Phone: (843) 255-2026

(b) with a copy (which shall not constitute notice) to:

Beaufort County Attorney
PO Box 1228
Beaufort, South Carolina 29901
Phone: [(843)255-2055]

(c) As to the Company:

Project McClellan
c/o [_____]]
Attention: **[insert name]**
[insert street address]
[insert city, state and zip code]
Phone: [() -]

(d) with a copy (which shall not constitute notice) to:

Tushar V. Chikhliker, Esq.
Nexsen Pruet, LLC
1230 Main Street, Suite 700 (29201)
P.O. Drawer 2426
Columbia, South Carolina 29202

Phone: (803) 771-8900

Fax: (803) 253-8277

Section 9.04. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State. To the extent of any conflict between the provisions of this Agreement and the Act, the Act controls.

Section 9.05. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other and supersedes all prior and contemporaneous discussions of the parties, whether oral or written, and neither party hereto has made or shall be bound by any agreement or any warranty or representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof. Unless as otherwise expressly set forth herein, this Agreement will not confer any rights or remedies upon any Person other than the parties hereto and their respective successors and assigns as permitted hereunder.

Section 9.06. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 9.07. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 9.08. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 9.09. Amendments. Subject to the limitations set forth in Section 12-44-40(K)(2) of the Negotiated FILOT Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

Section 9.10. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 9.11. Further Proceedings. The parties intend any action to be taken hereinafter by the County pursuant to the express provisions of this Agreement may be undertaken by the Chairman of the County Council without necessity of further proceedings. To the extent additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

Section 9.12. Disparity or Ambiguity with Inducement Resolution. In the event of any disparity or ambiguity between the terms and provisions of the Inducement Resolution and the terms and provisions of this Agreement the terms and provisions of this Agreement shall control.

[Execution Pages to Follow]

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Fee in Lieu of Tax and Incentive Agreement to be effective as of the date first written above.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
D. Paul Sommerville, Chairman, County Council
Beaufort County, South Carolina

[SEAL]

Attest:

By: _____
Thomas J. Keaveny, II County Attorney
Beaufort County, South Carolina

Witnesses

PROJECT MCCLELLAN

By: _____
Name: _____
Its: Authorized Representative

EXHIBIT A
LEGAL DESCRIPTION

[INSERT LEGAL DESCRIPTION]

Applicable Negotiated FILOT Millage Rate: **[243.54]** mills

ORDINANCE NO. 2018/___
(PROJECT MCCLELLAN MULTI-COUNTY PARK)

AN ORDINANCE AUTHORIZING AND APPROVING (1) THE DEVELOPMENT OF A NEW JOINT COUNTY INDUSTRIAL AND BUSINESS PARK PURSUANT TO SECTION 4-1-170 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN CONJUNCTION WITH JASPER COUNTY (THE "PARK") SUCH PARK TO BE GEOGRAPHICALLY LOCATED IN BEAUFORT COUNTY AND TO INCLUDE THE BELOW MENTIONED PROPERTY; (2) THE EXECUTION AND DELIVERY OF A WRITTEN PARK AGREEMENT WITH JASPER COUNTY AS TO THE REQUIREMENT OF PAYMENTS OF FEE IN LIEU OF *AD VALOREM* TAXES WITH RESPECT TO PARK PROPERTY AND THE SHARING OF THE REVENUES AND EXPENSES OF THE PARK; (4) THE DISTRIBUTION OF REVENUES FROM THE PARK WITHIN BEAUFORT COUNTY; AND (5) OTHER MATTERS RELATED THERETO.

WHEREAS, pursuant to Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (collectively, the "Multi-County Park Act"), Beaufort County, South Carolina ("Beaufort County") and Jasper County, South Carolina ("Jasper County"), in order to promote economic development and thus encourage investment and provide additional employment opportunities, Beaufort County and Jasper County, as authorized under the Multi-County Park Act, now propose to establish jointly a multi-county industrial/business park (the "Park"); and

WHEREAS, Beaufort County and Jasper County have agreed to the specific terms and conditions of such arrangement as set forth in that certain Agreement for Establishment of a Multi-County Industrial/ Business Park (Project McClellan) proposed to be entered into by and between Beaufort County and Jasper County as of such date as may be agreed to by Beaufort County and Jasper County (the "Project McClellan Multi-County Park Agreement"), a form of which Project McClellan Multi-County Park Agreement has been presented to this meeting; and

WHEREAS, it appears that the Project McClellan Multi-County Park Agreement now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by Beaufort County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED BY THE BEAUFORT COUNTY COUNCIL AS FOLLOWS:

Section 1. Establishment of Project McClellan Multi-County Park; Approval of the Project McClellan Multi-County Park Agreement. There is hereby authorized to be established, in conjunction with Jasper County, a multi-county industrial/business park to be known as the Project McClellan Multi-County Park and to include therein the Project McClellan Property as more particularly described on Exhibit A. The form, provisions, terms and

conditions of the Project McClellan Multi-County Park Agreement now before this meeting and filed with the Clerk to Beaufort County Council be and they are hereby approved, and all of the provisions, terms and conditions thereof are hereby incorporated herein by reference as if the Project McClellan Multi-County Park Agreement were set out in this Ordinance in its entirety. The Chairman of Beaufort County Council is hereby authorized, directed, and empowered to execute the Project McClellan Multi-County Park Agreement in the name and on behalf of Beaufort County; the Clerk to Beaufort County Council is hereby authorized, directed, and empowered to attest the same; and the Chairman of Beaufort County Council is further authorized, directed, and empowered to deliver the Project McClellan Multi-County Park Agreement to Jasper County.

The Project McClellan Multi-County Park Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of Beaufort County thereunder and as shall be approved by the officials of Beaufort County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Project McClellan Multi-County Park Agreement now before this meeting.

The Chairman of Beaufort County Council, the County Administrator of Beaufort County, and the Clerk to the Beaufort County Council, for and on behalf of Beaufort County, are hereby each authorized and empowered to do any and all things necessary or proper to effect the development of the Project McClellan Multi-County Park and the performance of all obligations of Beaufort County under and pursuant to the Project McClellan Multi-County Park Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

Section 2. Payment of Fee in Lieu of Tax. The businesses and industries located in the Project McClellan Multi-County Park must pay a fee in lieu of *ad valorem* taxes as provided for in the Project McClellan Multi-County Park Agreement. The fee paid in lieu of *ad valorem* taxes shall be paid to the Treasurer of Beaufort County. That portion of the fee allocated pursuant to the Project McClellan Multi-County Park Agreement to Jasper County shall, upon receipt by the Treasurer of Beaufort County, be paid to the Treasurer of Jasper County in accordance with the terms of the Project McClellan Multi-County Park Agreement. Payments of fees in lieu of *ad valorem* taxes will be made on or before the due date for taxes for a particular year. Penalties for late payment will be at the same rate as late tax payment. Any late payment beyond said date will accrue interest at the rate of statutory judgment interest. Beaufort County and Jasper County, acting by and through the Treasurer of Beaufort County, shall maintain all liens and rights to foreclose upon liens provided for counties in the collection of *ad valorem* taxes. Nothing herein shall be construed to prohibit Jasper County from negotiating and collecting reduced fees in lieu of taxes pursuant to Title 4, Chapter 29 or Chapter 12, or Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended, or any similar provision in South Carolina law.

The provisions of Section 12-2-90 of the Code of Laws of South Carolina 1976, as amended, or any successor statutes or provisions, apply to the collection and enforcement of the fee in lieu of *ad valorem* taxes.

Section 3. Sharing of Expenses and Revenues. Sharing of expenses and revenues of the Project McClellan Multi-County Park by Beaufort County and Jasper County shall be as set forth in the Project McClellan Multi-County Park Agreement.

Section 4. Distribution of Revenues within Beaufort County. Revenues generated from industries and businesses located in the Project McClellan Multi-County Park and received by Beaufort County shall be distributed by Beaufort County in accordance with an ordinance to be passed by Beaufort County Council.

Section 5. Governing Laws and Regulations. The ordinances of Beaufort County, as applicable, concerning zoning, health and safety regulations, and building code requirements will apply for the entire Project McClellan Multi-County Park.

Section 6. Law Enforcement Jurisdiction. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Project McClellan Multi-County Park properties is vested with the Sheriff's Department of Beaufort County. If any of the Project McClellan Multi-County Park properties are within the boundaries of a municipality, then jurisdiction to make arrests and exercise law enforcement jurisdiction is vested with the law enforcement officials of the municipality.

Section 7. Conflicting Provisions. To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Beaufort County Code or other Beaufort County ordinances, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 8. Severability. If any section of this ordinance is, for any reason, determined to be void or invalid by a court of competent jurisdiction, it shall not affect the validity of any other section of this ordinance which is not itself void or invalid.

Section 9. Effectiveness. This Ordinance shall be effective upon third and final reading.

[End of Ordinance - Signature page to follow]

Enacted and approved, in a meeting duly assembled, this ____ day of _____, 2018.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
D. Paul Sommerville, Chairman, County Council,
Beaufort County, South Carolina

[SEAL]

APPROVED AS TO FORM:

By: _____
Thomas J. Keaveny II, County Attorney
Beaufort County, South Carolina

First Reading: June 11, 2018
Second Reading: _____, 2018
Public Hearing: _____, 2018
Third Reading: _____, 2018

EXHIBIT A
(PROPERTY DESCRIPTION)

STATE OF SOUTH CAROLINA)
)
 COUNTY OF BEAUFORT) **AGREEMENT FOR THE ESTABLISHMENT OF**
) **MULTI-COUNTY INDUSTRIAL/BUSINESS PARK**
) **(PROJECT MCCLELLAN)**
 COUNTY OF JASPER)

THIS AGREEMENT FOR THE ESTABLISHMENT OF MULTI-COUNTY INDUSTRIAL/BUSINESS PARK (PROJECT MCCLELLAN) for the establishment of a multi-county industrial/business park to be located within Beaufort County and Jasper County is made and entered into as of [_____] , 2018, by and between Beaufort County, South Carolina (“Beaufort County”) and Jasper County, South Carolina (“Jasper County”).

RECITALS

WHEREAS, Beaufort County and Jasper County are contiguous counties which, pursuant to Ordinance No. [_____] , enacted by Beaufort County Council on [_____] , 2018, and Ordinance No. [_____] enacted by Jasper County Council on [_____] , 2018, have each determined that, in order to promote economic development and thus encourage investment and provide additional employment opportunities within both of said counties, there should be established in Beaufort County a multi-county industrial/business park (the “Park”), to be located upon property more particularly described in Exhibit A (Beaufort); and

WHEREAS, as a consequence of the establishment of the Park, property comprising the Park and all property having a situs therein is exempt from *ad valorem* taxation pursuant to Article VIII, Section 13(D) of the South Carolina Constitution, but the owners or lessees of such property shall pay annual fees in an amount equivalent to the property taxes or other in-lieu-of payments that would have been due and payable except for such exemption.

NOW, THEREFORE, in consideration of the mutual agreement, representations and benefits contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Binding Agreement.** This Agreement serves as a written instrument setting forth the entire agreement between the parties and shall be binding on Jasper County and Beaufort County, their successors and assigns.

2. **Authorization.** Article VIII, Section 13(D) of the South Carolina Constitution provides that counties may jointly develop an industrial or business park with other counties within the geographical boundaries of one or more of the member counties, provided that certain conditions specified therein are met and further provided that the General Assembly of the State of South Carolina provides by law a manner in which the value of property in such park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability pursuant to any provision of law which measures the relative fiscal capacity of a school district to support its schools based on the assessed valuation of taxable property in the district as compared to the assessed valuation of taxable property in all school districts in South Carolina. The Code of Laws of South Carolina, 1976, as amended (the “Code”) and particularly, Section 4-1-170 thereof, satisfies the conditions imposed by Article VIII, Section 13(D) of the South Carolina Constitution and provides the statutory vehicle whereby a multi-county industrial or business park may be created.

3. **Location of the Park.**

(A) The Park consists of property that is located in Beaufort County and which now or will be owned and/or operated by Project McClellan one or more affiliates, and/or other project sponsors, as more particularly described in Exhibit A hereto. It is specifically recognized that the Park may from time to time consist of non-contiguous properties within Beaufort County. The boundaries of the Park may be enlarged or diminished from time to time as authorized by ordinance of the county council of Beaufort County and resolution of the county council of Jasper County. If any property proposed for inclusion in the Park is located, at the time such inclusion is

proposed, within the boundaries of a municipality, then the municipality must give its consent prior to the inclusion of the property in the Park.

(B) In the event of any enlargement or diminution of the boundaries of the Park, this Agreement shall be deemed amended and there shall be attached hereto a revised Exhibit A which shall contain a legal description of the boundaries of the Park as enlarged or diminished, together with a copy of the ordinance of Beaufort County Council and resolution of Jasper County Council pursuant to which such enlargement or diminution was authorized.

(C) Prior to the enactment by Beaufort County Council of its ordinance authorizing the diminution of the boundaries of the Park, a public hearing shall first be held by Beaufort County Council. Notice of such public hearing shall be published in a newspaper of general circulation in Beaufort County, at least once and not less than fifteen (15) days prior to such hearing. Notice of such public hearing shall also be given by certified mail that is deposited with the U.S. Postal Service at least fifteen (15) days prior to such public hearing upon the owner and, if applicable, the lessee of any property which would be excluded from the Park by virtue of the diminution.

4. **Fee in Lieu of Taxes.** Pursuant to Article VIII, Section 13(D) of the South Carolina Constitution, all property located in the Park is exempt from all *ad valorem* taxation. The owners or lessees of any property situated in the Park shall pay in accordance with this Agreement an amount (referred to as fees in lieu of *ad valorem* taxes) equivalent to the *ad valorem* taxes or other in-lieu-of payments that would have been due and payable but for the location of such property within the Park.

5. **Allocation of Expenses.** Beaufort County and Jasper County shall bear expenses incurred in connection with the Park, including, but not limited to, those incurred in the administration, development, operation, maintenance and promotion of the Park, in the following proportions:

A. Beaufort County	100%
B. Jasper County	0%

6. **Allocation of Revenues.** Beaufort County and Jasper County shall receive an allocation of all revenues generated by the Park through payment of fees in lieu of *ad valorem* taxes in the following proportions:

A. Beaufort County	99%
B. Jasper County	1%

Any payment from Beaufort County to Jasper County of Jasper County's allocable share of Park revenues: (I) shall be made and accompanied by a statement showing the manner in which total payment and each County's share were calculated. If any Park revenues are received by Beaufort County through payment by any owner, or any lessee/tenant, or any other taxpayer is made under protest, or otherwise as part of a dispute, then Beaufort County is not obligated to pay Jasper County more than Jasper County's share of the undisputed portion of the Park revenues until thirty (30) days after the final resolution of the protest or dispute.

7. **Revenue Allocation within Each County.** Park revenues generated shall be distributed to and within the County as follows:

(A) Revenues generated by the Park through the payment of fees in lieu of *ad valorem* taxes shall be distributed to Beaufort County and to Jasper County, as the case may be, according to the proportions established by this Agreement. With respect to revenues allocable to Beaufort County by way of fees in lieu of *ad valorem* taxes generated from properties within the Park, such revenue shall be distributed within Beaufort County in the manner provided by ordinance of the county council of Beaufort County; provided, that (i) each taxing entity which overlaps the applicable revenue-generating portion of the Park shall receive at least some portion of the revenues generated from such revenue-generating portion, (ii) with respect to amounts received in any fiscal year by a taxing entity, the governing body of such taxing entity shall allocate the revenues received to operations and/or debt service of such entity, and (iii) all taxing entities other than the foregoing shall receive zero percent (0%) of such revenues.

(B) Revenues allocable to Jasper County by way of fees in lieu of *ad valorem* taxes generated from properties located in the Beaufort County portion of the Park shall be distributed solely to Jasper County.

8. **Fees in Lieu of *Ad Valorem* Taxes Pursuant to Title 4 or Title 12 of the Code.** It is hereby agreed that the entry by Beaufort County into any one or more fee in lieu of *ad valorem* tax agreements pursuant to Title 4 or Title 12 of the Code or any successor or comparable statutes (“Negotiated Fee in Lieu of Tax Agreements”), with respect to property located within the Park and the terms of such agreements shall be at the sole discretion of Beaufort County.

9. **Assessed Valuation.** For the purpose of calculating the bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3) of the Code, allocation of the assessed value of property within the Park to Beaufort County and Jasper County and to each of the taxing entities within the participating counties shall be in accordance with the allocation of revenue received and retained by each of the counties and by each of the taxing entities within the participating counties, pursuant to **Sections 6 and 7** herein.

10. **Governing Laws and Regulations.** Any applicable ordinances and regulations of Beaufort County including those concerning zoning, health and safety, and building code requirements shall apply to the Park properties located in the Beaufort County portion of the Park unless any such property is within the boundaries of a municipality in which case, the municipality’s applicable ordinances and regulations shall apply.

11. **South Carolina Law Controlling.** This Agreement has been entered into in the State of South Carolina and shall be governed by, and construed in accordance with South Carolina law.

12. **Severability.** In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision of this Agreement.

13. **Counterpart Execution.** This Agreement may be executed in multiple counterparts.

14. **Additional Parties.** This Agreement may be amended from time to time to add additional counties located in South Carolina, subject to Article VIII, Section 13(D) of the Constitution of South Carolina and Title 4, Chapter 1 of the Code, by ordinance of the county council of Beaufort County, and by resolution of the county council of Jasper County; provided, however, that to the extent permitted by law, additional counties may be added as parties hereto with only the enactment of an ordinance of the county council of Beaufort County only in the event that such additional county’s allocation of Park Revenues hereunder shall be allocated solely out of Beaufort County’s residual net share of the Park Revenues provided for its use and distribution pursuant to **Section 7** hereof.

15. **Term; Termination.** Except as specifically provided in this **Section 15**, Beaufort County and Jasper County agree that this Agreement may not be terminated in its entirety by any party and shall remain in effect for a period equal to the shorter of (i) twenty-one (21) years commencing with the effective date of this Agreement or (ii) a period of time of sufficient length to facilitate any special source revenue credits due with respect to Park property; provided, however, that this Agreement shall automatically terminate in its entirety on the 30th day after provision or payment in full, or termination, of all special source revenue credits or due with respect to Park property. Notwithstanding anything in this Agreement to the contrary, this Agreement may not be terminated to the extent that Beaufort County has outstanding contractual commitments to any owner or in the event the County is the owner pursuant to a negotiated fee-in-lieu-of-tax agreement under Title 4, Chapter 29 or Chapter 12 of the Code, lessee/tenant, or other taxpayer of or with respect to Park property requiring designation of such property as part of a multi-county industrial/business park pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina and/or Title 4, Chapter 1 of the Code (the “Act”), unless Beaufort County shall first (i) obtain the written consent of such owner, lessee/tenant, or other taxpayer or (ii) designate such parcel as part of another multi-county industrial/business park pursuant to the Act effective immediately upon termination of this Agreement. Additionally, in the event that Beaufort County complies with the preceding sentence, Beaufort County may terminate this Agreement upon providing thirty (30) days notice to Jasper County and any owner or in the event the County is the owner pursuant to a negotiated fee-in-lieu-of-tax agreement under Title 4, Chapter 29 or Chapter 12 of the Code, lessee/tenant, or other taxpayer of or with respect to Park property.

16. **Law Enforcement Jurisdiction.** Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties is vested with the Sheriff’s Office of Beaufort County, for matters

within their jurisdiction. If any of the Park properties are within the boundaries of a municipality, then jurisdiction to make arrests and exercise law enforcement jurisdiction is also vested with the law enforcement officials of the municipality for matters within their jurisdiction.

[End of Agreement – Execution Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the day and the year first above written.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
D. Paul Sommerville, Chairman, County Council
Beaufort County, South Carolina

[SEAL]

Attest:

By: _____
Thomas J. Keaveny II, County Attorney
Beaufort County, South Carolina

JASPER COUNTY, SOUTH CAROLINA

By: _____
D. T. Johnson, Jr., Chairman, County Council
Jasper County, South Carolina

[SEAL]

Attest:

By: _____
Judy Frank, County Council Clerk
Jasper County, South Carolina

Exhibit A (Beaufort)

PARK PROPERTY

[TO BE INSERTED]

The remainder of this page intentionally left blank.

Exhibit B (Jasper)

JASPER COUNTY PROPERTY

None.

The remainder of this page intentionally left blank.

2018 / __

AMENDMENT TO THE BEAUFORT COUNTY COMMUNITY DEVELOPMENT CODE,
PREAMBLE, DIVISION P.20, PAGES P10 AND P-11 TO REMOVE THE HAMLET PLACE
TYPE FROM THE BUCKINGHAM LANDING COMMUNITY AT THE FOOT OF THE
BRIDGE TO HILTON HEAD ISLAND

BE IT ORDAINED, that County Council of Beaufort County, South Carolina, hereby
amends the Community Development Code of Beaufort County, South Carolina. The pages are
attached hereto and incorporated herein.

Adopted this ___ day of ____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

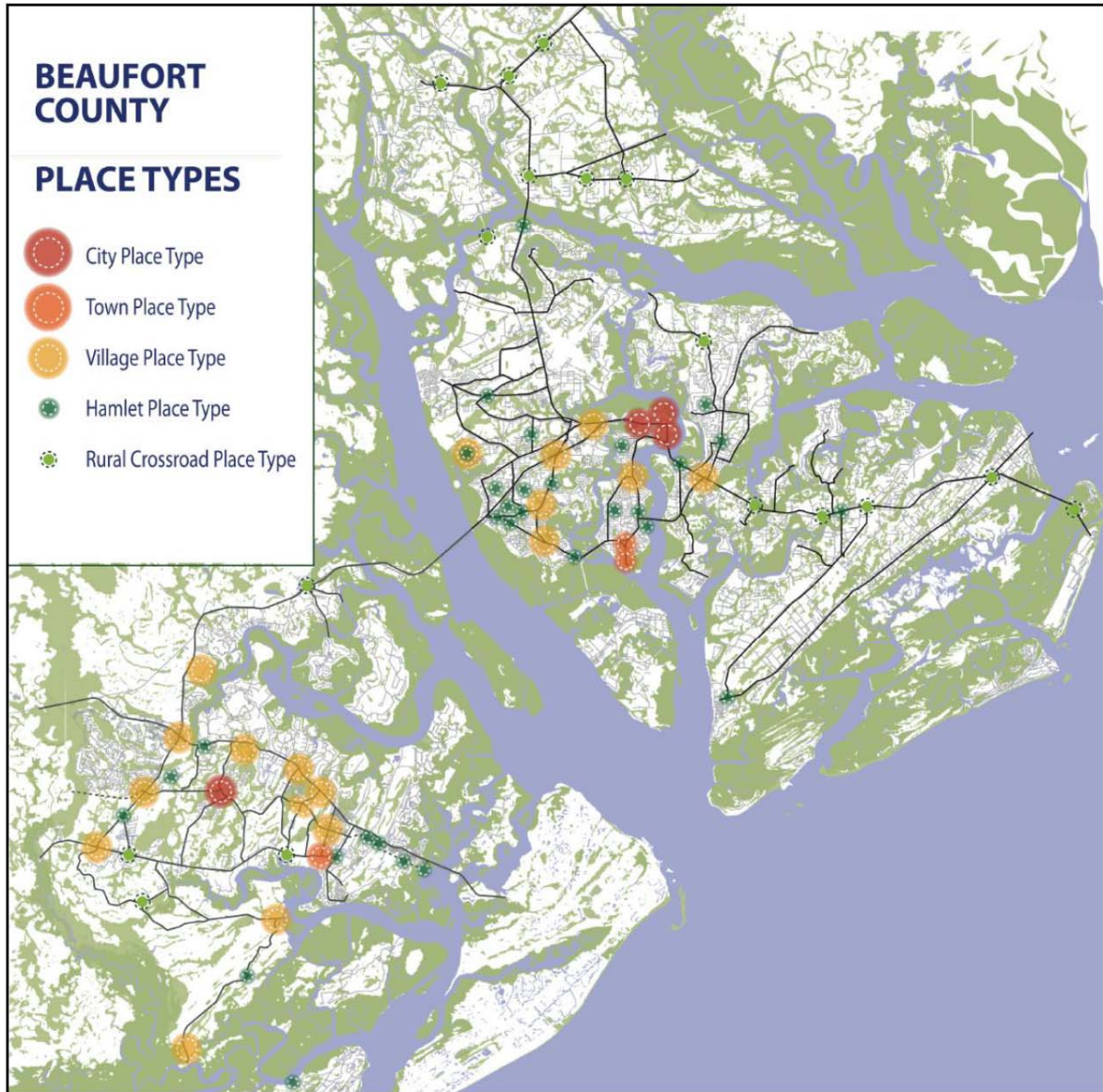
Thomas J. Keaveny, II, Esquire
County Attorney

First Reading: June 25, 2018

Second Reading:

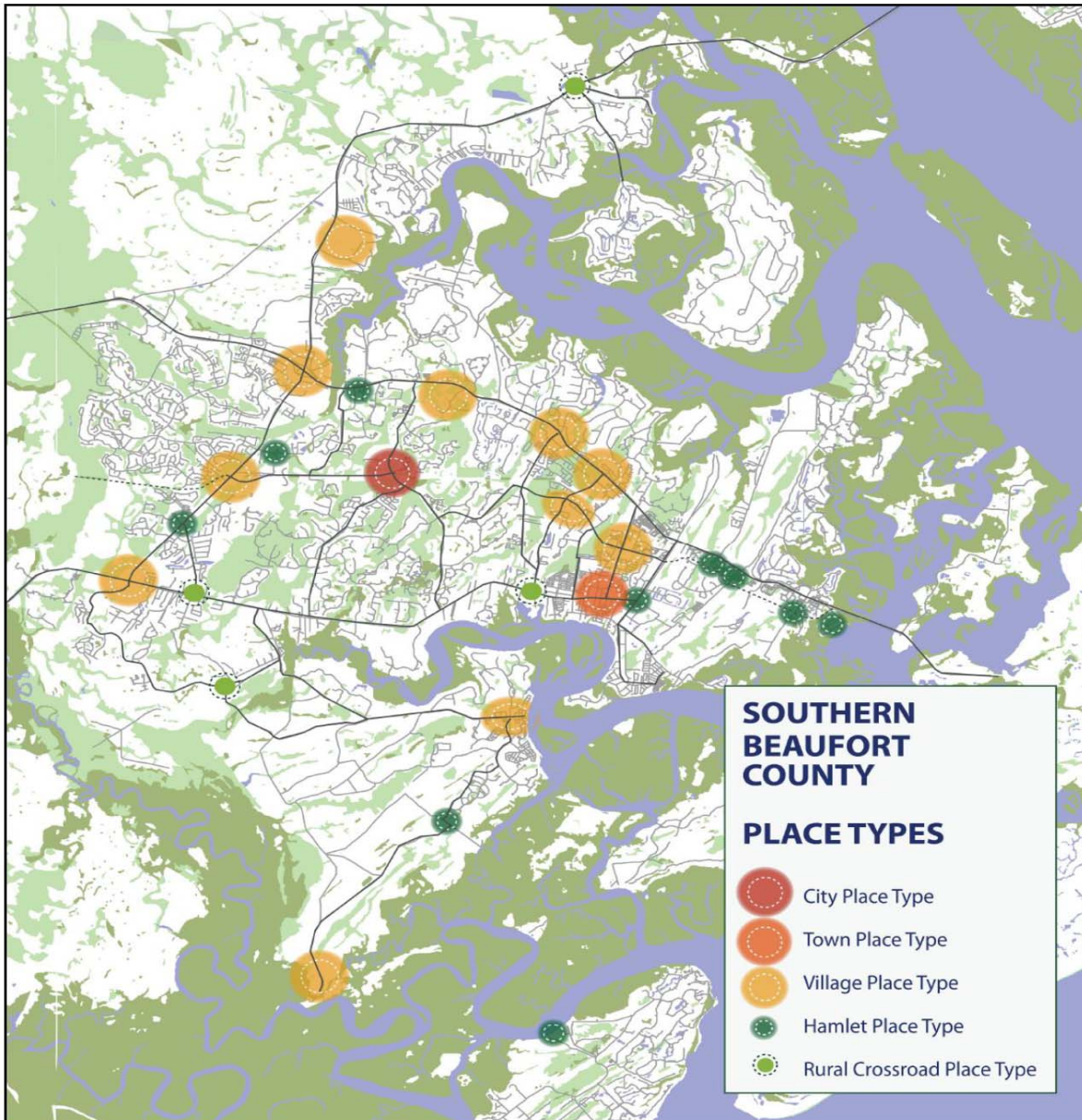
Public Hearing:

Third and Final Reading:

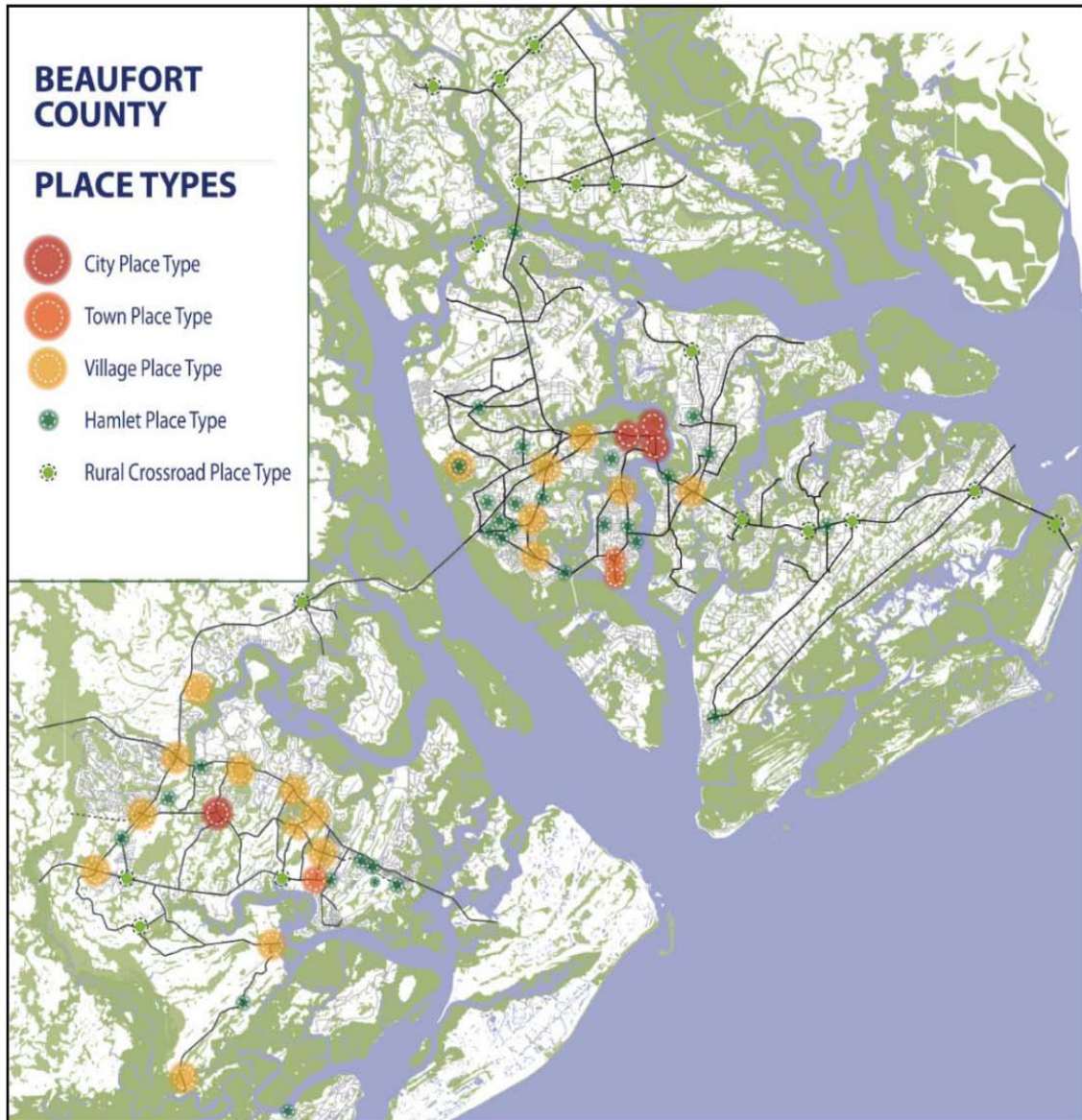


Places in Beaufort County

Existing Page P-10

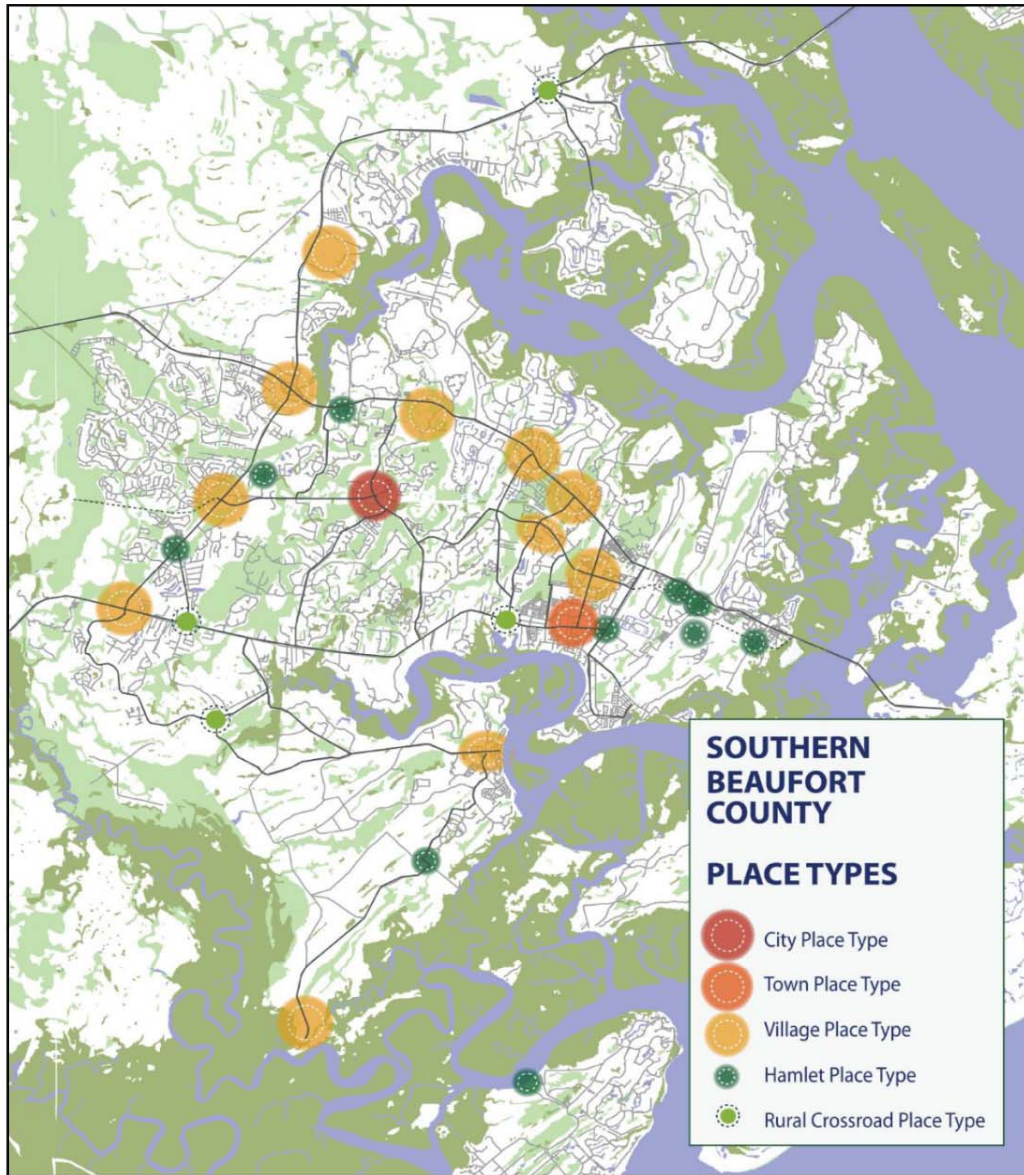


Existing Page P-11



Places in Beaufort County

Proposed Page P-10



Proposed Page P-11

2018 / __

MAP AMENDMENT TO THE BEAUFORT COUNTY COMPREHENSIVE PLAN,
CHAPTER 4: FUTURE LAND USE MAP 4-9 TO: REMOVE THE HAMLET PLACE TYPE
ON THE BUCKINGHAM LANDING COMMUNITY AT THE FOOT OF THE BRIDGE TO
HILTON HEAD ISLAND

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

Adopted this ___ day of ____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
County Attorney

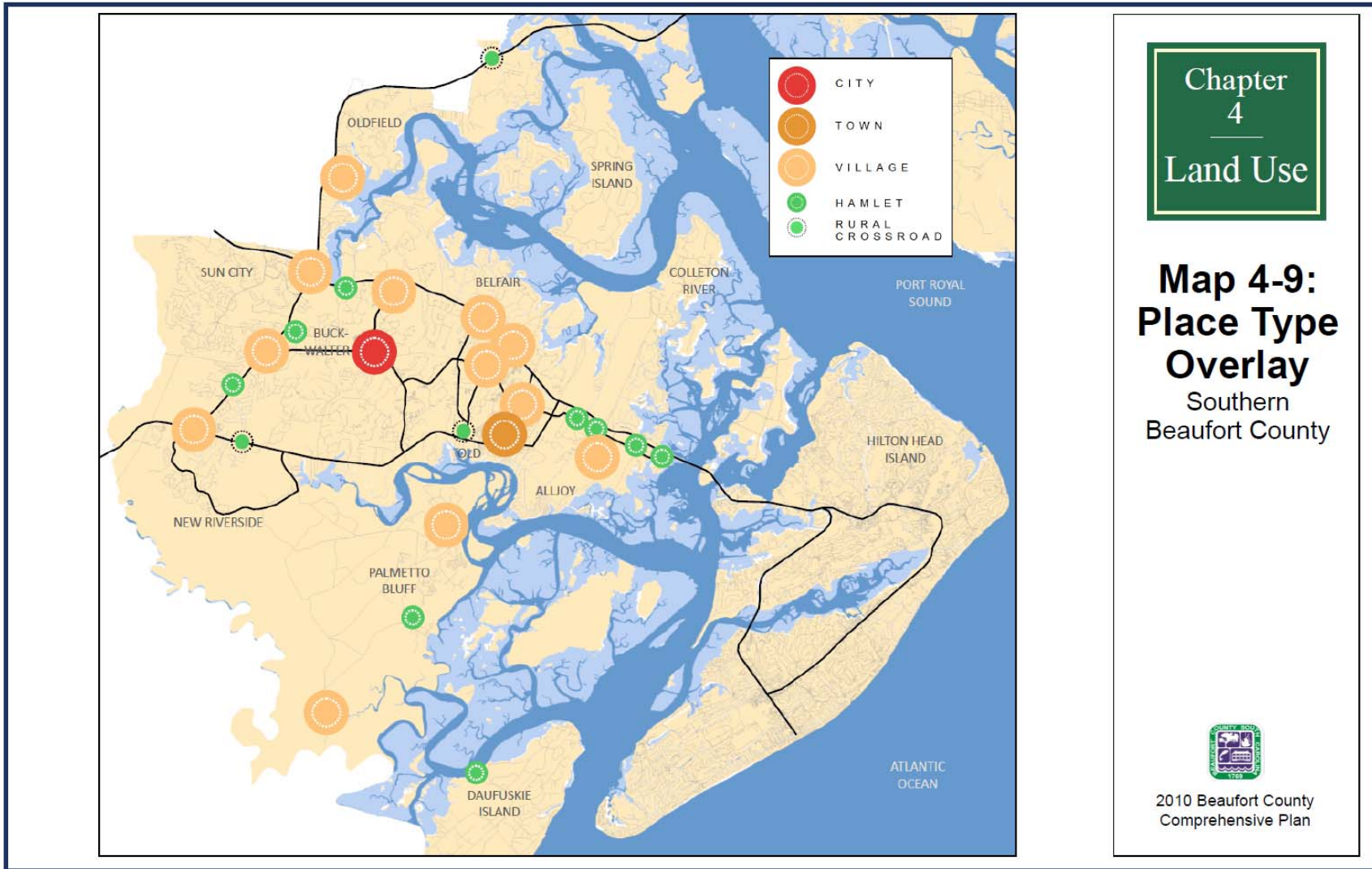
First Reading: June 25, 2018

Second Reading:

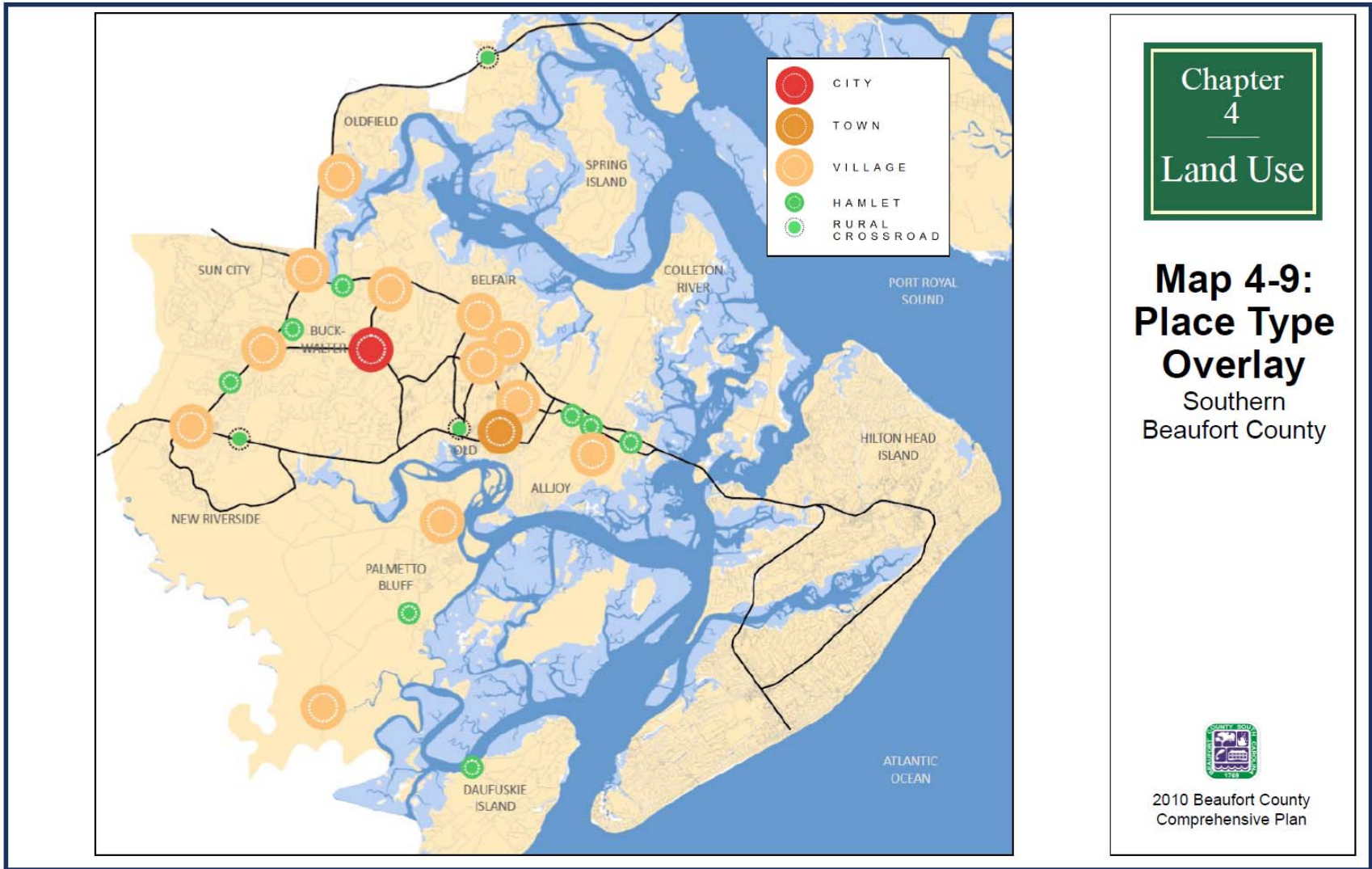
Public Hearing:

Third and Final Reading:

Existing Map



Proposed Map



ORDINANCE 2018/___

AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE COUNTY OF BEAUFORT, SOUTH CAROLINA, AND SEABROOK SOLAR, LLC

WHEREAS, Beaufort County, South Carolina (the “County”), acting by and through the Beaufort County Council (the “County Council”) is empowered under and pursuant to the provisions of the South Carolina Local Government Development Agreement Act, Title 6, Chapter 31, Code of Laws of South Carolina, 1976, as amended (the “Act”), to enter into development agreements relating to property within the County; and

WHEREAS, the County Council has determined that the Development Agreement by and between Beaufort County, South Carolina, and Seabrook, LLC (the Development Agreement”) is consistent with the Beaufort County Comprehensive Plan (the “Comprehensive Plan”) and the Beaufort County Community Development Code (the “CDC”); is a proper exercise of the police power and authority granted to the County government; and benefits the general health, safety and welfare of the citizens of the County for the County to enter into the Development Agreement relating to the development property identified as TMS Nos. R700 029 000 0054 0000 and R700 028 000 0086 0000 in Beaufort County, South Carolina.

NOW, THEREFORE, BE IT ORDAINED, by the County Council of Beaufort County, South Carolina, in a meeting duly assembled, as follows:

SECTION 1. FINDINGS INCORPORATED

The above recitals and findings are incorporated herein by reference and made a part of this Ordinance. In addition to the recitals set forth above, which the County Council hereby adopts as findings of fact, the County Council specifically finds that the Development Agreement attached hereto as Exhibit “A” and incorporated herein by reference, complies with the Act, the Comprehensive Plan, and the CDC.

SECTION II. DEVELOPMENT AGREEMENT

The terms of the Development Agreement are hereby approved in accordance with the Act and the CDC. The Development Agreement shall be effective immediately upon approval of this Ordinance after third reading and execution by both parties.

SECTION III. EXECUTION

The County Administrator is authorized to execute and deliver the Development Agreement on behalf of the County, and any and all other necessary documents or instruments incidental to the approval of this Ordinance and the Development Agreement.

SECTION IV. EFFECTIVE DATE

This Ordinance shall become effective immediately upon its approval following third reading by the County Council.

THEREFORE, BE IT ORDAINED, ENACTED and APPROVED, in a meeting duly assembled, this ____ day of _____, 2018.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
D. Paul Sommerville, Chairman, County Council,
Beaufort County, South Carolina

[SEAL]

APPROVED AS TO FORM:

By: _____
Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading: June 11, 2018
Second Reading: _____, 2018
Public Hearing: _____, 2018
Third Reading: _____, 2018

EXHIBIT A

Seabrook Solar Development Agreement

**SEABROOK SOLAR
DEVELOPMENT AGREEMENT
BY AND BETWEEN**

**SEABROOK SOLAR, LLC,
AND
BEAUFORT COUNTY, SOUTH CAROLINA**

_____, 2018

**Prepared by:
Nicole Scott Ewing
Nexsen Pruet, LLC
205 King Street
Charleston, SC 29401**

**DEVELOPMENT AGREEMENT
BY AND BETWEEN**

SEABROOK SOLAR, LLC

AND

BEAUFORT COUNTY, SOUTH CAROLINA

TABLE OF CONTENTS

RECITALS 1

1. The Real Property 2

2. Definitions..... 2

3. Compliance with South Carolina Code Section 6-31-60..... 6

4. Relationship of the Parties 6

5. Legal Description of the Real Property 6

6. Intent of the Parties 7

7. Consistency with the County’s Comprehensive Plan and Land
Development Regulations 7

8. Legislative Act..... 7

9. Applicable Land Use Regulations 8

10. Building Codes and Laws Other Than Land Use Regulations 8

11. Local Development Permits and Other Permits Needed 9

12. Facilities and Services..... 12

13. Traffic Considerations 13

14. Fees 13

15. Schedule for Project Development 15

16. Term of the Agreement..... 16

17.	Amending or Canceling the Agreement	16
18.	Modifying or Suspending the Agreement.....	16
19.	Periodic Review	17
20.	Severability	17
21.	Merger.....	18
22.	Conflicts of Law	18
23.	Venue	18
24.	Default.....	18
25.	Recording.....	19
26.	Third Parties.....	19
27.	County Approval of Agreement.....	19
28.	Successors and Assigns.....	20
29.	General Terms and Conditions	22

EXHIBITS

Exhibit A: Legal Description

Exhibit B: Boundary Plat

Exhibit C: Development Schedule

Exhibit D: Current Regulations

Exhibit E: Development Agreement Ordinance

Exhibit F: Form Partial Assignment and Assumption of Rights and Obligations

Exhibit G: Legal and Equitable Owners

DEVELOPMENT AGREEMENT

**BY AND BETWEEN
SEABROOK SOLAR, LLC,
AND
BEAUFORT COUNTY, SOUTH CAROLINA,**

This DEVELOPMENT AGREEMENT (together with the Exhibits attached hereto, the "Agreement") is entered into effective as of the _____ day of _____, 2018, which shall be the date of recording of this fully approved and executed Agreement (the "Effective Date"), by and between Seabrook Solar, LLC, a Delaware limited liability corporation, and Beaufort County, a political subdivision of the State of South Carolina.

RECITALS

This Agreement is predicated upon the following:

- I. The Code of Laws of South Carolina (the "S.C. Code") Sections 6-31-10 through 6-31-160, as it exists on the Effective Date of this Agreement (the "Act"), enables political subdivisions of the State of South Carolina to enter into binding development agreements with entities intending to develop real property under certain conditions set forth in the Act.
- II. Division 7.3 of Article 7 of the Beaufort County Community Development Code governs Beaufort County's participation in development agreements.

III. The County conducted public hearings regarding its consideration of this Agreement on _____, 2018, and _____, 2018, after publishing and announcing notice, in accordance with the Act.

IV. County Council adopted Ordinance Number _____ on the ____ day of _____, 2018, (a) determining that this Agreement is consistent with the County Comprehensive Plan, the Act, and the Current Regulations of the County, and (b) approving this Agreement. A copy of the Ordinance is attached hereto as Exhibit E, and incorporated herein by reference.

NOW THEREFORE, in consideration of the promises of this Agreement and the mutual benefits to the parties, the parties agree as follows:

1. The Real Property. The Real Property subject to this Agreement currently consists of approximately one thousand forty-two (1,042) acres, of which approximately eight hundred eighty (880) acres are highland. A legal description of the Real Property is set forth in Exhibit A, and the boundary lines of the property are shown on the plat attached as Exhibit B.

2. Definitions. In this Agreement, unless the word or phrase is non-capitalized:

(a) “Agreement” means this Development Agreement, including the recitals and exhibits attached hereto.

(b) “Annual Development Fee” means that minimum payment made to Beaufort County by the Property Owner, its successors or assigns pursuant to Paragraph 14 herein.

(c) “Comprehensive Plan” means the Beaufort County Comprehensive Plan, Ordinance No. 2011/1, adopted on January 11, 2011, pursuant to S.C. Code Section 6-29-510, et

seq., as amended, and the official zoning map adopted pursuant to S.C. Code Section 6-7-1210, et seq.

(d) “County” means Beaufort County, South Carolina.

(e) “Current Regulations” mean the Comprehensive Plan and the Beaufort County Community Development Code, Ordinance No. 2014/36, as adopted by County Council on December 8, 2014, all as amended through the Effective Date hereof. “Current Regulations” do not include subdivision plat and development plan procedural processes and fees.

(f) “Development” means the planning for or carrying out of a building activity or mining operation, the making of a material change in the use or appearance of any structure or property, or the dividing of land into parcels. “Development,” as designated in a law or development permit, includes the planning for and all other activity customarily associated with it unless otherwise specified. When appropriate to the context, “Development” refers to the planning for or the act of developing or to the result of development. Reference to a specific operation is not intended to mean that the operation or activity, when part of other operations or activities, is not development. Reference to particular operations is not intended to limit the generality of this item.

(g) “Development Parcel” means any tract of land on which Development may occur, including platted Lots and unplatted parcels, but excluding street rights-of-way.

(h) “Development Permit” includes a County building permit, zoning permit, subdivision approval, rezoning certification, special exception, variance, or any other official action of the County having the effect of permitting the Development or use of Real Property.

(i) “Facilities” means major capital improvements to be constructed on the Real Property including, but not limited to, transportation, sanitary sewer, solid waste, drainage, and potable water. Except as may be specifically provided for in this Agreement, and in consideration, in part, of the fees to be paid to Beaufort County pursuant to Section 14, the Property Owner is specifically exempted from any County requirement for the provision of facilities relating to public education, public health systems and facilities, libraries, parks and recreational facilities, public housing, jails and other detention sites, courts, and police. Such exemptions shall not, however, exempt Property Owner from payment of applicable user, tap and impact fees, respectively, for any such facilities.

(j) “FILOT Agreement” means that certain Fee in Lieu of Tax and Incentive Agreement by and between/among the County, and Project McClellan (as defined in the FILOT Agreement) dated as of the ____ day of _____, 2018 as may be amended, supplemented, or modified from time to time.

(k) “FILOT Project” shall have the meaning ascribed to such term in the FILOT Agreement.

(l) “Land Development Regulations” means ordinances and regulations enacted by County Council for the regulation of any aspect of Development and include County zoning, rezoning, subdivision, building construction, sign regulations or any other regulations controlling the Development or use of Real Property.

(m) “Law” means all ordinances, resolutions, regulations, comprehensive plans, land development regulations, policies and rules, custom and usage (formal and informal) adopted by the County Council affecting the Development of Real Property, and includes laws governing

permitted uses of the Real Property, governing density, and governing design, improvement, and construction standards and specifications, except those regarding the provision of electricity or gas service, including, but not limited to, the generation, transmission, distribution, or provision of electricity at wholesale, retail or in any other capacity.

(n) “Lot” means a Development Parcel identified in a Subdivision Plat recorded in the Beaufort County Register of Deeds Office.

(m) “Parcel” means any of those tracts of Real Property that are identified on the Boundary Plat, attached as Exhibit B, as same may be specifically identified by the filing of a subdivision application.

(o) “Parties” means the Property Owner and the County.

(p) "Permits" include any and all governmental or other permits, consents, approvals, certifications, licenses, authorizations, utility connections, annexation, zoning, special use, certificate of designation or other land use designation as may be necessary to allow Property Owner or its assignee to operate a solar farm or other permitted facility or operation for which no appeal has been taken within the time required by law.

(q) “Project” is the Development that will occur within and upon the Real Property described in Exhibit A and Exhibit B, including but not limited to the development of a solar farm.

(r) “Property Owner” means Seabrook Solar, LLC, a Delaware limited liability corporation, who has an equitable interest in the Real Property, together with all subsidiaries and other entities that have legal or equitable interest on the date of execution hereof in any of the Real Property as described in Section 5, and includes Seabrook Solar, LLC’s successors in interest or

successors in title and/or assigns by virtue of assignment or other instrument pursuant to Section 28 hereof.

(s) “Real Property” is the real property referred to in Section 1 and Section 5 and includes any improvements or structures customarily regarded as part of real property.

(t) “Subdivision Plat” means a recorded graphic description of property prepared and approved in compliance with the Current Regulations, as modified in this Agreement.

(u) “Term” shall have the meaning set forth in Section 16 of this Agreement.

(v) “Vested Rights” shall have meaning set in section 9(b) of this agreement.

3. Compliance with South Carolina Code Section 6-31-60. Pursuant to South Carolina Code Section 6-31-60, a list of all individuals/entities with an equitable or legal interest in the Real Property is attached hereto as Exhibit G.

4. Relationship of the Parties. This Agreement creates a contractual relationship among the Parties. This Agreement is not intended to create, and does not create, the relationship of master/servant, principal/agent, independent contractor/employer, partnership, joint venture, or any other relationship where one party may be held responsible for acts of the other party. Further, this Agreement is not intended to create, nor does it create, a relationship whereby the conduct of the Property Owner constitutes “state action” for any purposes.

5. Legal Description of the Real Property. The Real Property which is the subject of this Agreement is described as follows:

(a) A legal description of the Real Property is set forth in Exhibit A.

(b) A boundary plat of the Real Property is set forth in Exhibit B.

The Real Property currently consists of approximately eight hundred eighty (880) acres of highland and approximately one hundred sixty-two (162) acres of wetlands, with a total gross acreage of approximately one thousand forty-two (1,042) acres.

The Property Owner may notify the County from time to time of property proposed to be added to the legal description of Real Property by the filing of a legal description of such properties owned by Property Owner with the Clerk of Council; provided, however, that no other property shall be added to the Agreement unless this Agreement is duly amended to add the legal description of the properties desired to be added to the legal description of the Real Property, pursuant to S.C. Code Section 6-31-10, et seq.

6. Intent of the Parties. The Parties agree that the burdens of this Agreement bind, and the benefits of this Agreement shall inure, to each of them and to their successors in interest and, in the case of the Property Owner, to their successors in title and/or assigns. The Parties are entering into this Agreement in order to secure benefits and burdens referenced in the Code of Laws of South Carolina, Sections 6-31-10, et seq. To that end, the Parties agree to cooperate fully with each other to accomplish the purposes of this Agreement during the Term of this Agreement.

7. Consistency with the County's Comprehensive Plan and Land Development Regulations. This Agreement is consistent with the County's Comprehensive Plan and Current Regulations.

Whenever expressed or implied substantive provisions of this Agreement are inconsistent with the applicable standards set forth in the Current Regulations, the standards set forth in the Current Regulations and the standards set forth in this Agreement shall, to the extent possible, be considered in *pari material* to give effect to both the Current Regulations and this Agreement; provided, however, that nothing in this section is intended to revoke or repeal the review, variance,

special exception, or appeal authority of other bodies contained in Code of Laws of South Carolina § 6-29-800 or in the Current Regulations.

8. Legislative Act. Any change in the standards established by this Agreement or to Laws pertaining to the same shall require the approval of County Council, subject to compliance with applicable statutory procedures and consistent with Section 9(a). This Agreement constitutes a legislative act of County Council. County Council adopted this Agreement only after following procedures required by S.C. Code Section 6-31-10, et seq. This Agreement shall not be construed to create a debt of the County as referenced in Section 6-31-145.

9. Applicable Land Use Regulations.

(a) Applicable Laws and Land Development Regulations. Except as otherwise provided by this Agreement or by South Carolina Code Section 6-31-10, et seq., the Laws applicable to Development of the Real Property, subject to this Agreement, are those in force at the time of execution of this Agreement, defined as the Current Regulations, attached hereto as Exhibit D. The County may apply a subsequently adopted law to a development that is subject to this Agreement only if the subsequently adopted law meets the requirements of the Code of Laws of South Carolina § 6-31-80(b), as the same may be amended from time to time.

(b) Vested Rights. Subject to the provisions of subparagraph (a) above, all rights and prerogatives accorded the Property Owner by this Agreement shall immediately constitute vested rights for the Development of the Real Property for the term of this Agreement or until earlier terminated, cancelled or suspended pursuant hereto.

Subparagraph 9(a) of this Agreement does not abrogate any rights either preserved by S.C. Code Section 6-31-140 or that may have been vested pursuant to common law and otherwise in the absence of a development agreement.

10. Building Codes and Laws Other Than Land Use Regulations. The Property Owner, notwithstanding any provision which may be construed to the contrary in this Agreement, must comply with any building, housing, electrical, mechanical, plumbing and gas codes subsequently adopted by the County or other governmental entity, as authorized by Chapter 9 of Title 6 of the South Carolina Code. This Agreement shall not be construed to supersede or contravene the requirements of any building, housing, electrical, mechanical, plumbing and gas codes subsequently adopted by the County or other governmental entity, as authorized by Chapter 9 of Title 6 of the South Carolina Code. The provisions of this Agreement are not intended, nor should they be construed in any way, to alter or amend in any way the rights, duties and privileges of the County to exercise governmental powers and pass laws not applicable to Development of the Real Property including, but not limited to, the power of eminent domain and the power to levy and collect taxes; provided, however, that Laws applicable to the Development of the Real Property shall be subject to Section 9(a).

11. Local Development Permits and Other Permits Needed. The Parties anticipate that local Development Permits and other regulatory permits will be needed to complete the Project as more fully described in the Current Regulations.

The failure of this Agreement to address a particular permit, condition, term, or restriction does not relieve the Property Owner of the necessity of complying with the Law governing permit requirements, conditions, terms, or restrictions.

A. LAND USES AND INTENSITIES

(a) Permitted Land Uses and Intensities. The permitted land uses and intensities set forth in the T2-R zoning district, as described in the Current Regulations, attached hereto as Exhibit D, are allowed on the Real Property. The County acknowledges and agrees that a solar farm is a permitted use under the T2-R zoning district, and that the Property Owner’s intent is to construct a 72.5 megawatt solar farm (the “Solar Farm”) on the Real Property.

(b) Standards. All standards and regulations pertaining to the T2-R zoning district, as applicable, including but not limited to building development standards, setbacks, buffers, fencing, signage, conditional use requirements, parking, off street loading, landscaping, height, tree-protection, vibration, noises, air pollution, odors, toxic matters and hazardous waste, fire and explosive hazards, radioactive materials, light and glare, electromagnetic interference, smoke and particulate matter, fumes, vapors, heat, cold, dampness, or movement of air, financial security, water supply, sewage, disposal requirements, road classification and design standards, construction standards, storm water design, and all other required regulations and standards found in the Current Regulations shall apply with respect to planned uses for which Property Owner seeks site plan approval. Other statutes, regulations and ordinances not specifically included in the Current Regulations, such as International Building, Fire and Electrical Codes, shall also apply.

B. SUBDIVISION PLAN AND DEVELOPMENT PERMIT APPROVAL

Conceptual, preliminary plans and final plats, as defined in the Current Regulations, as applicable, for each phase of the Development shall be submitted for review and approval pursuant to the applicable provisions of the Current Regulations, but shall utilize and be subject to the subdivision and development permitting processes and fees in effect at the time of submission.

C. DECOMMISSIONING

The Property Owner acknowledges and agrees that decommissioning will be required following a continuous period of twelve (12) months in which no electricity is generated by the Solar Farm other than for mechanical, repair, replacement, and/or maintenance purposes.

The Property Owner shall submit a decommissioning plan that describes the anticipated life of the Solar Farm; the estimated decommissioning costs in current dollars; the method for ensuring that funds will be available for decommissioning and restoration; and the anticipated timeline and manner in which the Solar Farm project will be decommissioned and the site restored to its condition prior to the development of the solar farm. The decommissioning plan shall be recorded in the Beaufort County Register of Deeds prior to the issuance of a Zoning Permit, as such term is defined in the Current Regulations.

The Property Owner shall have twelve (12) months to complete decommissioning of the Solar Farm. Decommissioning shall include removal of solar panels, foundations, structures, cabling, electrical components, conduit, and any other associated facilities as described in the decommissioning plan.

Prior to the issuance of the Zoning Permit, the applicant must provide the County with a performance guarantee in the form of a corporate guarantee from an investment grade company or other equivalent security acceptable to the County in the amount of 125% of the estimated decommission cost minus the salvageable value, or \$50,000, whichever is greater. Estimates shall be determined by an engineer licensed to practice in South Carolina, and the County will be the holder of the guarantee.

Every five (5) years a new engineer's estimate of the probable cost of decommissioning shall be submitted for approval in the same manner as the initial submission, and the letter of credit, corporate guarantee, or other financial security acceptable to the County shall be adjusted upward or downward as necessary.

12. Facilities and Services. Although the nature of this long-term project prevents the Property Owner from providing exact completion dates, the general phases of Development are set forth in Section 15 and described in Exhibit C attached hereto and incorporated herein by reference. The Property Owner certifies that the Facilities will be in place (or if not fully in place, the cost of construction fully bonded or letter of credit posted pursuant to the Current Regulations) at the times provided herein. Subject to compliance with applicable Laws, all provisions of this Agreement, required subdivision and development approvals, and prior approval of construction plans by the County or other applicable governmental entity, the County hereby authorizes the Property Owner, on its own or through its affiliated companies, to install the Facilities. Notwithstanding any provision herein to the contrary, the Property Owner hereby assures the County that adequate Facilities shall be available concurrent with the phases of Development.

(a) Rights-of-Way/Easement. The Property Owner or a third party shall at its expense develop and provide roads and other related infrastructure within the Project and pursuant to and at such time required by the development plans for the Project and/or the Current Regulations. The Property Owner or a third party shall also be responsible for repairing any damage made to public roads or highways used to access the Property during construction, and surety to ensure such may be required by the County.

(b) Water and Sewer. Subject to approval by the South Carolina Department of Health and Environmental Control (“DHEC”), the Facilities for water and sewer on the Real Property will be provided by the Beaufort-Jasper Water Authority. In the event public sewer is not practically available to the Property through the Beaufort-Jasper Water and Sewer Authority, nor subject to a required tie-in under their policies due to the distance to the existing sewer lines, septic fields may be utilized on the Property, subject to DHEC and County permitting in the usual and customary course.

13. Traffic Considerations. Access to the Project will be from US Highway 21 and Keans Neck Road, and shall comply with Current Regulations. Additionally, the condition of these roads will be documented to the satisfaction of the owning and/or maintaining entity prior to the beginning of construction on the Property, and if required by the owning or maintaining entity, security in the form of an acceptable financial instrument in an amount sufficient to ensure repair of the roads, shoulders, and paving surface shall be a condition precedent to the granting of a subdivision or development permit by the County.

14. Fees.

(a) Development and Impact Fees. County and Property Owner agree that the Property Owner will pay, or cause to be paid by a third party, all road and fire impact fees (the “Impact Fees”) as same may become due. Other than the Impact Fees, the County specifically acknowledges and agrees that there are no development fees currently imposed by the County that are applicable to the Project, other than the usual and customary application, inspection and similar fees generally applicable to all development (“Customary Fees”), as may be amended by the terms of this Agreement, and will not impose any other development fees, including impact fees, on the

Project during the term of this Agreement other than the fees set forth in subsection 14(b), 14(c), the Impact Fees, and the Customary Fees.

(b) Fees-in-lieu of taxes.

(i) Property Owner and County acknowledge that all or a portion of the Project is, or will be upon being placed in service, subject to a fee-in-lieu of tax agreement pursuant to Title 12, Chapter 44 of the Code of Laws of South Carolina (the “Negotiated FILOT Act”) (the “FILOT Agreement”) pursuant to Ordinance No. ____, which was adopted by County Council on the ____ day of _____, 2018 and will be included in a multi-county industrial or business park pursuant to Title 4, Chapter 1 of the Code (the “Multi-County Park Act”). The FILOT Agreement and its fee-in-lieu tax arrangement are partial consideration of the reduced impact the Project will have on schools and other services as referenced in Section 14(a).

(ii) Property Owner agrees to make, or cause to be made, an Annual Development Fee of \$ _____, subject to a credit against such Annual Development Fee obligation in an amount equal to the actual aggregate amount of the annual fee-in-lieu of tax payments made, or *ad valorem* taxes paid, as the case may be, with respect to the FILOT Project, whether or not pursuant to the Negotiated FILOT Act and/or the Multi-County Park Act (the “FILOT Payments”), as described in further detail below. Annual Development Fees payable for a term equal to the scheduled term of the annual negotiated FILOT payments to be made under and pursuant to the FILOT Agreement with respect to the FILOT Project; provided however, that in the event that the FILOT Agreement is terminated due to a breach by County, Property Owner’s obligation under this Section 14(b) terminates. The County

and Property Owner acknowledge and agree that the present term of the annual negotiated FILOT arrangement is equal to thirty (30) years and, as a result, Property Owner shall be, subject to the proviso set forth in the preceding sentence, obligated to make, or cause to be made, thirty (30) Annual Development Fee payments.

(iii) The Annual Development Fee is being provided in consideration, among other things, of the granting of the Multi-County Business Park status and the FILOT Agreement, the exclusion of other development fees by the County, the exemption from the application of future laws as provided herein, and to assure other public benefits pursuant to §§ 6-31-10(4) and 6-31-60(D) of the South Carolina Code of Laws, 1976 (as amended).

(iv) As the Annual Development Fee is to be offset by the payment of FILOT payments or *ad valorem* taxes actually paid, in the event the offsets are not sufficient to fully satisfy the Annual Development Fee, or because no offsetting payment or a less than full offset payment is made because of the circumstances set forth in (ii) above, the Property Owner covenants and agrees the County shall have a continuing equitable lien on the Real Property (including fixtures) to secure payment of the Annual Development Fee, with such equitable lien to be superior to any mortgage on the Real Property granted after execution of this Development Agreement.

(c) Business License Fee. Property Owner and County acknowledge that the Project is subject to certain business license fees pursuant to Chapter 18 of the Code of Ordinances of Beaufort, South Carolina. In lieu of a yearly calculation, Property Owner will submit a letter from a certified public account certifying the gross sales of the Project. The County agrees to provide in

the FILOT Agreement a special source revenue credit for any portion of the annual business license fee that exceeds \$7,500.

15. Schedule for Project Development.

(a) Commencement Date. The Project will be deemed to commence Development upon the Effective Date of this Agreement.

(b) Interim Completion Date. The Property Owner projects that during the years after the execution and adoption of this Agreement, the following percentages of the Development of the Real Property will occur:

<u>YEAR</u>	<u>% COMPLETE</u>
5	100%
10	100%

16. Term of the Agreement. The term of this Agreement shall be ten (10) years, commencing on the Effective Date; provided, however, that this Agreement shall automatically renew for two (2) five-year renewal periods.

17. Amending or Canceling the Agreement. Subject to the provisions of Section 6-31-80, et. seq., and Paragraph 16 hereof, this Agreement may be amended or canceled in whole or in part only by mutual consent of the Parties in writing or by their successors in interest.

Any amendment to this Agreement shall comply with the provisions of Section 6-31-10, et seq. Any requirement of this Agreement requiring consent or approval of one of the parties shall not require amendment of this Agreement unless the text expressly requires amendment. Wherever said consent or approval is required, the same shall not be unreasonably withheld. A

major modification of this Agreement shall occur only after public notice and a public hearing by the County.

18. Modifying or Suspending the Agreement. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, the pertinent provisions of this Agreement shall be modified or suspended as may be necessary to comply with the state or federal laws or regulations. Notwithstanding the foregoing, it is acknowledged that state law changes affecting the payment of *ad valorem* or FILOT payments as contemplated herein shall not affect the responsibility of the Property Owner, its successors or assigns, to pay the Annual Development Fee pursuant to Section 14 herein, such being a contractual liability enforceable by a civil suit for damages.

19. Periodic Review. The County Administrator or their designee shall review the Project and this Agreement at least once every twelve (12) months, at which time the Property Owner shall demonstrate good-faith compliance with the terms of this Agreement.

If, as a result of its periodic review or at any other time, the County finds and determines that the Property Owner has committed a material breach of the terms or conditions of this Agreement, the County shall serve notice in writing upon the Property Owner setting forth with reasonable particularity the nature of the breach and the evidence supporting the finding and determination, and providing the Property Owner a reasonable time in which to cure the material breach.

If the Property Owner fails to cure any material breach within the time given, then the County unilaterally may terminate or modify this Agreement or, in the case of a failure to pay the Annual Development Fee, the County may seek actual damages in such appropriate civil cause of

action in the Court of Common Pleas for Beaufort County; provided, that in the case of a modification or termination, the County has first given the Property Owner the opportunity: (1) to rebut the County's finding and determination; or (2) to consent to amend this Agreement to meet the concerns of the County with respect to the findings and determinations.

20. Severability. Subject to the provisions of Section 6-31-150, if any word, phrase, sentence, paragraph, provision, or exhibit of this Agreement shall either be terminated by any provision stated therein or finally adjudicated to be invalid, void, or illegal it shall be deleted and in no way affect, impair, or invalidate any other provision or agreement hereof.

21. Merger. This Agreement, coupled with its exhibits, which are incorporated herein by reference, shall state the final and complete expression of the Parties' intentions. In return for the respective rights, benefits and burdens undertaken by the Parties, and subject to Code of Laws of South Carolina §6-31-80(B) the Property Owner shall be, and is hereby, relieved of obligations imposed by future land development laws, ordinances and regulations, except those which may be specifically provided for herein for the term of this Agreement, or until earlier terminated, cancelled or suspended pursuant hereto.

The Parties hereto agree to cooperate with each other to effectuate the provisions of this Agreement and to act reasonably and expeditiously in all performances required under the Agreement.

In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties hereby agree to cooperate in defending such action.

22. Conflicts of Law. This Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina.

23. Venue. Any action brought under or involving this Agreement shall be brought in Beaufort County, South Carolina.

24. Default. (i) Except as otherwise provided herein, if either party breaches this Agreement or defaults in the performance of any of the covenants or conditions contained herein for fifteen (15) days after the other party has given the party breaching or defaulting written notice of such breach or default and such party has not cured or commenced curing such default, the non-breaching party may pursue all available legal and equitable remedies, including termination of the Agreement as may be allowed under the Act; however, the Parties agree that neither party is entitled to punitive damages. Waiver of a default shall not be construed or determined to be a continuing waiver of the same or any subsequent breach or default. It is expressly acknowledged that specific remedies for a breach of the Agreement to pay the Annual Development Fees are set forth elsewhere herein, including but not limited to, Sections 14 and 18.

(ii) Each party recognizes that the other party may suffer irreparable harm from a material breach of this Agreement and that no adequate remedy at law may exist to enforce this Agreement. Consequently, the Parties agree that any non-breaching party who seeks enforcement of the Agreement is entitled to seek the equitable remedies of injunction and specific performance.

25. Recording. Within fourteen (14) days after execution of this Agreement, the Property Owner shall record the agreement with the Beaufort County Register of Deeds. The burdens of this Agreement are binding upon, and the benefits of this Agreement shall inure to, all successors in interest and assigns of the Parties to this Agreement.

26. Third Parties. This Agreement shall not be binding and shall have no force or effect as to persons or entities that are not Parties or successors and assigns to this Agreement.

27. County Approval of Agreement. The County Council has approved this Agreement under the process set forth in Section 6-31-50 of the Act on the terms and conditions set forth in this Agreement.

28. Successors and Assigns.

(a) Binding Effect. This Agreement shall be binding on the successors and assigns of the Property Owner in the ownership or Development of any portion of the Real Property, the Project. A purchaser, lessee, or other successor in interest of any portion of the Real Property shall be solely responsible for performance of Property Owner's obligations hereunder as to the portion or portions of the Real Property so transferred. Assignees of the Real Property or any portion thereof shall be required to execute a written acknowledgment accepting and agreeing to the Property Owner's obligations in this Agreement, and specifically the responsibility for payment of the monetary obligations hereunder, including but not limited to the Annual Development Fee and the priority of the equitable lien of the County, said document to be in recordable form and provided to the County at the time of the recording of any deed transferring a development tract. Following delivery of such documents Property Owner shall be released of any further liability or obligation with respect to said tract.

This paragraph shall not be construed to prevent Property Owner from obtaining indemnification of liability to the County from third parties.

This Agreement shall also be binding on the County and all future County Councils for the duration of this Agreement to the extent authorized by law.

(b) Transfer of Project. Property Owner shall be entitled to transfer any portion or all of the Real Property to a purchaser(s), subject to the following conditions:

(i) Notice of Property Transfer. If the Property Owner intends to transfer all or a portion of the Real Property to a purchaser who, by virtue of assignment or other instrument, becomes the “Property Owner” under and within the meaning of this Agreement, Property Owner shall notify the County within thirty (30) days of the transfer and provide it a copy of the assignment of such status as the “Property Owner” and the acknowledgement referred to in subparagraph 28(a).

(ii) Transfer of Facility and Service Obligations. If the Property Owner transfers any portion of the Real Property on which the Property Owner is required to provide and/or construct certain Facilities or provide certain services, distinct from those provided throughout the Project and which are site-specific to the portion of the Real Property conveyed, then the Property Owner shall be required to obtain a written agreement in substantially the same form as Exhibit F, attached hereto and incorporated by reference, expressly assuming the development obligations with regard to the parcel conveyed and the potential Development of same. The Property Owner shall notify the County within thirty (30) days after the conveyance of the property, provide the County the applicable documents assigning the development obligations to the transferee, and record the same in the office of the Beaufort County Register of Deeds.

(iii) Mortgage Lenders. Nothing contained herein shall prevent, hinder or delay any transfer or any portion of the Real Property to any such mortgage lender or subsequent purchaser. Except as set forth herein, any such mortgage lender or subsequent purchaser

shall be bound by the obligations and shall receive the benefits from this Agreement as the successor in title to the Property Owner.

(c) Release of Property Owner. In the event of conveyance of all or a portion of the Real Property and compliance with the conditions set forth therein, the Property Owner shall be released from any further obligations with respect to this Agreement as to the portion of Real Property so transferred, and the transferee shall be substituted as the Property Owner under the Agreement as to the portion of the Real Property so transferred.

(d) Estoppel Certificate. Upon request in writing from an assignee or the Property Owner to the County sent by certified or registered mail or publicly licensed message carrier, return receipt requested, the County will provide a certificate (the "Certificate") in recordable form stating that solely with respect to the portion of the Real Property described in the request, there are no known violations or breaches of this Agreement, except as otherwise described in the Certificate. The County will respond to such a request within thirty (30) days of the receipt of the request, and may employ such professional consultants, municipal, county and state agencies and staff as may be necessary to assure the truth and completeness of the statements in the certificate. The reasonable costs and disbursements of private consultants will be paid by the person making the request.

The Certificate issued by the County will be binding on the County in accordance with the facts and statements contained therein as of its date and may be relied upon by all persons having notice thereof. Subsequent to the issuance of such a Certificate no claim or action to enforce compliance with this Agreement may be brought against the Property Owner or its assignees properly holding rights hereunder, alleging any violation of the terms and covenants affecting such

portion of the Real Property covered by the Agreement and occurring prior to the date of such Certificate, except as otherwise described in the Certificate.

29. General Terms and Conditions.

(a) Agreements to Run with the Land. This Agreement shall be recorded against the Real Property as described in Exhibit A and shown on Exhibits B attached hereto. The agreements contained herein shall be deemed to run with the land. The burdens of this Agreement are binding upon, and the benefits of the Agreement shall inure to, all successors in interest to the Parties to the Agreement.

(b) Construction of Agreement. This Agreement should be construed so as to effectuate the public purpose of settlement of disputes, while protecting the public health, safety and welfare, including but not limited to ensuring the adequacy of Facilities and compatibility between Developed and Undeveloped Lands.

(c) No Waiver. Failure of a Party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such Party to exercise at some future time said right or any other right it may have hereunder. Unless this Agreement is amended by vote of the County Council taken with the same formality as the vote approving this Agreement, no officer, official or agent of the County has the power to amend, modify or alter this Agreement or waive any of its conditions so as to bind the County by making any promise or representation contained herein. Any amendments are subject to the provisions of Section 17 herein.

(d) Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the same subject

matter. This Agreement may not be modified or amended except in writing mutually agreed to and accepted by both Parties to this Agreement.

(e) Notices. All notices hereunder shall be given in writing by certified mail, postage prepaid, at the following addresses:

To the County:

Beaufort County Administrator
100 Ribaut Road
Beaufort, SC 29901

With copies to:

Beaufort County Attorney
P.O. Drawer 1228
Beaufort, SC 29901

To Seabrook Solar, LLC:

Seabrook Solar, LLC
c/o Adger Solar
20 Towne Drive, Suite 388
Bluffton, SC 29910
ATTN: William Moore

With copies to:

Nexsen Pruet, LLC
205 King Street, Suite 400
Charleston, SC 29401
ATTN: Nicole Scott Ewing, Esquire

Nexsen Pruet, LLC
120 Main Street
Columbia, SC 29201
ATTN: Tushar Chikhliker, Esquire

(f) Execution of Agreement. This Agreement may be executed in multiple counterparts as duplicate originals; provided, however, if executed in multiple counterparts and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven (7) days of receipt of said facsimile copy.

(g) Whenever the consent, approval or cooperation of one party is expressly or implicitly required or necessary by the terms hereof or to effect successful performance of the other party, such consent, approval or cooperation shall not be unreasonably withheld, denied or delayed.

[SEPARATE SIGNATURE PAGES ATTACHED]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the day and year first above written.

Witness:

BEAUFORT COUNTY

By: _____

D. Paul Sommerville, Chairman

Attest: _____

Thomas J. Keaveny II, County Attorney

STATE OF SOUTH CAROLINA)

)

ACKNOWLEDGMENT

COUNTY OF BEAUFORT)

I, _____, Notary of the Public of the State of South Carolina, do hereby certify that the County of Beaufort, by D. Paul Sommerville, its Chairman, and Thomas J. Keaveny II, its County Attorney, personally known to me or having provided satisfactory proof of their identity, appeared before me this ____ day of _____, 2018, and acknowledged the execution of the foregoing instrument.

Notary Public for South Carolina

Print Name: _____

My Commission Expires: _____

EXHIBITS

Exhibit A: Legal Description

Exhibit B: Boundary Plat

Exhibit C: Development Schedule

Exhibit D: Current Regulations

Exhibit E: Development Agreement Ordinance

Exhibit F: Form Partial Assignment and Assumption of Rights and Obligations

Exhibit G: Legal and Equitable Owners

Exhibit A

Legal Description

[TO BE INSERTED]

Exhibit B

Boundary Plat

[TO BE INSERTED]

Exhibit C
Development Schedule

<u>Year</u>	<u>Percent Complete</u>
0-5	100%
6-10	100%

Exhibit D

Current Regulations

[TO BE INSERTED]

Exhibit E

Development Agreement Ordinance

[TO BE INSERTED]

Exhibit F

Form Partial Assignment and Assumption of Rights and Obligations

STATE OF SOUTH CAROLINA)
)
)
 COUNTY OF BEAUFORT) **PARTIAL ASSIGNMENT AND
 ASSUMPTION OF RIGHTS AND
 OBLIGATIONS UNDER
 DEVELOPMENT AGREEMENT**

This **PARTIAL ASSIGNMENT AND ASSUMPTION OF RIGHTS AND OBLIGATIONS UNDER DEVELOPMENT AGREEMENT** ("Partial Assignment and Assumption") is dated as of this ____ day of _____, 201_, by and between Seabrook Solar, LLC, a Delaware limited liability company ("Assignor") and the _____, _____ ("Assignee").

RECITALS:

WHEREAS, on or about _____, 2018, Assignor entered into that certain Seabrook Solar Development Agreement ("Agreement") with Beaufort County, South Carolina (the "County"), incident to the future development of approximately one thousand forty-two (1,042) acres of real property, as further described on Exhibit "A" attached hereto (the "Property"), which Agreement was recorded in the Office of the Register of Deeds of Beaufort County, South Carolina (the "ROD") in Book ____ at Page _____; and

WHEREAS, on _____, _____, Assignor conveyed _____ (____) acres of Real Property to Assignee, as is more fully described on Exhibit "B" attached hereto (the "Transferred Property"), by that certain _____ deed recorded on _____, _____ in the ROD in Volume ____ at Page ____; and

WHEREAS, as an integral part of the conveyance of the Transferred Property from Assignor to Assignee, it is the desire and intention of Assignor to assign to Assignee, and it is the desire and intention of Assignee to assume certain rights, privileges and obligation under the terms of the Development Agreement applicable to the Transferred Property, thus necessitating the preparation and execution of the within Partial Assignment and Assumption.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy whereof is herewith acknowledged, the parties hereby agree as follows, to wit:

1. Partial Assignment and Assumption of Rights Privileges and Obligations Applicable to the Transferred Property Pursuant to the Development Agreement. Assignor does hereby transfer, assign, convey and deliver unto Assignee, its successors and assigns, all of Assignor’s rights, privileges and obligations as described in the Development Agreement with respect to _____ (____) acres with a density not to exceed _____ (____) square feet (as further described in Section 11.A. of the Development Agreement) (the "Allocated Rights"). Assignee hereby assumes and agrees to perform all of Assignor’s rights, privileges and obligations as described in the Development Agreement, applicable to the Transferred Property, including without limitation, the Assumed Obligations (as defined below). Assignee acknowledges receipt of the Development Agreement and all Exhibits thereto and agrees to be bound by the terms thereof and to develop the Transferred Property in accordance with such terms. The rights and obligations hereby assigned and assumed shall be covenants running with the land, binding upon the parties hereto and their successors and assigns.

2. Assumed Obligations. In connection with this Partial Assignment and Assumption, Assignee agrees to assume, and release Assignor from any liability for, the following obligations (the "Assumed Obligations") arising under the Development Agreement:

(i) Payment of the Annual Development Fee in the amount of \$ _____ applicable to the assigned property; and

(ii) _____

3. Default and Enforcement of Provisions. As provided in Sections 19 and 24 of the Development Agreement and as herein provided, upon the failure of Assignor or Assignee to comply with the terms of the Development Agreement and this Partial Assignment and Assumption incident to the Property, the non-defaulting party may pursue the remedies of injunction and specific performance, as well as any other legal or equitable remedies, including, but not limited to, actual damages.

4. Indemnification. Assignee agrees to indemnify, defend and hold harmless Assignor, its agents, principals, successors and assigns, and their affiliates from and against all losses, costs, damages, and reasonable attorney fees arising out of any breach by Assignee of the Development Agreement from and after the Closing Date, including without limitation the Assumed Obligations set forth in Section 2 hereof.

5. Notices. Any notice, demand, request, consent, approval or communication among any of the parties hereto shall be in writing and shall be delivered or addressed as provided under section 28(h) of the Development Agreement and shall also be addressed as follows:

As to Assignee:

Attn: _____
Telephone Number: _____
Facsimile Number: _____
E-mail: _____

With a required copy to:

Attn: _____
Telephone Number: _____
Facsimile Number: _____
E-mail: _____

To Assignor:

Seabrook Solar, LLC
c/o Adger Solar

20 Towne Drive, Suite 388
Bluffton, SC 29910
ATTN: William Moore
Telephone Number: _____
Facsimile Number: _____
E-mail: _____

With a required copy to:

Nexsen Pruet, LLC
205 King Street, Suite 400
Charleston, SC 29401
Attn: Nicole Scott Ewing, Esq.
843-720-1716
843-414-8821
newing@nexsenpruet.com

6. Binding Effect. This Partial Assignment and Assumption shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns.

7. Governing Law. The within Partial Assignment and Assumption shall be interpreted and construed and conform to the laws of the State of South Carolina.

8. Reaffirmation of Terms. All other terms, conditions, rights and privileges contained in the Development Agreement not specifically referenced herein shall remain in full force and effect and binding upon the parties hereto and their successors and assigns.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Partial Assignment and Assumption to be duly executed as of the date set forth above.

Signed, sealed and delivered
in the presence of:

ASSIGNEE:

Witness

By: _____
Its: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____)

ACKNOWLEDGMENT

I, the undersigned Notary Public, do hereby certify that _____, as
_____ of _____, personally
appeared before me this ____ day of _____, 2018 and acknowledged the
execution of the foregoing instrument.

Notary Public for South Carolina

Printed Name of Notary

My Commission Expires: _____

Signed, sealed and delivered
in the presence of:

Witness

Witness

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

ASSIGNOR:

SEABROOK SOLAR, LLC

By: _____
Its: _____

ACKNOWLEDGMENT

I, , the undersigned Notary of the Public of the State of South Carolina, do hereby certify
that _____, _____ of Seabrook Solar, LLC, personally appeared before me this
____ day of _____, 2018 and acknowledged the execution of the foregoing
instrument.

Notary Public for South Carolina

Printed Name of Notary

My Commission Expires: _____

Exhibit A to Partial Assignment
Property

Exhibit B to Partial Assignment
Transferred Property

Exhibit G

Legal and Equitable Owners

1. Essex Farms, LLC
2. Paragon Produce, LLC
3. Seabrook Solar, LLC