

COUNTY COUNCIL OF BEAUFORT COUNTY
ADMINISTRATION BUILDING
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX
100 RIBAUT ROAD
POST OFFICE DRAWER 1228
BEAUFORT, SOUTH CAROLINA 29901-1228
TELEPHONE: (843) 255-2180
www.beaufortcountysc.gov

STEWART H. RODMAN
CHAIRMAN

D. PAUL SOMMERVILLE
VICE CHAIRMAN

COUNCIL MEMBERS

MICHAEL E. COVERT
GERALD DAWSON
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LAWRENCE P. MCELYNN
JOSEPH F. PASSIMENT, JR.

ASHLEY M. JACOBS
COUNTY ADMINISTRATOR

SARAH W. BROCK
CLERK TO COUNCIL

AGENDA
JOINT MEETING
FINANCE COMMITTEE
AND
PUBLIC FACILITIES COMMITTEE
(or immediately following Natural Resources Committee)
Monday, August 19, 2019
4:00 p.m.
Executive Conference Room, Administration Building
Beaufort County Government Robert Smalls Complex
100 Ribaut Road, Beaufort

Committee Members:
Joseph Passiment, Chairman
Chris Hervochon, Vice Chairman
Gerald Dawson
Mark Lawson
Paul Sommerville

Committee Members:
Brian Flewelling, Chairman
York Glover, Vice Chairman
Michael Covert
Mark Lawson
Joseph Passiment

Staff Support:
Suzanne Gregory, Employee Service Director
Alicia Holland, CPA,
Assistant County Administrator, Finance

Staff Support:
Patrick Hill, Director,
IT Systems Management,
Vacant, Division Director
Transportation Engineering
Eric Larson, Division Director, Environmental Engineering
Robert McFee, Division Director
Facilities and Construction Engineering

1. **CALL TO ORDER – 4:00 p.m.**
2. **PLEDGE OF ALLEGIANCE**
3. **INTRODUCTIONS**

[Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act]

4. **APPROVAL OF AGENDA**
5. **CITIZEN COMMENTS** (Comments regarding agenda items only)
6. **DISCUSSION / Beaufort County School District Millage Surcharge Request - Tonya Crosby, Beaufort County School District, CFO (backup)**

7. **DISCUSSION / Rural and Critical Lands Bond Issue** – *Alicia Holland, Assistant County Administrator, Finance* ([backup](#))
8. **DISCUSSION / Accommodations 3% Tax Application** - *Chris Inglese, Deputy County Attorney*
9. **DISCUSSION / Stillwell Road request for acceptance** - *Robert McFee, PE, Division Director for Construction, Engineering & Facilities* ([backup](#))
10. **DISCUSSION / Coffin Point Plantation Road Status** - *Robert McFee, PE, Division Director for Construction, Engineering & Facilities* ([backup](#))
11. **CONTRACT AWARD / Recommendation to award Quality Enterprises the contract for the Jenkins Island US278 Road Improvements in the amount of \$8,969,844.10** – *Robert McFee, PE, Division Director for Construction, Engineering & Facilities* ([backup](#))
12. **DISCUSSION / Memorandum of Understanding between Beaufort County and BJWSA regarding Capacity Credits for Jenkins Island** - *Robert McFee, PE, Division Director for Construction, Engineering & Facilities* ([backup](#))
13. **EXECUTIVE SESSION**
 - A. Receipt of legal advice regarding the sale of Myrtle Business Park / *Thomas J. Keaveny II, Beaufort County Attorney*
 - B. Receipt of legal advice regarding negotiations pertaining to the proposed sale of Bob Jones Field / *Thomas J. Keaveny II, Beaufort County Attorney*
 - C. Receipt of legal advice regarding potential litigation (Zinn) / *Thomas J. Keaveny II, Beaufort County Attorney*
14. **MATTERS ARISING OUT OF EXECUTIVE SESSION**
15. **ADJOURNMENT**



BEAUFORT COUNTY BOARD OF EDUCATION

July 30, 2019

CHRISTINA GWOZDZ, MD, CHAIR

District 9
Bluffton, Daufuskie

CATHY ROBINE, VICE CHAIR

District 8
Bluffton, Hilton Head

WILLIAM SMITH, SECRETARY

District 3
St. Helena Island, Beaufort

EARL CAMPBELL

District 1
Burton, Dale, Lobeco, Seabrook

MELVIN CAMPBELL

District 10
Hilton Head Island

JOHN DOWLING, JR.

District 6
Bluffton

TRICIA FIDRYCH

District 4
Port Royal, Beaufort

RICHARD GEIER

District 5
Burton, Okatie

JOANN ORISCHAK

District 11
Hilton Head Island

DAVID STRIEBINGER

District 2
Lady's Island, Beaufort

RACHEL WISNEFSKI

District 7
Bluffton

FRANK J. RODRIGUEZ, PH.D.

Superintendent

ROBYN CUSHINGBERRY

Executive Assistant to the Board

Honorable Stu Rodman

Beaufort County Council

100 Ribaut Road

Beaufort, SC 29902

Re: School District's FY2019-2020 Budget

Dear Chairman Rodman:

A high-quality school district is a key factor in any county's business recruitment and economic development efforts. Fortunately, the Beaufort County School District (BCSD) can boast of steadily increasing academic results, particularly its seven consecutive years of improved high school graduation rates. In addition, our communities can enjoy frequent performances by many talented young student artists and student athletes. Beaufort County's public schools contribute significantly to our overall quality of life.

Over the course of the last few months, BCSD staff ("District Staff") has met with Beaufort County staff ("County Staff"), the County Auditor's Office, and the Treasurer's Office to discuss the current tax collection issue reported by the District. It was the expectation of the District Staff to have tax collections remain revenue neutral during the Tax Year 2019 reassessment and include a small level of growth. To achieve this, an estimated millage rate of 104.6 was established by County staff during the budget process and was reviewed by District staff. Early projections reflected an estimated \$7.7 million shortfall. At the present time, collections of current, auto, and delinquent taxes amount to \$135.0 million through June 30, 2019. Compared to the appropriated revenues of \$143.7 million, the shortfall appears to be \$8.7 million at this time.

This revenue shortfall has significantly depleted the BCSD's reserves, which have resulted in freezes in hiring, in professional development and in the purchase of services and supplies needed for our schools. It has a strong chance of negatively affecting the BCSD's bond rating, which will result in higher interest costs for taxpayers. This revenue shortfall affects our ability to raise salaries to a level that is competitive with surrounding school districts, making it difficult to recruit and retain quality staff. Our student enrollment continues to grow and become more diverse, creating additional challenges that contribute to the widening of the achievement gap.

On June 24, 2019, the Beaufort County Council approved the BCSD's budget in the amount of \$254.3 million and a School Operations millage of 114.0 mills as certified and requested by the Beaufort County Board of Education.

In order to have a consistent delivery of education services, it is imperative to have a reliable stream of revenue. At this time, the BCSD respectfully requests your support of the following actions to correct the projected revenue shortfall and to sustain our approved FY2020 budget:

1. **Maintain the 114.0 School Operations millage to fund the approved expenditure budget of \$254.3 million for fiscal year 2019-2020.**
2. **Approve a millage surcharge for two years (3.3 mills)** as allowed by the provisions of Section 6-1-320 (B)(1) of the 1976 Code, amended by Act 145 of 2005. This provision allows for the millage rate to be increased above the limitation upon a two-thirds vote of the membership of the local governing body for the purpose of a deficiency of the preceding year. The millage would stay in place for up to two years and would be applied to FY 2019-2020 and FY 2020-2021 for the purpose of restoring the fund balance. This millage is expected to achieve \$8,746,762 of property tax revenue.

I am confident that you will "team up" with the Beaufort County Board of Education to ensure that the BCSD obtains the resources it needs to provide a high-quality education for the 22,000-plus students enrolled in our county's public schools and to put the BCSD in the best possible financial position as we move toward a November bond referendum. We look forward to working with you to achieve this objective in the best educational interests of our students.

Sincerely,

A handwritten signature in blue ink, appearing to read "Christina Gwozdz M.D.", with a stylized flourish at the end.

Christina Gwozdz, M.D.

Chair, Beaufort County School District

CC: Beaufort County Board of Education Members

Beaufort County Council Members

Ashley Jacobs, Beaufort County Administrator

Frank J. Rodriguez, PH.D., Superintendent

Wendy Cartledge, Beaufort County School District, General Counsel

Tonya Crosby, Beaufort County School District, CFO

Beaufort County School District

FY 2019 Budget Update

1,373,874

1,290,037

	Millage Rate
1 Local	
2 Ad Valorem (Current and Delinquent)-Net of TIFs	
3 Penalties and Interest	
4 Rent	
5 Other Local	
6 Total Local Revenue	
7 State	
8 Sales Tax Reimbursement on Owner Occupied	
9 PEBA-Retirement Credit	
10 Fringe Benefits/Retiree Insurance	
11 Education Finance Act	
12 Reimbursement for Local Property Tax Relief	
13 Other State Property Tax (Homestead/Merchant Inv)	
14 Other State Revenue (Bus Driver Salary/Misc)	
15 State Aid to Classrooms	
16 Total State Revenue	
17 Federal	
18	
19 Other Federal Sources	
20 Total Federal Revenue	
21 Total Revenue	
22 Other Financing Sources	
23 Transfers from Special Revenue	
24 Transfers from Other Funds	
25 Total Other Financing Sources (Uses)	
26 Total Revenue and Other Financing Sources	
27 Expenditures	
28 Increase(Decrease) in Fund Balance	
29	
30 Beginning Fund Balance	
31 Ending Fund Balance	
32 % of Next Year's Expenditure or Budget	

A	B
FY 2018-2019 Approved Budget 104.6	FY 2018-2019 Projected Actual 104.6
143,707,242	134,937,820
900,000	1,158,365
293,500	293,500
240,000	86,600
\$ 145,140,742	\$ 136,476,285
45,550,014	45,441,618
1,200,000	1,207,017
12,045,509	12,585,477
16,574,183	15,766,963
7,036,261	7,036,261
2,487,946	2,487,946
1,341,397	1,487,488
-	-
\$ 86,235,310	\$ 86,012,770
680,000	809,072
\$ 680,000	\$ 809,072
\$ 232,056,052	\$ 223,298,127
6,653,327	6,950,170
500,000	525,471
\$ 7,153,327	\$ 7,475,641
\$ 239,209,379	\$ 230,773,768
241,317,106	235,793,597
\$ (2,107,727)	\$ (5,019,829)
39,606,899	39,606,899
\$ 37,499,172	\$ 34,587,070
14.7%	13.6%

BEAUFORT COUNTY SCHOOL DISTRICT - OPERATIONAL LOCAL TAX REVENUE ANALYSIS

FY18 ACTUAL REVENUES*

Row Labels	AUTOMOBILE TAXES		CURRENT TAXES		DELINQUENT TAXES		Grand Total	
18/ 1	-1,068,403.82	8.01%	-64.67	0.00%	-391,673.12	8.89%	-1,460,141.61	1.04%
18/ 2	-1,296,610.35	9.73%	-654.52	0.00%	-967,323.93	21.97%	-2,264,588.80	1.61%
18/ 3	-1,054,511.42	7.91%	-209.99	0.00%	-460,764.94	10.46%	-1,515,486.35	1.08%
18/ 4	-1,216,074.24	9.12%	-1,318,836.80	1.07%	-105,459.12	2.39%	-2,640,370.16	1.87%
18/ 5	-1,005,457.31	7.54%	-11,883,933.60	9.65%	45,641.31	-1.04%	-12,843,749.60	9.11%
18/ 6	-937,526.58	7.03%	-54,280,087.70	44.06%	-73,210.97	1.66%	-55,290,825.25	39.23%
18/ 7	-1,085,552.15	8.14%	-54,164,283.96	43.96%	-19,555.89	0.44%	-55,269,392.00	39.21%
18/ 8	-1,167,640.38	8.76%	-801,873.02	0.65%	-173,104.82	3.93%	-2,142,618.22	1.52%
18/ 9	-1,078,487.77	8.09%	-756,299.05	0.61%	-476,994.27	10.83%	-2,311,781.09	1.64%
18/10	-1,029,517.60	7.72%		0.00%	-410,566.86	9.32%	-1,440,084.46	1.02%
18/11	-1,222,711.17	9.17%	-40.87	0.00%	-977,514.91	22.20%	-2,200,266.95	1.56%
18/12	-1,169,195.86	8.77%	-703.72	0.00%	-393,235.36	8.93%	-1,563,134.94	1.11%
Grand Total	-13,331,688.65	100.00%	-123,206,987.90	100.00%	-4,403,762.88	100.00%	-140,942,439.43	100.00%

LESS PRIOR YEAR'S A/R 1,327,162.98

FY18 VALUE OF A MILL INCLUDING DELINQUENT -1,241,783.61 PLUS CURRENT YEAR'S A/R -1,422,660.53

FY18 VALUE OF A MILL EXCLUDING DELINQUENT -1,202,983.93 BCSD FY18 LEDGER BALANCE -141,037,936.98

FY19 ACTUAL REVENUES*

Row Labels	AUTOMOBILE TAXES		CURRENT TAXES		DELINQUENT TAXES		Grand Total	
19/ 1	-1,130,809.35	9.05%	-114.64	0.00%	-403,891.11	9.81%	-1,534,815.10	1.14%
19/ 2	-1,236,542.90	9.90%	-1,392.68	0.00%	-1,018,769.42	24.74%	-2,256,705.00	1.67%
19/ 3	-1,046,351.88	8.38%	-2,887.88	0.00%	-908,052.46	22.05%	-1,957,292.22	1.45%
19/ 4	-1,168,473.86	9.35%	-1,665,037.22	1.40%	-106,964.26	2.60%	-2,940,475.34	2.18%
19/ 5	-1,046,712.79	8.38%	-7,747,469.61	6.54%	93,201.69	-2.26%	-8,700,980.71	6.44%
19/ 6	-935,366.90	7.49%	-51,104,909.76	43.11%	36,301.53	-0.88%	-52,003,975.13	38.48%
19/ 7	-1,115,891.41	8.93%	-56,176,543.04	47.39%	97,713.86	-2.37%	-57,194,720.59	42.32%
19/ 8	-910,484.72	7.29%	-1,189,922.61	1.00%	46,561.79	-1.13%	-2,053,845.54	1.52%
19/ 9	-1,028,532.78	8.23%	-656,358.90	0.55%	-393,364.62	9.55%	-2,078,256.30	1.54%
19/ 10	-1,014,020.86	8.12%	-520.90	0.00%	-212,395.49	5.16%	-1,226,937.25	0.91%
19/ 11	-975,156.66	7.81%	-465.49	0.00%	-827,554.50	20.09%	-1,803,176.65	1.33%
19/ 12	-884,403.06	7.08%	-424.67	0.00%	-521,464.69	12.66%	-1,406,292.42	1.04%
Grand Total	-12,492,747.17	100.00%	-118,546,047.40	100.00%	-4,118,677.68	100.00%	-135,157,472.25	100.00%

LESS PRIOR YEAR'S ACCOUNTS RECEIVABLE 1,422,660.53

PLUS CURRENT YEAR'S ACCOUNTS RECEIVABLE -1,203,008.53 estimated

BCSD FY19 LEDGER BALANCE -134,937,820.25

AMOUNT APPROPRIATED AND BUDGETED FOR FY19 -143,707,242.00

SHORTFALL - INCLUDING DELINQUENT TAXES -8,769,421.75

FY19 ESTIMATED VALUE OF A MILL COLLECTED INCLUDING DELINQUENT TAXES -1,290,036.52

FY19 ESTIMATED VALUE OF A MILL COLLECTED EXCLUDING DELINQUENT TAXES -1,252,760.94

FY18 MILLAGE RATE 113.5

FY19 MILLAGE RATE 104.6

FY20 MILLAGE RATE 114.0

*Data Source of Actual Revenues: Beaufort County Treasurer

BEAUFORT COUNTY, SOUTH CAROLINA
Rural and Critical Lands Program \$25 million voter approved debt (November 2018)
Estimated/Projected Debt Service and Impact on Millage Rate

Fiscal Year Ending	Principal	Interest	Total Current Debt Service	Assumes 2.5% Interest Rate			Assumes 3% Interest Rate		
				Projected Principal	Projected Interest	Total Projected Debt Service	Projected Principal	Projected Interest	Total Projected Debt Service
6/30/2020	\$ 6,087,902	\$ 3,165,909	\$ 9,253,811	\$ 990,000	\$ 630,000	\$ 1,620,000	\$ 930,000	\$ 750,000	\$ 1,680,000
6/30/2021	\$ 7,196,961	\$ 2,913,084	\$ 10,110,045	\$ 1,010,000	\$ 600,000	\$ 1,610,000	\$ 960,000	\$ 720,000	\$ 1,680,000
6/30/2022	\$ 7,478,262	\$ 2,652,351	\$ 10,130,613	\$ 1,030,000	\$ 580,000	\$ 1,610,000	\$ 990,000	\$ 690,000	\$ 1,680,000
6/30/2023	\$ 7,766,809	\$ 2,374,475	\$ 10,141,284	\$ 1,050,000	\$ 550,000	\$ 1,600,000	\$ 1,010,000	\$ 660,000	\$ 1,670,000
6/30/2024	\$ 8,105,909	\$ 2,081,626	\$ 10,187,535	\$ 1,080,000	\$ 520,000	\$ 1,600,000	\$ 1,050,000	\$ 630,000	\$ 1,680,000
6/30/2025	\$ 6,739,647	\$ 1,758,984	\$ 8,498,631	\$ 1,110,000	\$ 500,000	\$ 1,610,000	\$ 1,080,000	\$ 600,000	\$ 1,680,000
6/30/2026	\$ 3,380,698	\$ 1,520,653	\$ 4,901,351	\$ 1,130,000	\$ 470,000	\$ 1,600,000	\$ 1,110,000	\$ 570,000	\$ 1,680,000
6/30/2027	\$ 4,894,759	\$ 1,385,807	\$ 6,280,566	\$ 1,160,000	\$ 440,000	\$ 1,600,000	\$ 1,140,000	\$ 540,000	\$ 1,680,000
6/30/2028	\$ 4,894,510	\$ 1,194,472	\$ 6,088,982	\$ 1,190,000	\$ 410,000	\$ 1,600,000	\$ 1,180,000	\$ 500,000	\$ 1,680,000
6/30/2029	\$ 5,061,962	\$ 1,001,783	\$ 6,063,745	\$ 1,220,000	\$ 380,000	\$ 1,600,000	\$ 1,210,000	\$ 470,000	\$ 1,680,000
6/30/2030	\$ 5,058,824	\$ 802,647	\$ 5,861,471	\$ 1,250,000	\$ 350,000	\$ 1,600,000	\$ 1,250,000	\$ 430,000	\$ 1,680,000
6/30/2031	\$ 5,234,608	\$ 625,269	\$ 5,859,877	\$ 1,280,000	\$ 320,000	\$ 1,600,000	\$ 1,290,000	\$ 390,000	\$ 1,680,000
6/30/2032	\$ 3,269,314	\$ 441,659	\$ 3,710,973	\$ 1,320,000	\$ 290,000	\$ 1,610,000	\$ 1,330,000	\$ 350,000	\$ 1,680,000
6/30/2033	\$ 3,387,942	\$ 341,598	\$ 3,729,540	\$ 1,350,000	\$ 250,000	\$ 1,600,000	\$ 1,370,000	\$ 310,000	\$ 1,680,000
6/30/2034	\$ 1,823,530	\$ 237,917	\$ 2,061,447	\$ 1,380,000	\$ 220,000	\$ 1,600,000	\$ 1,410,000	\$ 270,000	\$ 1,680,000
6/30/2035	\$ 1,896,079	\$ 183,211	\$ 2,079,290	\$ 1,420,000	\$ 190,000	\$ 1,610,000	\$ 1,450,000	\$ 230,000	\$ 1,680,000
6/30/2036	\$ 1,952,942	\$ 123,958	\$ 2,076,900	\$ 1,450,000	\$ 150,000	\$ 1,600,000	\$ 1,490,000	\$ 190,000	\$ 1,680,000
6/30/2037	\$ 2,013,726	\$ 62,929	\$ 2,076,655	\$ 1,490,000	\$ 110,000	\$ 1,600,000	\$ 1,540,000	\$ 140,000	\$ 1,680,000
6/30/2038	\$ -	\$ -	\$ -	\$ 1,530,000	\$ 80,000	\$ 1,610,000	\$ 1,580,000	\$ 100,000	\$ 1,680,000
6/30/2039	\$ -	\$ -	\$ -	\$ 1,560,000	\$ 40,000	\$ 1,600,000	\$ 1,630,000	\$ 50,000	\$ 1,680,000
	\$ 86,244,384	\$ 22,868,332	\$ 109,112,716	\$ 25,000,000	\$ 7,080,000	\$ 32,080,000	\$ 25,000,000	\$ 8,590,000	\$ 33,590,000

BEAUFORT COUNTY, SOUTH CAROLINA
Rural and Critical Lands Program \$25 million voter approved debt (November 2018)
Estimated/Projected Debt Service and Impact on Millage Rate

Fiscal Year Ending	Estimated Range of Combined (Current + Projected) Debt Service		Assumes 1.8% annual growth		
			Estimated Value of 1 Mill	Millage Rate Range	
6/30/2020	\$ 10,873,811	\$ 10,933,811	\$ 1,956,132	5.56	5.59
6/30/2021	\$ 11,720,045	\$ 11,790,045	\$ 1,991,342	5.89	5.92
6/30/2022	\$ 11,740,613	\$ 11,810,613	\$ 2,027,186	5.79	5.83
6/30/2023	\$ 11,741,284	\$ 11,811,284	\$ 2,063,675	5.69	5.72
6/30/2024	\$ 11,787,535	\$ 11,867,535	\$ 2,100,821	5.61	5.65
6/30/2025	\$ 10,108,631	\$ 10,178,631	\$ 2,138,636	4.73	4.76
6/30/2026	\$ 6,501,351	\$ 6,581,351	\$ 2,177,131	2.99	3.02
6/30/2027	\$ 7,880,566	\$ 7,960,566	\$ 2,216,319	3.56	3.59
6/30/2028	\$ 7,688,982	\$ 7,768,982	\$ 2,256,213	3.41	3.44
6/30/2029	\$ 7,663,745	\$ 7,743,745	\$ 2,296,825	3.34	3.37
6/30/2030	\$ 7,461,471	\$ 7,541,471	\$ 2,338,168	3.19	3.23
6/30/2031	\$ 7,459,877	\$ 7,539,877	\$ 2,380,255	3.13	3.17
6/30/2032	\$ 5,320,973	\$ 5,390,973	\$ 2,423,100	2.20	2.22
6/30/2033	\$ 5,329,540	\$ 5,409,540	\$ 2,466,716	2.16	2.19
6/30/2034	\$ 3,661,447	\$ 3,741,447	\$ 2,511,117	1.46	1.49
6/30/2035	\$ 3,689,290	\$ 3,759,290	\$ 2,556,317	1.44	1.47
6/30/2036	\$ 3,676,900	\$ 3,756,900	\$ 2,602,331	1.41	1.44
6/30/2037	\$ 3,676,655	\$ 3,756,655	\$ 2,649,173	1.39	1.42
6/30/2038	\$ 1,610,000	\$ 1,680,000	\$ 2,696,858	0.60	0.62
6/30/2039	\$ 1,600,000	\$ 1,680,000	\$ 2,745,401	0.58	0.61
	\$ 141,192,716	\$ 142,702,716			

ORDINANCE NO. _____

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2019C, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$25,000,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HER LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

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

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

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

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

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

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

(e) Pursuant to Ordinance No. 2012/10 adopted on August 13, 2012, the County Council adopted Written Procedures related to Tax-Exempt Debt.

(f) In a referendum (the “Referendum”) held in the County on November 6, 2018, the following question was submitted to the qualified electors of the County:

Shall Beaufort County, South Carolina, issue general obligation bonds, not to exceed \$25 million, for the purpose of land preservation, by purchasing open land in Beaufort County in order to protect water quality, protect local waterways such as the Port Royal Sound, and local creeks and rivers such as the Okatie, Broad and May Rivers, wildlife areas, wetlands, natural lands, farmland, coastal areas, shellfish beds, and nursery areas for recreational and commercial fisheries, and beaches, and provide buffers for the Marine Corps Air Station Beaufort. All expenditures shall be subject to an annual independent audit and an amount not to exceed twenty percent (20%) of the funds created by this referendum may be used to improve existing and newly acquired open space and natural areas protected under this program?

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

(g) It is now in the best interest of the County for County Council to provide for the issuance and sale of not to exceed \$25,000,000 principal amount general obligation bonds of the County to provide funds for the following purposes: (i) funding projects approved in the Referendum (the "Projects"); (ii) paying costs of issuance of the Bonds (hereinafter defined); and (iii) such other lawful purposes as the County Council shall determine.

SECTION 2. Authorization and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not to exceed \$25,000,000 aggregate principal amount of general obligation bonds of the County to be designated "\$25,000,000 (or such lesser amount issued) General Obligation Bonds, (appropriate series designation), of Beaufort County, South Carolina" (the "Bonds"), for the purposes set forth in Section 1(g) and other costs incidental thereto, including without limiting the generality of such other costs, engineering, financial and legal fees.

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

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

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

Each Bond shall be transferable only upon the registry books of the County, which shall be kept for such purpose at the principal office of the Registrar/Paying Agent, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar/Paying Agent duly executed by the registered owner or 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 Series Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor the Registrar/Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring Bonds is exercised, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. Neither the County nor the Registrar/Paying Agent shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an interest payment date on such Bonds.

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

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

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

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

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

SECTION 8. Form of Bonds. The Bonds 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 Bonds. The full faith, credit, and taxing power of the County are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature, and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the County Auditor and collected by the County Treasurer, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

The County Council shall give the County Auditor and County Treasurer written notice of the delivery of and payment for the Bonds and they are hereby directed to levy and collect annually, on all taxable property in the County, a tax, without limit, sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

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

SECTION 11. Initiative and Referendum. The County Council hereby delegates to the County Administrator and/or her lawfully-authorized designee the authority to determine whether the Notice prescribed under the provisions of Section 5 of Title 11, Chapter 27 of the Code relating to the initiative and referendum provisions contained in Title 4, Chapter 9, Article 13 of the Code shall be given with respect to this Ordinance. If said Notice is given, the County Administrator and/or her lawfully-authorized designee are authorized to cause such Notice to be published in a newspaper of general circulation in the County, in substantially the form attached hereto as Exhibit C.

SECTION 12. Exemption from State Taxes. Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the Code 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. Federal 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 103 and 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 Code relating to required rebates of certain amounts to the United States; and
- (c) make such reports of such information at the time and places required by the IRC.

SECTION 14. Declaration of Intent to Reimburse Certain Expenditures. This Resolution shall constitute the County's declaration of official intent pursuant to Regulation §1.150-2 of the Code to reimburse the County from a portion of the proceeds of the Bonds for expenditures it anticipates incurring (the "Expenditures") with respect to the Projects prior to the issuance of the Bonds. The Expenditures which are reimbursed are limited to Expenditures which are: (1) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Regulation §1.150-2 of the IRC) under general federal income tax principals; or (2) certain de minimis or preliminary Expenditures satisfying the requirements of Regulation §1.150-2(f) of the IRC. The source of funds for the Expenditures with respect to the Projects will be the County's reserve funds. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the Expenditures were paid; or (b) the date such Projects were placed in service, but in no event more than three (3) years after the original Expenditures.

SECTION 15. 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 Paying Agent, on behalf of the County, shall transmit to DTC an amount equal to such installment of principal and interest. DTC shall remit such payments to the beneficial owners of the Bonds or their nominees in accordance with its rules and regulations.

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

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

If the County is unable to retain a qualified successor to DTC or the County has determined that it is in its best interest not to continue the book-entry system of transfer or that interests of the beneficial owners of the Bonds might be adversely affected if the book-entry system of transfer is continued (the County undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify beneficial owners of the Bonds by mailing an appropriate notice to DTC, upon receipt by the County the Initial Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Bonds in fully-registered form, in substantially the form set forth on Exhibit A attached to this Ordinance in the denomination of \$5,000 or any integral multiple thereof.

SECTION 16. Sale of Bonds, Form of Notice of Sale. The Bonds shall be offered for public sale on the date and at the time designated by the County Administrator and/or her lawfully-authorized designee. A Notice of Sale in substantially the form set forth as Exhibit D attached hereto and incorporated herein by reference shall be distributed to prospective bidders and a summary of such Notice of Sale shall be published in a newspaper of general circulation in the State and/or in a financial publication published in the City of New York not less than seven (7) days prior to the date set for such sale.

SECTION 17. Preliminary and Final Official Statement. The County Council hereby authorizes and directs the County Administrator and/or her lawfully-authorized designee to prepare, or cause to be prepared, a Preliminary Official Statement to be distributed to prospective purchasers of the Bonds together with the Notice of Sale. The County Council authorizes the County Administrator to designate the Preliminary Official Statement as “final” for purposes of Rule 15c2-12 of the Securities Exchange Commission. The County Administrator and/or her lawfully-authorized designee are further authorized to see to the completion of the final form of the Official Statement upon the sale of the Bonds so that it may be provided to the purchaser of the Bonds.

SECTION 18. 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 financial report of the County within

thirty (30) days from the County's receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which adversely affects more than five (5%) percent of the revenues of the County or the County's tax base.

SECTION 19. Continuing Disclosure. In compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission, 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 E attached 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 this Ordinance.

SECTION 20. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bonds shall be deposited with the County Treasurer in a special fund to the credit of the County and shall be applied solely to the purposes for which the Bonds have been issued, including payment of costs of issuance of the Bonds.

SECTION 21. Defeasance. The obligations of the County under this Ordinance and the pledges, covenants and agreements of the County herein made or provided for, shall be fully discharged and satisfied as to any portion of the Bonds, and such Bond or Bonds shall no longer be deemed to be outstanding hereunder when:

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

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

"Government Obligations" shall mean any of the following:

- (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 22. 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 Burr & Forman LLP (Burr Forman McNair), 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 enactment.

Enacted this ____ day of _____, 2019.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair, County Council

(SEAL)

ATTEST:

Clerk, County Council

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT
GENERAL OBLIGATION BOND, SERIES 2019C

No. R-

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

REGISTERED HOLDER:

PRINCIPAL AMOUNT: DOLLARS

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

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

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

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 integral 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, denomination, date of maturity, redemption provisions, and rate of interest, aggregating _____ Dollars (\$ _____), issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 15, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. _____ duly enacted by the County Council on _____, 2019.

[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 her duly authorized attorney. Thereupon a new fully registered Bond or Bonds of the same aggregate principal amount, interest rate redemption provisions, if any, and maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance. The County, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina (the "State"), this Bond and the interest hereon are exempt 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.

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 of and interest on this Bond as the same shall respectively mature and to create such sinking fund as may be necessary therefor.

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

BEAUFORT COUNTY, SOUTH CAROLINA

Chair of County Council

(SEAL)

ATTEST:

Clerk of County Council

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

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

as Registrar

By: _____
Authorized Officer

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

TEN COM - As tenants in common

UNIF GIFT MIN. ACT

TEN ENT - As tenants by the
entireties

Custodian
(Cust.) (Minor)

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

under Uniform Gifts to Minors

(State)

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

[FORM OF ASSIGNMENT]

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

(Name and address of Transferee)

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

Dated:

Signature Guaranteed:

(Authorizing Officer)

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

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

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

[FORM OF CERTIFICATE]

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

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Clerk of County Council

FORM OF NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Beaufort County, South Carolina (the "County"), County Administration Building, 100 Ribaut Road, Beaufort, South Carolina, at 6:30 p.m. on _____, 2019.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of General Obligation Bonds of Beaufort County, South Carolina, in the principal amount of not to exceed \$25,000,000 (the "Bonds"). The proceeds of the Bonds will be used for the following purposes: (i) funding projects approved in a referendum held in the County on November 6, 2018; (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 of the County sufficient to pay to principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

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

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA

FORM OF NOTICE

NOTICE OF ADOPTION OF ORDINANCE

Notice is hereby given that on _____, 2019, the Beaufort County Council adopted an ordinance entitled: "ORDINANCE NO. _____ AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2019C, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$25,000,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HER LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO." (the "Ordinance"). The Ordinance authorizes the issuance and sale of not to exceed \$25,000,000 General Obligation Bonds, Series 2019C (the "Bonds") of the County.

The proceeds of the Bonds will be used for the following purposes: (i) funding projects approved in a referendum held in the County on November 6, 2018; (ii) paying costs of issuance of the Bonds (hereinafter defined); and (iii) such other lawful purposes as the County Council shall determine.

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

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA

FORM OF NOTICE OF SALE

OFFICIAL NOTICE OF SALE

\$ _____ GENERAL OBLIGATION BONDS, SERIES 2019C,
OF 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 _____, _____, 2019, at which time said proposals will be publicly opened for the purchase of \$ _____ General Obligation Bonds, Series 2019C, 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 form only, 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 _____, 2019; 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]

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

Award of Bid. The Bonds will be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost (TIC) to the County. The TIC will be the nominal interest rate which, when compounded semiannually and used to discount all debt service payments on the Bonds (computed at the interest rates specified in the bid and on the basis of a 360-day year of twelve 30-day months) to the dated date of the Bonds, results in an amount equal to the price bid for the Bonds. In the case of a tie bid, the winning bid will be awarded by lot. The County reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 3:00 p.m., South Carolina time, on the date of the sale.

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

Good Faith Deposit: No good faith deposit is required.

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 Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, 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 Burr & Forman LLP, Columbia, South Carolina, which opinion shall accompany each Bond, together with the usual closing documents, including a certificate of the County that no litigation is pending affecting the Bonds.

Issue Price Certificate: [TO BE PROVIDED]

Delivery: The Bonds will be delivered on or about _____, 2019, in New York, New York, at the expense of the County. The balance of the purchase price then due, including the amount of accrued interest, must be paid in federal funds or other immediately available funds.

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 Burr & Forman LLP, Attention: Francenia B. Heizer, telephone (803) 799-9800, e-mail: fheizer@burr.com. 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, Vice President, Hilltop Securities, 5925 Carnegie Boulevard, Suite 380, Charlotte, North Carolina 28209, telephone (704) 654-3451, e-mail: jeff.minch@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 \$_____ General Obligation Bonds, Series 2019C, 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 holders of the Bonds 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.

“**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.

“**Financial Obligation**” is defined by the Rule as and for purposes of this Disclosure Certificate shall mean (1) a debt obligation, (2) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (3) a guarantee of either of the foregoing; provided, however, that a “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

“**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 2020, 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, 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 County;
- (d) Annual and Estimated Market Value Summary of taxable property in County;
- (e) Tax rates for County;
- (f) Tax collections for County; and
- (g) Five largest taxpayers (including fee-in-lieu-of-tax) for County.

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;
- (16) Incurrence of a Financial Obligation of the County; or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County, any of which affect security holders; and
- (17) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties.

(b) Whenever the County obtains knowledge of the occurrence of a Listed Event described in subsections (a)(2), (7), (8), (11), (14), (15) or (16) 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 ten business 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), (13) or (17) above, the County shall promptly, and no later than ten business 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 provisions of this Section 11 shall apply if the School Districts is not the 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: _____
County Administrator

Dated: _____, 2019

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Beaufort County, South Carolina

Name of Issue: \$_____ General Obligation Bonds, Series 2019C,
Beaufort County, South Carolina

Date of Issuance: _____, 2019

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



COUNTY COUNCIL OF BEAUFORT COUNTY
Beaufort County Engineering Department

2266 Boundary Street
Beaufort, South Carolina 29902
Voice (843) 255-2700 Fax (843) 255-9420

TO: Councilman Brian Flewelling, Chairman, Public Facilities Committee

CC: Ashley M. Jacobs, County Administrator
Thomas J. Keaveny, County Attorney *DKC*
J. Robert McFee, Division Director, Engineering and Infrastructure *J.R. McFee*

SUBJ: **Request for Road Acceptance --- Stillwell Road**

DATE: July 19, 2019

BACKGROUND: This road acceptance petition was previously presented to the Public Facilities on December 18, 2017. At that time, the Public Facilities Committee declined acceptance of the road and encouraged the residents to pursue a Special Purpose Tax District in order to maintain the road. Please reference the Beaufort County Channel's archive video (http://beaufort.granicus.com/player/clip/3572?view_id=15) where the item is discussed at 44:53 to 59:05.

Stillwell Road (approximately 4,183 LF) is a dirt road located off May River Road in Bluffton, Council District 9 (see attachment 1 for location map). Stillwell Road has an established 60' Right of Way that leads to Midway Farms Subdivision. For the past 30 years, homeowners in the Midway Farms Homeowners Association have been solely responsible for the maintenance and repair of Stillwell Road. Midway Farms Homeowners Association has amended their covenant agreement to petition the County to include Stillwell Road into the County Road System. Property owners abutting Stillwell Road have signed a petition for the County to accept the road into the County Road System (see attachment 2).

Midway Farms Subdivision consists of only fifteen property owners while Stillwell Road services twenty-seven additional property owners. The public utilizes the road for activities such as religious retreats and Heroes on Horseback. Midway Farms Homeowners Association will continue to maintain the roads within Midway Farms Subdivision. Dave Wilhelm, Beaufort County Public Works Director, has provided estimated costs for maintenance. Mr. Wilhelm noted that currently there are no roadside drainage ditches. The initial estimate for establishing roadside drainage and servicing the road 4 times a year is \$37,715. After this initial work, the estimated annual maintenance cost is \$14,918.

FOR ACTION: Public Facilities Committee meeting occurring on August 5, 2019.

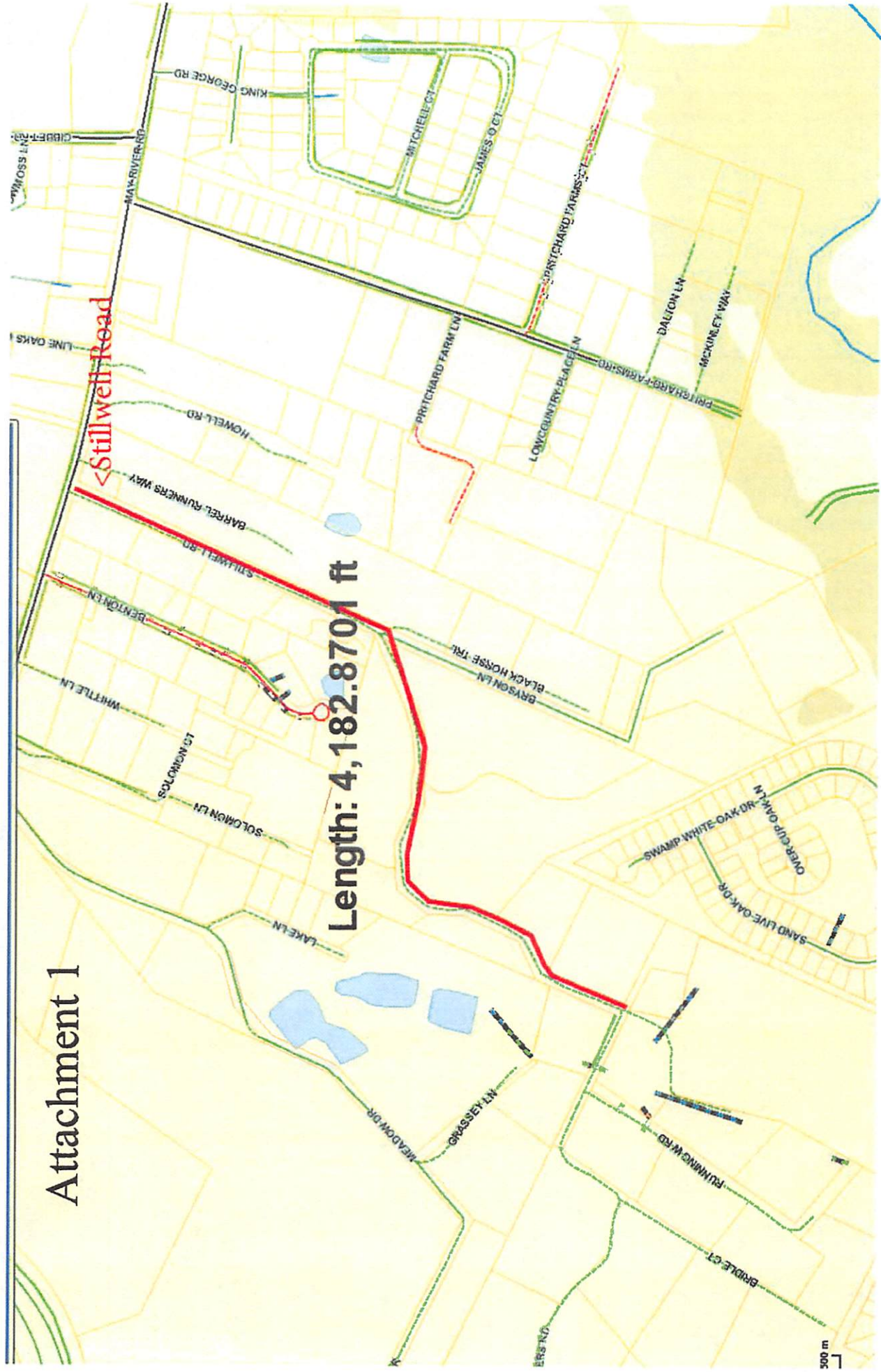
RECOMMENDATION: In accordance with Policy Statements 15 and 17 and the County's posted Road Acceptance Procedures, criteria have been met for presentation to the Public Facilities Committee to consider acceptance of Stillwell Road into the County Road System. If acceptance of Stillwell Road is affirmed by the Public Facilities Committee and County Council, the road will not be officially added to the County Road System until all Right of Way deeds are correctly executed and recorded.

JRM/plw/bmaf

Attachments: 1. Survey/Map
2. Request Letter/Petition
3. Stillwell Road Estimated Maintenance Cost

cc: Councilman Mark Lawson, District 9

Attachment 1





**COUNTY COUNCIL OF BEAUFORT COUNTY
ENGINEERING DEPARTMENT**

2266 Boundary Street, Beaufort, South Carolina 29902
Post Office Drawer 1228, Beaufort, South Carolina 29901-1228
Telephone: 843-255-2700 Facsimile: 843-255-9420
Website: www.bcgov.net



TO: Cheryl Harris, Executive Assistant to the County Administrator
FROM: Brittane Fields, Sr. Administrative Specialist, Engineering
SUBJ: Review Request by Ms. Ashley Jacobs
DATE: July 30, 2019

Ms. Cheryl,

The enclosed documents are for review by Ms. Ashley Jacobs. Please return the original, initialed copy to Engineering for the project record once she has completed her review. This is to be presented at the Public Facilities Committee August 12, 2019.

If you have any questions or concerns regarding this request, please feel free to contact me.

Thank you,

Brittane Fields

Enclosures:

1. Letter to Councilman, Brian Flewelling, Chairman Facilities Committee
2. CPPHOA Maps



**COUNTY COUNCIL OF BEAUFORT COUNTY
ENGINEERING DEPARTMENT**

2266 Boundary Street, Beaufort, South Carolina 29902
Post Office Drawer 1228, Beaufort, South Carolina 29901-1228
Telephone: 843-255-2700 Facsimile: 843-255-9420
Website: www.bcgov.net

TO: Councilman Brian Flewelling, Chairman, Public Facilities Committee

CC: Ashley M. Jacobs, County Administrator *AMS*
Thomas J. Keaveny, County Attorney *TJK*
J. Robert McFee, Division Director, Engineering and Infrastructure *J.R. McFee*

SUBJ: **Road Status Determination of Avenue of Oaks, McTeer Drive, and Sea Pines Drive in Coffin Point Plantation located on St. Helena Island**

DATE: July 19, 2019

BACKGROUND: Ownership of roads in Coffin Point Plantation has been a point of confusion for years. This is due in part to actions taken by Beaufort County Council going back as far as 1955, actions of The McTeer Family and the Bank of Beaufort in the fall of 1980. Some members of the community say the County owns the roads. Other members do not believe the County owns the roads. The issue has heated up recently. The County requested Attorney Thomas A. Bendle at Howell, Gibson and Hughes Law Firm to examine what roads Beaufort County has titles to and what roads it does not. It is his opinion Beaufort County does not have ownership in the following roads: Avenue of Oaks, Janette Road (State Road S-7-198), Orchard Road, Oakland Drive, Saltwind Drive, West Cedar Road, Ingling Road, Spanish Oaks Avenue, and (a portion of) Sea Pines Drive. Below is an overview of the history of this matter.

In 1980, legal action on the estate of J. E. McTeer provided that, "any and all roads, easements and right of ways therein" in Coffin Point Plantation were deeded to Coffin Point Plantation Homeowners' Association (CPPHOA) by Jane McTeer and the Bank of Beaufort. In 2005, Beaufort County sought to pave several roads in this community, but title work by Howell, Gibson and Hughes P. A. concluded that no Right of Way deeds were conveyed to the County and the County had no ownership interests in the roads. As a result, letters were mailed to associated property owners stating that maintenance of Ingling Road, Oakland Drive, Orchard Road, Saltwind Drive, (a portion of) Sea Pines Drive, Spanish Oak Avenue, and West Cedar Road would cease immediately. On Sea Pines Drive the County does have a recorded interest in the first 1150 feet from S-7-198 per DB 186/174.

On March 27, 2017, due to the inability to obtain drainage easements from residents, the Public Facilities Committee passed a motion to accede that McTeer Drive south of Avenue of Oaks is private and discontinued any maintenance activities.

In February 2019, Councilman Paul Sommerville received correspondence from a Coffin Point Plantation property owner requesting that Avenue of Oaks and McTeer Drive be made private and that the County change the signs from green (County) to blue (private). The president and secretary of CPPHOA were copied on the request to Paul Sommerville. County staff confirmed with outside legal counsel that the County does not have ownership interests in the roads and that no adverse ownership rights have been initiated. Directions were given to begin the process to change the mistaken designation of road signs. Blue (private) signs for Avenue of Oaks and McTeer Drive have been obtained, however, County Staff and members of County Council have received communication from property owners in CPPHOA who oppose changing the designation. Although most of the roads in Coffin Point Plantation are private, the County has maintained all or a portion of Avenue of Oaks, McTeer Drive and Sea Pines Drive and adverse possession rights could be argued. See attached CPPHOA Maps for current road status.

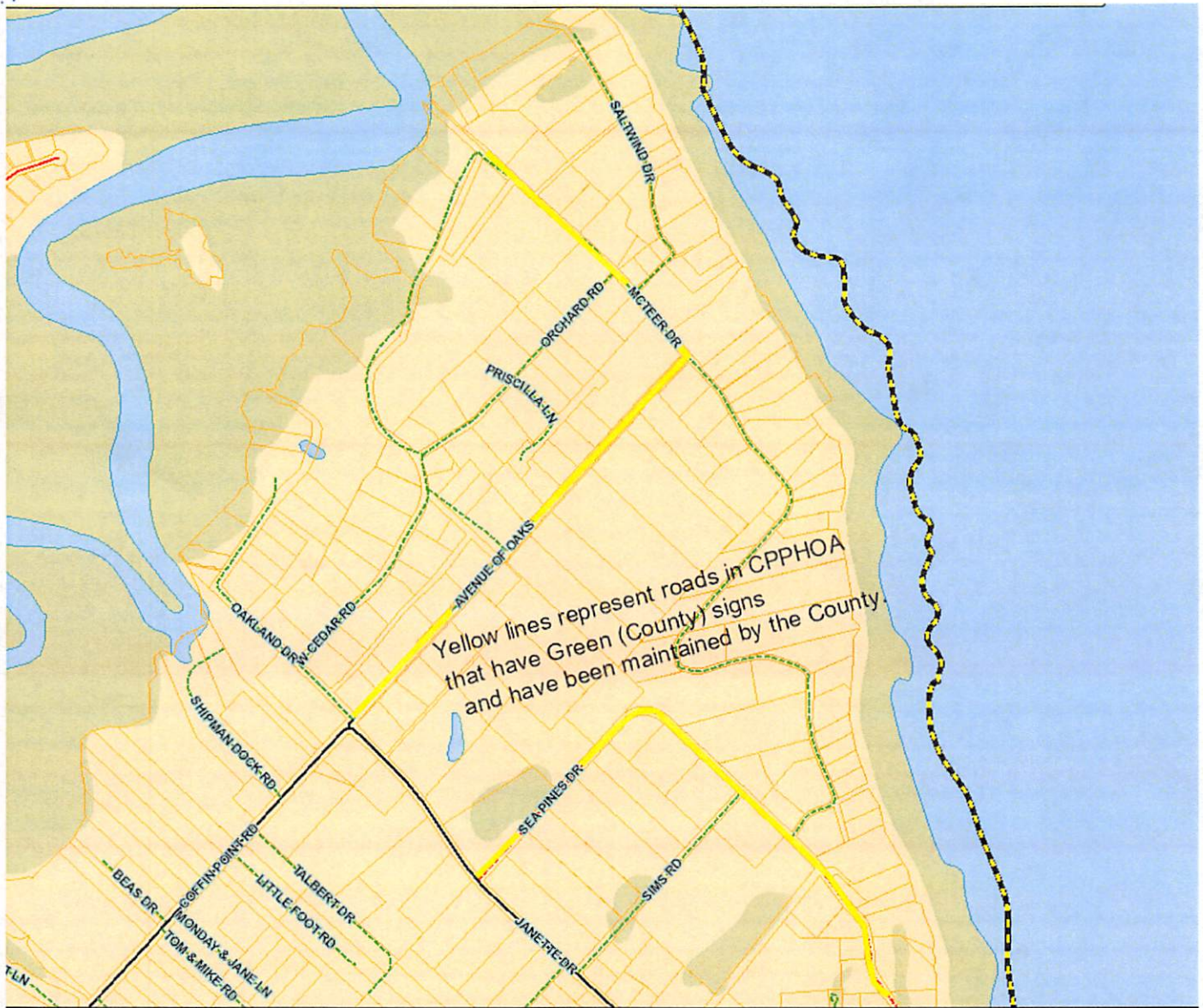
FOR ACTION: Public Facilities Committee meeting occurring on August 5, 2019.

RECOMMENDATION: Council must decide how they want to resolve this issue. The alternatives are 1) change the designation (i.e. road signs) on any road which is currently incorrectly designated. This includes all or parts of Avenue of Oaks, McTeer Drive, and Sea Pines Drive. 2) Initiate an action to claim ownership by adverse possession over some or all the roads listed above. It is our opinion such an action is likely to be successful, but will cost roughly \$3500 per tract on the road.

JRM/plw/bmaf

Attachment: CPPHOA Maps
cc: Councilman D. Paul Sommerville, District 2

Coffin Point Plantation Homeowners' Association Road Status (CPPHOA) Map



Roads not associated with CPPHOA





BEAUFORT COUNTY COUNCIL

Agenda Item Summary

Item Title:

Recommendation of Award US 278 Improvements across Jenkins Island

Council Committee:

Public Facilities Committee Meeting

Meeting Date:

August 19, 2019

Committee Presenter (Name and Title):

Robert McFee, PE, Division Director for Construction, Engineering & Facilities

Issues for Consideration:

Beaufort County received three (3) bids in response to solicitation IFB#070919E Jenkins Island US278 Road Improvements:

1. Quality Enterprises: \$8,969,844.10
2. Preferred Materials: \$8,998,022.51
3. Palmetto Site Work: \$10,176,216.38

Points to Consider:

Based on the review of the bid documents, Quality Enterprises has been found to be the lowest responsible, responsive bidder.

Funding & Liability Factors:

The current funding available for this project is \$7,181,612.86. Based on the bids received for the project and an 8% construction contingency totaling the project cost to \$9,687,431.63, in order to move the project forward it will require an additional funding amount of \$2,505,818.77. We recommend funding from three (3) accounts: \$7,181,612.86 funded from 2017 General Obligation Bond liquidating the account, \$2,273,206.47 funded from Hilton Head Island/Daufuski Island Road Impact Fees liquidating the account, and the remaining \$232,612.30 from Bluffton Impact Fees with a current balance of \$15,371,337.13.

Council Options:

Recommendation of Award to Quality Enterprises, or
Disapprove this recommendation

Recommendation:

Recommendation of Award to Quality Enterprises



**COUNTY COUNCIL OF BEAUFORT COUNTY
ENGINEERING DEPARTMENT**

2266 Boundary Street, Beaufort, South Carolina 29902
Post Office Drawer 1228, Beaufort, South Carolina 29901-1228
Telephone: 843-255-2700 Facsimile: 843-255-9420
Website: www.bcgov.net

TO: Brian Flewelling, Chairman Public Facilities Committee

FROM: Robert McFee, P.E., Division Director for Construction, Engineering & Facilities

SUBJ: **US 278 Improvements across Jenkins Island**

DATE: July 29, 2019

BACKGROUND In recent years, a developing safety concern related to the intersection with Windmill Harbor's entrance along US 278 became vocalized by the public. Beaufort County staff engaged a consultant and negotiated a scope and fee for the above described work with the most qualified respondent in the winter of 2014/2015. A yearlong traffic study and public meetings took place to identify the recommended alternative and County Council awarded the design contract in May of 2016. On November 14, 2016 County Council approved a General Obligation (GO) borrowing of \$7,400,000.00 for roadway improvements on US 278 across Jenkins Island for the 2017 GO borrowing.

Preliminary design for the Jenkins Island improvements were submitted to SCDOT and the Town of Hilton Head in the fall of 2017 for comments and Right of way (ROW) requests. Based on comments received from SCDOT and the Town of Hilton Head Island, a redesign effort incorporating a raised median and curb and gutter was completed in the late fall of 2018. The current engineers estimate for the Jenkins Island improvements is \$7,859,080.85.

This work is within the bounds of the overall US 278 Corridor Project and alternatives for the main corridor project will be presented by SCDOT on September 19, 2019. The Preferred Alternative will be developed from those options and presented in fall of 2020 and construction on the US 278 Corridor Project is scheduled to begin in 2022 or 2023.

BIDDER INFORMATION On July 9, Beaufort County received bids for the work and the results are summarized below:

1. Quality Enterprises: \$8,969,844.10
2. Preferred Materials: \$8,998,022.51
3. Palmetto Site Work: \$10,176,216.38

Based on the review of the bid documents, Quality Enterprises has been found to be the lowest responsible, responsive bidder. Quality Enterprises has agreed to hold their bid prices until December 7, 2019.

FUNDING The current funding available for this project is **\$7,181,363**. Based on the bids received for the project and an 8% construction contingency totaling the project cost to **\$9,687,431.63**, in order to move the project forward it will require an additional funding amount of **\$2,506,068.63**. We recommend funding from three (3) accounts: **\$7,181,363** funded from **2017 General Obligation Bond** liquidating the account, **\$2,295,688.03** funded from **Hilton Head Island/Daufuski Island Road Impact Fees** liquidating the account, and the remaining **\$210,380.60** from **Bluffton Impact Fees** with a current balance of **\$15,371,337.13**.

FOR ACTION Public Facilities Committee Meeting August 19, 2019

RECOMMENDATION Contingent on Council appropriation of additional funds as outlined above Quality Enterprises bid meets the criteria for award of the contract.

cc: Ashley M. Jacobs, County Administrator
Alicia Holland, Asst. County Administrator, Finance

JRM/bmaf

Beaufort County
AND US278 ROAD IMPROVEMENTS
IFB# 070919E
Bid Opening 3:00 p.m.
July 9, 2019

[illegible]

Brock, Sarah

From: McFee, Robert
Sent: Friday, August 16, 2019 1:07 PM
To: Brock, Sarah
Cc: Jacobs, Ashley; Harris, Cheryl
Subject: FW: US 278 Staging--Jenkins Island

Please add this email to the Jenkins Island backup too

From: Winn, Craig L. <WinnCL@scdot.org>
Sent: Friday, August 2, 2019 3:20 PM
To: McFee, Robert <rmcfee@bcgov.net>
Subject: US 278 Staging

Rob,

I have discussed the issue of construction phasing along the US 278 corridor with our construction staff and consultants. While SCDOT cannot speak to how the successful contractor may or may not approach execution of work under their contract, or dictate means and methods to the contractor, it is very likely that they would undertake concurrent construction activities in the interest of time. It is very common for both bridge work and roadwork along a common corridor to be built at the same time so as to minimize overall contract time and maximize productivity. Also, if it is found to be in the public interest or facilitate construction activities, certain portions of the work may be specified for completion early in the contract. If you have any questions please let me know.

Thank you,

Craig Winn, PE, Assoc. DBIA

Program Manager
SCDOT-Lowcountry RPG
955 Park Street – Rm 401
Columbia, SC 29201
(803) 737-6376 (o)
(803) 609-5883 (c)
WinnCL@scdot.org



Safety 1st – Live By It!
Let 'em Work, Let 'em Live!

Brock, Sarah

From: McFee, Robert
Sent: Friday, August 16, 2019 1:06 PM
To: Brock, Sarah
Cc: Jacobs, Ashley; Harris, Cheryl
Subject: FW: Jenkins Island backup

Please add this email to the Council package backup for this item.

From: Winn, Craig L. <WinnCL@scdot.org>
Sent: Thursday, July 25, 2019 3:22 PM
To: McFee, Robert <rmcfee@bcgov.net>
Subject: Jenkins Island

Rob,

SCDOT and Beaufort County have coordinated very closely in the development of the Jenkins Island project along US 278. If Beaufort County is unable to move forward with Jenkins Island project this fall, SCDOT is prepared to take the design and studies completed by HDR for Beaufort County and incorporate any applicable information that meets the Purpose and Need of the 278 Corridor Improvement project into the overall project. The SCDOT is committed to completing improvements within the overall corridor improvement project which includes Jenkins Island to increase capacity and improve mobility.

SCDOT has made great progress on the Environmental Assessment and our team will present the reasonable alternatives to the public on September 19th, 2019 with an anticipate preferred alternative and public hearing in the Fall of 2020. If your SIB application is successful, it will fulfill the anticipated funding requirements for the project and allow us to maintain our current schedule. The partnership of Beaufort County and Hilton Head Island on the overall corridor improvement project has been a great benefit in developing the environmental document and engineering design along this important corridor and we look forward to continued partnership.

Please feel free to give me a call if you have any questions.

Thank you,

Craig Winn, PE, Assoc. DBIA

Program Manager
SCDOT-Lowcountry RPG
955 Park Street – Rm 401
Columbia, SC 29201
(803) 737-6376 (o)
(803) 609-5883 (c)
WinnCL@scdot.org



Safety 1st – Live By It!
Let ‘em Work, Let ‘em Live!



BEAUFORT COUNTY COUNCIL

Agenda Item Summary

Item Title:

Memorandum of Understanding - Beaufort County and BJWSA Capacity Credits Jenkins Island

Council Committee:

Public Facilities

Meeting Date:

August 12, 2019

Committee Presenter (Name and Title):

Robert McFee, PC, Division Director Construction, Engineering and Facilities

Issues for Consideration:

Beaufort County and Beaufort Jasper Water and Sewer Authority (BJWSA) have a standing, but undocumented credit agreement dealing with water and /or sewer utility system improvements. The attached MOU formally outlines the existing practice where BJWSA agrees to credit the County with water and/or wastewater capacity in the Authority's System in recognition of the expenditure of County funds, including funds obtained from grants, on projects undertaken jointly that add or improve assets in BJWSA's System. Improvements for which credits are awarded must consist of physical facilities that improve either the capacity or the size of the BJWSA System.

Points to Consider:

BJWSA and the County must agree on the nature of the improvements for which credits will be awarded. These capacity credits for each unit of water and sewer capacity, shall be calculated using BJWSA's then current Capacity Fee charges, based on the actual contribution of the County determined at the end of the project, and shall be recorded on a master capacity certificate (the Certificate).

Funding & Liability Factors:

N/A

Council Options:

Approve or disapprove of the Memorandum

Recommendation:

Approve the Memorandum



**COUNTY COUNCIL OF BEAUFORT COUNTY
ENGINEERING DEPARTMENT**

2266 Boundary Street, Beaufort, South Carolina 29902
Post Office Drawer 1228, Beaufort, South Carolina 29901-1228
Telephone: 843-255-2700 Facsimile: 843-255-9420
Website: www.bcgov.net



TO: Ashley Jacobs, Beaufort County Administrator *AMJ*
FROM: Robert McFee, PE, Division Director for Construction, Engineering & Facilities *J.R. McFee*
SUBJ: **Recommendation of Memorandum of Understanding**
Beaufort County and Beaufort Jasper Water and Sewer Authority Capacity Credits
DATE: July 1, 2019

Beaufort County and Beaufort Jasper Water and Sewer Authority (BJWSA) have a standing, but undocumented credit agreement dealing with water and /or sewer utility system improvements. The attached MOU formally outlines the existing practice where BJWSA agrees to credit the County with water and/or wastewater capacity in the Authority's System in recognition of the expenditure of County funds, including funds obtained from grants, on projects undertaken jointly that add or improve assets in BJWSA's System. Improvements for which credits are awarded must consist of physical facilities that improve either the capacity or the size of the BJWSA System.

BJWSA and the County must agree on the nature of the improvements for which credits will be awarded. These capacity credits for each unit of water and sewer capacity, shall be calculated using BJWSA's then current Capacity Fee charges, based on the actual contribution of the County determined at the end of the project, and shall be recorded on a master capacity certificate (the Certificate).

A copy of the current County Certificate is attached for your reference.

For clarity we recommend this MOU be presented at the August 2019 Public Facilities meeting for discussion and approval.

JRM/bmaf

STATE OF SOUTH CAROLINA)
) **MEMORANDUM OF UNDERSTANDING**
BEAUFORT COUNTY)

This Memorandum of Understanding (the "Agreement") by and between Beaufort-Jasper Water and Sewer Authority ("BJWSA") and Beaufort County (the "County") is entered into this __ day of _____, 2019.

WITNESSETH

WHEREAS, the County and BJWSA desire to improve the overall environment and quality of life of its constituents by collaborating and cost sharing to expand water and sewer services throughout the County; and

WHEREAS, the County and BJWSA desire to encourage connection to and usage of public water and sewer throughout the County and hereby acknowledge that BJWSA's Sewer Use Regulation includes a section requiring for mandatory connection the BJWSA sewer system where such services are available;

NOW, THEREFORE, for and in consideration of the mutual covenants and undertakings of the Parties as contained herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

I. Project Collaboration

- A. The County and BJWSA will jointly identify projects, develop scopes of work and cost estimates, mutually agree on cost sharing, and authorize funding through their respective project processes and internal approvals.**
- B. Project execution, including design, construction, and cost sharing procedures, will be mutually agreed to in writing prior to the expenditure of any funds.**
- C. BJWSA shall assume ownership and maintenance of all water and sewer facilities resulting from these collaborative efforts.**
- D. Examples of eligible projects would be the Bonaire Estates Sewer Extension CDBG.**

II. Capacity Fee Credits (CFC)

- A. BJWSA agrees to credit the County with water and/or wastewater capacity in the Authority's System in recognition of the expenditure of County funds, including funds obtained from grants, on projects undertaken jointly that add or improve assets in BJWSA's System.**
- B. Improvements for which credits are awarded must consist of physical facilities that improve either the capacity or the size of the BJWSA System. Credits will be given only for the value of the actual physical improvements (does not include engineering, land or legal cost) less any funds or capacity fee credits provided by BJWSA. BJWSA and the County must agree on the nature of the improvements for which credits will be awarded.**
- C. The capacity credits, in balanced units of gallons per day (GPD) for each unit of water and sewer capacity, shall be calculated using BJWSA's then current Capacity Fee charges, based on the actual contribution of the County determined at the end of the project, and shall be recorded on a master capacity certificate (the Certificate).**
- D. The County will retain the Certificate as their record of water and sewer capacity ownership. This Certificate must be presented to BJWSA for each water and/or sewer capacity transaction (addition or subtraction) undertaken by the County. Upon receipt of the Certificate, BJWSA will either credit or debit the County's capacity amount and will issue a revised Certificate to the County.**
- E. The County may request capacity certificates for any new or expanding users located within the County boundaries. These certificates may be used to offset the water and sewer capacity fees of residential, commercial, municipal or other related projects.**
- F. BJWSA will issue capacity certificates to users only as requested by the County and debit the County's Certificate in an amount equal to the issued capacity certificate.**
- G. The County's capacity balance will be increased as collaborative projects are completed and debited as capacity certificates are assigned. The capacity certificates earned by the County will not expire.**
- H. BJWSA and the County agree to annually review the County's capacity use activity, credit transactions, outstanding balances and upcoming potential credit opportunities.**
- I. BJWSA system capacity owned by the County may not be sold or otherwise assigned for development outside the County limits without the written consent of BJWSA.**

III. Miscellaneous

- A. Invoice Submission and Payment. The cost sharing agreement entered into prior to the start of the project shall include a provision which indicates which party shall;
- Either make the entire payments for the worked preformed or materials purchased and the percentage amount the other party will reimburse for it or
 - Set for the percentage each party will direct pay for the invoice to the vendor/contractor.

Regardless of the method chosen, both parties agree the reimbursement or direct payment must be made within thirty (30) days of receipt of approved invoice.

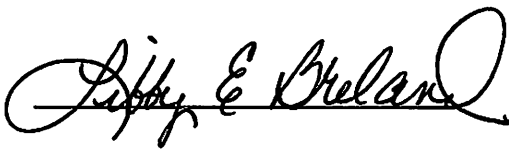
- B. Agreement Duration. This agreement shall be valid for a period of 5 years and may be extended by mutual agreement of both parties. Provided however any credits previously earned shall not expire.

In witness whereof, the parties have executed this Agreement on the date first mentioned above.

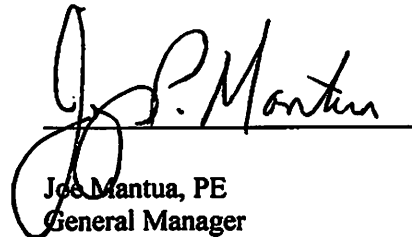
Witnesses:

Beaufort County

Ashley Jacobs
County Administrator



BJWSA



Joe Mantua, PE
General Manager

Beaufort-Jasper Water and Sewer Authority
Certificate of Capacity

D 1591

Capacity Owner

Name/Agent Beaufort County
Company —
Address PO Drawer 1228
Beaufort, SC 29901
Telephone —

Project Name BC Animal Services Facility
Phase —
Tax Map Number —
Project Number 2017-058
Other —

Water Capacity

Water System Main
Water REUs —
Gallons Per Day Capacity 3429 GPD
Water Capacity Fee \$10,287.00

Amount Due 0
Date Paid —
Receipt Number —
Notes: Capacity Assigned from Cert. D1347

Wastewater Capacity

Wastewater Treatment Plant Cherry Point
Wastewater REUs —
Gallons Per Day Capacity 2,285 GPD
Wastewater Capacity Fee \$21,022.00

Amount Due 0
Date Paid —
Receipt Number —
Notes: Capacity Assigned from Cert. D1347

[Signature]
Authorized Signature

8/24/2017
Date

BJWSA Water and Wastewater Capacity Certificate Terms and Conditions

- 1.** This Certificate entitles the legal owner to the permanent usage of the volume of water and wastewater capacity shown on this Certificate at the designated location.
- 2.** The volume of water and wastewater capacity shown on this certificate represents the limit of capacity to which the owner is entitled. Should the original or subsequent owners use more capacity on a peak day than is shown on this Certificate, BJWSA reserves the right to require the current owner to either reduce his usage or to purchase additional capacity at the then prevailing price.
- 3.** The water capacity quantified herein may be used anywhere in the specified BJWSA water system. The wastewater capacity may be used only in the wastewater system delineated in this certificate unless BJWSA approves in writing the transfer of this capacity to another wastewater system.
- 4.** Nothing in this certificate entitles the owner to the connection to the BJWSA system at his property line. BJWSA may or may not have service available to the property and the delivery of this service may need to be the subject of a separate arrangement with BJWSA.
- 5.** Any unused capacity may be transferred in whole or in part to another person or entity within the limits of the water and/or wastewater system within which it was assigned, so long as the transferring person or entity notifies BJWSA in writing of such transfer. BJWSA will not recognize such transfer without written authorization from the original Certificate holder. Upon such written notice, BJWSA will issue a new Certificate to the new owner for the volume of capacity assigned.
- 6.** BJWSA will maintain a registry of all Certificates at its central office and this registry shall be the official record of all assigned capacity.

ADD-ONS

The document(s) herein were provided to Council for information and/or discussion after release of the official agenda and backup items.

CITIZEN COMMENTS
JOINT SPECIAL MEETING
FINANCE AND PUBLIC FACILITIES COMMITTEES
August 19, 2019

	FULL NAME	TOPIC	PHONE # or EMAIL ADDRESS
1.	CHARLES COKER	MYRTLE PARK	8436399393 CWSSCA@com
2.	MARY RIVERS LEGREE	COFFIN POINT PLANTATION ROAD STATUS	marylegree4@gmail.com
3.	JENNIFER WENK	COFFIN POINT PLANTATION	843 694-4114
4.	JOHN BALINT	COFFIN POINT ROADS	843-838-1389
5.	Jim Drury	278 Windmill Harbor	843-683-2320
6.	Rebecca Waldrep	Coffin Pt Plantation RD	864 915-3158
7.	Terry Jakovac	278 Road Improvements	tjakovac@gmail.com
8.	Aaron Hall	Coffin Pt Roads	843-694-1645
9.	Cecily McMillan	Coffin Pt Ave & Oaks	cecilymcmillan@hotmail.com
10.	Robert V. O'Kelley	Stillwell Road	843-757-2479 captainbob42@aol.com
11.	Debra Cook	Coffin Point Area (8/15)	deloracook@gmail.com 843-8855
13.	Hatler Baldwin	Coffin Point Road	843-852-7191
14.	Brad CARTAN	Coffin Point	864-430-8648
15.	Mike Greigian	278 Safety Project	

- | | FULL NAME | TOPIC | PHONE # or EMAIL ADDRESS |
|-----|-------------------|-------------------------|--|
| 16. | Charles Penny | 278 Sunset, Pinedale | 678 575 5318 |
| 17. | Chris Grabenbauer | Coffin Pt Rd. | 843-441-8138 |
| 18. | Walter Archibald | Coffin Pt Plantation Rd | 301 748 2134
walt.archibald@gmail.com |
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POLICIES AND PROCEDURES FOR APPLICATIONS FOR BEAUFORT COUNTY 3% ACCOMMODATIONS TAXES AND HOSPITALITY TAX FUNDS

Beaufort County has provided for a 3% Accommodations Tax (local A-tax) per Section 66-41 and a Hospitality Tax (H-tax) per Section 66-531 of the Beaufort County Code of Ordinances. The appropriation of funds from A-tax or H-tax accounts must be made by ordinance.

Each year, County Council receives a number of requests for A-tax or H-Tax funds. Beaufort County Council wishes to set forth an appropriate process for the review and approval of requests for these funds. The following sets forth the essential procedures for anyone seeking funding from A-tax or H-tax funds:

- Step 1. Any entity or organization wishing to request A-tax or H-Tax funds must first submit an application. The application shall identify the organization requesting funds and its contact information, the contact person for the organization, the purposes of the funds requested, a short description of how the funds will be used in compliance with statutory mandates, other funding sources, historical A-tax/H-tax requests, and any other information deemed necessary by the Administrator or designee. Attached, as Exhibit 1 is a sample application with instructions. Each application shall include a project budget.
- Step 2. Applications shall be submitted during the 4th quarter of each calendar year. The County Administrator shall designate appropriate staff for receiving applications. Instructions for completing and submitting the application shall be provided with the application, posted on the county website, and provided on any other appropriate forum for communications available to the Administrator. The Administrator may modify instructions for submitting applications as needed. Applications for funding may only be submitted for projects that comply with Beaufort County Code of Ordinances Sec. 66-44(local A-tax) or Sec. 66-534 (H-tax).
- Step 3. The Administrator or Administrator's designee shall review the applications submitted and bring forward all applications, with supporting documents, to the Finance Committee along with staff recommendations for funding A-tax/H-tax requests. The Administrator shall establish Award Review Criteria with a scoring sheet for evaluating applications. Recommendations based on the Award Review Criteria should be brought before Finance Committee at its February Committee meeting or as soon as is practicable during the 1st quarter of each calendar year.
- Step 4. Finance Committee shall consider the applications, the recommendations of staff, and vote to make funding recommendations to County Council.
- Step 5. County Council recognizes the value in reserving A-tax and/or H-tax funds to be set aside and ultimately used for projects requiring large amounts of funding that may not be available in a single fiscal year. County Council shall state any amounts it wishes to reserve for a set aside account to be rolled over and added to any other amounts in the rollover

account. When an applicant seeks funds from the set aside rollover account, the entity seeking such funds must also comply with the policies and procedures set forth herein.

Step 6. County Council shall be presented with an ordinance for the appropriation of A-tax or H-tax funds in conformance with the recommendations of the Finance Committee. County Council may adopt, reject, or modify the recommendations of the Finance Committee.

Step 7. After the adoption of the funding ordinance, the award shall be made to the approved entity. Awards may be issue in a lump sum, or in periodic payments. The Chief Financial Officer shall make determinations as to the feasibility of making a single payment or periodic payments based on a number of factors, including but not limited to the total number of awards, the total dollar amount of the awards, the amounts available, the amounts projected, and any other factor. In no instance shall periodic payments be made beyond the calendar year in which an award is made.

Step 8. After an award is granted, an entity has up to one (1) year to submit an accounting report to the Beaufort County Administrator. Attached as Exhibit 2 is a sample accounting report. Failure to comply with the reporting requirements shall result in the entity becoming ineligible for any future A-tax or H-tax appropriation. Furthermore, if it is deemed that the entity is not in compliance with the statutory reporting requirements, Beaufort County may seek reimbursement of the appropriations by any lawful means available. Instructions for submitting an accounting report shall be provided in the same manner as instructions for the application. For large awards (in excess of \$100,000), multiple reports may be required and the schedule for submitting accounting reports shall be so stated in an award letter to the entity receiving funds.

The following sets forth the essential policies of Beaufort County regarding the appropriations of A-tax or H-tax funds:

1. Applications must be complete or will not be considered.
2. Project budgets must accompany applications.
3. Applications should identify other funding sources or matching funds.
4. Funding may be for reimbursement or for anticipated costs of projects.
5. Any organizations receiving County funds are subject to audit, inspections and reporting requirements including but not limited to providing supporting documentation for expenditures that utilize A-tax/H-tax.
6. A-tax and H-tax funds must be for primarily tourism related projects. Permitted uses of A-tax funds are provided in Beaufort County Code of Ordinances Sec. 66-44 and permitted uses of H-tax funds are provided in Beaufort County Code of Ordinances Sec. 66-534.
7. Applicants shall include information about prior awards of A-tax and H-tax.

8. The Administrator is authorized to add additional guidance in the instructions for applications about appropriate uses of A-tax and H-tax funds.
9. The Administrator is authorized to make amendments to the application (Exhibit 1) and reporting form (Exhibit 2) provided herein as samples.
10. Applicants must be able to substantiate the relationship between the requested funds and “tourism related expenditures.”
11. Applicants must submit final accounting reports for an award before receiving a subsequent award. Entities may apply for a subsequent funding request, however no additional funds should be appropriated to an entity until final accounting reports are provided.

**INSTRUCTIONS FOR COMPLETING THIS APPLICATION AND THE ADDITIONAL INFORMATION TO BE
ATTACHED TO THIS APPLICATION**

1. Please **print** and provide all requested information. Incomplete applications will not be considered until all information is received.
2. Describe the proposed event/project in detail. This description must include the event/project title, timing, and financial results/costs, other sources of revenue for the event/project and how your organization supports/manages the event/project.
3. Provide a **detailed budget** for the event/project. Include a detail of all revenues and expenses associated with event/project.
4. Provide specific information concerning the number of tourists that will be generated by your event/project. Include a description of the method used to determine the tourism impact.
5. Provide a detailed marketing plan that will be utilized to increase tourism as a result of the completion of this event/project.
6. Provide a **detailed budget**, including receipts for the event/project if funds were allocated to your organization previously. Failure to do so will render your application ineligible for current year funding.
7. Provide a copy of your organization's audited financial statements for the last two years.

Note: By submitting this application, the organizations certifies that it does not discriminate in any manner on the basis of race, color, national origin, age, sex, disability, religion, or language, and that all funds that may be received by the applicant organization for Beaufort County, South Carolina, will be solely use for the purposes set forth in this application and will comply with all laws and statutes , including the *South Carolina Code of Laws* regarding Allocations of Accommodations Tax Revenues.

The South Carolina Freedom of Information Act defines a "public body" as any organization or corporation supported inn whole or in part by public funds or expending public funds. Your organization's acceptance of public funds from Beaufort County may cause your organization to come within the meaning of a "public body" as defined by the Freedom of Information Act. S.C. Code Ann. ~30-4-10, et seq. (Supp 2002). Accordingly, this is to advise that by accepting public funds, your organization may be subject to the South Carolina Freedom of Information Act.



FY 2019-2020

☐ Accommodations 3% Tax Report

☐ Hospitality Tax Report

Date of Application _____

Name of Person Completing this application _____

Phone number of the person completing this application _____

Event/Project Title _____

Location of the Event/Project _____

Organization Sponsoring the Event/Project _____

Organization Mailing Address _____

Organization Email Address _____

Organization Telephone Number _____

Contact Person Name _____

Contact Person Email Address _____

Contact Person phone number(s) _____

Amount Requested _____

Date Funds are needed _____

Have you applied for Accommodations 2% Tax Event/Project Funding? YES _____ NO _____

If Yes what was the amount requested? _____ Amount Received _____

If No, what was the reason(s) for not applying? _____

If you applied and were denied, what reason was given. _____

FINANCIAL INFORMATION

Federal Tax ID Number (Example: 12-3456789) _____

Is your organization tax exempt? If so, provide a copy of your determination letter.

What is your fiscal year (12-month accounting period)? _____

Are your financial statements based on an accrual basis (accounted for when the transactions occur) or on a cash basis (accounted for when cash is received or paid)?

If there has been a significant change in revenues from prior periods, please explain.

Please check for which purpose the funds will be used if awarded:

- ☐ Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
- ☐ Cultural, recreational, or historic facilities;
- ☐ River/beach access and renourishment;
- ☐ Highways, roads, streets, bridges and boat ramps providing access to tourist destinations;
- ☐ Advertisements and promotions related to tourism development;
- ☐ Water and sewer infrastructure to serve tourism-related demand.

Please provide an explanation of how the proposed funds would be used for one of the above permitted uses for Accommodations/Hospitality tax funds:

THE FOLLOWING IS FOR COUNCIL USE ONLY

Date received by Beaufort County _____

Date reviewed by Finance Committee _____

Date recommended to County Council for action _____

Date action taken by County Council _____

Date(s) of funding for the event/project _____

Date of review after event/project has been completed _____

Date of 3rd and Final Reading and Ordinance number _____

**INSTRUCTIONS FOR COMPLETING THIS REPORT AND THE ADDITIONAL INFORMATION TO BE
ATTACHED TO THIS REPORT**

1. Please **print** and provide all requested information. Incomplete reports will be returned and considered incomplete until all information is received.
2. This report must include the event/project title, timing, and financial results/costs, other sources of revenue for the event/project and how your organization supports/manages the event/project.
3. Provide detailed expenditures for the event/project.
4. Provide specific information concerning the number of tourists that were generated by your event/project.

Note: By submitting this application, the organizations certifies that it does not discriminate in any manner on the basis of race, color, national origin, age, sex, disability, religion, or language, and that all funds that may be received by the applicant organization for Beaufort County, South Carolina, will be solely use for the purposes set forth in this application and will comply with all laws and statutes , including the *South Carolina Code of Laws* regarding Allocations of Accommodations Tax Revenues.

The South Carolina Freedom of Information Act defines a "public body" as any organization or corporation supported inn whole or in part by public funds or expending public funds. Your organization's acceptance of public funds from Beaufort County may cause your organization to come within the meaning of a "public body" as defined by the Freedom of Information Act. S.C. Code Ann. ~30-4-10, et seq. (Supp 2002). Accordingly, this is to advise that by accepting public funds, your organization may be subject to the South Carolina Freedom of Information Act.



FY 2019-2020

☐ Accommodations 3% Tax Report

☐ Hospitality Tax Report

Date of Report _____

Name of Person Completing this report _____

Phone number of the person completing this report _____

Please check for which purpose the funds were used:

- ☐ Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
- ☐ Cultural, recreational, or historic facilities;
- ☐ River/beach access and renourishment;
- ☐ Highways, roads, streets, bridges and boat ramps providing access to tourist destinations;
- ☐ Advertisements and promotions related to tourism development;
- ☐ Water and sewer infrastructure to serve tourism-related demand.

Approved Event/Project Title _____

Organization Sponsoring the Event/Project _____

Organization Mailing Address _____

Organization Email Address _____

Organization Telephone Number _____

Approved Amount _____

Date Funds received _____

Is this a final report? YES _____ NO _____

If No, provide an explanation of when a final report will be submitted _____

FINANCIAL INFORMATION

Federal Tax ID Number (Example: 12-3456789) _____

Is your organization tax exempt? If so, provide a copy of your determination letter.

What is your fiscal year (12-month accounting period)? _____

Supporting Documents to be provided:

Attach any supporting documents, including but not limited to receipts, or invoices with cancelled checks, vendor information, etc. Please provide a summary here of the supporting documents provided.

Provide a Financial Statement summarizing expenditures of A/H-tax funds. ☐

Include any data demonstrating the expenditures attracted tourists (or will attract tourist). Please include as much detail as may be available such as number of tourists, number of dollars generated, impact on the economy, jobs created or any other data to demonstrate the tourism related expenditure provided a return on investment. ☐ **See attached** ☐ **Not available**

THE FOLLOWING IS FOR COUNCIL USE ONLY

.....

Date report received by Beaufort County _____

Date report reviewed by Finance Committee _____

Date report recommended to County Council for action _____

Date action taken by County Council _____

Date of review after event/project has been completed _____

Ordinance Number _____



Beaufort County Council Statement of Conflict of Interest Pursuant to South Carolina Code of Laws § 8-13-700

I, Brian Flewelling holding the position as a Beaufort County Council Member, do hereby declare my potential conflict of interest with regards to the below information:

1. Describe the matter pending before County Council with which you may have a conflict of interest: Potential Adverse Litigation

Coffin Point Area Road Acquisition

2. Describe the interest that you have that may give rise to the conflict: _____

Potential Adverse Litigation

Based upon the above information, I hereby recuse myself from participating in any discussions of or taking official action relating to said matter.

Signed this 14th day of Aug, 2019.

B. S. Flewelling
Signature