

COUNTY COUNCIL OF BEAUFORT COUNTY

ADMINISTRATION BUILDING

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COUNTY ADMINISTRATOR

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DEPUTY COUNTY ADMINISTRATOR

LADSON F. HOWELL
COUNTY ATTORNEY

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA

COUNTY COUNCIL OF BEAUFORT COUNTY

Monday, June 14, 2010

4:00 p.m.

Large Meeting Room, Hilton Head Island Branch Library
11 Beach City Road, Hilton Head Island

Citizens may participate in the public comment periods and public hearings from telecast sites in Council Chambers of the Administration Building, Beaufort, as well as Mary Field School, Daufuskie Island.

4:00 p.m.

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. INVOCATION
4. REVIEW OF MINUTES – May 10, 2010 ([draft](#))
5. PUBLIC COMMENT
6. COUNTY ADMINISTRATOR'S REPORT ([report](#))
Mr. Gary Kubic, County Administrator
 - The County Channel / Broadcast Update
 - Two-Week Progress Report
 - Councilman Herbert Glaze / Kiwanis Club of Beaufort Citizenship of the Year Award
7. DEPUTY COUNTY ADMINISTRATOR'S REPORT ([report](#))
Mr. Bryan Hill, Deputy County Administrator
 - Two-Week Progress Report
 - Construction Project Updates
 - One Cent Sales Tax Referendum Projects:
 - New Bridge over Beaufort River / US 21 / SC 802 Construction Project
 - SC Highway 802 Roadway Construction Project
 - Mr. Robert McFee, Division Director, Engineering and Infrastructure

Over



CONSENT AGENDA
Items 8 through 12

8. SOLE SOURCE CONTRACT WITH HARGRAY FOR FIBER LEASING, INSTALLATION AND CONSTRUCTION FOR EMERGENCY MANAGEMENT DEPARTMENT ([backup](#))
 - Public Safety Committee discussion and recommendation to approve occurred May 25, 2010 / Vote 6:0
 - Contract award: Hargray
 - Contract amount: \$943,380
 - Funding source: Account #23205-54142 (Regional 911)

9. ANI / ALI DATABASE SYSTEM FOR EMERGENCY MANAGEMENT DEPARTMENT ([backup](#))
 - Public Safety Committee discussion and recommendation to approve occurred May 25, 2010 / Vote 6:0
 - Contract award: Contract One, Overland Park, Kansas
 - Contract amount: \$232,361
 - Funding source: Account #23205-54140 (Communications Equipment)

10. ROAD RESURFACING 2010 PHASE 1 ([backup](#))
 - Public Facilities Committee discussion and recommendation to approve occurred May 25, 2010 / Vote 7:0
 - Contract award: REA Contracting, LLC, Beaufort, South Carolina
 - Contract amount: \$1,638,521.60
 - Funding source: Account #3322C-54901, County Transportation Committee (CTC) Funds in the amount of \$847,316.10; Account #3322T-54901, Motorized Vehicle Fee (TAG) funds in the amount of \$791,205.50

11. BLUFFTON FIRE DISTRICT REQUEST TO USE FIRE IMPACT FEES FOR PROPERTY ACQUISITION ([backup](#))
 - Finance Committee discussion and recommendation to approve occurred May 24, 2010 / Vote 7:0
 - Tax parcel: R600 029 000 0127 0000, Davis Road property (a.k.a. Hood property), Parcel C, 3.010 acres
 - Purchase price: \$325,000
 - Funding source: Fire Impact Fees

12. A RESOLUTION APPROVING THE RE-DESIGNATION OF US HIGHWAY 21 FROM BOUNDARY STREET TO RIBAUT ROAD, THROUGH THE CITY OF BEAUFORT TO SC HIGHWAY 280, CONNECTING WITH SC HIGHWAY 802 OVER THE MCTEER BRIDGE ([backup](#))
- Public Facilities Committee discussion and recommendation to approve occurred May 25, 2010 / Vote 7:0
 - Public Facilities Committee discussion and recommendation to refer to Engineering Department for review occurred May 3, 2010 / Vote 7:0

PUBLIC HEARINGS
Items 13 through 15

- 6:00 p.m.**
13. AN ORDINANCE FINDING THE HILTON HEAD NO. 1 PUBLIC SERVICE DISTRICT, SOUTH CAROLINA MAY ISSUE NOT EXCEEDING \$4,000,000 GENERAL OBLIGATION BONDS AND TO PROVIDE FOR THE PUBLICATION OF NOTICE OF THE SAID FINDING AND AUTHORIZATION ([backup](#))
- Consideration of third and final reading
 - Second reading approval occurred May 24, 2010 / Vote 11:0
 - First reading approval occurred May 10, 2010 / Vote 11:0
 - Finance Committee discussion and recommendation to approve occurred May 3, 2010 / Vote 7:0
14. FY 2010 / 2011 SCHOOL DISTRICT BUDGET PROPOSAL ([backup](#))
- Consideration of third and final reading
 - Second reading approval occurred May 24, 2010 / Vote 11:0
 - First of two public hearings held May 24, 2010
 - Finance Committee discussion May 24, 2010
 - Finance Committee discussion May 17, 2010
 - First reading approval occurred May 10, 2010 / Vote 11:0
 - Finance Committee discussion and recommendation to approve May 10, 2010 / Vote 6:0
 - Finance Committee discussion May 3, 2010
 - Finance Committee discussion April 27, 2010
15. FY 2010 / 2011 COUNTY BUDGET PROPOSAL ([backup](#))
- Consideration of third and final reading
 - Second reading approval occurred May 24, 2010 / Vote 11:0
 - First of two public hearings was held May 24, 2010
 - Finance Committee discussion and recommendation to increase the operating budget and decrease debt service occurred May 24, 2010 / Vote 6:0

- Finance Committee discussion and recommendation to transfer \$1,285,059 from capital improvement monies to reduce debt millage for FY 2011 occurred May 17, 2010 / Vote 5:1
- First reading approval occurred May 10, 2010 / Vote 10:1
- Finance Committee discussion May 10, 2010
- Finance Committee discussion May 3, 2010
- Finance Committee discussion April 12, 2010

16. [COMMITTEE REPORTS](#)

17. PUBLIC COMMENT

18. EXECUTIVE SESSION

- Negotiations incident to proposed contractual arrangements and proposed purchase of property
- Legal advice relating to pending and potential claims covered by the attorney-client privilege

19. ADJOURNMENT

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

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

Official Proceedings
County Council of Beaufort County
May 10, 2010

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

The regularly scheduled meeting of the County Council of Beaufort County was held at 4:00 p.m. on Monday, May 10, 2010, in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

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

PLEDGE OF ALLEGIANCE

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

INVOCATION

Councilman William McBride gave the Invocation.

REVIEW OF PROCEEDINGS OF THE REGULAR MEETING HELD APRIL 12, 2010

It was moved by Mr. McBride, seconded by Mr. Baer, that Council approves the minutes of the regular meeting held April 12, 2010. The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Stewart and Mr. Sommerville. ABSENT – Ms. Von Harten. Mr. Caporale temporarily left the room. The motion passed.

PROCLAMATIONS

Stroke Awareness Month

The Chairman proclaimed May 2010 as Stroke Awareness Month and urged all citizens to recognize stroke risk factors and symptoms. Mrs. Donna Ownby, Emergency Management Services Director, accepted the proclamation.

Older Americans Month

The Chairman proclaimed May 2010 as Older Americans Month and urged citizens to take time this month to honor older adults and the professionals, family members and volunteers who care

for many of them. Our recognition and involvement of older Americans can enrich our entire community's quality of life. Ms. Jeanette Williams, Council on Aging Director, accepted the proclamation.

Public Works Week

The Chairman proclaimed May 16 through May 22, 2010 as Public Works Week and urged citizens to take the time this week to acquaint themselves with public works' daily contributions to improve their lives. Mr. Eddie Bellamy, Public Works Director, accepted the proclamation.

PUBLIC COMMENT

The Chairman recognized Mrs. Cindy Carmack, a Pinewood Circle resident, who inquired about the right-of-way line where county road maintenance stops and state road maintenance begins along Pinewood Circle. She thanked the Public Works Department for responding to her inquiry.

Mr. Newton suggested Mrs. Carmack contact Senator Davis and Representative Erickson about this issue and the County will do the same thing. The County may need some help with SCDOT to get this matter solved – where exactly the right-of-way line is and whose responsibility it is up to that point. The County certainly has a portion of the responsibility and wants to try to do everything we can.

Mrs. Nancy Schilling, representing Friends of the Rivers, said 2001 was the completion of the Beaufort County Special Management Plan, which identified water quality as one of the highest issues of this County. On the completion of it, she decided to start Friends of the Rivers. We are talking about ten years of water quality public education in this community. During that time the organization reached thousands and thousands of people because of the hundreds of events, programs, presentations and radio and public service announcements. She thanked Council for its guidance and leadership in water quality protection in Beaufort County.

Mr. John Sigler, owner of Palmetto Towing, explained he recently signed a lease to operate a towing company/storage yard in Black Diamond Business Park in Bluffton. The zoning designation was Light Industrial at that time. He was notified recently the zoning designation is Commercial Regional. He requests a zoning change. His business is a small towing company and cars stay on site between one week and one month. It does not front U.S. Highway 278. His business is a perfect fit in this area given the existing auto repair business, Bluffton Fire District maintenance repair facility and a body shop. Why is he having so much trouble rezoning the property?

Mr. Newton replied the rezoning request is scheduled on the agenda to be taken up later this evening.

Mr. Jimmy McIntire, a Bluffton resident, said Council took the lead and starting doing the heavy lifting required to begin repairing all of our estuaries, which are impaired at this time. Council's

consideration tonight of the Stormwater Best Management Practice (BMP) Manual modification for volume runoff control is another positive step in repairing all of our estuaries. Thank you, Council, for doing what is right.

COUNTY ADMINISTRATOR'S REPORT

The County Channel

Mr. Gary Kubic, County Administrator, announced the upcoming productions on The County Channel: USC-Beaufort Graduation Replay - May 12 at 6:00 p.m.; 3rd Episode of Coastal Kingdom: Salt Marsh - May 12 at 8:00 p.m.; Airport Master Plan Update – May 19 at 6:00 p.m.; “Did You Know?” public service announcements is now airing; and The Pentagon Channel / MCAS Beaufort is coming soon.

Two-Week Progress Report

Mr. Gary Kubic, County Administrator, circulated copies of his Two-Week Progress Report, which summarized his activities from April 26, 2010 through May 7, 2010.

Presentation / Noise Education Brief

Col. John Snider, Commanding Officer, MCAS Beaufort, announced the U.S. Marine Corps will release the draft F-35B East Coast Basing Environmental Impact Statement (EIS) on Friday, May 28, 2010. This date marks the start of the 45-day review period. A total of five public meetings will be held – three in North Carolina, one in Georgia and one in South Carolina. The latter meeting will be held on Tuesday, June 22, 2010, between 4:00 p.m. and 7:00 p.m. at the Holiday Inn Conference and Convention Center, Boundary Street, Beaufort, South Carolina.

Today's presentation will focus on noise in general, not specifically to the aircraft itself, but how the Department of Defense looks at noise and deals with the issues.

Mrs. Alice Howard, Civil Engineer/Facilities Planner, MCAS Beaufort, introduced Mr. Fred Pierson, Encroachment Program Manager with the Air Installations Compatible Use Zone (AICUZ) Center of Excellence. Mr. Pierson gave a 20-minute educational presentation on noise science. We all experience noise every day. Our whole environment is saturated with noise. It can be anything from children next door to the sound of birds. It can be aircraft flying overhead.

Mr. Pierson's presentation included a little about noise science, the way we look at noise and some of the things Council will notice when it looks at the F-35B East Coast Basing Environmental Impact Statement (EIS) to help better understand it. What is sound? Sound is complex vibrations transmitted through a medium such as water or air. Sound becomes noise when it is unwanted. Noise is in “the hear” of the beholder. Some people are more sensitive to noise and sound than others. Once that sound becomes an annoyance, it officially, at that time, becomes noise. Sound is compression waves and has two components: frequency or pitch and loudness or intensity. If you threw a pebble into a pond, it creates waves going out. Sound

waves travel very much in the same way – valleys and ridges. Depending upon how much of a variation there is in the pattern, there are low and high frequencies. Low frequencies are farther apart. What happens when we perceive those? We hear a lower sound. If you were to listen to a choir and someone singing bass, it comes across a much slower pitch and that sound actually does travel quite a ways. On the other hand if someone in the choir is singing soprano, those higher sounds tend to travel also, but not nearly as far. Humans have a frequency of hearing from 20 cycles per second, up to 20,000 cycles per second or Hertz. We perceive best within 1,000 to 4,000 Hertz. This is called A-weighting where sound is adjusted in a certain area which one perceives best. This is what is presented for environmental noise, especially aircraft noise. Loudness or intensity is a reflection on the pressure changes from those waves that are generated. The greater the differential back and forth, the oscillation will cause a pressure on the eardrum and if it is great enough it will be perceived as pain. Otherwise, it will be much gentler and it can be perceived down to zero (with good hearing). Common speech is around 60 decibels while the threshold of pain is between 130 to 140 decibels. From the loudest noise you can hear without discomfort all the way to the gentlest whisper, which is a trillion times change in the noise energy there. Consequently, we cannot deal with numbers like that normally; therefore, a logarithmic scale is used. If one aircraft flies over at 97 decibels, two aircraft do not equal 194 decibels, but they are 100 decibels. This is a doubling of noise energy for every three decibels and that makes it easier for us to perceive (very much like the scale used for measuring earthquakes). Humans do not perceive all of the noise from an event. What happens is when we hear an event it takes up to 10 decibels change before we hear a doubling of that noise energy? It all comes down to the way noise propagates around the aircraft. Aircraft generates noise in all directions, but it is not equal in all directions. Consequently, how we perceive the noise from the aircraft is going to vary depending on where we are in location. Noise will generate around the aircraft caused by many factors – wind coming over the airframe making a noise, turbines of the aircraft, intakes and exhaust. Once the noise propagates around the aircraft, it comes out in a butterfly shape pattern. The things that influence us most on noise are sound level, number of occurrences, duration and time of day. Various sound metrics are used – maximum sound, sound exposure level, equivalent sound level and day-night average sound level. When an aircraft flies over, the first thing we hear is, it off in the distance and as it gets closer we hear it going up in the event. It will finally reach a peak, a little Doppler shift, and then it goes back down the other way. Maximum sound level (Lmax) determines how loud the aircraft was that flew over. What is the best way to talk about a single-event sound? Other metrics are used which also help sound. As an example, if the event is a ground engine run-up for approximately 15 seconds before takeoff roll, is that the same as one that goes for 15 minutes or 45 minutes? We are also concerned about total noise energy. All the noise from an event is compressed into one second. The sound exposure level in decibels is determined and is one of the methods used in the process evaluating noise to determine what the impact will be. Loudness is not enough, we also need to know essentially how long the event is. If an aircraft flies over at 2:00 p.m. is that the same thing as flying over at 2:00 a.m.? We recognize at night (low ambient noise) people are more sensitive to the noise. We have built into the metric day-night average sound level (DNL) a ten-decibel penalty for operations after 10:00 p.m. We count one night-time operation the same as ten day-time operations. Night-time operations can drive a contour, but it reflects public perception on the noise. If we take all the events that occur in a day, (day and night operations), we average them over a 24-hour period. This gives us a day-night average sound level (DNL). Mr. Pierson

showed a video on the way DNL works. If we want to change the noise environment, there are three ways to do it – the source, path or receiver. The source is very simple in this case; we are talking about the possibility of a new aircraft. We could also be talking about changes in operations, the addition of a hush house, and the addition of test cells, anything which changes the noise itself. As to the path, how noise goes from one area to another to the receiver. That path is probably one thing most air stations look at first when they start looking at noise abatement. You can change altitudes and change paths, but there are tradeoffs. Precepts for flight path changes must be safe, must not degrade the mission, and must not transfer noise from one community to another. As to the receiver, there are a couple of things we can do. We can either, through land use planning, put the noise sensitive uses further away or we can implement sound level reduction within the structures. Mr. Pierson showed a video of an aircraft departure in an unrestricted climb.

Mr. Rodman asked if trees are very good at absorbing noise or does it tend to go through the trees. Mr. Pierson replied there is a little propagation from the trees, but more than anything else the site is logical. If you cannot see the airport, the noise is not as noticeable.

Stormwater Best Management Practice Manual Modification for Volume Runoff Control

Mr. Dan Ahern, Manager, Stormwater Management, gave an update on the recently approved Stormwater Best Management Practice (BMP) Manual modification for volume runoff control. Stormwater Board Chairman Dan Smith along with Board members James Carter, Brad Samuel and John Carmack are in attendance today. The purpose of the BMP Manual (Manual) is a technical guidance to implement ordinances and to protect water quality. It is important to remember this is just a technical document. The important changes on stormwater runoff volume controls were made by the County Council in October 2009 through ordinance changes. This Manual is a guide to the engineering community to meet the requirements in the ordinance. The county is always open to other ways to meet the requirements in the ordinance, but the burden of proof would be on the presenter to show how the new practice would meet the requirements. The Manual provided guidance and checklists to allow developments to size and design systems that would meet requirements and be confident that additional requirements would not be needed.

The County developed its first BMP Manual in response to water quality concerns raised by the Clean Water Task Force and their 1997 Blueprint for Clean Water. In 1998, the Manual established an Antidegradation Goal. Antidegradation means average annual post-development loads would be limited such that the loads would not be expected to impair the existing water use. The goal established in 1998 was for an overall imperviousness of approximately ten (10%) percent. Controls on targeted pollutants required reductions in load of these pollutants to levels expected at the antidegradation level of 10% initial targeted pollutant, phosphorus. Mr. Ahern displayed a chart showing how we go from actual impervious surfaces above 10% back down to an effective 10%. This is how we controlled water quality since 1998, and it worked quite well. Mr. Ahern, as a newcomer to the county, said we owe thanks to those involved with previous water quality controls in the County, particularly, County Engineer Bob Klink, members of the Stormwater Utility Board and CDM, the latter is the county consultant. From 1998 to today, the

County population increased more than 30% and the percentage of shellfish waters (our most sensitive water use) open remained the same. All the current impairments existed before 1998 except the May River. This closure and probably the pre-1998 closures in our headwater creeks are considered the result of excess stormwater runoff volume from increasing impervious surfaces.

A history of the goals and controls begins with a 1998 antidegradation goal of 10% for imperviousness and the 2003 goal of 5% for bacteria. As to controls, phosphorus was a 1998 target, bacteria 2003, LID 2008, nitrogen 2009 and runoff volume 2010. Six practices to reduce stormwater volume include: rooftop practice, previous pavement, runoff capture and use for irrigation, disconnection of impervious areas, rain gardens (bioretention) and swales. These practices are tied to effective impervious surface and anti-degradation goal of 10%. Controlling the volume, to bring it down to effective impervious surface, also satisfies the water quality. The County is not adding additional controls. It is a different way to approach it. If you deal with volume, you end up satisfying the water quality for the most part. Mr. Ahern anticipates bringing forward a modification to the BMP Manual in 2011, not with new requirements, but reformatting.

It was moved by Mr. Sommerville, as Natural Resources Committee Chairman (no second required), that Council approves the Stormwater Best Management Practice (BMP) Manual modifications for volume runoff control. The vote was: FOR — Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. Mr. Glaze temporarily left the room. The motion passed.

Animal Shelter and Control Office

Mr. William Winn, Division Director - Public Safety, gave a briefing on several changes made at the Animal Shelter and Control Department (Shelter), a new approach taken and the way we are looking at handling the animal control problem in Beaufort County in the coming years. The County has a good staff at the Shelter. There is the operations side and enforcement component. Even though they are two separate organizations, they are united in the effort to reduce animal problems in Beaufort County.

It's a New Day at the Shelter. That is the new theme. The way we did business in the past is no longer. The way we tried to control animals in Beaufort County, is simply not working. We are going to have to stop what we are doing with the increase in numbers and limit capacity at the Shelter. There just has to be a better way to do business. In January 2010, staff stopped what it was doing, talked with its partners and has come up with a new approach.

The first step involved the animal control officers. They were using one telephone, one computer and a very, very old desk. The Shelter has been upgraded to include additional telephones, computers, furniture and taped lines in order to give the officers a good-quality place to work and do their investigations. They have the privacy they need to conduct those investigations. A new sewer pump system has been added. Employees who greet the public have new uniforms. They help the public find the animal they need, help them through the

process, and we can adopt the animals out faster, in addition to match the people to the animals a lot better than in the past. A new program has been implemented – Animals in Need posting. Daily, an email is sent to all of the Shelter's partners in Beaufort County and to those who have asked to be on the email list telling of the animals available that need to move quickly, as well as advise them of situations when fostering animals is needed. This program was developed by Shelter staff. It has been tremendously successful. It has been well received. It goes to places we never imagined. We added pictures to the daily email. The Shelter collaborated with outside agencies for adoptions. A new aggressive adoption policy has been implemented. Rather than waiting for people to come to the Shelter, we are taking the animals to pet stores, farmers markets, feed stores, fire stations and anywhere we are invited. Recently, the Shelter participated in the Petsmart Adoption Fair in Bluffton. This is one of the most successful days in the Shelter's history. The event was held April 30 through May 2 and 36 animals were adopted.

The Shelter attempted to determine from where the animals come, what we are going to do with them and three targeted areas. Because of that, for the first time in the County, the Shelter is going to sponsor a Spay/Neuter Clinic, in conjunction with some of our partners, on May 15, 2010 at Dr. Frank Murphy's Office. To date, 26 animals are registered for the clinic. Plans include a Clinic in June at the St. Helena Fire Department as well as one in October in the Sheldon area. Clinics will be scheduled on a once monthly basis, depending on the weather, in specific areas of the county. The Shelter is in the process of developing partnerships with each rescue group within Beaufort County. We are working with a large group of volunteers who are helping with the Spay/Neuter Clinic, housing animals, adoptions and financial contributions to help with medical expenses. All of the changes made to date and the effort and improvements realized have been achieved within budget. This speaks very much about the quality of the assistance from our partners and donations we received. We are looking not only at today's activities, but at what happens in a major storm or an emergency in Beaufort County. We are now working with our partners to sign agreements with them to assign different portions of the county to these volunteers so when we do animal recovery after a major event they can support us in that effort — not only the capture of them, but returning them to their owners, and in some cases, housing them. We have made a lot of changes. We have a lot of changes coming. Mr. Winn is very excited about staff's accomplishments and equally excited about our partners' renewed relationship.

Mr. Stewart thanked Mr. Winn and Animal Shelter staff for a great job turning things around. We are thankful and grateful for all the work and effort going into this program.

Certificate of Recognition / 2009 SC Environmental Awareness Award

Mr. Gary Kubic, County Administrator, remarked sometime ago there was a newspaper article about the May River and the problems associated therewith. Then Mr. Kubic received a very strong directive from Chairman Newton as to his thoughts about what administration should or should not do particularly in this matter and its importance. Each year the public is invited to submit nominations for the annual Environmental Awareness Award. These nominations are considered for their excellence in innovation, leadership and accomplishments that influence positive changes that affect the natural environment. Several Council members, county staff,

Friends of the River and others had Mr. Kubic prepare a letter nominating Chairman Newton as a candidate for the annual Environmental Awareness Award for his work to protect and preserve Beaufort County's water resources. Specifically, his efforts to control stormwater from development projects in order to protect shellfish water and fish nurseries, to reduce the need for additional fresh water for irrigation, and to provide long-term sustainability of existing resources. Chairman Newton and Council members were involved in the Stormwater Utility creation in 2001, incorporation of stormwater requirements for the reduction of bacteria in 2003, completion of the Stormwater Management Plan in 2006, incorporation of the low impact development stormwater requirement 2008, incorporation of the stormwater requirement for reduction in nitrogen 2009 and adoption of stormwater runoff volume as regulation 2010.

On behalf of the 2009 South Carolina Environmental Awareness Award Committee, Mr. Kubic presented Chairman Newton a framed Certificate of Recognition. Mr. Newton remarked we are and want to be different in Beaufort County. We do not want to be Anywhere, USA. We have to be vigilance everyday with increasing levels of vigilance to protect the things that have provided the rich culture and history of this wonderful part of God's earth and the thing that makes Beaufort County distinguishable from all of the places in South Carolina.

DEPUTY COUNTY ADMINISTRATOR'S REPORT

Two Week Progress Report

Mr. Bryan Hill, Deputy County Administrator, circulated copies of his Two-Week Progress Report, which summarized his activities from April 26, 2010 through May 7, 2010. Mr. Hill highlighted a May 5 meeting with Mr. Georg Hicks, USDA, the architect and relevant staff for the St. Helena Penn Center Library Project. The meeting went very well. We established a timeline we will provide to Council in the near future. Mr. Hill thanked Mr. Morris Campbell, Division-Director Community Services, and Mr. Tony Criscitiello, Division-Director Planning and Development, who assisted with the meeting along with Ms. Miriam Mitchell and Ms. Sandra Saad from the Library Department. Next, Mr. Hill circulated copies of the unaudited financial update as of April 2010 as well as a five-year budget snapshot.

U.S. Highway 17 Widening

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported the U.S. Highway 17 project is a design-build contract for the widening of six miles of divided highway and major intersection in Beaufort County. The contractor is Phillips and Jordan of Knoxville, Tennessee. The project cost is \$100,471,305. The contract completion date is October 1, 2010. The project is 80% complete. The contractor continues work on the existing roadway overlay, ramp embankment and Gardens Corner improvements.

Beaufort River / U.S. 21 / S.C. 802 Construction Project

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported the new bridge over the Beaufort River will be a 4,200-foot bridge. The contractor is United Contractors Inc. of Great

Falls, South Carolina. The cost is \$34,573,368. The completion date is August 2011. The project is 23% complete. The contractor finished with pile foundation, 84” drilled shafts and flat slab decks and is moving forward into girder spans.

DRAFT

S.C. Highway 802 Roadway Construction Project

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported the S.C. Highway 802 roadway project involves the widening of 5.2 miles (two sections). The contractor is Sanders Bros. of Charleston South Carolina. The cost is \$10,852,393. The completion date is December 2010. The project is 21% complete. Final utility relocations, fill operations and pipe placement are underway on both sections. Paving continues on the Lady's Island section.

Bluffton Parkway Phase 5A

Mr. Gary Kubic, County Administrator, reported he asked Mr. Rob McFee to call a series of meetings with representatives from the Towns of Bluffton and Hilton Head Island so they would have the opportunity to come up with a joint recommendation on Phase 5A. Staff would prefer to have the bid on U.S. Highway 278 in hand. In the meantime, we are trying to narrow down any of the right-of-way acquisition that would be incorporated through the negotiation process via the Town of Bluffton along S.C. Highway 46, most of which may not affect the Sun City area, as well as the agreement with the Town of Hilton Head Island. The County has a pledge, but a pledge without a contract signed, is just a pledge. Based on Town of Hilton Head Island advice, the County modified the original Memorandum of Understanding to delete the connector road reference and insert in its place the readjusted 5A, which we did. We sent it back to the Town of Hilton Head Island; and, according to the Town Manager, they are taking it through its system. As soon as we have good numbers, around August / September, we will be able to talk more specifically about what we are going to do with S.C. Highway 170.

Mr. Newton asked if the anticipated SCDOT bid for U.S. Highway 278 includes the stormwater enhancements the Transportation Advisory Group (BTAG) unanimously approved, or will that be a separate County add on to that project.

Mr. McFee replied SCDOT sent the County the 85% plans. We are in the process of going through those 85% plans in light of our ordinance to make recommendations to them as to how they can be changed to comply with our ordinance.

FOOD SERVICE PROGRAM FOR DETENTION CENTER

This item comes before Council under the Consent Agenda. It was discussed and approved at the May 3, 2010 Public Safety Committee meeting.

It was moved by Mr. Caporale, seconded by Mr. Flewelling, that Council awards a contract to ABL Management, Inc, the top-ranked firm, to provide the food service program for the Detention Center, with an anticipated cost of \$386,307 annually for an initial contract term of one year with four additional one-year contract renewal periods all subject to the approval of Beaufort County. The vote was: FOR - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

PUBLIC WORKS TIRE/BALER BUILDING DESIGN BUILD PROJECT

Mr. Stewart commented Council started discussions relative to the Capital Improvement Program (CIP), whether we would possibly use some of the interest earned over time to reduce the proposed millage increase. The flip side of that would be if we do that, there will be some projects we will need to either move to the right or defer permanently. His advice to staff is to make sure this is a high priority project.

Mr. Hill stated this project is part of an energy grant the County was awarded. The County also received \$636,000. Council asked staff to find alternative funding sources. The tire fund is a non-general fund appropriation. It has nothing to do with the CIP.

It was moved by Mr. Caporale, seconded by Mr. Flewelling, that Council awards a contract to Beaufort Construction, Inc. to design and to build the new Tire/Baler Facility for \$492,022 with funding from account 22600 (tire fund) for the amount of \$485,214 and account 33390-54600 (capital account/solid waste) in the amount of \$5,808. The vote was: FOR - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

FORM-BASED CODE CONSULTANT

Mr. Rodman expressed a couple of concerns about this contract award. First, the County is hiring a consultant who is going to work with the municipalities north of the Broad River, but will coordinate with the Town of Bluffton (because they are using a different consultant). It seems long-term the Town of Bluffton (Town), south of the Broad River, form-based code ought to be the same. Are we better off to have a cost-sharing with the Town with whatever it is they are doing, rather than trying to size it to fit north and south? Secondly, at the 2009 retreat, Council set up Daufuskie Island as a trial case/beta site and that has finally worked its way, earlier this month, out of the Planning Commission. It will be coming to Council by way of Natural Resources Committee in the near future. Given the magnitude of what we are spending, Mr. Rodman would rather have seen Council look at and have some idea of where we are going with that prior to just spending \$350,000. Unless there is some compelling reason to move forward with it, Mr. Rodman does not think there is anything lost by waiting a couple of weeks and understanding what our beta site looked like relative to Daufuskie Island.

Mr. Sommerville has never had the impression the Town of Bluffton is interested in changing its course on the consultant it selected. The County needs one and we need to coordinate with all the municipalities, but it narrows it down to Beaufort City and Port Royal Town. Having sat through one, maybe two presentations by the City of Beaufort, it is clear they need to make certain we are on board with this and a delay in that is going to inconvenience, at best, the municipalities. Mr. Sommerville would like to see the contract award move forward. He does not see anything changing with respect to the Town of Bluffton.

Mr. Rodman said in the northern part of the County it makes a lot of sense, but it drives us to a form-based code that is put together by the County and the municipalities in the north. Then we

somehow apply that in the south and we end up with one from Bluffton and from unincorporated areas south. It seems to Mr. Rodman we end up with different ones no matter how we try to coordinate it.

The Chairman asked Mr. Tony Criscitiello, Division Director - Planning and Development, to address how these two efforts will be reconciled. Mr. Criscitiello replied the County early on communicated with the Town of Bluffton about our preference to have one consultant countywide who would work both north and south. The Town of Bluffton chose not to pursue that. They selected their own consultant, 180° Design Studio of Kansas City, Missouri. The County is coordinating with them. In fact, this past Friday we had a conference call with that consultant as well as our preferred consultant to coordinate the efforts in the southern part of the County. In fact, this month Mr. Criscitiello will be involved in the Town charettes to be sure to do what we can in order to integrate and to complement the Town of Bluffton and County so our codes are not dissimilar. The goal is to have a similar terminology, districts and basic ordinances that would be particular to Beaufort County and to Bluffton. To the greatest extent possible that is where we are. If we choose to not go with it, we will have to rebid, because 180° Design Studio did not submit a proposal to the County. If we want to rethink what we are doing, it is going to set back the clock substantially and, in his judgment, a lot of harm in terms of what we want to accomplish. The City of Beaufort and Town of Port Royal have Memorandums of Understanding ready to go. We will be meeting with our consultant in approximately one week to kick off the effort. This has been a very time consuming and intensive effort to try to get this going in Beaufort County as well as working with the municipalities. He urged Council to understand that is actually our objective.

Mr. Stewart remarked in northern Beaufort County there has been a good working relationship and cooperation between County Council members with the Implementation Committee, as well as with the Mayors. Unfortunately, we have not had that mechanism in southern Beaufort County. County staff did everything it was asked to do, but it would have been beneficial if the Council members from the south and the Council members from the Town of Bluffton had more interaction and worked more closely together. Maybe we could have resolved some of these differences as opposed to leaving it to staff. We are missing out on issues such as form-based code and on other issues surrounding annexation, etc. Mr. Stewart will again put forth his concerns and wishes that we should reinstitute and bring the Southern Regional Implementation Committee back into existence to bring these types of issues or questions before that group for their input. He would further recommend one of the reasons that group is not functioning efficiently is the makeup of the group and how it was initiated considerably different than in the northern portion of the County. We should reconsider the makeup of the Southern Regional Implementation Committee and put it back into operation. It is these very kinds of issues we need to bring forward and resolve at the elected officials' level in this case.

Mr. Newton replied Mr. Stewart's point is well taken. The plans for the north and south were dramatically different and their structure was set up different. There is a need to bring the Southern Regional Plan Implementation Committee back. This opportunity with having two different consultants for adjacent zoning jurisdictions perhaps will serve as the impetus to cause the Implementation Committee to get back together in the southern portion of the County. We

did adopt the recommendations with regard to annexation. All of those activities have been adopted and put in place. The protocols were adopted, by ordinance, by both of the entities. Clearly to have a comprehensive plan, zoning and integration of what is happening with our neighbors in the surrounding areas is important. Hopefully, the goal at this point in time is to work to bring those concepts in.

It was moved by Mr. Caporale, seconded by Mr. Flewelling, that Council approves a Memorandum of Understanding among Beaufort County, City of Beaufort, and Town of Port Royal for form-based code, which totals \$550,000 of which the County will contribute \$350,000. In addition, language will be added to give oversight to the Northern Regional Implementation Committee or Metropolitan Planning Commission. Further, Council approves the selection of form-based code consultant Opticos Design, Inc., of Berkeley, CA, to develop a form-based code for unincorporated Beaufort County, the City of Beaufort, the Town of Port Royal and several redevelopment districts within the Town of Hilton Head; and to be funded through the County's General Fund, Fiscal years 2011 and 2012. The vote was: FOR - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. OPPOSED – Mr. Rodman. The motion passed.

TEXT AMENDMENT TO THE BEAUFORT COUNTY ZONING AND DEVELOPMENT STANDARDS ORDINANCE (ZDSO), ARTICLE V, SECTION 106-1098 GENERAL USE TABLE (TO ALLOW A SMALL TOWING BUSINESS TO BE ABLE TO DO BUSINESS IN COMMERCIAL REGIONAL ZONING)

Mr. Sommerville said this issue went before the Planning Commission and Natural Resources Committee, and was denied unanimously. At the Planning Commission presentation and at the Natural Resources Committee the property owner was present. The property owner is not here today, but the tenant, Mr. Josh Siegel, owner of Palmetto Towing, is here today. What the property owner asked is Council make an amendment to the Zoning and Development Standards Ordinance to add a general use to the General Use Table to allow towing in Commercial Regional Zoning. While Mr. Sigler may feel it is appropriate in his particular situation, if Council makes this text amendment, it would apply to all unincorporated property throughout the County that is zoned Commercial Regional. Council cannot make the assumption it is appropriate in all those areas. In fact, the assumption is the opposite and that is why it is not included in the table. Even in Mr. Siegel's particular situation, this whole request on the part of the property owner was initiated because of complaints by neighbors who did not feel his business was appropriate in their particular area. Mr. Sommerville will support the motion to deny, but wanted to give Mr. Siegel the courtesy of an answer before voting.

It was moved by Mr. Sommerville, as Natural Resources Committee Chairman (no second required), that Council denies a text amendment to the Beaufort County Zoning and Development Standards Ordinance (ZDSO), Article V, Section 106-1098 General Use Table (to allow a small towing business to be able to do business in commercial regional zoning). The vote was: FOR - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. OPPOSED – Mr. Caporale. The motion passed.

AN ORDINANCE FINDING THE HILTON HEAD NO. 1 PUBLIC SERVICE DISTRICT, SOUTH CAROLINA MAY ISSUE NOT EXCEEDING \$4,000,000 GENERAL OBLIGATION BONDS AND TO PROVIDE FOR THE PUBLICATION OF NOTICE OF THE SAID FINDING AND AUTHORIZATION

Mr. Rodman, as Finance Committee Chairman, explained this issue involves an investment to continue the water services on Hilton Head Island. It is a technique that is used elsewhere including B/J Water and Sewer Authority. Council's role is more of a formality to approve this unless we see something wrong with it. The members serving on the board of this public service district are, in fact, elected.

It was moved by Mr. Rodman, as Finance Committee Chairman (no second required), that Council approves on first reading an ordinance finding that the Hilton Head No. 1 Public Service District, South Carolina may issue not exceeding \$4,000,000 general obligation bonds and to provide for the publication of notice of said finding and authorization. The vote was: FOR - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

It was moved by Mr. Rodman, as Finance Committee Chairman (no second required), that Council adopts a resolution calling for a public hearing to be held upon the question of the issuance of not exceeding \$4,000,000 of general obligation bonds of the Hilton Head No. 1 Public Service District, South Carolina; providing for the publication of the notice of such public hearing; and other matters relating thereto. The vote was: FOR - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

PUBLIC HEARING

AMENDMENT TO THE VILLAGE AT LADY'S ISLAND PLANNED UNIT DEVELOPMENT (PUD) TO EXTEND THE SUNSET DATE TO JANUARY 1, 2011

Mr. Sommerville, as Natural Resources Committee Chairman, stated the Village at Lady's Island Planned Unit Development (PUD) is one of three orphaned PUDs that has not been built out or partially built making it vested. It is a non-vested PUD. Members of the Natural Resources Committee and staff like it because it has a lot of features we are looking for – interconnectivity and mixed-use. Unfortunately, when it was approved in 1997, the density for that area was 8:1. It was approved at approximately 6:1 in 1997. Since that time, a lot happened. That kind of density no longer makes sense in the minds of a lot of folks particularly because of the congestion on the bridges. Given we like the PUD itself and would like to see it survive, as opposed to revert to by-right, we would like to give the owner and developer 12 months to renegotiate the PUD with staff. Then they come back to Natural Resources, and ultimately to Council, with a density more acceptable to the neighborhood and to us.

The Chairman opened a public hearing at 6:13 p.m. for the purpose of receiving information from the public regarding an amendment to the Village of Lady's Island Planned Unit Development to extend the sunset date to January 1, 2011. After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:14 p.m.

It is was moved by Mr. Sommerville, as Natural Resources Committee Chairman (no second required), that Council approves on third and final reading an amendment to the Village at Lady's Island Planned Unit Development to extend the sunset date to January 1, 2011.

Mr. Baer asked if Council approves this PUD extension, is there any precedence set for any unfortunate consequence that will come to the two other PUDs in this category.

Mr. Sommerville replied there are two other PUDs in this category. One came forward to the County. That is Greenheath and it received second reading approval. Mr. Sommerville is in the process of making presentations to the Town Councils' of Port Royal, Beaufort, Bluffton and Hilton Head Island to get their acquiescence that County Council is not violating the letter and spirit of the school capital construction fees resolution we adopted in December 2007. Greenheath will come back to Council within a couple of months for final reading. The density on that is about 3:1.

Mr. Baer remarked that will increase the density beyond the density normal for that area.

Mr. Sommerville replied the by-right density for Greenheath and also for the Village at Lady's Island is approximately 2:1. It will go to 3:1 as opposed to, in case of the current PUD, about 6:1. Greenheath, when it was originally negotiated, was negotiated at 3:1. The third PUD is Burlington located in the Burton area.

Mr. Baer asked might they use the fact we seem to be creating exceptions as a precedent for themselves.

Mr. Newton said each PUD is a separately negotiated deal between the County approved by County Council as a separated zoning ordinance. Could they use the fact that two other PUDs have been extended as an argument? "Yes." But the circumstances of each and every one of the PUDs are different in that you may end with a Planning Department that recommends an extension on one, but not an extension on the other because of the various component parts of what underlies the individualized or particular zoning ordinances for those areas.

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

PRESENTATION / FY 2010 / 2011 SCHOOL DISTRICT BUDGET PROPOSAL

Mrs. Phyllis White, Chief Operations Services Officer, presented the FY 2010/2011 School District budget proposal as a first reading. This budget proposal is substantially similar to the

presentation provided on April 27, 2010 and again, today, to the Finance Committee. These presentations are on the School District (District) website and there is a line-item budget on the website. A common theme was used when building this budget – trying to reduce expenditures as much as possible knowing there are always state mandates. It is difficult for the District to decrease its budget internally and absorb the mandates the State presents to us. The District has also been working on its commitment to the public; that is to open six schools. The District opened three this year (four counting the Charter School) with a no tax increase and three more in the fall. This year, like last year, the District prepared a tiered budget. Tiered means the District prioritized its budget. Tier I includes anything required by the state, such as teachers, principals, and other school staff members. Tier II involves support staff to our schools (payroll, finance, instructional services). Tier III includes items that if the District had to take them away it could function and would do without. The District used Tier III to prepare its budget.

Historical Overview. As in FY 2010, this FY 2011 budget reflects the harsh reality that the District received no state EFA revenue and local revenue is limited to Act 388. A partial list of FY 2010 savings follows: eliminated 74 positions, eliminated two calendars, provided no cost of living increase for employees, delayed hiring for critical positions, shared positions at school level (e.g. social workers), froze non-essential travel, reduced non-salary department budgets and eliminated the International Baccalaureate program at two schools (Port Royal Elementary and Beaufort High School).

The District begins its budget process in December. Everything focuses around enrollment. The District saw a slight increase in enrollment and is using 19,800 as the projected enrollment for next year. All schools are staffed based on this enrollment. Also all of the supplies that are issued to our schools are based on enrollment. We work directly with our principals to make sure they are in line with the staffing formula. All schools are created the same as well as the staffing formula with the exception of the Charter School. The latter receives an allocation based on state formula.

How will the District minimize its FY 2011 operating budget (reductions)? The District eliminated 106 District office positions at a \$665,438 cost savings, eliminated 32.5 school level positions at a \$1,500,654 cost savings, reduced District level departments (Finance, Instructional Services and Technology) for \$830,370 and reduced extended contracts \$77,024. Schools and District Office will close for winter break giving a \$27,290 decrease. The total is a \$3,100,776 decrease.

How will the District minimize FY 2011 operations budget non-related to schools? The State mandates certain requirements the District must follow: a cost of living increase and a step increase. For current year and next year there will not be a salary increase for any of the teachers. The Senate passed a bill to allow districts to suspend the step increase. The bill has not gone to the House. If a district chooses to suspend their teachers' step increase, they must, at the same time, furlough two days for the school and district administrators. Increases unrelated to the new schools include: step increase - \$1,331,233, Riverview Charter School - \$418,638 (approved for 56 student increase), property/liability insurance - \$105,500, utilities - \$131,968 (7% increase),

contracted services - \$310,911 and school resource officers - \$121,527. The total is a \$2,419,777 increase.

How will the District minimize FY 2011 operations budget related to schools? Increases related to new schools include: (i) School Staff - \$1,818,527 (includes athletic and academic stipends). New schools required 173 positions. Staffing decreased by 15. Therefore, the District was able to redeploy personnel to the schools so staff follows the students since there was a 100 student enrollment. There are certain positions in each school you must have so the cost of that and associated stipends go with their work. (ii) contracted services - \$950,901. The District is adding 500,000 square feet to its facilities and is just shy of 4,000,000 at present. This item pertains to custodial and grounds services. (iii) utilities - \$846,125. This increase is due to increased square footage. (iv) school resource officers - \$131,580. At this time two new Resources Officers are included in the budget proposal one each at Whale Branch Early College High School and Bluffton Middle School. (v) property/casualty insurance - \$75,000. The total is a \$3,822,143 increase.

FY 2010 to FY 2011 Operating Budget Comparison. FY 2010 operating budget is \$171,425,975 and FY 2011 proposed operating budget is \$175,270,150. The difference is an increase of \$3,844,176 or a 2.2% increase. Some of the line item non-controllable costs are: step increase \$1,311,233, Riverview Charter School \$418,638, utilities \$131,968, property insurance \$105,500, contracted services \$310,911 and school resource officers \$121,527. The total is \$2,419,777. The bottom line is the District is opening three new schools (one high, middle and elementary) with a 2.2% increase and a decrease of 15 staff positions.

How will we pay for this \$175,270,150 operating budget? The District is limited on its funding sources. The District is capped by Act 388, capped by growth in population as well as consumer price index (CPI). Allowable growth according to the State Budget and Control Board is 2%. The District is not allowed to tax resident homeowners. It is non-residential homeowners and business owners. Sales tax revenue is capped by Act 388, capped by the state population growth as well as CPI. The District received very little federal revenue, approximately \$400,000. The majority of that is through E-Rate reimbursement. Beaufort County School District is the only district in the state to receive zero dollars under the State Education Finance Act (EFA). That is a double-edged sword. There are other districts losing significant amounts of money because the State is now reducing their EFA allocations. The majority of the districts having major furloughs or closing schools or laying off teachers because their EFA is now being reduced similar to what Beaufort County experienced in 2006. Under the current year, the District had an opportunity under state law (County Council approval required), to raise millage 6.6 mills. What that means is an allowable growth. Under state law, it is an accumulative amount. In other words, if the District does not take the mill increase, then, as some people like to say, "You left money on the table." You lost that opportunity into the future. Why does that make a difference? In 2010, the District is expected to use \$1.2 million of its fund balance, *a.k.a.*, savings account. Since the budget must be balanced and revenue does not equal expenditures, the District has to dip into its fund balance. In 2011, the allowable amount is 2% equating to 1.8 mills or \$2.3 million (County and District are still working on the value of a mill.) The District recommends using the 2% and also using \$4.1 million out of fund balance. Again, there is not sufficient revenue under

the cap to balance the budget. When the District was building its fund balance of \$32 million, it knew it would have to use the fund balance to open the six schools. In 2007, the District reduced expenditures and in 2008 saved money to be able to build the fund balance to a point where it would be able to draw down on it. The District planned to use some fund balance to retire debt and elected not to move that money from general fund to debt service, again, to hold the money in fund balance. The District is required to have a balanced budget. In the current year the District will have to use its fund balance as in 2011 and projections show its use from here on out if the economy does not turn around.

The District is projecting a very conservative growth in 2012 and 2013. The Board of Education set a policy of 10% being the minimum fund balance. What that means is the dollar amount and fund balance is the percentage of its next year's budget. In 2013 the District, at this point in time, would go below the minimum.

Fund Balance. It is important to have a healthy fund balance. Unfortunately, in the news just last week, the first school district in South Carolina downgraded because of its financial situation, most importantly noted in their bond rating and deleting its fund balance. It is, therefore, important to keep our fund balance as healthy as we can and not go below 10%. At present the District is above the mark recommended by the rating agency for an Aa bond rating. The District is very fortunate it has the second highest bond rating in the State. They recommended 14.78% as a national average for non-coastal school districts. Of course, the District minimum fund balance is 10% according to Board of Education policy.

In summary the District is opening three new schools this fall – Bluffton Middle, Pritchardville Elementary and Whale Branch Early College High School. Even though staffing requires 173 positions, the District is overall reducing staffing by 15. There is a 2.2% budget increase from current year to next. Revenue includes a tax increase for non-residential homeowners or \$21 on a \$200,000 home. Revenue does not equal expenditure which requires the use of fund balance to balance the budget. It is important to remember the importance of maintaining a healthy fund balance. It is important the District has a stable financial condition especially when continuing to build schools and to keep its referendum commitment to the public.

Mr. Baer commented according to the newspaper ad, the District is going up 1.81 mills in operations, but based on past comments to Council, debt service is also going up by about 7.6%.

Mrs. White replied the District was at 28 mills last year and with the rollback it took the District below the amount needed to pay debt service amounts. It has always been 28 mills. It was 28 mills at the time of the referendum in April 2008.

Mr. Baer stated it was 24.43 mills on the tax bill last year. At this year it is 26.3 mills. Mr. Baer is not criticizing, but pointing out the District has a debt service millage increase also.

Mr. Sommerville stated a lot of people know Council has limited oversight over the District's budget. As a result, Council gets calls from its constituents that normally would go to the District. To summarize the calls Mr. Sommerville receives, they speak to three particular issues.

One, of course, is financial stewardship, which is what we are here talking about. But equally important, or more important, they want to see results and they want to see security or safety of students, faculty and property. Focusing on the School Resource Officers (SRO), Mr. Sommerville does not know how many positions are needed, but he does know there is a considerable amount of discussion about safety at the different schools. He has seen some of the police incident reports at some of the schools and, quite frankly, it is alarming. The budget comparison between 2009 and 2010 shows a 2010 budget of \$171,425,974 and 2011 of \$175,270,150. The difference is \$3,844,176 and the District talks about taking \$4,100,000 from fund balance. Why do we need a tax increase in addition to \$4.1 million to be taken from fund balance?

Mrs. White explained the District reduced its budget \$3.1 million to try to absorb opening of the new schools and is adding, because of some mandated items and contracts, \$2.4 million and then adding \$3.8 million. The District is using some fund balance in the current year (2010). The District did add to the fund balance in 2009. Revenues for 2011 will not generate but \$171 million. Even with the 2.2% increase, the District will only generate \$171 million.

Mr. Sommerville stated the shortfall is not just the \$3.8 million. If the District is going to pull \$4.1 million from fund balance and is only short \$3.8 million, it should be equal, but obviously not.

Mrs. White noted the \$3.8 million is not a shortfall, but an increase between the current year budget and next year's budget. The District will have \$171 million in revenue, but it will not cover \$175 million.

Mr. Sommerville replied taking the \$171 million and bringing \$4.1 million from fund balance brings it to \$175 million.

Mr. Flewelling commented 2010 local taxes were \$113 million and with 92.07 mills, the District is hoping to raise \$114 million. That is just under a 2 mill increase, but the value of a mill is \$1,265,000. Is that not a \$2.5 million increase in revenue?

Mrs. White replied it would be \$2.3 million using a mill value of \$1,265,000 and the tax revenues are discounted 98% until further information from County staff. The District is not using, in its projections, a full mill value.

Mr. Newton asked if the Education Financing Act (EFA) is the District's primary state funding source. Mrs. White replied in the affirmative.

Mr. Newton stated the primary methodology the state uses to fund education is EFA. It is always worthy to note Beaufort County has the illustrious distinction of being the only school district in the entire state, out of 87, that receives zero dollars.

Mr. White replied a good example would be Greenville County, before the cuts, which will receive approximately \$160 million in EFA.

Mr. Newton asked if any of these numbers include the Senate proviso passed, either by footnote or otherwise? Mrs. White replied, “It does not.”

Mr. Newton stated there is still a Legislative opportunity for another approximately \$5 million in revenue coming into the Beaufort County School District?

Mrs. White replied the District is estimating \$3.9 million. That is Senator Davis’ proviso that \$21 million would be shared among four school districts based on a weighted-pupil unit.

Mr. Newton commented based on the budget schedule adopted, the District and Council will know whether that proviso made it through the budget prior to third and final reading of the County budget.

Mrs. White said she does not know if it will. The danger is the proviso may survive, but the funds may not appear because it is dependent upon vacancy factor at the state level.

Mr. Newton stated the General Assembly is programmed to end its session on June 22. At what point in time will the vacancy factor at the state be determined?

Mrs. White thinks the state will wait until they close out which would be after June 30. It is much like what the District would do, they would close out, determine the number of vacant positions and what is the dollar amount remaining.

Mr. Newton said this \$3.9 million could, theoretically, take care of the fact of having any millage increase on the operating side. As Mr. Baer point out, a couple of mill increase on the debt side (from 24.32 to 26.3) plus another 1.81 on the operations side could stave off the need of an increase on the operations side.

Mrs. White noted one thing to remember is the cumulative effect. If you take the 2% this year, the District does not believe it could stay above the 10% fund balance. But that is something we would have to look at it is to substitute \$3.9 million in there.

Mr. Newton said the comment “. . . ‘could not stay over the 10% above fund balance’ unless the District chose to make further cuts or eliminate programs” is the same kind of discussion Council has had with its Finance Team. We have reached the point, were we are going to have to begin cutting things, if we want to avoid a tax increase.

Mrs. White reminded Council anytime the state mandates a 1% teacher salary increase that is approximately \$1 million. Therefore, the District always has to include that in future budgets. Otherwise, the District would have to reduce internally the equivalent. If it is a 3% teacher salary increase, the District would have to absorb \$3 million which would be very difficult because the District has avoided the classrooms; we have nothing left.

Mr. Newton asked if any school district ever challenged this state mandate. Beaufort County runs into the same difficulty with the state where they mandate, but put no money in it. In fact, in our case, they have put in zero money for a number of years, yet we have continued to live with the mandates.

Mrs. White is not aware of any school district that has challenged the state mandate.

Mr. Stewart commented several times during Mrs. White's presentation, she talked about opening 3 new schools and 173 teachers would be needed. In reality there is only a 130 student increase in growth this year. The District is taking students out of modular classrooms and moving them out of overpopulated schools into new facilities. It is really not as dire a situation as perhaps it is being pointed out. Also, insofar as operations and the cost, there is certainly a cost of maintaining, cooling and heating these modular classrooms and facilities the District is able to transfer to the new facilities as well. In reality there was an opportunity to move costs and perhaps even cut costs in those operations. It is not like the District has to populate those schools from scratch. The District is transferring students and teachers. Mr. Stewart questioned and did some research, talking to SCAC representatives and some Legislative Delegation members, about step increase. It is Mr. Stewart's understanding H.4838, which is introduced to allow schools to forego the step increase for the year and also, in the process of that, Mrs. White indicated there would be an increase for administrative school staff. H.4838 passed in the House and is now in third reading in the Senate. All indications are that next week it will pass for third reading. If that does pass, will the District here consider foregoing the step increases and administrative increases allowed under H.4838? If the District were able to do that looking at your numbers, that could take a significant bite out of the negatives or use of reserve funds. This is something the District would need to take a hard look at, but Mr. Stewart is not sure the District is willing to do that.

Mrs. White replied it would be a Board decision. The District has some items in Tier III to consider if there is a need for reductions. It would be a decision of the Board of Education whether or not to provide the step increase. It would also involve furloughing administrators two days, an approximate \$100,000 savings.

Mr. Stewart said that assumes there are no increases in salaries for administration which would be required to be frozen as well.

Mrs. White replied, "That is right." There are no salary increases anyway. What would have to be done, simultaneously, when you suspend teacher step increase, you have to furlough administrators two days which is \$100,000. It would be a \$1,300,000 savings and \$100,000. This is part of H.4838. You cannot suspend, unless you furlough. That would be a Board of Education decision.

Mr. Stewart said it is something that needs to put on the table as well like everything else we are talking about.

Mr. Rodman, as Finance Committee Chairman, summarized the process. Council had a comprehensive presentation today as well as at Finance Committee. Members generated a list of questions and those answers came back today at Finance Committee. We always want to allow for questions as long as people have them, but, hopefully, we will put together, more or less, a final list of questions we might have as members, and review the responses that came back to the first list. Today Council is considering the budget proposal on first reading, by title only. Within the next 40 to 50 days, we need to wrap up the expenditure portion. As Council goes forward and as some of the Legislative issues unfold there will probably be some continuing discussions on mill values and other things. Council is well positioned and probably ahead of schedule compared to prior years to understand in pretty good detail where the District is and what the issues are. Council is aware of the problems and underfunding that has happened over the years from the state level and very much on the same side of the table as the District. Council may or may not find itself on the other side of the table relative to tax increases given we are pressing pretty hard for no tax increases ourselves.

Ms. Von Harten feels we are starting to get behind again. For a certain number of years the District was able to make some strides with things like the International Baccalaureate program and other programs. She is really sad a couple of those have needed to be cut. Just looking into the next few years what we see regarding the fund balance in 2013 is scary. It would not look so bad right now if we approved a millage increase last year. The longer we put it off the worst it is going to get. Council is digging a hole for our kids and dumping them in it just because we want to say we did not raise taxes. There are some things worth raising taxes for. Our children are worth it.

It was moved by Mr. Rodman, seconded by Ms. Von Harten, that Council approves on first reading, by title only, the School District's FY 2010 / 2011 budget proposal. The vote was: FOR - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

Mr. Fred Washington, Chairman of the Board of Education, said last year the District did not raise taxes and knew it was leaving money on the table. We recognize you cannot continue to raise taxes year after year. There has to be some limits. The smart thing would have been to raise taxes last year -- an off-election year. The District is going to do what is fiscally sound and responsible and to make sure we have improvements in our public school system. Last year the District did not raise taxes. As we look out a couple of years, the District has to take the steps now because there are some areas where we will fall behind if we do not continue to make some of gains we have made. Having a couple of Palmetto Priority Schools, schools recognized as being deficient, if we don't continue to focus on making those changes, we will not be successful. It is more prudent to educate rather than incarcerate. It is better to educate folks than to have them dependent upon social services. Regarding Senator Davis' amendment, the state waits until the 13 month to close out its book – the end of July. In August someone will start playing with the numbers to see what is left. Mr. Washington applauded Senator Davis for his amendment, but does not see where that money is going to materialize. If it does, the District will make adjustments. Promise. While the District is not providing cost of living adjustments to anyone again this year, Mr. Washington will fight for teacher step increases. We have to take

care of the classroom teacher because that is where action hits the road. Mr. Washington is committed and wants to make certain Council gets a good return on its investment. The District will continue to make progress, as it has the past three years, with Council's continual support. The District is addressing school safety concerns. The District financial advisor says the District is doing the right things.

PRESENTATION / FY 2010 / 2011 COUNTY BUDGET PROPOSAL

Mr. Bryan Hill, Deputy County Administrator, stated today's presentation is available on the County website. To access the budget click on bcgov.net, click on departments, click on Administration, click on Finance and on the left side of the webpage select budget presentations. Once Council approves the final budget, the line-item detail budget will be posted online. Mr. Hill reviewed the budget FY 2011 chronology: completed departments' goals and objectives, completed descriptions of services, reviewed all personnel requests, submitted five-year budget and participated in six Finance Committee meetings between April and May. Consideration of first reading approval is today, May 10. Second reading is May 25 and third and final reading is June 14.

Mr. Hill displayed a six-year snapshot of county millage from FY 2005 through FY 2010. In FY 2009 and FY 2010 county millage is identical for County operations, while debt service has to change slightly. The snapshot includes millage rates from FY 2005 through FY 2010 for each municipality, fire district and the school district. It gives Council an opportunity to compare and contrast from the previous reassessment to the current reassessment, as well as rollback numbers.

The FY 2011 County budget proposal requires a total fund allocation is the amount of \$104,192,036. Expenditures by division: general government \$20,969,337, public safety \$43,008,695, public works \$16,396,265, public health \$5,235,861, public welfare \$938,259, cultural and recreation \$8,940,171, fund transfers \$3,987,148 and education allocation \$4,716,300. The State of South Carolina requires the County to have a balanced budget. To get there the various revenue sources are: Taxes \$79,985, 015, license and permits \$2,501,000, inter-government \$7,686,826, charges for services \$10,637,150, fines and forfeitures \$1,035,650, interest \$190,000, miscellaneous \$760,000 and other financing sources \$1,396,395.

Administrative achievements include no operational millage increase. This budget proposal does not include any growth in the millage, no use of general fund balance, no cost of living allowance for the third consecutive year and limited vehicle purchases. Regarding maintenance of vacancy margins, Mr. Kubic requested staff hold 30 open lines. There is an approximate 4% reduction in overtime. The operating millage FY 2011 of 40.21 will not change.

Administration Budget Assumptions. The debt structure FY 2001 (tax year 2010) includes a voter-approved Rural and Critical Lands Program debt increase to 3.45 mills and incorporates approximately \$6.2 million in debt. Non-voted county issued debt (buildings and such) is 6.43 mills and incorporated approximately \$11.5 million in debt. The total proposed debt millage is 9.88 mills or approximately \$17.7 million. As the millage rate changes, the numbers will fluctuate. The millage rate is set in August. As to the debt structure FY 2010 (tax year 2009),

it includes a voter-approved Rural and Critical Lands Program debt increase to 2.13 mills. Non-voted county issued debt (buildings and such) is 3.63 mills. Total adopted debt millage is 5.75. This represents a 4.0 debt service millage increase and the first tax increase of any sort in three years.

The revenue structure is comprised of ad valorem property tax (automobile and delinquent), licenses and permits (building permits, marriage license, cable franchise fees and business license), intergovernmental (state aid, family court fees), charges for services (recorded fees from Register of Deeds, Court Administration, Probate Court, Parks and Leisure Services and Library fines), Fines and Forfeitures (Magistrates' Office, Solicitor's Worthless Check Program.), Interest (earnings were little to none), Miscellaneous. Federal grants, court fees, foreclosures and probate fees increased. Interest earnings, auto property taxes, state aid, parks and leisure services, building permits, Register of Deeds and cash flow decreased. People are waiting longer and longer as well as at the last minute to pay their taxes. Mr. Hill displayed a chart of tax generation by Council District, parcel count and taxes charged.

Budget Challenges. Health insurance (Blue Cross/Blue Shield) has a 6% increase or \$450,000 to the general fund. Fuel is estimated at \$3.50 per gallon. Utilities are anticipated to increase 7%. Performance audits will continue during FY 2011. Maintaining existing levels of service will continue despite the economy. Outside agency funding is \$10,044,307 which is 9.64% of the general fund. Education receives \$4,716,300. Public Health receives \$2,586,045. Public Welfare \$237,000. Public Safety \$1,594,400. Recreation subsidies \$140,000. Transportation \$347,000. Economic Development \$423,562.

FY 2011 Achievements and Goals. Maintained 30 vacancies during FY 2010. Project maintaining 40 to 60 vacancies in FY 2011. Implemented a semi-hiring freeze. Eliminated the Airport contribution from general fund budget. Combined the Ecology initiatives in FY 2010 and FY 2011. Continue pursuing federal and state grant opportunities. Millage value assumptions are 42.21 and the estimated mill value, which could change, is \$1,796,171 and is predicated on growth and, perhaps, negative assessable transfer of interest (ATI). At the request of the County Administrator a five-year budget was prepared to assist with strategic planning. In 2008 Mr. Kubic created the Finance Team and today there are three Certified Public Accountants and one Public Accountant. The budget process has evolved from a three-year budget to a five-year budget which culminated with strategic planning at the March 26 Council retreat. The Team has accomplished enhanced fiscal management reporting: monthly reporting, airport finances and enterprise fund accounting. Regarding fiscal responsibility, the Team provided a Comprehensive Annual Financial Report (CAFR) on time and the County received the Government Finance Officers Association (GFOA) Award.

Mr. Kubic presented the strategic concepts. This process begins with Council Retreat and the goals and objectives discussed and outcomes need to be incorporated in strategic concepts: Advisory Boards, Metro Services Adoption and Planning (not to be confused with metro government) and Shared Facilities Utilization Policy.

Advisory Boards. Mr. Kubic is beginning to talk about creating three advisory boards. (i) Investment Board. Should we start engaging conversation with the municipalities and other political subdivisions in terms of how we manage our investments, how we best utilize cash flow to the mutual benefit of everyone and how we ensure reporting compliance. A public / private partnership is suggested. Every 90 days the Investment Board will appear before Council and give a report, in conjunction with the Treasurer, as to what is going on with our investments. The goal, in both cash flow management and investment management, is to enhance revenue production. We are going to need to focus in on that in different ways because interest earnings are limited in terms of an enhancement for out years. (ii) Management Information Systems. We need to begin to coordinate what we are doing with our software investments on a countywide basis. Mr. Kubic is not trying to tell the municipalities and other political subdivisions what they should be buying, but it should be vetted so that anything that is being purchased by the Town of Hilton Head or Town of Bluffton is fully vetted for integration and ease of information flow between all parties instantly. We are working on building permits, but perhaps we need to consider a different approach. (iii) Geographic Information Systems. It is time to combine our efforts for economy's sake.

Metro Service Adoption and Planning. Management Information Systems and Geographic Information Systems are examples of metro services. Business License could be another example. Imagine a central GIS system where we combine B/J Water and Sewer Authority. The County and B/JWSA are very close to coming up with our first partnership of single utilization of GIS between the Authority and Beaufort County led by Mr. Dan Morgan, County GIS Director. We do not do enough socioeconomic analysis. What is the actual unemployment rate in Beaufort County? What are we doing in terms of developing a sound redevelopment concept whether that is tax abatement, some type of tax relief, creating enterprise zones, working with the real estate market so if somebody wants to consider a building we have an adequate list? We are all trying to reenergize already built infrastructures and buildings? One good example is how does the Town of Hilton Head Island market Shelter Cove or Northridge? How do we fill up some of these empty buildings? How do we energize the City of Beaufort? Mr. Kubic suggested to Mr. Tony Criscitiello, Division-Director Planning and Development, perhaps what we need is to consider in the Planning Department is an economist, someone who is more related to research and development, so you have innovative concepts similar to what we heard from Dr. Schunk in his February 18, 2010 presentation and getting that data involved in our decision-making tree. Foreclosures are an unfortunate example of the fees (as a result of foreclosures) becoming a new enhanced revenue source of Beaufort County. What does that really say? The socio-economic aspects of those out years are something we are going to work on.

Countywide Form-Based Code. This is a two-part payment structures.

Emergency Medical Services Study. The budget proposal provides for a very comprehensive service study that has various aspects of discussing fire service and EMS.

County services in review. Mr. Hill has done a great job identifying 600 cost centers. Mr. Kubic wants to begin discussion on the services, begin discussion in terms of performance, whether or

not Council is satisfied with it and whether or not we should consolidating some of those. It is all designed to decrease our expenditures.

Privatization. This year Mr. Kubic is going to introduce for next year the concept of privatization wherein he may ask some of his department heads to actually compete in a competitive bid process for services provided by us but also provided by the private sector. It will be an interesting exercise to see whether or not we are providing that service at a cost factor equivalent to or less than the private sector. If, however, it proves the private sector can do it for less, this is another option we will be looking at in the out years.

Purchasing. Perhaps we should start combining some of the government units in purchasing. Maybe we have an opportunity with our partners to scale down the number of employees, yet still increase productivity, the spec kind of writing and those kinds of things. Stormwater utility is another example of what we can do both in terms of future privatization, but also in an effort to combine with the other political units to do it a little bit better and faster.

Shared Facilities Utilization Policy. We ought to be able to consider a countywide utilization policy involving the taxpayers' buildings. It is ironic the taxpayers' build all these things and owns everything. We are talking with the School District to centrally organize what we already built and offer those facilities in a better way to citizens so we are fully utilizing both.

Part of the budget proposal and five-year concept is to head in different directions. Mr. Kubic wanted to take the opportunity today before the public and Council to say we are looking at some things we realize, given our circumstances, we fully need to address – unemployment, foreclosures, redevelopment, privatization, combining metro services. There is a plea to fellow managers to take it to their councils to say yes or no to some of these concepts and break some of the traditional separation that exists and focus in better methods and technologies.

Mr. Caporale inquired of the net effect of removing the contribution line from the Airports. Mr. Hill replied \$250,000, which is approximately one-half of the increase in health insurance.

Mr. Kubic said he made the recommendation to remove the \$250,000 until we have an opportunity to bid the tree trimming and removal. Recognizing we have a \$25 million reserve and not knowing if we will, at all, get to a point where we will trim or cut trees in light of the recent change in the Land Management Ordinance by the Town of Hilton Head Island and the threat of ligation, this may go on for quite some time. Mr. Kubic said it is better to go through the bid process, find out exactly what that number would be and plug it in.

Mr. Baer made some general comments on the budget. Messrs. Kubic, Hill and Starkey and their staffs deserve congratulations for providing us with the most detailed and timely information that he has seen during his term in office. Based on that, and similarly good input from the School District, he has put together an analysis of the impacts on taxpayers. This is based on data for my District, but the conclusions are applicable to others Districts as well. The staff has done a very good job at holding operations costs at previous levels. They have also done a tremendous job in providing the data we need to make informed decisions for the future. But even with the

minimum trajectory "A," taxes will rise 7.67% for owners and 4.77% for non-owners. This is the result of having to pay for previous CIP decisions that we, County Council, made over the past few years. When we made these, we all heard the needs and had warm thoughts about what we were buying. But we never really considered the costs of what we were buying, especially in future years, which have now arrived. This is like buying on a credit card without regard to future bills. Unfortunately, the bills have now started to arrive. Council needs to step up to the plate and rapidly make some key policy decisions in order to bring the growing taxpayer burden under control. This is exactly what we asked the School System to do, and we should live by the same rules and scrutiny we impose on them. The staff provided us with the data to do that. The buck now stops with the eleven of us, and we need to make some needed decisions rapidly. For example: (i) According to the data we have \$2 million in "Retainage" and \$14.2 million in assigned but unused budget from past CIP plans. How much of the essential new CIP items could be paid for by 'repurposing' previous unspent CIP funds, thereby avoiding new debt? (ii) According to the latest airports data, they currently owe the General Fund about \$2.1 million. Their budgets are also not balanced, so this figure will grow. As he mentioned at many previous Finance Committee and County Council meetings, the airports have the power to reduce and possibly eliminate these deficits with reasonable landing fees on private aircraft (they currently charge none, only charging on commercial and passenger planes) and other non-onerous measures. He has no problem with providing them a small subsidy - mainly for commercial operation, if they have shown good faith in keeping their budgets under control and are charging reasonable fees. But they have chosen not to do that and we, County Council, have let this go on for more than a year. The net result is that \$2.1 million of our ability to finance other projects (roughly 10% of our total County cash reserve) such as these CIP projects, plus the financing of their ongoing operations shortfall is now committed to this default airport subsidy policy that we never voted on. (We also have not heard more information on the substantial - roughly 60% - of private aircraft property taxes that appears to be uncollected through March 31, 2010.) He cannot condone a County budget that raises taxes on ordinary citizens in order to finance these kinds of subsidies, mainly for private users. (iii) We have spent a lot of time talking about the possible County purchase of the Beaufort Commerce Park, and it appears that \$1.5 Million has been put into the \$38.5 million CIP wish list (labeled Economic Development - FY 2011) to rescue it from default. But from the previous meetings it appears this could require as much as \$2.5 million. Thereafter we may get a request to put up a Spec building at additional cost. We may also get requests for other ongoing operational needs. For months we have asked for a forward looking business plan outlining these potential costs and additional costs, the alternatives to this purchase - such as use of other properties, other types of subsidies, other zoning options, other plans, etc. We have also asked for data on how the taxpayer would get paid back. (From some of these previous meetings we recently heard we may have to give the land away or sell it below cost.) We received none of this - only a very sketchy, non-forward looking document. He cannot condone a County budget that raises taxes on ordinary citizens in order to finance an ill defined plan such as this. (iv) He was one of the first to step up and support (the original plan for) the St. Helena Library, and was one of the key votes to help Mr. McBride pass the \$5 million CIP allocation restored for that. But the plan (what we have seen of it) now requires an additional \$1 million of CIP funds. County Council voted to approve that, but that money has to come from somewhere. It will likely raise taxes. Furthermore, the funding for this Library now has been co - mingled with that for the Administration Complex Reskin to the point

it is impossible to separate and track details of each. For example, on the materials provided to County Council for the April 22, 2010 CIP workshop, there is a \$6 million FY 2011 CIP item labeled St. Helena Library with a footnote referring to the Administration Complex Reskin and an April 12, 2010 Council vote, but no additional data to explain how this relates to the \$5 million St. Helena funds already in previous CIP budgets. There is no clear written record that I can follow to disaggregate the funding plans and costs for these two very different projects. In order to remedy that, on May 6, 2010, he sent Mr. Hill and Mr. Rodman a very simple table that would separate the expected costs of the two projects, the funding sources and expected interest rates. Completion of this table would provide the visibility and transparency taxpayers deserve as we spend their tax money. (v) In looking over the data for the St. Helena Library (SHL) it also appears its Level of Service (LOS) in terms of size and operations costs per unit of population are much higher than our other branches. There is also a second SHL line item in the new operations budget, almost doubling in 2012. I believe libraries are good investments, but it seems fair that all our major library service areas should have the same operations LOS and should be allocated equal operations costs per population. This does not seem to be happening, and requires explanation. (vi) We need to seriously look at all \$38.5 million in new CIP wishes over the next five years and determine what we really need, and what we could live without or postpone. Every cent of those \$38.5 million is beyond trajectory "A" and hence is in addition to the 7.67% tax increase mentioned earlier. The FY 2011 CIP wish list alone is \$9.9 million. We have to remember that these CIP wishes are usually financed by debt, whose payments will add to our already existing debt payments. Mr. Baer will vote against the budget on first reading.

Mr. Rodman inquired if the three advisory boards will require some sort of ordinance to put them in place. If so, the Investment Board, unlike the other two, which are looking more countywide with the municipalities, is more heavily between Council and the Treasurer's Office. The sooner we create the Investment Board the better.

Mr. Kubic at present is researching the issue. Several other states have statutes that require advisory board of the kind we are talking about tonight. He is in the process of drafting a white paper for submission to Council and Treasurer to see whether or not we could blend some sort of an ordinance or policy as a regulatory step for more disclosure, more reporting to the public through that means.

It was moved by Mr. Rodman, as Finance Committee Chairman (no second required), that Council approves on first reading, by title only, the County FY 2010 / 2011 budget proposal. The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. OPPOSED - Mr. Baer. The motion passed.

MOTION TO EXTEND

It was moved by Mr. Glaze, seconded by Mr. Stewart that Council extends beyond 8:00 p.m. vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. OPPOSED - Mr. Caporale and Mr. McBride. The motion passed.

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

COMMITTEE REPORTS

Finance Committee

Accommodations 2% State Accommodations Tax FY 2009 -2010 Appropriations

Mr. Rodman explained there are two additional groups being added to the original Accommodations Tax Board recommendations. The pieces added are: (i) to take their original recommendation for the Hilton Head Island/Bluffton Chamber of Commerce and to bring that up to the full amount, which is an additional \$16,000, and the same thing for the Beaufort Regional Chamber of Commerce, which brings them up to \$25,000. The Black Chamber of Commerce received 100% of what was recommended by the Accommodations Tax Board on the first round. This second round would bring the other two up to that. (ii) There were also five entities that did not attend the annual meeting and, therefore, were not considered for funding and the Finance Committee asked the Board to reconsider those.

All three Chambers made a request for use of hospitality taxes. Hilton Head / Bluffton, based on getting some money from the Town of Hilton Head Island, said they would defer and perhaps come back in the future. Their number is \$200,000. There was \$200,000 from Beaufort Regional and \$125,000 from Black Chambers and both of them have agreed they do not need that money in the next couple of months. Therefore, we can let the current year close out. Council can take an orderly look at this after we get beyond the budget process.

It was moved by Mr. Rodman, as Finance Committee Chairman (no second required), that Council appropriates the remaining \$50,000 relative to FY 2009-2010 accommodations tax (2% state) funds as follows: Gullah Festival \$3,900, Art League of Hilton Head Island/Society of Bluffton Artists/Beaufort Art Association \$1,000, Hilton Head Choral Society \$1,000, Port Royal Old Village Association \$3,000, Hilton Head Island / Bluffton Chamber of Commerce \$16,000, Lowcounty Estuarium \$1,000, and Beaufort Regional Chamber of Commerce / Visitor and Convention Center (Destination Marketing) \$25,000. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

Natural Resources Committee

Rural and Critical Lands Board

Mr. Sommerville, as Natural Resources Committee Chairman, nominated Mr. George Johnston, representing District 7, to serve as a member of the Rural and Critical Lands Board.

B/J Water and Sewer Authority

Mr. Sommerville, as Natural Resources Committee Chairman, nominated Mr. W.R. (Skeet) Von Harten, to serve as a member of the B/J Water and Sewer Authority.

Mr. Rodman nominated Mr. James Carlen for reappointment to serve as a member of the B/J Water and Sewer Authority.

Request for Quotes / Tourist Railroad on Port Royal Railroad Right-of-Way

Mr. Sommerville, as Natural Resources Committee Chairman, reported members voted to authorize the Beaufort County Purchasing Department to develop and issue a Request for Proposal for the use of the Beaufort Jasper Water and Sewer Authority's Port Royal Railroad easement as a potential dinner or historic train. In addition, the RFP should: (i) Protect the County from legal liability. (ii) It has to be of no additional cost to the County. (iii) It has to be contingent on the applicant negotiating purchase of the rails. (iv) It must not preclude or prejudice a walking trail, or at least take dual trail/rail use into account. (v) The applicant would have to reach an agreement with Surface Transportation Board Rail Bank to either take the right-of-way (ROW) out of the Rail Bank or get permission to operate it within the Rail Bank. (vi) It is contingent on Beaufort County finalizing an agreement between Beaufort Jasper Water and Sewer Authority and Beaufort County transferring the ROW from BJWSA to the County.

Public Facilities

Town of Hilton Head Island Curbside Trash Pickup and Recycling Initiative

Main motion.

It was moved by Mr. Glaze, as Public Facilities Committee Chairman (no second required), that Council approves staff's interpretation that we consider the violation to be acceptable based on the residential waste definition in the ordinance and not pursue the disposal fees. We will be fully supporting the Town's initiative; we will not increase any cost to the County as we are already paying the disposal costs and we will be decreasing disposal costs in the long run by supporting increased recycling.

Mr. Flewelling stated all county taxpayers are basically subsidizing trash pickup for a couple of condominiums on Hilton Head Island.

Motion to table.

It was moved by Mr. Flewelling, seconded by Ms. Von Harten, that Council tables the motion. The vote was: FOR – Mr. Caporale, Mr. Glaze, Mr. Flewelling, Mr. McBride and Ms. Von Harten. OPPOSED – Mr. Baer, Mr. Dawson, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion failed.

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

Public Safety

Senate Bill 1291 Solid Waste Flow Control

Mr. Stewart, as Public Safety Committee Chairman, reported members voted to oppose Senate 1291 or any similar legislation which makes it against state law to pass an ordinance regarding solid waste flow control or any similar legislation, which makes it against state law to pass an ordinance regarding solid waste flow control.

Local Government Fund Budget Proviso

Mr. Stewart, as Public Safety Committee Chairman, reported members voted to support the S.C. Association of Counties' stance in support of the Local Government Fund portion of the budget.

Fripp Island Fire District Request Approval for Aerial Ladder Truck

It was moved by Mr. Stewart, as Public Safety Committee Chairman (no second required), that Council endorses the purchase of an aerial ladder truck by the Fripp Island developers for the fire district. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. OPPOSED - Ms. Von Harten. The motion passed.

Acquisition of Lowcountry Economic Network Development Property at the Beaufort Commerce Park

Mr. Stewart, as Public Safety Committee Chairman, reported members voted to include the County acquisition of the Lowcountry Economic Network development property at the Beaufort Commerce Park in the Capital Improvement Plan to be considered with the fiscal year 2010-11 budget.

The Vice Chairman passed the gavel back to the Chairman in order to continue the meeting.

PUBLIC COMMENT

There were no requests to speak during public comment.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Caporale seconded by Mr. Glaze, that Council goes immediately into executive session for the purpose of receiving purpose receiving information regarding negotiations incident to proposed contractual arrangements and proposed purchase of property

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

EXECUTIVE SESSION

RECONVENE OF REGULAR SESSION

It was moved by Mr. Stewart, seconded by Mr. Baer, that Council purchases through the Rural and Critical Lands Program the development rights, secured by conservation easement, preserved for agriculture the 30+ parcel of land on S.C. Highway 170 owned by Margaret Palmer, subject to the reservation of two single-family home sites for a purchase price of \$500,000 all in accordance with the terms of option in favor of Conservation Consulting Company, dated February 17, 2010. The vote was: FOR – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton Mr. Rodman, Mr. Sommerville Mr. Stewart and Ms. Von Harten. The motion passed.

ADJOURNMENT

Council adjourned at 9:20 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST: _____
Suzanne M. Rainey, Clerk to Council

Ratified:

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

GARY KUBIC
COUNTY ADMINISTRATOR

CHERYL HARRIS
EXECUTIVE ASSISTANT

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BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

LADSON F. HOWELL
STAFF ATTORNEY

**COUNTY ADMINISTRATOR'S REPORT
Monday, June 14, 2010
Hilton Head Island Library**

INFORMATION ITEMS:

- The County Channel / Broadcast Update
- Two-week Progress Report (Enclosure)
- Councilman Herbert Glaze / Kiwanis Club of Beaufort Citizenship of the Year Award



Memorandum

DATE: June 11, 2010
TO: County Council
FROM: Gary Kubic, County Administrator
SUBJ: County Administrator's Progress Report

The following is a summary of activities that took place May 24, 2010 through June 11, 2010:

May 24, 2010

- Conference call with Cristina Roberson, Director of Parks and Leisure Services
- St. Helena Island Branch Library team meeting
- Finance Committee meeting
- County Council meeting

May 25, 2010

- Sheriff's budget meeting
- Meeting with Jo Cherie Overcash and Robert Hodges, of South Carolina Department of Health and Environmental Control, re: South Carolina's Voluntary Cleanup Program - Brownfields Program and redevelopment within Beaufort County
- Followup St. Helena Island Branch Library team meeting
- Public Safety Committee meeting
- Public Facilities Committee meeting

May 26, 2010

- Followup meeting with Ed Hughes, Assessor, Sharon Burriss, Auditor, and Ted Anderson, Chief Information Officer, re: tax bills
- County / Town of Bluffton meeting
- Meeting with Weston Newton, Chairman, County Council, Aaron Crosby, Chairman of Daufuskie Island Council, Eddie Bellamy, Director of Public Works, and Jim Minor, Supervisor, Solid Waste and Recycling, re: proposed new convenience center on Daufuskie Island

May 27, 2010 (Hilton Head Office Hours)

- Meeting with Ms. Mary Amonitti, Hilton Head Island resident

May 28, 2010

- Staffing meeting regarding tax bills

May 31, 2010

- Memorial Day Holiday

June 1, 2010

- Personal leave

June 2, 2010

- Staff meeting re: tax bills
- Emergency Medical Services departmental visit
- Detention Center departmental visit

June 3, 2010

- Department Head meeting
- Staff meeting re: Buckwalter Business Park access
- Meeting with John Hansen, Vice President of Manatron-Risk Management, and Chief Information Officer Ted Anderson, re: Manatron issues
- Meeting with staff and Walter Mack, Executive Director of Penn Center, re: St. Helena Library
- Meeting with Ladson Howell, Staff Attorney
- Meeting with Bryan Hill, Deputy County Administrator, and David Starkey, Chief Financial Officer, re: budget issues
- Site visit / construction of new Disabilities and Special Needs building

June 4, 2010

- Meeting with Scott Dadson, City Manager
- Follow-up staff meeting re: tax bills

June 7, 2010

- Natural Resources Committee meeting

June 8, 2010

- Solid Waste and Recycling Work Session to Finalize Transfer Station Strategy

June 9, 2010

- Followup tax bill meeting with staff
- Meeting with Ashley Feaster, Executive Officer, Hilton Head Area Home Builders Association, and Ted Anderson, Division Director, Information and Technology, re: building department technology / software solutions

- Joint meeting of Natural Resources and Public Safety Committees

June 10, 2010

- Meeting with Dean Moss, General Manager of BJWSA, Andrew Fulgham, Jasper County Administrator, and Kim Statler, Executive Director of Lowcountry Economic Network
- Meeting with Rob McFee, Division Director of Engineering and Infrastructure, Ed Modzelewski and Tony Maglione, of Applied Technology Management, re: Stormwater Ordinance
- Meeting with Tony Criscitiello, Division Director of Planning and Development, Delores Frazier, Deputy Planning Director, Hillary Austin, Zoning Administrator, and Chris Polk re: Mr. Polk's permit to open a restaurant in an overlay zone
- Voter Registration/ Elections departmental visit

June 11, 2010

- Meeting with Jim Curry, Vice President, Village at Battery Creek, and Tony Criscitiello, Division Director of Planning and Development, re: Village at Battery Creek
- Meeting with Bryan Hill, Deputy County Administrator, Ed Allen, Coroner, Mark Roseneau, Facilities Management Director, and Henry Chambers, Beaufort Realty, re: property located at 848 Robert Smalls Parkway
- Meeting with Perry White, Hilton Head Island resident, re: White Family Beach City Road Properties



Memorandum

DATE: June 11, 2010
TO: County Council
FROM: Bryan Hill, Deputy County Administrator
SUBJECT: Deputy County Administrator's Progress Report

The following is a summary of activities that took place May 24, 2010 thru June 11, 2010:

May 24, 2010 (Monday):

- Meet with Suzanne Larson, PIO, William Winn, Public Safety, Arthur Cummings, Building Codes and Ted Anderson, MIS re: Press Release for Business License
- Attend St. Helena Library Status Meeting
- Finance Committee Meeting
- County Council

May 25, 2010 (Tuesday):

- Meet with Gary Kubic, P.J. Tanner, Sheriff and Suzanne Cook re: Budget
- Meet with Todd Ferguson, Emergency Management and David Starkey, CFO re: Open Position
- Attend St. Helena Library Status Meeting
- Public Safety Committee Meeting
- Public Facilities Committee Meeting

May 26, 2010 (Wednesday):

- Meet with Gary Kubic and Mark Roseneau re: City of Beaufort/Arthur Home Building Space Issues
- Telephone call with Wlodek Zarycsny, Library, Morris Campbell, Community Services and Jan O'Rourke re: LOS
- Meet with Anthony Barrett, Bluffton Town Manager, Mayor Sulka, Weston Newton and Gary Kubic at Town of Bluffton

May 27, 2010 (Thursday):

- Meet with Scott Liggett, Town of Hilton Head Island
- Prepare documents for St. Helena Library Grant

May 28, 2010 (Friday):

- Personal Leave Day

May 31, 2010 (Monday)--MEMORIAL DAY:

- CLOSED

June 1, 2010 (Tuesday):

- Bluffton Library Meeting Room Policy Review - Tea Party Issue
- EOC Hurricane Season Announcement - Governor Sanford Visit
- Attend Joint Initiative Council/Board of Education Committee Meeting

June 2, 2010 (Wednesday):

- Meet with David Starkey
- Meet with Suzanne Gregory
- Attend Fund Balance Analysis with David Starkey, Mitzi Wagner, Morris Campbell and Gary Stowe

June 3, 2010 (Thursday):

- Attend Department Heads Meeting
- Attend St. Helena Library at Penn Center Status Meeting
- Work on Budget

June 4, 2010 (Friday):

- Work on Budget

June 7, 2010 (Monday):

- DA Meeting
- Meet with Gary Kubic, Merritt Patterson, Mayor Billy Keyserling & Christian Trask re: Facilities Committee - Riverview Charter School Potential Site
- Work on Budget

June 8, 2010 (Tuesday)--Bluffton:

- Bluffton Hours

June 9, 2010 (Wednesday):

- Agenda Review
- Meet with Mark Roseneau re: Inspection Reports
- Meet with Suzanne Gregory, Employee Services
- Joint Meeting of Natural Resources and Public Safety Committees

June 10, 2010 (Thursday):

- Meet with David Starkey and Bud Boyne, Alcohol & Drug re: Budget
- Meet with Suzanne Gregory, Employee Services
- Meet with Ladson Howell, Staff Attorney
- Work on Budget

June 11, 2010 (Friday):

- Work on Budget
- Meet with Gary Kubic, Henry Chambers, Mark Roseneau and Ed Allen re: Lease/Purchase of 848 Robert Small Parkway Building & Grounds



**COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT**

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

TO: Jerry Stewart, Chairman, Public Safety Committee

VIA: Gary Kubic, County Administrator *GK*
Bryan Hill, Deputy County Administrator
David Starkey, Chief Financial Officer *DS*
William Winn, Director of Public Safety
Todd Ferguson, Director of Emergency Management

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

SUBJ: **Request for Sole Source Purchase of Fiber Installation and Leasing Services for Beaufort County Emergency Management Department (EMD)**

DATE: May 17, 2010

BACKGROUND:

Hampton Fiber Connection

As part of the 911 system-wide update of software and equipment, an additional fiber line from the Beaufort County Dispatch Center to the backup facility in Hampton is required. This will provide a redundant line allowing the County fiber network to Hampton and to the network South of Broad River as an alternate path to transmit data. The Beaufort County alternate Emergency Operations Center, called BROCC, in Hampton is being developed as an alternate 911 database and dispatch facility. The contract includes construction, installation, service support, and leasing for an initial 5 year term. Total 5 year lease cost is \$10,140.00.

FUNDING: Account # 23205-54142 (Regional 911) for \$943,380.00

RECOMMENDATION: The Public Safety Committee approve and recommend to County Council approval of a contract award to Hargray, in the amount of \$943,380.00 for 911 fiber construction, installation, and leasing services.

cc: Richard Hinline, Elizabeth Smith



**COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT**

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

TO: Jerry Stewart, Chairman, Public Safety Committee

VIA: Gary Kubic, County Administrator *OK*
Bryan Hill, Deputy County Administrator
David Starkey, Chief Financial Officer *DS*
William Winn, Director of Public Safety
Todd Ferguson, Director of Emergency Management

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

SUBJ: RFP# 1209/1000350 ANI/ALI Database System for Emergency Management
Department (EMD)

DATE: May 17, 2010

BACKGROUND: Beaufort County issued Request for Proposals (RFP) to vendors capable of providing 911 software. Our current 911 center is working with a third party vendor who maintains the ANI/ANL Database System; however, the current vendor is no longer able to support the database. The 911 Center is looking to implement Next Generation 911 operations and would like to maintain the database within the center. EMD plans to procure a highly-redundant, feature-rich ANI/ALI Database System solution to replace the existing system and anticipates that the system will be a turnkey solution and cutover in 2010. The evaluation committee consisted of Todd Ferguson, Director EMD, Curtis Young, 911 Coordinator, Nicole Benton, 911 staff, Susan Williams, Hilton Head Island 911. The evaluation committee interviewed the top two firms and selected Contact One as the number one ranked firm.

NUMBER OF RFP's RECEIVED AND RANKING: 3

1. Contact One, Overland Park, KS
2. MicroData, St. Johnsbury, VT
3. INdigital, Fort Wayne, IN

FUNDING: Account # 23205-54140 (Communications Equipment)

RECOMMENDATION: The Public Safety Committee approve the contract award of \$ \$232,361 to Contact One for 911 software, the number one ranked firm and recommend the contract award to County Council.

cc: Richard HineLine, Elizabeth Smith



**COUNTY COUNCIL OF BEAUFORT COUNTY
BEAUFORT COUNTY ENGINEERING DIVISION**
Building 3, 102 Industrial Village Road
Post Office Drawer 1228, Beaufort, SC 29901-1228
Phone: (843) 470-2625 Fax: (843) 470-2630

TO: Councilman Herbert N. Glaze, Chairman, Public Facilities Committee

VIA: Gary Kubic, County Administrator
Bryan Hill, Deputy Administrator
David Starkey, Chief Financial Officer
Robert McFee, P.E. Director of Engineering & Infrastructure

FROM: Robert Klink, P.E. County Engineer

SUBJ: ROAD RESURFACING 2010 PHASE I IFB #2906/100668

DATE: May 18, 2010

BACKGROUND. In April 2010, Beaufort County issued an invitation for bids to resurface various SCDOT, Beaufort County, and City of Beaufort roads. The road names and locations are listed below:

<u>SCDOT Roads</u>		<u>Length</u>	<u>Location</u>
• Dr. Mellichamp Rd.	S-7-586	0.2 miles	Bluffton
• Church St.	S-7-299	0.1 miles	Bluffton
• Boundary St.	S-7-606	0.4 miles	Bluffton
• Jason St.	S-7-584	0.4 miles	Bluffton
• Whispering Pines	S-7-583	0.2 miles	Bluffton
• Allen St.	S-7-300	0.1 miles	Bluffton
• Geothe Rd. (from Hilderbrand to Bluffton Rd.)	S-7-241	1.15 miles	Bluffton
• Schultz Rd.	S-7-404	0.6 miles	Bluffton
• Roberts Rd.	S-7-634	0.1 miles	Burton
• Creek Rd.	S-7-636	0.2 miles	Burton
• Vaux Rd.	S-7-635	1.05 miles	Burton
• W.K. Alston Dr.	S-7-761	0.4 miles	Burton
• Ratel Dr.	S-7-728	0.35 miles	Burton
• Allison Ct.	S-7-159	0.2 miles	City of Beaufort
• Hancock St.	S-7-206	0.22 miles	City of Beaufort
• Duncan Dr.	S-7-276	0.31 miles	Town of Port Royal
• Verdier Rd.	S-7-563	0.15 miles	City of Beaufort
• Langhorne Dr.	S-7-386	0.26 miles	City of Beaufort
• Meritta Ave.	S-7-273	0.35 miles	Town of Port Royal

Total Miles

6.74 miles

Beaufort Roads	Length	Location
• Northridge Dr.	0.1 miles	Hilton Head Island
• Palmetto Pkwy	0.35 miles	Hilton Head Island
• Otter Hole Rd.	0.15 miles	Hilton Head Island
• Cardinal Ct.	0.1 miles	Hilton Head Island
• Pembroke Dr.	0.85 miles	Hilton Head Island
• New Orleans Rd.	0.15 miles	Hilton Head Island
• Haig Point Rd. (from Hargray to Boat Landing)	1.1 miles	Daufuskie Island
• Cooper River Landing (from Old Haig Point Rd to Melrose Landing Rd)	0.15 miles	Daufuskie Island
• Pappy's Landing	0.22 miles	Daufuskie Island
• Calhoun St.	0.34 miles	City of Beaufort
• Waters Edge	0.3 miles	City of Beaufort

Total Miles **3.47 miles**

- Paving of Pappy's Landing & Beach Rd intersection **Daufuskie Island**

The Engineering Division received the following two bids on May 18, 2010.

Contractors	Total Bid
REA Contracting, LLC 42 Jeter Road Beaufort, SC 29903	\$1,638,521.60
APAC 47 Telfair Place Savannah, GA 31415	\$2,056,175.70
Engineer's Estimate	\$1,774,321.21

REA submitted the most qualified/responsible bid of \$1,638,521.60. The bid was reviewed and found to be reasonable and is in compliance with the County's SMBE Ordinance.

Project will be funded by BCTC funds, Acct # 3322C-54901, for \$847,316.10 and Tag funds, Acct #3322T-54901, for \$791,205.50.

RECOMMENDATION The Public Facilities Committee approve and award a construction contract to REA Contracting LLC of \$1,638,521.60 for the road resurfacing project with the funding sources listed above.

REK/JF/mjh

- Attachments: 1) Bid Certification
2) SMBE Documentation
3) Location Maps

Opened May 18, 2010

	Vendor	Location	CTC Funds	BTAG Funds	Total
1	APAC-Southeast, Inc.	Savannah, GA	\$900,396.75	\$1,155,778.95	\$2,056,175.70
2	REA Contracting	Beaufort, SC	\$847,316.10	\$791,205.50	\$1,638,521.60
	Certified By: <i>Tim Frei</i>	Date <i>5/19/10</i>			



BLUFFTON TOWNSHIP FIRE DISTRICT

**357 FORDING ISLAND ROAD
BLUFFTON, SOUTH CAROLINA 29910**

July 17, 2009

**Mr. Chris C. Poe
Beaufort County School District
P.O. Drawer 309
2900 Mink Point Blvd.
Beaufort, SC 29901**

Dear Chris,


First of all, I would like to thank you for meeting with us on Tuesday of this week. The information that you presented was very beneficial in assisting us with obtaining a clear understanding of the property owners and land use in the area of Bluffton Parkway and Hampton Parkway.

As you know from previous discussions, we have identified that area as the next priority fire station that needs to be constructed due to the future development that is planned.

The primary objective for our existence is the delivery of emergency services to the citizens in the Bluffton Township Fire District. Fire Stations are the first line of defense when providing these services. A fire station in a neighborhood is the hub for community assistance. In the United States, the fire station is viewed as a part of the community and culture. Citizens within the community take pride and ownership with their neighborhood fire station. The construction of a fire station in the area of Hampton Parkway is essential for the delivery of emergency services to the current and future residents that live in the response area and also for the new school.

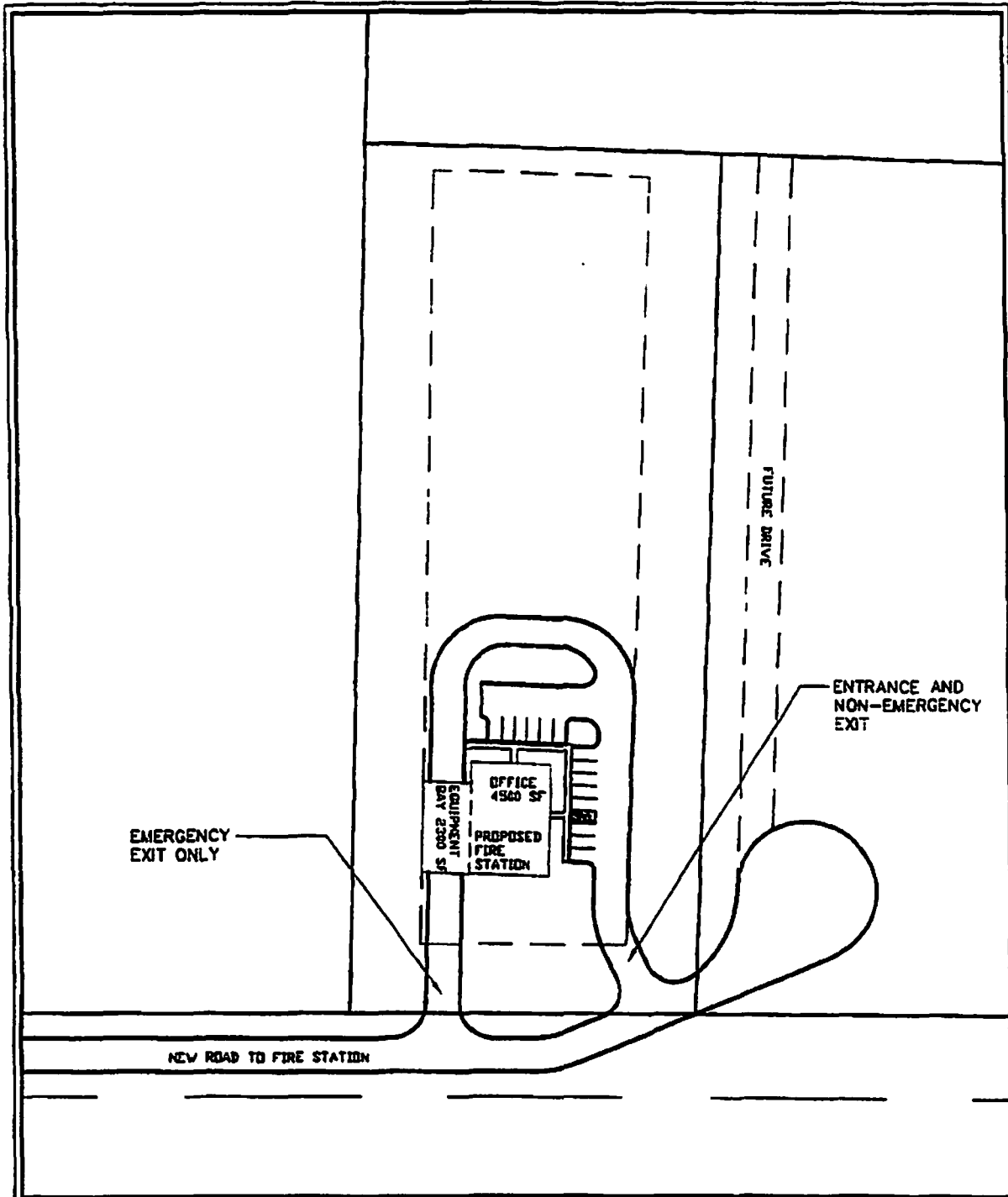
The Bluffton Township Fire District is interested in purchasing a portion of the Beaufort County School District property that is known as the Davis Road tract. We are very interested in Parcel C. I would like to request, if possible, to start negotiations for purchase of the property. Again, thank you for your time and information that was shared and I hope to hear from you soon.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry Turner". The signature is fluid and cursive, with a long horizontal stroke at the end.

Wm. Barry Turner, Fire Chief
Bluffton Township Fire District

cc: Bluffton Fire Commission
Jerry Stewart
Gary Kubic



KEY ENGINEERING, Inc.
 P.O. BOX 2369
 BLUFFTON, SOUTH CAROLINA 29910
 PH: 843-227-3211 / FAX: 843-757-0031

SHEET DESCRIPTION
PROPOSED FIRE STATION
 BLUFFTON, SOUTH CAROLINA

DRAWN BY: BCP
 DATE: 3/18/10
 SCALE: 1"=100'
 PROJECT No. KE00039
 LANDPLAN



December 16, 2009

Fire Chief Barry Turner
Bluffton Township Fire District
357 Fording Island Road
Bluffton, SC 29909

Re: Sale of District Owned Property
(Davis Road Property (aka "Hood Property"))

Dear Chief Turner:

Last night our Board unanimously approved the sale of the "Hood" property to the Bluffton Township Fire District. This property consists of approximately 2.9 acres. In addition to setting the sale price at \$325,000, the sale must be contingent upon the following items:

- Location of fire station must be approved by the District prior to construction;
- Sale to Fire District will not compromise donation of land by University Investment;
- All water, sewer and other utilities will be borne by the Fire District;
- Cost of road construction from Hampton Parkway to Hood property would be shared equally between School District and Fire District; and
- School District must approve the road design prior to road construction.

Please let me know in writing if these terms are agreeable to the Fire District and we can proceed as necessary.

If you have any questions or comments, please do not hesitate to contact Chris Poe or me.

Sincerely,

Phyllis S. White, CPA
Chief Operational Services Officer

cc: Chris Poe, Facilities Planning and Construction Officer

This document was prepared by
McNair Law Firm, P.A. (SFR)
5 Belfair Village Drive
Bluffton, SC 29910
(843) 815-2171

CONTRACT OF SALE

THIS CONTRACT OF SALE ("Contract") is made this _____ day of _____, 2010, by and between **Bluffton Township Fire District**, a South Carolina special purpose district, with an address of 357 Fording Island Road, Bluffton, SC 29909 ("Purchaser") and **Beaufort County School District** with an address of P.O. Drawer 309, Beaufort, SC 29901-0309 ("Seller").

In consideration of the mutual promises contained in this Contract, Purchaser agrees to purchase and Seller agrees to sell, upon all the terms and conditions hereafter set forth, the property described hereafter:

1. **PROPERTY DESCRIPTION.** Seller hereby agrees to sell all that lot or parcel of land and any interest appurtenant thereto, situated in Beaufort County, South Carolina, having Beaufort County Tax Parcel Number R600 029 000 0127 0000 and being described as follows:

ALL that certain piece, parcel or tract of land, lying and being in Bluffton Township, Beaufort County, South Carolina, and being designated as "Parcel C," containing 3.010 acres, more or less, as shown and described on that certain plat entitled "Boundary Survey" prepared for Beaufort County School District, dated July 3, 2008, last revised September 12, 2008, prepared by B.P. Barber & Associates, Inc., certified by Henry B. Dingle, Jr., S.C. P.S. No. 10289, and recorded in the Beaufort County Records in Plat Book 126 at Page 102. For a more particular description of the courses, metes, bounds, and distances of said property, reference is hereby made to said plat of record.

The conveyance shall be made subject to all applicable restrictions and covenants of record in the Office of the Register of Deeds for Beaufort County, South Carolina.

2. **PURCHASE PRICE.** The total Purchase Price for the Property is **THREE HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$325,000.00)** ("Purchase Price") to be paid by Purchaser to Seller as follows:

a) \$5,000.00, earnest money deposit, the receipt of which is hereby acknowledged (to be held by Escrow Agent hereinafter named);

b) \$320,000.00, in cash or certified funds, due and payable at Closing (as hereafter defined).

3. **INSPECTION PERIOD.** Upon execution of the contract, Purchaser shall have a sixty (60) day period to evaluate and otherwise inspect the Property in order to determine its suitability for development (hereinafter, referred to as the "Inspection Period"). The issues the Buyer will evaluate during the Inspection Period shall include sewer and water options, wetlands, environmental contamination, soil conditions and existing easements. Prior to or by the end of the Inspection Period, Purchaser will notify Seller and Escrow Agent in writing that Purchaser will either proceed to Closing or that Purchaser is withdrawing from the Contract. If Purchaser does not provide such notice within five (5) business days of the last day of the Inspection Period, then it shall be conclusively presumed that Purchaser has waived Purchaser's right to withdraw from the Contract and will proceed to Closing.

4. **DATE OF CLOSING.** The Closing of this Contract shall take place on or before thirty (30) days from the expiration of the Inspection Period (the "Closing" or "Closing Date") at the office of Purchaser's attorney or other offices stipulated by Purchaser. Unless otherwise provided herein, Seller shall deliver possession of the Property to Purchaser at Closing.

5. **CONVEYANCE OF PROPERTY.** At Closing, Seller shall convey marketable title to the Property to Purchaser in fee simple by limited warranty deed, free from encumbrances, except such as are herein agreed to be assumed by Purchaser. If an owner's title commitment can be issued by an ALTA title insurance company, without any unusual or extraordinary exceptions, this shall constitute evidence of marketable title.

6. **TAX PRORATIONS.** Seller discloses to Buyer and Buyer acknowledges that Seller is exempt from paying County real property taxes for the Property. There shall be no tax prorations at Closing. Buyer shall be responsible for County real property taxes, if any, for the Property for the year in which the Closing occurs unless Buyer is exempt from paying County real property taxes for the Property.

7. **CLOSING EXPENSES.** Seller discloses to Buyer and Buyer acknowledges that Seller is exempt from paying the Deed Recording Fee as required by Section 12-24 of the Code of Laws of South Carolina 1976, as amended (formerly referred to as documentary stamps). Seller shall be responsible for preparation of the deed. Purchaser shall be responsible for the Town/County transfer fee, if applicable, all financing costs, legal fees in connection with the title examination, title insurance costs, any other fees for recording the deed and any loan documentation. As to any other expenses associated with Closing, Seller and Purchaser will pay such closing expenses customarily paid by sellers and purchasers in Beaufort County, South Carolina.

8. **NO BROKERAGE FEES.** Seller and Purchaser acknowledge and represent that they are dealing directly with each other with regard to this transaction and that there is no real estate broker involved or any real estate brokerage fee due. Purchaser holds Seller harmless from any claims for commission from any real estate broker with whom Purchaser may have dealt.

9. **DEFAULT.** Upon the failure of Purchaser to comply with the terms hereof within the stipulated time, and after receipt of notice of said default with a ten (10) day right to cure, it is understood and agreed by and between the parties hereto that Seller may: (a) at its option because of the difficulty in ascertaining actual resulting damages, retain the earnest money deposit as liquidated and agreed damages; (b) enforce the performance of this Contract by specific performance; or (c) sue for damages. Upon the failure of Seller to comply with the terms hereof within the stipulated time and after receipt of notice of said default with a ten (10) day right to cure, it is understood and agreed by and between the parties hereto that Purchaser may cancel this Contract and obtain a refund of the earnest money deposit.

10. **ESCROW AGENT.** Escrow Agent hereinabove referred to shall be McNair Law Firm, P.A., 5 Belfair Village Drive, Bluffton, SC 29910, (843) 815- 2171. Escrow Agent shall not be charged with any knowledge until such facts are communicated to Escrow Agent in writing. Escrow Agent shall not be required to institute or maintain any litigation unless indemnified to its satisfaction for its legal fees, costs, disbursements and all other expenses and liabilities to which it may, in its judgment, be subjected in connection with this action. Seller and Purchaser shall at all times indemnify Escrow Agent against all actions, proceedings, claims or demands arising out of this transaction. Upon the failure of Purchaser to comply with the requirements set forth herein and pursuant to Paragraph 9 above, Escrow Agent shall be empowered to dispose of the earnest money deposit as provided for in Paragraph 9 without incurring any liability. In the event of a dispute by and between Seller and Purchaser which cannot be resolved, Escrow Agent shall have the option of depositing the earnest money deposit into the Office of the Clerk of Court for Beaufort County, South Carolina pending resolution of the disposition of said funds and upon depositing said funds, Escrow Agent shall bear no further responsibility.

11. **UTILITIES.** Buyer shall be responsible for the cost of installation of all utilities for the Property, including, without limitation, water, sewer, electricity, gas, cable, and telephone.

12. **ROAD CONSTRUCTION.** Seller discloses and Buyer acknowledges that Seller has an option to receive a donation from University Investments, LLC as recorded in Book 2782 at Page 1639 (the "Option") of the Beaufort County Records for land (the "Road Land") upon which a road may be constructed to connect Hampton Parkway to the Property (the "Road"). Provided that Seller is able to satisfy the contingency set forth in Section 14 below, Seller shall exercise Seller's option to acquire the Road Land in conjunction with the Closing. Buyer shall be responsible for completion of construction of the Road. Buyer must obtain Seller's prior written approval of the location, design, construction, and cost of the Road. Prior to commencing construction of the Road, Buyer shall submit to Seller Buyer's proposed plans for the location, design, construction, and cost of the Road as well as a proposed temporary easement for construction of the road, and Seller shall have thirty (30) days in which to review such plans and the easement and respond to Buyer in writing. The Seller reserves the right to require connectivity of the Road to other real property owned by Seller which is adjacent to the Property. Should Seller fail to respond to Buyer within such time frame, the plans shall be deemed approved by Seller. Provided that Buyer obtains Seller's prior approval of the Road, Seller shall reimburse Buyer for fifty percent (50%) of the cost of the construction of the Road, excluding the cost of utilities ("Road Costs"). Seller agrees to reimburse Buyer for Buyer's proportionate

share of Road Costs on or before ninety (90) days from the date of written request from Buyer including an invoice for completed work for Road Costs.

13. **STATION LOCATION.** Buyer must obtain Seller's prior written approval of the location of any improvements to be constructed on the Property. Prior to commencing construction on any improvement on the Property, Buyer shall submit to Seller Buyer's proposed plans for all improvements for the Property showing the proposed location of such improvements, and Seller shall have thirty (30) days in which to review the plans and respond to Buyer in writing. Should Seller fail to respond to Buyer within such time frame, the location shall be deemed approved by Seller.

14. **DONATION OF LAND.** The Closing is contingent upon Seller obtaining prior to Closing confirmation to Seller's satisfaction that the sale of the Property will not compromise the donation by University Investments, LLC to Seller of the Road Land pursuant to the Option.

15. **MISCELLANEOUS.** The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions hereof and this Contract shall be construed in all respects as if such invalid and unenforceable provision were omitted. For the convenience of the parties hereto, duplicate originals of this Contract may be executed and each such original shall be deemed to be an original instrument. This Contract shall be governed and construed in accordance with the laws of the State of South Carolina. Titles of the paragraphs and subparagraphs included herein have been inserted as a matter of convenience for reference only and shall not affect the meaning or construction of any of the terms or provisions hereof. All the undertakings contained herein which remain executory at Closing shall survive the Closing and shall remain in full force and effect, specifically, including, without limitation, the provisions of Sections 11, 12, and 13. This Contract and all documents and instruments incorporated herein by specific reference are intended by the parties hereto to be the final expression of their agreement and constitute a complete and exclusive statement of the terms hereof notwithstanding any representations or statements to the contrary heretofore made. In the event of litigation relating to enforcement of rights under this Contract, the prevailing party shall be entitled to recover all litigation expenses, including legal fees and court costs, from the non-prevailing party. This Contract constitutes the entire agreement between the parties hereto and may not be amended, modified, altered or changed in any respect whatsoever, except by a further written agreement duly executed by the parties hereto. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors and assigns.

IN WITNESS WHEREOF, Purchaser has caused this Contract to be duly executed by its authorized agent as of the _____ day of _____, 2010.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

PURCHASER:
Bluffton Township Fire District

Signature of Witness

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, Seller has caused this Contract to be duly executed by its authorized agent as of the _____ day of _____, 2010.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

SELLER:
Beaufort County School District

Signature of Witness

By: _____
Valerie Truesdale, Superintendent

RESOLUTION

MOVEMENT OF US HIGHWAY 21 FROM BOUNDARY STREET TO RIBAUT ROAD, THROUGH THE CITY OF BEAUFORT TO US HIGHWAY 280, CONNECTING WITH SC HIGHWAY 802 OVER THE MCTEER BRIDGE.

WHEREAS, over two decades ago the Beaufort Area Transportation Committee recommended a bypass to the south of downtown Beaufort; and

WHEREAS, Highway 280 (Parris Island Gateway) was four laned and otherwise improved to accomplish this; and

WHEREAS, while Highway 280 was under construction, it was determined that the Woods Memorial Bridge should be spared some of the Highway 21 through traffic; and

WHEREAS, Ribaut Road was temporarily turned into Highway 21; and

WHEREAS, after route 280 improvements were completed, the 21 designation was never removed from Ribaut Road and the signage was never installed to direct Highway 21 traffic through Highway 280 and 802 which were to take direct traffic through Port Royal to the McTeer Bridge; and

WHEREAS, nor was signage installed to direct Highway 21 business traffic throughout downtown.

NOW THEREFORE, BE IT RESOLVED by the County Council of Beaufort, South Carolina, in Council duly assembled and by authority of the same, the County of Beaufort would like the Highway 21 designation to be removed from Ribaut Road. We request that the South Carolina Department of Transportation direct Highway 21 traffic around Beaufort and through Port Royal on Highways 802 and 280 connecting to Lady's Island and eastward islands across the McTeer Bridge.

Adopted this 14th day of June, 2010.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

ATTEST:

Suzanne M. Rainey, Clerk to Council

AN ORDINANCE

FINDING THAT THE HILTON HEAD NO. 1 PUBLIC SERVICE DISTRICT, SOUTH CAROLINA MAY ISSUE NOT EXCEEDING \$4,000,000 GENERAL OBLIGATION BONDS AND TO PROVIDE FOR THE PUBLICATION OF NOTICE OF THE SAID FINDING AND AUTHORIZATION.

WHEREAS, by action previously taken, the County Council of Beaufort County, South Carolina which is the governing body of Beaufort County, South Carolina (hereinafter called the "*County Council*"), ordered that a public hearing on the question of the issuance of not exceeding \$4,000,000 general obligation bonds (the "*Bonds*") of the Hilton Head No. 1 Public Service District, South Carolina (the "*District*") be held in the Hilton Head Island Branch Library, 11 Beach City Road, Hilton Head Island, SC 29926, at 4:00 p.m. on June 14, 2010, and notice of such hearing has been duly published once a week for three successive weeks in The Beaufort Gazette, a newspaper of general circulation in Beaufort County and The Island Packet; and

WHEREAS, the said public hearing has been duly held at the above time, date and place and said public hearing was conducted publicly and both proponents and opponents of the proposed action were given full opportunity to be heard and it is now in order for the County Council to proceed, after due deliberation, in accordance with the provisions of Act No. 1189, enacted at the 1974 Session of the South Carolina General Assembly and approved July 9, 1974, now codified as Article 5 of Chapter 2 of Title 6 (Sections 6-11-810 through 6-11-1050, inclusive) (hereinafter called the "*Enabling Act*") of the South Carolina Code (the "*Code*") to make a finding as to whether or not the Bonds should be issued; and

NOW THEREFORE, BE IT ORDAINED, by the County Council in a meeting duly assembled:

Section 1. It is found and determined that each statement of fact set forth in the preamble of this ordinance (this "*Ordinance*") is in all respects true and correct.

Section 2. On the basis of the facts adduced at the public hearing held on June 28, 2010, it is found and determined that the Hilton Head No. 1 Public Service District Commission, the governing body of the District (the "*Commission*") should be authorized to issue the Bonds.

Section 3. The County Council finds that the Commission should issue the Bonds in the amount of not exceeding \$4,000,000 as a single issue or from time to time as several separate issues, as the District shall determine.

Section 4. The County Council hereby authorizes the Commission to issue the general obligation bonds of the District in the aggregate principal amount of not exceeding \$4,000,000 as a single issue or from time to time as several separate issues, as the Commission shall determine, for the purpose of defraying the costs to construct, furnish and equip a new aquifer storage and recovery (ASR) and to construct a new 16" main installation into Hilton Head Plantation and a new pressurized 24" main at the Ashmore Tank. The Commission estimates that the cost of the designing, engineering, constructing, furnishing and equipping of the new ASR well, together with the cost of the new mains and the cost of issuance of the bonds described herein will be an amount not exceeding \$4,000,000. For the payment of the principal of and interest on such bonds 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 District shall be irrevocably pledged, and there shall be levied annually a tax without limit on all taxable property within the area of the District sufficient to pay such principal of and interest on the said bonds as they respectively mature, and to create such sinking fund.

Section 5. The Chairman and other officers of the County Council are herewith authorized and empowered to take such further action as may be necessary to fully implement the action taken by this Ordinance.

Section 6. A certified copy of this Ordinance shall forthwith be transmitted to the Commission to advise it of the action taken by the County Council, whereby the Commission has been authorized to issue, pursuant to the provisions of the Enabling Act, the Bonds in the aggregate principal amount of not exceeding \$4,000,000.

DONE AT BEAUFORT, SOUTH CAROLINA, this ____ day of June, 2010.

Chairman
Beaufort County Council

(SEAL)

Attest:

Clerk
Beaufort County Council

First Reading: May 10, 2010
Second Reading: May 24, 2010
Public Hearing:
Third and Final Reading:

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

I, the undersigned, Clerk of the Beaufort County Council ("*County Council*"), the governing body of Beaufort County, South Carolina, DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an ordinance adopted by the County Council on June 28, 2010 (the "*Ordinance*"). The Ordinance was read at three public meetings of the County Council on three separate days, May 10, 2010, May 24, 2010 and June 14, 2010. An interval of at least seven days occurred between second and third readings of the Ordinance. At each such meeting, a quorum of the County Council was present and remained present throughout the meeting.

All meetings were regular meetings of the County Council, for which notice had been previously given pursuant to and in conformity with Chapter 4, Title 30 of the Code of Laws of South Carolina 1976, as amended.

The original of the Ordinance is duly entered in the permanent records of County Council, in my custody as Clerk.

The Ordinance is now of full force and effect, and has not been modified, amended or repealed.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of Beaufort County, South Carolina, this ___ day of June, 2010.

(SEAL)

Clerk
Beaufort County Council

First Reading: May 10, 2010
Second Reading: May 24, 2010
Third Reading: June 14, 2010
Public Hearing: June 14, 2010

FY 2010-2011 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET

To provide for the levy of tax for school purposes for Beaufort County for the fiscal year beginning July 1, 2010, and ending June 30, 2011; to make appropriations for said purposes; and to provide for budgetary control of the County’s fiscal affairs.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

The County Council of Beaufort County hereby appropriates the funds as detailed in Sections 3 and 4 of this Ordinance and establishes the millage rates as detailed in Section 2 of this Ordinance. The County Council of Beaufort County reserves the right to modify these millage rates at its August 23, 2010, meeting.

SECTION 2. MILLAGE

In Fiscal Year 2010-2011 and in accordance with the laws of South Carolina, the County Auditor is hereby authorized and directed to levy a tax on the following mills on the dollar of assessed value of property within the County.

School Operations	92.07
School Debt Service	26.33

These taxes shall be collected by the County Treasurer, as provided by law, and distributed in accordance with the provisions of this Ordinance and subsequent appropriations hereafter passed by the County Council of Beaufort County.

SECTION 3. SCHOOL OPERATIONS APPROPRIATION

An amount of \$175,270,150 of which \$172,433,512 is appropriated to the Beaufort County Board of Education to fund school operations, \$2,836,638 is appropriated to the Beaufort County Board of Education to fund Riverview Charter School operations. This appropriation is to be spent in accordance with the school budget approved by County Council of Beaufort County, and will be funded from the following revenue sources:

- A. \$118,388,394 to be derived from tax collections;
- B. \$ 52,864,379 to be derived from State revenues;
- C. \$ 400,000 to be derived from Federal revenues;
- D. \$ 200,000 to be derived from other local sources;
- E. \$ 2,962,953 to be derived from inter-fund transfers.
- F. \$ 454,424 to be derived from fund balance.

The Beaufort County Board of Education is responsible for ensuring that school expenditures do not exceed appropriations other than as provided for in this Ordinance. As revenues are based on projections, the Board of Education must make every effort to reduce the approved budget to allow for overestimated revenues, should this situation occur. Should the Board of Education be unable to sufficiently reduce the approved budget to allow for overestimated revenues, the Board of Education must appear before the County Council in an effort to resolve the problem. Any transfer of funds between programs as herein enacted must be in compliance with Section 7 of this Ordinance.

SECTION 4. SCHOOL DEBT SERVICE APPROPRIATION

The revenue generated by a 26.33 mill levy is appropriated to defray the principal and interest payments of school bonds.

SECTION 5. BUDGETARY ACCOUNT BREAKOUT

The Beaufort County Board of Education, as described in Section 3 of this Ordinance, line-item budgets are under separate cover but are also part and parcel of this Ordinance.

SECTION 6. OUTSTANDING BALANCE APPROPRIATION

The balance remaining in each fund at the close of the prior fiscal year, where a reserve is not required by State or Federal law, is hereby transferred to the Unreserved Fund Balance of that fund.

SECTION 7. AUTHORIZATION TO TRANSFER FUNDS

In the following Section where reference is made to "School Superintendent" it is explicit that this refers to those funds under the particular auspices of the School Superintendent requiring his approval.

Transfers of funds among operating accounts or among capital accounts within a department may be authorized by the School Superintendent or his designee, upon the written request of the Department Head. The School Superintendent, or his designee, may also transfer funds from any departmental account to their respective Contingency Accounts.

Transfer of monies/budgets between funds or programs must be authorized by the Board of Education, except amounts less than \$10,000, which may be authorized by the School Board Chairman, and/or the Finance Chairman of the respective bodies, upon the written request and consent of the School Superintendent. Transfers of less than \$5,000 may be authorized by the School Superintendent, and/or his designee.

SECTION 8. ALLOCATION OF FUNDS

The School Superintendent is responsible for controlling the rate of expenditure of budgeted funds in order to assure that expenditures do not exceed funds on hand. To carry out this responsibility, the School Superintendent is authorized to allocate budgeted funds.

SECTION 5. MISCELLANEOUS RECEIPTS ABOVE-ANTICIPATED REVENUES

Revenues other than, and/or in excess of, those addressed in Sections 3 of this Ordinance, received by the Beaufort County School District, which are in excess of anticipated revenue as approved in the current budget, may be expended as directed by the revenue source, or for the express purposes for which the funds were generated without further approval of County Council. All such expenditures, in excess of \$10,000, shall be reported, in written form, to the County Council of Beaufort County on a quarterly basis. Such funds include sales of products, services, rents, contributions, donations, special events, insurance and similar recoveries.

SECTION 6. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2011 are hereby approved.

SECTION 7. ADDITIONAL APPROPRIATIONS

This Ordinance provides that maximum school operations appropriations authorized for spending by the Beaufort County School District for Fiscal Year 2010-2011. The maximum school operations appropriation is set forth herein in Section 3. Any request to expend funds over the maximum school operations appropriation as provided in Section 3 must be approved by the Beaufort County Council by amendment to this Ordinance.

SECTION 8. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2010. Approved and adopted on third and final reading this ____ day of June, 2010.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Ladson F. Howell, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading, By Title Only: May 10, 2010
Second Reading: May 24, 2010
Public Hearings: May 24, 2010
Third and Final Reading:

FY 2010-2011 BEAUFORT COUNTY BUDGET

To provide for the levy of tax for corporate Beaufort County for the fiscal year beginning July 1, 2010, and ending June 30, 2011, to make appropriations for said purposes; and to provide for budgetary control of the County's fiscal affairs.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

The County Council of Beaufort County hereby appropriates the funds as detailed in Sections 4, 5 and 6 of this Ordinance. Further, that the County Council of Beaufort County hereby establishes the millage rates as detailed in Sections 2 and 3 of this Ordinance. However, the County Council of Beaufort County reserves the right to modify these millage rates at its August 23, 2010 meeting.

SECTION 2. MILLAGE

The County Auditor is hereby authorized and directed to levy in Fiscal Year 2010-2011 a tax of 48.34 mills on the dollar of assessed value of property within the County, in accordance with the laws of South Carolina. These taxes shall be collected by the County Treasurer, as provided by law, and distributed in accordance with the provisions of this Ordinance and subsequent appropriations hereafter passed by the County Council of Beaufort County.

County Operations	41.01
Purchase of Real Property Program	2.76
County Debt Service	4.57

SECTION 3. SPECIAL DISTRICT TAX LEVY

The County Auditor is hereby authorized and directed to levy, and the County Treasurer is hereby authorized and directed to collect and distribute the mills so levied, as provided by law, for the operations of the following special tax districts:

Bluffton Fire District Operations	19.67
Bluffton Fire District Debt Service	.37
Burton Fire District Operations	55.87
Burton Fire District Debt Service	5.53
Daufuskie Island Fire District Operations	30.11
Daufuskie Island Fire District Debt Service	0.00
Lady's Island/St. Helena Island Fire District Operations	30.39
Lady's Island/St. Helena Island Fire District Debt Service	1.50
Sheldon Fire District Operations	32.09
Sheldon Fire District Debt Service	2.14

SECTION 4. COUNTY OPERATIONS APPROPRIATION

An amount of \$105,585,864 is appropriated to the Beaufort County General Fund to fund County operations and subsidized agencies. The detailed Operations budget containing line-item accounts by department and/or agency is hereby adopted as part of this Ordinance. This appropriation will be funded from the following revenues sources:

- A. \$81,378,843 to be derived from tax collections;
- B. \$ 2,501,000 to be derived from fees for licenses and permits;
- C. \$ 7,686,826 to be derived from Intergovernmental revenue sources;
- D. \$10,637,150 to be derived from charges for services;
- E. \$ 1,035,650 to be derived from fines and forfeitures' collections;
- F. \$ 190,000 to be derived from interest on investments;
- G. \$ 760,000 to be derived from miscellaneous revenue sources;
- H. \$ 1,396,395 to be derived from inter-fund transfers;

Additional operations of various County departments are funded by Special Revenue sources. The detail of line-item accounts for these funds is hereby adopted as part of this Ordinance.

SECTION 5. PURCHASE OF DEVELOPMENT RIGHTS AND REAL PROPERTY PROGRAM

The revenue generated by a 2.76 mill levy is appropriated for the County's Purchase of Development Rights and Real Property Program.

SECTION 6. COUNTY DEBT SERVICE APPROPRIATION

The revenue generated by a 4.57 mill levy is appropriated to defray the principal and interest payments on all County bonds and on the lease-purchase agreement authorized to cover other Capital expenditures.

SECTION 7. BUDGETARY ACCOUNT BREAKOUT

The foregoing County Operation appropriations have been detailed by the County Council into line-item accounts for each department. The detailed appropriation by account and budget narrative contained under separate cover is hereby adopted as part of this Ordinance. The Fire Districts, as described in Section 3 of this Ordinance, line-item budgets are under separate cover but are also part and parcel of this Ordinance.

SECTION 8. OUTSTANDING BALANCE APPROPRIATION

The balance remaining in each fund at the close of the prior fiscal year, where a reserve is not required by State or Federal law, is hereby transferred to the Unreserved Fund Balance of that fund.

SECTION 9. AUTHORIZATION TO TRANSFER FUNDS

In the following Section where reference is made to "County Administrator" it is explicit that this refers to those funds under the particular auspices of the County Administrator requiring his approval.

Transfers of funds among operating accounts or among capital accounts within a department may be authorized by the County Administrator or his designee, upon the written request of the Department Head. The County Administrator, or his designee, may also transfer funds from any departmental account to their respective Contingency Accounts.

Transfer of monies/budgets between funds or programs must be authorized by County Council, except amounts less than \$10,000, which may be authorized by the Council Chairman, and/or the Finance Chairman, upon the written request and consent of the County Administrator. Transfers of less than \$5,000 may be authorized by the County Administrator, and/or his designee.

SECTION 10. ALLOCATION OF FUNDS

The County Administrator is responsible for controlling the rate of expenditure of budgeted funds in order to assure that expenditures do not exceed funds on hand. To carry out this responsibility, the County Administrator is authorized to allocate budgeted funds.

SECTION 11. AUTHORIZATION OF TAX ANTICIPATION NOTES

(A) The Council hereby finds and determines that:

(i) The monies necessary to fund this budget will come primarily from ad valorem property taxes levied against property located in the County (the "Local Taxes").

(ii) Notices for the collection of Local Taxes will be prepared and mailed by the County Auditor sometime after September 1, 2010, and the Local Taxes are payable without penalty on or before January 15, 2011.

(iii) Local Taxes represent a substantial portion of the County's revenues for its operations. Payment of the operating costs of the County, especially for wages, salaries and a number of other expenses cannot be delayed pending receipt of Local Taxes. The County's fund balance and other sources of revenue are not sufficient cash to provide for current payment of all operating costs pending receipt of Local Taxes.

(iii) The Council has been advised that the cash requirements to pay currently the costs of operation of the County during the period of July 1, 2010 to January 15, 2011, will exceed the amount of cash available.

(B) The Council intends hereby to provide for the issuance of tax anticipation notes (the "Notes") authorized by Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended, and Chapter 27, Title 11 of the *Code of Laws of South Carolina*,

1976, as amended. The Administrator, with the advice and consent of Council, is hereby authorized and directed to take such action as the Administrator deems necessary to issue the Notes without further Council action, whenever the current or projected cash position of the County requires such interim financing, subject to the following:

(i) The Administrator shall prepare schedules showing the projected cash requirements of the County and the funds that will be available to meet such requirements, including the general fund balance and receipts from all sources.

(ii) The Administrator, with the advice and consent of Council, may provide for the issuance of Notes in an amount sufficient to provide the County with sufficient cash to meet its projected needs and to maintain on hand an amount not less than 5% of the actual operating expenditures for the fiscal year ending June 30, 2010 (the "2010-2011 Fiscal Year"); provided, however, that in no event shall the principal amount of the Notes exceed 75% of the amount of Local Taxes to be levied for the 2010-2011 Fiscal Year without further authorization from the Council.

(iii) The Administrator, with the advice and consent of Council, may provide for the issuance of the Notes at one or more times and may provide for such Notes to be fully funded at the time of issuance or to be drawn against a stated principal amount over time.

(iv) The Administrator may provide for the Notes to mature at any time up to and including 90 days after January 15, 2011, and may provide for the prepayment of the Notes under such terms as are deemed desirable.

(v) The Notes may be sold at public sale or by invitation limited to local financial institutions or any particular kind of investor at the discretion of the Administrator; provided that the Administrator shall seek offers to purchase or fund the Notes from at least three sources. The Administrator shall exercise discretion in the manner of offering the Notes after considering the total amount to be funded and all costs in connection therewith, and shall endeavor to select that method of offering the Notes which is expected to provide the funding needed at the lowest total cost to the County.

(vi) The Administrator is further directed to obtain the advice of bond counsel as to the details of the Notes and the manner of offering thereof and to observe any limitations required under Federal tax laws to maintain the tax-exemption of interest thereon.

C) For payment of the Notes and the interest thereon, there shall be pledged the ad valorem taxes levied for operating purposes for the 2010-2011 Fiscal Year and the full faith, credit and taxing power of the County and the Administrator is hereby authorized to provide for such pledge and security in the Notes.

(D) The Administrator and all other officials of the County are hereby authorized and directed to take all action necessary or desirable to arrange for the issuance and placement or sale of the Notes and to enter into such agreements as are customary in connection therewith.

SECTION 12. MISCELLANEOUS RECEIPTS ABOVE-ANTICIPATED REVENUES

Revenues other than, and/or in excess of, those addressed in Sections 4, 5 and 6 his Ordinance, received by Beaufort County, and all other County agencies fiscally responsible to Beaufort County, which are in excess of anticipated revenue as approved in the current budget, may be expended as directed by the revenue source, or for the express purposes for which the funds were generated without further approval of County Council. All such expenditures, in excess of \$10,000, shall be reported, in written form, to the County Council of Beaufort County on a quarterly basis. Such funds include sales of products, services, rents, contributions, donations, special events, insurance and similar recoveries.

SECTION 13. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2010, are hereby approved.

SECTION 14. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2010. Approved and adopted on third and final reading this ____ day of June, 2010.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____

Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Ladson F. Howell, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading, By Title Only: May 10, 2010

Second Reading: May 24, 2010

Public Hearings: May 24, 2010

Third and Final Reading:

Committee Reports

June 14, 2010

A. COMMITTEES REPORTING

1. Community Services

- ① Foster Care Review Board

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
05.24.10	Linda Cecil	Countywide	Reappoint	8 of 11

2. Finance

- ① [Minutes](#) are provided from the May 24 meeting. Action is required.
- See main agenda item #11.
- ② Request to transfer \$1,285,059 of capital improvement monies towards reducing debt millage for FY 11
- Finance Committee recommendation to approve occurred May 17, 2010 / Vote 5:1

3. Natural Resources

- ① Minutes provided June 28 from the June 7 and June 9 meetings.
- ② Beaufort/Jasper Water and Sewer Authority

<i>Nominate</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
06.14.10	Donna Altman	At-Large	Reappoint	8 of 11

4. Public Facilities

- ① [Minutes](#) are provided from the May 25 meeting.
- See main agenda items #10 and #12.

5. Public Safety

- ① [Minutes](#) are provided from the May 25 meeting.
- See main agenda items #8 and #9.

B. COMMITTEE MEETINGS

1. Community Services

William McBride, Chairman

Gerald Dawson, Vice Chairman

- ➔ Next Meeting – Monday, June 21 at 4:00 p.m., Building 2, Beaufort Industrial Village
- ➔ No meeting in July.

2. Finance

Stu Rodman, Chairman

William McBride, Vice Chairman

- ➔ Next Meeting – Monday, June 14 at 2:00 p.m., Hilton Head Island Branch Library
- ➔ Next Meeting – Monday, June 21 at 2:00 p.m., Building 2, Beaufort Industrial Village
- ➔ Next Meeting – Monday, July 19 at 2:00 p.m., Building 2, Beaufort Industrial Village

3. Natural Resources

Paul Sommerville, Chairman

Jerry Stewart, Vice Chairman

➔ Next Meeting – Monday, July 19 at 2:00 p.m., Building 2, Beaufort Industrial Village

➔ Next Meeting – Monday, August 10 at 2:00 p.m.

4. Public Facilities

Herbert Glaze, Chairman

Steven Baer, Vice Chairman

➔ Next Meeting – Tuesday, June 29 at 4:30 p.m.

➔ No meeting in July.

5. Public Safety

Jerry Stewart, Chairman

Brian Flewelling, Vice Chairman

➔ No meeting in July.

➔ Next Meeting – Tuesday, August 2 at 4:00 p.m.

6. Transportation Advisory Group

Weston Newton, Chairman

Stu Rodman, Vice Chairman

Terms Expired and Vacancies
Agencies, Boards, Commissions, and Authorities
(effective June 1, 2010)

Terms Expired	
	Terms Expired (Reappointment)
Boards	
1. Accommodations Tax (2% State)	0
2. Airports	0
3. Alcohol and Drug Abuse	0
4. Construction Adjustments and Appeals	0
5. Disabilities and Special Needs	0
6. Historic Preservation	0
7. Library	0
8. Northern Corridor Review	0
9. Parks and Leisure Services	0
10. Planning	0
11. Rural and Critical Lands	0
12. Solid Waste and Recycling	0
13. Southern Corridor Review	0
14. Stormwater Management Utility	0
15. Tax Equalization	0
16. Zoning Appeals	0
Agencies	
17. Beaufort Memorial Hospital	0
18. Bluffton Township Fire	0
19. Daufuskie Island Fire	0
20. Sheldon Township Fire	0
Commissions	
21. Burton Fire	0
22. Lady's Island/St. Helena Island Fire	0
Authorities	
23. B/J Economic Opportunity	0
24. B/J Water and Sewer	1
25. Coastal Zone Management Appellate	1
26. Forestry	2
27. Foster Care	1 *
28. Lowcountry Council of Governments	0
29. Lowcountry Regional Transportation	0
30. Social Services	4
Total	9

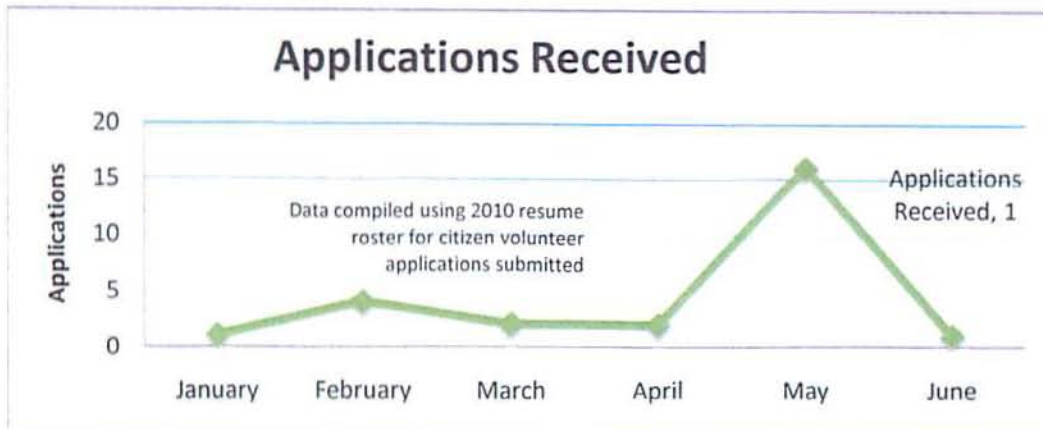
Vacancies			
	Number of Vacancies	Position Requirement	Council District (if applicable - otherwise County-wide)
Boards			
1. Accommodations Tax (2% State)	0	N/A	N/A
2. Airports	0	N/A	N/A
3. Alcohol and Drug Abuse	1	N/A	Countywide
4. Construction Adjustments and Appeals	1	Design prof/contractor/building industry	Countywide
5. Disabilities and Special Needs	1	N/A	Countywide
6. Historic Preservation	0	N/A	N/A
7. Library	1	N/A	District 4
8. Northern Corridor Review	0	N/A	N/A
9. Parks and Leisure Services	0	N/A	N/A
10. Planning	0	N/A	N/A
11. Rural and Critical Lands	0	N/A	N/A
12. Solid Waste and Recycling	0	N/A	N/A
13. Southern Corridor Review	1 *	Resident of Respective Area Served	Districts 1, 2, 3, 4 and 10
14. Stormwater Management Utility	0	N/A	N/A
15. Tax Equalization	0	N/A	N/A
16. Zoning Appeals	0	Ex Officio	N/A
Agencies			
17. Beaufort Memorial Hospital	0	N/A	N/A
18. Bluffton Township Fire	1	At-Large Bluffton Fire service area	Districts 4 and 10
19. Daufuskie Island Fire	0	N/A	N/A
20. Sheldon Township Fire	0	N/A	N/A
Commissions			
21. Burton Fire	0	N/A	N/A
22. Lady's Island/St. Helena Island Fire	0	N/A	N/A
Authorities			
23. B/J Economic Opportunity	0	N/A	N/A
24. B/J Water and Sewer	0	N/A	N/A
25. Coastal Zone Management Appellate	0	N/A	N/A
26. Forestry	3	N/A	Countywide
27. Foster Care	1	N/A	Countywide
28. Lowcountry Council of Governments	0	N/A	N/A
29. Lowcountry Regional Transportation	1	N/A	Countywide
30. Social Services	1	N/A	Countywide
Total	12		

* Linda Cecil nominated 05.24.10

* Brian Watkins nominated 04.12.10

Citizen Volunteer Opportunity Tracking

Date	Inquiries	Applications Received	Total	Date	Inquiries	Applications Received	Total	Date	Inquiries	Applications Received	Total
4/22-4/27	3	0	10	6/3	0	1	1	7/5	0	0	
4/28	3	0		6/9	0	0		7/6	0	0	
4/29	1	0		6/10	0	0		7/7	0	0	
4/30	1	0		6/11	0	0		7/8	0	0	
				6/14	0	0		7/9	0	0	
5/5	1	0		6/15	0	0		7/12	0	0	
5/6	2	0		6/16	0	0		7/13	0	0	
5/7	1	4		6/17	0	0		7/14	0	0	
5/10	0	2		6/18	0	0		7/15	0	0	
5/11	1	0		6/21	0	0		7/16	0	0	
5/12	0	2		6/22	0	0		7/19	0	0	
5/17	0	1		6/23	0	0		7/20	0	0	
5/20	0	1		6/24	0	0		7/21	0	0	
5/24	0	1		6/25	0	0		7/22	0	0	
5/25	0	1		6/28	0	0		7/23	0	0	
5/26	0	1		6/29	0	0		7/26	0	0	
5/27	0	2		6/30	0	0		7/27	0	0	
5/28	0	1	21	7/1	0	0		7/28	0	0	
				7/2	0	0		7/29	0	0	



FINANCE COMMITTEE

May 24, 2010

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

The Finance Committee met on Monday, May 24, 2010 at 2:30 p.m., in the Executive Conference Room, Administration Building.

ATTENDANCE:

Finance Committee members: Chairman Stu Rodman, Vice Chairman William McBride, and members Steven Baer, Brian Flewelling, Paul Sommerville and Jerry Stewart attended. Weston Newton, as Council chairman, is a voting member of each Committee and attended the meeting. Committee member Laura Von Harten was absent. Non-committee members Rick Caporale and Gerald Dawson were also present.

County Staff: Bryan Hill, Deputy County Administrator; Gary Kubic, County Administrator; David Starkey, Chief Financial Officer.

Fire District: Barry Turner, Bluffton Fire District chief.

Media: Joe Croley, Hilton Head Association of Realtors and Richard Brooks, *Bluffton Today*.

Board of Education: Jim Bequette.

Public: Doug Henderson.

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

ACTION ITEMS

1. **Bluffton Fire District Request to use Fire Impact Fees for Property Acquisition**

Discussion: Mr. Barry Turner, Bluffton Fire District chief, gave the Finance Committee a brief background on this item. When the Fire District submitted its budget, last spring, the budget included using some of the impact fee fund to purchase property for a fire station at Hampton and Bluffton Parkways. Through strategic planning that area was identified to need a fire station. We sought property in the area and came across School Board property. We began talks with the School Board and they agreed to sell to the Fire District a parcel. We want to purchase that property.

Mr. Rick Caporale said this would increase the School District's fund balance. Mr. Turner replied in the affirmative. Mr. Rodman said that would probably wipe out the tax increase.

Mr. Weston Newton asked if the Chief is satisfied the Town of Bluffton does not have available any property, already obtained, they can make available to the Fire Districts through development agreements. He noted Mayor Johnson highlighted some of the development agreements the Town of Bluffton had, and in doing so there are 5 acres here, 3 acres there, etc.

Chief Turner replied the Town has parcels such as those around the Town, but there are not any in the particular area which would meet the criteria, particularly the distances for road mileage. He said there is nothing in that area identified. Mr. Newton added he just wants to make sure if there is free land available they use it. Chief Turner replied the closest is on Buckwalter Parkway and farther down; this puts them too close strategically to another fire station.

Committee members reviewed the location of the proposed fire station – at Hampton Parkway and Bluffton Parkway. Chief Turner stated it would be across the street from Hampton Lakes.

Mr. Newton asked about the median break at Hampton Parkway on Highway 278, and if there are any concerns with it being closed. Chief Turner said it is not a primary concern because if the median extends farther on Highway 278, another fire station overlaps and picks up the area.

Committee members then discussed the configuration of the proposed station. Chief Turner stated the civil engineering sketch is the approved configuration of the proposed station. It was approved by the School Board prior to selling. The picture on the screen is not accurate, he added.

Mr. Rick Caporale asked how close the proposed station is to the closest station. Chief Turner replied it would be 4.5 miles, and we maintain distances of 5 miles. This station will benefit this area; it is undeveloped now but we anticipate growth. The developed areas in there currently are Baynard Park and the new Sun City development. He added it would be quicker to respond from the new station to the Red Dam area of Sun City than it would for the Sun City fire truck to go through Sun City to respond. In strategic planning, each station backs up another station, complements the others. This proposed station would complement the Sun City, Indian Hills and Pritchardville stations.

Mr. Newton asked if one of the primary needs for this is the Hampton Lakes development. Chief Turner replied yes, there are large commercial tracts through there which front and are up for sale. We anticipate the area will be built up one day, and we are trying to get ahead of the curve.

Mr. Newton asked if the School District purchased this property or whether it was donated. Chief Turner replied he was informed by Mrs. Phyllis White it was purchased, and it would be sold to the Fire District for what the School Board invested into the property.

Mr. Caporale asked when they plan to begin construction. Chief Turner replied in the strategic plan the construction is slated for fiscal year 2013. It depends on when someone pushes the "go button" on the economy. We are shooting for 2013, but if nothing goes on in the interim it might be pushed back. Mr. Caporale asked if consideration was given to the absence of the proposed developments which are slated to be the recipients of the fire services. He also asked, "There is no imminent plan for putting this thing up before you actually need it?" Chief Turner replied no, they will not build it before it is needed. "Purchasing the land is just careful planning being executed?" Mr. Caporale asked. Chief Turner agreed.

Mr. Newton asked what the impact fee balance will be following this item. Chief Turner replied in "June 30, 2009 there was \$1.83 million and we purchased the International Paper property for \$170. That brought us down to \$166." In fiscal year 2010, we have a bond payment for our headquarters station. "It is \$480. That brings us to \$1.18. Purchasing this for \$325 brings us down to \$857." Construction money would be a bond, which would go back in debt. There is one more payment on the headquarters station and the Fire District is out of debt for that. He said it goes in line.

Mr. Newton asked if some of the bond payments are made out of impact fees. Chief Turner replied in the affirmative. For example, Indian Hills is made from impact fees. He added in fiscal year 2011, they budgeted to purchase more property and use \$300,000 out of impact fees. He said without any other contributions, as of June 30, 2010, we estimate \$284,000.

Mr. Newton asked if the Fire District visited with the Town of Bluffton with regard to the proximity of the proposed fire station, relative to what their plans are for the area. Chief Turner replied they have not, other than research to determine whether there is other potential property. Mr. Newton replied he is curious about the Town's new plans; they had their charette last week, the other annexation discussions they had on something called Legacy, which is not too far in the area. Would this cause you to rethink this location? Or are you fairly confident of your chosen location regardless of what goes on around? Chief Turner replied he feels confident now; it is a strategic spot because it is advanced preparation for our plans. He said he does not know and is a little confused about what the Town wants. He said he knows the Fire District needs to purchase this property to address its needs.

Mr. Newton asked if there is any indication from the Town they want the station to be located somewhere else. Chief Turner said no.

Mr. Rodman said his sense is they are ready for a vote, but added he would like Chief Turner to meet with the town and get back with Mr. Newton to make sure we close that concern.

It was moved by Mr. Caporale, seconded by Mr. Newton, that Finance Committee approves and forwards to Council the Bluffton Fire District's request to use fire impact fees for property

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

Recommendation: Council approves the Bluffton Fire District's request to use fire impact fees for property acquisition.

2. FY 2011 Budget Questions – County Council / School District

- **School District**

Discussion: Mr. Rodman said he wanted to review a few items on the School District FY 2011 budget before tonight's Council meeting. The District budget is pretty comprehensive and many of the questions were answered. There are three or four questions in the process of being answered, which came up at the last meeting. The appropriate course of action might be to approve the expenditure budget at this point, recognizing three months from now we will get into the more serious discussion of what the tax rate is and whether they need a tax increase. There are a lot of moving pieces leading into that. What is the fund balance? What is the status of the Tom Davis proviso to the budget to get our money from the state? What happens with calculations on collections, and subsequent calculations on millage values? My sense is we would be well served to actually approve the budget at this point, at least in second reading, but make sure the District understands the real serious discussion will take place later in the year when we have more of the moving pieces nailed down. It seems to me that is where we are and it would be premature to say we think they should cut the budget just for the sake of cutting the budget.

Mr. Stewart gave some information on the Tom Davis proviso Mr. Rodman mentioned. He said he was on the phone to Columbia this morning and he has an update. The monies in the proviso Tom Davis worked out in the Senate were cut from the House budget this week. An earlier version did not pass the House. The consensus is there will be no proviso monies for the School District, so that is the bad news. The other side is the approval to skip the step increase this year passed both the House and Senate. It is on the Governor's desk and all indications are the Governor will not veto the bill; he will either approve it or let it slide. This will allow counties to forgo the step increase as an option. In talking to the Association of Counties, they feel a lot of the teachers in the state, as well as the School Districts, are in favor of this and support it. When I mentioned our School District was not supportive of this, the Association of Counties expressed shock, he said. As I understand it, the School District did not include the \$4.5 million in their budget because they thought it was unlikely to happen. Mr. Fred Washington was fairly confident it would not happen. Mr. Stewart said he was perfectly willing to accept and pass the budget on second reading. He added with the state allowing school districts to forgo the step function for a year, feels the School District should take advantage of that and participate in that (not raise salaries with a step increase for the year). He added he would like to see the School District factor this in. When it comes to third and final reading, he is not prepared to pass the budget with the step increase, he said.

“Ditto. Exactly. Well said,” Mr. Flewelling remarked. He said he feels the same about step increases. Also he said he has a question about full-time student equivalency. Mr. Rodman said he put that in the list of questions for the School District to answer. Mr. Flewelling said he will pass the School District budget on second reading, but he will not on final until he finds out for sure the answer. He said he frankly needs to know in advance so he can do calculations.

Mr. McBride said he wanted to echo the sentiments of the Committee. He said he also feels the School District should forgo the step increase this year. In these tight economic times, teachers should be happy to have a job.

Mr. Sommerville added we have the County and the Sheriff’s Office and he would like to know the same thing about them at some point.

Mr. Rodman said he will make those general points leading up to the budget vote. He added Council does not have the right to direct any individual line items; it is an up or down vote.

Mr. Stewart said forgo it to say, without going into the line item, if it is not reflected in the bottom line I will not vote for it.

- **Beaufort County Budget**

Discussion: Mr. Rodman said his sense of where they are is: Mr. Bryan Hill, Mr. Gary Kubic and Mr. David Starkey did a good job for the third year in a row to come back with no tax increase – a no-frill budget. They are probably still working through some of the balancing, but we are at a point where we should make sure we have any particular issues in front of them so they are answered. At the last meeting, Mr. Steven Baer had a few questions heavily oriented toward the library. I do not know if all or some of those have been answered.

Mr. Baer replied four out of seven were library. He added only one general budget question was answered and the numbers of that do not balance. Mr. Rodman replied we still have some open questions there. For the rest of those around the table, he asked if there were concerns/questions.

Mr. Sommerville said he was curious about no one gets a cost of living increase, but we have step increase for the School District. I am not clear on how much payroll affects money, for steps for the School or raises for the Sheriff’s Office. Mr. Rodman answered the County does not have step increases like that of the School District.

Mr. McBride added he was concerned about the same issue as Mr. Sommerville, with a freeze on a County employee pay increase. I know the Sheriff has a pay matrix where he has increase and longevity worked into the budget each year; I had a concern about that in a very tight economic time with most employees not getting any adjustments. We are not giving any cost of living adjustments. I have some concern about individuals working for the Sheriff being

on the pay grade where they continue to get the increase. I believe it should also be held off this year, in these tight economic times.

Mr. Stewart said he concurs with Mr. McBride. If we think about the Sheriff and look at this along with the Fire Districts, which had a 5-year plan to increase salaries and for two years we have asked them to postpone. If we are asking the Fire Districts to forgo their increases, we hope the School District and Sheriff's Office follow suit. It is fair and appropriate to do the same and ask they do the same.

Mr. Kubic thanked the Committee. He said this helps him a great deal and he appreciates the questions coming forward. He suggested we have a discussion with the Sheriff regarding the increases and his rationale; that is a good point for us to talk about. He also said he wants to put on the table a few questions he has. First, do you want to apply any potential use of fund balance toward either debt or operation? Obviously, you could lower the millage rate on the ops, and that would work toward an operation-to-debt neutrality. Let me know your thoughts on that. Second, we are working on a modified payroll possibility. For example, if you appropriate a dollar for a dollar annual wage, we could instead apply 98 cents to the dollar to try to monitor daily on the rate of expenditure. That is another possibility.

Mr. Rodman asked Mr. Kubic to talk about the second item. Mr. Kubic replied payroll has already been knocked down by vacancies. For example, if he has a vacancy they do not even hypothetically consider an appropriation for that. That remains dollar for dollar appropriation on annual salary or a discount of that full appropriation. However, if you have a vacancy occur from that list do you not replace it to gain the benefit of the remaining amount to be spent? That may be a possibility. He said he wants to work this out.

Mr. Rodman replied in terms of the swap piece it would make sense to do in any circumstances because at the end of the day that then protects the out years under Act 388. He said he cannot remember if the county debt and operations are one line item in the budget. Mr. Kubic replied no; it is three.

Mr. Rodman said the other items he wants to address are: 1. The agencies, particularly human services, getting cut funding from the state level. The county is the last safety net for them and we need to understand. For example, if the state cuts mental health funding by \$2 million and the county is the only one able to step in the gap, we have to at least consider it because of the dire consequences of not doing at least some of those things. Mr. Hill replied those agencies here are either flat or going up slightly. Committee members clarified the state money physically flows through the County and is allocated to the corresponding agencies; it is a revenue issue. 2. On the revenue side, do we consider a 50 percent reduction in the business license fee because the businesses are hurting so heavily, among all the other economic things? Mr. Kubic said they have thought about this item and frankly, the timing means this reduction would not have an impact. The renewal period is this month; maybe it could be considered for the following year. Mr. Kubic added they are preparing a report on 3,000 plus audits.

Mr. Baer said his wife always criticizes him for showing up to movies 10 minutes before the movie starts; that is the kind of person I am. He said he is worried apropos of our budget process. We are on second reading and there are a large number of things we haven't tied down: the CIP budget, questions about the operations budget, etc. "I am looking at the clock here and we are 20 minutes away from voting on second reading. We are not going to finish that in the next 20 minutes, so we go farther and farther down the pike but never get to resolution," Mr. Baer remarked. He said this is why he voted against the budget last time, and he is set to vote against it again. He added we do not hold the School District to the same standards we hold ourselves. We have been very tight on them, and they have given us a tremendous amount of information. We do not have that same data for ourselves.

Mr. Rodman said he wanted to break down Mr. Baer's comments into two sections – the operating budget (which needs approval by the end of June) and the CIP piece (a continuing discussion).

Mr. Stewart said someone mentioned going ahead with 0.7 mill increase we are allowed, then a swap. I do not think that is included in what we are voting on this evening during County Council. Again, that is one, if we are going to discuss, I would like to see it before third and final reading rather than put it in at the last minute when people will not understand.

Mr. Rodman suggested putting a motion forward. He added he does not think anyone would disagree with that making sense. The School District is a bit different in the sense an operating mill gets them \$1.2 million and they get \$1.8 million on the debt side. "To try to swap them over..." Our tax bases are the same. Mr. Stewart asked if that is appropriate to do in Committee to get a sense of where it will go before we get on the floor.

Mr. Stewart moved, Mr. Flewelling seconded to increase the County operating budget by the amount allowed (2 percent of a mill) with the understanding when we get to it tonight, the 2 percent would then decrease on the debt side.

Mr. Rodman said as background, if you do not do that the only way around it is at subsequent points in time if you need the money it takes a lot. For example, the School District did it awhile back and it took a super majority three times to cross the hurdle. He added he is in favor of what Mr. Stewart proposes.

Mr. Sommerville said he tried to come up with a number on that. Mr. Stewart replied it is roughly 0.7. Mr. Baer replied he gets 0.8 because it was 40.2 mills last year, so 2 percent of that would be 0.8.

The vote was: FOR – Mr. Baer, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. Mr. Newton temporarily left the room. ABSENT – Ms. Von Harten. The motion passed.

Recommendation: Council approves a motion to increase the County operating budget by the amount allowed (2 percent of a mill) with the understanding when we get to the budget tonight, May 24, 2010, the 2 percent would then decrease on the debt side.

- **Question and answer session between Mr. Baer and Mr. Hill**

With the remaining time, Mr. Hill asked Mr. Baer to bring forward any of his questions regarding the budget so he could answer those.

Question: Mr. Baer asked about the disaggregation of the money between the St. Helena Library and the Administration complex. He asked if Mr. Hill could fill out the table he supplied.

Response: Mr. Hill replied Mr. Kubic asked to take that item himself. We are getting a \$6 million grant from the U.S. Department of Agriculture (USDA). Mr. Baer asked if that is included in the data. Mr. Hill replied, they are in the process of finalizing the application. He added he believes it is due next Friday, and they spoke with Beaufort Jasper Hampton Comprehensive Health because they are also in partnership with us. There is a \$6 million loan at 40 years, at 4 percent. Mr. Starkey did the calculations over the term of the grant and the loan is a 2.13 percent finance charge on that \$6 million. Mr. Baer replied, \$6 million is 4 percent. Mr. Hill said yes, but we are getting \$10 million for \$6 million - \$6 million from USDA, \$2.5 million grant from USDA and another \$1.5 million from Community Development Block Grant (CDBG). We do not have to pay back a penny, except the \$6 million loan.

Question: Mr. Baer asked about the Administration complex re-skin.

Response: Mr. Hill replied it is \$12 million. We will use \$5 million in-hand from the St. Helena Library and \$6.5 million from the settlement cost associated with the issues we have on the administration complex. I believe that comes close to \$12 million. He said he thinks he can find \$500,000.

Question: Mr. Baer asked about the breakdown of line 99100. What is the abbreviation?

Response: Mr. Hill said, I can go down the line item for you. We are looking at the line 99100, with the first appropriation being the Daufuskie Ferry Grant. We are in the process of getting \$100,000 allocated to ensure the residents, school children, in partnership with the School Board, move back and forth between Daufuskie and the mainland.

Question: Mr. Baer asked about two budget lines for the St. Helena Library. Why did they change?

Response: Mr. Hill replied he will say this publicly, I made a mistake. He explained what he was trying to do: St. Helena comes online December 2011 and he failed to drop that one line in half. He kept it going on. It is one stopping and one starting, Mr. Hill explained. "If you notice, one was \$101,000, now it is at \$50 and some change. The other one was \$750; it is at \$375." It is kind of like when one stops, the other one starts. It was my mistake.

Question: Mr. Baer asked about the level of service difference between St. Helena Library and the other branches.

Response: Mr. Hill said it will change the matrix a little because your operation numbers change. However, 66 hours is currently at Beaufort and Bluffton. They are proposing 60 hours at St. Helena. Hilton Head Island is 66, as well.

Question: Mr. Baer asked about the dollars per year, per population breakdown. For St. Helena it is about 30 and rising. However Bluffton is about 27. For Hilton Head it is 20 and dropping. Why?

Response: Mr. Hill replied he could not answer that. He would have to ask the Library representatives. Mr. Stewart said he thinks the state requires so many hours of operation for a library to qualify for state grant money. What they have done is put more hours into Bluffton as a central library then took away from some others. Therefore, the dollars per population per hours are different. Mr. Hill added they are also examining the state cuts per the level of service.

Question: Mr. Baer asked why there are drops in technical services as shown by the data produced. This is how libraries buy books. He said he is concerned about this.

Response: Mr. Hill replied they asked for a zero percent budget. We cut things. He did not adjust the out years because he wants the Council members to see what staff requested. If you note, staff requested \$112 million budget this year. This group said it wanted zero millage and growth increase. This equated to \$104 million or an \$83,000 change to our budget from last year.

INFORMATION ITEM

1. Update – F35B acquisition

Mrs. Carlotta Ungaro, CEO, Beaufort Regional Chamber of Commerce

Discussion: Mr. Rodman told the Finance Committee Mrs. Carlotta Ungaro, Beaufort Regional Chamber of Commerce, called on Friday regarding this item. He added he thinks it is useful for the members to know what is going on, as it is downstream. This is a heads up for the Council and also to see if we want to do anything “over and above.”

Mrs. Ungaro said she wants to talk about the F35Bs and our support, as well as getting the word out about how great of a location Beaufort is for the F35Bs. She said the best way to approach this is: if you had marketing classes there is this case study called “how to build a better mouse trap.” You build a better mouse trap, but no one buys the better mouse trap because they do not know anything about it. We are sort of in that case with Beaufort and the Marine Corps Air Station. We did a great job getting the encroachment issue squared away. We are a model in the country for that issue. We did the best informing, Washington, D.C. Our elected

officials and the Department of Defense know these things. However, we feel given the climate in Washington, D.C., as well as knowing Cherry Point, NC is very interested in these combination of planes, we need to ratchet up our efforts here. We discussed this for several months now in our military affairs committee. Col. Jack Snider, Marine Corps Air Station Beaufort commanding officer, spoke last week at our breakfast, and said he is very concerned about schedule slippage and we need to get the word out about our bases.

Mrs. Ungaro said we spoke in Military Affairs Committee of comparing this to a Base Realignment and Closure (BRAC) process. You gave us some money in the last BRAC process. The funds left over from that were spent as judiciously as possible to move forward our causes for our military, but not wipe out the budget. She added she prepared a report a few months back as well as a request for funds to help with the current effort. She said there is about \$50,000 left in the funds from the BRAC process. The money was spent to contract with The Rhoads Group for two years. Mrs. Ungaro stated she did some heavy duty negotiating with them one year to get the contract down to a very reasonable price, but she does not have that option again; we let that contract lapse. We would like to reinstate that contract during this current climate in D.C. She added they want to put forth an effort of getting the word out in this community about the environmental impact study listening sessions, which is released Friday. This is how the military bases their decision about which planes go to which bases. We want good feedback into that process. We want to make sure the public hears about that. She added Mrs. Kim Statler, executive director of the Lowcountry Economic Network, often speaks of the military bases as part of the regional economic strategy to leverage the base. We are partnering with the Lowcountry Economic Network in these efforts to tag-team and get as much done as possible to get the word out. She handed out a packet of information titled "Military Support," which summarized the funding request, history, economic impact of Tri-Command, a proposed public and governmental relations plan for "Operation F35 Beaufort." She added they are requesting \$20,000.

Mr. Rodman stated he would like Mrs. Ungaro to come back for a more in-depth discussion in the near future. He wants to talk about what was done in the past, the request. He asked if this is exactly the same as the BRAC where we mounted a good effort, which was successful. If Cherry Point's wanting the jets serious enough, we need to do the same kind of thing.

Mrs. Ungaro said Cherry Point, NC last week released in the newspapers information they are lobbying a campaign to get all of the jets. Cherry Point is a larger base with the capacity for it. We are in a better position regarding encroachment issues. However, they have probably better relations in D.C. because their group comparable to us has a lobbyist on contract for 5 years. On top of that, their town has had a lobbyist on contract 5 years. No one here has a lobbyist, so our voice in D.C. – while our delegation is great and wonderful – from someone who used to lobby on issues like this, it is important to make sure you have someone who has the connections, understands how to read budgets and knows what means what up there. Frankly, we do not have it. That is my concern, she said.

Mr. Newton said during both rounds of BRAC, the Chamber of Commerce set something up – affiliated with the Chamber but not directly connected with the Chamber – and called it the Military Enhancement Committee (MEC). They were independent. We appropriated either \$250,000 or \$500,000 for the effort. That group separately engaged a consultant (Rhoads Group), met with County Council on a very regular basis, coordinated with mayors and municipal organizations and made trips to D.C. “They engaged the Rhoads Group. And I think it was MEC, when that contract expired the last time, MEC took the money and passed it along. You all sort of became the custodian of the funds left over from the MEC,” Mr. Newton said. He added he has a couple of things as this process goes forward: 1. If it involves the Lowcountry Economic Network, there ought to be a coordinated and structured effort. That might be the MEC. It might be significant to resurrect it. 2. If this is a significant threat, is \$20,000 enough to do anything other than get a couple of folks “moving files around for a short period of time.” He said if this threat is as significant as it is, the investment in that probably warrants all hands on deck sort of approach.

Mr. Stewart said one thing about Cherry Point is they did have some Navy squadrons in addition to the Marines, which they have been informed they will lose. So they have extra space. Also, in talking with Col. Snider, the number for renovation at the base is about \$100 million to renovate the hangars, etc. and in excess of 300 new jobs. Again depending on what we get and assuming we have the training squadrons, which are significant, there is about a \$650 million economic impact for the Air Station alone. This information is based upon the economic analysis done by Dr. Donald Schunk and passed along to the Clerk to Council Sue Rainey to disperse to all Council. There is more than \$1.2 billion in total impact in Beaufort County. This is about \$300 million more than what tourism brings into the county. It is very important to us. The question is out of all that, timing wise with the environmental impact study coming out this Friday and wanting to make a decision by December 10, is that a fairly short window. It seems to me if it is warranted to move forward we must do something rather rapidly. I think we need to think about it.

Mr. Rodman said he shares Mr. Newton’s thought \$20,000 is the wrong figure relative to the economic impact on the county. I think we have to take a look. We might come back to the \$20,000. I just think we want to tee it up. This sounds serious enough we ought to take a serious look at it.

Mr. Newton asked if John Pain is involved. Mrs. Ungaro replied he returned from vacation Saturday and she received an email from him. She added the gentleman in charge of the MEC this time is Gen. Gary Parks, a retired three-star United States Marine Corps general, who came to the area in January. He has been active with our military affairs committee since this summer. His last stint in the military was at the Pentagon, but he has been out 4 years working as the head of the S.C. Credit Unions here in Columbia.

Mr. Newton asked if the plan is to resurrect the MEC. Mrs. Ungaro replied yes, and the military affairs committee voted to resurrect the MEC.

Mrs. Ungaro stated she asks for \$20,000 out of respect for the financial crisis everyone is under. We have about \$50,000 left, and we do not have to build a campaign for all three of our bases competing with every base across the country so it is a bit scaled back. We also plan to ask the other governments for funds, and I think there are funds available from the state. We tried to look at different angles.

Mr. Flewelling said he is concerned delaying this will place it outside of the realm of possibility.

It was moved by Mr. Flewelling, seconded by Mr. Baer, to fund \$20,000 toward assisting the effort to secure the F35B slated for Marine Corps Air Station Beaufort, with the understanding the County may look at more funding for the effort in the future.

Mr. Baer said there is \$50,000 left in the MEC and \$20,000 will give the effort \$70,000 in initial working funds. Mr. Baer said we could add to this. Mr. Flewelling said yes as we need to add.

Mr. Caporale said since we suggested some additional discussion will take place, could they get started with the \$50,000 in-hand. Would delaying the \$20,000 put this at risk? Mrs. Ungaro replied she has not discussed with the Rhoads Group whether she could have a short-term contingency contract, but that would be the option if she does not get funds moving forward in the next week or two. She stated they have a contract in front of them. To give the Finance Committee history, they have talked with the Rhoads Group and they have put together a more comprehensive lobbying effort to try to bring down federal funds. She said they have some areas in economic development; she and Mrs. Statler talked with them. Money is always a challenge here. She said they have put together a proposal that was more encompassing, but the way things stacked up with the timing it looks as if we are the only ones who need them right at this minute. Therefore the contract has been renegotiated and I can go back to them again, Mrs. Ungaro said. To answer the question, she said she thinks she can get something done, but it will not be the plan we have in place.

Mr. Newton asked, "Mrs. Ungaro you plan to ask the other town, municipalities, for money. But you aren't looking for a contract right away? You said a week or two." She replied she would like it completed in the next week or two. She wants to get a gauge from the County before talking with the municipalities; this will affect the conversation she has.

Mr. Newton asked if there is a need. Personally, I would like to have the MEC structure put back together, he said. I think we could put together a meeting of Council members tomorrow or the next day. If you are moving that fast, I suspect this crowd can move as fast and sit down to say we are committed to this. If this is as significant of a threat coming from Cherry Point as it is, then it ought to be a coordinated, all-hands-on-deck, City of Beaufort, Town of Port Royal, Beaufort County approach, not just here is \$20,000 and we hope this goes.

Mr. Stewart asked if there is a feel for what the Rhoads Group asks for in a contract. Mrs. Ungaro said the contract before her is \$70,000 plus expenses, which is typically about 4 percent.

Mr. Stewart said you will not pay the \$70,000 up front, but over time. Do you know what the payment schedule will be? Mrs. Ungaro said typically it is divided quarterly. Mr. Stewart suggested going to the Rhoads Groups and saying get started then we will follow up.

Mr. Rodman said there seems to be a consensus around the table we will step up to the \$20,000, and perhaps if Mrs. Ungaro understands that she can proceed with her piece and come back with a total picture of what is needed – whether it is \$25,000, \$50,000 or \$250,000. This will still get us to the same place.

Mr. Flewelling said his concern is we are right in the middle of the budget process and it would be helpful for our staff to know exactly the minimum we are committing to allocate, as well as know we will send that to the MEC. However, he said he certainly does not want this type of motion to fail. He said he is all for this and he supports it 100 percent.

Mr. Flewelling, as maker of the motion, withdrew the motion.

Mr. Rodman asked the Finance Committee if they agree this is a worthwhile effort. All of those present raised their hands to show their support of the effort. He said this lets Mrs. Ungaro know the Council is behind the effort financially and, as quick as you can, come back we can react to whatever the number is and you can have input from the other municipalities.

Mr. Newton replied the thing is that Gary Kubic, as county administrator, can authorize \$20,000 without even coming to Council. So, he said he thinks, something this significant ought to get more attention from Council than a \$20,000 check. I suggest our involvement should go beyond a \$20,000 financial commitment. Perhaps, it warrants having the MEC come in, sit down with the local government officials to talk strategy so everyone “has their hand on the same oar, rowing forward at the same time.”

Mr. Stewart clarified this is to hire the Rhoads Group, but in the memo it states there will also be a need to send people to travel to D.C. Mrs. Ungaro replied there is a \$120,000 total budget, but she plans to approach other local governments. Mr. Stewart replied there is more involved than the \$20,000. The other government entities will likely step up to the plate and fund another portion.

Mrs. Ungaro said the document handed to the Committee is a brief. There is a plan for marketing the F35B effort called “F35Beaufort,” with a website and bumper stickers.

Status: Mrs. Ungaro will return with a comprehensive plan to either Finance Committee or Public Safety Committee, whichever meets first. Also, Mr. Kubic has the authority if something is needed immediately to appropriate the funds so the Military Enhancement Committee may begin promoting the acquisition of the F35B’s slated for Marine Corps Air Station Beaufort.

PUBLIC FACILITIES COMMITTEE

May 25, 2010

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

The Public Facilities Committee met on Tuesday, May 25, 2010 at 4:30 p.m., in the Executive Conference Room of the Administration Building, Beaufort, South Carolina.

ATTENDANCE

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

County staff: Eddie Bellamy, Public Works Director; Jian Fei, Assistant County Engineer; Bryan Hill, Deputy Administrator; Collin Kinton, Traffic/Transportation Engineer; Bob Klink, County Engineering; Rob McFee, Division Director - Engineering and Infrastructure; David Starkey, Chief Financial Officer; Dave Thomas, Purchasing Director.

Public: Mayor Billy Keyserling, City of Beaufort.

ACTION ITEMS

1. Contract Award – Road Resurfacing 2010 Phase 1

Discussion: Ms. Jian Fei, Assistant County Engineer, reviewed this item with the Committee. In April 2010, Beaufort County issued an invitation for bids to resurface various SCDOT, Beaufort County and City of Beaufort Roads. The road names and locations are as follows:

<u>SCDOT Roads</u>	<u>Length</u>	<u>Location</u>
Dr. Mellichamp Rd.	0.2 miles	Bluffton
Church St.	0.1 miles	Bluffton
Boundary St.	0.4 miles	Bluffton
Jason St.	0.4 miles	Bluffton
Whispering Pines	0.2 miles	Bluffton
Allen St.	0.1 miles	Bluffton
Geothe Rd.	1.15 miles	Bluffton
Schultz Rd.	0.6 miles	Bluffton
Roberts Rd.	0.1 miles	Burton
Creek Rd.	0.2 miles	Burton
Vaux Rd.	1.05 miles	Burton

Minutes - Public Facilities Committee

May 25, 2010

Page 2 of 7

W.K. Alston Dr.	0.4 miles	Burton
Ratel Dr.	0.35 miles	Burton
Allison Ct.	0.2 miles	City of Beaufort
Hancock St.	0.22 miles	City of Beaufort
Duncan Dr.	0.31 miles	Town of Port Royal
Verdier Rd.	0.15 miles	City of Beaufort
Langhome Dr.	0.26 miles	City of Beaufort
Merina Ave.	0.35 miles	Town of Port Royal
Total Miles	6.74 miles	

<u>Beaufort Roads</u>	<u>Length</u>	<u>Location</u>
Northridge Dr.	0.1 miles	Hilton Head Island
Palmetto Pkwy.	0.35 miles	Hilton Head Island
Otter Hole Rd.	0.15 miles	Hilton Head Island
Cardinal Ct.	0.1 miles	Hilton Head Island
Pembroke Dr.	0.85 miles	Hilton Head Island
New Orleans Rd.	0.15 miles	Hilton Head Island
Haig Point Rd.	1.1 miles	Daufuskie Island
Cooper River Landing	0.15 miles	Daufuskie Island
Pappy's Landing	0.22 miles	Daufuskie Island
Calhoun St.	0.34 miles	City of Beaufort
Waters Edge	0.3 miles	City of Beaufort
Total Miles	3.47 miles	

Paving of Pappy's Landing and Beach Road Intersection	Daufuskie Island
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The Engineering Department received the following two bids on May 18, 2010:

<u>Contractors</u>	<u>Total Bid</u>
REA Contracting, LLC 42 Jeter Road Beaufort, SC 29903	\$1,638,521.60
APAC 47 Telfair Place Savannah, GA 31415	\$2,056,175.70
Engineer's Estimate	\$1,774,321.21

REA submitted the most qualified/responsible bid of \$1,638,521.60. The bid was reviewed and found to be reasonable and is in compliance with the County's SMBE Ordinance.

Staff recommends the Committee approves and awards a construction contract to REA Contracting, LLC for \$1,638,521.60 for the road resurfacing project to be funded by BCTC

funds Account #3322C-54901, for \$847,316.10 and Tag Funds, Account #3322T-54901 for \$791,205.50.

It was moved by Mr. Flewelling, seconded by Mr. Baer, that the Committee approves and recommends County Council approves and awards a construction contract to REA Contracting, LLC for \$1,638,521.60 for the road resurfacing project to be funded by BCTC funds Account #3322C-54901 for \$847,316.10 and Tag Funds Account #3322T-54901 for \$791,205.50.

Mr. Baer wanted to know if it used all the BCTC funds. Ms. Fei replied some monies remain.

Mr. Flewelling wanted to know how roads are selected. Ms. Fei replied recommendation of maintenance people.

Mr. Dawson was under the impression the funds were to be used for the paving of dirt roads. Mr. McBride replied state law says 25 percent is to be used for resurfacing state roads.

Mr. McBride wanted to know if that means there is enough left to do the dirt road list discussed months prior. Mr. McFee replied in the affirmative.

Mr. Sommerville wanted to know if Southside Boulevard is on any list. Mr. McFee replied he is not sure. SCDOT lets resurfacing bids eight months out of the year generally. He will find out.

The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: County Council approves and awards a construction contract to REA Contracting, LLC in the amount of \$1,638,521.60 for the road resurfacing project to be funded by BCTC funds Account #3322C-54901 for \$847,316.10 and Tag Funds Account #3322T-54901 for \$791,205.50.

2. Off-Agenda Item – Re-designation of Highway 21

It was moved by Mr. Flewelling, seconded by Mr. Sommerville, that the Committee approves taking up an off-agenda item regarding the re-designation of Highway 21. The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Sommerville and Mr. Stewart. The motion passed.

Discussion: Mr. Rob McFee, Division Director – Engineering and Infrastructure, distributed a March 16, 2010 letter from Mayor Billy Keyserling, City of Beaufort, to County Council outlining conditions, requested by the Town of Port Royal, relative to the re-design of Highway 280 to Highway 21 which are as follows:

- Temporarily re-designate the route and measure the impact to verify if the change increases traffic counts. Council needs to have the ability to anticipate the impacts. Current traffic counts exist and are available.
- The Town emphatically wants Ribaut Road resurfaced from the Bell Bridge to Lady's Island Drive. We requested this since the original inception of the project list for the penny sales tax referendum. Unfortunately, the scope of work approved did not include complete resurfacing as was requested by the Town.
- Reduce to 35 mph the speed limit from the Bell Bridge to Lady's Island Drive.
- Ensure no opposition to potential signalization of key intersections on Ribaut Road from the Bell Bridge to Lady's Island Drive from SCDOT or the City of Beaufort that is warranted due to increased volumes, including potential port redevelopment traffic.
- The City will not prohibit truck/RV traffic through the City.

The letter stated the City Council supports these conditions, in addition to their original support of the re-designation of Highway 290 to Highway 21. They have developed a resolution of support.

Mr. Colin Kinton, Transportation/Traffic Engineer, presented the Committee with a PowerPoint presentation regarding the U.S. Highway 21 re-designation. Who will this affect? The majority of traffic is mostly every day drivers, who this re-designation will not affect. It will not affect the existing drivers, but it will affect new visitors/tourists and new trucks/deliveries. A change of sign will not make a difference for those who know where they are going. Regarding the issue of online mapping — Google, Yahoo and MapQuest — all use the shortest route to direct someone to a location. That shortest path would direct them downtown to Boundary and Carteret streets. A lot of the online mapping software will allow you to change your route. If you change the route to use Parris Island Gateway, it increases the distance by 5.5 miles and 9 minutes. If you travel Ribaut Road, it is 2.8 miles farther and an additional 6 minutes. Using that software will likely send people downtown due to it being the shortest distance. It does not take into account increased congestions and delays.

Also, some of the websites that serve the tourists coming here, including Hunting Island State Park, Fripp Island, Harbor Island and the Chamber of Commerce, direct visitors to use U.S. Highway 21. The Chamber has several maps that mention U.S. 270, which does not exist. Their Regional Map does not have S.C. Highway 280. They tend to direct people towards the visitor center.

Mr. Kinton presented to the Committee photos of signage in conflict with what the maps say. They point people down S.C. Highway 280. Last week we counted the volumes/trucks on Ribaut Road. Two locations — north of the Technology College of the Lowcountry (TCL) and Hermitage Road and also between Mossy Oaks Road and Southside Boulevard -- were used for counting. Between TCL and Hermitage Road on average 16,180 vehicles pass through in a 24-hour period. Of that 3.5 percent, or 583, were trucks. Between Mossy Oaks Road and Southside Boulevard there were approximately 18,505 vehicles in a 24-hour period, of which 3% or 565 were trucks. The data indicates a significant portion of trucks are making local deliveries on Ribaut Road.

He presented the Committee with the existing volumes from the State's 2008 counts on various roads. The existing failure is Lady's Island Drive. He showed future volumes and future failures on Trask Parkway and Boundary Street. During the Northern Regional Plan Committee meetings, different growth scenarios were examined and the mid-range scenario was decided upon. The volume/capacity chart he displayed reflects what was approved.

Long-term, we are looking at increases on Parris Island Gateway. The impact it will have on warranting signals on this reroute designation is that it probably won't have much impact. He showed a map of the future, year 2025, conditions. Most of the Corridor B and C ratings show the main problems exist around Woods Memorial Bridge. Our functional classification for the Parris Island Gateway is Principal Arterial where Ribaut Road has a lower classification of Minor Arterial.

If we decide to go forward with the re-designation, the potential impacts is an approximate 500 vehicle per day re-routed from Ribaut Road to Parris Island Gateway. Not a large number. We need to address mapping with the Chambers of Commerce and improve truck signage on Trask Parkway. It should have minimal impact on level of service. There is potential for a reduced design standard on Boundary Street if the routing is changed.

Regarding the application process of American Association for State and Highway Transportation Officials (AASHTO) to re-designate a route would go through the SCDOT.

Mr. Flewelling stated the City of Beaufort is in favor of this. His only concern is that the Town of Port Royal had concerns about it, specifically Ribaut Road being resurfaced and a reduction in speed. There is not opposition to signalization. Mayor Keyserling stated the City supported the Town and all of its points.

Mr. Flewelling wanted to know how Council can get involved in the process of making sure the five conditions are accomplished. Mr. McFee spoke in regard to the five conditions (bullets).

Bullet 1 – We have specific resources that demonstrate between the route re-designation and the sign clean up there is a couple of percent to be had. He recommends the temporary re-designation would be confusing for the traveling public. We could move forward and re-designate.

Bullet 2 – The resurfacing is a request. Our ability to satisfy that condition, at the staff level, is still in discussions, which would then come before Council.

Bullet 3 – The speed limit has been reduced to 40 mph. He is unaware if the Town is satisfied with this, but does know that they have prevailed to SCDOT.

Bullet 4 – Any intersection that meets traffic signal warrants for signalization as a result of this work will be addressed.

Bullet 5 – The City will not prohibit truck traffic through the City. The Woods Memorial Bridge is posted presently to three axles or less. That prohibition stays in place which is for the agent to breach.

It was moved by Mr. Flewelling, seconded by Mr. McBride, that Committee recommends Council adopts a resolution relative to the re-designation of U.S. Highway 21 from Boundary Street to Ribaut Road through the City of Beaufort to S.C. Highway 280 connecting with S.C. Highway 802 over the McTeer Bridge. The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council adopts a resolution relative to the re-designation of U.S. Highway 21 from Boundary Street to Ribaut Road through the City of Beaufort to S.C. Highway 280 connecting with S.C. Highway 802 over the McTeer Bridge.

INFORMATION ITEM

3. Contract Award – Uniforms for Public Works Department

Discussion: Mr. Dave Thomas, Purchasing Director, reviewed this item with the Committee. This uniform bid includes the cleaning and delivery of uniforms and associated items for 192 employees in the Public Works and Facility Management Departments. The individual employee uniform allotment for 148 employees includes 11 shirts, 11 pairs of pants, 1 winter jacket, and 1 pair of coveralls. There are 44 employees who require only uniform rental because they choose to do their own laundry and their individual uniform allotment includes 6 shirts, 6 pairs of pants and 1 winter jacket. The bids were evaluated on price and uniform quality. AlSCO, Inc. was unable to provide green cargo pants, women's green shirts and charcoal gray cargo pants. Rental Uniform Service is the current vendor and has provided excellent service and uniform quality throughout the term of their contract. If awarded this bid, they will provide employees with new uniforms to start this contract. The evaluation committee consisted of Public Works and Facility Management employees Gail Smith, Hal Spicer, Carolyn Wallace, Steve Miller, Doug Baker and Harold Buchanan. The contract would be for a one year fixed firm price with four additional renewal periods available at the discretion of the Beaufort County Public Works and Facility Management Departments and Beaufort County Council.

The following bids were submitted:

AlSCO, Inc North Charleston, SC	\$45,370.00
Rental Uniform Service North Charleston, SC	\$46,511.40
Cintas Corp. Savannah, GA	\$48,999.60

Staff recommends the Committee approves the contract award for uniform services to Rental Uniform Services, the lowest responsive/responsible bidder in the anticipated annual amount of \$46,511.40 inclusive of tax for a period of one year with four annual renewals at the discretion of the Beaufort County Public Works Department and Beaufort County Council to be

funded from General Fund for organizations account 333020-52050 through 33398-52050, with anticipated FY2011 funding of \$73,493, and Storm Water Enterprise Fund 13530-52050 and 13531-52050 with anticipated FY2011 funding of \$20,363.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Committee approves the contract award for Uniform Services to Rental Uniform Services, the lowest responsive/responsible bidder in the anticipated annual amount of \$46,511.40 inclusive of tax for a period of one year with four annual renewals at the discretion of the Beaufort County Public Works Department and Beaufort County Council to be funded from General Fund for organizations account 333020-52050 through 33398-52050, with anticipated FY2011 funding of \$73,493, and Storm Water Enterprise Fund 13530-52050 and 13531-52050 with anticipated FY2011 funding of \$20,363. The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Sommerville and Mr. Stewart. The motion passed.

Status: Committee approved a contract award for Uniform Services to Rental Uniform Services, the lowest responsive/responsible bidder in the anticipated annual amount of \$46,511.40 inclusive of tax for a period of one year with four annual renewals at the discretion of the Beaufort County Public Works Department and Beaufort County Council to be funded from General Fund for organizations account 333020-52050 through 33398-52050, with anticipated FY2011 funding of \$73,493, and Storm Water Enterprise Fund 13530-52050 and 13531-52050 with anticipated FY2011 funding of \$20,363.

PUBLIC SAFETY COMMITTEE

May 25, 2010

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

The Public Safety Committee met on Tuesday, May 25, 2010 at 3:00 p.m., in the Executive Conference Room, Administration Building.

ATTENDANCE:

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

County Staff: Morris Campbell, Division Director – Community Services; Todd Ferguson, Emergency Management Director; Phil Foot, Detention Center Director; Bryan Hill, Deputy County Administrator; Ladson Howell, County Attorney; Gary Kubic, County Administrator; Donna Ownby, Director EMS; Dave Thomas, Purchasing Director; William Winn, Division Director – Public Safety; Howell Youmans, Deputy Director EMS.

Public: Curtis McDaniel, general manager First Vehicle Services.

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

ACTION ITEMS

1. **Consideration of Contract Award**
 - **Sole Source Contract with Hargray for Fiber leasing, installation and construction - Emergency Management Department**

Discussion: Mr. William Winn, Division Director – Public Safety, came forward to give a briefing on Public Safety. He noted within his presentation was information relevant to this contract, as well as the following contract for ANI/ALI Database System.

Public Safety Department Update – Mr. William Winn

Mr. Winn told the Public Safety Committee the two contracts are part of an overall 911 program. First, every five years in the 911 world you have to go in and gut your dispatch center because of all the new technology coming in, Mr. Winn said. South Carolina is part of the 911 Legislation, which allows you to develop a trust fund. The money you take in 911, you are allowed to build this money up so every three years you can use it to replace your equipment. Also, the state maintains a certain 911 fund, from which people can apply for monies to upgrade

the wireless side of the 911 system. It has been about five years since we upgraded our systems, Mr. Winn said. Now we are going through that process. We have about \$2.2 million in our trust fund for these projects that will be covered. It is not general revenue money; it is trust fund money. Right now, as Phase I we are replacing all radios in our dispatch center. This is the radio upgrade you paid for – radio rebanding. Now we are doing the Beaufort Center, which actually takes place May 25th. We are doing final testing today, and tomorrow we turn on the Beaufort, Bluffton and Port Royal police departments to the dispatch center's new radio. We are replacing all equipment in our dispatch center. We will replace Hilton Head Island's in June. BROC (Beaufort Regional Operations Center in Hampton) already upgraded radios.

Phase II: Replacement of Database Software – Beaufort and Hilton Head Island. Completed by August 2010. Mr. Winn said the following: This phase incorporates the two contracts before the Public Safety Committee. 10 years ago the County had a company from Ohio maintain the 911 database. When you get a telephone in Beaufort County there is certain data going along with the phone. Either the telephone companies maintain the data or the local entity does. Mr. Winn said we are able to do this far cheaper than other companies in the area. We have done our own database since we began in 1991-92. The company holding our contract for all these years notified us in December they would no longer continue in that part of the business and advised us to find a new vendor. We went through a bid process. The database will replace all of the 911 database used in Beaufort County (Beaufort and Hilton Head, per state law there are two, redundant systems to back each other up). The third system will be added as part of the disaster recovery system in Hampton's BROC in another phase.

Phase III: 911 fiber circuit to Hampton; Completed by November 2010; Cost and recurring fees paid by 911 trust fund. Mr. Winn said the cost of the fiber circuit and fees, after five years, will be paid by the trust fund. This circuit will give us a redundant method of carrying our information to Hampton and to our circuits on Hilton Head. As we continue to develop the County's fiber network we will add circuits around the county. This is so if one side gets cut / damaged we have an alternate route to carry information. We carry the county telephones, computer network, traffic camera and traffic signals on this particular network.

Phase IV: Replacement of telephone answering and routing equipment – Beaufort, Hilton Head, Marine Corps Air Station Beaufort, Parris Island Marine Corps Recruit Depot and BROC; Completed by end of 2010. This will begin in July/August. This will include all of the telephone answering equipment and routing used for 911. As part of the project, we replace equipment in all of the above locations. Now, the civilian side of 911 on the military bases is a local government function. In agreements with the military, we provide their non-military 911 system. Most of the equipment is located on the Marine Corps Air Station, but there is also equipment on Parris Island. If you are in the military and live on Laurel Bay, you pay our 911 fees. If it is a civilian telephone on the bases; it pays a 911 fee. This is why there is no jurisdictional issue. The funds come to us, and we use those to replace/update the military establishments. We operate the equipment and maintain it under the conditions with those bases. This equipment has not been replaced in about five years. For example, our current equipment does not allow for the ability to transfer data. So if a 911 comes to Hilton Head, but we have to move to Beaufort we lose the call data with it. Also, be aware under state law we are required to have an additional county

participate under our system as backup. Under the Beaufort County 911 plan, Jasper County is our backup. Of course, we are Jasper County's. In the event the Center goes down, we automatically transfer our calls to Jasper County. Today, if the Beaufort Center goes down, Hilton Head picks it up. Also if Hilton Head is overloaded in the number of calls, it kicks them over to Beaufort so no one gets a busy signal. This is an effort to make sure everyone gets through to 911.

Phase V: Regional connections to Hampton and Jasper counties 911 system; Completed by end of 2010. This will begin sometime around October. This is a new portion of linking in Jasper and Hampton counties' databases. This will allow us to fully transfer data information among the counties. Hampton County completed their next upgrade to their system. We will start our end in October. Jasper County is not too far behind us. We hope to have this fully linked.

Mr. Winn concluded this, when all linked, means calls will automatically kick to another system if the home system is busy so the calls are answered. The data information can transfer. It will allow us in the event of a major disaster, in which Beaufort County's systems are knocked out and destroyed, to go into Hampton County and fully handle dispatch and 911 from Hampton. The two counties pay their portion. We pay our operations portion. There are certain state funds through the 911 system we are allowed to apply for, and this will be the first integrated regional system in the state. We are writing the bid. When you see the contract for the sole source contract for fiber, etc. that is a phase in the total system.

Mr. Baer asked if all five phases are covered in the \$2.2 million. Mr. Winn replied yes there is enough to cover. Also they are in the next round of reimbursement to Beaufort County and we have about \$400,000 to \$450,000 to return in the next few months. From the 911 trust fund, Mr. Baer asked, Yes, said Mr. Winn said. Mr. Baer asked if there will be an impact on the County budget from this. Mr. Winn replied no, there will be no impact on the budget.

Mr. Dawson asked if the five-year lease is \$10,140, what is the account of \$943,380. Mr. Winn said that is the construction cost to put the lines in and make them operational. The \$10,140 is to lease the circuit to use that equipment. At the end of the five years, it is \$179 per month, which would be paid from the trust fund account.

Mr. Caporale asked who does the work. Mr. Winn replied Hargray. This is the construction work. Mr. Caporale said he was curious why it is sole source. Mr. Winn said it was because Hargray was the only company who would give it to us as a "dark fiber. They do not light it. We light it. We run our own system, for security reasons." Mr. Caporale asked the total distance for the fiber. Mr. Winn said it runs from Pocatamico through northern Hampton County to their system.

Mr. Baer asked if Hargray will put in multiple fibers then sell others to other entities. Mr. Winn said he thinks they probably will, but as he understands the cost consideration factored in this. Mr. Baer wanted to verify we are only paying our share. Mr. Winn confirmed. The Committee members then discussed cost to distance ratios at some length.

Ms. Von Harten asked if dark fiber is what comes on those “big wooden spools.” Mr. Winn replied it is cable and tried to explain dark fiber, but was interrupted. “I want to know what happens to those spools when they are done because those are pretty cool,” Ms. Von Harten said. She said we could make some public art. Mr. McBride suggested a table. Mr. Caporale said dark fibers do not automatically carry data, basically.

Mr. Thomas said this contract is to cover the cost of \$943,380, including the \$10,140 for the five-year lease, for 911 fiber construction, installation and leasing services. It is a fair and reasonable price. It includes the turnkey installation.

Mr. Stewart emphasized this is paid from the 911 trust fund and is not operating budget money.

It was moved by Mr. Dawson, seconded by Mr. Caporale, that Public Safety Committee approves and recommends to Council the award of a contract to Hargray, in the amount of \$943,380 for 911 fiber construction, installation and leasing services. The vote was: FOR - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. Mr. Glaze had not yet arrived. The motion passed.

Recommendation: Council awards contract to Hargray, in the amount of \$943,380 for 911 fiber construction, installation and leasing services.

2. Consideration of Contract Award

• ANI/ALI Database System - Emergency Management Department

Discussion: Mr. Thomas gave the Public Safety Committee some background on the item. He said they issued a request for proposal asking for vendors capable of providing 911 software. The current 911 center works with a third party vendor who maintains an ANI/ANL database system. However, the current vendor is no longer able to support the database. The 911 center wants to implement the next generation 911 operations and would like to maintain the database in the center. EMD plans to procure a highly redundant, feature-rich ANI/ALI database system solution and cutover in 2010. The interview committee interviewed the top two firms and selected Contact One, of Overland Park, KS. The current cost for the contract at \$232,361 includes the management and installation of the software, as well as EMD training. We looked at two other companies, but did not interview the third because they were not really what we wanted. The other company, even though it was \$20,000 cheaper, in our reference checks and interviews felt Contact One’s support and ease of use was better than MicroData. This comes out of the 911 budget.

It was moved by Mr. Flewelling, seconded by Ms. Von Harten, that Public Safety Committee approves and forwards to Council the award of a contract to Contact One, the number one ranked firm, in the amount of \$232,361 for 911 software. The vote was: FOR - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. Mr. Glaze had not yet arrived. The motion passed.

Recommendation: Council awards a contract to Contact One, the number one ranked firm, in the amount of \$232,361, for 911 software.

INFORMATION ITEMS

3. Consideration of Contract Award **• RMAT Truck for Beaufort County EMS**

Discussion: Mr. Dave Thomas, Purchasing Director, introduced the recommended contract award. Fortunately for us, we have a federal grant to pay for this truck. He added they put out a bid for the truck, sent ads to local newspapers and contacted the S.C. Business Opportunities. One response came back. However, Mr. Thomas said this did not meet the specifications. He said he checked with the local Ford dealership and they start pricing at \$67,000 so this is a good, fair price. That said, he recommended the Committee approves the contract award to Summerville Ford, Summerville, SC for \$46,664.00.

It was moved by Ms. Von Harten, seconded by Mr. Flewelling, the Public Safety Committee awards a contract to Summerville Ford, the lowest responsive/responsible bidder, in the amount of \$46,664.00, for one 2011 Ford F-450 Crew Cab, 4 x 4 RMAT truck.

Mr. Stewart said there is a \$150,000 grant, which is obviously more than the cost of the truck. What else does this cover? Mr. Hughes replied, this covers some additional equipment, but he asked Mr. Youmans to explain the matter further.

Mr. Youmans informed the Public Safety Committee the grant covers, in addition to the truck: an oxygen-generation system to be available on-site, a mass casualty tracking system to track patients as they come through and basic disaster life support training for employees to provide better on-site care.

Mr. Caporale asked if it is unusual to only receive one bid. Sometimes, when dealing with government vehicles, companies do not make a lot of money, Mr. Thomas said. Consequently, many fleets do not respond to our requests.

The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. Mr. Glaze had not yet arrived. The motion passed.

Status: Public Safety Committee awards a contract to Summerville Ford, the lowest responsive/responsible bidder, in the amount of \$46,664.00, for one 2011 Ford F-450 Crew Cab, 4 x 4 RMAT truck.

4. Emergency Purchase for Engine Replacements for Two EMS Ambulances

Discussion: Mr. Stewart said this is less than \$50,000 so it gives the Committee an understanding of what happened. This was an emergency purchase for engine replacements for two EMS ambulances.

Mr. Thomas said about a month ago we had two engines blow out. They were high-mileage, and it was not due to operator negligence. Under our emergency purchasing code, when we feel it might be detrimental to the public's safety (in this case it was) we are authorized to make a purchase to take us out of that threat. In this case, after talking to our Deputy Administrator Bryan Hill, EMS staff and First Vehicle, we felt it best to purchase, from a Ford dealer, those two engines. The good thing is it covers a two-year warranty with unlimited mileage. We will have the work done by Ford-certified technicians. In-house it would be more expensive and take more time (about 30 hours of mechanic time per engine); we only have one mechanic who could do this on staff. The cost was fair, reasonable and includes the warranty.

Mr. McBride said this seems like it is the first time to replace EMS engines.

Mr. Flewelling asked where the engines were located. Mr. Youmans answered one was at Shell Point station and the second was at Sun City. A reserve unit was put in their place when those engines were out of commission to ensure no interruption of service occurred.

Members then discussed the process for rotating and replacing ambulances. Essentially new engines replace old ones, and if the old ones work they are put on standby at reserve units. Mrs. Donna Ownby said we have 16 licenses. New ambulances are considered depending on the use, maintenance, request of the department, etc. Two ambulances were replaced this year. Mr. Stewart said it is important to note ambulances are maintained and kept running well in spite of the budget crunches. Mr. Kubic said part of the upcoming 911/EMS study will examine replacement and rotation of equipment. He said he is anxious to see the results as he thinks they will bring about a whole new way of how to operate, give Council a guideline to consider for future purchases and give the public confidence.

Members also discussed odometer readings versus run times for service vehicles.

Status: For information only.