

COUNTY COUNCIL OF BEAUFORT COUNTY

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WM. WESTON J. NEWTON
CHAIRMAN

D. PAUL SOMMERVILLE
VICE CHAIRMAN

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GARY KUBIC
COUNTY ADMINISTRATOR

BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

LADSON F. HOWELL
COUNTY ATTORNEY

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA COUNTY COUNCIL OF BEAUFORT COUNTY

Monday, November 28, 2011

4:00 p.m.

Council Chambers
Administration Building

Citizens may participate in the public comment periods and public hearings from telecast sites at the Hilton Head Island Branch Library as well as Mary Field School, Daufuskie Island.

1. CAUCUS - 4:00 P.M.
Discussion is not limited to agenda items.
Executive Conference Room, Administration Building
2. REGULAR MEETING - 5:00 P.M.
Council Chambers, Administration Building
3. CALL TO ORDER
4. PLEDGE OF ALLEGIANCE
5. INVOCATION
6. PROCLAMATION
 - A. Students Against Destructive Decisions Club (SADD)
Kris Ayers and Aja Shell, SADD Board of Directors, Battery Creek High School
7. PUBLIC COMMENT
8. COUNTY ADMINISTRATOR'S REPORT ([backup](#))
Mr. Gary Kubic, County Administrator
 - A. The County Channel / Broadcast Update ([backup](#))
 - B. Two-Week Progress Report ([backup](#))
 - C. Resolution Appointing Beaufort County as a Qualified Local Public Agency / (Phases VI and VII / US 278 (a)) ([backup](#))
 - D. Resolution Approving Amendment of the By-Laws of Lowcountry Economic Alliance, Inc. ([backup](#))

Over



Agenda

November 28, 2011

Page 2 of 3

E. Beaufort Tourism Video

Mrs. Blakely Williams, Beaufort Regional Chamber's President and CEO

9. DEPUTY COUNTY ADMINISTRATOR'S REPORT

Mr. Bryan Hill, Deputy, County Administrator

A. Two-Week Progress Report ([backup](#))

B. Job Search / Parks and Leisure Services and Animal Shelter and Control Directors

C. General Fund Expenditure Analysis (July 1, 2011 – October 31 2011)

D. Construction Project Updates

Mr. Rob McFee, Division-Director Engineering and Infrastructure

One Cent Sales Tax Referendum Projects:

New Bridge over Beaufort River / U.S. 21 / S.C. 802 Construction Project

U.S. Highway 278 Construction Project

S.C. Highway 802 Roadway Construction Project

Capital Improvement Projects:

Disabilities and Special Needs Adult Day Care Center

St. Helena Island Branch Library at Penn Center

E. Update / Master Plans Beaufort County (Lady's Island) and Hilton Head Island Airports

Mr. Paul Andres, Airports Director

10. CONSENT AGENDA – ITEMS A THROUGH B

A. AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN EASEMENT ENCUMBERING PROPERTY OWNED JOINTLY BY BEAUFORT COUNTY AND THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

1. Consideration of second reading approval to occur November 28, 2011
2. Public hearing to be held Monday, December 12, 2011 beginning at 6:00 p.m. in Council Chambers of the Administration Building, Government Center, 100 Ribaut Road, Beaufort ([backup](#))
3. First reading approval occurred November 14, 2011 / Vote 11:0
4. Public Facilities Committee discussion and recommendation to approve occurred October 25, 2011 / Vote 5:0

B. AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$10,000,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO

1. Consideration of second reading to occur November 28, 2011
2. Special County Council Meeting to be held Monday, December 5, 2011 beginning at 5:00 p.m. in Council Chambers of the Administration Building, Government Center, 100 Ribaut Road, Beaufort ([backup](#))
 - a. Public Hearing
 - b. Consideration of third and final reading
3. First reading approval occurred November 14, 2011 / Vote 9:2

11. PUBLIC HEARING

- A. AN ORDINANCE AUTHORIZING THE PLACEMENT OF A QUESTION ON THE OFFICIAL BALLOT FOR THE GENERAL ELECTION TO BE CONDUCTED NOVEMBER 6, 2012, CONCERNING A PROPOSITION AUTHORIZING BEAUFORT COUNTY TO ISSUE GENERAL OBLIGATION BONDS TO ACQUIRE LANDS FOR PRESERVATION AND TO PAY CERTAIN COSTS AND DEBT SERVICE RELATED THERETO ([backup](#))
1. Consideration of third and final reading to occur November 28, 2011
 2. Second reading approval occur November 14, 2011 / Vote 10:1
 3. First reading approval occurred October 24, 2011 / Vote 11:0
 4. Finance Committee discussion and recommendation of borrowing amount occurred October 10, 2011 /Vote 8:0
 5. Natural Resources Committee discussion and recommendation to proceed with referendum October 3, 2011 / Vote 7:0

12. COMMITTEE REPORTS ([backup](#))

13. PUBLIC COMMENT

14. EXECUTIVE SESSION

- A. Discussion of employment of a person regulated by County Council
- B. Discussion of negotiations incident to proposed contractual arrangements and proposed purchase of property

15. ADJOURNMENT

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

JOSH GRUBER
STAFF ATTORNEY

COUNTY ADMINISTRATOR'S REPORT

Monday, November 28, 2011
5:00 p.m.
County Council Chambers

ACTION / INFORMATION ITEMS:

- The County Channel / Broadcast Update (Enclosure)
- Two-Week Progress Report (Enclosure)
- Resolution Appointing Beaufort County as a Qualified Local Public Agency (LPA) (Phases VI and VII / US 278 (a) (Enclosure)
- Resolution Approving Amendment of the By-Laws of Lowcountry Economic Alliance, Inc. (Enclosure)
- Beaufort Tourism Video
Ms. Blakely Williams, President & Chief Executive Officer, Beaufort Regional Chamber of Commerce



McTeer Bridge Dedication

The County Channel was on hand to cover the opening of the new span of the McTeer Bridge. The Dedication took place on November 18th. We are rebroadcasting it on The County Channel.



Joe Frazier Memorial

The County Channel also covered the Joe Frazier Memorial Ceremony from Waterfront Park on Wednesday November 16. This event was well attended and was rebroadcast on The County Channel.



Memorandum

DATE: November 23, 2011
TO: County Council
FROM: Gary Kubic, County Administrator
SUBJ: County Administrator's Progress Report

The following is a summary of activities that took place November 14, 2011 through November 25, 2011:

November 14, 2011

- County Council Caucus meeting
- County Council meeting

November 15, 2011

- Meeting with City Manager Scott Dadson and Planning Development and Infrastructure Division Director Tony Criscitiello re: Beaufort Rail to Trail Program
- Conference Call with Melissa Hogan re: Customer Reference / KPMG

November 16, 2011

- Meeting with Public Information Officer Suzanne Larson
- Meeting with County Assessor Ed Hughes
- Staff meeting re: Public Charges for FOIA Requests
- Meeting with Weston Newton, Council Chairman, Billy Keyserling, City Mayor and Scott Dadson, City Manager re: City / County issues

November 17, 2011

- Beaufort County Communities of Bluffton Charrette / Focuses on US Highway 278, Prichardville, May River Road, Alljoy & Brighton Beach / Workshop Studio, Bluffton Library
- Lowcountry Economic Alliance Board meeting
- Conference call with Roland Gardner, Executive Director, Beaufort-Jasper-Hampton Comprehensive Health Services

- Governmental Committee meeting

November 18, 2011

- McTeer Bridge dedication
- Meeting with Attorney Walter Nester, Staff Attorney Josh Gruber (telephonically) and Planning and Development Division Director Tony Criscitiello re: Pinckney Point / DRT

November 21, 2011

- Meeting with Robert McFee, Division Director, Engineering and Infrastructure, and David Starkey, Chief Financial Officer, re: Sales tax referendum projects
- Meeting with Colin Kinton, Traffic Engineer, re: Traffic issues

November 22, 2011

- Agenda review

November 23, 2011

- Personal leave

November 24 – 25, 2011

- Thanksgiving holidays

BEAUFORT COUNTY RESOLUTION NO. 2011 /

**A RESOLUTION AUTHORIZING THE APPOINTMENT OF BEAUFORT COUNTY AS
A QUALIFIED LOCAL PUBLIC AGENCY**

WHEREAS, Certain transportation infrastructure projects in Beaufort and Jasper Counties have been designated as being eligible for federal funds by the Federal Highway Administration; and

WHEREAS, the projects consist of a preliminary route study for construction of Bluffton Parkway Phases 6/7 and for the development of an Interchange Justification Report and the National Environmental Policy Act process for the creation of a new interchange near mile marker 3 on Interstate 95; and

WHEREAS, The South Carolina Department of Transportation as a recipient of said Federal funds is charged with oversight of the expenditures of said funds and must approve a Qualified Local Public Agency ; and

WHEREAS, both Beaufort and Jasper Counties have interests in these projects; and

WHEREAS, SCDOT has asked the Counties to resolve between them which will serve as the Qualified Local Public Agency; and

WHEREAS, the Counties have contemplated the drafting of a MOU among them that sets forth the nature of the projects and the respective interests, obligations and rights of the Respective Counties; and

WHEREAS, subject to the execution of the MOU, the Counties have agreed that Beaufort County should act as the Qualified Local Public Agency in the interest of both Beaufort and Jasper Counties; and

WHEREAS, Beaufort County as a sub-recipient of said Federal-Aid funding will be charged with the responsibility of expending said funds in accordance with Federal and State law and the rules and regulations of the Federal Highway Administration; and

WHEREAS, Beaufort County understands that the failure to meet all requirements for federal funding could lead to the projects being declared ineligible for federal funds, which could result in Beaufort County being required to repay some or all of the federal funds expended for all projects.

NOW, THEREFORE, BE IT RESOLVED, The Beaufort County Council does hereby express its desire to be designated at the Qualified Local Public Agency and does hereby agree to comply with all applicable federal law, including the rules and regulations of the Federal Highway Administration, and all applicable state law and rules and regulations associated therewith.

BE IT FURTHER RESOLVED, The Beaufort County Council does hereby authorize the Beaufort County Administrator to execute all documents as may be necessary to appoint Beaufort County as a qualified local public agency.

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

RESOLUTION

A RESOLUTION APPROVING AMENDMENT OF THE BY-LAWS OF
LOWCOUNTRY ECONOMIC ALLIANCE, INC.

WHEREAS, the members of the Board of Directors (the "Board") of Lowcountry Economic Alliance, Inc. (the "Alliance") have determined that it is in the best interest of the Alliance that the By-Laws of the Alliance be amended (the "Amendments"); and

WHEREAS, in accordance with the provisions of Article VII of the current By-Laws of the Alliance, the Board has approved the Amendments, a copy of which has been submitted to Beaufort County Council; and

WHEREAS, the current By-Laws of the Alliance provide that all amendments to the current By-Laws that are approved by the Board are conditioned upon approval by the Beaufort County Council and the Jasper County Council; and

WHEREAS, the Board has requested the approval of Beaufort County Council (the "County Council") to the Amendments, and the County Council has agreed to approve the Amendments.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF BEAUFORT COUNTY, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED, AS FOLLOWS:

SECTION 1. Approval of Amendments to By-Laws. The Amendments to the By-Laws of the Alliance, so that the By-Laws as amended shall read in their entirety in the form as set forth on the attached **Exhibit A**, are hereby approved by the County Council.

SECTION 2. Effective Date. This resolution shall take effect immediately upon its adoption.

Adopted this 28th day of November, 2011.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Wm. Weston J. Newton,
Chairman, County Council of
Beaufort County, South Carolina

ATTEST:

Clerk to County Council
Beaufort County, South Carolina

EXHIBIT A

[Form of Amended By-Law

**BYLAWS
OF
LOWCOUNTRY ECONOMIC ALLIANCE**

Last amended on _____, 2011

**ARTICLE I.
NAME AND CORPORATE STRUCTURE**

SECTION 1.1 **Name.** The name of the organization is Lowcountry Economic Alliance, Inc. hereinafter referred to as the LEA or the Alliance.

SECTION 1.2 **No Members of Corporation.** The Alliance was incorporated on _____, _____, as a South Carolina _____ non-profit corporation. The Alliance has no “members” within the meaning of Section 33-31-140(23) of the South Carolina Non-profit Corporation Act of 1994, as amended (the “Act”).

**ARTICLE II.
PURPOSE, VISION, AND MISSION**

SECTION 2.1 **Purpose.** The purpose of the Alliance is to position and market the South Carolina Lowcountry Region to compete successfully for global business investment. For purposes of these by-laws, the Lowcountry region is currently comprised of Beaufort County and Jasper County.

SECTION 2.2 **Vision.** The vision of the Alliance is a diversified Lowcountry economy wherein the region is positioned to market the Lowcountry to potential new businesses creating jobs that pay above the State average wage level.

SECTION 2.3 **Mission.** The mission of the Alliance is to work collaboratively with the public and private sectors to build and enhance economic opportunities for business and individuals in the Region.

SECTION 2.4 **Powers and Purposes.** The Alliance shall have the purpose of engaging in any lawful act and also have the authority to do all things necessary or convenient to carry out its affairs in connection with the aforementioned vision and mission; provided however, that in carrying out its purposes and exercising its powers, the Alliance shall not engage in any activities which would cause it to fail to qualify under Section 501(c)(6) of the United States Internal Revenue Code as amended from time to time, or successor provisions thereto (“the Internal Revenue Code”).

ARTICLE III. INVESTORS

SECTION 3.1 Classes of Investors. The Alliance will have classes of investors (each an “Investor Class”), as designated by the Board (as defined below), from time to time, in their sole discretion, by duly adopted resolutions. The members of each Investor Class shall be referred to collectively as the “Investors” and each an “Investor.”

SECTION 3.2 Admission of Investors. All persons and entities (private sector and governmental) desiring to participate in the Alliance as an Investor must submit a written application to the Board for its consideration at its next regularly scheduled meeting. An affirmative vote of two-thirds (2/3) of the Directors (as defined below) shall be required for the admission of a new Investor.

SECTION 3.3 Investors not Members under the Act. The Alliance shall have Investors; provided, however, that “Investor” shall not mean “member” as defined in Section 33-31-140(23) of the Act. Except as expressly provided herein, Investors of the Alliance shall not be entitled to vote for Directors or for any other matter which, under the terms of the Act, would require approval of a Section 33-31-140(23) member. The rights and obligations of the Investors of the Alliance shall be determined herein and by resolution as determined from time to time by the Board.

SECTION 3.4 Investor Class Qualifications. Investors must (i) be an individual, corporation, company, or other form of business entity or governmental entity (each being referred to herein as a “Person”) and (ii) offer to and be able to satisfy one of the Investor Class requirements established annually by the Board to be eligible for admission to, and retaining membership in, the corresponding Investor Class as an Investor. The Board may establish Investor Classes based upon (i) governmental type (*i.e.*, county government, municipal government, school district, etc.); (ii) amount of annual investment; (iii) number of years of investment commitment; or (iv) any other criteria selected by the Board.

3.4.1 Investors. A Person shall become eligible for admission to the Alliance as an Investor after offering to invest an annual amount within the range then established by the Board as the required annual investment for Investors, and for such a term as such range and term are amended from time to time by the Board in its discretion.

3.4.2 County Government Investors. Each county government in the Lowcountry Region may become eligible for admission to the Alliance as a “County Government Investor” after offering to invest an annual amount greater than or equal to the amount then established by the Board as the required annual investment for County Government Investors, as such amount is amended from time to time by the Board in its discretion.

3.4.3 Municipal Government Investors. Each municipal government in the Lowcountry Region may become eligible for admission to the Alliance as a “Municipal Government Investor” after offering to invest an annual amount greater than or equal to the amount then

established by the Board as the required annual investment for Municipal Government Investors, as such amount is amended from time to time by the Board in its discretion.

3.4.4 School District Investors. Each school district in the Lowcountry Region may become eligible for admission to the Alliance as a “School District Investor” after offering to invest an annual amount greater than or equal to the amount then established by the Board as the required annual investment for School District Investors, as such amount is amended from time to time by the Board in its discretion.

3.4.5 Chamber Investors. Each chamber of commerce conducting business in the Lowcountry Region may become eligible for admission to the Alliance as a “Chamber Investor” after offering to invest an annual amount greater than or equal to the amount then established by the Board as the required annual investment for Chamber Investors, as such amount is amended from time to time by the Board in its discretion.

SECTION 3.5 Termination of Investor Participation. An Investor’s participation in the Alliance as provided herein may be terminated as provided below:

3.5.1 Causes for Termination. An Investor’s participation in the Alliance may be terminated only upon the occurrence of any one of the following events:

- (a) receipt by the Alliance of the written resignation of an Investor;
- (b) the failure of an Investor to pay its annual investment within ninety (90) days of the applicable due date;
- (c) the death or dissolution of the Investor; or
- (d) the adoption of a resolution terminating such Investor’s participation in the Alliance by the affirmative vote of at least two-thirds (2/3) of the Directors.

3.5.2 Procedure for Termination. Investor participation shall be terminated for any reason other than resignation upon duly adopted resolution by the Board in accordance with these Bylaws. Upon termination, an Investor’s voting rights, as represented by the individuals representing such Investor on the Board, if any, shall terminate. The termination of an Investor’s participation in the Alliance shall not entitle the terminated Investor to any proration or refund of any amount previously paid to the Alliance.

SECTION 3.6 Resignation. Any Investor may resign by filing a written resignation with the Alliance, but such resignation will not relieve the Investor from any obligations the Investor may have to the Alliance as a result of obligations incurred or commitments made before resignation. Upon resignation, an Investor’s voting rights, as represented by the individuals representing such Investor on the Board, if any, shall terminate.

SECTION 3.7 Reinstatement. Upon written request signed by a former Investor and filed with the Board, the Board may, by the affirmative vote of two-thirds (2/3) of the

members of the Board, reinstate the former Investor upon such terms as the Board may deem appropriate.

SECTION 3.8 Transfer of Investor's Participation. An Investor's participation rights in the Alliance are not transferable or assignable by the Investor.

ARTICLE IV. BOARD OF DIRECTORS

SECTION 4.1 Director Qualifications. All members of the Board (each a "Director") shall be natural persons who are at least eighteen (18) years of age or older and deemed by the Board to be qualified as to character, education, and experience. In addition, Directors and all candidates for election to the Board shall be subject to the following qualifications:

4.1.1 Investor Director Candidates. An individual must satisfy the following requirements to be eligible for election to the Board as an "Investor Director Candidate": the individual must (i) be or represent an Investor who is investing a minimum annual amount of Ten Thousand Dollars (\$10,000) in the Alliance, and, (ii) if the Investor is an entity, be the chief executive officer or other appropriate senior officer of such entity.

4.1.2 County Council Directors. One (1) Director (each, a "County Council Director") shall be designated by each County Government Investor.

4.1.3 Municipal Directors. One (1) Director (each, a "Municipal Director") shall be selected by each Municipal Government Investor.

4.1.4 School District Directors. One (1) Director (each, a "School District Director") shall be selected by each School District Investor.

4.1.5 Chamber Directors. The chief executive officer of each Chamber Investor or designee thereof (the "Chamber CEO") shall serve as such Chamber Investor's "Chamber Director."

4.1.6 At-Large Directors. An At-Large Director must be an individual who is or represents an Investor that is (i) investing a minimum annual amount of Five Hundred Dollars (\$500) in the Alliance, and (ii) selected by the Board as a potential At-Large Director.

SECTION 4.2 Structure of the Board of Directors. Subject to the provisions of Section 4.7 hereof, the Alliance shall have a Board of Directors (the "Board") comprised of the following Directors:

4.2.1 County Council Directors. The Board shall have one (1) County Council Director for each County Government Investor.

4.2.2 Municipal Directors. The Board shall have one (1) Municipal Director for each Municipal Government Investor.

4.2.3 School District Directors. The Board shall have one (1) School District Director for each School District Investor.

4.2.4 Chamber Directors. The Board shall have one (1) Chamber Director representing each Chamber Investor.

4.2.5 Investor Directors. The Board shall have up to thirty (30) Investor Directors. The number of Investor Directors may be increased or decreased from time to time by the Board, provided, however, that no reduction in the number of Investor Directors shall have the effect of shortening the term of any incumbent Investor Director. For the purposes of these Bylaws, an "Investor Director" must be an individual who is an Investor Director Candidate.

4.2.6 At-Large Directors. The Board may have as many as four (4) "At-Large Directors" or as few as zero (0) At-Large Directors. The maximum number of At-Large Directors may be increased or decreased from time to time by the Board, provided, however, that no reduction in the number of At-Large Directors shall have the effect of shortening the term of any incumbent At-Large Director.

SECTION 4.3 Election of Directors. The respective members of the Board shall be elected, designated, or appointed as follows:

4.3.1 County Council Directors. Each County Government Investor shall designate its respective County Government Investor's County Council Director.

4.3.2 Municipal Directors. Each Municipal Government Investor shall designate its respective Municipal Government Investor's Municipal Director.

4.3.3 School District Directors. Each School District Investor shall designate its respective School District Investor's School District Director.

4.3.4 Chamber Directors. Each Chamber CEO shall automatically assume its respective Chamber Investor's Chamber Director seat upon assuming the office of chief executive officer of such Chamber Investor.

4.3.5 Investor Directors and At-Large Directors. Investor Directors and At-Large Directors shall be elected at a regular meeting of the Board. Investor Directors and At-Large Directors shall be elected to the Board by a majority vote of the then sitting Board.

SECTION 4.4 Chair and Immediate Past Chair: The Board shall elect for a one-year term one (1) Director as "Chair" of the Board. At the completion of any one-year (1) term the Chair may be re-elected by the Board. At the completion of the Chair's final term, the Chair may serve one (1) additional year as "Immediate Past Chair." The Chair may serve any number

of consecutive terms in the same position. No County Council Director, Municipal Director, or School District Director may be eligible to be an officer of the Alliance.

SECTION 4.5 Process of Director and Chair Election: Nominating Committee. Except as provided in Section 4.7 hereof, the Leadership Development Committee (as described below), functioning as a nominating committee, shall recommend, no later than April 1 of each year, a slate of candidates to replace the Investor Directors and At-Large Directors whose terms are expiring, and to fill any Investor Director or At-Large Director seat which is vacant for any reason. Each candidate must have agreed to accept the responsibilities of becoming a member of the Board.

The Leadership Development Committee shall recommend a slate of candidates for the offices of Chair, Secretary, and Treasurer and also the other seats on the Executive Committee. At the meeting of the Board immediately prior to July 1, the Board shall elect officers and new members to the Board with terms beginning on July 1. In the event the Chair fails to complete a term for any reason, the Vice Chair shall assume the Chair and shall serve the shortened term.

SECTION 4.6 Term. Except as herein provided in Section 4.7 hereof, each Director shall serve the applicable term designated in Sections 4.6.1 and 4.6.2 below.

4.6.1 Elected Director Term Limits. Except as herein provided, Directors shall serve for the following terms:

- (a) The term of an Investor Director shall be for three (3) years.
- (b) The term of an At-Large Director shall be for two (2) years.

4.6.2 Designated Directors. The County Council Director of each County Government Investor shall serve for a term of 1 year. The Municipal Director of each Municipal Government Investor shall serve for a term of 1 year. The School District Director of each School District Investor shall serve for a term of 1 year. The Chamber CEO of each Chamber Investor shall serve as such Chamber Investor's Chamber Director so long as the Chamber CEO holds such designated office.

SECTION 4.7 Existing Directors; Transition Provisions. All changes to these By-Laws of the Alliance approved by the Board of Directors on November __, 2011, shall become effective as of the later of (i) January 1, 2012, or (2) the dates of approval of the changes by Beaufort County Council and Jasper County Council (the "Effective Date") except as expressly provided below in this Section 4.7:

4.7.1 Current Board of Directors to Continue until July 1, 2011. The term of each incumbent Director seated on the Board at the time of the adoption of these Bylaws shall continue until all such terms terminate on July 1, 2012. The Director qualifications set forth in these Bylaws shall only apply to those Directors taking office on or after the Effective Date.

4.7.2 Current Board to Adopt Investor Class Requirements. The current Directors shall adopt the initial Investor Class requirements as set forth in Article III of these By-Laws no later than March 1, 2012.

4.7.3 Current Officers to Continue Until July 1, 2012. The terms of all current officers of the Alliance shall continue until all such terms terminate on July 1, 2012.

4.7.4 Election and Designation of New Directors. The current Board of Directors shall serve as the Leadership Development Committee with respect to the election of new Directors that meet the requirements of Section 4.1 hereof at any time, and from time to time, on or before July 1, 2012. Any Directors elected by the current Board of Directors shall serve a term commencing on such date or dates approved by the current Board of Directors and ending on July 1, 2013. County Council Directors, Municipal Directors, School District Directors, and Chamber Directors may be designated by the appropriate Investor at any time after the current Board of Directors establishes the Investor Class requirements.

4.7.5 Election of Committees. The current Board, as augmented by new Directors elected or designated as provided in Section 4.7.4 hereof, shall elect the members of the Executive Committee (as defined in Section 7.1 hereof) and may elect members to any Standing Committee (as defined in Section 8.1 hereof) or other committee, to serve terms expiring on July 1, 2013.

SECTION 4.8 Vacancies. Any vacancy occurring on the Board shall be filled as follows:

4.8.1 Investor Directors and At-Large Directors. If a seat held by an Investor Director or an At-Large Director shall become vacant, a new Director shall be elected by a majority vote of the Board to fill the vacancy subject to the same restrictions and qualifications applicable to the Director whose removal, resignation, death, or newly created directorship created the vacancy. Notwithstanding anything to the contrary herein, a replacement Director shall be eligible at the end of any resulting shortened term for immediate re-election and such Director may serve a full three-year (3) term thereafter.

4.8.2 County Council Directors. A vacancy in a seat held by a County Council Director shall be filled by the applicable County Government Investor.

4.8.3 Municipal Directors. A vacancy in a seat held by a Municipal Director shall be filled by the applicable Municipal Government Investor.

4.8.4 School District Directors. A vacancy in a seat held by a School District Director shall be filled by the applicable School District Investor.

4.8.5 Chamber Directors. A vacancy in a seat held by a Chamber CEO created because the person holding such office no longer occupies the office shall be filled by the person succeeding such Chamber CEO.

SECTION 4.9 Removal. Any Director elected by the Board may be removed from office, with or without cause, by the Board if the number of votes cast to remove the Director would be sufficient to elect the Director at a meeting to elect Directors.

SECTION 4.10 Regular and Special Meetings. Regular meetings of the Board shall be called and held at least quarterly. Special meetings of the Board may be called at any time by the Chair of the Board or one-third of the then current members of the Board. Written notice of the time, place and object of every special meeting of the Board shall be given to each Director at least three (3) days prior to the day named for the meeting and no business shall be considered except such as is stated in the notice of meeting.

SECTION 4.11 Quorum. A majority of the Directors in office immediately before the meeting shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum shall not be present at any meeting of the Board, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

SECTION 4.12 Action. The Board shall take action pursuant to resolutions adopted by the affirmative vote of a majority of the Directors participating in a meeting at which a quorum is present, or the affirmative vote of a greater number of Directors where required by the Articles, these Bylaws, the Act, or otherwise by law.

SECTION 4.13 Action Without Meeting. To the fullest extent permitted by the Act, the Board (and any committee created under these Bylaws) may take action without a meeting by written consent as to such matters and in accordance with such requirements and procedures authorized by the Act. Unless otherwise permitted by the Act, such written consent must be signed by all Directors and included in the minutes filed with the corporate records reflecting the action taken.

ARTICLE V. RESPONSIBILITIES AND DUTIES OF BOARD

SECTION 5.1 Responsibilities and Duties of Board. In addition to the responsibilities and duties of individual directors under the Act, the Board and all Directors shall have the following responsibilities and duties:

5.1.1 The Board shall have the overall responsibility for determining and overseeing the implementation of the stated policies, programs and operating procedures of the Alliance. The Board shall have full and final authority to (i) hire the professional staff of the Alliance (which may include a chief executive officer or executive director), set the positions' salary, and conduct regular reviews of the incumbents' performance; (ii) set overall program goals and objectives; (iii) review and approve the Alliance's annual program of work and budget; (iv) monitor Alliance program and fiscal performance throughout the year; (v) approve all contracts for professional and other services; (vi) maintain communication links with all Alliance sponsoring organizations; and (vii) promote continuing community support for the Alliance and its

programs. The Board, through its Chair, shall formally report on no less than an annual basis, to each of the Investors. In addition, the two Directors representing each County Government Investor shall report informally to such entity on a quarterly basis. The Board shall be responsible for the preparation of an annual budget.

5.1.2 Board members whether appointed, designated, or elected, are accountable for the overall effectiveness of the Alliance's long range economic development strategies for new and expanded job growth in the Lowcountry Region and for developing and administering sound development policies.

5.1.3 Board members are expected to attend all Board meetings and shall maintain the confidentiality of all discussions. Three unexcused absences in any year (as determined by the Chair) shall constitute a resignation and the resulting vacancy shall be immediately filled as provided in these Bylaws.

5.1.4 Board members shall discharge their duties (individually and collectively), including duties as a member of a committee in good faith; with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner he or she reasonably believes to be in the best interests of the Alliance.

5.1.5 Board members shall be considerate of the entire region's needs for economic development and not, in any way, limit actions, interests and concerns to the geographical area in which they reside, are engaged in a business or profession, or represent in their capacity as a Board member.

5.1.6 No Director or employee of the Alliance shall have or shall acquire any interest, direct or indirect, in any project which the Alliance is promoting, or in any contract for materials or services or in any lease, mortgage, sale or contract of any nature whatever relating to any such project or to the Alliance, without forthwith making written disclosure to the Alliance of the nature and extent of his interest to obtain Board approval. Such disclosure and approval shall be entered in writing upon the minute books of the Alliance. No Director who has such an interest shall vote on any matter relating to such interest.

5.1.7 Board members shall recognize that confidentiality is the prerogative of a prospect and its agent and that when information, advice, and service regarding a prospect or project is stated to be of a confidential nature, it will be the responsibility of each Board member to maintain the confidentiality of the prospect or project until released from the obligation by the maker of the request.

5.1.8 Board members shall accept, where possible, the responsibilities of a group leader, committee chair, or task force member.

5.1.9 Board members shall evaluate current year activities and assist in the determination and administration of the Alliance's strategic plan.

5.1.10 Board members shall participate on a strictly confidential basis in prospect visitations and prospect-related activities when possible and on an as-needed basis.

ARTICLE VI. OFFICER DUTIES

SECTION 6.1 Chair. The Chair shall preside at all meetings of the Board. The Chair shall coordinate with the professional staff of the Alliance the program of work and financial support necessary to carry out the annual program and plan of the Alliance. The Chair shall serve as an ex-officio member of all Alliance committees. The Chair may appoint such committees (other than Standing Committees) as deemed necessary to fulfil the goals of the Alliance, and such appointments shall terminate when the term of the Chair expires, unless otherwise provided by the Board. The Chair, at his discretion, may, along with the Immediate Past Chair, and professional staff, represent the Alliance on ceremonial occasions in activities which affect the Alliance on the local, state, and national levels. The Chair, at his discretion, may serve as the chief spokesman for the Alliance, or may delegate that responsibility to others.

SECTION 6.2 Vice Chair. The Board shall elect a Vice Chair with such duties as shall be determined by the Board.

SECTION 6.3 Secretary. The Board shall elect a Secretary with such duties as shall be determined by the Board.

SECTION 6.4 Treasurer. The Board shall elect a Treasurer with such duties as shall be determined by the Board.

SECTION 6.5 Elected Officials. No office of the Alliance may be held by an elected or appointed official.

ARTICLE VII. EXECUTIVE COMMITTEE

SECTION 7.1 Number of Members. The number of members of the Executive Committee of the Alliance (the "Executive Committee") shall be fixed by the Board from time to time; provided, however, that no reduction in the number of members shall have the effect of shortening the term of any incumbent member of the Executive Committee.

SECTION 7.2 Nomination of Members. The Chair, the Immediate Past Chair, the Secretary, the Treasurer, and the chairmen of the Standing Committees (defined below) shall be nominated to serve on the Executive Committee. The Chair may nominate additional Board members to serve on the Executive Committee. The County Council Directors shall serve as non-voting members of the Executive Committee. Notwithstanding anything herein to the contrary, in no event shall any voting member of the Executive Committee be an elected or appointed official.

SECTION 7.3 Election and Term. Other than the County Council Directors, the members of the Executive Committee shall be elected by a majority of all Directors in office when the election occurs and serve for a term of one (1) year.

SECTION 7.4 Function. Except when the Board is meeting or as otherwise expressly provided herein, the Executive Committee may exercise all authority of the Board and manage the affairs of the Alliance to the maximum extent permitted by the Act. At each meeting of the Board, the Executive Committee shall submit a written report as to all actions taken and decisions made by it. As provided in the Act, in no event shall the Executive Committee have the power or authority to authorize distributions; approve dissolution, merger, or the sale, pledge, or transfer of all or substantially all the Alliance's assets; elect, appoint, or remove Directors or fill vacancies on the Board or on any committee; or adopt, repeal, or amend the Articles or these Bylaws.

SECTION 7.5 Meetings. The Executive Committee shall meet monthly. Special meetings of the Executive Committee shall be called at the direction of the Chair of the Board or of any three (3) members of the Executive Committee and shall be held at such time and place as shall be designated in the notice calling said meeting. Written notices of the time, place and object of every special meeting of the Executive Committee shall be given to each member thereof at least two (2) days prior to the day named for the meeting.

SECTION 7.6 Quorum. A majority of the voting members of the Executive Committee shall be necessary to constitute a quorum.

ARTICLE VIII. STANDING COMMITTEES

SECTION 8.1 Established Standing Committees. The Board may from time to time, by duly adopted resolution, designate and delegate authority to any one or more of the following standing committees (each a "Standing Committee"):

8.1.1 the Investor Development Committee,

8.1.2 the Finance Committee, and

8.1.3 the Leadership Development Committee.

SECTION 8.2 Duration; Creation of Additional Standing Committees. The Standing Committees shall continue in existence until abolished by amendment to these Bylaws. No other Standing Committee shall be created unless established by amendment to these Bylaws.

SECTION 8.3 Authority of Standing Committees. The duties, constitution, and procedures of the Standing Committees shall be as prescribed by the Board. The Chair shall designate, subject to Board approval, one member of each Standing Committee as its chairman. A Standing Committee may not authorize distributions; approve or recommend dissolution, merger, or the sale, pledge, or transfer of all or substantially all the Alliance's assets; elect,

appoint, or remove Directors or fill vacancies on the board or on any committee; or adopt, repeal, or amend the Articles or these Bylaws.

SECTION 8.4 Election of Members. The members of each Standing Committee shall be recommended by the Leadership Development Committee and elected annually by a majority of all Directors in office when the election occurs. Non-directors, appointed by the committee chairman, may also serve on a Standing Committee in an advisory, non-voting, capacity.

SECTION 8.5 Meetings. The Standing Committees shall meet as needed. Meetings of a Standing Committee shall be called at the direction of the respective committee chairman or the Chair. Notice of the time and place of every meeting of each Standing Committee shall be given to each member thereof at least two (2) days prior to the day named for the meeting.

SECTION 8.6 Quorum. A majority of each Standing Committee's voting members shall constitute a quorum for the transaction of business by such committee.

ARTICLE IX. OTHER COMMITTEES

The Board or Chair may create additional advisory committees from time to time by duly adopted resolutions. The operation of any created committee shall be governed by these Bylaws and the Act. Any committee created by resolution of the Board shall be automatically discontinued at the end of the fiscal year unless the need for its continued existence is established and approved by a resolution of the Board.

ARTICLE X. ECONOMIC LEADERSHIP COUNCIL

SECTION 10.1 Composition and Term. The Economic Leadership Council (the "Council") of the Alliance shall be composed of Investors (or their appointed individual representatives) elected by a majority of the membership of the Board

SECTION 10.2 Function. The Council shall have no fiduciary or governmental responsibilities to the Alliance or any rights or authority to act for or on behalf of the Board or the Alliance. The Council shall be charged with providing strategic guidance and counsel to the Board and assisting the Alliance and its Board in establishing and implementing the Alliance's economic development agenda, priorities, and funding.

ARTICLE XI. PROFESSIONAL STAFF

The Board shall have full and final authority to determine what professional staff is necessary for the Alliance (including but not limited to the need for an executive director or chief

executive officer) for the management of the Alliance's day-to-day operations and implementation of policies, programs and operating procedures established by the Board.

ARTICLE XII. FUNDING AND TERMINATION

SECTION 12.1 Funding. All funding for the Alliance will be provided through its public sector Investors and through private sector fundraising.

Each governmental Investor's share of the Alliance's public sector funding will be based on its share of the population of the underlying counties as determined by the U.S. Bureau of the Census. All public sector funding shall be used only for the Alliance's duly authorized operating expenses, and no public sector funding shall be distributed by the Alliance to any Investor.

The private sector funding will be provided through private sector fund raising conducted by the Alliance.

The Alliance may also apply for grants from federal and state government agencies and from private non-profit charitable foundations.

SECTION 12.2 Termination of Investor Rights. An Investor's voting rights, as represented by any members of the Board representing such Investor, shall be suspended for failure to comply with the funding requirements set forth in the Bylaws and established by the Board. A funding entity may subsequently be expelled from participation in the activities of the Alliance provided said entity is given: (i) not less than fifteen days prior written notice of the expulsion or termination and the reasons therefor; and (ii) an opportunity for the entity to be heard, orally or in writing, not less than five days before the effective day of the expulsion or termination, by the Board.

ARTICLE XIII. MISCELLANEOUS

SECTION 13.1 Office Location. The Alliance Board shall determine where the Alliance office will be located.

SECTION 13.2 Fiscal Year. The fiscal year of the Alliance shall begin on July 1 of each year and conclude on June 30 of the following year.

SECTION 13.3 Banking. All funds of the Alliance shall be deposited in such banking institutions and shall be disbursed by checks signed by such officer or officers of the Alliance as the Board shall, from time-to-time, determine.

All funds derived from the public sector will be deposited in an account separate from the account in which funds derived from the private sector are deposited.

SECTION 13.4 Annual Audit. An annual audit shall be made of the Alliance's financial accounts and records at least once each year by a certified public accountant selected by the Board.

SECTION 13.5 Amendments And Sale Of Assets. These by-laws may be amended at any meeting of the Board by a two-thirds (2/3) vote of Directors in office, provided written notice of such proposed amendment is mailed to each Director not less than ten (10) days prior to such meeting. In addition to the foregoing, two-thirds (2/3) of Directors in office must affirmatively approve sale or other disposition of all or substantially all of the Alliance's principal assets.

SECTION 13.6 Waivers Of Notice. Whenever any written notice is required to be given by the Act or by these Bylaws to any Director or member of the Executive Committee, a waiver thereof (in writing) signed by the person or persons entitled to such notices, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except in the case of a special meeting, neither the nature of the business to be transacted, nor the purpose of the meeting need be specified in the waiver of notice of such meeting. The attendance of a Director at a Director's meeting shall constitute a waiver of notice of that meeting, except where the Director upon arriving at the meeting or prior to the vote on a matter not noticed in conformity with the Act, these Bylaws, or the Articles, objects to lack of notice and does not thereafter vote or assent to the objected action.

SECTION 13.7 Parliamentary Authority. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Alliance in all cases in which they are applicable except where there may be a conflict with the Bylaws, the Articles, or the Act.

ARTICLE XIV. INDEMNIFICATION

SECTION 14.1 Any person (including the heirs, executors, administrators, estates, legatees, or devisees of such person) who was or is a party or threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (including any action or suit by or in the right of the Alliance to procure a judgment in its favor) by reason of the fact that (a) he is or was a director, officer, employee, or agent of the Alliance or (b) he is or was serving at the request of the Alliance as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall be indemnified by the Alliance, if, as and to the fullest extent authorized by the laws of the State of South Carolina, against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding. The indemnification provided by this item and by the laws of the State of South Carolina shall not be deemed exclusive of any other rights to which any person indemnified may be entitled under the Articles, agreement, vote of disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, but the invalidity of this sentence shall not affect the other provisions hereof.

SECTION 14.2 The Alliance, to the extent permitted by pertinent state statutes, shall purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Alliance, or is or was serving at the request of the Alliance as such a director, officer, employee or designated agent of another corporation (domestic or foreign, nonprofit or for profit), partnership, joint venture, trust or other enterprise.

**ARTICLE XV.
CERTIFICATION**

When an organization is entitled under these Bylaws to appoint or designate a person to the Board, such appointment shall be certified in writing to the Chair of the Alliance and such document shall be signed by the Chair of Council and Clerk of Council in the case of a county, by the Mayor and Clerk of Council in the case of a municipality, and by the President and Secretary (or comparable officers) in the case of an entity. In the absence of any such officer, such certification may be executed by a duly authorized official.

These Bylaws were approved by the members of the Board at a meeting duly called for that purpose this ____ day of _____, 2011.

Secretary



Memorandum

DATE: November 25, 2011
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 November 14, 2011 through November 25, 2011:

November 14, 2011 (Monday):

- Meet with Joe Penale, PALS Director re: Employee Issues
- Meet with Suzanne Gregory, Employee Services re: Employee Issues
- County Council

November 15, 2011 (Tuesday):

- PLD

November 16, 2011 (Wednesday):

- PLD

November 17, 2011 (Thursday):

- PLD

November 18, 2011 (Friday):

- PLD

November 21, 2011 (Monday):

- PLD

November 22, 2011 (Tuesday):

- PLD

November 23, 2011 (Wednesday):

- Meet with Robert Achurch, Esquire re: Hampton Hall Club Deposition
- Review and handle various messages, mail and requests from PLD

November 24, 2011 (Thursday)--THANKSGIVING:

- Closed

November 25, 2011 (Friday)--THANKSGIVING:

- Closed

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN EASEMENT ENCUMBERING PROPERTY OWNED JOINTLY BY BEAUFORT COUNTY AND THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA.

WHEREAS, Beaufort County and the Town of Hilton Head, South Carolina, jointly own real property located on U.S. Highway 278, which is more particularly known and described as:

All that certain piece, parcel or lot of land situate, lying and being located in the Town of Hilton Head Island, South Carolina, containing 3.02 acres, more or less, which is more fully delineated on a plat prepared by Beaufort County Public Works Engineering Department, by Erik H. Freisleben, P.E. & P.L.S., S.C. # 4624, County Engineer/Surveyor for Beaufort County Council, dated November 13, 1991, and revised September 11, 1992, entitled "A 3.02 Acre and 3.73 Acre subdivision of a part of Honey Horn Plantation, Hilton Head Island, South Carolina," said Plat being recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Plat Book 45 at Page 67.

AND ALSO:

All that certain piece, parcel or lot of land situate, lying and being located in the Town of Hilton Head Island, South Carolina, containing 3.73 acres, more or less, which is more fully delineated on a plat prepared by Beaufort County Public Works Engineering Department, by Erik H. Freisleben, P.E. & P.L.S., S.C. # 4624, County Engineer/Surveyor for Beaufort County Council, dated November 13, 1991, and revised September 11, 1992, entitled "A 3.02 Acre and 3.73 Acre subdivision of a part of Honey Horn Plantation, Hilton Head Island, South Carolina," said Plat being recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Plat Book 45 at Page 67 (hereinafter collectively referred to as the Town and County Property"); and

WHEREAS, Aurora Loan Services, L.L.C., has become the owner of the below described property:

All that certain piece, parcel or lot of land situate, lying and being on Hilton Head Island, South Carolina, and being more particularly described as 0.27 acres, more or less, on the marshes of Jarvis Creek. Said property is more particularly shown on that certain plat dated September 29, 1988, prepared by Jerry L. Richardson, RLS # 4784, titled "A plat of A subdivision of .0543 acres of Sara James property located in the Fairfield/Stoney area, Hilton Head Island, SC," and being recorded in the Office of the Register of Deeds for

Beaufort County, South Carolina, in Plat Book 36 at page 180 (hereinafter, the “Aurora Property.”)

WHEREAS, access to the Aurora Property is over an unpaved road known as “Adrianna Lane,” which lies on the Town and County Property, but there is no formal easement allowing for access to the Aurora Property over “Adrianna Lane”; and,

WHEREAS, Aurora has requested that the Town and Beaufort County grant an Access Easement for ingress and egress to and from the Aurora Property from U.S. Hwy. 278 over “Adrianna Lane” which lies across the Town and County Property; and

WHEREAS, Beaufort County Council has determined that it is in its best interests to authorize the execution and delivery of the requested Easement attached hereto and incorporated by reference as “Exhibit A.”; and

WHEREAS, S.C. Code Ann. § 4-9-130 requires that the transfer of any interest in real property owned by the County must be authorized by the adoption of an Ordinance by Beaufort County Council.

NOW, THEREFORE, BE IT ORDAINED BY BEAUFORT COUNTY COUNCIL AS FOLLOWS:

SECTION 1. Execution of Easement encumbering County Owned Land:

- (a) The County Administrator is hereby authorized to execute the Easement which is attached hereto as “Exhibit A”; and,
- (b) The County Administrator is authorized to deliver the Easement which is attached hereto as “Exhibit A” at such time as the Town of Hilton Head Island, South Carolina, executes and is prepared to deliver and Easement similar in form and substance to the Easement which is attached hereto as Exhibit “A”; and,
- (c) The County Administrator is hereby authorized to take all other and further actions as may be necessary to complete the conveyance of the Easements.

SECTION 2. Severability:

If any section, phrase, sentence or portion of this Ordinance is, for any reason, held or deemed to be invalid or unconstitutional by any court of competent jurisdiction,

then such section, phrase, sentence or portion shall be deemed a separate, distinct and independent provision and shall not affect the remaining portion thereof.

SECTION 3. Effective Date:

This Ordinance shall become effective upon its adoption by Beaufort County Council.

**ADOPTED BY BEAUFORT COUNTY COUNCIL, BEAUFORT, SOUTH CAROLINA,
ON THIS _____ DAY OF _____, 2011.**

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

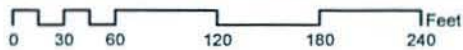
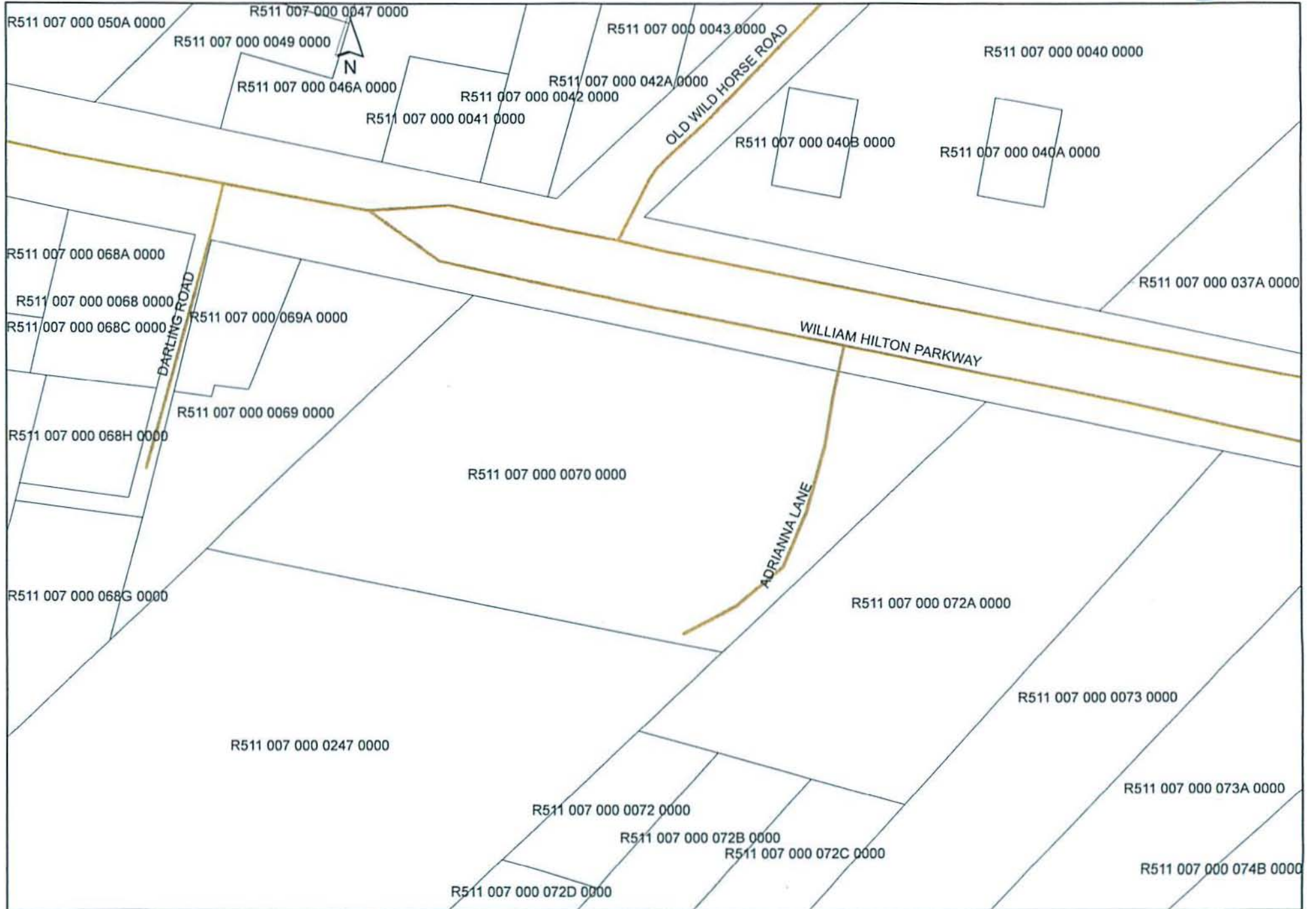
First Reading: November 14, 2011

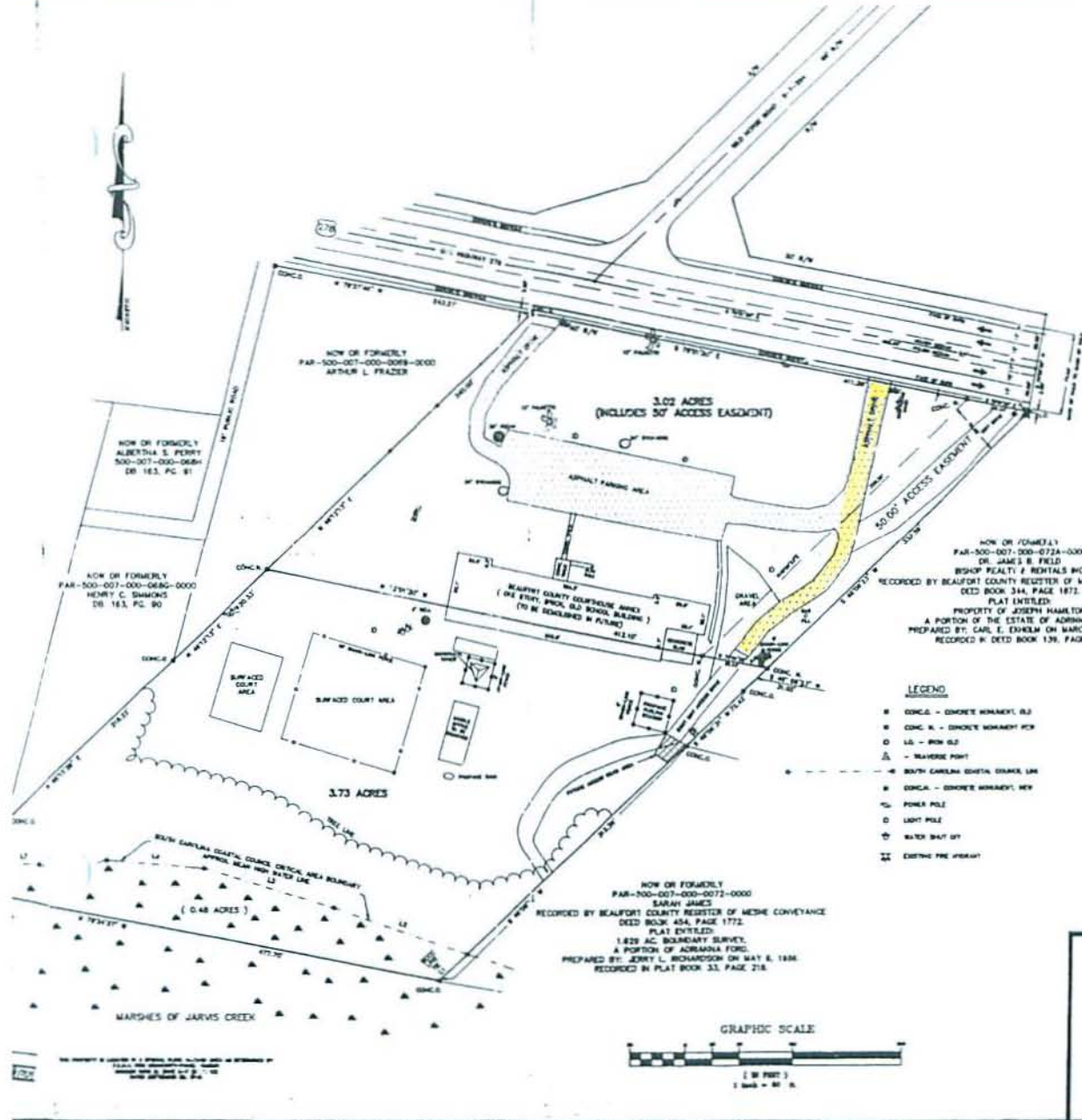
Second Reading:

Public Hearing:

Third and Final Reading:

Site Location Map





A SUBDIVISION PLAN FOR
 BEAUFORT COUNTY COUNCIL
 A 3.02 ACRE AND A 3.73 ACRE
 SUBDIVISION OF A PART
 OF HONEY HORN PLANTATION
 HILTON HEAD ISLAND, SOUTH CAROLINA

PREPARED BY:
 BEAUFORT COUNTY PUBLIC WORKS
 ENGINEERING DEPARTMENT
 ROUTE 8, BOX 274, SHARPLES ROAD
 BEAUFORT, SOUTH CAROLINA 29902
 NOVEMBER 13, 1991
 REVISED SEP. 11, 1992 TO CLARIFY ACCESS EASEMENT

ORDINANCE NO. _____

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$10,000,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

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

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

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

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

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

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

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

Shall the County be empowered to issue, either at one time as a single issue or from time to time as several separate issues, general obligation bonds of the County in the aggregate principal amount not to exceed \$50,000,000, the proceeds of which shall be used for the purpose of defraying the costs of the County Rural and Critical Land Preservation Program which preserves land by purchasing open land, development rights and conversation easements in all areas of Beaufort County, in order to alleviate traffic

congestion in high growth areas and to protect water quality, natural lands, wildlife areas, farmland, parkland, coastal areas, rivers and wetlands, legal fees and costs of issuance of such bonds, provided that all expenditures shall be prioritized based upon the official criteria and ranking system established for the County and subject to annual audit?

The Referendum was duly conducted and a majority of the qualified electors of the County voted in favor of the issuance of the general obligation bonds. The bonds (hereinafter defined) authorized herein are being issued pursuant to the Referendum in that the bonds are being issued in the fifth calendar year from the date of the Referendum. If this determination is found to be inaccurate or contrary to state law, Council finds that the County has sufficient constitutional 8% debt capacity within which to issue the bonds.

(f) The assessed value of all the taxable property in the County as of June 30, 2011, is \$1,833,479,546. Eight percent of the assessed value is \$146,678,364. As of the date hereof, the outstanding general obligation debt of the County subject to the limitation imposed by Article X, Section 14(7) of the Constitution is \$93,722,603. Thus, the County may incur not exceeding \$52,955,761 of additional general obligation debt within its applicable debt limitation.

(g) It is now in the best interest of the County for the County Council to provide for the issuance and sale of not exceeding \$10,000,000 aggregate principal amount general obligation bonds of the County, the proceeds of which along with other available funds of the County will be used for the following purposes: (i) funding referendum-approved projects; (ii) paying legal and financial advisor fees and other costs of issuance of the bonds; and (iii) such other lawful purposes as the County Council shall determine.

SECTION 2. Authorization and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding \$10,000,000 aggregate principal amount of general obligation bonds of the County to be designated "\$10,000,000 (or such lesser amount issued) General Obligation Bonds (appropriate series designation), of Beaufort County, South Carolina" (the "Bonds"), for the purpose set forth in Section 1(g) and other costs incidental thereto, including without limiting the generality of such other costs, engineering, financial and legal fees.

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

Wells Fargo Bank, N.A. shall serve as registrar and paying agent (the "Registrar/Paying Agent") for the Bonds.

SECTION 3. Delegation of Authority to Determine Certain Matters Relating to the Bonds. Without further authorization, the County Council hereby delegates to the County Administrator or his lawfully-authorized designee the authority to: (a) determine the par amount of the Bonds; (b) determine the maturity dates of the Bonds and the respective principal amounts maturing on such dates; (c) determine the interest payment dates of the Bonds; (d) determine the redemption provisions, if any, for

the Bonds; (e) determine the date and time of sale of the Bonds; (f) receive bids on behalf of the County Council; (g) award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Bonds.

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

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

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

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

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

SECTION 6. Mutilation, Loss, Theft or Destruction of Bonds. In case any Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the County shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a new Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event the applicant for the issuance of a substitute Bond shall furnish the County and the Registrar evidence or

proof satisfactory to the County and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity in an amount as may be required by the laws of the State of South Carolina or such greater amount as may be required by the County and the Registrar. Any duplicate Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance as was the original Bond in lieu of which such duplicate Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder.

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

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

SECTION 8. Form of Bonds. The Bonds and the certificate of authentication shall be in substantially the form set forth in Exhibit A attached hereto and incorporated herein by reference.

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

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

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

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

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

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

SECTION 13. Tax Covenants. The County hereby covenants and agrees with the holders of the Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the holders of the Bonds for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Bonds. The County further covenants and agrees with the holders of the Bonds that no use of the proceeds of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds would have caused the Bonds to be "arbitrage bonds," as defined in Section 148 of the Code, and to that end the County hereby shall:

- (a) comply with the applicable provisions of Sections 103 and 141 through 150 of the Code and any regulations promulgated thereunder so long as the Bonds are outstanding;
- (b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States; and
- (c) make such reports of such information at the time and places required by the Code.

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

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

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

If (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the County has advised DTC of its determination that DTC is incapable of discharging its duties, the County shall attempt to retain another qualified securities depository to replace DTC. Upon receipt by the County the Initial Bonds together with an assignment duly executed by DTC, the County shall execute

and deliver to the successor securities depository Bonds of the same principal amount, interest rate, and maturity registered in the name of such successor.

If the County is unable to retain a qualified successor to DTC or the County has determined that it is in its best interest not to continue the book-entry system of transfer or that interests of the beneficial owners of the Bonds might be adversely affected if the book-entry system of transfer is continued (the County undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify beneficial owners of the Bonds by mailing an appropriate notice to DTC, upon receipt by the County the Initial Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Bonds in fully-registered form, in substantially the form set forth in Section 8 of this Ordinance in the denomination of \$5,000 or any integral multiple thereof.

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

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

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

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

SECTION 18. Continuing Disclosure. In compliance with the Securities and Exchange Commission Rule 15c2-12 (the "Rule") the County covenants and agrees for the benefit of the holders from time to time of the Bonds to execute and deliver prior to closing, and to thereafter comply with the terms of a Disclosure Dissemination Agent Agreement in substantially the form appearing as Exhibit E attached to this Ordinance. In the event of a failure of the County to comply with any of the provisions of the Disclosure Dissemination Agent Agreement, an event of default under this Ordinance shall not be deemed to have occurred. In such event, the sole remedy of any bondholder or beneficial owner shall be an action to compel performance by this Ordinance.

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

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

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

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

“Government Obligations” shall mean any of the following:

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

SECTION 21. Authorization to Issue General Obligation Bond Anticipation Notes. Pursuant to the Constitution and Title 11, Chapter 17, pending the issuance of the Bonds, County Council hereby authorizes the issuance of general obligation bond anticipation notes in an amount not to exceed \$10,000,000 (the “Notes”) for the purposes set forth in Section 1(g) herein. In the event, Notes are issued prior to issuing the Bonds, County Council will adopt a resolution prior to the issuance thereof setting forth the details of the Notes.

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

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

Enacted this ____ day of _____, 2011.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair, County Council

(SEAL)

ATTEST:

Clerk, County Council

First Reading: November 14, 2011

Second Reading:

Public Hearing:

Third and Final Reading:

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT
GENERAL OBLIGATION BOND, SERIES 2011_

No. R-

<u>INTEREST</u> <u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>ORIGINAL</u> <u>ISSUE DATE</u>	<u>CUSIP</u>
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REGISTERED HOLDER:

PRINCIPAL AMOUNT: DOLLARS

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

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

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

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, denomination, date of maturity, redemption provisions, and rate of interest, aggregating _____ Dollars (\$ _____), issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 15, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. _____ duly enacted by the County Council on _____, 2011.

[Redemption Provisions]

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

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

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

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

BEAUFORT COUNTY, SOUTH CAROLINA

Chair of County Council

(SEAL)

ATTEST:

Clerk of County Council

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

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

_____ as Registrar

By: _____ Authorized Officer

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

TEN COM - As tenants in common

UNIF GIFT MIN. ACT

TEN ENT - As tenants by the entireties

_____ Custodian _____
(Cust.) (Minor)

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

under Uniform Gifts to Minors

_____ (State)

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

[FORM OF ASSIGNMENT]

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

_____ (Name and address of Transferee)

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

Dated:

Signature Guaranteed:

(Authorizing Officer)

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

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

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

[FORM OF CERTIFICATE]

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

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Clerk of County Council

FORM OF NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Beaufort County, South Carolina (the "County"), County Administration Building, 100 Ribaut Road, Beaufort, South Carolina, at 6:00 p.m. on _____, 2011.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of General Obligation Bonds of Beaufort County, South Carolina, in the principal amount of not exceeding \$10,000,000 (the "Bonds"). The proceeds of the bonds will be used for: (i) funding referendum-approved projects; (ii) paying legal and financial advisor fees and other costs of issuance of the Bonds; and (iii) such other lawful purposes as the County Council shall determine.

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

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

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA

FORM OF NOTICE

NOTICE OF ADOPTION OF ORDINANCE

Notice is hereby given that on _____, 2011, the Beaufort County Council adopted an ordinance entitled: "ORDINANCE NO. _____ AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$10,000,000; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO" (the "Ordinance").

The proceeds of the bonds will be used together with other available funds of the County for the following purposes: (i) funding referendum-approved projects; (ii) paying legal and financial advisor fees and other costs of issuance of the bonds; and (iii) such other lawful purposes as the County Council shall determine.

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

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA

FORM OF NOTICE OF SALE

OFFICIAL NOTICE OF SALE

\$ _____ GENERAL OBLIGATION BONDS, SERIES 2011_,
OF BEAUFORT COUNTY, SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that sealed bids, facsimile bids and electronic bids will be received on behalf of Beaufort County, South Carolina (the "County"), _____, Beaufort, South Carolina, until 11:00 a.m, South Carolina time, on _____, _____, 2011, at which time said proposals will be publicly opened for the purchase of \$ _____ General Obligation Bonds, Series 2011_, of the County (the "Bonds").

Sealed Bids: Each hand delivered proposal shall be enclosed in a sealed envelope marked "Proposal for \$ _____ General Obligation Bonds, Series 2011_, Beaufort County, South Carolina" and should be directed to the County Administrator at the address in the first paragraph hereof.

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

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

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

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

The Bonds will be issued in fully-registered form registered as to principal and interest; will be dated _____, 2011; will be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing in each year; and will mature serially in successive annual installments on _____ in each of the years and in the principal amounts as follows:

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

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

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

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

[Redemption Provisions]

Registrar/Paying Agent: Wells Fargo Bank, N.A., shall serve as Registrar/Paying Agent for the Bonds.

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

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

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

Good Faith Deposit: No good faith deposit is required.

Bid Form: Proposals should be enclosed in a separate sealed envelope marked "Proposal for \$ _____ General Obligation Bonds, Series 2011_ of Beaufort County, South Carolina" and should be directed to the County Administrator at the address in the first paragraph hereof. It is requested but not required that you submit your bid on the Proposal for Purchase of Bonds supplied with the Official Statement.

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

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

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

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

Delivery: The Bonds will be delivered on or about _____, 2011, in New York, New York, at the expense of the County. The balance of the purchase price then due, including the amount of accrued interest, must be paid in federal funds or other immediately available funds.

BEAUFORT COUNTY, SOUTH CAROLINA

s/ _____
Chair of County Council

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of _____, 2011, is executed and delivered by Beaufort County, South Carolina (the “Issuer”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the Repository not later than 210 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2011. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

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

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

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

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

(e) The Disclosure Dissemination Agent shall:

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

9. "Defeasances," pursuant to Sections 4(c) and 4(a)(9);
 10. "Release, substitution, or sale of property securing repayment of the securities," pursuant to Sections 4(c) and 4(a)(10);
 11. "Ratings changes," pursuant to Sections 4(c) and 4(a)(11);
 12. "Failure to provide annual financial information as required," pursuant to Section 2(b)(ii) or Section 2(c), together with a completed copy of Exhibit B to this Disclosure Agreement;
 13. "Other material event notice (specify)," pursuant to Section 7 of this Agreement, together with the summary description provided by the Disclosure Representative.
- (iv) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

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

SECTION 3. Content of Annual Reports.

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

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

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

SECTION 4. Reporting of Notice Events.

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

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

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

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

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

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

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

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

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

SECTION 7. Voluntary Reports.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

By: _____
Name: _____
Title: _____

BEAUFORT COUNTY, SOUTH CAROLINA,
as Issuer

By: _____
Name: Gary Kubic
Title: County Administrator

EXHIBIT A
NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer	Beaufort County, South Carolina
Obligated Person(s)	David Starkey Chief Financial Officer
Name of Bond Issue:	General Obligation Bonds, Series 2011_, \$ _____
Date of Issuance:	_____, 2011
Date of Official Statement	_____, 2011

CUSIP Number:

EXHIBIT C
MATERIAL EVENT NOTICE COVER SHEET

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

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

Issuer's Six-Digit CUSIP Number: _____

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

Number of pages of attached material event notice: ____

Description of Material Events Notice (Check One):

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

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

Signature: _____

Name: _____ Title: _____

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

Address: _____

City, State, Zip Code: _____

Voice Telephone Number: _____

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE PLACEMENT OF A QUESTION ON THE OFFICIAL BALLOT FOR THE GENERAL ELECTION TO BE CONDUCTED NOVEMBER 6, 2012, CONCERNING A PROPOSITION AUTHORIZING BEAUFORT COUNTY TO ISSUE GENERAL OBLIGATION BONDS TO ACQUIRE LANDS FOR PRESERVATION AND TO PAY CERTAIN COSTS AND DEBT SERVICE RELATED THERETO.

WHEREAS, Beaufort County has experienced a very high rate of growth during the last decade and the Beaufort County Council recognizes the need to preserve land that has scenic, natural, recreational, rural, and open space character which is deemed essential to the County's quality of life; and

WHEREAS, Beaufort County has created a citizen advisory committee known as the Beaufort County Rural and Critical Lands Preservation Board for the purpose of identifying and evaluating potential lands for preservation based upon an official criteria and ranking system established for the County; and

WHEREAS, the Beaufort County Rural and Critical Lands Preservation Board has requested that the County conduct a referendum that if favorably approved by the citizens of Beaufort County, would allocate 1 mill in ad valorem taxes for the express purpose of continuing the acquisition of lands for conservation and recreation purposes; and

WHEREAS, the Beaufort County Rural and Critical Lands Preservation Board has additionally requested that an amount not to exceed twenty percent (20%) of the total amounts borrowed under this referendum be allowed for use in the making of improvements, outside the scope of general property maintenance, to those lands which have been acquired by the County under previous rural and critical lands programs and all such lands acquired under this current proposed borrowing; and

WHEREAS, Policy 8 under the Transportation Programs section of the Beaufort County Comprehensive Plan recognizes the fact that portions of the County's roadway system's long term capacity is constrained and additional roadway infrastructure cannot resolve all of the county's roadway capacity problems; and

WHEREAS, Beaufort County forecasts the that a levy of 1 mill as requested by the Beaufort County Rural and Critical Lands Preservation will raise sufficient revenue to finance the issuance of \$25,000,000 in general obligation bonds; and

WHEREAS, it is the intent of Beaufort County Council that at the time of this borrowing, the anticipated repayment shall never exceed more than 1 mill

WHEREAS, the purposes of the bond proceeds are to provide for and protect natural areas and

open space, to protect water quality from harmful effects of over-development, to preserve land for recreational activities, to alleviate traffic congestion, to preserve farm and forest land, to preserve the rural character of Beaufort County and to protect other environmentally sensitive areas such as wetlands, marsh lands and headwater areas;

NOW, THEREFORE, BE IT RESOLVED by the Beaufort County Council that pursuant to the provisions of Section 4-9-30, *et seq.* of the *Code of Laws of South Carolina*, 1976, as amended, the Beaufort County Council hereby directs the Beaufort County Board of Elections and Registration to print on the official ballot to be used in the General Election to be held on November 6, 2012 the following public question:

Beaufort County Rural and Critical Land Preservation Board.

Adopted this ____ day of _____, 2011.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, County Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading: November 14, 2011

Second Reading:

Public Hearing:

Third and Final Reading:

**Committee Reports
November 28, 2011**

A. COMMITTEES REPORTING

1. Governmental

- ① Minutes are provided from the **November 17** meeting. Action is required. See main agenda item 8D.
- ② Lowcountry Regional Transportation Authority

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
11.14.11	Barbara Childs	Countywide	Appoint	6 of 11

2. Natural Resources

- ① Planning Commission

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
11.14.11	Charles Brown	Comprehensive Plan Planning Area / Sheldon Township	Appoint	6 of 11

B. COMMITTEE MEETINGS

1. Community Services

William McBride, Chairman

Gerald Dawson, Vice Chairman

➔ Next Meeting – Monday, December 19 at 4:00 p.m., BIV #2

2. Executive

Weston Newton, Chairman

➔ Next Meeting – December 2011

3. Finance

Stu Rodman, Chairman

Rick Caporale, Vice Chairman

➔ Next Meeting – Monday, December 19 at 2:00 p.m., BIV #2

4. Governmental

Jerry Stewart, Chairman

Laura Von Harten, Vice Chairman

➔ Next Meeting – Monday, December 5 at 4:00 p.m., ECR

5. Natural Resources

Paul Sommerville, Chairman

Brian Flewelling, Vice Chairman

➔ Next Meeting – Monday, December 5 at 2:00 p.m., ECR

6. Public Facilities

Herbert Glaze, Chairman

Steven Baer, Vice Chairman

➔ Next Meeting – Tuesday, November 29 at 4:00 p.m., ECR

7. Redistricting

Weston Newton, Chairman

William McBride, Vice Chairman

8. Transportation Advisory Group

Weston Newton, Chairman

Stu Rodman, Vice Chairman

➔ Next Meeting – January 2012

GOVERNMENTAL COMMITTEE

November 17, 2011

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

The Governmental Committee met on Monday, November 17, 2011 at 3:30 p.m., in the Executive Conference Room, Administration Building, 100 Ribaut Road, Beaufort, SC.

ATTENDANCE

Governmental Committee Members: Chairman Jerry Stewart, and Committee members Rick Caporale, Gerald Dawson, Brian Flewelling, and Stu Rodman (telephonically) attended the meeting. Members Herbert Glaze and Laura Von Harten absent. Non-Committee members William McBride, and Paul Sommerville also attended.

County Staff: Joshua Gruber, County Attorney; and Gary Kubic, County Administrator.

Public: Sam Howell, lawyer with Howell, Linkous & Nettles Law Firm and legal counsel for the Lowcountry Economic Alliance; Craig Malphrus, Chairman, Lowcountry Economic Alliance; Kim Statler, Director, Lowcountry Economic Alliance; and David Tigges, Lowcountry Economic Alliance Board member.

Media: Kyle Petterson, *Island Packet/Beaufort Gazette*.

Mr. Stewart chaired the meeting.

ACTION ITEM

1. Discussion / Proposed New Bylaws of the Lowcountry Economic Alliance

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

Discussion: Committee Chairman Jerry Stewart reviewed historical information and events regarding the Lowcountry Economic Alliance that have contributed to where we stand today. This was followed by a report on the proposed by laws, presented and discussed by Messrs. Sam Howell, Craig Malphrus and David Tigges.

Motion: It was moved by Mr. Caporale, seconded by Mr. Rodman, that the Governmental Committee approves and forwards to Council a resolution adopting amendments of the bylaws, as presented, of the Lowcountry Economic Alliance, Inc. The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman, Mr. Stewart. ABSENT – Mr. Glaze and Ms. Von Harten. The motion passed.

Recommendation: Council adopt a resolution approving amendments of the bylaws of the Lowcountry Economic Alliance, Inc.