

COUNTY COUNCIL OF BEAUFORT COUNTY

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COUNTY ADMINISTRATOR

BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

JOSHUA A. GRUBER
COUNTY ATTORNEY

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA

COUNTY COUNCIL OF BEAUFORT COUNTY

Monday, August 13, 2012

4:00 p.m.

Council Chambers, Administration Building
Government Center, 100 Ribaut Road, Beaufort

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
2. REGULAR MEETING - 5:00 P.M.
Council Chambers
3. CALL TO ORDER
4. PLEDGE OF ALLEGIANCE
5. INVOCATION
6. MOMENT OF SILENCE
7. REVIEW OF MINUTES – July 23, 2012 ([backup](#))
8. PUBLIC COMMENT
9. COUNTY AND DEPUTY ADMINISTRATORS' REPORTS
Mr. Gary Kubic, County Administrator
Mr. Bryan Hill, Deputy County Administrator
A. Three-Week Progress Report / County Administrator ([backup](#))
B. Three-Week Progress Report / Deputy County Administrator ([backup](#))
C. Monthly Budget Summary ([backup](#))
D. Dixie Boys State Tournament / Update
E. Presentation / World Oceans Month and Clean Marine Project ([backup](#))
F. Termination of Lease Agreement with Beaufort County School Board for St. Helena Library Space at St. Helena Elementary ([backup](#))

Over



10. CONSENT AGENDA – ITEMS A THROUGH O

A. AN ORDINANCE TO AMEND THE FY 2012-2013 SCHOOL DISTRICT BUDGET
([backup](#))

1. Consideration of second reading approval to occur August 13, 2012
2. Public hearing announcement – Monday, August 27, 2012 beginning at 6:00 p.m. in Council Chambers of the Administration Building, Government Center, 100 Ribaut Road, Beaufort
3. Finance Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 8:0
4. First reading, by title only, approval occurred July 23, 2012 / Vote 11:0
5. Finance Committee discussion and recommendation to approve on first reading, by title only, occurred July 18, 2012 / Vote 6:0

B. RESOLUTION APPROVING THE MUTUAL AID AGREEMENTS AND/OR INTER-JURISDICTIONAL AGREEMENTS ENTERED INTO BY THE SHERIFF OF BEAUFORT COUNTY ([backup](#))

1. Consideration of resolution adoption to occur August 13, 2012
2. Governmental Committee discussion and recommendation to adopt occurred August 6, 2012 / Vote 5:0

C. TEXT AMENDMENTS TO AIRPORTS BOARD CHARTER ([backup](#))

1. Consideration of first reading approval to occur August 13, 2012
2. Public Facilities Committee discussion and recommendation to approve occurred July 24, 2012 / Vote 6:0

D. 2012 SCDOT ROAD RESURFACING PROJECT ([backup](#))

1. Consideration of contract award to occur August 13, 2012
2. Contract award: REA Contracting, Beaufort, South Carolina
3. Contract amount: \$1,369,656.90
4. Funding: Beaufort County Transportation Committee (BCTC) funds, Account #3322C-54901
5. Public Facilities Committee discussion and recommendation to approve occurred July 24, 2012 / Vote 6:0

E. RENEWAL OF DISASTER DEBRIS MANAGEMENT & FINANCIAL RECOVERY SERVICES ([backup](#))

1. Consideration of contract award to occur August 13, 2012
2. Contract award: SAIC, Orlando, Florida
3. Contract amount: Severity of the event determines the hours billed by the debris-monitoring firm.
4. Funding: The County may apply to FEMA for reimbursement up to 75% of charges for a presidential declared disaster. The County is responsible for the other 25%. If debris-monitoring services are required for a disaster that is not a presidential-declared disaster, then the County is responsible for 100%.
5. Public Facilities Committee discussion and recommendation to approve occurred July 24, 2012 / Vote 6:0

- F. PASSENGER FACILITY CHARGE PROGRAM AMENDMENT / HILTON HEAD ISLAND AIRPORT ([backup](#))
1. Consideration of Passenger Facility Charge Program amendment to occur August 13, 2012
 2. Funding: The Passenger Facility Charge Program is designed to generate revenue for the local matching share necessary for airport capital improvement projects
 3. Public Facilities Committee discussion and recommendation to approve occurred July 24, 2012 / Vote 6:0
 4. Airports Board approval occurred July 19, 2012 / Vote 9:1
- G. RENEWAL OF ANNUAL FOOD SERVICE CONTRACT WITH ABL MANAGEMENT FOR THE DETENTION CENTER ([backup](#))
1. Consideration of contract award to occur August 13, 2012
 2. Contract award: ABL Management Inc., Baton Rouge, Louisiana
 3. Contract amount: \$325,000
 4. Funding: Meals / Contracted Services Account 23170-51200
 5. Finance Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 8:0
- H. RENEWAL OF ANNUAL MEDICAL AND HEALTH SERVICES CONTRACT WITH SOUTHERN HEALTH PARTNERS FOR THE DETENTION CENTER ([backup](#))
1. Consideration of contract award to occur August 13, 2012
 2. Contract award: Southern Health Partners, Chattanooga, Tennessee
 3. Contract amount: \$565,000
 4. Funding: Medical / Dental Services, Account 23170-51190
 5. Finance Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 8:0
- I. RENEWAL OF DAUFUSKIE ISLAND FERRY SERVICE CONTRACT ([backup](#))
1. Consideration of contract award to occur August 13, 2012
 2. Contract award: J & W of Greenwood, Bluffton, South Carolina
 3. Contract amount: \$268,100 (seeking Council approval for \$97,100 to make up the difference in FY 2013)
 4. Funding: Daufuskie Ferry Transport, Account 54202-55540
 5. Finance Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 7:1
- J. PETITION TO CREATE DAUFUSKIE ISLAND SPECIAL TAX DISTRICT ([backup](#))
1. Consideration of authorizing a referendum to be placed on the November 2012 ballot to occur August 13, 2012
 2. Finance Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 8:0
- K. GRANT AWARD OF \$15,000 TO LT. DAN WEEKEND 3
1. Consideration of grant award to occur August 13, 2012
 2. Grant award: Lt. Dan Weekend 3
 3. Grant amount: \$15,000
 4. Funding: Accommodations tax (2% state)

5. Finance Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 8:0
 - L. APPROVAL OF FY 2013 AIRPORTS BUDGETS TOTAL REVENUE OF \$7,213,467 AND TOTAL EXPENDITURES OF \$7,155,067 FOR THE HILTON HEAD ISLAND AIRPORT AND TOTAL REVENUE OF \$748,700 AND TOTAL EXPENDITURES OF \$761,681 FOR THE BEAUFORT COUNTY (LADY'S ISLAND) AIRPORT (backup)
 1. Consideration of approval to occur August 13, 2012
 2. Finance Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 6:1
 - M. INTERGOVERNMENTAL AGREEMENT FOR STORMWATER UTILITY BETWEEN BEAUFORT COUNTY AND CITY OF BEAUFORT (backup)
 1. Consideration of approval to occur August 13, 2012
 2. Natural Resources Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 7:0
 3. Stormwater Management Utility Board approval July 11, 2012 / Vote 7:0
 - N. WATER QUALITY LAB MEMORANDUM OF UNDERSTANDING WITH THE UNIVERSITY OF SOUTH CAROLINA BEAUFORT (backup)
 1. Consideration of approval to occur August 13, 2012
 2. Natural Resources Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 7:0
 3. Stormwater Management Utility Board approval July 11, 2012 / Vote 7:0
 - O. JOINT MONITORING MEMORANDUM OF UNDERSTANDING FOR SALINITY STUDY(backup)
 1. Consideration of approval to occur August 13, 2012
 2. Natural Resources Committee discussion and recommendation to approve occurred August 6, 2012 / Vote 7:0
 3. Stormwater Management Utility Board approval July 11, 2012 / Vote 7:0
 - P. PARTICIPATION IN THE LOWCOUNTRY ECONOMIC ALLIANCE
 1. Consideration of participation to occur August 13, 2012
 2. Governmental Committee discussion and recommendation to adopt occurred August 6, 2012 / Vote 5:0
11. PUBLIC HEARING – 6:00 P.M.
- A. AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012C, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$30,000,000; 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; ADOPTING WRITTEN PROCEDURES RELATED TO TAX-EXEMPT DEBT; AND OTHER MATTERS RELATING THERETO (backup)
 1. Consideration of third and final reading to occur August 13, 2012

2. Second reading approval occurred July 23, 2012 / Vote 11:0
3. First reading approval occurred June 25, 2012 / Vote 10:0
4. Finance Committee discussion and recommendation to approve occurred June 25, 2012 / Vote 6:1

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

13. PUBLIC COMMENT

14. EXECUTIVE SESSION

- A. Discussion of negotiations incident to proposed contractual arrangements and proposed purchase of property

15. ADJOURNMENT

Official Proceedings
County Council of Beaufort County
July 23, 2012

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

CAUCUS

A caucus of the County Council of Beaufort County was held at 4:00 p.m. on Monday, July 23, 2012 in the Executive Conference Room of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

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

DISCUSSION ITEMS

Topics discussed during caucus included: (i) What happens when neither the incumbent nor anyone else files for a Board of Education seat. How do we replace District 4 on County Council? How do we replace former Probate Court Judge Frank Simon? (ii) \$30 million general obligation refunding bonds; (iii) IT hardware purchase for St. Helena Island Branch Library and Penn Center; (iv) emergency procurement contract award for hauling services; (v) contract award for Register of Deeds; (v) amendment to FY 2013 School District budget; (vi) contract award for Hilton Head Island Airport Phase III Data Recovery and Public Outreach Program; (vii) Daufuskie Island residents' request to place a ballot measure in November 2012; (viii) a Daufuskie Island resident who has been banned from riding the ferry; (viii) Daufuskie Island county park timeline and a 1991 / 1992 Parks, Recreation & Tourism grant in the amount of \$20,000; and (ix) public comment from Mr. Ed McBrayer, Path Foundation, regarding the naming of the rail / trail.

REGULAR MEETING

The regularly scheduled meeting of the County Council of Beaufort County was held at 5:00 p.m. in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

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

PLEDGE OF ALLEGIANCE

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

INVOCATION

Mr. Rodman gave the Invocation.

REVIEW OF PROCEEDINGS OF THE REGULAR MEETING HELD JUNE 11, 2012

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve the minutes of the regular meeting held June 11, 2012. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

REVIEW OF PROCEEDINGS OF THE REGULAR MEETING HELD JUNE 25, 2012

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve the minutes of the regular meeting held June 25, 2012. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

PUBLIC COMMENT

The Chairman recognized Ms. Robin Townsend, a Daufuskie Island resident, who stated, “I heard you in caucus discussing our park and that was the topic I wanted to bring up this evening. In the timeline that I have, to the best of my knowledge at this point in time, the Island as a whole has not been engaged in conversation regarding the park so they don’t have a timeline. I heard refer to the fact that you’d been in conversation with Mr. Greenwood so I think we have a communication disconnect there but we’re working on it, as are you. I gave into the record some timeline for you and I wanted to start with that timeline. Back in February 8, 2012, when Ms. Cushman addressed the County to rectify bringing the park forward and to identify that money has been asked for and then we move forward to the letter that you refer to from Mr. Duane Parrish August 1 to satisfy the park, the deadline, the commitment and to try to understand what this commitment is that he is hoping to have from Beaufort County and to find a way to engage those of us on Daufuskie Island in this timeline. And this is very important for us considering this will be our first true public park on Daufuskie Island. I know some of the other communities around us have multiple parks and it’s not that hard but you understand for us this park means a lot and especially considering we’re very dependent on tourism on our island. We need a place, a community-gathering place, as well as a resting place for our visitors to the Island so we’d love to be engaged with whatever decision you work with Mr. Duane Parrish also and South Carolina Parks & Recreation. Also, on July 6, the Daufuskie Island Foundation reached out to you to ask to be able to work with them in the development of the park considering the Daufuskie Island Foundation is for the native Islanders commonly called the Gullah, the Gullah-Geechee, and they

would like to be able to consider that there would be the cultural heritage of our Island taken into consideration with the development of this park. It's a very important component for us there on the Island that this be preserved considering we're down to about 11 natives on the Island so this is very important for us. The other thing would be moving forward to July 14, Queen Quet when she addressed the Council, again, pointing out the importance of this for working within the Gullah-Geechee corridor as well as representing and respecting the culture of the Island and she had asked if each of you would be willing to reach back out to her to express your concerns or thoughts in ways to working. Then you also, on July 14, received something from Ronald Daise, Chairman of the Gullah-Geechee Corridor Commission. He also pointed out the importance of this park within the corridor as well to the importance of Daufuskie Island. He invited the Council to get back to him, each of you individually, between the dates of July 18 and 17. He sent an official copy to you and that just left me three more points but I think you've gotten it so I thank you very much for my three minutes and hope you will reach back to us on Daufuskie."

Mrs. Cecile Dorr, a St. Helena Island resident, stated, "I'm here, actually, for two reasons -- Ft. Fremont and the Magnolia Line. I live in the old hospital to Ft. Fremont and the group sitting back where I was sitting has done the most incredible job on Ft. Fremont. If you have not been out to visit the Fort, it is absolutely wonderful and they have worked very, very hard and they deserve a lot of praise for that. As an old history teacher and I do mean old, old in years, I would like to speak to the naming of the multi-use trail. It is a very, very historic railroad line, the Magnolia Line of the Magnolia route, going from Port Royal to Augusta. I would like to see some recognition of that historic name preserved as you think about that this evening."

Dr. Ben Williams, Chairman of the Mitchelville Preservation Group, stated, "Thank you so much for this brief opportunity to try to get us out of this mess that we are in with regard to Talbert & Bright and the Mitchelville Preservation Project (MPP) in Beaufort County. The County has supported the MPP. Town of Hilton Head has supported the MPP and so we would absolutely flabbergasted when the Town or airport consultants came in and found these artifacts and rushed off somewhere else to the State. They did not consult with Coastal Discovery Museum, which is already holding 25,000 artifacts from Mitchelville. They did not consult with the Heritage Foundation, which permits people to go in and find their background. They did not consult with the MPP and they did not consult with the Gullah-Geechee Commission Corridor running from Florida to North Carolina. So we were very flabbergasted by them; we were disturbed. Now the question has been, "What is it that we want? It seems to me the actors are trying to confuse the issue because I think it is clear. I want to make that clear today, to this Council. We would like to participate, as consultants, in the Talbert & Bright grant. The FAA has no problems. As a matter of fact, let me tell you a story. What happened is Talbert & Bright has already hired someone from Savannah who came out to Hilton Head the other day. Guess who they first contacted? Dr. Emory Campbell, our Board advisor. So the question is, "Why can't we participate in doing the public outreach portion"? We have a fine relationship with the school system. We have a fine relationship with the Legislature who just passed a tremendous resolution honoring our 150th year anniversary. That's all it is. It is very simple. That group has already hired some consultants apparently. There was a fellow by the name of Mr. Ben from Savannah. There is another person they hired from, probably, Charleston; and yet we are here, owning this story, this powerful story and there are not many experts across the country. Dr.

Emory Campbell, Dr. Tessa from Indiana University, Dr. Don Donaldson, University of SC in Columbia, and Dr. Trinkle, who is the premier archeologist who did the dig some 20 years ago. Our position is -- consider Mitchelville as a part of this grant. That's what we have asked. A paid part. That's what we have said."

COUNTY ADMINISTRATOR'S REPORT

The County Channel / Broadcast Update

Mr. Gary Kubic, County Administrator, reported for generations, the natural and pristine beauty of Beaufort County has attracted the lenses of Hollywood cameras. Our latest Beaufort County moment highlights some of the classic films that chose Beaufort County as their setting: *Rise and Fall of the Confederacy* (1917), *The Great Santini* (1980s), *Prince of Tides* (1990s), and *Forrest Gump* (1990s).

The County Channel has been busy all weekend and the rest of this week with coverage of the Dixie Boys State Tournament. The tournament is underway at Burton Wells Regional Park and at Oscar Frazier Park in Bluffton. We will have all the action during the week, including the championship game on Thursday. The winner of the tournament will go on to represent South Carolina in the Dixie Boys World Series.

We have the ability to count the number of hits of people watching the broadcast of baseball on our website. We had more than 2,000 this weekend. That does not include the viewers, who are watching it on live broadcast on our County Channel.

Four-Week Progress Report

Mr. Gary Kubic, County Administrator, presented his Four-Week Progress Report, which summarized his activities from June 25, 2012 through July 20, 2012.

Bluffton Branch Library Community Room

Mr. Gary Kubic, County Administrator, announced that the renovations of the community room at the Bluffton Branch Library are complete. The acoustical panels installed on the walls reduce the room noise by over 93%, which was one of our difficult problems to resolve. We had the opportunity, during the renovations, to advance the room as a studio, similar to what is used in the Executive Conference Room of the Administration Building as well the Conference Room of the Finance Building. Installation of upgraded audio and visual allows the room to handle large meetings at this facility.

Recognition / Fort Fremont Exhibit at the Verdier House

Mr. Gary Kubic, County Administrator, recognized Drs. Marian and Ray Rollings from the Friends of Fort Fremont for their efforts to and organize a wonderful exhibit called "Fort Fremont – Homeland Security Circa 1898." The exhibit was open to the public and ran from

March through June at the Verdier House Museum in Beaufort. It did much to increase public awareness of the history of the fort, which lies on a County-owned passive park on St. Helena Island. The fort was purchased through the Rural and Critical Lands Preservation Program in 2012. The exhibit was the most comprehensive collection of Spanish-American War era artifacts ever displayed in South Carolina. It showcased the important role Fort Fremont played during the Spanish American War, its role to protect the US Naval Station at Port Royal and the dry-dock as well as the life and times of the soldiers. Doctors Marian and Ray Rollings carried out the bulk of the research, design and coordination. This took three years of exhaustive inquiry, study and travel.

The Chairman recognized Drs. Ray and Marion Rollings for their dynamic contribution to the documentation and preservation of our precious local history through the Friends of Ft. Fremont and the successful Ft. Fremont Exhibit. Your exceptional work has enriched our community.

Recognition / Corporal Daniel Allen / 2012 Eric Bamberg State School Resource Officer of the Year

Sheriff P.J. Tanner recognized School Resource Officer, Cpl. Daniel Allen, who has served as a commendable role model for the students of the Whale Branch Early College High School. The statewide title of Eric Bamberg School Resources Officer of the year, 2012, documents the devotion, skill and commitment necessary for fulfilling a crucial role in our public schools. The service provided by Cpl. Allen will have a lifelong impact on the students of Whale Branch Early College High School, who have benefitted from his fine example and guidance.

Announcement / National Flood Insurance Program Community Rating System Program

Mr. Gary Kubic, County Administrator, announced correspondence dated June 15, 2012, from the Department of Homeland Security, Federal Emergency Mngement Agency (FEMA) has determined that our community will increase to a Class 6 in the National Flood Insurance Program (NFIP) Community Rating System (CRS). The floodplain management activities implemented by our community qualified it for a 20% discount in the premium cost of flood insurance for NFIP policies issues or renewed in Special Flood Hazard Areas on or after May 1, 2012. This increase is based on a file verification of our five-year-cycle CRS application.

This is a tremendous achievement. Mr. Kubic is very proud of Mr. Hakim Bayyoud, Engineer/Chief Plans Examiner, Building Inspections Department, and Mr. Chuck Atkinson, Building Inspections Director. Mr. Kubic presented the achievement award to Chairman Weston and the members of County Council.

Presentation / Minority Veterans Program

Ms. Patricia Simmons, Minority Veterans Program Coordinator, Department of Veterans Affairs National Cemetery Administration, as well as Mr. Ed Ray, Veterans Affairs Director, explained the Minority Veterans Program (“Program”). The Program mission is to serve as facilitator, change agent and strategic thinker when dealing with veterans and their benefits. Our primary

goal is to increase local awareness and increase veteran participation in VA Programs. Several areas of interest include -- eligibility applies to veterans, who served honorably; pre-burial needs and death burial benefits; medical benefits; compensation and pension benefits; widow pension benefits; life insurance, medical; home loan certificates; education benefits; as well as a work-study program at the National Cemetery.

SC State Firefighters' Association Awards Committee / The County Channel

Chief Bruce Kline, Lady's Island/St. Helena Island Fire District, thanked Council for providing the very popular The County Channel as well as County Administrator Gary Kubic, Deputy County Administrator Bryan Hill, and Broadcast Manager Scott Grooms for their partnership with the fire service providing excellent public safety education to our citizens. On behalf of the SC State Firefighters' Association, an association of 17,000 members in South Carolina, Chief Kline presented the award that is given once yearly to the media outlet that has supported the fire service with public safety announcements. The County Channel was nominated and won this award in a very stiff competition. The South Carolina State Firefighters' Association Media Appreciation Award is presented to The County Channel in honor and appreciation for your support and assistance informing the public about fire education and life safety issues. The award was presented June 7, 2012 at the South Carolina Fire-Rescue Conference held in Myrtle Beach.

Ten-Year Stormwater Utility Report 2001 – 2011

Mr. Gary Kubic, County Administrator, presented the Ten-Year Stormwater Utility Report 2001 – 2011 (Report). Creation of the County Stormwater Utility (Utility) was by ordinance in 2011. To mark ten years of service to the citizens of the County, Mr. Kubic directed a report / audit of the Utility to inform the citizens of what the Utility had achieved in its first ten years. Mr. Kubic further directed that the Utility projects be applied with agreed-upon procedures so that the citizens could have an independent assessment of the activities that collected over \$50 million for the County and municipalities and directed over \$25 million to improving drainage and protecting our water resources in the unincorporated areas.

This report starts with a history of the Utility establishment and the direction the Utility has taken in its first ten years. It then presents in continuing section, all 864 County projects completed by year and detailed reports on the 11 projects that were over \$20,000 in cost. The last section presents the plan to maintain the improvements as the Utility moves on to address the next challenge of restoring shellfish harvesting impairment in some of our County waters.

Mr. David Starkey, Chief Financial Officer, lead the audit team with the assistance of the Finance team and Stormwater team who helped compile the data. The firm of Holland, Henry & Bromly, LLP of Savannah, Georgia performed agreed-upon procedures to then provide a third-party acknowledgement that the figures presented in this Report were materially accurate.

Mr. Richard Henry, Mr. Shawn Neal and Mr. Paine Bacon, Manager, persented the Stormwater Utlity Report on Agreed Upon Procedures. The procedures performed involved the selection of

138 projects from fiscal years 2003 through 2011. There were approximately 226 projects in that timeframe. The parameters were set to include all projects over \$20,000 and to achieve 55% of the total expenditures of the \$8,093,897 that were spent on these 226 projects. There were various findings, but none of them were of material weaknesses or significant deficiencies in the way the accounting was handling. A total of seven projects did not have any supporting documentation whatsoever. Those were the older projects, going back to 2003 and 2004. As we moved forward in time, the last three or four years, the recordkeeping was much better. Dollars spent were much greater. The dollar significance in variances seem to be a little bit more in later years, but there were more projects and more dollars in the most current years.

When adding up all of the pluses and minuses of the variances, there was about a .05% variance in the way the projects were originally accounted for and the way the audit team would have accounted for after taking into considerations the sections.

The audit team looked at the major components of the projects – materials, equipment, and labor. Regarding materials the audit team looked mainly at the invoices as well as the quantities and cost of each project. On equipment it was basically the hours used as logged in each file and the standard hourly rate depending on what type of equipment was used. Keep in mind that each project has a separate file and all 226 projects were compiled into one master schedule. As to labor, the audit team looked at the timesheets on each project, the hours charged, and the hourly rate including the indirect cost such as payroll taxes, vacations. That was an approximate 50% factor added to the actual wages.

The audit team found some recommendations it suggests staff take into account going forward. Staff has agreed to these recommendations: Improve training of the workers in the field; correct/replace illegible documentation; summarize large projects periodically; keep project folders clear of unnecessary documents; and clarify on supporting documentation whether material is installed or simply delivered. Staff understands now what the end product should look like. While the audit team did not find any major exceptions, staff recognizes that there is some room for improvement to give Council and the taxpayers the assurance that they are looking for -- that these massive amounts of money that are being expended are being looked over closely from a financial control aspect.

Net variances related to materials amounted to (\$28,637) and (0.35%) for the sample. Net variances related to equipment amounted to \$6,944 and 0.09% for the sample. Net variances related to labor amounted to \$27,745 and 0.34% of the sample. Total variances came to less than \$29,000 for the nine-year period.

Mr. Flewelling requested a definition of gross overage and gross underage and an explanation of why those should be netted amounts as opposed to added together for a total discrepancy.

Mr. Henry replied that the audit team had a discussion about that issue amongst themselves. The audit team could have gone into more detail on overages and underages, project-by-project, but that would have added a great amount of time to this project.

Mr. McNeal explained how the audit team reached these numbers. Each project netted to some sort of variance. Keep in mind these are allocations, and not actual outflows of cash. If the audit team found a difference between an invoice and a material and the invoice was higher, that would be an underage. At the end of one project, a gross overage or underage would result and that would be compared to all of the projects. The audit team wanted to project the overages and underages so that it was understood there are minor exceptions throughout the projects. However, at the end of the day the effect on the way each project is presented is not materially mistated.

Mr. Kubic stated this was a catch-up project. Two hundred twenty-six projects not being audited to being reviewed is quite a challenge. He appreciates Council support and cooperation. Now that we have a base-line agreement, we will be able to do, on an annualized basis, what we have not done in the past. Mr. Kubic is very happy our residents, who are concerned about stormwater, know how much of their money has been spent in these areas and can look up and find out exactly the return on investment for the stormwater fee. Mr. Kubic thanked Mr. Rob McFee, Division-Director Engineering and Infrsatrcuture, Mr. Dan Ahern, Stormwater Utility Manager, Ms. Carolyn Wallace, Stormwater Utility Finance Director, and Mr. David Starkey, Chief Financial Officer and the Finance Team for making sure that all of the data was available to the auditors.

Metropolitan Planning Organization (MPO) Designation

Mr. Gary Kubic, County Admnistrator, stated the Metropolitan Planning Organization (MPO) designation process is occuring. Council will be seeing, hopefully, this week a draft resolution outlining the Study Area, the footprint, some other considerations of the Board, the Board members, the size of the Board, the purpose, and the like. Council has to consider and hopefully support a resolution at the August 13 or August 27, 2012 meeting in order to send it forward to the state. That locks in the Study Area and also locks in the ratio and calculation for funds that would be received by that MPO.

Mr. Baer noted the MPO deals with transportation. Is that only road transportation?

Mr. Kubic replied the same question was asked about water transportation and we were told the Federal Transportation dollars currently lead to roadway improvements. There is, perhaps, a separate avenue for water transportation or another mode.

Mr. Baer stated the MPO for road transportation assures there is a coordinated plan amongst all the population in the designated area for coordinated road planning. We lack that for a coordinated aviation plan for all four airports in the area.

Mr. Kubic replied if Mr. Baer is asking could these dollars be applied to an aviation plan, he is not sure it crosses over. He thinks these are two different divisions in the federal government. We are looking at approximately \$2 million per year for a period of ten years. The footprint, in administrative discussions, and this includes practically all of the administrative staff of all of the municipalities, about the extension of the Parkway to I-95, via Exit-33, commonly known as

Phase 6 and 7 through Jasper County; and the bridge replacement on Hilton Head Island is obviously a major project and remember. We are talking about a 20-year master plan and the third item put on the table, because we do have Jasper County and the City of Hardeeville at the table with us, are their roadways to the Savannah Port, and that type of development.

Mr. Newton remarked at one time the suggestion was advanced that we utilize the Transportation Advisory Group (BTAG) as a means to conduct that discussion. He made that suggestion to Mayor Laughlin and Mayor Sulka. Their staffs have been meeting with our staff in discussing this issue along with the municipal staffs of Port Royal Town and Beaufort City. The suggestion is that going through BTAG is not a necessary step. All of the staffs are developing a unified recommendation from an administrative staff point of view that will be presented through Public Facilities Committee (August meeting) then back to Council for consideration of the resolution.

Mr. Kubic noted staff is trying, if possible, to get all of the information to Council by the end of this week. This will provide Council a chance to look at it and to pose questions to staff.

Mr. Flewelling questioned if the City of Hardeeville is included in the process.

Mr. Kubic replied staff decided to look at the City of Hardeeville and Jasper County simply because the application of these federal dollars (over a 20-year period), logically, you have to look for a federal purpose. If you take the Town of Hilton Head Island (Hilton Head), by way of an example being 90% buildout, Hilton Head pursuing a roadway system on the island is probably not something for consideration. But, the bridge, which we all know is getting old and will have to be discussed in terms of a replacement, is a primary factor. The heart of the issue, when we get to it, is whether or not we decide to take the recurring source each year, size a bond accordingly, maybe do one major project, versus taking \$2 million each year and divving it out into ten spots. That is sort of the heart of the planning process that we will be getting into. The three areas mentioned are the three projects that so far we are looking at. We are also looking at the application of roadway development as it feeds the military installations, here, north of the Broad River. We are not ignoring it, but we are evaluating the possibilities for that.

DEPUTY COUNTY ADMINISTRATOR'S REPORT

Four-Week Progress Report

Mr. Bryan Hill, Deputy County Administrator, presented his Two-Week Progress Report, which summarized his activities from June 11, 2012 through June 22, 2012.

Dixie Boys State Tournament

Mr. Bryan Hill, Deputy County Administrator, reported the Dixie Boys State Tournament is underway at Burton Wells Regional Park and at Oscar Frazier Park in Bluffton. More than 1,000 people have gone through the turn-style ticketing. That translates to a lot of heads and beds in both Beaufort and Bluffton. Facility Management, Parks and Leisure Services, EMS, Grounds

Maintenance, Broadcast Services and MIS Departments have come together as a team to ensure that the 24 teams, north and south of the Broad River, are having a good time.

Monthly Budget Summary

Mr. Bryan Hill, Deputy County Administrator, submitted the monthly budget summary of unaudited numbers. Staff is the process of putting together the Comprehensive Annual Financial Report (CAFR). Once our numbers have been audited, Mr. David Starkey, Chief Financial Officer, and his team will report to Council to allow for comments, questions. We are going to end FY 2011-2012 in the black/positive for the second consecutive year.

Animal Shelter and Control Monthly Report

Mr. Bryan Hill, Deputy County Administrator, submitted the Animal Shelter and Control Monthly Report. Mr. Caporale and he are in constant communication about devising a comprehensive report. Ms. Tallulah Trice, Director, has reduced the euthanasia rates since taking over the Department. Intakes are about the same. She has done a phenomenal job to date. He appreciates her efforts.

Mr. Caporale stated the changes staff has made over the last couple of years are working, but need to be watched, because it is a difficult problem.

Construction Project Updates

US Highway 278 Roadway Construction

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves widening of a total of 4.8 miles of US Highway 278 including the bridges over the Okatie River. The contractor is APAC Southeast of Savannah, Georgia. The cost is \$23,637,119. The contract completion date is November 2013. The laying of drainage pipes at Rose Hill is complete. The total pipe system is 96% complete. The bridge contractor has begun pile driving operations on the bridge over the Okatie River the space between the two bridges east and west. The placing of asphalt base and leveling is underway.

Bluffton Parkway Phase 5A Roadway

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves construction of 2.31 miles of new four-lane divided highway between Burnt Church Road and Buckingham Plantation Road. The contractor is Cleland Construction of Ridgeland, South Carolina. The cost is \$11,578,729. The contract completion date is July 2012. The section from Malphrus Road to Buckingham Plantation Road opened today.

St. Helena Library at Penn Center

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project is a 25,000 square foot library facility, LEED certified, and associated infrastructure. The contractor is Choate Construction Company of Pooler, Georgia. The cost is \$7,332,403. The contract completion date is October 2012. The HVAC system is on-line. Final interior finishes are underway. The parking lot is scheduled to be paved next week.

SC Highway 170 Widening

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves the widening of SC Highway 170 from SC Highway 26 to US Highway 278 (approximately 4.9 miles.) Improvements include multi-use path, signalization and raised median to preserve trees. Bids were received on June 13, 2012. The draft State Transportation Infrastructure Bank agreement was received July 16, 2012, and has been reviewed with the Legal Department. The contractor recommendation is Cleland construction of Ridgeland, South Carolina. The bid amount is \$14,998,972.30. The scheduled award date is July 23, 2012.

Mr. Stewart inquired about the construction timeline.

Mr. McFee replied construction time is approximately 18 months. We hope to get into construction late August / early September, but that depends on return of bonds to us, certificates of insurance, and concurrence or agreement with the State Transportation Infrastructure Bank that our grant agreement is to their liking with regard to frequency of disbursements, etc. Completion is anticipated summer 2014.

Bluffton Parkway Phase 5A (Bridge)

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves construction of approximately 3,500 feet of road improvements and 4,100 feet of bridge just east of Moss Creek over US Highway 278. SCDOT and Federal Highway Administration are reviewing the contract and contractor qualification submittals. A revised schedule is to have the project re-advertised in August 2012.

Mr. Rodman commented the contractors bidding would propose the beautification.

Mr. McFee replied we are soliciting ideas from the contractors to tell us what they can do. We will cull through those and try to present through the Public Facilities Committee our options, try to have that dialogue commence at that point, and then get direction. Federal Highway Administration has made it clear that they are looking for low bid.

Mr. Baer questioned the reason for re-advertising the bid.

Mr. McFee replied there was some inconsistency in the way we had originally advertised the bid. For example, welders' and reinforcing steel operators' compensation is at a specific rate on

federal projects. It is a wage regulation. Our rate regulation, revised on a regular basis, the one we advertised with, was an older version. It had been updated in January 2012. The federal government said it should be updated. We had suggested updating by addendum. The federal government thought it best we re-advertise. We concurred with the federal government.

Mr. Caporale asked, “Will Council have an opportunity to look at these cosmetic features that are being solicited”? Mr. McFee agreed in the affirmative.

Mr. Kubic stated in order to qualify for the timing of match, if we wait for all of the ideas and discussion and debate as to what is aesthetically the best option for us, incorporate it into a spec and then into a bid situation, we may find ourselves at a point in time where we would lose the money. The advice was to proceed with the bid, and get the ideas about the aesthetic beauty. Then, after Council makes its selection, we would issue a change order / addendum at that time. That way we preserve the grant, the local match, and we have an opportunity to bring ten different ideas about how you can beautify a concrete structure. We are employing that is a strategy

Mr. Caporale would prefer to see the ideas come in from the outside. When the Chairman made the point that there was nothing, in the budget for plantings, in the median in that section of roadway, was that by design?

Mr. Newton replied his comments were by design to highlight the fact that that stretch, Bluffton Parkway Phase 5A, is, perhaps, the only project that has moved forward where there are zero plantings involved. Every time you plant a tree in a median, there is an attendant cost, makes it more difficult, and drives the cost up. And there was, if you will recall, a maintenance contract that was jointly between Town of Bluffton and Beaufort County, for the Bluffton Parkway in other phases that County Council did not approve the renewal of that agreement some time ago. He highlighted it because as we move forward we need to be mindful of the fact that the rest of the corridor and the rest of our major gateways in the County are landscaped and this particular section of the Bluffton Parkway Phase 5A is not. We just need to keep that on our radar screen whether the Tree Beautification Program and what kind of plantings could be employed that does not drive up the maintenance expense, but it is in need of something and the rest of the roadways have them. It is part of the recognition of our gateways are significant. In terms of the flyovers, we specifically designated that we wanted to see strategies employed to make it as aesthetically pleasing as possible. There was \$16 million of available funds and \$15 million through that federal grant as a shovel-ready project so that there will be funds capable of doing that on that project.

Mr. Kubic stated the County has been charging developers who inappropriately have been cutting trees. We refer to it as the Tree Beautification Fund. The instructions to staff is that now that the project, Phase 5A, is complete and is open one end to the other, we are going to take suggestions because now we have the ability to take one look / develop one theme, in conjunction with maintenance, and apply the developers’ money for some vegetative improvement. We are going to be very cognizant of the maintenance because that will be the recurring expense out of the general fund budget.

Mr. Newton mentioned the idea of perhaps a flyunder instead of a flyover, as he understands, would disqualify the environmental work that done on this project, such that the environmental assessments, would have to be redone and the project would not qualify under the guidelines of shovel-ready. If we to dramatically change the project, hence, we would not get the \$15 million.

Mr. McFee agreed in the affirmative.

Mr. Rodman also had a conversation with SCDOT representatives who said if you end up with something that costs less, that was safer, more environmentally pleasing, and was within the current footprint, that they would be surprised if there were a way to view it as a value-engineering project. We probably should talk some more about that.

Mr. McFee commented the value-engineering component is in the contract. It has always been in it. That has never left the table -- if engineers from the outside, are able to skin the cat better.

Mr. Sommerville inquired of Stratford Land.

Mr. McFee replied Stratford Land is a corporation out of Texas that owns several significant tracts along Perrysburg Road in Jasper County that straddle I-95 close to mile marker 3, just south of the vehicle weigh station on I-95 and the Welcome Center on the South Carolina side.

Bluffton Parkway Phase 6 & 7

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves a route study and environmental document for the extension of the Parkway into Jasper County over the New River connecting with I-95 at Exit 3. This is a joint effort between Beaufort and Jasper Counties, the City of Hardeeville, and Stratford Land. Professional Engineering Service proposals were submitted on May 12, 2012. The Evaluation Committee, consisting of Beaufort County, Jasper County, City of Hardeeville and Startford Land met on June 18, 2012, selected the most qualified proposer, and began preliminary negotiations with that firm. Mr. McFee is in the process of checking through SCDOT planning office regarding a \$50,000 of federal money that could be applied to this project in addition to the \$3.9 million the State Infrastructure Bank has allocated. Mr. McFee is not in receipt of the SIB Agreement on this particular project.

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

Master Plan Beaufort County (Lady's Island) Airport

Mr. Paul Andres, Airports Director, reported the Master Plan draft report has been distributed to both County and City Council members and mayor, as well as to the Airports Board. A joint presentation to County and City Councils occurred January 18, 2012. A follow-on meeting is outstanding. The County has reached out to Beaufort City Manager Scott Dadson asking his assistance in getting us some feedback from Beaufort City Council as far as their review

regarding the recommendations in the Master Plan. We are hoping to hear back from him soon. Regarding the tree obstruction issue, SCDOT did submit, recently, more data on their utilities poles in the approach, which is currently under review by the FAA. We hope to have some feedback from them in the not-too-distant future. The Courts are still yet to schedule trial dates for the properties that are in litigation. There are five or six property owners with multiple properties involved.

Master Plan Hilton Head Island Airport

Mr. Paul Andres, Airports Director, reported the FAA approved the Master Plan on September 9, 2011. The environmental assessment and benefit cost analysis is underway. The first public information meeting was held April 3, 2012. There were no issues with key elements of Wetlands, Threatened & Endangered Species, or Hazardous Materials (aviation fuels). We did discover, as anticipated, archeological artifacts associated with Mitchelville, which is resulting in a determination that we need to conduct a Phase III Data Recovery and Public Outreach Program. The second public information meeting was held on June 27, 2012. The public comment for that closes July 27, 2012. If there is any input from the public, we would like to see it by that time so that we can get that to the consultants. The consultant is starting to draft the analysis of the report, which they will then submit to the FAA for preliminary review, and then go through the more formal process beyond that.

Regarding the tree obstruction removal projects, Runway 21 (north end) on-airport, we have received final Hilton Head Island Town Development Review Board (DRB) approval with conditions on May 22, 2012 for our replantation plans. Mitigation bids are due August 8, 2012. Mr. Andres has been informed St. James Baptist Church and Palmetto Hall have filed an appeal in Circuit Court questioning the approval of the DRB for our mitigation plans. That matter will have to be resolved before we can proceed. Tree obstruction removal projects, Runway 21 (north end) off-airport, attorneys are still actively working on obtaining the necessary aviation easements. The Mitigation Plan is envisioned to be the same as on-airport at this time. On Runway 03, (south end) off-airport the detail design survey is underway on the 34:1 slope. We hope to have the project ready for bid August 2012. We are obtaining aviation easements, and have 24 of the 26 required. There is only one commercial property and one residential, a condominium association that we still need to obtain easements from. Tentative start date is unknown due to the appeal on the on-airport replantation.

Other projects: (i) Runway Safety Are Drainage Improvements – the contractor's materials submittals have been approved, and we hope to get construction underway soon, possibility during the first week of August. (ii) Commercial Terminal Improvements are still pending. We should have a recommendation shortly. (iii) Runway Lighted Sign Design is underway and is at the 60% level for their comments and feedback on the review. Then they will finish those plans to get that project ready for bid. (iv) Passenger Facility Charge (PFC) Program. Collections started May 1, 2012, and we received our first revenue checks from that program. We do, however, need to modify / amend the Program since it was based on a federal participation level of 95%; which has now been reduced to 90%. We have to make an amendment to this Plan to

make up the difference. This item will be discussed at the July 24, 2012 Public Facilities Committee meeting.

Mr. Rodman inquired of the appeal, which is the mitigation for the north-end of the runway. Will that somehow hold up the proceeding with taking the trees down at the south-end?

Mr. Andres replied the reason for that is that the Town of Hilton Head Island LMO has a stipulation regarding airport trees that one project has to be totally completed before another project can commence.

Mr. Josh Gruber, staff attorney, stated the appeal has been filed in Circuit Court. They are challenging two items. One, they are challenging the constitutionality with which the Town's LMO was adopted which is an item kind of outside of something we are going to tackle. It has been brought up several times now. The second issue is that there was concern about the County application for its plant back and whether that application had been withdrawn. It turns out that after going back and having the minutes transcribed that application was not withdrawn. Therefore, we are going to ask the Town of Hilton Head Island Design Review Board to amend their minutes to reflect accurately the action. Once that happens, that will narrow down the scope of the appeal.

Update / Daufuskie Island Ferry Service

Mr. Morris Campbell, Division-Director Community Services, reported Mr. Rodman, as Finance Committee Chairman, has agreed to hear a presentation on the Daufuskie Ferry continuation on August 6, 2012. That item, along with the technical equipment needs for the St. Helena Branch Library at Penn Center will be entertained at that meeting. Between now and the August 6, 2012 Finance meeting we will continue to service the residence of Daufuskie Island with two roundtrips daily Monday, Wednesday and Friday; Tuesday and Thursday two roundtrips, but not the early morning runs; Saturday two days each month, and the citizens will decide which two days. The Daufuskie Island Council will assist in this process.

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012C, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$30,000,000; 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; ADOPTING WRITTEN PROCEDURES RELATED TO TAX-EXEMPT DEBT; AND OTHER MATTERS RELATING THERETO

This item comes before Council under the Consent Agenda. It was discussed at the June 25, 2012 Finance Committee meeting.

It was moved by Mr. Flewelling, seconded by Mr. McBride, that Council approve on second reading an ordinance authorizing the issuance and sale of General Obligation Refunding Bonds, Series 2012C, or such other appropriate series designation, of Beaufort County, South Carolina, in the principal amount of not exceeding \$30,000,000; 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; adopting written procedures related to tax-exempt debt; and other matters relating thereto. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

The Chairman announced a public hearing on Monday, August 13, 2012 beginning at 6:00 p.m. in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

HILTON HEAD ISLAND AIRPORT FAA GRANT OFFER #33

This item comes before Council under the Consent Agenda. It was discussed at the June 26, 2012 Public Facilities Committee meeting.

It was moved by Mr. Flewelling, seconded by Mr. McBride, that Council award a contract in the amount of \$443,097.70 to Talbert & Bright Engineering, with the stipulation that the verbiage of the contract be written and agreed upon by the Talbert & Bright Engineering along with the Mitchelville Preservation Project members before conducting a Phase III Data Recovery and Public Outreach Program associated with the Mitchelville artifacts located on the Hilton Head Island Airport. The funding for this project will come from FAA Grant #33 (90%) which totals \$5,402,750; a State Grant (5% pending); and a local 5% match of \$22,155, which will come from the Airports Operating Budget. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

NON-COMPETITIVE PURCHASE OF SC 170 DESIGN CONSTRUCTION ENGINEERING SERVICES (SALES TAX PROJECT #3)

This item comes before Council under the Consent Agenda. It was discussed at the June 26, 2012 Public Facilities Committee meeting.

It was moved by Mr. Flewelling, seconded by Mr. McBride, that Council approve a contract change order to Thomas & Hutton for design assistance during widening construction of SC 170 in the amount of \$217,000 on an as needed basis. This project will be funded from the 1% Sales Tax Road Improvement Program. Account #33403-54500. In February 2012, the South Carolina State Transportation Infrastructure Bank had approved a \$25 million dollar grant for the widening of SC 170 Phases 1 & 2 from US 278 to SC 46. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

SC 170 WIDENING CONSTRUCTION FROM US 278 TO SC 46 (SALES TAX PROJECT #3)

This item comes before Council under the Consent Agenda. It was discussed at the June 26, 2012 Public Facilities Committee meeting.

It was moved by Mr. Flewelling, seconded by Mr. McBride, that Council award a contract to Cleland Site Prep Inc. in the amount of \$14,998,972.30 for the construction SC 170 Widening from US 278 to SC 46. The project will be funded from the 1% Sales Tax Road Improvement Program, Account #3303-54500. In February 2012, the South Carolina State Transportation Infrastructure Bank approved a 25 million dollar grant for this project. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

EMERGENCY PROCUREMENT CONTRACT AWARD FOR HAULING SERVICES FOR THE BEAUFORT COUNTY SOLID WASTE DEPARTMENT

This item comes before Council under the Consent Agenda. It was discussed at the July 18, 2012 Finance Committee meeting.

It was moved by Mr. Flewelling, seconded by Mr. McBride, that Council award a contract to Republic Waste Services, the top ranked firm, for an annual cost of \$858,154.32. The initial contract term will be for three years with two additional one year-terms subject to approval by Council. The funding sources if Account #33390-51165-Solid Waste Hauling Services. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

ST. HELENA BRANCH LIBRARY IT HARDWARE PURCHASE

This item comes before Council under the Consent Agenda. It was discussed at the July 18, 2012 Finance Committee meeting.

It was moved by Mr. Flewelling, seconded by Mr. McBride, that Council award a contract to CSI Technology Outfitters, Easley, South Carolina in the amount \$93,636.73 for the IT hardware required in the St. Helena Branch Library. The funding source is Account #11436-54420-St. Helena Library. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

REQUEST TO PURCHASE FROM NON-COMPETITIVE CONTRACT FOR ITEMS OVER \$25,000 FOR BEAUFORT COUNTY'S REGISTER OF DEEDS DEPARTMENT

This item comes before Council under the Consent Agenda. It was discussed at the July 18, 2012 Finance Committee meeting

It was moved by Mr. Flewelling, seconded by Mr. McBride, that Council award a contract to NewVision Systems Corporation, New Cannan, Connecticut in the amount of \$51,963.48 to renew an annual maintenance contract for Official Records Software. The funding source is Account #12050-51110-Maintenance. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

HILTON HEAD ISLAND AIRPORT PHASE III DATA RECOVERY AND PUBLIC OUTREACH PROGRAM

Main motion: It was moved by Mr. Glaze, as Public Facilities Committee Chairman (no second required) that Council award a contract Talbert & Bright Engineering in the amount of \$443,097.70 to conduct a Phase III Data Recovery and Public Outreach Program associated with the Mitchelville artifacts located on the Hilton Head Island Airport. The funding for this project will come from FAA Grant #33 (90%) which totals \$5,402,750; a State Grant (5% pending); and a local 5% match of \$22,155, which will come from the Airports Operating Budget.

Mr. Baer remarked this item was discussed at the June 25, 2012 Public Facilities meeting. It was quite clear the members were unanimous in wanting a Memorandum of Understanding (MOU) between the County and its subcontractor, Talbert & Bright, and the Mitchelville Preservation Group (Mitchelville Group). The purpose was to see if there was a joint method of operation, by which both sides could benefit, and thereby expedite the speed with which this could be achieved. He and everyone else expected that would take a few days to negotiate that MOU and that we would come in today and we would routinely pass this. Mr. Baer heard that there was a meeting a few days after the Public Facilities Committee meeting. People went away. The County on July 10, 2012 sent a letter with a signature line to the Mitchelville Group with some points on in which the Mitchelville Group could not accept. It did not meet the spirit of what we had discussed at the Public Facilities Committee meeting. This item needs to be held in abeyance for two more weeks, until the next Council meeting, to see and force those two groups into a room to see if they can agree on a few bullet points that we can expedite this project through. Mr. Baer does not think they did it within the three weeks they had. Passing this issue tonight, with the hope of later discussion, is not going to work. They have had three weeks to have discussion and did not. We have to have the threat of this contract not passing over their heads in order to force them into a meaningful discussion. Without that, you are going to have several efforts to interview local people; one of those seems to have already started. You are going to have two websites. You are going to have two collections. This is a golden opportunity. We have heard all night tonight about history of the Spanish Moss Trail. We have heard from Mrs. Dorothy Gnann “don’t ignore history.” This is a golden opportunity to cherish our history in this area and get to groups working together. He cannot believe we cannot seem to bring this to fruition.

Mr. Baer commented someone is going to say the FAA does not allow this and the FAA does not allow that. We know that the FAA can turn on a dime. When we changed the length of that runway from 5,000 feet to 4,800 feet, the FAA turned on a dime and said, “By Joe, we changed

our mind. We are not going to fund it.” When we talked about landing fees, the SC Aeronautics Commission (SCAC) turned on a dime. Within a couple of days, they sent us a note, “You have landing fees, and we are not going to fund it.” Timing of the FAA and the SCAC is not an issue. We can find a mutual common ground in which those organizations, the County, and the MPP can have a meaningful way to work together on this project.

Motion to amend: It was moved by Mr. Baer, seconded by Mr. Caporale, that Council postpone discussion of this issue until the August 13, 2012 Council meeting and charge the County the Mitchelville Preservation Group to meet for the purpose of agreeing on a set of bullet points.

Mr. Caporale is unclear about the actual terms of the disagreement. He had assumed that they were just procedural at first. He is not sure that is the case anymore, because he did hear a member of the Mitchelville Group refer to the role as being a paid role. That was not a condition for requirement that he had thought much about. He had assumed, perhaps naively so, that this was just one of those opportunities where folks ought to work together. It is much in the same way we, not too long ago, at one of the committee meetings, suggested that our libraries are spending hundreds of thousands of dollars on computers and Early Literacy. We probably ought to be talking to the School District because they are the ones in charge of that sort of thing. We ought to try to see if we can work an alignment and that our goals and methods are in alignment as we go down the road spending the public money. The same thing applies here. This is public money, some of it is county money, some of it is coming from the state, a big chunk from the federal (as usual the facet is always on). In a sense, he has to agree with Mr. Baer that really what is required is a face-to-face meeting where folks can say, “This is what we really want and what are our chances of getting it”? If the request is simply for funding, he is not sure how that can work and that may wind up being what he suggested – we need to know whether an agreement can be fastened or whether no such agreement is possible under the terms/options we have as a County with regard to these grants. There are limits to what we can do. He would like to vote to promote that conversation if only to clarify the terms of what is being asked for and what is being denied. He had the impression, prior to today’s meeting and talking to members of the community, that they were disgruntled because they told they could watch, but they could not play. He thought that was really the issue. It seems to Mr. Caporale now it may be something more than that. He has no idea whatsoever how we can fund the activities of the MPP out of money that is coming to us from the FAA or the SCAC. That may be the kiss of death.

Mr. Flewelling inquired about time constraints. Is delaying two weeks something our plans can accommodate and still move forward?

Mr. Newton remarked comments have been made that the County needs to be forced to do something. He was not at the Public Facilities Committee meeting, but a letter dated July 10, 2012 from Mr. Kubic referencing a meeting with Mr. Paul Andres, Airports Director; and Talbert & Bright, airport consultant, the week before that, is that not what you all discussed and envisioned at the meeting.

Mr. Baer explained there was a meeting July 10, 2012 that resulted ten days later with a letter from Mr. Kubic with a line to sign on it. The Chairman of the MPP emailed back and said,

“That is not an adequate understanding; that is not an adequate MOU, and that does not represent what we discussed.” There is disagreement. Typically, when you negotiate something, you sit together in a room, you agree and disagree on bullet points, and you try to craft a document while you are still there. You do not have a meeting, ten days later send a letter, and ten days later send a letter back. That is not a good way of negotiating.

Ms. Von Harten is confused that there is so much to do about archeology. This is a contract to do archeological services and to gather history. What is the issue?

Mr. Newton replied from the comments made earlier tonight what he heard was that a member of the Mitchelville Group indicated that they want to be a paid consultant on this project. That is not listed on these bullet points. If that is the fundamental issue, that is an issue county administration ought to run down with the FAA to determine whether that is feasible or not, whether Talbert & Bright (if awarded the contract) is going to engage sub-consultants.

Mr. Caporale, in the face of all this confusion, asked, “Can we get an answer about the time constraint”?

Mr. Newton said we are not talking about whether the contract ought to be awarded to Talbert & Bright, or not. We are talking about that we want our contractor to do the greatest extent possible to involve the MPP. Correct?

Mr. Baer replied, “I am not sure.”

Mr. Newton asked, “What else is it then”? You might not want Talbert & Bright because the MPP may recommend somebody else.

Mr. Baer replied we agreed in the Public Facilities Committee meeting that we would have a MOU to list on a piece of paper everything that is wanted by the groups – some negotiated document. We do not have that. Absence that, we are guessing.

Mr. Newton asked, “How does that have any relationship to who the contractor is? How does that have any relationship with it at all”?

Mr. Baer replied the airport or someone has appointed Talbert & Bright as the contractor.

Mr. Newton replied it has been recommended and we have a contract sitting in front of us to approval. The disconnect that Mr. Newton does not understand is how does the MPP access to the project have a direct bearing on whether we ought to approve the contract to Talbert & Bright or not?

Mr. Baer replied because the Public Facilities Committee unanimously stated that they would like to see a MOU on how this contract proceeds before County Council approves the contract.

Mr. Newton does not understand how it is directly connected to whether Talbert & Bright ought to do it.

Mr. Baer stated because they felt and we have seen that there are separate efforts. We have a Talbert & Bright effort. We have a Michelville effort. It is a historic area of great cultural and archeological significance. There is no coordination between the efforts whatsoever. The MPP was concerned that this is confusing to the public. It is confusing to everyone who looks at it.

Mr. Newton asked, “How does holding up the contract award do anything? How does that help advance or move it forward?”

Mr. Baer replied, “It advances it because it gives people a goal. The contract does not get signed; Talbert & Bright does not get funded.

Mr. Newton does not see how it moves this overall effort forward.

Mr. Caporale said it is the only leverage we would have if we wanted to encourage more conversation.

Mr. Newton asked, “Leverage over whom”?

Mr. Baer stated Talbert & Bright has decided who the subcontractors are on this project. We know who they are and the amounts.

Mr. Caporale said at this point we have probably done all the damage we can do to the spirit of cooperation the Public Facilities Committee members were looking for. We may as well vote on it. This is typical of where the issue often ends up when it starts with the airport.

Mr. Baer commented this one did have to be that way. We heard that there is an appeal on the tree restoration and tree mitigation work. The clock has stopped because of the appeal.

Mr. Newton replied, “Not on this contract award.”

Mr. Baer remarked this work is necessary to allow the tree mitigation to go forward. The tree mitigation clock is stopped because of the appeal. The pressure of extreme time has sort of been let up a little bit. We had the two or three weeks to make a valiant try to get a reasonable MOU between the groups and salvage something out of this.

Mr. Newton stated this issue could be accomplished subject to a directive to the County Administrator, to work with the Mitchelville Group to get them the greatest access as possible.

Mr. Kubic remarked we cannot force a contractor to hire any particular individual. It is against the law. We will not do it. If you want to enter into a negotiation with the Mitchelville Group on objectives, webpages, those types of things, fine. However, he cannot direct, because Council wants to hire a certain group and we bring these folks in, it is against the law. We are not going

to do it. He suggested getting on with this contract. He will go forward with the MOU with what we can achieve with the Mitchelville Group. If Mitchelville Group wants to charge for that product, they have to take it on their own to Talbert & Bright, and negotiate separately. He cannot intercede on a private contractual matter with a consultant.

Mr. Baer replied that is a very good point. That is why, as we have this session to try to negotiate an MOU, Mr. Kubic or a member of his staff should be a part of it.

Mr. Rodman said we have a grant from the FAA to do work in the best interest of everybody in order to recover these artifacts. There is no point in waiting. The FAA has, obviously, certain procedures to follow, and we recognize that. There is intent to try to involve the local folks and the County Administrator is open to doing as much as he can within the law. There was a meeting a couple of weeks ago. Council received a copy of a letter tonight that went from the County Administrator to the Chairman of the MPP two weeks ago. That letter does list the various bullets of what the County was proposing to do as part of that collaboration, and there was place for the Chairman of the Mitchelville Project to sign. It would seem that if Mitchelville Group had a disagreement, the logical thing, at that point in time, would have been for them to respond back, with alternate suggestions on the kinds of things to incorporate into this MOU. The number of items could be narrowed. As Mr. Rodman read the six bullets, they all seemed reasonable. If there are two or three others that need to be added, paid role notwithstanding the legalities of it, he would be very surprised if the County Administrator would not accommodate that. Mr. Rodman has been an early proponent of the County taking an active role. We certainly should do that. We have done quite a bit of that in terms of the Rural and Critical Lands monies that Council has approved to buy properties there and there is still some pending. We ought to get on with this contract award and get on with buying the land.

Mr. Sommerville referred to the letter dated July 10, 2012 from Mr. Gary Kubic to Chairman of the Mitchelville Group. It listed six specific items that the County will do. It seems that if the Mitchelville Group has items they want to add or make changes, then they should formally respond to this. He is certain the Administrator will take it under advisement. It is his understanding, and he asked the question, “Did the Mitchelville Group specifically respond to this? The answer was, “No. They did not with specificity.” There is one thing to say, “We do not agree with it.” It is another thing to say specifically what it is that ought to be changed. That negotiation is ongoing. He sees no reason holding up the contract award.

Mr. Baer asked, “Mr. Kubic, did you receive an email from the Mitchelville Group Director, disagreeing with the terms of your letter – after the letter sent July 10, 2012”? As Mr. Caporale said, the only leverage we have is not approving this contract tonight and holding it in abeyance for three weeks to see if we can rescue this from the ashes.

Vote on the motion to amend: YEAS – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling and Mr. Glaze. NAYS - Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion failed.

Mr. Newton remarked without seeking to amend the award of this contract, he hopes the County Administrator, within his discretion and directive by Council awarding this contract to Talbert & Bright, will take every step possible to extend full and complete participation and cooperation to the Mitchelville Group. He knows Mr. Kubic will do that to the greatest extent possible within the confines of the contract and the law. Mr. Newton takes comfort in that in casting this vote.

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

MOTION TO EXTEND

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

WAIVING INTEREST ON THE HERITAGE CLASSIC FOUNDATION LOAN IN THE AMOUNT \$30,750 IN INTEREST THROUGH JULY 18, 2012

It was moved by Mr. Rodman, as Finance Committee Chairman (no second required), that Council wave the interest on The Heritage Classic Foundation loan in the amount of \$30,750 in interest through July 18, 2012.

Mr. Baer made two points. One, this is not an item of dire need to The Heritage Classic Foundation (Heritage). They have lots of money. Two, the reasons given for forgiving this interest is they devote a lot of money to charities and they are a good organization, etc. That puts Council on a slippery slope. He recalls about two years ago here when Council had an opportunity to collect market-rate rents on an airport hangar. We chose not to do that because and he believes Mr. Sommerville made the quote, “that this is a person who contributes a lot of jobs to the area and is an important person and therefore, we will continue the old rents.” This is the same kind of slippery slope. It sets up a double system of justice – John Q. Public, who comes to the podium and asks for something is treated one way, and other folks, who run a golf tournament or have lots of jobs they contribute, are treated another way. Perhaps, they should be, but it is a slippery slope. At what point do we decide to give special dispensation to things. He will not support the motion.

Mr. Dawson realizes the contribution the Heritage makes to the County. He realizes the relationship we have with them and our generosity to come to their aid at their beck and call. He would support Council helping them, perhaps, in the future if the need so arises. He is wrestling with the issue of the County entering a contract for a \$1 million loan plus interest, the Heritage paying the loan off early, and Council taking the position to waive the interest that has accrued. He does not know of any lending institution where any member of Council can borrow any amount of money, pay the loan off early, and have the interest waived. Mr. Baer says it is a slippery slope. Mr. Dawson believes it is not good practice on Council’s part. We set the

contract terms and interest rate; they agreed. They did not break the contract. We are breaking our own contract by trying to waive the interest. It is not right. It is not good financial practices. He will not support the motion.

Mr. Rodman remarked the tournament was in a lot of trouble. The Heritage was very appreciative the County executed a loan because it does have a significant benefit to a lot of different parties, including charitable organizations as well as the county, the latter because the Clemson Study highlighted the amount of taxes, etc. that were collected. The Heritage found itself in a position where they could pay back the loan early, and asked if Council would consider waiving the interest. He does not know if they have lots of money, but they had enough money to pay that back. Mr. Rodman heard they are still struggling a bit in terms of covering the gap to meet all of their financial obligations. The County loaned them money; and if they could not pay it back by a certain point in time, then there were a couple of options. We exercised the option of a five-year note. The County Administrator and staff concluded that they would bake into the note a prime interest rate. There is nothing wrong with that. As a practical matter, the amount of money that they would owe us is about \$30,000 based on that calculation. The practical matter is that if we had the money sitting in our account, we would have earned probably \$2,000. At this time, Mr. Rodman does not see any reason not to waive it for \$2,000. He does not think we are in the business of making \$2,000 by loaning money. That is what we would be doing in this particular case.

Mr. Newton commented the tournament is here (Hilton Head Island and Beaufort County) because the Town of the Hilton Head Island has made an annual financial commitment to that tournament at a significant amount. The Heritage did not come back to the County and ask the County to participate in its long-term strategy because the Boeing sponsorship is not enough to keep it. He cannot recall the exact economic impact from this tournament was, but \$80 million comes to mind. There are numerous jobs created and numerous scholarships awarded by this tournament every year in Beaufort County. It is without question that this tournament promotes economic development not only in Beaufort County, but also throughout the State of South Carolina. Mr. Newton views this as a modification, not a breaking of the contract. In hindsight, he regrets the fact that we actually put an interest payment on the loan, paid back with funds from an organization that does as much for Beaufort County. This is not private business. This is not private individuals, who have some sway over Council (as Mr. Baer has suggested). This is a non-profit group that does more to promote Beaufort County and the State of South Carolina than probably any other group. We are really talking about the difference of \$2,000 that we would have earned with the interest in the bank. It is a matter of principle stepping forward and saying, "We appreciate what this group does. We appreciate having the tournament in Beaufort County. We appreciate the scholarships awarded to well-deserved citizens throughout the entire County. These scholarships enable many kids to attend college who might not otherwise have the opportunity." He wholeheartedly supports the concept.

Mr. Baer asked, "At what level of economic impact do we change the rules"? Is it \$10 million? Is it \$5 million"? It is a slippery slope. We are undoing a contract for a particular group that has a lot of economic impact. Other groups have economic impact, too. Do we undo contracts for them?

Mr. Newton asked, “How often, Mr. Baer, have we loaned somebody money with the expectation of earning money”?

Mr. Baer mentioned the below-market rents for hangars as well as the land under which new hangars were built. The same reason was given, “That person had ‘economic impact’ and created jobs.” We should have guidelines. If you create \$5 million of jobs, we will give you “x thousand of concessions.” We are operating by the seat of our pants on every one of these. It gives special privilege to some and not to others.

Mr. Newton does not view it as a special privilege. He views it as an acknowledgment of what this group does for the County.

Mr. Flewelling remarked this is similar to the naming of the Spanish Moss Trial. It is an acknowledgement of a freelance / a civilian group of people not affiliated with the government in any way of the work they are doing. In this particular case, we are not doing anything except forgiving \$2,000 of interest we would have made had this money sat in the bank. It is not as if we have lost anything. He is very comfortable waiving the interest. If any other groups come before Council asking for a loan like this, we really need to consider not having negotiated interest in the contract.

Mr. Newton remarked in the grand context of things, think about what \$2,000 we allocate under the 2% state accommodations tax – a choral group, etc. to promote heads and beds. We are talking about an economic impact of \$80 million. Two thousand dollars (\$2,000) was the total contribution made, ultimately, if this is approved, to keep the tournament here in this part of South Carolina.

Ms. Von Harten stated this is the right thing to do. They are a charity organization. It is a strange thing we did to lend them money. It is a strange thing to forgive people the interest. In all the strangeness, the Heritage does wonderful things for our county and state. Forgiving them this interest is the charitable thing to do.

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

AN ORDINANCE TO AMEND THE FY 2012-2013 SCHOOL DISTRICT BUDGET

It was moved by Mr. Rodman, as Finance Committee Chairman (no second required), that Council approve on first reading, by title only, an ordinance to amend the FY 2012-2013 School District budget.

Mr. Newton clarified the action to open the School District budget, which is going to necessitate three readings and a public hearing, is for the purpose of lowering the local dollars amount

previously allocated and the corresponding tax increase in the context of Senator Davis and the additional state funding at the time.

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

PUBLIC HEARING

Naming of a Proposed Pedestrian / Bicycle Trail

Mr. Sommerville, as Natural Resources Committee Chairman, explained this matter came before the Natural Resources Committee on June 25, 2012. There was a recommendation from the Historic Preservation Review Board to name the rail / trail, not yet built, the Magnolia Line. The Natural Resources Committee members discussed at great length the naming, and the members voted five to two to name it the Spanish Moss Trail. It came to Council and Council realized we had not had a great deal of public input because there are, no doubt, many thoughts about what various portions and parts of the trail might be named and some historical events that have occurred that need to be memorialized. In addition, Council thought it was a great opportunity to have the public weight in on that. Mr. Somerville's family has used that train since the 1870s. Obviously, he has a lot of interest in it, himself.

There is a lot of background to that. We had the Friends of Spanish Moss Trail, formed sometime ago, and they took the initiative to get this project going. We did have a trail. We did not have any money. To tie up with the Pathways Foundation, generates some funding for at least the first mile and some matching grants for the second mile; and, perhaps, additional funding down the road. In order to solicit and receive funding, they had to come up with a name. They had to come up with a 501(c)3 and named is the Friends of Spanish Moss Trail. They developed some branding along the way. They have a fair amount of the grant money tied up in it, approximately \$10,000 or, perhaps, more.

The Chairman opened a public hearing at 6:16 p.m. for the purpose of receiving public comment regarding the naming of a proposed pedestrian / bicycle trail.

Mr. Ed McBayer, representing the Cox Family and Cox Foundation who have donated a considerable amount of money to get this trail started and representing also the Path Foundation in Atlanta, GA. The Cox family is a common donor with us. They have a lot of faith in us, and they asked us to come down here and try to help get the trail started. We have no agenda here other than to help you. "We came seven or eight months ago, I was sent down here, three different times to try to assess the viability of building this trail and to assess the likelihood that all the different entities down here could work together and get this thing built if the seed money was laid for the first mile. When I came to Beaufort last fall, the name of the trail was the Spanish Moss Trail. All of our paperwork that was filed including the agreement between the City and the County and the Friends of the Spanish Moss Trail and the Path Foundation in order

to move the donation forward was done under the name of the Spanish Moss Trail and we started the branding process, coming up with logos, coming up with signs and other things that would identify the trail in its entirety. We did all that, spent part of the money that had been donated to brand it, we've gone forward with our design work, we've got plans in for permitting now in OCRM as well as at the City and the County and you have to remember, we don't really, if the name of the trail had been something else or if you all hadn't decided at the time we came down here seven or eight months ago, I wouldn't be standing here tonight trying to urge you to leave the name alone. But when we came down here before, that was the name of the trail we were told, we signed an agreement with your body, as well as the City and the Friends of the Spanish Moss Trail based on that being the name and I'm here tonight to urge you to leave the name the Spanish Moss Trail. There are plenty of ways to recognize historical significance, lots of signs, and lots of other ways to do it. The name of the trail can be the Spanish Moss Trail and other things can be recognized along the trail as historical significance so the Magnolia Line and the port and that type of thing can be recognized but we would like to see you leave the name alone so that the money can be spent by the deadline. November 1 is our construction deadline in order to receive the grant and September 1 is the deadline for completing all the design work and having the project ready to go to permitting. I'd urge you to leave the name alone so the name of the Spanish Moss Trail continues. Thank you very much."

Mr. Tommy Logan, a resident of Beaufort City, said "It seemed like since the very beginning of this meeting, we've talked about nothing on several items rather of historic preservation first with the movies back in the 1930's or early 1900's as well as Ft. Fremont. I think we're all aware that history of Beaufort County is very unique and we need to do what we can at the present time and in the future to help preserve that history. We all know that a lot of this originated by in 1857 when the legislature charted the railroad from Port. Royal to Augusta. By 1872, it was named the Magnolia Line. Around 1877, there were magnolias planted at every milepost from Pt. Royal to Augusta, one of which still adorns a small park at the beginning of Port. Royal down near the entrance to the port. The railroad had great influence on helping Beaufort and Port Royal grow. That was from a presentation from Gerhard Spieler that we just lost last week. A wonderful historian as it relates to Beaufort history that article came out in 1980. When we had several of these meetings, several of the folks that were on the Friends of the Spanish Moss Trail, they were asked where the Spanish Moss name came from and the two folks at the Natural Resource Committee indicated that they weren't real sure where the name came from. They pointed over to the seal with the moss hanging from the live oak; that's pretty common for live oaks and water oaks in Beaufort but being a parasite in this part of the Country, in our opinion, is nothing really special. Also, several questions: was this Friends of the Spanish Moss Trail, were they asked by the County be an ad hoc committee from the get go, ten months ago I understand. Were they asked for any input? Were they asked to lead the effort? Or were they under any sort of contract to bring all this stuff to a head or was it just a group just like our group is trying to get the proper name attached to the rail trail? After all, I appreciate what Mr. McBrayer has indicated about the money situation but it's my understanding from several meetings with you folks and other committees that Beaufort County has applied for and received a \$1.1 million federal grant which is basically our money and we would like to see our money spent according to the way we think would be appropriate and also as it relates to the naming of the trail. I thank you for your consideration. Thanks very much."

Mr. Joe DeVito is with the Friends of the Spanish Moss Trail. “Where did the name Spanish Moss Trail come from? The idea was to think of something that was going to encompass the system because it’s not just a railroad trail. The railroad was originally named the Port Royal Railroad but we didn’t want this trail to be just about Port Royal. We want it to be about the County, Beaufort County. Its ability to connect its neighborhood to bring its history together, to tie things together. We thought about different names. This is the name that we came up with. Where was the exact moment, the exact time (there’s some movies about that), I can’t tell you. I was there during some of the meetings but I can’t tell you when it exactly happened but the Spanish Moss Trail was the one we ended up. This is a system we’re building not just a railroad trail. It’s a system we hope one day to connect to Yemassee, to Port Royal, to one day go over the McTeer Bridge, to maybe go as far as, if you read this history, to get the Oaks Plantation and Ft. Fremont involved so that this system connects all of Beaufort County together, all the northern side, into a trail system that everybody can use safely, either walking, running, biking, doing what they want on and off the railroad right-of-way, the road networks, maybe even some of the blueways at some point can connect two points together where people can kayak then join a trail and head down to a different area. Give the advantage to bring some economic development into this area. Yes, we got together, we got that first mile but it’s going to go a lot further and we hope to be able to participate with all that. Thank you.”

Ms. Karen Heitman, is the founder of Greater Bluffton Pathways, which is a bicycle and pedestrian advocacy group in Southern Beaufort County. “I’m also the Chairman of the Advocacy Group with Sun City Cyclers. Our bike club currently has about 250 members. We support the Friends of the Spanish Moss Trail and the Path Foundation in the choice of naming it the Spanish Moss Trail. We appreciate all of the hard work done thus far and we would not want to see some of that time, work and money lost by a sudden change in the name and logo for the trail. Sun City Cyclers Bicycle Club has made several overnight trips to the Atlanta area to bike on the Silver Comet Trail and it is one of our favorites. We appreciate the Path Foundation that it is helping us with the first mile of the Beaufort County rail trail so that our citizens can see how to build an excellent bike trail. I heard at a presentation to County Council last month that part of the trail might even pass through the old depot building. Now that would really be memorable. And I wanted to also point out that your Beaufort County logo does have an oak tree in the upper left corner with Spanish moss hanging on it so that might tie in. And also perhaps those who want the Magnolia Trail name could use that on a spur or also be commemorated through other placards along the trail. So, we do support the Friends group and the Path Foundation in naming this new multi-use trail the Spanish Moss Trail. Thank you.”

Mr. George Heitman, is a member of Greater Bluffton Pathways Sun City Cyclers and a cyclist in general. “In over 50 years of riding bicycles around neighborhood streets, my last ten years found myself and my wife enjoying biking on trails – safer, enjoyable and scenic. Many of those are also built on old railroad beds. We find these trails by way of the internet within the state that we wish to visit. The only response I received by using the web for Spanish Moss Trail was in reference to the grant from the Cox Foundation for Spanish Moss Rail Trail, Walking and Bike Path. When I googled Magnolia Trail, I found many hits which contained the name Magnolia in one form or another from Seattle, Washington to Tallahassee, Florida, California,

Georgia, Tennessee, New Jersey, and Colorado. It wasn't easy to find bicycling paths there. However, when there will be a unique attraction like the Spanish Moss Trail, it will draw out-of-state tourists to a bike, walking trail. Then we can proudly show off our many Spanish Moss covered trees found in the Lowcountry. I strongly urge you to maintain and save the work and expense already done to further the Spanish Moss Trail. Thank you. A couple of the books that I have here have to do with Southeast and Mid-Atlantic State trails which you can purchase and then find out where you want to go cycling. The Katie Trail in Missouri, 225 miles long. It was already mentioned about the Silver Comet in Georgia. These things get publicity by way of word of mouth in many cases but the internet certainly helps people like myself find these channels. Thank you again.

Mr. William Harvey, is a member of the board of the Friends of the Spanish Moss Trail. "You heard Mr. Logan asked tonight how we became involved in this process. We became involved in this process through an inter-governmental agreement that Councilman Sommerville has referred to in which we were asked, we were charged with going out and trying to solicit money and solicit the efforts of the Path Foundation to help forward this movement and we have. You've heard tonight that there is a deadline, there's a deadline for construction. If we go about the effort to renaming what has already taken ten months to develop, to brand, to trademark, to develop a logo, we may throw that whole construction schedule off-kilter and the money many go away. I can't think of a worse thing that could happen to this County. I would urge you to keep the process that we've developed on going, to keep the name Spanish Moss Trail, as we have developed, and to keep this process going. Thank you."

Mr. Joe McDermant, a resident of Beaufort City, said, "It seems these two groups of people are foaming at the mouth about what to name this trail. I say don't try to please either side. There's an easy solution; call it the Beaufort Trail. Obviously, it's not going to be a solution to these two groups. Whatever the name you choose, whether it's Beaufort Trail, Battery Creek Trail, I don't know, when the name is finalized, I don't know if this has been said or not but send it to the State and they can put it in the bicycle guide, if they have one. This is one from Mississippi and it's an understatement saying (I have nothing to do with Mississippi) this was done professionally and its very bright, photographs, it had a map on the back. I hope Cecile will forgive me, she didn't say what she wanted it named, but I'm not in favor of either one. It's been printed that the best cities for cycling, I didn't write this, Minneapolis, Portland, Oregon, San Francisco, Seattle, and these are cities that are wet and/or snowy. This brochure was printed 2010/2011. It has a variety of information. It was printed it says copyright 2010, Mississippi Department of Transportation, printed in-house my the MDOT General Services and I can't read the rest, the brochure got scratched. Thank you, have a nice day."

Mrs. Dot Gnann, a resident of the City of Beaufort, said, "I don't enjoy talking before the public anymore. I use to relish all that stuff but anyway, I'm here this afternoon to make a few comments about this Magnolia Trail on Magnolia Line as it used to be called. As an adjacent small landowner to the Magnolia land, with fond memories of it, I've always; however, supported this project. I've always supported walking trails and bike trails all the way from California to Bluffton, as a matter of fact, but let's stop for a moment. It's a fact that every single footprint in Beaufort County speaks to its history. Not many other counties can boast for

that. And you, County Council members, are the custodians. And that's why it's so important. It's almost after the fact but any well-meaning group, such as this hard-working group, has done a lot of admirable work. Stop at the historic station first and look at the history. And that applies to these quasi-governmental agencies such as the Beaufort Jasper Water & Sewer Authority and any other one. They need to stop first and look at its past. Every time there's a controversy if they do not stop by the elected body first. Does anybody remember that the name of Pritchardville almost went into oblivion at one time? Does anybody recall that that cutesy name of Cherry Point almost went into oblivion when the name Okatie, one of the most historic names in the USA, almost went down the drain? Not to speak of the questionable names that occasionally have come before the august body to name boat landings in the midst of national landmarks. People must come to this body first or the committee of it. I didn't know until a few minutes ago when Bill Harvey was speaking that it was a duly appointed committee by a Paul Sommerville's committee and apparently approved by you all. So it's almost fait accompli. I hardly know why I'm up here. But you know, think about this for a minute - we have The Beaufort County Historic Society, The Beaufort Historic Foundation, Bluffton, Hilton Head, Port Royal, Open Land Trust – we have all sorts of wonderful volunteers who can really help with any historic significance of anything like this which is terribly important. You know at this point so much hard work has been accomplished before I was even aware of what was going on and we have to recognize that. I hate to say that but we do. The County, I understand, has received over \$1 million, Cox Foundation and other entities have supported it and as far as the public stands at this particular moment, there has to be a compromise but when you do so, please try to include the Magnolia Line. Let's not let Beaufort County history, which hasn't a voice of its own slip away while you, as protectors, busy yourselves about so many other important things. Thank you."

Mr. David Tedder, is one of the directors of the Friends of the Spanish Moss Trail. "I've been working on this since at least 2007 through the Cox Family when I met with the Water Authority to consider how do we take the rail trail and the old abandoned rail and turn it into a trail. I'm on year five or six at this particular point. I want to reiterate what Joe DeVito said. We have tried to come up with a big tent name. Something that is not exclusive but all-inclusive. We didn't want to call it the Port Royal Railroad, which was an original name because that's focusing down there; we didn't want to call it the Beaufort Rail Company, what it ended up with because that's too exclusive. Spanish Moss Trail allows for us to include all kinds of historical references along the way and is noted in your report up there, the spurs, because there are plans. I'm on the hospital board, we've been working on trying to connect our wellness trail down Allison Road to the trail and put it together. Get it over the McTeer Bridge so it can go all the way out to Penn Center or we can do the kinds of things that we've envisioned all along about how we use the Spanish Moss Trail and the history of Beaufort County to get visitors here and spend dollars and help us grow it. We've talked about historical markers; it's actually in the presentation that you've seen as part of our public work and intergovernmental agreement where we held public meetings through the auspices of the City of Beaufort, the initial permitting agency. There are opportunities and I don't have the overhead up right now and I'm sorry that I can't get this up there but we looked at trail systems like the Silver Comet Trail and looked at how they take these types of markings and place them at appropriate spots along the way. The Port of Port Royal is very historic. When I read the historical documents and I know you all had a 51 or 57 page

article sent around, the Magnolia Line dealt with the packing drop operations which actually was a very, I won't say minor, but not the most significant part of the history of the railroad because it was commercial. And I find it very interesting that the Port of Georgia and the people in Georgia over 100 years were doing the same thing that they're doing to us now, trying to stop our ports in SC from growing but if you look at – this can be at the Sands and the port where it originated, where it had its origins for all the commercial. Along the way, we'd like to get out there to the ACE Basin by getting across the Whale Branch out to Kean's Neck Road and what use to be called the Steel Bridge. Recently renamed the Harriet Tubman Bridge so that you can have this type of logo out there and along the way to go past Seabrook, one of the most historic farming operations out there near Lobecko at Whale Branch, we have that type of marketing and marking for historical things out there. Penn Center, when we get out across the bridge, the same thing. The Magnolia Line, I don't have a large one on that, but we look at the depot area where we had assigned a route through the depot, you can have the same thing, the history of the Magnolia route, the signage, and all that kind of stuff. That's inclusive. It's not exclusive and that's what we've been trying to do with where we're going. In closing, thank you for the time. I'd ask those that are here in support of keeping the name or having it named Spanish Moss Trail, raise your hand. Thank you."

Ms. Yvette Williams, a resident of Yemassee, stated, "I love the name Spanish Moss. I heard it, it just rang to me in my heart and I just got visions of wonder. I always wondered about the Spanish moss actually. Thoughts and feelings just captivated about the future and about the new generation in Beaufort County as far as what the County may become more than, other than, what it is or what it has been. I was immediately taken because I always loved the Spanish culture so that just, that name, I don't know if that has anything to do with the controversy, that name, but the Spanish culture I was always captivated with it and I find so much positivity in that and I think it would be a great asset to have something that we are blessed to have built here in Beaufort County to be named. One thing that I hear a lot of people talk about the historic value of the name Magnolia but I asked myself, I wondered how a species of tree can preserve the historical value of a railroad that no longer exists. I'm not sure how that can be but I'm so grateful, I'm so grateful, I think this is a great thing that we're trying to get done for the County and it's just a beautiful thing. Just ask Doctor Patton – I don't know if any of you remember him but he would definitely tell you that the bike trail has nothing to do with a railroad. I thank you and hope that we can bring this forth in a timely manner and we won't have to lose any valuable which we want as much as we can get and we understand that sentiments of those that enjoy the history of our County but we should all be grateful and all be happy and look forward to the future. I see wonder in that name. I see attractiveness and beauty and grace and look forward to the future and not only what Beaufort County is and has been. Thank you.

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

The Chairman asked the audience for a show of hands supporting Magnolia Line

It was moved by Mr. Sommerville, as Natural Resources Committee Chairman (no second required), that Council approve naming of the rail trail the Spanish Moss Trail.

Mr. Sommerville is going to vote for the Spanish Moss Trail name. The reason is there has been a huge amount of work that has gone into this effort, not to mention the money that has gone into this up to this point. He does not want to derail that. The fact of the matter is Council did not give the Friends of Spanish Moss Trail a lot of direction. They took it upon themselves; and we are grateful. We did end up entering into a written agreement with them. He appreciates the efforts they have made and the work that they have done. Mr. Sommerville believes, and several speakers mentioned it that a lot of this trail is going to be off the railroad line. There will be plenty of opportunities in the future to name portions of it -- rail line and spurs -- different names. He is surprised no one said anything about the military. He was waiting for the Mayor of Yemassee to tell us to name part of it after the thousands of Marines who came from Yemassee to Beaufort on the railroad. He is sure, at least in Yemassee, we will be able to memorialize that. He will vote for the name Spanish Moss Trail, but not to the discount of the name Magnolia Line. We will have plenty of opportunity to incorporate that into a portion of the trail.

Mr. Flewelling expressed his appreciation to everybody who worked with the Friends of Spanish Moss Trail and Mr. McBrayer of the Path Foundation. If the Silver Comet Trail is any judge of what we are going to end up in Beaufort, we should all look forward it. It is a beautiful trail. It is a wonderful opportunity to get out and enjoy nature and the whole area around that part of Georgia. Everybody has been saying that we have an agreement to name the trail already. What we have is an agreement, a Memorandum of Understanding / Intergovernmental Agreement, between several parties. One of those parties being the Friends of Spanish Moss Trail. Nowhere in the agreement is it Spanish Moss Trail. It is the rail trail, the trail, and the project. His biggest concern with this whole effort has been that there was not a lot of public input to the process. We have had that today. For the last month, his inbox has been flooded with a series of emails people expressing their opinion one way or the other. He has read all of those letters; he appreciates their concern. He intends to vote for the name Spanish Moss Trail. As Ms. Williams said during public comment, the name Spanish Moss evokes something of the Lowcountry and something of entire Lowcountry, not just the part that sits in the right of way. Spanish moss has been here longer the railroad. He supports the name Spanish Moss Trail and hopes we can include historic reference to other things around the County, at a later time.

Ms. Von Harten thinks this is a good lesson to Council about getting public input relating to the naming of projects way in advance. We have kind of waited until the last minute on this issue. In the future, maybe we can get people more involved from the beginning. She thanked the members of the Historic Preservation Review Board for the work that they did in considering this project. They were trying to do the right thing by memorializing our history. Our natural history is just as important as our cultural history. She is going to be voting for Spanish Moss Trail in honor of our natural history here in the Lowcountry.

Mr. Rodman commented a lot of time Council ends up deferring to the Council members were an issue is happening in their Districts. We have heard from three Council members, and he

would be interested in whether any of the other Council members north of the Broad River have an opinion on what they name is if they care to speak.

Mr. Glaze supports the name Spanish Moss Trail.

Mr. Newton remarked the important thing to note about this whole process is the fact that we actually have something to celebrate. From the time Mr. Glen Kilgore, who represented this part of South Carolina on the SC Ports Authority Board, called Mr. Newton one day and said, “Is there any chance Beaufort County has an interest in acquiring the old rail trail.” Mr. Newton and Mr. Kilgore met for lunch and he said, “Yes, but I do not have any idea how we will pay for it. But sure, if you could give us the exclusive right to acquire it, we will go figure that out.” We did. Through a partnership with B/J Water and Sewer Authority, they acquired the property in order to preserve their utility lines. From Mr. Newton’s tenure on Council with Mrs. Dorothy Gnann, former Council member, he has always paid very close attention to what she had to say and found her comments and sage advice very appropriate. Mr. Newton is very mindful of her comments that we stop and look at the past. He hopes that as this trail develops that not only the Magnolia Line, but all components of this trail incorporate, in all the mediums that we can, today, the historical significance of all of the component parts of this. As Mrs. Gnann indicated, in many respects, the cart / the train has left the station. There has been a great amount of work undertaken by the Path Foundation, whether it was implicit in moving forward and the need to place a name on the project, in the absence of an expressed directive by this Council to do so. Often the private sector and the volunteers and citizens do a much better job than we do in certain aspects. He is delighted to support the name Spanish Moss Trail, but hopes that in developing this system appropriate recognition and clearly including appropriate designation of areas or aspects of this trail as the Magnolia Line are incorporated. He thanked Mr. Ed McBryer, representing the Path Foundation, for coming all the way from Atlanta to share with Council what is going on. Please send our thanks back to the Cox Family Foundation. We appreciate the help with the first mile and we have 12 more to go. Hopefully, we will all work through a partnership to move forward and get this whole project done all the way out to Yemassee.

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

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

COMMITTEE REPORTS

There were no committee reports.

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

PUBLIC COMMENT

There were no requests to speak during public comment.

ADJOURNMENT

Council adjourned at 8:10 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST _____
Suzanne M. Rainey, Clerk to Council

Ratified:

DRAFT



Memorandum

DATE: August 10, 2012
TO: County Council
FROM: Gary Kubic, County Administrator
SUBJ: County Administrator's Progress Report

The following is a summary of activities that took place July 23, 2012 through August 10, 2012:

July 23, 2012

- Monthly meeting with County Assessor Ed Hughes
- County Caucus meeting
- County Council meeting

July 24, 2012

- Meeting with SCE&G representatives and staff re: Revised gas transmission line proposal
- Staff meeting re: Phase 5A (fly over) / water line relocation

July 25, 2012

- Ceremony – presentation of plaque to the family of the late Horace Williams

July 26, 2012

- Tour of Fort Fremont
- Monitoring conference with Department of Commerce representatives, Michelle Knight of LCOG, and staff re: St. Helena Library

July 27, 2012

- Personal leave

July 30, 2012 – August 3, 2012 / August 6 – 10, 2012

- Personal leave



Memorandum

DATE: August 10, 2012
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 July 23, 2012 through August 10, 2012:

July 23, 2012 (Monday):

- Attend Ribbon Cutting Ceremony at Buckingham Plantation Drive and Bluffton Parkway
- Meet with Alicia Holland, Controller
- Attend St. Helena Library Security & Funding Meeting
- Prepare for County Council
- County Council
- Announce Games at 2012 Dixie Boys Baseball Tournament (Burton Wells)

July 24, 2012 (Tuesday):

- Meet with Dan Morgan
- Work on Reassessment
- Announce Games at 2012 Dixie Boys Baseball Tournament (Burton Wells)

July 25, 2012 (Wednesday):

- Meet with Philip Foot, Public Safety Division Director
- Meet with Suzanne Gregory, Employee Services
- Attend Williams Family Plaque Ceremony
- Work on Reassessment Document
- Announce Games at 2012 Dixie Boys Baseball Tournament (Burton Wells)

July 26, 2012 (Thursday):

- Meet with Marc Orlando, Town of Bluffton re: Project Pants
- A.M. Bluffton Hours
- Work on Reassessment Document
- Meet with David Starkey, CFO and Joshua Gruber, Staff Attorney
- Announce Games at 2012 Dixie Boys Baseball Tournament (Burton Wells)

July 27, 2012 (Friday):

- PLD

July 30, 2012 (Monday):

- DA Meeting
- Meet with Dan Morgan, MIS Director
- Meet with Joy Nelson, Public Information Officer
- Work on Reassessment Document

July 31, 2012 (Tuesday):

- Meet with Robert McFee, Engineering & Infrastructure re: Tour of Facilities North of Broad River
- Meet with Suzanne Gregory, Employee Services
- Meet with Mitzi Wagner, Disabilities and Special Needs Director

August 1, 2012 (Wednesday)--Bluffton:

- Bluffton Hours

August 2, 2012 (Thursday):

- Meet with David Starkey, CFO and Alicia Holland, Controller re: S&P Ratings Conference Call
- Meet with Dan Morgan, MIS Director
- Meet with David Starkey, CFO re: Moody's Ratings Call
- Telephone call with Judge Fulp re: Personnel
- Meet with Mark Roseneau, Director of Facilities

August 3, 2012 (Friday)--Bluffton:

- Bluffton Hours

August 6, 2012 (Monday):

- Bluffton Hours A.M.
- Meet with Audra Antonacci, Codes Enforcement re: Fruit Stand Issue
- Attend Finance Committee Meeting
- Attend Natural Resources Committee Meeting
- Attend Governmental Committee Meeting

August 7, 2012 (Tuesday):

- Meet with Rob Lewis, Broadcasting
- Meet with Monica Spells, Compliance Officer and Joy Nelson, PIO
- Meet with Communications Team (Dan Morgan, Joy Nelson, Monica Spells, Scott Grooms, Rob Lewis and Joanne Romine)
- Meet with Andy Fulghum, Jasper County Administrator

August 8, 2012 (Wednesday):

- Agenda Review
- Meet with Monica Spells, Compliance Officer re: PALS Study
- Meet with Suzanne Gregory, Employee Services

August 9, 2012 (Thursday)--Bluffton:

- Bluffton Hours

August 10, 2012 (Friday):

- Work with Alicia Holland, Controller re: Completion of Budget Process
- Attend S-79 Over Jarvis Creek Meeting

Budget FY 2012
As of 8/8/2012
Description

Actual Year to Date Comparison
For the Period Ending June 30th

June 30, 2012
Actual to Date
Adopted
Budget
FY 2012

Description		Organization	ORG	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012	FY 2012
Taxes			41000	(74,049,849)	(72,781,606)	(73,219,927)	(71,909,930)	(71,909,930)	(72,130,243)
Licenses & Permits			42000	(2,787,597)	(2,406,781)	(2,324,229)	(2,905,880)	(2,905,880)	(2,567,500)
Intergovernmental			43000	(9,064,133)	(7,840,692)	(7,209,033)	(6,878,464)	(6,878,464)	(7,422,875)
Charges for Services			44000	(10,181,054)	(10,871,665)	(10,960,563)	(11,181,795)	(11,181,795)	(11,226,774)
Fines & Forfeitures			45000	(1,063,709)	(1,114,193)	(836,282)	(837,461)	(837,461)	(953,000)
Interest			46000	(1,033,426)	(535,064)	(172,209)	(153,886)	(153,886)	(141,000)
Miscellaneous			47000	(1,091,777)	(784,642)	(822,952)	(446,050)	(446,050)	(705,600)
Other Financing Sources			48000	(849,175)	(2,754,898)	(1,428,891)	(1,159,678)	(1,159,678)	(1,156,500)
General Fund Revenue				(100,120,720)	(99,089,541)	(96,974,086)	(95,473,144)	(95,473,144)	(96,303,492)
General	Elected	COUNTY COUNCIL	11000	757,489	635,734	643,954	560,453	560,453	623,982
General	Elected	AUDITOR	11010	610,481	643,652	538,868	489,549	489,549	623,510
General	Elected	TREASURER	11020	991,764	808,954	818,943	682,666	682,666	645,070
General	Elected	TREASURER TAX BILLS & CC FEES	11021	-	1,327,648	490,214	357,701	357,701	481,000
General	Elected	CLERK OF COURT	11030	1,002,441	963,474	837,312	786,725	786,725	831,574
General	Elected	FAMILY COURT	11031	418,181	337,080	215,458	196,491	196,491	249,668
General	Elected	PROBATE COURT	11040	832,561	849,174	730,443	735,967	735,967	756,659
General	Elected	CORONER	11060	464,441	373,890	319,525	390,468	390,468	391,938
General	State	HILTON HEAD MAGISTRATE	11100	94,368	34,356	652	-	-	-
General	State	BEAUFORT MAGISTRATE	11101	591,063	685,920	660,643	772,417	772,417	606,062
General	State	BLUFFTON MAGISTRATE	11102	566,347	529,107	359,162	395,990	395,990	401,125
General	State	SHELDON MAGISTRATE	11103	52,361	64,207	64,972	69,248	69,248	66,618
General	State	ST HELENA MAGISTRATE	11104	91,456	82,777	82,908	46,276	46,276	82,508
General	State	MAGISTRATE BOND COURT	11105	81,696	84,396	80,201	94,870	94,870	90,681
General	State	MAGISTRATE AT-LARGE	11106	100,571	79,900	102,039	133,706	133,661	101,058
General	State	MASTER IN EQUITY	11110	303,671	309,433	284,317	285,433	285,433	295,937
General	Allocation	GEN GOVT DIRECT SUBSIDIES	11199	1,229,580	1,631,125	1,364,350	1,020,824	1,020,824	1,128,340
General	Admin	COUNTY ADMINISTRATOR	12000	465,854	919,541	591,064	509,120	509,120	567,747
General	Admin	HOUSING	12003	(12,232)	3,750	-	-	-	-
General	Admin	PUBLIC INFORMATION OFFICER	12005	271,894	386,010	96,852	70,860	70,860	85,218
General	Admin	BROADCAST SERVICES	12006	-	-	177,022	248,695	248,695	221,467
General	Admin	STAFF ATTORNEY	12010	677,740	556,119	551,291	507,441	507,441	497,661
General	Admin	INTERNAL AUDITOR	12015	58,741	111,710	30,398	57,456	57,456	66,091
General	State	PUBLIC DEFENDER	12020	151,145	-	-	-	-	-
General	Admin	VOTER REGISTRATION/ELECTIONS	12030	827,832	694,812	563,717	608,045	608,045	598,260
General	Admin	ELECTION WORKERS	12031	-	(1,050)	211	1,060	1,060	-
General	Admin	ASSESSOR	12040	2,335,036	2,429,315	1,834,302	1,706,379	1,706,379	2,053,520
General	Admin	REGISTER OF DEEDS	12050	629,070	548,074	442,376	446,291	446,291	469,563
General	Admin	RISK MANAGEMENT	12060	130,777	135,647	92,245	92,544	92,544	96,495
General	State	LEGISLATIVE DELEGATION	12080	83,590	83,625	66,791	69,099	69,099	67,535

Budget FY 2012
As of 8/8/2012

Actual Year to Date Comparison
For the Period Ending June 30th

June 30, 2012
Actual to Date

Adopted
Budget

Description	Organization	ORG	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012	FY 2012	
General	Admin	ZONING & DEVELOPMENT ADM	13330	249,765	240,290	193,207	180,311	180,311	204,643
General	Admin	PLANNING	13340	883,431	852,797	704,085	703,211	703,211	696,539
General	Admin	COMPREHENSIVE PLAN	13341	73,720	60,253	398,141	138,829	138,829	126,475
General	Admin	AUTOMATED MAPPING/GIS	13350	535,343	595,825	446,302	383,503	383,503	407,316
General	Admin	DIRECTOR OF COMMUNITY SERVICES	14000	227,530	208,001	122,808	121,199	121,199	127,785
General	Admin	STAFF SERVICES	14010	495,945	427,774	379,669	254,337	254,337	353,193
General	Admin	EMPLOYEE SERVICES	14020	821,595	936,766	909,982	964,999	964,999	872,760
General	Admin	RECORDS MANAGEMENT	14030	241,795	199,101	146,795	215,898	215,898	208,385
General	Admin	FINANCE DEPARTMENT	15010	611,651	546,441	529,372	592,945	592,945	593,166
General	Admin	PURCHASING	15040	241,832	248,317	228,451	208,730	208,730	235,383
General	Admin	BUSINESS LICENSES	15050	670,253	474,360	153,371	50,569	50,569	97,537
General	Admin	MANAGEMENT INFORMATION SYSTEMS	15060	1,934,403	2,504,079	1,891,678	2,010,231	2,010,231	2,360,307
General	Admin	MANAGEMENT INFORMATION SYSTEMS	15061	-	1,128	-	-	-	-
General	Admin	DIRECTOR OF PUBLIC SERVICES	17000	253,858	256,898	207,698	209,379	209,379	205,382
General	Fringe	GENERAL GOVT BENEFITS POOL	19199	-	-	2,101,252	2,075,105	2,075,105	2,177,360
Public Safety	Elected	SHERIFF	21051	6,524,237	6,935,326	7,111,849	6,386,060	6,386,060	6,567,860
Public Safety	Elected	SHERIFF	21052	12,005,802	12,051,225	12,193,300	10,764,073	10,764,073	10,655,494
Public Safety	Elected	SHERIFF	21053	-	-	-	576,403	576,403	555,457
Public Safety	Elected	SHERIFF	21055	1,186,135	1,420,920	1,315,482	1,142,861	1,142,861	1,302,274
Public Safety	Admin	EMERGENCY MANAGEMENT	23140	648,344	665,401	480,067	460,370	460,370	440,327
Public Safety	Admin	EMERGENCY MANAGEMENT	23141	22,653	-	-	-	-	-
Public Safety	Admin	EMERGENCY MANAGEMENT	23142	-	5,393	152,585	79,206	79,206	91,586
Public Safety	Admin	EMERGENCY MANAGEMENT - Comm	23150	4,420,466	4,252,117	4,212,527	5,060,256	5,060,256	4,602,211
Public Safety	Admin	EMERGENCY MANAGEMENT - DATA	23155	920,455	1,076,177	819,645	536,321	536,341	692,857
Public Safety	Admin	EMERGENCY MEDICAL SERVICE	23160	6,076,990	5,959,606	5,078,989	5,204,466	5,204,466	4,898,239
Public Safety	Admin	DETENTION CENTER	23170	6,597,249	6,409,241	5,557,117	5,105,278	5,105,278	5,433,000
Public Safety	Admin	TRAFFIC - Signal Management	23322	370,111	303,325	277,246	290,942	290,942	307,314
Public Safety	Admin	TRAFFIC - Signal Management	23323	-	128,249	104,007	115,097	115,097	116,000
Public Safety	Admin	BUILDING CODES	23360	1,493,328	1,311,688	948,365	699,449	699,449	624,837
Public Safety	Admin	BUILDING CODES ENFORCEMENT	23361	-	-	-	182,772	182,772	219,393
Public Safety	Fringe	PUBLIC SAFETY BENEFITS POOL	29299	-	-	2,447,228	4,883,039	4,883,039	5,372,376
Public Works	Admin	FACILITIES MANAGEMENT	33020	2,307,493	2,443,107	2,112,228	1,740,671	1,740,671	2,055,403
Public Works	Admin	BUILDINGS MAINTENANCE	33030	1,082,245	1,034,490	1,070,415	992,517	992,517	1,061,572
Public Works	Admin	GROUPS MAINTENANCE - NORTH	33040	1,307,629	1,328,895	1,061,146	1,234,246	1,234,246	1,759,275
Public Works	Admin	GROUPS MAINTENANCE - SOUTH	33042	1,134,929	1,111,226	876,985	567,419	567,419	-
Public Works	Admin	PUBLIC WORKS GEN SUPPORT	33300	865,321	990,810	701,598	678,314	678,314	709,671
Public Works	Admin	ROADS/DRAINAGE - NORTH	33301	1,051,231	1,048,771	873,630	799,801	799,801	801,181
Public Works	Admin	ROADS/DRAINAGE - SOUTH	33302	547,285	706,686	602,956	451,013	451,013	539,706
Public Works	Admin	PUBLIC WORKS ADMINISTRATION	33305	416,223	371,265	279,819	272,696	272,696	248,018
Public Works	Admin	ENGINEERING	33320	1,040,997	450,071	304,747	279,277	279,277	338,283

Budget FY 2012
As of 8/8/2012

Actual Year to Date Comparison
For the Period Ending June 30th

June 30, 2012
Actual to Date

Adopted
Budget

Description	Organization	ORG	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012	FY 2012	
Public Works	Admin	SWR ADMINISTRATION	33390	1,078,243	5,011,077	4,361,167	4,185,944	4,185,944	4,744,454
Public Works	Admin	SWR	33391	190,554	-	-	-	-	-
Public Works	Admin	SWR	33392	248,765	-	-	-	-	-
Public Works	Admin	SWR HILTON HEAD	33393	1,074,471	104,191	108,391	101,345	101,345	100,693
Public Works	Admin	SWR BLUFFTON	33394	1,150,625	156,074	143,157	148,522	148,522	145,790
Public Works	Admin	SWR BURTON	33395	648,362	156,532	165,616	139,578	139,578	177,521
Public Works	Admin	SWR DAUFUSKIE	33396	372,087	33,298	203	-	-	49,356
Public Works	Admin	SWR ST HELENA	33397	527,965	143,143	137,139	153,228	153,228	163,455
Public Works	Admin	SWR SHELDON	33398	265,491	107,353	109,882	100,525	100,525	101,993
Public Works	Admin	SWR TOWN OF BLUFFTON	33399	82,419	-	-	-	-	-
Public Works	Fringe	PUBLIC WORKS BENEFITS POOL	39399	-	-	1,382,469	1,279,438	1,279,438	1,429,893
Public Health	Admin	ANIMAL SHELTER & CONTROL	43180	908,216	899,340	758,613	797,297	797,297	774,061
Public Health	Admin	MOSQUITO CONTROL	43190	1,634,244	1,714,086	1,087,606	1,158,132	1,158,132	1,091,325
Public Health	Admin	ENVIRONMENTAL SCIENCE	43195	-	5,000	-	-	-	-
Public Health	Allocation	PUBLIC HEALTH DIRECT SUBSIDIES	44199	2,609,449	2,630,740	2,582,740	1,914,059	1,914,059	1,800,511
Public Health	Fringe	PUBLIC HEALTH BENEFITS POOL	49499	-	-	301,388	288,541	288,541	325,265
Public Welfare	Admin	VETERANS AFFAIRS	54050	223,530	194,205	139,703	141,562	141,562	143,034
Public Welfare	State	DEPT OF SOCIAL SERVICES	54060	204,214	196,105	197,450	180,973	180,973	195,700
Public Welfare	Allocation	PUBLIC WELFARE DIRECT SUBSIDIES	54299	504,681	481,320	498,330	438,443	438,443	540,000
Public Welfare	Fringe	PUBLIC WELFARE BENEFITS POOL	59599	-	-	37,170	28,199	28,199	29,572
Cultural	Admin	PALS CENTRAL ADMINISTRATION	63310	347,243	407,865	361,055	257,591	257,591	264,628
Cultural	Admin	PALS SUMMER PROGRAM	63311	137,999	143,279	158,241	137,961	137,961	120,450
Cultural	Admin	PALS AQUATICS PROGRAM	63312	1,110,581	1,177,361	1,041,870	969,602	969,602	924,044
Cultural	Admin	PALS HILTON HEAD PROGRAMS	63313	343,012	80,000	79,980	80,132	80,132	80,000
Cultural	Admin	PALS BLUFFTON PROGRAMS	63314	634,245	900,237	792,306	117,831	117,831	145,500
Cultural	Admin	PALS ATHLETIC PROGRAMS	63316	634,397	523,068	396,397	759,063	759,063	917,492
Cultural	Admin	PALS RECREATION CENTERS	63317	999,685	854,749	611,778	587,267	587,267	717,584
Cultural	Admin	LIBRARY ADMINISTRATION	64070	894,018	870,732	639,241	625,302	625,302	651,166
Cultural	Admin	LIBRARY BEAUFORT BRANCH	64071	673,667	651,413	509,425	498,662	498,662	512,347
Cultural	Admin	LIBRARY BLUFFTON BRANCH	64072	815,150	771,287	557,855	436,031	436,031	509,272
Cultural	Admin	LIBRARY HILTON HEAD BRANCH	64073	764,006	707,536	613,103	524,819	524,819	572,403
Cultural	Admin	LIBRARY LOBECO BRANCH	64074	209,051	203,066	111,668	124,398	124,398	128,087
Cultural	Admin	LIBRARY ST HELENA BRANCH	64075	100,327	91,332	92,538	91,799	91,799	91,919
Cultural	Admin	LIBRARY TECHNICAL SERVICES	64078	864,438	888,005	395,537	476,481	476,481	579,194
Cultural	Admin	LIBRARY SC ROOM	64079	110,193	111,974	95,890	95,569	95,569	99,178
Cultural	Fringe	CULTURAL & RECRE BENEFITS POOL	69699	-	-	897,015	786,770	786,770	834,815
General Fund Expenditures				91,429,490	93,078,767	88,399,895	85,572,631	85,572,606	89,118,554

Budget FY 2012
As of 8/8/2012

Actual Year to Date Comparison
For the Period Ending June 30th

June 30, 2012
Actual to Date

Description	Organization	ORG	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012	Adopted Budget FY 2012
Transfers	Allocation	GENERAL FUND XFERS OUT	99100					
		Miscellaneous Grant	59200	10,000	11,301	-	-	-
		Daufuskie Ferry	59202	75,000	75,000	100,000	100,000	100,000
		Public Safety Grants	59206	11,059	-	61,180	2,472	2,472
		EMS Grants	59207	1,772	6,352	1,315	6,000	6,000
		Tire Recycling	59226	-	8,808	14,516	-	-
		Real Property	59209	-	-	-	333,859	333,859
		Dale Water Line	59229	-	-	31,524	-	-
		PALS Programs Fund	59231	18,693	15,452	2,999	-	-
		DSN Programs Fund	59241	1,296,139	1,438,099	1,620,612	1,359,500	1,359,500
		A&D Programs Fund	59261	292,679	251,615	364,563	299,687	299,687
		DNA Laboratory	59270	323,379	318,417	332,494	-	-
		Victims Assistance	59271	203,577	303,364	93,834	107,635	107,635
		School Resource Officer	59273	115,033	115,033	145,855	133,451	133,451
		Sheriff Grant	59274	23,919	6,311	18,528	4,806	4,806
		Sheriff s Vehicles	59277	-	-	-	-	-
		DNA Grant Fund	59280	-	-	-	22,097	22,097
		COSY Program	59281	42,000	103,000	130,000	160,000	140,000
		Solid Waste	59290	18,525	-	-	-	-
		Debt Service Fund	59300	-	-	-	400,000	400,000
		LI Airport	59570	-	100,000	-	-	-
		HHI Airport	59580	-	150,000	12,500	-	-
		Clerk of Court	59619	-	417,705	-	-	-
		Public Defender	59651	360,000	653,363	419,028	300,000	300,000
		Sheriff s Trust	59663	-	20,000	30,000	30,000	-
		Total General Fund Transfers Out		2,791,775	3,993,820	3,378,948	3,259,507	3,184,938
Education	Education	Education Allocation	64399	4,716,300	4,716,300	4,716,300	4,000,000	4,000,000
		General Fund Expenditures (including Transfers and Education Allocation)		98,937,565	101,788,887	96,495,143	92,832,138	92,832,113
		Net (Surplus)/Deficit		(1,183,155)	2,699,346	(478,943)	(2,641,006)	(2,641,031)

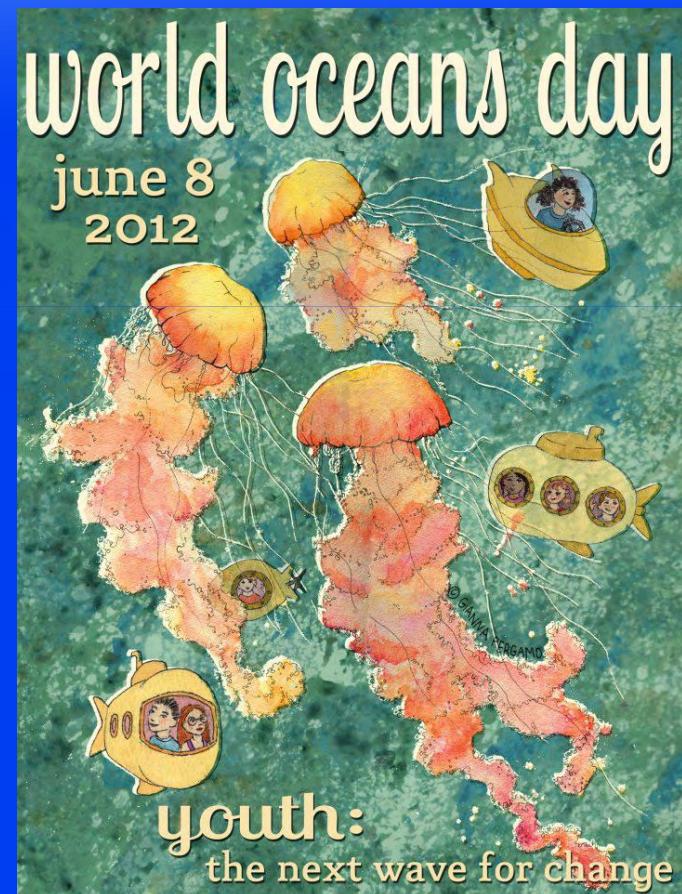


**WORLD OCEANS MONTH
AND
CLEAN MARINE PROJECT**

**BEAUFORT COUNTY, SC
AUGUST 13, 2012**

History of World Oceans Day

- 2008: United Nations General Assembly designated June 8th as “*World Oceans Day*”
- Coordinated internationally by *The Ocean Project & World Ocean Network*
- Increased global participation each year.



Marine Debris: Why is it a concern?

- **Environmental Impacts:**

- Wildlife Hazards
- Habitat Loss



- **Economic Impacts:**

- Tourism
- Fishing



- **Human Health & Safety Impacts:**

- Navigational Hazards
- Chemical Contaminants
- Visitor Safety & Aesthetics



A Collaborative Effort

- **Grassroots efforts at local level coincide to address a global problem.**
- **Opportunities for leveraging local partnerships**
- **Partnerships developed to educate citizens about:**
 1. *Preventing, reducing, disposing and reporting marine debris (Clean Marine project)*
 2. *Ocean stewardship (World Oceans Day Beaufort)*

A Collaborative Effort

- ArtWorks,
- Beaufort County Public Works
- S.C. Sea Grant Consortium
- SC Aquarium
- Port Royal Sound Foundation
- Beaufort Conservation District
- Clemson Extension
- KBCB
- Beaufort County Libraries
- Beaufort County School District
- SCDHEC
- SCDNR
- Friends of Hunting Island
- Town of Bluffton
- Town of Hilton Head
- Coastal Discovery Museum
- Lowcountry Institute
- BJWSA
- Beaufort Kayak Tours
- Coastal Conservation League
- Beaufort Power Squadron
- Coast Guard Auxiliary
- USMC
- SC Marine Association
- Center for Ocean Science & Education Excellence
- Beaufort Sport Fishing & Diving Club
- HHI Sport Fishing Club
- Friends of Fort Fremont
- Plums
- S.C. Shrimpers Association
- Yoga Chandra Center for the Healing Arts
- Waste Management

World Oceans Day Beaufort: **Events Held June 2012**

- **Recycle & Build Art Workshops** at ARTworks in Beaufort
- **Hunting Island Dog Walk & Yoga** on the Beach
- Coastal Discovery Museum **Environmental Lectures**
- Plums & SC Aquarium Sustainable Seafood Initiative hosted a **Sustainable Seafood Dinner**
- **World Oceans Day Festival** with partners at Town Center
- Yoga Chandra **Ocean Motion Event** & screening of the documentary, ***Bag It: Is your Life too Plastic?***

Pictures Worth a Thousand Words



Clean Marine Project : *History*

- **2011:** Clean Marine piloted in Charleston County through support from a NOAA Marine Debris program grant.
- **Partners:** Over 18 organizations/businesses and 25 volunteers/15 site captains
- **Results:** Prevention and proper disposal of 10,380 pounds of boating and fishing related debris that may have ended up in local waterways.



Clean Marine Beaufort: *Objectives*

1. To **raise awareness** of marine debris and proper disposal of these items.
2. To provide a **community action opportunity** for Beaufort County residents to:
 - *monitor & report existing marine debris and*
 - *reduce boating and fishing related debris that could enter into coastal waters.*
3. Continue the work by our local partnerships to **educate the public to be better stewards of our ocean.**

Clean Marine Beaufort: *Grant Support*

UGA /SEA-MDI- \$8,675

S.C. Sea Grant Consortium

Boat US Foundation - \$4,000

Beaufort Conservation District

UPS-KAB - \$1,000

Beaufort County Solid Waste



Pre-Fall Marine Debris/Litter Cleanups

Cleanups:

- May River Cleanup, Town of Bluffton
- Beach Sweep, Hunting Island State Park
- Kayak Cleanup, Lemon Island, Port Royal Sound Foundation
- Kayak Cleanup, Hunting Island, The Kayak Farm
- Kayak Cleanup, Beaufort Kayak Tours
- Kayak Dash for Trash, Water Festival

Derelict Boats Removed:

- Removed two derelict recreational boats from the marsh areas adjacent to county boat landings in Beaufort
- Additional boat identified and will be removed from the Chechessee River marsh area in the upcoming months

Clean Marine Beaufort: *Fall Schedule*

August:

- *Secure marina partners & boat landing siting*
- *Outreach to boating & fishing groups about monitoring effort*

September:

- *Develop promotional materials & promote – print and radio*
- *Conduct training for monitoring effort with boating/fishing groups*

October:

- *Conduct monitoring effort (October 1 – 31, 2012)*
- *Promote 2.5 day Clean Marine event*
- *Recruit and train volunteers and site captains*

NOVEMBER 3 – 5, 2012:

CLEAN MARINE BEAUFORT EVENT!

Clean Marine Beaufort: *Contacts*



Amber Von Harten,

S.C. Sea Grant Consortium

843.255.6060 ext 112

ambervh@clemson.edu

Carol Murphy

Beaufort County Solid Waste and
Recycling

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Shelby Berry,

Beaufort Conservation District

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Beth Lewis

Beaufort County Solid Waste and
Recycling

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COUNTY COUNCIL OF BEAUFORT COUNTY

ADMINISTRATION BUILDING
100 RIBAUT ROAD
POST OFFICE DRAWER 1228
BEAUFORT, SOUTH CAROLINA 29901-1228
TELEPHONE: (843) 255-2180
FAX: (843) 255-9401
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WM. WESTON J. NEWTON
CHAIRMAN

D. PAUL SOMMERVILLE
VICE CHAIRMAN

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DEPUTY COUNTY ADMINISTRATOR

KYNIA A. GRUBER
STAFF ATTORNEY

SUZANNE M. RAINY
CLERK TO COUNCIL

August 13, 2012

Mr. Fred Washington, Chairman
Beaufort County School Board
P.O. Box 309
Beaufort, SC 29901

Re. Termination of Lease for Public Library at St. Helena Elementary School / Buy Back of Library Space

Dear Chairman Washington:

Beaufort County has been actively constructing a state of the art public library on St. Helena Island. Through excellent management and the dedicated work of our contractors, the construction schedule has remained on track and the facility is currently nearing substantial completion.

Pursuant to paragraph 4 of the lease entered into between Beaufort County Council and the Beaufort County Board of Education, a copy of which is enclosed for your reference, Beaufort County hereby provides ninety (90) days advance notice that we will be terminating this lease agreement effective November 1, 2012. Please note in section 6(c) of the lease agreement, the Beaufort County Board of Education agreed to buy back the leased space from County Council for One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00). These funds represent the initial contribution that County Council provided to the School Board and were used to help construct the St. Helena Elementary School. Please contact our Finance Department if you should have any questions regarding payment instructions.

We look forward to working with the School District in the future to maximize the uses of the new St. Helena Library branch and thank you for your continued support of the Beaufort County Libraries.

Please do not hesitate to contact me should you have any questions.

Very truly yours,

Wm. Weston J. Newton, Chairman
Beaufort County Council

Enclosure

cc: Gary Kubic, County Administrator
Bryan Hill, Deputy County Administrator
Wlodek Zaryczny, Director of Library
Valerie Truesdale, Superintendent, Beaufort County School District
Jackie Rosswurm, Beaufort County School District
Phyllis White, Chief Operational Services Officer, Beaufort County School District

TUPPER, GRIMSLEY & DEAN, P.A.
ATTORNEYS AT LAW
POST OFFICE BOX 2055
611 BAY STREET
BEAUFORT, SOUTH CAROLINA 29901-2055

RALPH E. TUPPER * * *
JAMES A. GRIMSLEY, III *
ERIN D. DEAN
STACEY PATTERSON-CAHADAY

* MEMBER N.Y. BAR
* CERTIFIED CIRCUIT COURT MEDIATOR
* CERTIFIED CIRCUIT COURT ARBITRATOR
* CERTIFIED FEDERAL DISTRICT COURT MEDIATOR

TELEPHONE
(843) 524-1116
FACSIMILE
(843) 524-1483
INTERNET
tgd@tgdpa.com

December 13, 2004

Mr. W. Zaryczny
Beaufort County Library
310 Scott Street
Beaufort, SC 29902

Re: St. Helena Elementary School

Dear Mr. Zaryczny:

Enclosed is the original signed Lease Agreement regarding the above matter.

Best regards,

Sincerely,

TUPPER, GRIMSLEY & DEAN, P.A.

James A. Grimsley III

cc Mr. Herman K. Gaither

243-240-3579

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

AGREEMENT FOR THE OPERATION AND MAINTENANCE
OF A PUBLIC LIBRARY WITHIN THE ST. HELENA
ELEMENTARY SCHOOL BETWEEN THE BEAUFORT COUNTY
BOARD OF EDUCATION, AND THE COUNTY COUNCIL OF BEAUFORT
COUNTY, SOUTH CAROLINA

THIS AGREEMENT made and entered into this 10th day
of November, 2004, between the Beaufort County Board of
Education, Beaufort, South Carolina, hereinafter referred to as
"Board," and the County Council of Beaufort County, South
Carolina, hereinafter referred to as "Library." This agreement
enters into additional terms, conditions, and covenants to the
original agreement between the Beaufort County Board of
Education, Beaufort, South Carolina, and the County Council of
Beaufort County, South Carolina dated the 13th of October, 1992
and will continue to provide County Public Library resources at
the St. Helena Elementary School.

WITNESSETH:

WHEREAS, parties hereto desire to enter into an agreement
wherein the School shall provide certain space and facilities
for the operation of a Public Library within the St. Helena
Elementary School on St. Helena Island, South Carolina; and,

WHEREAS, the Library paid an initial payment of One Hundred
Fifty Thousand and No/100 Dollars (\$150,000) toward construction

cost of the St. Helena Elementary School in order to provide public library service; and,

WHEREAS, the parties hereto feel that a Public Library at this location will provide service for both the School and community.

NOW, THEREFORE, in consideration of mutual covenants and agreements as hereinafter recited to be performed by the parties hereto, the parties agree as follows:

1. The School agrees at its own cost and expense to provide the following:

(a) Select and assign two (2) Kindergarten Rooms with office, restroom access, separate entrance, and parking to be used exclusively for a branch of the Public Library at the St. Helena Elementary School, St. Helena Island, South Carolina, except as specified in Section 2.

(b) Necessary year-round maintenance and custodial care at a level similar to that provided at other schools including custodial services, maintenance, and utilities, including HVAC, and operation of security measures such as vandal alarm system, window and door locks, and exterior lighting connection to said

facility, in accordance with budgetary practices of the School. Major cleaning or maintenance operations will be coordinated in advance with public library staff in order to lessen the impact on Public Library customers.

- (c) Adequate insurance for the Library facilities and its contents at a replacement cost not to exceed Five Hundred Thousand and No/100 Dollars (\$500,000).

2. The Library agrees at its own cost and expense to provide:

- (a) Library materials and specialized equipment (PCs, printers, barcode scanners, etc.) in the Public Library housed in the St. Helena Elementary School.
- (b) Direct telephone and data lines for the Public Library housed in the St. Helena Elementary School.
- (c) Specialized hardware including metal shelving, circulation desk, and other work desks including PC desks, and tables and chairs.
- (d) Liability insurance to cover Public Library patrons and personnel during hours the Library is open to the public.

- (e) Trained Library personnel to serve the community during hours the Library is open to the public.

3. The Library further agrees:

- (a) To cover the costs of any physical construction changes made with district approval to the rooms in order to facilitate their use as a Library.
- (b) To work with the School District's Building Facility manager to accomplish any changes.
- (c) To cover the costs of returning the rooms to their original state when the Library leaves the premises.
- (d) To adhere to the School District's building operation policies.
- (e) All Library equipment and furnishings shall be labeled to indicate ownership. Maintenance and repair will be the responsibility of the Library. Access to county-owned equipment by authorized county personnel for repair purposes will be allowed during school hours.

4. Terms of this agreement shall be for three (3) years commencing on July 1, 2004, and shall be annually renewed automatically thereafter unless written notice is given by

either party to terminate or revise such Agreement to either party at least ninety (90) days prior to the termination of the three (3) year period as herein provided.

5. In the event of termination of the Agreement or in the event that subsequent Agreements entered into between the parties are terminated, it is agreed between the parties as follows:

(a) All materials, equipment, and furnishings purchased by the School shall remain the property of the School.

(b) All materials and equipment purchased by the Library shall remain the property of the Library.

(c) After a minimum of two (2) year occupancy by the Library, the Beaufort County Board of Education will, at the time the Library leaves, buy back the space from the County Council of Beaufort County for the initial contribution of One Hundred Fifty Thousand and No/100 Dollars (\$150,000) with no interest owed.

6. This Agreement may be amended at any time by mutual written consent of the parties hereto.

ATTEST:

BEAUFORT COUNTY BOARD OF EDUCATION

1

BY Earl Campbell
Earl Campbell, Chairman

ATTEST:

COUNTY COUNCIL OF BEAUFORT COUNTY

Cheryl Harris

BY Wm. Weston J. Newton
Wm. Weston J. Newton, Chairman

WITNESSES:

Kathleen Reid



BEAUFORT COUNTY BOARD OF EDUCATION

August 8, 2012

FRED WASHINGTON, JR.
Chairman, District 11
Beaufort, Port Royal

GEORGE WILSON
Vice Chairman, District 10
Bluffton, Okatie

LAURA BUSH
Secretary, District 4
Bluffton, Daufuskie

STEVE MORELLO
District 1
Wilton Head Island

JULIE BELL
District 2
Wilton Head Island

DR. WAYNE CARBIENER
District 3
Hilton Head Island

MICHAEL RIVERS, SR.
District 5
St. Helena Island

EARL CAMPBELL
District 8
Dallo, Loxley, Seabrook

BILL EVANS
District 7
Lilly's Island, Beaufort

HERBERT BURNES
District 6
Barton

RONALD SPEAKS
District 9
Barton

DR. VALERIE TRUESDALE
Superintendent

ROBYN CUSHINGBERRY
Executive Assistant to the Board

VIA ELECTRONIC DELIVERY

The Hon. Weston Newton
Beaufort County Council Chairman
100 Ribaut Road, Suite 150
Beaufort, SC 29902

Re: Beaufort County Board of Education
FY 2012-2013 Certified Budget, as revised

Dear Chairman Newton:

On August 7, 2012, the Beaufort County Board of Education ("Board") revised its certified budget to decrease the requested mil rate of 92.26 to 91.26. This change represents the Board's commitment to offset any local taxes in the event of additional state funds. The Fiscal Year 2012-2013 General Fund budget in the amount of \$177,978,690 is requested to be funded with a recommended tax levy of 91.26 mils and anticipated revenue from the following sources:

(A)	\$114,078,285	ad valorem property tax collections (tax rate of 91.26 mils) inclusive of Tier 3 payments to all TIF's;
(B)	\$55,434,586	to be derived from ordinary state revenues (net of Tier 3 payments to all TIF's);
(C)	\$900,000	to be derived from federal sources;
(D)	\$1,363,500	to be derived from other local sources;
(E)	\$4,357,254	to be derived from inter-fund transfers;
(F)	\$1,276,464	to be derived from "other school tax revenue" pursuant to a per pupil allocation for pupils residing in New River TIF district for 2012-2013;
(G)	\$568,601	to be derived from the District's fund balance

The Hon. Weston Newton
August 8, 2012
Page -2-

As comparative information, the property tax amount of \$114,078,285 is \$1,982,717 less than the \$116,061,002 set by County Council for fiscal year 2010-2011 (Ordinance 2010/11). In addition, it is \$6,304,644 less than the \$120,382,929 budgeted for fiscal year 2009-2010 (Ordinance 2009/24) and \$1,447,308 less than the \$115,525,593 actually collected in fiscal year 2008-2009.

As with FY 2011-2012 the revised budget certification lawfully and properly places the effects of the New River TIF within the District's fiscal 2012-2013 budget. It does not address the effect of the New River TIF on the District's revenues for fiscal year 2011-2012 or prior years, which are under current discussion. The fiscal year 2012-2013 certified budget is not intended in any way to prejudice, waive, or otherwise affect the outcome of those discussions.

Attached are the following documents presented to our Board as supplemental information to prepare for the Board's action last night:

1. Historical Revenue Detail
2. Five Year Projections – including FY 2012 results
3. Comparison of Original to Revised Ordinance
4. Revised Ordinance

We believe the attachments should provide sufficient information to members of Council. We would be pleased to respond to your questions or concerns.

Respectfully submitted,



Fred Washington, Jr., Chairman
Beaufort County Board of Education

- c: Beaufort County Board of Education Members
Beaufort County Council Members
Dr. Valerie P. Truesdale, Superintendent

REVENUE DETAIL

Revenues by Source	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2011-12	Variance	2012-13	2012-13	Variance
	Audited	Audited	Audited	Audited	Audited	Approved	Projected		State Final	State Final	
	Actual	Actual	Actual	Actual	Actual	Budget	Actual		Budget-7.26.12	Budget-7.26.12	
								Two Mile	One Mile		
Local											
All Voters (Current and Delinquent)-Net of TR's	\$ 128,456,268	\$ 107,261,732	\$ 111,325,593	\$ 111,991,529	\$ 110,913,250	\$ 111,193,316	\$ 110,416,285	\$ (774,975)	\$ 115,520,121	\$ 114,028,286	\$ (1,290,099)
Tax 3 Adjustment - County Resolution						\$ -	\$ 2,193,000	\$ 2,193,000			
Penalties and Interest		\$ 721,597	\$ 983,357	\$ 1,005,010	\$ 1,001,033	\$ 900,000	\$ 900,000	\$ -	\$ 900,000	\$ 900,000	\$ -
TR Fee Pupil Allocation						\$ 1,276,464	\$ 1,276,464	\$ -	\$ 1,276,464	\$ 1,276,464	\$ -
Insurance Premiums							\$ 2,460,000	\$ 2,460,000	\$ -	\$ -	\$ -
Other Local	1,363,254	1,469,620	762,755	408,394	504,047	200,000	200,000	\$ -	963,560	563,300	\$ -
Total Local Revenue	\$ 129,820,000	\$ 109,462,164	\$ 112,241,705	\$ 112,394,924	\$ 112,240,320	\$ 113,569,824	\$ 112,544,689	\$ 3,975,025	\$ 117,969,255	\$ 116,776,246	\$ (1,200,009)
State											
State Tax Reimbursements on Overl Occupied	\$ -	\$ (9,246,576)	\$ (9,394,116)	\$ (9,793,447)	\$ (10,014,879)	\$ (10,318,875)	\$ (10,318,875)	\$ -	\$ (10,279,599)	\$ (10,279,599)	\$ -
Tax 3 Adjustment - County Resolution							\$ (2,100,000)	\$ (2,100,000)	\$ (1,983,575)	\$ (1,983,575)	\$ -
Process 1 101EPA						\$ (333,146)	\$ (579,335)	\$ (54,815)	\$ -	\$ -	\$ -
Fringe Benefits/Retiree Insurance	1,672,646	2,468,675	2,351,879	1,967,810	2,650,166	2,610,160	2,212,107	\$ (602,512)	\$ 3,919,628	\$ 3,919,628	\$ -
Education Finance Act	1,219,553	2,535,191				\$ -	\$ -	\$ -	\$ 1,841,677	\$ 1,841,677	\$ -
Reimbursement for Local Property Tax Relief	7,026,261	7,026,261	7,026,261	7,026,261	7,026,261	7,026,261	7,026,261	\$ -	7,026,261	7,026,261	\$ -
Other State Property Tax (Homebased/Merchand Inv)	2,503,276	2,802,109	2,377,946	2,377,946	2,377,946	2,442,979	2,377,947	\$ (64,125)	\$ 2,442,979	\$ 2,442,979	\$ -
Other State Revenue (Bus Driver Salary/Misc)	1,195,028	1,010,898	1,260,161	1,160,647	1,096,898	664,712	1,136,504	\$ 474,792			
Total State Revenue	\$ 13,925,164	\$ 54,794,990	\$ 53,130,263	\$ 53,948,111	\$ 54,726,320	\$ 54,944,460	\$ 53,962,517	\$ (1,082,143)	\$ 53,434,586	\$ 53,434,586	\$ -
Federal											
Other Federal Sources	\$ 1,139,750	\$ 1,822,888	\$ 481,463	\$ 890,918	\$ 428,448	\$ 490,000	\$ 1,010,528	\$ 510,528	\$ 800,000	\$ 900,000	\$ -
Total Federal Revenue	\$ 1,139,750	\$ 1,822,888	\$ 481,463	\$ 890,918	\$ 428,448	\$ 490,000	\$ 1,010,528	\$ 510,528	\$ 800,000	\$ 900,000	\$ -
Total Revenue	\$ 145,104,814	\$ 165,177,718	\$ 170,822,833	\$ 166,921,853	\$ 167,411,104	\$ 168,914,284	\$ 172,417,712	\$ 3,052,416	\$ 174,392,871	\$ 172,952,832	\$ (1,200,009)
Other Financing Sources											
Transfers from Special Revenue	2,212,543	2,835,411	2,662,757	2,736,779	2,627,200	2,650,145	2,585,032	\$ (65,153)	\$ 3,994,372	\$ 3,994,372	\$ -
Transfers from Other Funds	379,882	342,233	331,101	648,560	662,080	362,960	469,707	\$ 103,625	862,862	362,862	\$ -
Other Financing Sources	1,025							\$ -			\$ -
Total Other Financing Sources (less)	\$ 3,093,450	\$ 3,177,644	\$ 2,993,858	\$ 3,385,339	\$ 3,289,280	\$ 3,013,105	\$ 3,054,739	\$ 28,672	\$ 4,357,234	\$ 4,357,234	\$ -
Total Revenue and Other Financing Sources	\$ 148,097,964	\$ 168,148,262	\$ 173,820,293	\$ 169,949,297	\$ 170,700,384	\$ 171,927,389	\$ 175,469,451	\$ 3,342,090	\$ 178,669,105	\$ 177,410,066	\$ (1,250,009)
Total Expenditures				171,138,886	170,641,091	173,070,150	173,300,000	\$ (670,150)	177,979,090	177,079,090	\$ -
Increase (Decrease) of Fund Balances				(1,230,409)	(4,940,697)	(2,642,766)	2,169,451	\$ -	691,425	(668,601)	\$ (1,250,009)
Beginning Fund Balance				32,635,767	31,424,839	28,464,002	28,464,002		28,633,453	28,633,453	\$ -
Ending Fund Balance				\$ 31,405,358	\$ 26,484,142	\$ 25,821,236	\$ 28,633,453		\$ 29,324,878	\$ 27,964,852	\$ (1,250,009)

FIVE YEAR PROJECTIONS
IMPACT OF MIL CHANGE

TWO MIL INCREASE						
(A)		(B)	(C)	(D)	(E)	(F)
Line No.	Description	FY 2011-12 Projected	FY 2012-13 Projected	FY 2013-14 Projected	FY 2014-15 Projected	FY 2015-16 Projected
		90.26	92.26	93.86*	93.86	93.86
1	Local Taxes	112,518,395	115,328,321	115,466,470	118,028,097	121,735,848
2	Item 1 - Per Pupil Charge	1,276,464	1,276,464	1,276,464		
3	Other Local	1,100,000	800,000	800,000	800,000	800,000
	Rent		563,500	563,500	563,500	
4	DOE Settlement	2,650,000				
5	State (Tiers, Transfers, other)	56,335,723	58,350,163	57,381,626	58,418,212	58,918,212
6	EFA Proviso 1.101/EFA Allocation	578,333	1,441,677	1,300,000	1,300,000	1,300,000
7	Federal	1,010,536	900,000	900,000	900,000	900,000
8	Total Projected Revenue	\$ 175,469,451	\$ 178,660,125	\$ 177,888,060	\$ 180,009,809	\$ 183,654,060
9	Total Projected Expenditures	173,300,000	177,978,690	180,178,690	184,178,690	188,178,690
10	Projected Increase (Decrease) of Fund Balance	\$ 2,169,451	\$ 681,435	\$ (2,490,630)	\$ (4,168,881)	\$ (4,524,630)
11	Beginning Fund Balance	26,464,002	28,633,453	29,314,888	26,824,259	22,655,378
12	Projected Increase (Decrease) of Fund Balance	2,169,451	681,435	(2,490,630)	(4,168,881)	(4,524,630)
13	Projected Ending Fund Balance	\$ 28,633,453	\$ 29,314,888	\$ 26,824,259	\$ 22,655,378	\$ 18,130,748
14	% of Next Year's Budget	16.09%	16.27%	14.56%	12.04%	

ONE MIL INCREASE						
(A)		(B)	(C)	(D)	(E)	(F)
Line No.	Description	FY 2011-12 Projected	FY 2012-13 Projected	FY 2013-14 Projected	FY 2014-15 Projected	FY 2015-16 Projected
		90.26	91.26	93.86*	93.86	93.86
1	Local Taxes	112,518,395	114,078,285	114,216,434	116,778,061	120,485,812
2	Item 1 - Per Pupil Charge	1,276,464	1,276,464	1,276,464		
3	Other Local	1,100,000	800,000	800,000	800,000	800,000
	Rent		563,500	563,500	563,500	
4	DOE Settlement	2,650,000				
5	State (Tiers, Transfers, other)	56,335,723	58,350,163	57,381,626	58,418,212	58,918,212
6	EFA Proviso 1.101/EFA Allocation	578,333	1,441,677	1,300,000	1,300,000	1,300,000
7	Federal	1,010,536	900,000	900,000	900,000	900,000
8	Total Projected Revenue	\$ 175,469,451	\$ 177,410,089	\$ 176,438,024	\$ 178,759,773	\$ 182,404,024
9	Total Projected Expenditures	173,300,000	177,978,690	180,178,690	184,178,690	188,178,690
10	Projected Increase (Decrease) of Fund Balance	\$ 2,169,451	\$ (568,601)	\$ (3,740,666)	\$ (5,418,917)	\$ (5,774,666)
11	Projected Beginning Fund Balance	26,464,002	28,633,453	28,064,852	24,324,187	18,905,270
12	Projected Increase (Decrease) of Fund Balance	2,169,451	(568,601)	(3,740,666)	(5,418,917)	(5,774,666)
13	Projected Ending Fund Balance	\$ 28,633,453	\$ 28,064,852	\$ 24,324,187	\$ 18,905,270	\$ 13,130,604
14	% of Next Year's Budget	16.09%	15.58%	13.21%	10.05%	

*Estimated mil rate to achieve revenue neutrality

Assumptions:

Final State budget as posted on 7-20-12

FY 2012 is projected and subject to change

Future budgets include increments of \$4M each year after FY 2013 (\$1.8M iPad amount is nonrecurring)

Both charts include additional revenue received by the State

**Summary of Changes to Ordinances
Adjustment to Millage Rate**

	As Approved in Ordinance 2012-8	Proposed Revisions to Ordinance	Change
Millage Rates:			
Operations	92.26	91.26	(1.00)
Debt	28.00	28.00	-
Funding Sources:			
Tax Collections	115,420,449	114,078,285	(1,342,164)
State	55,602,426	55,434,586	(167,840)
Federal	900,000	900,000	-
Other Local	1,363,500	1,363,500	-
Interfund*	2,627,200	4,257,254	1,630,054
New River TIF Per Pupil	1,276,464	1,276,464	-
Fund Balance	788,651	568,601	(220,050)

*Additional State Funds are distributed through Education Improvement Act (EIA) for Teacher Salary Supplement to offset mandated increases.

REVISED ORDINANCE NO. 2012-

FY 2012-2013 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET

An Ordinance to provide for the levy of tax for school purposes for Beaufort County for the fiscal year beginning July 1, 2012 and ending June 30, 2013, and to make appropriations for said purposes.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

The County Council of Beaufort County hereby appropriates the funds as detailed in Sections 3 and 4 of this Ordinance and establishes the millage rates as detailed in Section 2 of this Ordinance. The County Council of Beaufort County reserves the right to modify these millage rates at its August 27, 2012 meeting.

SECTION 2. MILLAGE

In Fiscal Year 2012-2013 and in accordance with the laws of South Carolina, the County Auditor is hereby authorized and directed to levy a tax on the following mills on the dollar of assessed value of property within the County.

School Operations	91.26
School Bond Debt Service (Principle and Interest)	28.00

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

SECTION 3. SCHOOL OPERATIONS APPROPRIATION

An amount of \$177,978,690 is hereby appropriated to the Beaufort County Board of Education to fund school operations. This appropriation is to be spent in accordance with the school budget approved by the County Council of Beaufort County, and will be funded from the following revenue sources:

- A. \$114,078,285 to be derived from tax collections;
- B. \$ 55,454,586 to be derived from State revenues;
- C. \$ 900,000 to be derived from Federal revenues;
- D. \$ 1,363,500 to be derived from other local sources;
- E. \$ 4,357,254 to be derived from inter-fund transfers;
- F. \$ 1,276,464 to be derived from New River TIF per pupil allocation;
- G. \$ 568,601 to be derived from the District's fund balance.

The Beaufort County Board of Education is responsible for ensuring that the school expenditures do not exceed those amounts herein appropriated without first receiving the approval of a supplemental appropriation from County Council.

SECTION 4. BUDGETARY ACCOUNT BREAKOUT

The line-item budgets submitted by the Beaufort County Board of Education under separate cover for FY 2012-2013 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 5. OUTSTANDING BALANCE APPROPRIATION

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

SECTION 6. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2012 are hereby approved.

SECTION 7. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2012. Approved and adopted on third and final reading this _____ day of June, 2012.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

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

ORDINANCE NO. 2012- 8

FY 2012-2013 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET

An Ordinance to provide for the levy of tax for school purposes for Beaufort County for the fiscal year beginning July 1, 2012 and ending June 30, 2013, and to make appropriations for said purposes.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

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SECTION 2. MILLAGE

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- A. \$115,420,449 to be derived from tax collections;
- B. \$ 55,602,426 to be derived from State revenues;
- C. \$ 900,000 to be derived from Federal revenues;
- D. \$ 1,363,500 to be derived from other local sources;
- E. \$ 2,627,200 to be derived from inter-fund transfers;
- F. \$ 1,276,464 to be derived from New River TIF per pupil allocation;
- G. \$ 788,651 to be derived from the District's fund balance.

The Beaufort County Board of Education is responsible for ensuring that the school expenditures do not exceed those amounts herein appropriated without first receiving the approval of a supplemental appropriation from County Council.

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The line-item budgets submitted by the Beaufort County Board of Education under separate cover for FY 2012-2013 are incorporated herein by reference and shall be part and parcel of this Ordinance.

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

SECTION 6. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2012 are hereby approved.

SECTION 7. EFFECTIVE DATE

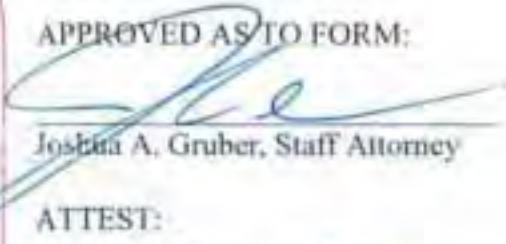
This Ordinance shall be effective July 1, 2012. Approved and adopted on third and final reading this 25th day of June, 2012.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: 

Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:


Joshua A. Gruber, Staff Attorney

ATTEST:


Suzanne M. Rainey, Clerk to Council

First Reading, By Title Only: May 21, 2012

Second Reading: June 11, 2012

Public Hearing: June 11, 2012

Third and Final Reading: June 25, 2012

RESOLUTION

A RESOLUTION APPROVING THE MUTUAL AID AGREEMENTS AND/OR INTER-JURISDICTIONAL AGREEMENTS ENTERED INTO BY THE SHERIFF OF BEAUFORT COUNTY

WHEREAS, it is to the mutual advantage and benefit of Beaufort County and each agency identified in the attached listing to render mutual aid law enforcement services as may be needed from time to time. It is further recognized that there may be situations where additional law enforcement officers and services are needed. These services may include, but are not limited to, patrol services, crowd control, traffic control and other emergency service situations. The use of law enforcement officers to perform law enforcement duties outside of the territorial limits of the jurisdiction where the law enforcement officers are legally employed may be desirable and necessary in order to preserve and protect the health, safety, and welfare of the public.

WHEREAS, Intergovernmental law enforcement services and assistance may be provided among jurisdictions during times of emergency and routine law enforcement work when mutual aid would best serve the interests of each jurisdiction and its residents in accordance with Sections 23-1-210 and 23-20-10 et seq. of the Code of Laws of South Carolina, 1976 as amended.

WHEREAS, any agreements entered into pursuant to this law on behalf of a law enforcement authority must be approved by the appropriate state, county, or local law enforcement authority's chief executive officer

WHEREAS, law enforcement officers acting under this agreement shall be commanded by superior authority from within their own agency to maintain the peace or perform duties outside of their territorial limits. These law enforcement officers shall be under direction and authority of one person from their own agency/jurisdiction. That person shall in turn be under the direction and authority of the host jurisdiction to which they are called to perform law enforcement or peace duties. They shall have all powers and authority of law enforcement officers and peace officers as provided by law, including the power of arrest. All arrests and any enforcement actions and prosecutions shall remain within the jurisdiction where such actions would be properly brought in the absence of this agreement.

WHEREAS, this governing body acknowledges and approves the memorandum of understanding among the attached list of agencies that has been in place with the Sheriff since 1999 that allows law enforcement services and assistance to be provided among these jurisdictions during times of emergency and routine law enforcement work when mutual aid would best serve the interests of each jurisdiction and its residents.

WHEREAS, The County of Beaufort authorizes the Sheriff of Beaufort County or his designee, to render and request mutual law enforcement aid from any Municipality or County agency as identified in the attached listing to the extent of available personnel and equipment not

required for adequate protection of the remainder of the County. The Sheriff or Commanding Officer of the Beaufort County Sheriff's Office shall determine the amount of personnel and equipment available to render mutual law enforcement aid to the requesting agency. It is further recognized that his/her decision shall be final.

WHEREAS, The Sheriff of Beaufort County is authorized to enter into an agreement with Federal, State and Local authorities as it relates to the Beaufort/Jasper Multi Agency Drug Task Force.

NOW, THEREFORE, BE IT RESOLVED by the County Council of Beaufort, South Carolina, that County Council hereby approves the attached mutual aid agreement and authorizes the Sheriff of Beaufort County to enter into agreement with each Municipality or County agency, identified in the attached listing.

Adopted this ____ day of _____ 2012.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST:

Suzanne M. Rainey, Clerk to Council

**STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) (INSERT AGENCY)/BEAUFORT COUNTY**

This agreement, made between **(INSERT AGENCY)** and the **Beaufort County Sheriff's Office** provides as follows:

SECTION 1: Purpose of Agreement

Whereas, it is to the mutual advantage and benefit of **(INSERT AGENCY)** and **Beaufort County** that each agency agrees to render mutual aid law enforcement services as may be needed from time to time. It is further recognized that there may be situations where additional law enforcement officers and services are needed. These services may include, but are not limited to, patrol services, crowd control, traffic control and other emergency service situations. The use of law enforcement officers to perform law enforcement duties outside of the territorial limits of the jurisdiction where the law enforcement officers are legally employed may be desirable and necessary in order to preserve and protect the health, safety, and welfare of the public.

SECTION 2: Authorization

- a) Intergovernmental law enforcement services and assistance may be provided among jurisdictions during times of emergency and routine law enforcement work when mutual aid would best serve the interests of each jurisdiction and its residents in accordance with Sections 23-1-210 and 23-20-10 et seq. of the Code of Laws of South Carolina, 1976 as amended.
- b) It shall be the responsibility of each agency to provide the other with verification of the approval and authorization by their respective governing council to enter into agreement.

SECTION 3: Power of Authority

- a) The **Sheriff or Commanding Officer of the Beaufort County Sheriff's Office** shall determine the amount of personnel and equipment available to render mutual law enforcement aid to **(INSERT AGENCY)**. His/Her decision shall be final.
- b) The **Sheriff or Commanding Officer of the (INSERT AGENCY) Sheriff's Office** shall determine the amount of personnel and equipment available to render mutual law enforcement aid to **Beaufort County**. His/Her decision shall be final.
- c) Law enforcement officers acting under this agreement shall be commanded by superior authority from within their own agency to maintain the peace or perform duties outside of their territorial limits. These law enforcement officers shall be under direction and authority of one person from their own agency jurisdiction. That person shall in turn be under the direction and authority of the host jurisdiction to which they are called to perform law enforcement or peace duties. They shall have all powers and authority of law enforcement officers and peace officers as provided by law, including the power of arrest. All arrests and any enforcement actions and prosecutions shall remain within the jurisdiction where such actions would be properly brought in the absence of this agreement.

SECTION 4: Compensation

- a) Cooperative law enforcement service shall be rendered without charge to reciprocal participating agencies for routine law enforcement activities
- b) In the event of any extraordinary cost incurred in the rendering of aid under this agreement, a request may be submitted for compensation by the agency rendering aid.

SECTION 5: Liability

- a) Participating agencies shall not be liable or obligated to indemnify any other person or entity for any of its equipment damaged or destroyed and the individual officers shall not be indemnified for any material damage to his/her property, injury to his/her person or on account of his/her death resulting from the performance under this agreement.
- b) The party receiving aid under this agreement shall not be responsible for reimbursing any amounts paid or due as benefits to employees of a party giving aid under the terms of the South Carolina Workers' Compensation Act due to personal injury or death occurring while such employees are engaged in rendering aid under this Agreement. Both parties shall be responsible for payment of compensation and benefits only to their respective employees
- c) All individuals retain all compensation, pension, retirement and disability rights while performing duties in accordance with this agreement, and all officers shall continue to be paid by the entity where they are permanently employed as of the dates services are rendered
- d) This agreement shall not be construed as or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have any right of action under this agreement for any cause whatsoever.
- e) To the extent permitted by law, and without waiving sovereign immunity, each agency shall be responsible for any and all claims, demands, suits, actions, damages and causes of action related to or arising out of or in any way connected with its own actions, and the actions of its personnel in providing aid or law enforcement services under this agreement.

SECTION 6: Equipment and Facilities

Each law enforcement agency may utilize equipment from their respective agency or other law enforcement agencies in carrying out their duties under this agreement. Each agency shall also maintain records concerning the performance of services provided by the agency

SECTION 7: Effective Date of Agreement

- a) This agreement shall be in effect and legally binding when signed by each agency executive.
- b) This agreement shall be executed in multiple originals and each counterpart shall be given full force and effect.

2012 Beaufort County Sheriff's Office Mutual Aid Agreements

The following agencies have entered into Mutual Aid Agreements with the Beaufort County Sheriff's Office:

- Anderson County Sheriff's Office
- Greenville County Sheriff's Office
- Spartanburg County Sheriff's Office
- York County Sheriff's Office

2012 /

AN ORDINANCE TO AMEND THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 6, AIRPORTS AND AIRCRAFT, ARTICLE II, AIRPORTS BOARD, SECTION 6-28, MEMBERSHIP; SECTION 6-29, ELECTION OF OFFICERS AND TERMS OF OFFICE; AND SECTION 6-30, POWERS AND DUTIES.

Adopted this _____ day of _____, 2012.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading:

Second Reading:

Third and Final Reading:

**COUNTY COUNCIL OF BEAUFORT COUNTY
CHARTER FOR
AIRPORTS BOARD (BCAB)**

SECTION 6-26 PURPOSE

To assist the County Council of Beaufort County by providing technical, financial, business, and marketing advice that helps to ensure and promote public aviation facilities and services that are safe, economically self-sufficient, and sensitive to the needs of the community

SECTION 6-27 GOALS

- (a) The operational goal of the BCAB is to ensure safe, secure airport facilities;
- (b) The administrative goal of the BCAB is to provide County Council with accurate, timely advice that has been vetted and approved at public meetings of the BCAB; and,
- (c) The financial goal of the BCAB is to operate County airports without undue subsidies from the Beaufort County General Fund.

SECTION 6-28 MEMBERSHIP

(a) The BCAB will consist of 11 (eleven) members who are committed to the purpose and goals of the BCAB and who have the business and professional experience to help ensure the success and the enhancement of both Beaufort County airports;

(b) In the appointment of candidates, Council will give due consideration to balancing BCAB membership by considering the *preferred qualifications* stated in paragraph (d) of this section, as well the geographical, racial, and gender characteristics of all BCAB candidates;

(c) Because of the need for diverse backgrounds and professional experience for this Board, membership thereof shall be as follows:

One member nominated by the Board of the Beaufort Chamber of Commerce;

Two members who reside in *close proximity* to the Beaufort County Airport;

One member who is an active pilot and aircraft owner based at the Beaufort County (Lady's Island) Airport;

One member nominated by the Town Council of the Town of Hilton Head Island;

Two members who reside in *close proximity* to the Hilton Head Island Airport;

One member who is an active pilot and aircraft owner based at the Hilton Head Island Airport;

One member who is an active or recently retired commercial airline pilot, preferably with commuter-airline experience;

Two members who also meet the qualifications stated in paragraph (d) below;

(d) Given the unique nature of the BCAB, all candidates and nominees should have documented training or professional experience in areas such as those listed below:

- Accounting or Financial Management
- Airport Management or Fixed Base Operations Management
- Business Management or Business Aviation
- General Aviation, Aviation Electronics, or Aeronautical Engineering
- Engineering, Construction Management
- Federal or State Aviation Agency Experience
- Law Enforcement, Security, or the Practice of Law
- Planning, Public Relations, Marketing, or Advertising

(e) Council will make known the need of specific vacancies and request assistance from the local media in notifying citizens of qualifications for each vacancy; and,

(f) For the purposes of this Charter, "close proximity" is defined as any residential unit, neighborhood, or gated community within a ~~four (4)~~ **two (2)** mile radius of the center of the airport runway(s).

SECTION 6-29 ELECTION OF OFFICERS AND TERMS OF OFFICE

Election of officers and committee chairpersons will be conducted annually, with elections held at the first BCAB meeting of the new fiscal year, beginning ~~July 1~~ **April** of each year.

(a) Officers will be elected to one-year terms and limited to two consecutive terms;

(b) The BCAB chairperson will be elected annually, is limited to two consecutive terms, and shall rotate between members from South of the Broad and North of the Broad;

(c) Committee chairpersons will be appointed to a one-year term, with no term limits, by nomination of the BCAB chair and a confirmation vote (simple majority) of BCAB members; and,

(d) ~~Proximity members will be appointed for a term of one year,~~ all others will be appointed for a term of two-years, with reappointment subject to the requirements stated in Beaufort County Code of Ordinances, Chapter 2, Article V, Division I, Section 2-193, Membership. ~~Every individual term limit of the (2) years shall apply to all members~~

SECTION 6-30 POWERS AND DUTIES

(a) The role of the BCAB is to provide advice and recommendations to County Council; in that role, the BCAB will have the assistance of the Airports Director in all matters pertaining to its Purpose and Goals as stated in Sections 1 and 11 of this Charter.

(b) In addition, the BCAB Agenda will ~~include develop and deliver to the Airports Director a summary report of its annual planning planned, annual activities on a quarterly basis, of its operations and financial performance of each fiscal year.~~

(c) Meet at the call of the Chairman or the Airports Director and will normally hold scheduled monthly meetings;

(d) Deliver to the Airports Director, within 45 calendar days of each meeting, a copy of approved meeting minutes that include the diversity of opinions expressed, and any BCAB recommendation(s);

(e) Promote aviation and public understanding of its economic value to the community, and serve as liaison to organizations designated by the County Administrator;

(f) Recommend aviation service and facilities goals for Beaufort County;

(g) Recommend preparing and updating Airport Master Plans and recommend to Council the adoption of completed plans and amendments;

(h) Recommend actions necessary to maintain adequate growth space, airspace clear zones and noise buffers around County airports;

(i) Monitor the financial operations and performance of the Airports with regards to significant aspects of the Profit and Loss statements, balance sheet, and capital plan, including revenues, expenses, credit, and performance relative to the annual budget;

(j) Recommend matters related to the planning and construction of new facilities;

(k) In cooperation with the Airports Director, maintain ongoing contact with the FAA, the South Carolina Aeronautics Commission and other appropriate agencies, to solicit their support in achieving County aviation goals, reporting the results of those activities quarterly, as stated in paragraph (b) above; ~~to discuss, coordinate to its current operations, and to discuss the results of the meeting with the FAA.~~

(l) Report to County Council via the Airports Director the anticipation and results of discussions with the FAA, the state of South Carolina, the local municipalities, or other aviation authorities that could impact zoning, capacity, construction, or grants to County airports;

(m) Recommend rules and regulations for each County airport that promote operating safety, security of private equipment, and fair allocation of County aviation resources;

(n) Monitor the performance of fixed-base operators and other commercial entities operating at County Airports and advise the County Council, County Administrator, and Airports Director of required corrective action to enforce performance standards;

(o) Review and recommend rates and charges for the use of airport facilities, and review and recommend other charges to improve the airports financial operating performance within the guidelines of good business practices;

(p) Participate in the screening and selection of the Airport's Director at the discretion of the County Administrator and with the guidance of the Director of Personnel; and,

(q) ~~At the request of the County Administrator,~~ the BCAB will pursue other studies, recommendations or assistance as the need arises in the pursuit of quality service and facilities and may, if deemed necessary by the BCAB Chair, establish ad hoc committees in this regard.

(r) This revised Charter will take effect as soon as practical but not later than March 31, 2009 ~~2010~~

Adopted this _____ day of _____, 2012.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading:
Second Reading:
Third and Final Reading:



**COUNTY COUNCIL OF BEAUFORT COUNTY
BEAUFORT COUNTY ENGINEERING DIVISION**
102 Industrial Village Road, Building #3, Beaufort, SC 29906
Post Office Drawer 1228, Beaufort, SC 29901-1228
Telephone: 843-255-2700 Facsimile: 843-255-9420

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

VIA: Gary Kubie, County Administrator *G. Kubie*
Bryan Hill, Deputy Administrator *B. Hill*
David Starkey, Chief Financial Officer *D. Starkey*
Rob McFee, Division Director of Engineering & Infrastructure *J.R. McFee*
Monica Spells, Compliance Officer *M. Spells*
Dave Thomas, Purchasing Director *D. Thomas*

FROM: Bob Klink, County Engineer *B. Klink*

SUBJ: BEAUFORT COUNTY TRANSPORTATION COMMITTEE (BCTC)
2012 SCDOT ROAD RESURFACING PROJECT IFB #135490107122

DATE: July 20, 2012

BACKGROUND. In June 2012, Beaufort County issued an invitation for bids to resurface various SCDOT roads. The 20 road names and locations are listed below:

<u>Roads</u>	<u>Length</u>	<u>Location</u>
• Boyer Street	0.33 miles	City of Beaufort
• Wharf Street	0.26 miles	Town of Bluffton
• Red Cedar	0.16 miles	Town of Bluffton
• Surf Drive	0.17 miles	Lady's Island
• Audubon Road	0.41 miles	Lady's Island
• Blue Heron Circle	0.35 miles	Lady's Island
• Buck Road	0.27 miles	Lady's Island
• Coosaw River Drive	0.78 miles	Lady's Island
• Robin Drive	0.33 miles	Lady's Island
• Wade Hampton Drive	1.56 miles	Lady's Island
• Jasper Lane	0.23 miles	Lady's Island
• Pickens Street (south)	0.31 miles	Lady's Island
• Sea Gull Drive	0.26 miles	Lady's Island
• Sunset Blvd	1.26 miles	Lady's Island
• Wallace Road	0.30 miles	Lady's Island
• Sunset Circle	0.18 miles	Burton
• Sunset Circle (north)	0.21 miles	Burton
• Sunset Circle (south)	0.17 miles	Burton
• Dawn Street	0.17 miles	Burton
• Sam Doyle Drive	1.33 miles	St. Helena Island

Total Miles 9.04 miles

The Engineering Division received the following three bids on July 17, 2012.

<u>Contractors</u>	<u>Total Bid</u>
REA Contracting 42 Jeter Road Beaufort, SC 29903	\$1,369,656.90
JS Construction Services 388 Browns Cove Road Ridgeland, SC 29936	\$1,425,363.00
APAC 47 Telfair Place Savannah, GA 31415	\$1,508,343.70
Engineer's Estimate	\$1,544,502.00

REA Contracting submitted the most qualified/responsible bid of \$1,369,656.90. The bid was reviewed and found to be reasonable and is in compliance with the County's SMBE Ordinance.

Project will be funded by BCTC funds, Acct # 3322C-54901, for \$1,369,656.90

RECOMMENDATION The Public Facilities Committee approve and recommend to County Council the award of a construction contract to REA Contracting in the amount of \$1,369,656.90 for the 2012 SCDOT road resurfacing project with the funding source listed above.

REK/DLS/mjh

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

SCDOT ROAD RESURFACING 2012

IFB #13540107122

July 17, 2012 at 3:00 pm

SCDOT ROAD NAME	APAC	JS Const.	REA
Wharf Street	\$34,728.00	\$32,700.00	\$32,535.70
Sam Boyle Drive	\$162,464.00	\$158,854.00	\$158,415.00
Surf Drive	\$25,254.00	\$20,581.00	\$20,369.00
Audubon Road	\$59,009.00	\$52,303.00	\$54,173.00
Robin Drive	\$30,475.00	\$26,344.00	\$27,659.00
Wallace Road	\$40,948.00	\$38,964.00	\$39,682.00
Buck Road	\$41,698.00	\$40,105.00	\$38,519.00
Coosaw River Drive	\$121,958.00	\$101,402.00	\$93,530.00
Sunset Blvd	\$152,254.00	\$146,744.00	\$131,423.00
Wade Hampton Drive	\$195,502.00	\$193,183.00	\$187,345.00
Blue Hern Circle	\$43,320.00	\$40,616.00	\$40,809.00
Jasper Lane	\$34,475.00	\$30,027.00	\$30,861.50
Pickens Street (south)	\$40,939.00	\$37,796.00	\$37,751.00
Sea Gull Drive	\$74,498.00	\$70,774.00	\$71,839.00
Boyer Drive	\$55,702.00	\$49,813.00	\$49,749.20
Sunset Circle	\$26,913.00	\$23,931.00	\$24,208.00
Sunset Circle (north)	\$30,772.00	\$28,280.00	\$28,689.00
Sunset Circle (south)	\$26,045.00	\$22,985.00	\$23,319.00
Dawn Street	\$25,915.00	\$22,870.00	\$23,165.00
Red Cedar	\$21,986.00	\$20,767.00	\$19,205.50
A TOTAL INDIVIDUAL ROADS	\$1,244,855.00	\$1,159,039.00	\$1,133,246.90
B TOTAL DRIVEWAY ASPHALT	\$179,488.70	\$179,924.00	\$159,610.00
C TOTAL 1" LEVELING COURSE	\$84,000.00	\$86,400.00	\$76,800.00
Total A+B+C	\$1,508,343.70	\$1,425,363.00	\$1,369,656.90

BID CERTIFICATION

Mark B. Smith

SIGNATURE

7/18/2012

DATE

Hickman, Maggie

From: Spells, Monica
Sent: Tuesday, July 17, 2012 4:44 PM
To: Hickman, Maggie
Subject: Road Resurfacing 2012 SMBE Compliance
Attachments: Compliance - Road Resurfacing July 2012.pdf

Hi Maggie:

The three bidders met all of our good faith efforts requirements. The report is attached.

Thanks,

Monica N. Spells
Compliance Officer
Beaufort County
843.255.2354

bcgov.net

Small and Minority Business Bid Compliance Review of Good Faith Effort Review (1 of 2)

SCDOT Road Resurfacing 2012 - IFB #13540107122 - Bids Due July 17, 2012 at 3:00 PM

Prime Bidder		APAC	JS Construction	REA Contracting		
1	Included Good Faith Efforts Checklist Form	1	1	1		
2	Requested SMBE List from Compliance Office	1	1	1		
3	Included Copy of Written Notice to SMBE	1	1	1		
4	Provided Proof of Sending Written Notice to SMBE	1	1	1		
5	Sent Bid Notice to SMBE 10 Days in Advance	1	1	1		
6	Included Copy of Written Notice to Good Faith Agencies	1	1	1		
7	Provided Proof of Sending Written Notice to Good Faith Agencies	1	1	1		
8	Signed Non-Discrimination Statement Form (Exhibit 1)	1	1	1		
9	Included Outreach Documentation Log (Exhibit 2)	1	1	1		
10	Included Proposed Utilization Plan (Exhibit 3)	1	1	1		
Total		10	10	10		

Total of 10 Possible Points

Scoring:

0 = No

1 = Yes



Small and Minority Business Bid Compliance Review of Good Faith Effort Review (2 of 2)
 SCDOT Road Resurfacing 2012 - IFB #13540107122 - Bids Due July 17, 2012 at 3:00 PM



Prima Bidder	Proposed Local SMBE Firm Name*	Type	Location	Scope	Amount
APAC	HSA Environmental	SBE	Bluffton, SC	Testing	\$25,800
JS Construction	Miller Trucking	MBE	Hilton Head Island, SC	Trucking	\$40,000
Rea Contracting	Concrete Products	SBE	Beaufort, SC	Signage/Striping	\$78,918

SBE = Small Business Enterprise
 MBE = Minority Business Enterprise





**COUNTY COUNCIL OF BEAUFORT COUNTY
BEAUFORT COUNTY ENGINEERING DIVISION**
102 Industrial Village Road, Building #3, Beaufort, SC 29906
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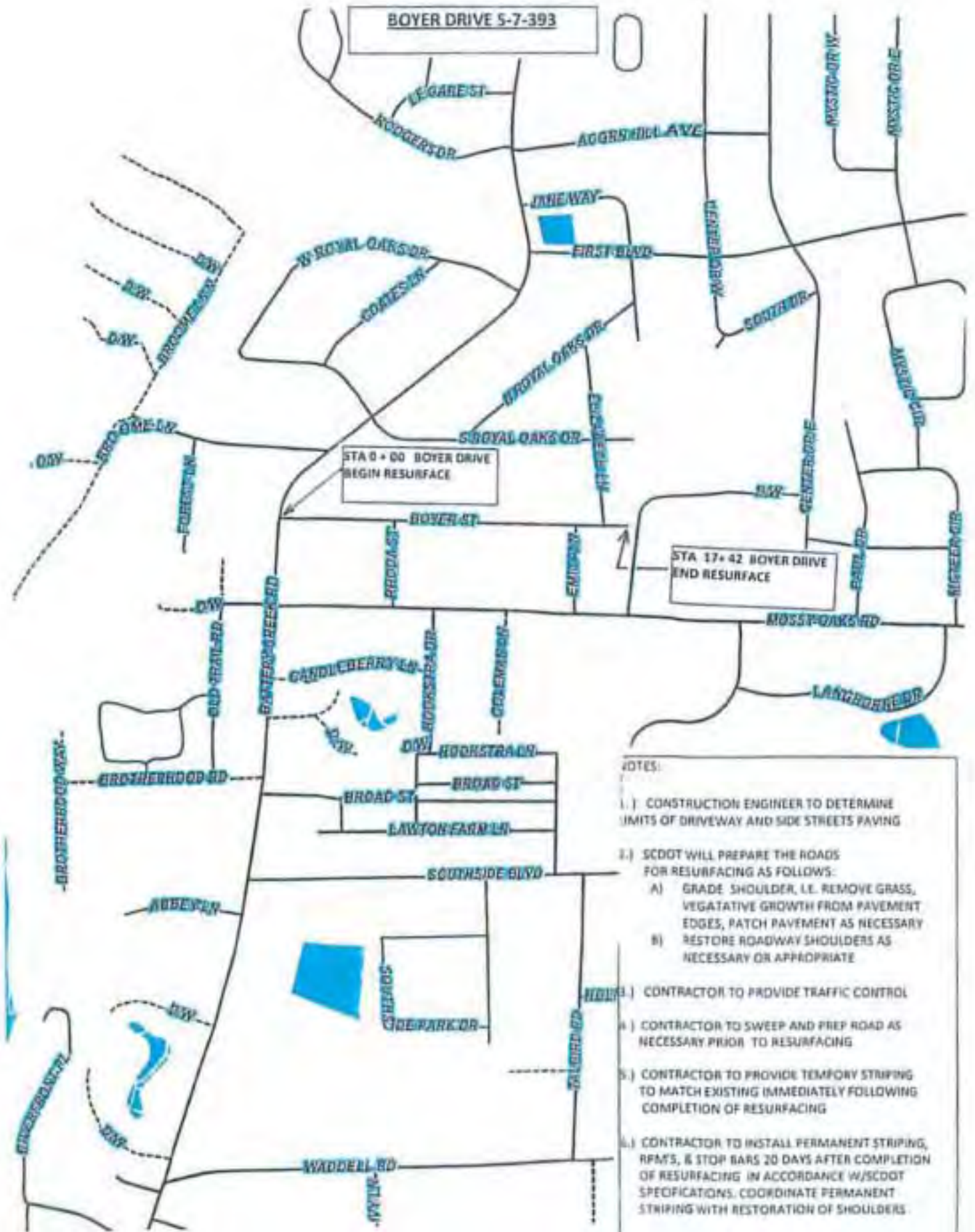
TO: David Starkey, Chief Financial Officer 
FROM: Bob Klink, County Engineer 
SUBJ: **BCTC 2012 SCDOT Road Resurfacing Project**
DATE: July 19, 2012

In accordance with your request, the Engineering Division will track C Funds expenditures for the subject project and verify that the expenditures will not exceed C Fund balance at the time of payment. The estimated unencumbered C Fund balance at 6/30/12 of \$805,133 plus the C Fund revenue for FY 2013 will fund the contract award recommendation of \$1.3 million for this project.

During the course of the resurfacing project, the Engineering Division will monitor payments to the contractor to insure that a negative C fund balance will not occur. Obligated fund balances will not be paid out beyond the available C funds for the project.

If there are any questions regarding this, please let us know. Thank you.

REK/mjh



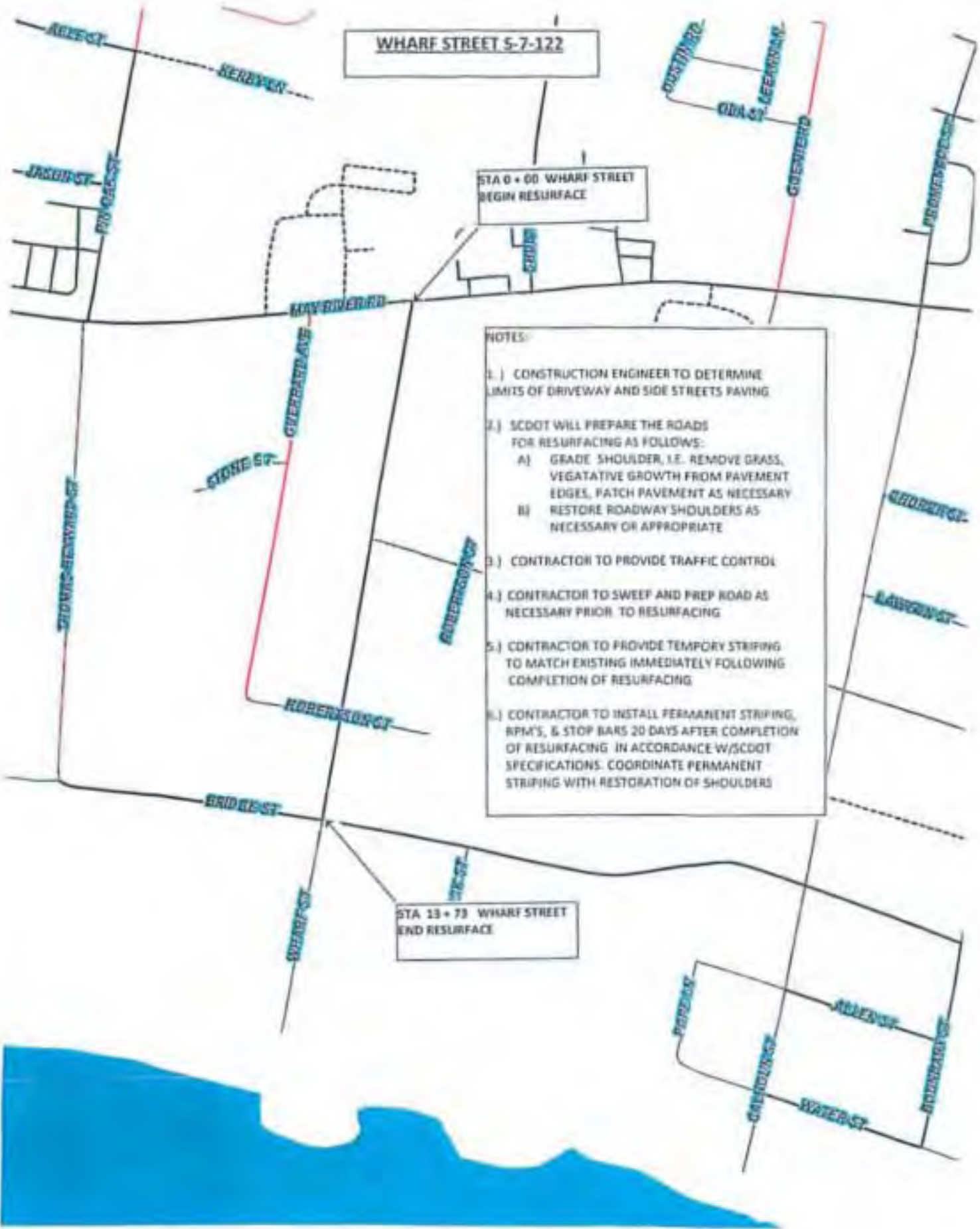
- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
 - 2.) SCDOT WILL PREPARE THE ROADS FOR RESURFACING AS FOLLOWS:
 - A) GRADE SHOULDER, I.E. REMOVE GRASS, VEGATATIVE GROWTH FROM PAVEMENT EDGES, PATCH PAVEMENT AS NECESSARY
 - B) RESTORE ROADWAY SHOULDERS AS NECESSARY OR APPROPRIATE
 - 3.) CONTRACTOR TO PROVIDE TRAFFIC CONTROL
 - 4.) CONTRACTOR TO SWEEP AND PREP ROAD AS NECESSARY PRIOR TO RESURFACING
 - 5.) CONTRACTOR TO PROVIDE TEMPORY STRIPING TO MATCH EXISTING IMMEDIATELY FOLLOWING COMPLETION OF RESURFACING
 - 6.) CONTRACTOR TO INSTALL PERMANENT STRIPING, RPM'S, & STOP BARS 20 DAYS AFTER COMPLETION OF RESURFACING IN ACCORDANCE W/SCDOT SPECIFICATIONS. COORDINATE PERMANENT STRIPING WITH RESTORATION OF SHOULDERS.

WHARF STREET 5-7-122

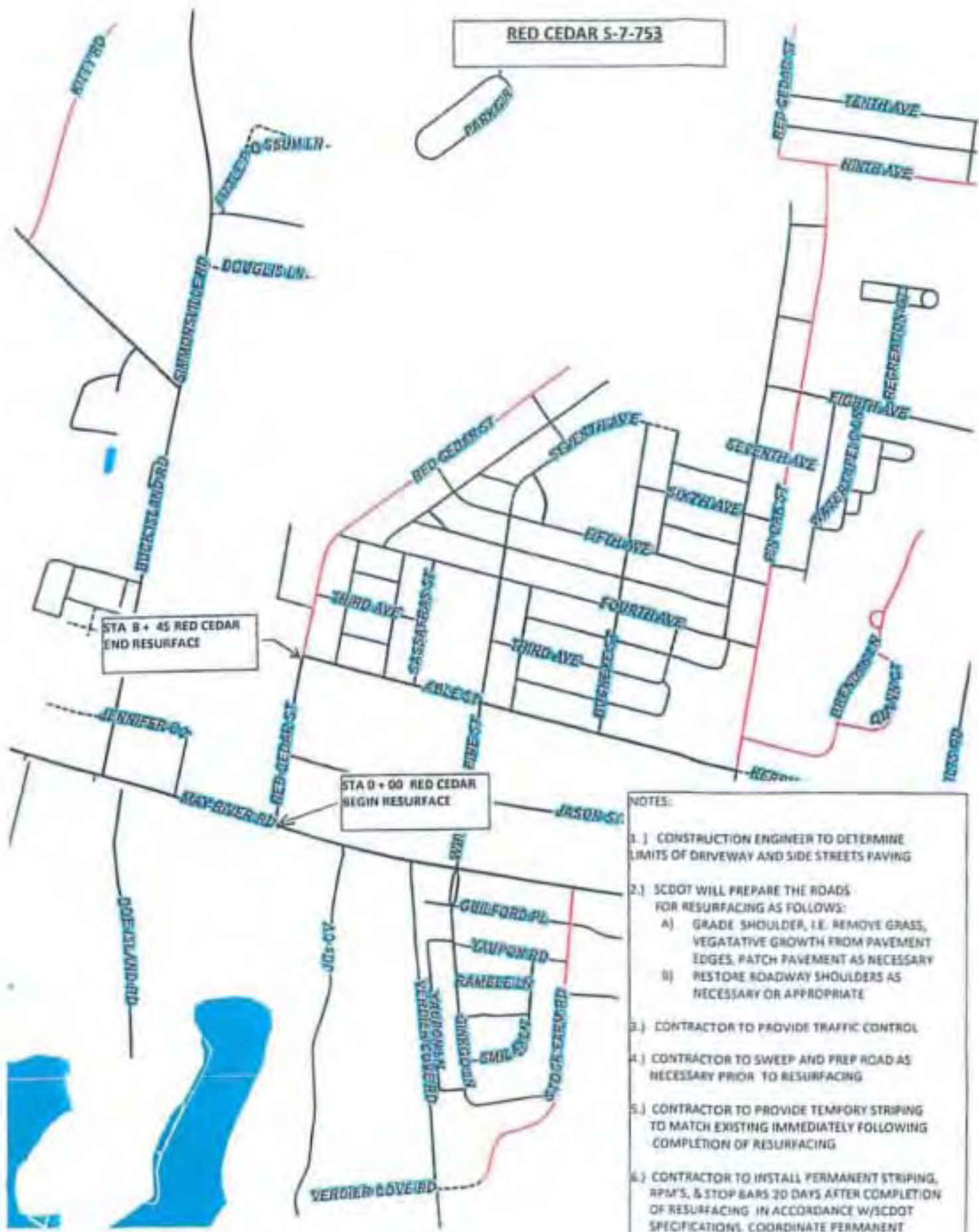
STA 0 + 00 WHARF STREET
BEGIN RESURFACE

- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
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STA 13 + 73 WHARF STREET
END RESURFACE

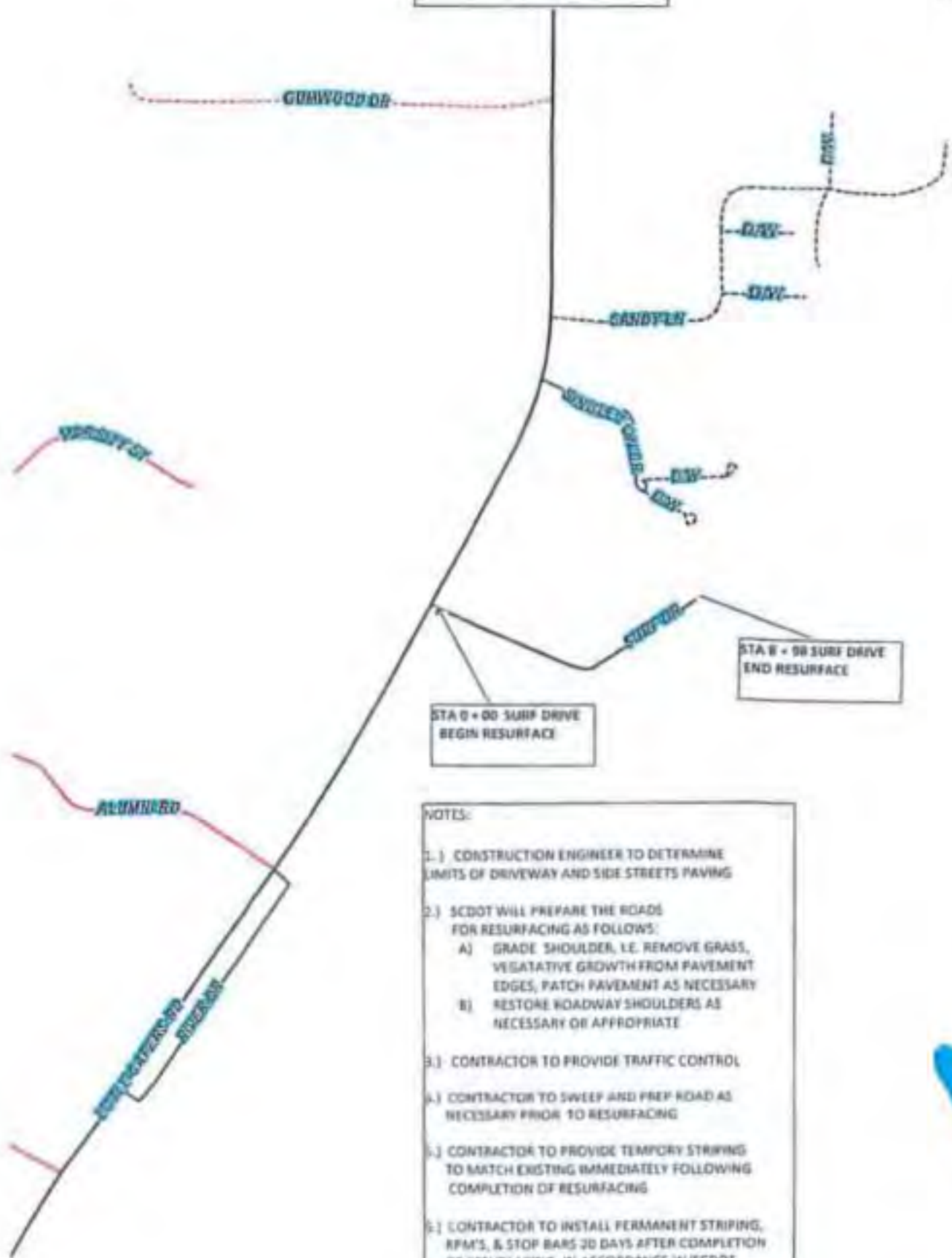


RED CEDAR S-7-753



- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
 - 2.) SCDOT WILL PREPARE THE ROADS FOR RESURFACING AS FOLLOWS:
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 - 5.) CONTRACTOR TO PROVIDE TEMPORARY STRIPING TO MATCH EXISTING IMMEDIATELY FOLLOWING COMPLETION OF RESURFACING
 - 6.) CONTRACTOR TO INSTALL PERMANENT STRIPING, RPM'S, & STOP BARS 30 DAYS AFTER COMPLETION OF RESURFACING IN ACCORDANCE W/SCDOT SPECIFICATIONS. COORDINATE PERMANENT STRIPING WITH RESTORATION OF SHOULDERS

SURF DRIVE S-7-545



- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
 - 2.) SCDOT WILL PREPARE THE ROADS FOR RESURFACING AS FOLLOWS:
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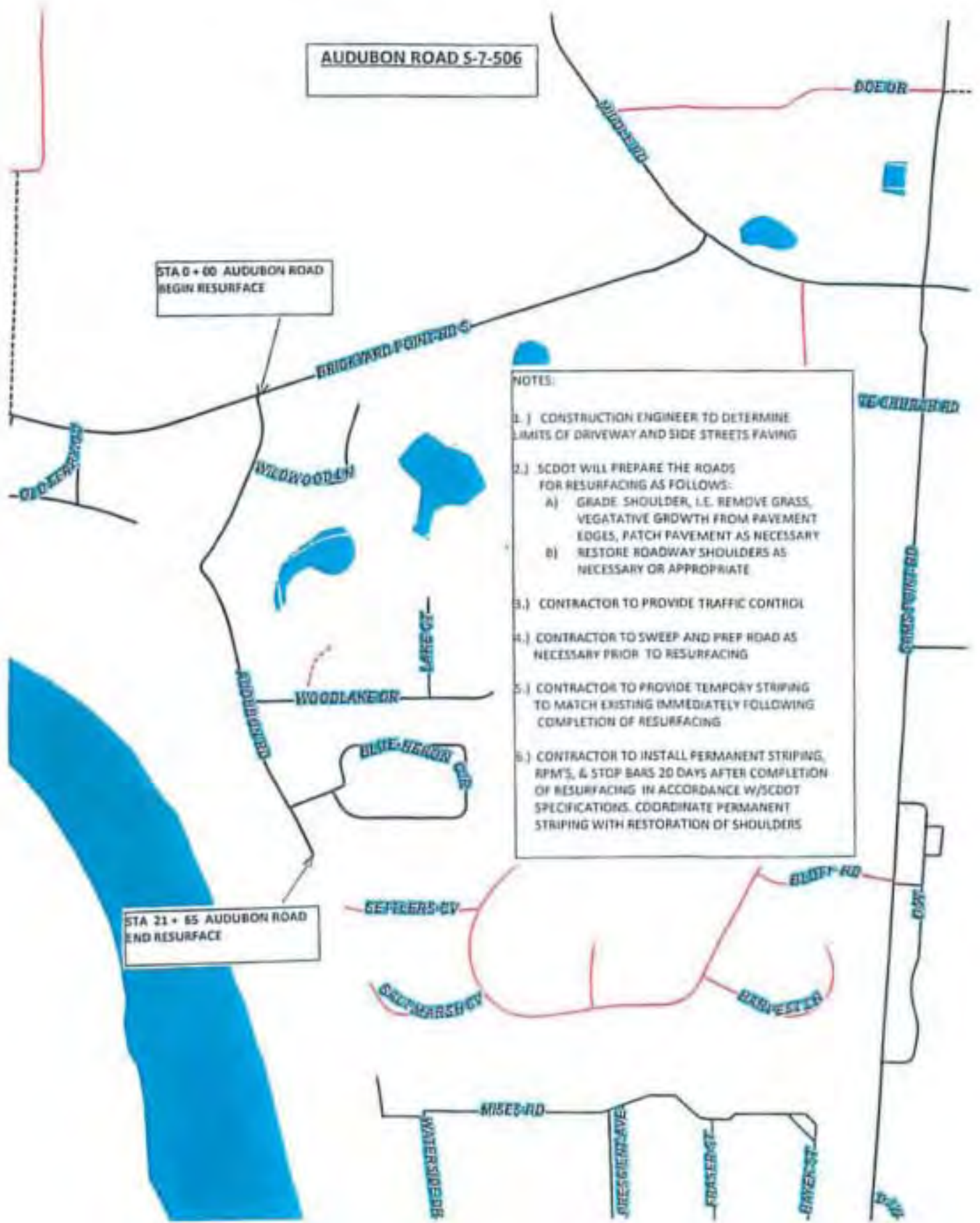


AUDUBON ROAD S-7-506

STA 0 + 00 AUDUBON ROAD
BEGIN RESURFACE

STA 21 + 85 AUDUBON ROAD
END RESURFACE

- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS FACING
 - 2.) SCDOT WILL PREPARE THE ROADS FOR RESURFACING AS FOLLOWS:
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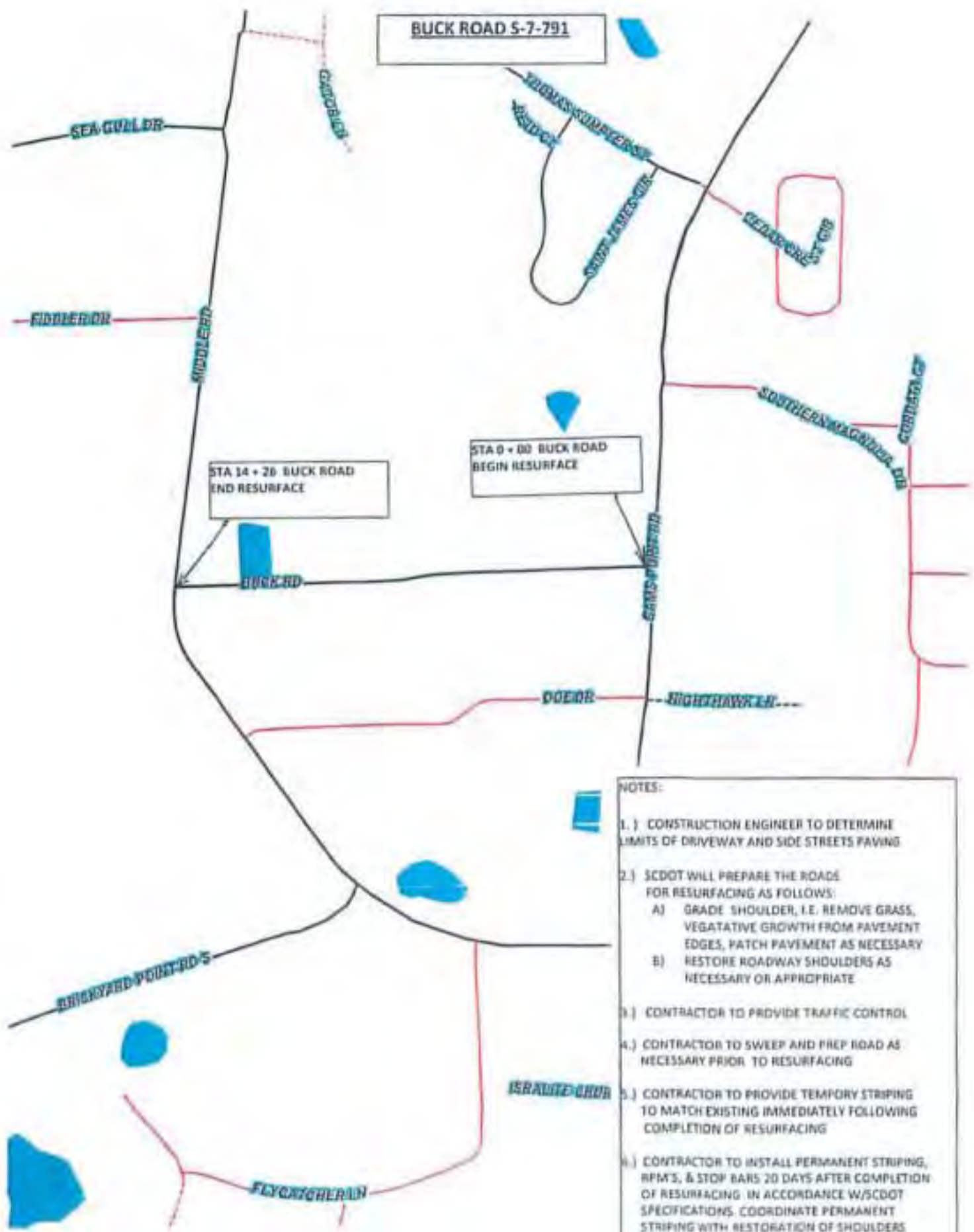
BLUE HERON CIRCLE S-7-797



- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
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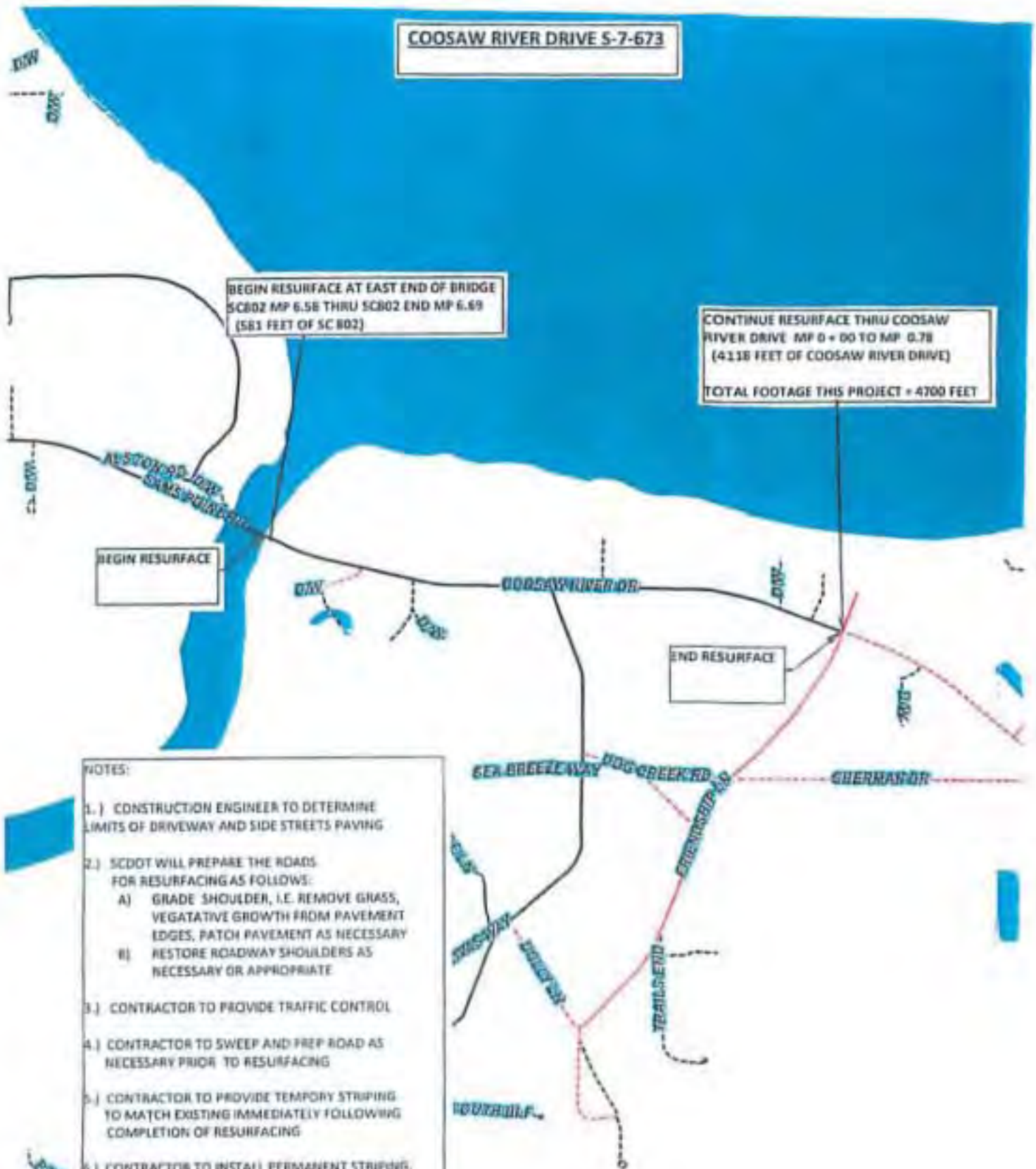
STA 0+00 BLUE HERON CIRCLE
BEGIN RESURFACE

STA 18+48 BLUE HERON CIRCLE
END RESURFACE



- NOTES:**
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
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COOSAW RIVER DRIVE S-7-673



NOTES:

- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
- 2.) SCDOT WILL PREPARE THE ROADS FOR RESURFACING AS FOLLOWS:
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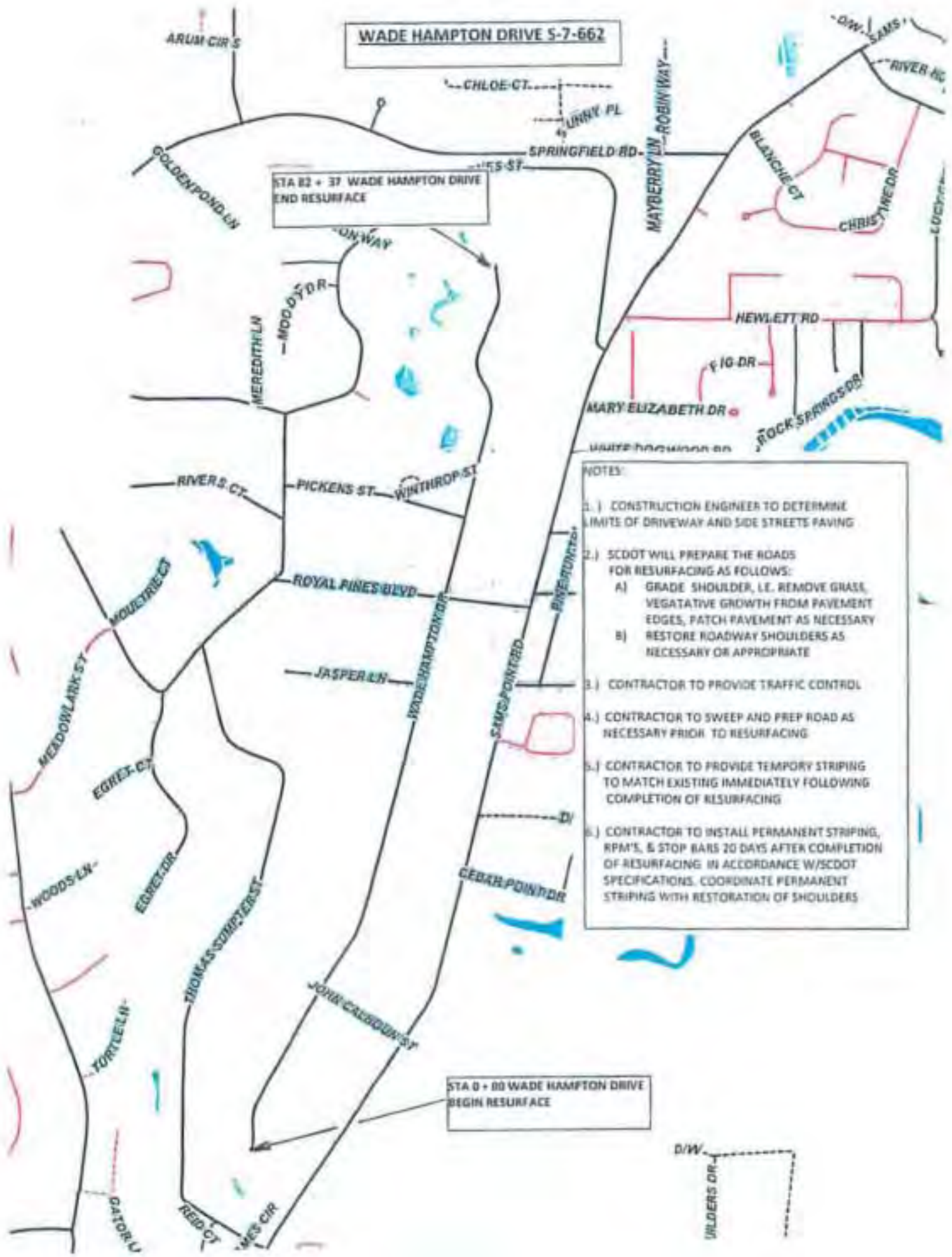
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WADE HAMPTON DRIVE S-7-662

STA 82 + 37 WADE HAMPTON DRIVE
END RESURFACE

STA 0 + 00 WADE HAMPTON DRIVE
BEGIN RESURFACE

- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITE OF DRIVEWAY AND SIDE STREETS PAVING
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JASPER LANE S-7-664

PICKENS STREET S-7-663

ARUM CIR S

LONGVIEW LN.

CHLOE CT

SUNNY FL

SPRINGFIELD RD

DW-SAMS PORT RD

RIVER RD

GOLDENPOND LN

LESLIE WAY

JAMES F BYRNES ST

MAYBERRY LN

BLANCKE CT

CHRISTY NEOR

LUCY CREP

STA 16 + 37 PICKENS STREET
END RESURFACE

STA 0 + 00 PICKENS STREET
BEGIN RESURFACE

HEWLETT RD

FIG DR

MARY ELIZABETH DR

ROCK SPRINGS DR

RIVERS CT

PICKENS ST

WINTHROP ST

WHITE DOGWOOD RD

STA 12 + 14 JASPER LANE
END RESURFACE

STA 0 + 00 JASPER LANE
BEGIN RESURFACE

ROYAL PIRES DR

JASPER LN

WIDEHAMPTON DR

SANDY DIVERT RD

BINGHAM LN

JARTAN LN

COVER RD

MEADOWLARK ST

EGRET CT

WOODS LN

EGRET DR

TURTLE LN

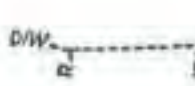
THOMAS SUPERST

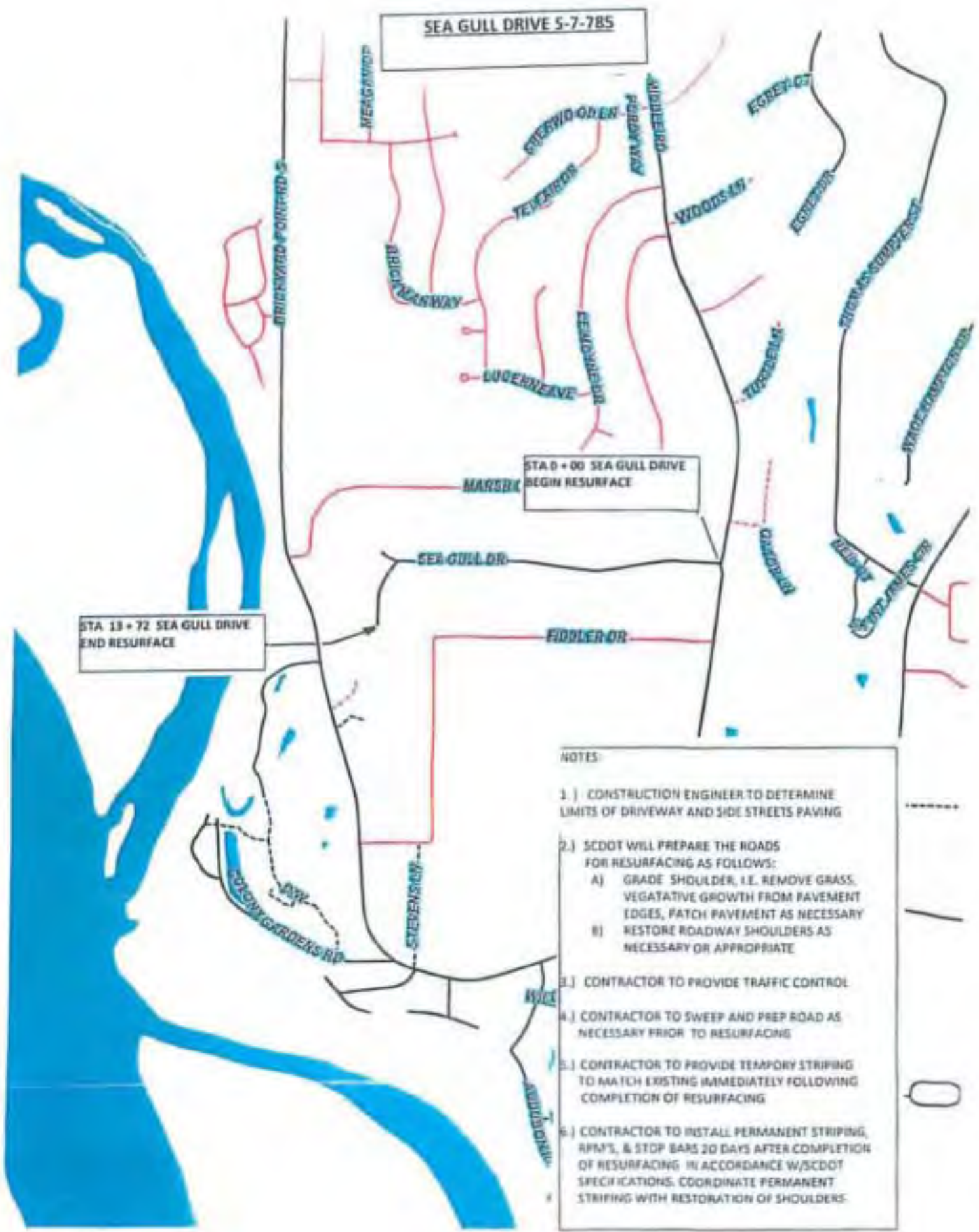
JOHN CALHOUN ST

GEDAR POINT DR

DW

- NOTES:
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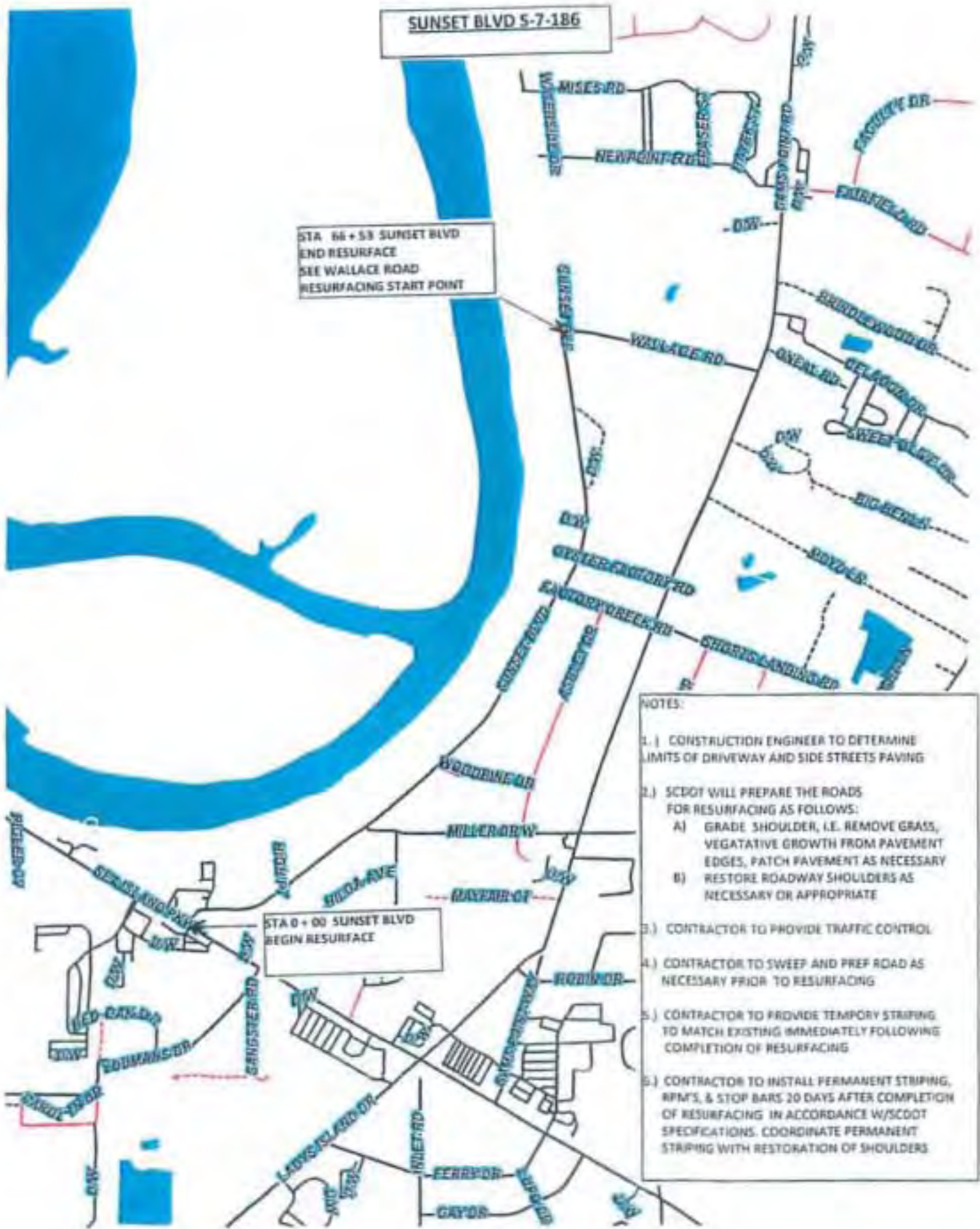


SEA GULL DRIVE 5-7-785

STA 13+72 SEA GULL DRIVE
END RESURFACE

STA 0+00 SEA GULL DRIVE
BEGIN RESURFACE

- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
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 - 6.) CONTRACTOR TO INSTALL PERMANENT STRIPING, RPM'S, & STOP BARS 20 DAYS AFTER COMPLETION OF RESURFACING IN ACCORDANCE W/SCDOT SPECIFICATIONS. COORDINATE PERMANENT STRIPING WITH RESTORATION OF SHOULDERS.

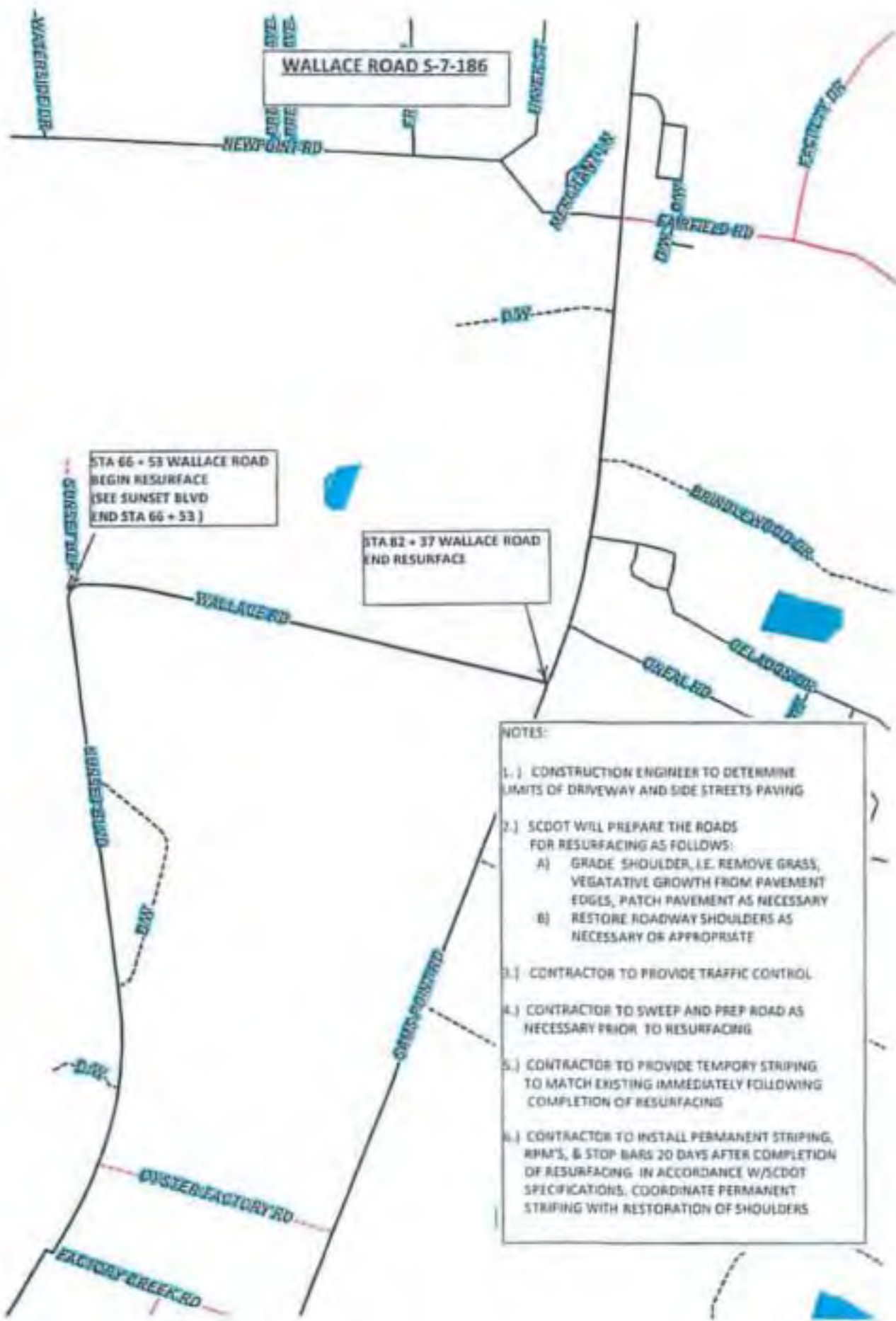


SUNSET BLVD 5-7-186

STA 66 + 53 SUNSET BLVD
END RESURFACE
SEE WALLACE ROAD
RESURFACING START POINT

STA 0 + 00 SUNSET BLVD
BEGIN RESURFACE

- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
 - 2.) SCDOT WILL PREPARE THE ROADS FOR RESURFACING AS FOLLOWS:
 - A) GRADE SHOULDER, I.E. REMOVE GRASS, VEGETATIVE GROWTH FROM PAVEMENT EDGES, PATCH PAVEMENT AS NECESSARY
 - B) RESTORE ROADWAY SHOULDERS AS NECESSARY OR APPROPRIATE
 - 3.) CONTRACTOR TO PROVIDE TRAFFIC CONTROL
 - 4.) CONTRACTOR TO SWEEP AND PREF ROAD AS NECESSARY PRIOR TO RESURFACING
 - 5.) CONTRACTOR TO PROVIDE TEMPORARY STRIPING TO MATCH EXISTING IMMEDIATELY FOLLOWING COMPLETION OF RESURFACING
 - 6.) CONTRACTOR TO INSTALL PERMANENT STRIPING, RPM'S, & STOP BARS 20 DAYS AFTER COMPLETION OF RESURFACING IN ACCORDANCE W/SCDOT SPECIFICATIONS. COORDINATE PERMANENT STRIPING WITH RESTORATION OF SHOULDERS



WALLACE ROAD S-7-186

STA 66 + 53 WALLACE ROAD
 BEGIN RESURFACE
 (SEE SUNSET BLVD
 END STA 66 + 53)

STA 82 + 37 WALLACE ROAD
 END RESURFACE

- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
 - 2.) SCDOT WILL PREPARE THE ROADS FOR RESURFACING AS FOLLOWS:
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SUNSET CIRCLE S-7-721



STA 0+00 SUNSET CIRCLE
BEGIN RESURFACE

STA 1+50 SUNSET CIRCLE
END RESURFACE



- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
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SUNSET CIRCLE NORTH S-7-719



- NOTES:
- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
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SUNSET CIRCLE SOUTH S-7-718



STA 8 + 98 SUNSET CIRCLE SOUTH
END RESURFACE

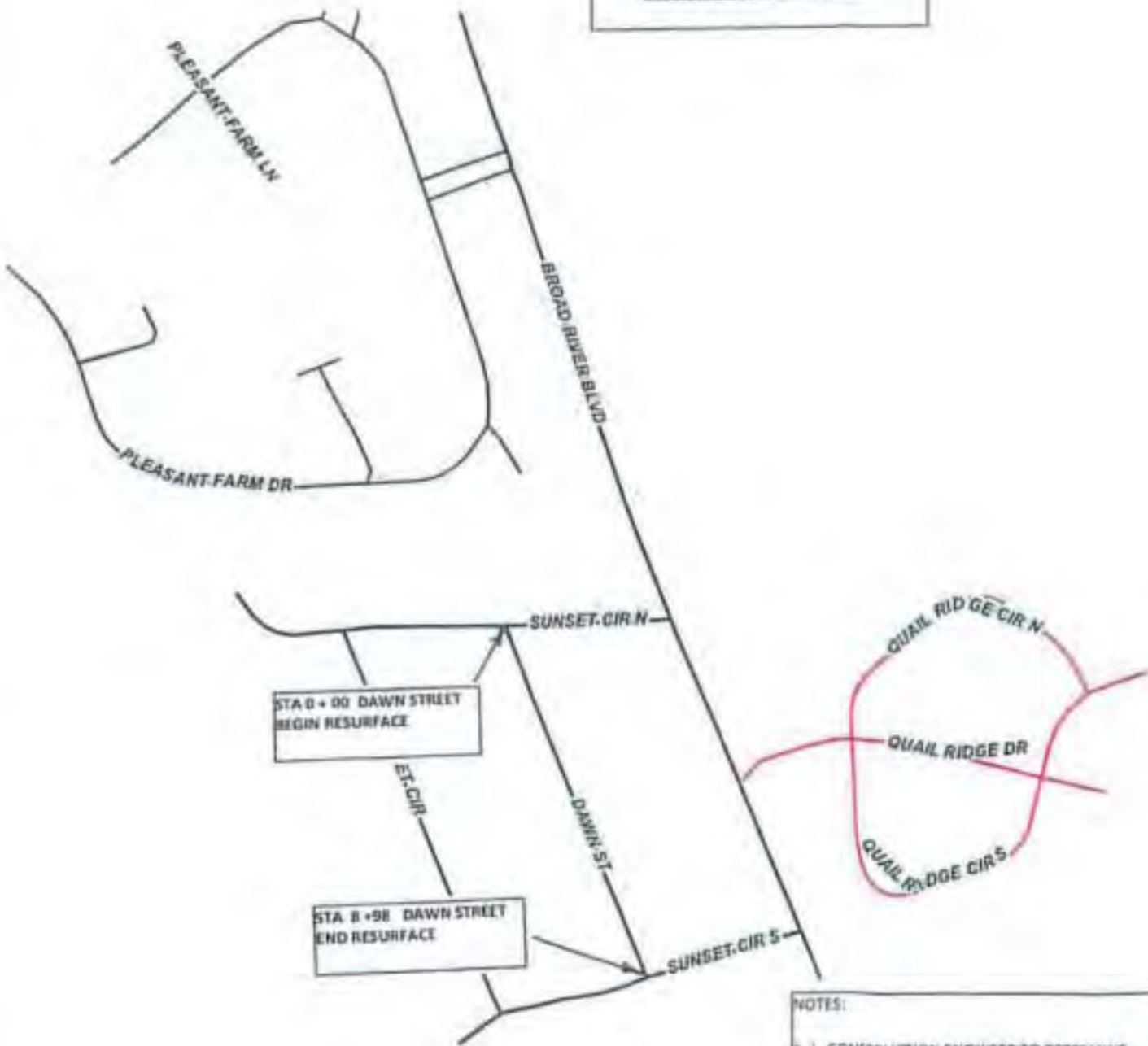
STA 0 + 00 SUNSET CIRCLE SOUTH
BEGIN RESURFACE



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- 1.) CONSTRUCTION ENGINEER TO DETERMINE LIMITS OF DRIVEWAY AND SIDE STREETS PAVING
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DAWN STREET 5-7-720



STA 0+00 DAWN STREET
BEGIN RESURFACE

STA 2+98 DAWN STREET
END RESURFACE

- NOTES:
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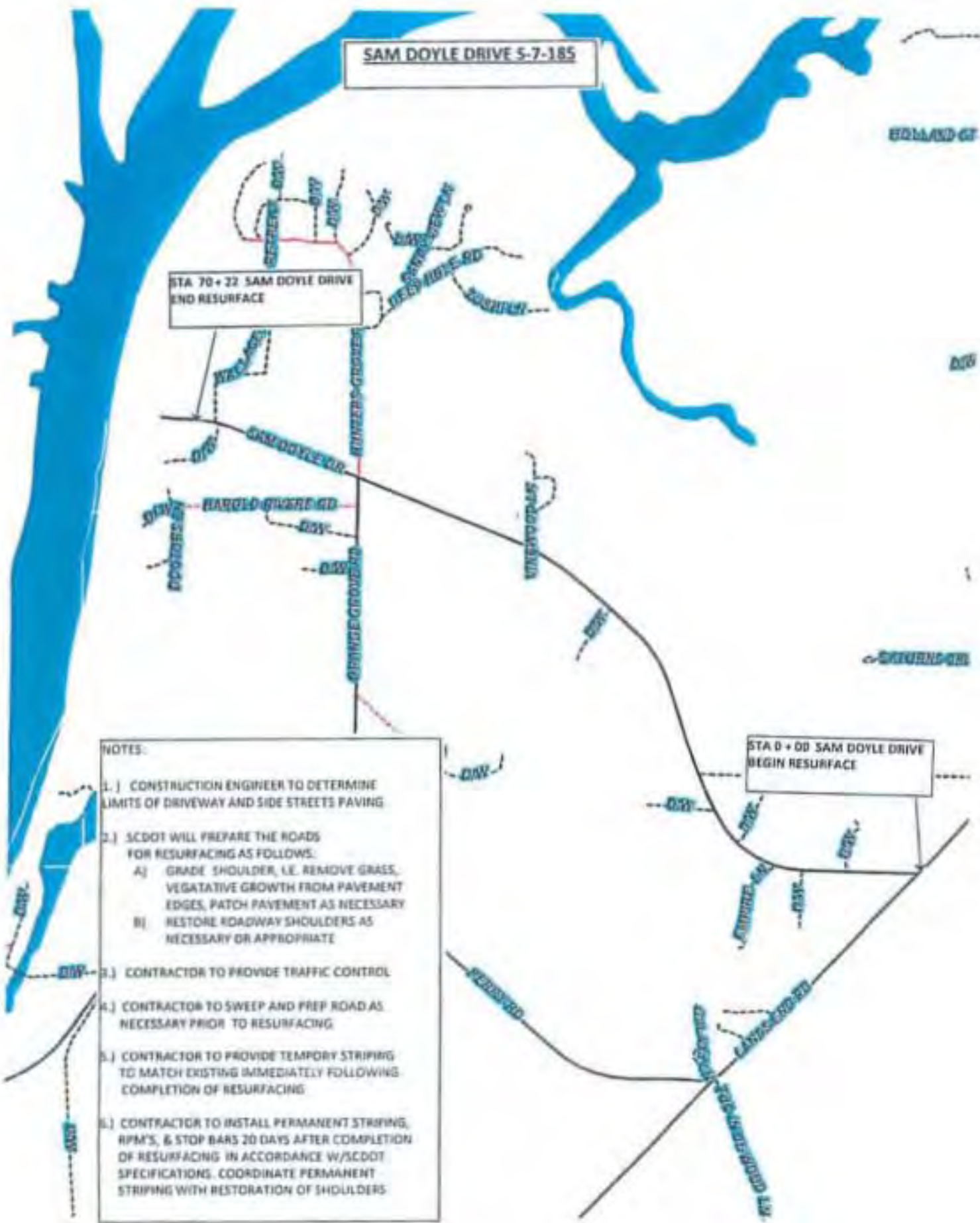
SAM DOYLE DRIVE S-7-185

EDWARDS CT

STA 70+22 SAM DOYLE DRIVE
END RESURFACE

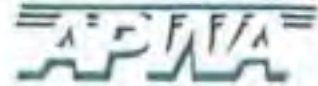
STA 0+00 SAM DOYLE DRIVE
BEGIN RESURFACE

- NOTES:
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BEAUFORT COUNTY PUBLIC WORKS
 120 Shanklin Road
 Beaufort, South Carolina 29906
 Voice (843) 255-2700 Facsimile (843) 255-2750



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

VIA: Gory Kubie, County Administrator *GKUBIE*
 Bryan Hill, Deputy Administrator *BH*
 David Starkey, Chief Financial Officer *DS*
 Robert McLee, Division Director, Engineering and Infrastructure *RM*
 Dave Thomas, Purchasing Director *DT*
 Monica Spells, Compliance Officer *MS*
 Eddie Bellamy, Public Works Director *EB*

JM McFee

FROM: James S. Minor, Jr., Solid Waste Manager *JSM*

SUBJ: RFP# 3918/120427 - Disaster Debris Management and Financial Recovery Services for Beaufort County

DATE: July 9, 2012

BACKGROUND. Beaufort County issued a Request for Proposals (RFP) to solicit proposals from qualified firms to provide debris monitoring services for Beaufort County in the event of a natural disaster such as a hurricane. Responses were received from the following firms: (1) SAIC (formerly Beck Disaster Recovery, Inc.) (2) Arcadis (3) True North Emergency Management (4) O'Brien's Response Management, Inc. A review panel consisting of the Public Works Director, the Solid Waste Manager, The Administrative Manager Beaufort County Public Works, the Beaufort County Recovery Manager, and the Contract Administrator from the Beaufort County Purchasing Department evaluated the proposals and ranked them according to the selection criteria. Since costs for this service are dependent on an actual event, a projected cost scenario was created using an Excel spreadsheet for comparison of the firms financially. There is no cost for this contract, unless the firm is activated for an event or the firm is contracted to perform some other service. The severity of the event determines the hours billed by the debris monitoring firm.

The two highest ranked firms were interviewed by the panel and received a presentation from each firm. Each firm responded to questions from panel members. Final ratings were assigned by the panel and we have selected SAIC, as the highest ranked firm. SAIC was not the lowest cost proposal but was rated by the panel as the highest value and strongest proposing firm. Their costs are fair and reasonable. Additionally, the firm has held this contract for the previous six years and has provided excellent service. SAIC is uniquely familiar with Beaufort County from having served as our debris monitoring firm during that period. Beaufort County is responsible for the cost of the service; however, in some cases disasters are qualified as a Presidential Disaster Declaration, in those instances, FEMA may reimburse the County 75% for this service.

RECOMMENDATION.

Recommend that the Public Facilities Committee approve and recommend to Council award of the contract for Disaster Debris Management and Financial Recovery Services to SAIC.

CC: Richard Dimont, Contract Administrator
 John Weimer, Recovery Manager



BID TABLE

RFP 3918/120427

Disaster Debris Management and Financial Recovery Services for Hertford County

	True North Emergency Management LLC/Debi Shaffer, Inc.	Arbore U.S., Inc.	O'Brien's Response Management, Inc.	SAC
Paper Based Ticketing	\$ 1,279,990	\$ 1,428,028	\$ 1,182,300	\$ 1,279,990
Automated Based Ticketing	\$ 1,188,300	\$ 1,428,218	\$ 1,108,800	\$ 1,188,300

	Lowest to Highest Cost Paper Based Ticketing	Lowest to Highest Cost Automated Based Ticketing
True North Emergency Management LLC/Debi Shaffer, Inc.	3	1
Arbore U.S., Inc.	4	4
O'Brien's Response Management, Inc.	1	3
SAC	2	2

1 = Lowest Cost 4 = Highest Cost



**COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT**

Building 2, 102 Industrial Village Road
Post Office Drawer 1228, Beaufort, SC 29901-1228
Phone: (843) 255-2353 Fax: (843) 255-9437

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

VIA: Gary Kubie, County Administrator
Bryan Hill, Deputy Administrator
David Starkey, Chief Financial Officer
Phillip Foot, Public Safety Director

FROM: Dave Thomas, Purchasing Director

SUBJ: Request to Renew the Annual Food Service Contract with ABL Management for the Beaufort County Detention Center

DATE: July 27, 2012

BACKGROUND. The Purchasing Department received a request from the Public Safety Director to renew the annual contract with ABL Management for food services in support of the Detention Center. There are no changes to the scope of services or cost increases. The contractor will provide all the labor, food, beverages, materials, supplies, and chemicals necessary to provide food services for the inmates and staff. The contractor will provide meals and food service three times per day, seven days per week. The contractor shall manage a civilian and inmate kitchen staff which shall prepare pre-plated meals for service on thermal insulated trays. The contract term will cover the current fiscal year and expire on June 30, 2013, with two more one year annual renewals subject to County Council approval.

CONTRACT VENDOR INFORMATION

COST

ABL Management Inc., Baton Rouge, LA

\$325,000

FUNDING: Account 23170-51200 (Meals/Contracted Services)

RECOMMENDATION The Finance Committee approve and recommend to County Council the annual contract renewal with ABL Management to provide food services for the Detention Center in the amount of \$325,000.

cc: Elizabeth Wooten, Richard Dimont



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PURCHASING DEPARTMENT**

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Building 2, 102 Industrial Village Road
Post Office Drawer 1228, Beaufort, SC 29901-1228
Phone: (843) 255-2353 Fax: (843) 255-9437

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

VIA: Gary Kubic, County Administrator
Bryan Hill, Deputy Administrator
David Starkey, Chief Financial Officer
Phillip Foot, Public Safety Director

FROM: Dave Thomas, Purchasing Director

SUBJ: Request to Renew the Annual Health/Medical Care Services Contract with Southern Health Partners for the Beaufort County Detention Center

DATE: July 27, 2012

BACKGROUND. The Purchasing Department received a request from the Public Safety Director to renew the annual contract with Southern Health Partners for Health/Medical services in support of the Detention Center. There are no changes to the scope of services or cost increases. The contractor will provide medical and health care services as required by law. The contractor provides 24 hour medical coverage, licensed physician, licensed dentist, and nursing staff. The contractor also provides for referrals to outside specialist, x-rays, pharmaceuticals, lab services, and maintains accreditation files for the medical unit accreditation with the National Commission on Correctional Health Care (NCCHC) certification, records for DHEC inspections for Pharmacy regulations, and records for South Carolina Department of Corrections inspections for compliance with South Carolina Minimum Standards for Detention Facilities. The contract term will cover the current fiscal year and expire on June 30, 2013, with two more one year annual renewals subject to County Council approval.

VENDOR INFORMATION

Southern Health Partners, Chattanooga, TN

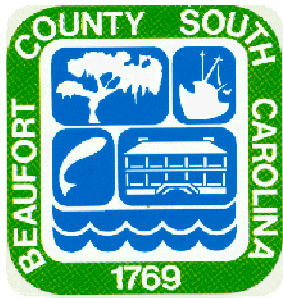
COST

\$565,000

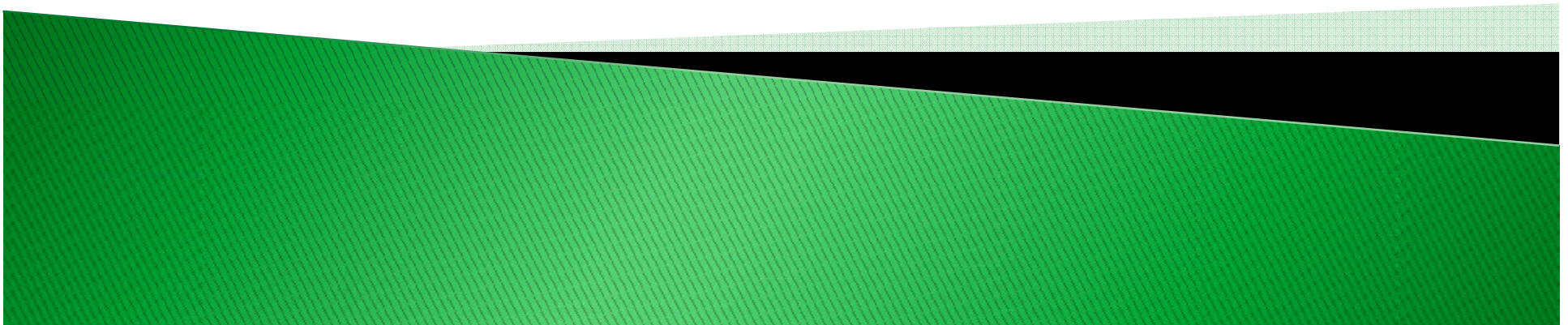
FUNDING: Account 23170-51190 Medical/Dental Services

RECOMMENDATION The Finance Committee approve and recommend to County Council the annual contract renewal with Southern Health Partners to provide Health/Medical Care services for the Detention Center in the amount of \$565,000.

cc: Elizabeth Wooten, Richard Dimont



DAUFUSKIE FERRY PROPOSAL AUGUST 6, 2012



Current Service

There are two runs per day from HHI to Daufuskie Island:

- One run picks up passengers at 8:15 a.m. on Daufuskie and leaves HHI for Daufuskie at 4 p.m. Mon, Wed, and Fri.
- Tue and Thu runs are dependent upon tourist schedule, 11 a.m. departing Daufuskie and leaves HHI for Daufuskie at 4 p.m.
- Saturday runs are 8:15 a.m. and 5:00 p.m. twice per month.

Funding Summary

- Projected FY13 Cost \$255,600
- Parking Costs \$8,000
- Ticket Sales Administration \$4,500
- Projected FY13 total costs \$268,100
- Current budget (projected to last through JAN 20, 2013) is \$150,000;
 - SCDOT \$50,000
 - Beaufort County \$100,000
- Projected ticket sales are \$21,000
- An additional \$97,100 needed to complete FY



Costs associated with ferry operations vary daily depending on the season.

**FLAT RATE for
FY13¹**

YEAR-ROUND	
M-F	\$900
SAT (2/MONTH)	\$900

**PROPOSED SEASONAL
RATE FY13¹**

JUL1 TO AUG30 2012	
MWF	\$759.00
TUTH	\$159.00
SAT	\$530.00
SUN	\$0.00

SEP1 TO OCT31, 2012	
MWF	\$918.00
TUTH	\$318.00
SAT	\$530.00
SUN	\$0.00

NOV1 TO FEB28, 2013	
MWF	\$1,130.00
TUTH	\$530.00
SAT	\$530.00
SUN	\$0.00

MAR1 TO MAY30 2013	
MWF	\$759.00
TUTH	\$159.00
SAT	\$530.00
SUN	\$0.00

JUN1 TO JUN30, 2013	
MWF	\$759.00
TUTH	\$159.00
SAT	\$530.00
SUN	\$0.00

FY12²

Jul1-Dec14, 2011	
M-F	\$150.00
Sa	\$500.00
Su	\$0.00

Dec15-Feb28, 2012	
M-F	\$530.00
Sat	\$530.00
Sun	\$0.00

Mar1-May31, 2012	
M-F	\$318.00
Sat	\$530.00
Sun	\$0.00

Jun1- Jun30, 2012	
M-F	\$159.00
Sat	\$530.00
Sun	\$0.00

1. Two Saturdays per month and three early morning runs, MWF. Tu & Th runs are from & to Daufuskie at 11am and 4pm.
2. For FY12, the total expenditure was \$189,056.



Per Period Charge

YEAR-ROUND	
M-F	\$900
SAT (2/MONTH)	\$900

\$255,600

\$25,475

JUL1 TO AUG30 2012	
MWF	\$759.00
TUTH	\$159.00
SAT	\$530.00
SUN	\$0.00

\$24,557

SEP1 TO OCT31, 2012	
MWF	\$918.00
TUTH	\$318.00
SAT	\$530.00
SUN	\$0.00

\$80,420

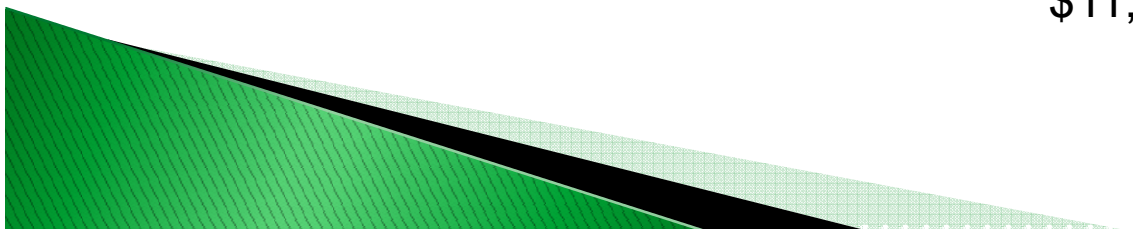
NOV1 TO FEB28, 2013	
MWF	\$1,130.00
TUTH	\$530.00
SAT	\$530.00
SUN	\$0.00

\$48,168

MAR1 TO MAY30 2013	
MWF	\$759.00
TUTH	\$159.00
SAT	\$530.00
SUN	\$0.00

\$11,440

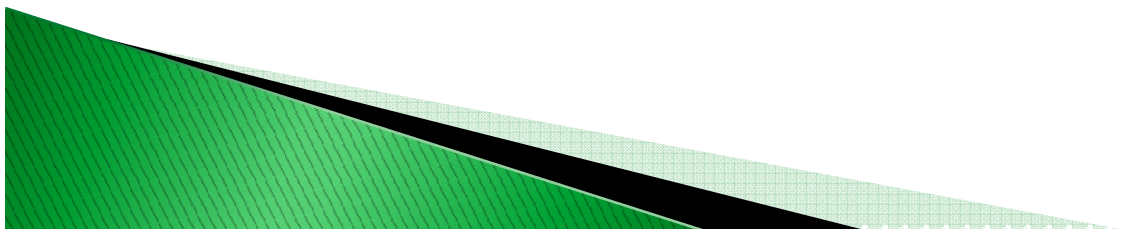
JUN1 TO JUN30, 2013	
MWF	\$759.00
TUTH	\$159.00
SAT	\$530.00
SUN	\$0.00



Flat Rate v. Seasonal Rate

FERRY SERVICE	\$255,600.00
RIDERSHIP ESTIMATE	<i>Included</i>
PARKING/ADMINISTRATION	\$12,500.00
FUNDS ALREADY COMMITTED	\$150,000.00
PROJECTED TICKET SALES	\$21,000.00
AMT NEEDED FROM GF	\$97,100.00

FERRY SERVICE	\$190,060.00
RIDERSHIP ESTIMATE	\$81,000.00
PARKING/ADMINISTRATION	\$12,500.00
FUNDS ALREADY COMMITTED	\$150,000.00
PROJECTED TICKET SALES	\$21,000.00
AMT NEEDED FROM GF	\$112,560.00



STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

PETITION BY RESIDENT ELECTORS

**PETITION REQUESTING THE CREATION OF DAUFUSKIE ISLAND FERRY TAX DISTRICT
PURSUANT TO SOUTH CAROLINA CODE § 4-9-30 (5)(i)**

The undersigned registered electors of the proposed Daufuskie Island Ferry Tax District, constituting no less than fifteen percent (15%) of the registered voters in the proposed special tax district have signed the attached Petition containing their addresses, acknowledge that they have read this Petition and respectfully request the creation of a new Daufuskie Island Ferry Tax District as follows:

1. The boundaries of the proposed Daufuskie Island Ferry Tax District (hereinafter "The District") are designated, set forth, and described as being all property located on Daufuskie Island, as recognized as the R800 property district, minus and except those properties that are members of the Haig Point Club and Community Association, Inc. Properties on Cedar Cove Lane and Cedar Cove Court shall be included in the District. The attached map is provided to further indicate those properties that are within the proposed District.
2. The nature of the services to be rendered within the boundaries of the proposed The District are:
 - The provision of public ferry service to and from Daufuskie Island.
3. That the Daufuskie Island Ferry Tax District Commission be created and comprised of not more than five members who shall reside within the Daufuskie Island Ferry Tax District. The Commission, among other duties, shall advise Beaufort County Council as to the nature and level of services desired by the residents and prepare and present a budget setting the level of user service charges and/or ad valorem taxes to be collected within the District for each fiscal year.
4. The maximum level of ad valorem taxes to be levied or collected on behalf of the District shall not exceed 16.5 mills. Said charges and taxes are only maximum amounts and the discretion to set lower amounts shall be in the Commission's authority after confirmation of Beaufort County Council.
5. If Beaufort County Council finds that this Petition has been signed by fifteen percent or more of the electors residing within the area of the proposed special tax district, it may certify that fact to the county election commission. Upon receipt of a written resolution certifying that the Petition meets the requirements of S.C. Code Ann. § 4-9-30 (5) (i), the County Election Commission shall order an election to be held within the area of the proposed special tax district. The election ordered pursuant to this section is a special election and must be held, regulated, and conducted with the provisions prescribed by Chapters 13 and 17 of Title 7, except as otherwise provided in this section. The County Election Commission shall give at least thirty days' notice in a newspaper of general circulation within the proposed special tax district. The County Election Commission shall certify the result of the election to the Beaufort County Council and County Council by written resolution shall publish the result of the election.

PETITION

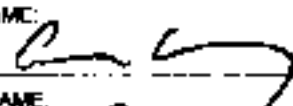

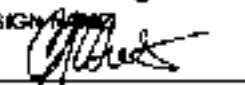

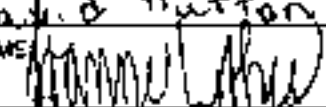
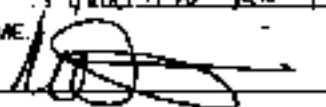
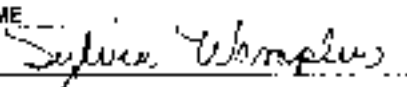
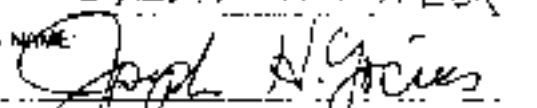
"Shall there be created a Daufuskie Island Ferry Tax District for purposes of providing public ferry services and shall there be created a Dauluskie Island Ferry Tax District Commission who shall be authorized to recommend a uniform service charge for all property located within the District which shall at no time exceed 16.5 mills"

SIGNATURE OF VOTER (INCLUDE FULL NAME)	COMPLETE RESIDENCE ADDRESS OF VOTER
SIGN NAME: <u><i>Ronald R. Papesh</i></u> PRINT NAME: <u>Ronald R Papesh</u>	PHONE: (843) 341-2772 STREET: 85 Prospect Road CITY: Daufuskie Island
SIGN NAME: <u><i>Amie Brooks</i></u> PRINT NAME: <u>Amie Brooks</u>	PHONE: STREET: 22 Prospect Rd. CITY: Daufuskie Island
SIGN NAME: <u><i>Georgia Rossberry</i></u> PRINT NAME: <u>Georgia Rossberry</u>	PHONE: 843-842-9000 STREET: 205 MARTIN ANGELE LT CITY: Daufuskie Island
SIGN NAME: <u><i>Patricia Beichler</i></u> PRINT NAME: <u>PATRICIA BEICHLER</u>	PHONE: 843-842-8999 STREET: 22 MARYFIELD CITY: Daufuskie Island
SIGN NAME: <u><i>John Wampler</i></u> PRINT NAME: <u>JOHN WAMPLER</u>	PHONE: 686 9058 STREET: 2 SHADE HILL LN CITY: <u>Daufuskie Island</u> SHADY HILL LN
SIGN NAME: <u><i>Edward S. Campbell</i></u> PRINT NAME: <u>Edward S. Campbell</u>	PHONE: 843-540-4747 STREET: BARGE LANDING Rd CITY: Daufuskie Island
SIGN NAME: <u><i>John W. Hinchey</i></u> PRINT NAME: <u>John W. Hinchey</u>	PHONE: 843-842-5443 STREET: 94 MARTIN ANGELE LANE CITY: Daufuskie Island
SIGN NAME: <u><i>Paulette Hinchey</i></u> PRINT NAME: <u>Paulette Hinchey</u>	PHONE: 29915 STREET: 843-842-5443 CITY: Daufuskie Island 94 MARTIN ANGELE LN 29915

IMPORTANT: ONLY SIGNATURE OF REGISTERED VOTERS OF DAUFUSKIE ISLAND CAN BE PLACED ON THIS PAGE.

PETITION

"Shall there be created a Daufuskie Island Ferry Tax District for purposes of providing public ferry services and shall there be created a Daufuskie Island Ferry Tax District Commission who shall be authorized to recommend a uniform service charge for all property located within the District which shall at no time exceed 16.5 mills"

SIGNATURE OF VOTER (INCLUDE FULL NAME)	COMPLETE RESIDENCE ADDRESS OF VOTER
SIGN NAME: 	PHONE: 843 686-4824 STREET: 156 Cannon Road CITY: Daufuskie Island
PRINT NAME: Aaron Crosby	
SIGN NAME: 	PHONE: 843-686-4824 STREET: 156 Cannon Rd. CITY: Daufuskie Island
PRINT NAME: Jan Crosby	
SIGN NAME: 	PHONE: 843-842-1266 STREET: 11 WHITE SCHOOL CITY: Daufuskie Island
PRINT NAME: Charles Hutton	
SIGN NAME: 	PHONE: 843-842-1266 STREET: 11 White School In. CITY: Daufuskie Island
PRINT NAME: David Hutton	
SIGN NAME: 	PHONE: 843 341-3981 STREET: 341 FUSKIE LANE CITY: Daufuskie Island Daufuskie Island SC 29915
PRINT NAME: Dianne Loftis	
SIGN NAME: 	PHONE: 341 FUSKIE LANE 843-341-3981 STREET: Daufuskie Island, SC 29915 CITY: Daufuskie Island
PRINT NAME: Michael Loftis	
SIGN NAME: 	PHONE: 843-686-4058 STREET: 2 SHADY HILL LN. CITY: Daufuskie Island IS. SC 29915
PRINT NAME: SYLVIA WAMPLER	
SIGN NAME: 	PHONE: 843-686-4644 STREET: 146 Beach Drive CITY: Daufuskie Island
PRINT NAME: Joseph N. Yocius	

IMPORTANT: ONLY SIGNATURES OF REGISTERED VOTERS OF DAUFUSKIE ISLAND CAN BE PLACED ON THIS PAGE

PETITION

"Shall there be created a Daufuskie Island Ferry Tax District for purposes of providing public ferry services and shall there be created a Daufuskie Island Ferry Tax District Commission who shall be authorized to recommend a uniform service charge for all property located within the District which shall at no time exceed 16.5 mills"

SIGNATURE OF VOTER (INCLUDE FULL NAME)	COMPLETE RESIDENCE ADDRESS OF VOTER
SIGN NAME: <i>Mary B. Yocius</i> PRINT NAME: MARY B. YOCIUS	PHONE: 843/686-4644 STREET: 146 BEACH DRIVE CITY: Daufuskie Island
SIGN NAME: <i>W. H. Greenwood</i> PRINT NAME: William H. Greenwood	PHONE: 843 341 3898 STREET: 37 FUSKIE LN CITY: Daufuskie Island
SIGN NAME: <i>Keli Greenwood</i> PRINT NAME: Keli Greenwood	PHONE: 843 341 3898 STREET: 37 FUSKIE LANE CITY: Daufuskie Island
SIGN NAME: <i>A. Anthony A. Strickland</i> PRINT NAME: A. Anthony A. Strickland	PHONE: 843 842-4570 STREET: 35 FRAIE LANE CITY: Daufuskie Island
SIGN NAME: <i>Sarah M. Lesedne</i> PRINT NAME: SARAH M. LESEDNE	PHONE: (843) 842-7076 STREET: 120 Anson White Road CITY: Daufuskie Island
SIGN NAME: <i>Lisa R. Clive</i> PRINT NAME: Lisa R Clive	PHONE: 770 367 0175 STREET: 49 River Road CITY: Daufuskie Island
SIGN NAME: <i>Claree Hanson</i> PRINT NAME: CLAREE HANSON	PHONE: 843-842-8353 STREET: 19 Volunteer Ridge CITY: Daufuskie Island
SIGN NAME: PRINT NAME:	PHONE: STREET: CITY: Daufuskie Island

IMPORTANT: ONLY SIGNATURE OF REGISTERED VOTERS OF DAUFUSKIE ISLAND CAN BE PLACED ON THIS PAGE.

Accommodations Tax (2% State) Application

Due: Monday, August 6, 2012 - No Later Than 5:00 p.m.

NOTE: Failure to appear at the Committee interview process will result in zero allocation. Applicants who have not received the Interview Schedule by **August 21, 2012**, please contact the Clerk to Council at 843-255-2180 or email atax@bcgov.net

Event / Project: Lt Dan Weekend 3 (LDW3)

Organization Sponsoring Event: The Independence Fund

Organization Mailing Address: PO Box 1171, Beaufort, SC 29901

Organization Email Address: Independencefund@mac.com

Organization Telephone Number: 843-812-7787

Amount Requested: \$15,000

Date Funds Needed: Sept 1, 2012

Failure to appear at the Committee interview process will result in zero allocation.

1. Please describe the proposed event/project in detail. This description must include the event/project title, timing, and financial results/costs, other sources of revenue for the event/project and how your organization supports/manages the project/event. **Please see Attachment 1**
2. Please provide a **detailed budget** for the event/project, showing all projected sources of funds and projected expenditure of funds. (You will be required to provide proof of expenditures for awarded funds.) **Please see Attachment 2**
3. Please provide specific information concerning the number of tourists generated by your event/project. Please include a description of the method used to determine the tourism impact. **Please see Attachment 3**
4. Please provide a copy of your last year's audited financial statement. **Please see Attachment 4**

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

FINANCIAL INFORMATION

1. Is your organization tax exempt? If so, please provide a copy of your determination letter. **Please see Attachment 5**
2. What is your fiscal year (12-month accounting period)? **Jan 1-Dec 31**
3. Are your financial statements based on an accrual basis (accounted for when transaction occurs) or on a cash basis (accounted for when cash is received or paid)? **Cash basis**
4. Please provide a **detailed budget** for the event/project (to include all revenues and expenses associated with the event/project). If the event/project is only a portion of the organization's total budget, please attach an annual budget for the organization. **LDW weekends provide over 70% of The Funds income. Please see Attachment 2**
5. Also, include income statement (revenue/expense) and balance sheet for the **past two years, as verified by an independent third party**. The balance sheet should provide the following information: **Please see Attachment 4**

As of Dec 31, 2010

Cash	\$23,402
Accounts Receivable	
Other Assets	<u>\$4,419.10</u>
Total Assets	\$27,821.10 *
Accounts Payable	
Other Liabilities	None
Total Liabilities	None
Equity	None
Total Liabilities and Equity	<u>\$27,821.10 *</u>

* Total assets should equal the total liabilities and equity.

6. If there has been a significant change in revenues or expenses from prior periods, please explain. **NO**



The Independence Fund

PO Box 1171
Beaufort, SC 29901

August 1, 2012

Beaufort County Council
100 Ribaut Road
Beaufort, SC 29902

Dear Beaufort County Council,

On behalf of the Independence Fund, I am pleased to submit the attached Accommodations Tax (2% State) Application for Lt Dan Weekend 3 (LDW3).

LDW3 is an event which changes the lives of severely wounded veterans from Afghanistan and Iraq and in some case lives are saved.

The Independence Fund is extremely thankful for the support of the Beaufort County Council for your support of LDW2 in 2011 and equally proud of the citizens of Beaufort County for the outpouring of support, love, and Lowcountry hospitality for our healing heroes.

Thanks for your consideration,

Sincerely,

Richard (Dick) Clarke
LDW3 Director of Operations
Director, The Independence Fund, Inc.

Attachment 1

Lt Dan Weekend 3 (LDW3)

Describe the Event

On September 15th, 2012, The Independence Fund will once again host Gary Sinise as he leads his Lt. Dan Band in a concert honoring our severely injured veterans. This will be the third time that the Lt Dan Band has presented a veteran-supportive concert in Beaufort's Henry C. Chambers Water Front Park. This concert is the culmination of a week-long series of recreational activities and opportunities of fellowship that literally change and save lives of the severely wounded veterans from Iraq and Afghanistan.

Lt Dan Weekends have become the premier "support the troops" event in the southeast and are well-known and appreciated by the veterans who have come to Beaufort County to enjoy Lowcountry hospitality.

For LDW3, The Independence Fund is inviting 100 severely wounded and their tireless caregivers to participate in the activities outlined below.

Wednesday, September 12th

LDW3 officially begins on Wednesday, Sept 12th when fishing legend O'Neill Williams films a segment of his hugely popular television series "O'Neill Outside" in the waters of Beaufort County and introduces his weekly audience of over **1.5M** sportsmen to Beaufort County, SC. The episode will air later this year or early next year on NBC Sports Network, FOX Sports South and Sun Sports Networks. LDW3 guest veteran Sgt Major Jesse Acosta, blinded during a mortar attack in 2006, will join O'Neill and Captain Tuck Scott, head guide at Bay Street Outfitters, in pursuit of redfish, sea trout and flounder in the beautiful salt-water flats of Beaufort County.

On Wednesday evening, O'Neill will be joined by legendary fly fisherman and author, Flip Pallot, star and host of Ford's Fishing Frontiers and the Walker's Cay Chronicles, as the guests of honor at the LDW3 Silent Auction and Banquet starting at 6PM the Holiday Inn on Boundary Street, Beaufort, SC. This will be an opportunity meet two fishing legends and hear the story of determination from American hero, Jesse Acosta and one hundred invited veterans and their caregivers, all while enjoying a wonderful evening and dinner.

Thursday, September 13th

Fishing activities continue with Flip Pallot, assisted by instructors from the Orvis Saltwater Fishing School, conducting a fly casting clinic for wounded vets as well as a clinic for members of the public that would like to sharpen their skills under the tutelage of one of fly fishing's most legendary figures.

Also on the 13th, O'Neill Williams will conduct bass/redfish fishing clinics for the veterans and public. This is a unique opportunity to learn from the best while supporting the heroes. Other activities include a fly tying seminar for the vets and a limited number of public participants.

Other Thursday activities include:

- Yoga

- Civil War history with Dr. Larry Rowland
- Art therapy
- Music therapy
- Lowcountry animals
- Art Show

Friday, September 14th

Fishing activities with professional guides from Bay Street Outfitters, along with members from the Sea Island Fly Fishers Club and the Beaufort Sportfish and Dive Club will be available to take veterans fishing in the waters of Beaufort County or off of local docks—depending on the severity of injuries.

Other Friday activities include:

- Nature walks with several Beaufort naturalists
- Lt Dan Classic Golf at Sanctuary Golf course, Cat Island (120 local golfers with join about a dozen severely wounded veterans)
- Bowling at Station 300 in Bluffton
- Dinner—Am Vets, Port Royal

On Friday night, LDW3 will present a family-friendly Vetpalooza concert starting at 7PM in Beaufort's Waterfront Park. This concert will feature three bands led by veterans (one a double amputee). For this concert all active duty families will be admitted free with only \$10 for the public.

Saturday, September 15th

More than anything, the Independence Fund has found cycling to be the best vehicle for breaking down the barriers between the able-bodied and disabled communities. For the veterans, many of whom have not been physically challenged since their injuries, it brings back memories and the sense of accomplishment that they recall from their days of doing 25-mile hikes. Being challenged and participating in a ride shows that they can still do it. Riding alongside able-bodied participants further empowers them. The experience is life changing for all.

The Independence Ride and 5K Run will both take place at MCAS Beaufort on Sep 15 . On site registration opens at 8:00AM with the bike ride and run to start at 9AM.

The veterans and their caregivers will be treated to dinner at the Carteret Street United Methodist Church, Beaufort where they may have a chance to visit with Gary Sinise and members of the Lt Dan Band. The Saturday night concert will begin with local favorite "Bounty Hunter" and then open with Nashville recording artist Berry Michael with the Lt Dan Band concert beginning at 8:30. The emcee for the Saturday night concert will be very popular Fox Pentagon reporter and troop-advocate, Jennifer Griffin.

Sunday, September 15th

Beaufort's VFW Post 8760 will provide a farewell breakfast to the veterans and their caregivers.

Financial Results/Costs

Based on LDW2, held in Sept 2011. LDW3 total cost will be \$217K (details provided at Attachment 2--Detailed Budget).

Other sources of revenue include:

- Concert ticket sales
- Sale of T-shirts
- Concessions
- Lt Dan Classic Golf event
- Sale of Freedom Flags
- Silent Auction and Banquet
- Receipts from fishing clinics
- Donations from local businesses
- Corporate Donors
- Other fund raising events
- In-kind donations of lodging, food, and other goods and services

Support and Management of the Project/Event

LDW3 is being managed by the LDW3 Team comprised of over 100 volunteers organized into 30 committees reporting to the LDW3 Director of Operations under the guidance provided by the Board of Directors, The Independence Fund.

It is important to note that The Independence Fund has no paid employees, no office, and very little "overhead." 93% of all funds raised go directly to severely wounded veterans for needs not provided by the military service or the Veterans Administration.

**Attachment 2
LDW3
Detailed Budget**

Receipts	Total of Receipts
• Concert ticket sales	\$50,000
• Sale of T-shirts	\$5,000
• Sale of Freedom Flags	\$20,000
• Silent Auction and Banquet	\$8,000
• Concessions	\$6,000
• Bike ride and 5k	\$6,000
• Receipts from fishing clinics	\$3,000
• Donations from local businesses	\$6,000
• Net receipts from Lt Dan golf event	\$3,000
• Beaufort County ATAX donation	\$15,000
• Corporate Donors	\$20,000
• Other fund raising	\$10,000
	\$152,000.00
• In-kind donations of lodging, food, transportation, and other goods and services	\$65,000
Total	\$217,000.00

Expenditures	Amount of Expenditure
Transportation of Veterans to LDW3	\$40,000
Veterans lodging and food	\$25,000
Lodging for bands, other support staff	\$11,500
Cost of audio support in Park	\$31,000
Payments to musicians	\$25,000
Advertisement, shipping, printing	\$12,000
Equipment, therapy and services to veterans	\$62,000
Reserve	\$10,500
	\$217,000.00

Attachment 3
Tourists Generated
(Please Refer to Attachment 1 for a detailed description of LDW3)

It is expected that over 1500 people will attend the LDW3 family-friendly Vetpalooza concert held Friday night, Sept 14th in Beaufort's Henry C. Chambers Water Front Park.

Approximately 3500 people, we estimate, will be at the Waterfront Park on Saturday 15 September, to enjoy the military-supportive Lt Dan Band in concert lead by Gary Sinise.

These estimates are based on LDW2—the concert of Friday night is new for LDW3, but there was a movie showing on the night before the Lt Dan Band concert which had a small crowd. The estimate for Friday night was also compared with estimates from the 2012 Water Festival for a similar concert night

We have reviewed the Lt Dan Weekend 2 (LDW2) 2011 ticket sales information to help evaluate the potential impact that LDW2 may have had from our out-of-town guests and visitors—people who attended the Lt Dan Band concert and spent tourist dollars in the hotels/motels/other lodging venues, shops and restaurants Beaufort County. Over 40% of all on-line sales were from Lt Dan Band concert fans from out-of-state with sales in GA, NC, FL, TX, MI and LA. For LDW3 we have several tickets sold in England!

Considering the 3500 Gary Sinise fans in Henry C. Chambers Water Front Park on September 16th, 2010, this concert may have brought over 1,000 tourists to Beaufort. Many of these tourists may have stayed in Beaufort as Gary Sinise was the Grand Marshall for the Beaufort 300 parade on Sept 17th. All, we believe, went away with a favorable impression of the manner in which Beaufort County shows support for the severely wounded veterans from Iraq and Afghanistan.

Of note, to date the percentage of out-of-state sales for LDW3 so far is nearly identical.

We have also surveyed local hotels and motels asking for their occupancy rates for a “normal” Friday and Saturday and their occupancy rates for LDW2. On an average weekend the occupancy rate is about 50%; for LDW2 it was over 95%.

Attachment 4
Audited Financial Statement

The most recent Financial Statement of The Independence Fund (Jan 1, 2010 through Dec 31, 2010) is attached. The 2011 report is currently being prepared and will be submitted as a supplement to this Application as soon as it is received.

In addition, please find attached the IRS Form 990 (Return of Organization Exempt From Income Tax) for the same period (Jan 1, 2010 through Dec 31, 2010).

Please note that this is not an audited report, as requested, but a report from our Certified Public Accountants. It is estimated that an audited financial statement would cost The Independence Fund over \$2,000 which would translate to fewer funds being available to help our severely wounded veterans.

ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
The Independence Fund, Inc.
Pensacola, FL

We have compiled the accompanying statement of assets, liabilities, and net assets – modified cash basis of The Independence Fund, Inc. (a non-profit corporation) as of December 31, 2010, and the related statement of revenues and expenses, and other changes in net assets– modified cash basis for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to The Independence Fund, Inc.

Eubanks & Rouse, CPAs

July 26, 2011

The Independence Fund, Inc.
Statements of Revenues, Expenses, and Other Changes in Net Assets-Modified Cash Basis
For the year ended December 31, 2010

	<u>Dec 10</u>
Ordinary Revenues/Expenses	
Revenues	
Contributed Support	
Individual & Business Contributions	75,281.38
Government Support	2,500.00
Civic Groups and Foundations	19,515.37
Corporate Contributions	28,800.00
Gifts In Kind	133,342.98
Total Contributed Support	259,439.73
Merchandise Sales	32,372.91
Fundraising Events	
AMVETS Post 70	11,405.00
Bike/5K	10,661.00
Golf Tournament	4,578.52
Other Events	6,965.54
Total Fundraising Events	33,610.06
Total Revenues	325,422.70
Expenses	
Grants	
Catering	2,080.25
Fundraising	122,107.61
Education Assistance	417.91
Flowers	58.28
Gifts In Kind	6,045.50
Grants to Other Organizations	33,638.35
Grants In Kind	52,920.98
Individual Assistance	16,430.98
Travel and Meals Provided	51,909.80
Total Grants	285,609.44
Functional Expenses	
Accounting Fees	1,000.00
Advertising and Promotion	14,225.52
Bank Service Charges	424.89
Depreciation Expense	275.00
Licenses and Permits	304.50
Miscellaneous Expense	375.17
Office Supplies	2,923.91
Printing and Reproduction	152.50
Postage	2,055.67
Returned Checks	360.00
Supplies	123.76
Telecommunications	6,209.26
Travel	37.38
Utilities	1,207.18
Volunteer Meals	404.90
Total Functional Expenses	30,079.44
Total Expenses	315,688.88
Increase in Net Assets	9,733.82
Net Assets At Beginning Of Year	18,087.28
Net Assets At End Of Year	27,821.10

The Independence Fund, Inc.
Statement of Assets, Liabilities, and Net Assets-Modified Cash Basis
December 31, 2010

	<u>Dec 31, 10</u>
ASSETS	
Current Assets	
Bank-8928	11,025.88
Bank-9147	11,297.66
Paypal	<u>608.69</u>
Total Current Assets	<u>22,932.00</u>
Fixed Assets	
Furniture & Fixtures	4,894.10
Accumulated Depreciation	<u>(275.00)</u>
Total Fixed Assets	<u>4,619.10</u>
TOTAL ASSETS	<u><u>27,551.10</u></u>
LIABILITIES & NET ASSETS	
Net Assets	
Unrestricted Net Assets	<u>27,551.10</u>
Total Net Assets	<u>27,551.10</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>27,551.10</u></u>

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2010 calendar year, or tax year beginning **2010**, and ending **2010**

B Check if applicable:
 Address change
 Name change
 Initial return
 Termination
 Amended return
 Application pending

C Name of organization: **THE INDEPENDENCE FUND, INC**
 Doing Business As:
 Number and street (or P.O. Box # mail is not delivered to street address) **290 CALLAWAY AVE**
 City or town, state or country, and ZIP + 4 **PENSACOLA, FL 32505**

D Employer identification no. **26-0322088**

E Telephone number (b) (5) 995-4050
325,424

F Name and address of principal officer: **STEVE DANYLUK**
219 WEST RAILROAD STREET, JACKSONVILLE, NC 28540

G Gross receipts \$

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? If "No," attach a list (see instructions) Yes No
H(c) Group exemption number

I Tax-exempt status: 501(c)(3) 504(c)(1) (insert no.) 4947(a)(1) or 527

J Website: **WWW.INDEPENDENCEFUND.ORG**

K Form of organization: Corporation Trust Association Other

L Year of formation: **2007** **M** State of legal domicile: **FL**

Summary

1 Briefly describe the organization's mission or most significant activities: **TO PROVIDE WOUNDED VETERANS THE NECESSARY TOOLS AND THERAPIES THAT ARE NOT OTHER WISE BEING PROVIDED**

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets.

3 Number of voting members of the governing body (Part VI, line 1a)	3	5
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	5
5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	0
6 Total number of volunteers (estimate if necessary)	6	20
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	276,445	291,814
9 Program service revenue (Part VIII, line 2g)		0
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		0
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11a)		33,610
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	276,445	325,424
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	120,678	285,609
14 Benefits paid to or for members (Part IX, column (A), line 4)		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		0
16a Professional fundraising fees (Part IX, column (A), line 11a)		0
b Total fundraising expenses (Part IX, column (D), line 25)	0	0
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	146,818	30,081
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	267,496	315,690
19 Revenue less expenses. Subtract line 18 from line 12	8,949	9,734

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 15)	18,087	27,821
21 Total liabilities (Part X, line 25)		0
22 Net assets or fund balances. Subtract line 21 from line 20	18,087	27,821

Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

STEVE DANYLUK **06-15-2011**
 Signature of officer Date

STEVE DANYLUK, PRESIDENT
 Type of print name and title

Paid Preparer Use Only

Print preparer's name: **EDWARD M ROUSE CPA** Preparer's signature: **EDWARD M ROUSE CPA** Date: **07-20-2011** Check if PTW self-employed

Firm's name: **ROBANKS AND ROUSE CPA** Firm's EIN: **33-0000000**

Firm's address: **4375 WOODBINE ROAD** Phone no. **850-995-4050**
PAGE FL 32571

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

HILTON HEAD ISLAND AIRPORT
 BEAUFORT COUNTY
 FISCAL YEAR 2013 PROPOSED BUDGET

	CAPITAL <u>FUND 480</u>	PFC <u>FUND 485</u>	OPERATING <u>FUND 580</u>	<u>TOTAL</u>
TOTAL REVENUES	\$ 5,257,793	\$ 258,773	\$ 1,696,901	\$ 7,213,467
LOCAL GRANT MATCH (transfer from Fund 580 to 480)	\$ 201,245		\$ (201,245)	\$ -
PFC TRANSFER	\$ 258,773	\$ (258,773)		\$ -
TOTAL EXPENDITURES (excluding depreciation)	<u>\$ (5,459,038)</u>		<u>\$ (1,751,029)</u>	<u>\$ (7,210,067)</u>
Net Income/(Loss)	\$ 258,773	\$ -	\$ (255,373)	\$ 3,400
Depreciation				<u>(650,000)</u>
Projected Increase/(Decrease) to Fund Balance				\$ (646,600)

HXD FY 2013 Budget.xlsx

ORG	OBJ	DESCRIPTION	RECOMMEND
48001	43730	FAA GRANT REVENUES	(5,072,221.00)
48001	43740	SCAC GRANT REVENUES	(185,572.00)
48001	48530	XFER FROM CAP'T PROJ FUND	(258,773.00)
48001	48600	INTR XFER FROM HH AIRPORT #580	(201,245.00)
13480	54271	LAND ACQUISITION / EXECAIR	313,450.00
13480	54283	IMPROVE TERMINAL BLDG PHASE I	135,570.00
13480	54302	TREE REMOVAL MITIGATION	635,298.00
13480	54311	REMOVE OBSTRUCTIONS - RNWY 21	1,783,200.00
13480	54321	EXTEND RUNWAY 3/21 - ENV ASSES	314,220.00
13480	54330	FAA GRANT 30 FUTURE EXPENSES	<u>2,277,300.00</u>
			(258,773.00)
48501	44845	PASSENGER FACILITIES CHARGES	(258,773.00)
99485	59100	INTRAFUND XFER	<u>258,773.00</u>
			-
58001	43780	TSA REIMBURSEMENTS	(135,808.00)
58001	44840	LANDING FEES	(115,000.00)
58001	44850	PARKING FEES	(52,000.00)
58001	44860	TAXI/LIMO FEES	(13,600.00)
58001	44890	FIREFIGHTING FEES-OTHERS	(255,144.00)
58001	44895	SECURITY FEES	(26,587.00)
58001	46010	INTEREST ON INVESTMENTS	(10,000.00)
58001	47010	MISCELLANEOUS REVENUES	(24,000.00)
58001	47100	FBO - GROUND LEASE	(49,287.00)
58001	47105	FBO - CONCESSIONS	(16,000.00)
58001	47110	FBO - FUEL FLOW	(225,000.00)
58001	47120	RENT -AIRLINE /COMMON	(57,000.00)
58001	47121	RENT -AIRLINE /EXCLUSIVE	(33,000.00)
58001	47130	RENTAL CARS - COUNTER	(24,128.00)
58001	47131	RENTAL CARS -READY SPACES	(19,800.00)
58001	47132	RENTAL CARS - COMMISSION	(425,560.00)
58001	47140	RENT -SNACK BAR/GIFT SHOP	(7,800.00)
58001	47150	RENT -ADVERTISING SPACE	(9,000.00)
58001	47210	RENTAL TSA	(16,880.00)
58001	47220	HANGER RENTAL	(100,470.00)
58001	47230	HANGER RENTAL - 60 X 52	(42,665.00)
58001	47240	HANGER RENTAL - 80 X 80	(29,172.00)
58001	47250	RENTAL - HANGER TAXES	(9,000.00)
13580	50020	SALARIES AND WAGES	593,560.00
13580	50060	OVERTIME	62,424.00
13580	50070	SHIFT HOLIDAY PAY	816.00
13580	50100	EMPLOYER FICA	40,722.00
13580	50110	EMPLOYER MEDICARE	9,524.00
13580	50120	EMPLOYER SC RETIREMENT	17,405.00
13580	50130	EMPLOYER PO RETIREMENT	60,590.00
13580	50140	EMPLOYER GROUP INSURANCE	119,370.00
13580	50150	EMPLOYER WORK COMP INS	37,767.00

HXD FY 2013 Budget.xlsx

ORG	OBJ	DESCRIPTION	RECOMMEND
13580	50160	EMPLOYER TORT LIAB INS	3,661.00
13580	50170	EMPLOYER UNEMPLOYMENT INS	2,328.00
13580	50199	EMPLOYER UNCLASSIFIED - OPEB	55,000.00
13580	51000	ADVERTISING	9,272.00
13580	51010	PRINTING	100.00
13580	51030	POSTAGE/OTHER CARRIERS	850.00
13580	51040	LICENSES/PERMITS	75.00
13580	51050	TELEPHONE	18,000.00
13580	51060	ELECTRICITY/NAT'L GAS	140,000.00
13580	51070	WATER/SEWER/GARBAGE	5,500.00
13580	51090	GARBAGE SERVICES	8,000.00
13580	51100	HEATING FUELS	1,545.00
13580	51110	MAINTENANCE CONTRACTS	125,000.00
13580	51120	REPAIRS TO EQUIPMENT	8,500.00
13580	51130	REPAIRS TO BUILDINGS	8,000.00
13580	51140	EQUIPMENT RENTALS	1,648.00
13580	51160	PROFESSIONAL SERVICES	30,000.00
13580	51175	HANGAR MANAGEMENT FEE	26,000.00
13580	51210	CLEANING SERVICES	70,000.00
13580	51300	GARAGE REPAIRS & MAINT	16,484.00
13580	51310	BOOKS,SUBS,MEMBERSHIPS	1,000.00
13580	51320	TRAINING AND CONFERENCES	7,500.00
13580	51500	VEHICLE INSURANCE	6,000.00
13580	51510	BLDG/CONTENTS INSURANCE	11,000.00
13580	51540	INSURANCE - OTHER	15,500.00
13580	51990	UNCLASSIFIED OPERATING	50,000.00
13580	52010	SUPPLIES-OFFICE/PHOTO/ETC	5,151.00
13580	52020	DATA PROCESSING SUPPLIES	500.00
13580	52030	CLEAN'G/SANI SUPPLIES	309.00
13580	52050	UNIFORMS	8,500.00
13580	52240	SMALL TOOLS, ETC.	2,000.00
13580	52330	FACILITY MAINT SUPPLIES	16,000.00
13580	52340	SIGNS (EACH UNDER \$500)	5,500.00
13580	52390	ARFF SUPPLIES	16,000.00
13580	52400	OTHER SUPPLIES	618.00
13580	52410	GROUNDS MAINT SUPPLIES	2,000.00
13580	52500	FUELS/LUBRICANTS	20,000.00
13580	52600	MINOR OFF FURN/EQP <\$3,000	5,000.00
13580	52610	DATA PROCESSING EQUIP <\$3,000	11,500.00
13580	52700	HANGER MAINTENANCE	1,000.00
13580	53110	INTEREST	78,810.00
13580	54420	RENOVATIONS EXIST BLDGS	15,000.00
13580	58500	DEPRECIATION EXPENSE	650,000.00
99580	59040	XFER TO CAP'T PROJ FUND	201,245.00
			905,373.00
			646,600.00

LADY'S ISLAND AIRPORT
BEAUFORT COUNTY
FISCAL YEAR 2013 PROPOSED BUDGET

TOTAL REVENUES	\$ 748,700
TOTAL EXPENDITURES (excluding depreciation)	<u>\$ (767,681)</u>
Net Loss	\$ (18,981)
Depreciation	<u>(60,000)</u>
Projected Increase/(Decrease) to Fund Balance	\$ (78,981)

ARW FY 2013 Budget.xlsx

ORG	OBJ	DESCRIPTION	RECOMMEND
57001	44801	FUEL AVGAS	(332,750.00)
57001	44802	FUEL JET	(272,250.00)
57001	44810	OIL SALES TO OTHERS	(4,000.00)
57001	44840	RAMP FEES	(2,500.00)
57001	44870	TIE DOWN FEES	(11,000.00)
57001	44881	MERCHANDISE SALES	(7,000.00)
57001	47010	MISCELLANEOUS REVENUES	(100.00)
57001	47100	FLIGHT TRAINING COMMISSIONS	(1,000.00)
57001	47132	RENTAL CARS - COMMISSION	(2,300.00)
57001	47210	HANGER RENTALS	(108,000.00)
57001	47220	RENTAL OFFICE	(7,800.00)
13570	50020	SALARIES AND WAGES	103,262.00
13570	50100	EMPLOYER FICA	6,402.00
13570	50110	EMPLOYER MEDICARE	1,497.00
13570	50120	EMPLOYER SC RETIREMENT	10,946.00
13570	50140	EMPLOYER GROUP INSURANCE	10,380.00
13570	50150	EMPLOYER WORK COMP INS	6,570.00
13570	50160	EMPLOYER TORT LIAB INS	1,019.00
13570	50170	EMPLOYER UNEMPLOYMENT INS	405.00
13570	50199	EMPLOYER UNCLASSIFIED - OPEB	6,000.00
13570	51000	ADVERTISING	300.00
13570	51010	PRINTING	150.00
13570	51030	POSTAGE/OTHER CARRIERS	300.00
13570	51040	LICENSES/PERMITS	1,700.00
13570	51050	TELEPHONE	3,500.00
13570	51060	ELECTRICITY/NAT'L GAS	23,000.00
13570	51070	WATER/SEWER/GARBAGE	1,000.00
13570	51110	MAINTENANCE CONTRACTS	11,500.00
13570	51120	REPAIRS TO EQUIPMENT	2,000.00
13570	51130	REPAIRS TO BUILDINGS	5,000.00
13570	51140	EQUIPMENT RENTALS	20,500.00
13570	51160	PROFESSIONAL SERVICES	10,000.00
13570	51210	CLEANING SERVICES	8,000.00
13570	51295	OTHER VEHICLE OPER COSTS	50.00
13570	51300	GARAGE REPAIRS & MAINT	4,000.00
13570	51310	BOOKS,SUBS,MEMBERSHIPS	1,500.00
13570	51320	TRAINING AND CONFERENCES	1,500.00
13570	51500	VEHICLE INSURANCE	1,500.00
13570	51510	BLDG/CONTENTS INSURANCE	6,000.00
13570	51540	INSURANCE - OTHER	7,200.00
13570	51990	UNCLASSIFIED OPERATING	16,500.00
13570	51999	CREDIT CARD FEES	12,000.00
13570	52010	SUPPLIES-OFFICE/PHOTO/ETC	2,200.00
13570	52020	DATA PROCESSING SUPPLIES	1,000.00
13570	52030	CLEAN'G/SANI SUPPLIES	100.00
13570	52050	UNIFORMS	300.00
13570	52240	SMALL TOOLS, ETC.	500.00
13570	52330	FACILITY MAINT SUPPLIES	5,000.00

ARW FY 2013 Budget.xlsx

ORG	OBJ	DESCRIPTION	RECOMMEND
13570	52340	SIGNS (EACH UNDER \$500)	500.00
13570	52400	OTHER SUPPLIES	100.00
13570	52410	GROUNDS MAINT SUPPLIES	300.00
13570	52500	FUELS/LUBRICANTS	4,000.00
13570	52600	MINOR OFF FURN/EQP <\$3,000	3,000.00
13570	52610	DATA PROCESSING EQUIP <\$3,000	1,000.00
13570	54630	CONSULTANTS/PROF SERVICES	10,000.00
13570	58000	PURCHASES-FUELS/LUBES	450,000.00
13570	58030	PURCHASES-CONCESSIONS	6,000.00
13570	58500	DEPRECIATION EXPENSE	60,000.00
			<u>78,981.00</u>



BEAUFORT COUNTY STORMWATER UTILITY
120 Shanklin Road
Beaufort, South Carolina 29906
Voice (843) 255-2801 Facsimile (843) 255-9478



TO: Councilman Paul Somerville, Chairman, Natural Resources Committee

VIA:

Gary Kubic, County Administrator
Byron Hill, Deputy County Administrator
David Sturkey, Chief Financial Officer
Rob McFee, P.E., Director of Engineering & Infrastructure
Robert Kink, P.E., County Engineer
FROM: Dan Albrecht, Stormwater Manager

SUBJ: Draft RGA for Stormwater Utility between Beaufort County and the City of Beaufort

DATE: July 18, 2012

BACKGROUND: The existing 10-year Intergovernmental Agreements (IGAs) between the municipalities and the county concerning operation of the Beaufort County Stormwater (SW) Utility ended in September 2011. New agreements were signed with Town of Hilton Head Island and Bluffton last year. The Town of Port Royal and City of Beaufort chose to extend the old agreement for one year. The Town of Port Royal's new agreement was signed June 26, 2012.

The City of Beaufort is now proposing a new agreement based on agreements signed by the Towns of Hilton Head Island and Bluffton. They like Town of Port Royal have one notable difference between this agreement and the agreements signed last year. The City of Beaufort has proposed clarifying wording (same as Town of Port Royal) in Article 6 that addresses their concerns on redevelopment. They have also agreed to utilize Beaufort County Utility Best Management Practice (BMP) Manual which will meet the concerns that the Utility had about meeting state designated water uses.

The wording incorporated into this agreement is as follows:

1. City of Beaufort will be using the Utility's BMP Manual to meet their stormwater standards.
2. The Utility's goal effective equivalent impervious surface (EIP_{eq} 5%) requirements will be applied to new development.
3. In redevelopment with stormwater draining to unimpaired waters, no additional stormwater runoff volume will be allowed from the redevelopment.
4. In redevelopment with stormwater draining to impaired waters that is a factor in the impairment, necessary volume reductions will be required up to the goal (EIP_{eq} 5%) effective impervious surface requirements.

This clarified wording addresses the City of Beaufort's interest in encouraging on-fill and redevelopment while protecting water uses. It also allows designers and engineers to have one technical document to use in selecting and sizing appropriate stormwater practices. It is the only notable reduction and other changes are minor changes to help in approval process dates.

The Stormwater Utility board reviewed this draft agreement and recommended approval on July 12, 2012. This agreement was presented to the City Council workshop on July 17, 2012 and final vote is scheduled for August 14, 2012 Council Meeting.

RECOMMENDATION

The Natural Resources Committee recommended for approval by County Council, the proposed Stormwater Utility IGA with the City of Beaufort.

Attachments

Draft Intergovernmental agreement with the City of Beaufort

DATED:

CITY OF BEAUFORT, SOUTH CAROLINA

BETWEEN BEAUFORT COUNTY, SOUTH CAROLINA, AND

A STORMWATER MANAGEMENT AND UTILITY AGREEMENT

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- (a) Establishment of rates;
- (b) Use of revenue;
- (c) Acquisition of existing stormwater infrastructure;
- (d) Construction of new stormwater infrastructure;
- (e) Maintenance of stormwater infrastructure;
- (f) Operation of stormwater infrastructure;
- (g) Regulation and use of stormwater infrastructure; and
- (h) Enhancement of water quality.

includes the following:

1.01 Purpose: This Agreement is made for the purpose of defining the roles, responsibilities and financial relationship between the County and the City with respect to the establishment, administration and operation of the Beaufort County Stormwater Utility, which includes the following:

1.00 Title: This intergovernmental agreement between Beaufort County, South Carolina, and the City of Beaufort, South Carolina, shall be known as the "Stormwater Management and Utility Agreement Between Beaufort County, South Carolina, and the City of Beaufort, South Carolina."

ARTICLE 1 - TITLE AND PURPOSE

WHEREAS, this Agreement is made on this _____ day of _____, 2012, by and between Beaufort County, South Carolina, and the City of Beaufort, South Carolina, for the purpose of establishing the terms and conditions of the participation by the City in a county-wide stormwater utility, which utility shall be operated by the County;

1.02 *References to County Ordinances:* This Agreement hereby incorporates by reference Beaufort County, South Carolina, Ordinances 2005-33, 2008-29, and 2009-21 regarding the establishment of a Stormwater Utility. In the case of any conflict between the provisions of the Ordinances and this Agreement, the provisions of this Agreement shall control.

ARTICLE 2- DEFINITIONS

2.00 *Definitions:* When used in this "Stormwater Management and Utility Agreement between Beaufort County, South Carolina, and the City of Beaufort, South Carolina," the following words shall have the meanings set forth in this Article 2:

2.01 *Agreement:* This Stormwater Management and Utility Agreement between Beaufort County, South Carolina, and the City of Beaufort, South Carolina.

2.02 *County:* Beaufort County, South Carolina.

2.03 *County Wide Stormwater Management Study:* The study conducted by the County to determine the drainage infrastructure and maintenance needs within the various watersheds within the County. This became the Beaufort County Stormwater Master Plan dated February 20, 2006.

2.04 *Cost of Service Analysis and Rate Study:* The study conducted by the County which was adopted by County Council on August 22, 2005 to determine an equitable and appropriate rate structure for Stormwater Utility User Fees within all areas of the County, so that fees charged by the Stormwater Utility will be in compliance with provisions of S. C. Code Ann. 48-14-120(C)(Supp. 2010), and S. C. Regs. 72-310 (Supp. 2010).

2.05 *Stormwater Utility User Fee; Single Family Unit Rate (SFU):* The single-family unit fee

rate shall be defined as the impervious area measurements obtained from a statistically representative sample of all detached single-family structures within Beaufort County. The representative value will be 4,906 square feet.

2.06 *NPDES*: The National Pollutant Discharge Elimination System stormwater regulatory program established by the United States Environmental Protection Agency to address pollutants in stormwater discharged to waters of the United States. Phase II of this regulatory program impacts communities under 100,000 in population, small construction sites between one acre and five acres, and industrial sites owned and operated within communities under 100,000 population.

2.07 *Public Stormwater*: Stormwater runoff which is conveyed through a public drainage easement or public road right of way, and/or which some portion is generated from a public road right of way.

2.08 *Stormwater Infrastructure*: Real property, interests in real property, improvements to real property such as ditches, drains, pipes, culverts, catch basins, pumps, or the like, or any combination of them, used or useful in the collection and disbursement of storm and surface water, or the control of flooding. As used herein, Stormwater Infrastructure does not include drainage systems or facilities that are not publicly owned, and which do not carry public stormwater.

2.09 *Stormwater Management*: Control of storm and surface water, erosion, stormwater quality protection and flooding through the use of Stormwater Infrastructure, and the creation and enforcement of development standards related to storm and surface water.

2.10 *Stormwater Management Plan*: The plan developed by the County that addresses

planning, design and construction of capital improvements to the Stormwater Infrastructure; acquisition of real property or interests in real property for the purposes of Stormwater Management; maintenance and repair of Stormwater Infrastructure; regulation of the use of Stormwater Infrastructure; acquisition of equipment and other assets; regulation of impacts including any that may be mandated under the NPDES Phase II regulations, contracting with engineering, financial, legal, construction and other professionals for services in support of the Stormwater Utility, emergency preparedness related to storms and hurricanes, acquisition or construction of Stormwater Infrastructure, or any other functions required, useful or prudent for a program of Stormwater Management.

2.10 *Stormwater Utility User Fees:* Stormwater Utility User Fees shall mean the service fee imposed pursuant to this article for the purpose of funding costs related to stormwater programs, services, systems, and facilities. These fees will be calculated based upon the residential category for a parcel and/or the nonresidential parcel's impervious area and/or the vacant/undeveloped land category, as pursuant to the provisions of Beaufort County Ordinance 2005-33.

2.11 *Stormwater Utility:* The administrative organization created for the purposes of planning, designing, overseeing, funding, building, and maintaining Stormwater Infrastructure, either directly or through cooperative arrangements with other governmental bodies; and for administering and managing Stormwater Management throughout Beaufort County.

2.12 *City:* The City of Beaufort, South Carolina.

ARTICLE 3 - TERM OF THIS AGREEMENT

3.00 *Term of This Agreement:* The term and duration of this Agreement shall be as follows in this Article 3.

3.01 *Initial Term of this Agreement:* The Initial Term of this Agreement shall be for a period of ten (10) years, commencing on the date of the execution hereof.

3.02 *Periodic Review of this Agreement:* The Stormwater Implementation Committee shall conduct periodic review of this Agreement to determine if it remains current and with the state of the art stormwater management and practices applicable to coastal areas. The Stormwater Implementation Committee shall provide recommendations to the municipalities and the County for updates to the agreement if necessary.

3.03 *Extension of this Agreement:* The term of this Agreement may be extended at any time by the mutual agreement of the parties hereto, or upon the expiration of the initial ten (10) year term set forth in Article 3.01 above.

3.04 *Termination of this Agreement:* This Agreement may be terminated by either party hereto, by delivering written notice of the termination to the other party. Termination under this Article shall only be effective on the final day of any given County fiscal year. The written notice of termination shall be provided by the party terminating the Agreement no less than one hundred eighty days prior to the date the termination will be effective.

3.05 *Effect of Termination:* Upon termination of this Agreement under any provision of this Article 3, or otherwise, all rights and obligations of any party hereto, specifically including but not limited to the right of the County to charge Stormwater Utility User Fees to property owners in the City, shall immediately end.

3.06 *Conveyance of Assets:* Upon termination of this Agreement under any provision of this Article 3, the County shall convey to the City all of its right, title and interest in any Stormwater Infrastructure, including any stormwater easements, within the municipal limits of the City. However, this shall not include Stormwater Infrastructure on County owned parcels or County road rights of way within the limits of the City.

3.07 *Rebate of User Fees:* Upon termination of this Agreement under any provision of this Article 3, the County shall return to the City any collected but unspent or unobligated Stormwater Utility User Fees collected from within the City Limits.

ARTICLE 4 – FINANCE AND FUNDING

4.00 *Financial and Funding Relationship:* The City shall provide the County with its Stormwater Utility User Fee collection Rate for its fiscal year prior to August 15 each year of this Agreement. This will be in the form of a letter to the County Administrator from the City Manager. The City shall also provide to the County an annual report of its stormwater fee expenditures for each fiscal year. This report shall be delivered by September 1 each year this Agreement is in effect.

4.01 *Use of Revenue:* In accordance with the provisions of S. C. Code Ann. 48-14-20(C) (Supp. 2010), and S. C. Regs. 72-310 (Supp. 2010), all Stormwater Utility User Fees collected within the City, less an administrative fee, shall be returned to the City. The administrative fee is to be calculated as a fixed dollar amount for each single family unit (SFU) billed by the Stormwater Utility. The Utility shall define its administrative costs each year during the annual budget process. For fiscal year 2012 the fee shall be \$2.80 per Single Family

Unit (SFU) base rate applied to the fee paying lands within the limits of the City. After Fiscal Year 2012, the Stormwater Implementation Committee shall conduct annual reviews of the Utility's administrative budget and recommend to the municipalities and the County any changes to the amount billed per SFU along with its recommendation to the Stormwater Implementation Committee and the Utility shall provide the City an itemized proposal and a written explanation for adjustment to for the administrative services and deliverables to be provided in the coming fiscal year. This proposal shall be submitted to the City by March 1 of each calendar year. The City shall provide a written recommendation of acceptance or rejection to the County Stormwater Utility by April 15 of the same year. Once agreed upon, the fee shall serve as the basis for the annual administrative fee to be calculated per City SFU, and included in each entity's annual budget.

- (a) The administrative fee shall be used by the County to defray the County's administrative costs in managing the Stormwater Utility.
- (b) The City shall use Stormwater Utility User Fees to provide Stormwater Management within the City, including, but not limited to:
 - (i) The acquisition, design, construction, and maintenance of Stormwater Infrastructure, or repayment of bonded indebtedness issued to fund construction of Stormwater Infrastructure, in so far as the law and covenants of the bonds allow, or for repayment to the City for general fund or other funds spent by the City to fund Stormwater Management activities;
 - (ii) Acquisition of Stormwater Infrastructure, including any easements

4.02 *Further Agreements Authorized:* The City and the County may negotiate and enter into agreements to share costs and responsibilities related to NPDES permit compliance. Such agreements and cost allocations shall be reflected in each entities annual budget and must be

(vii) Any other services related to Stormwater Management.
stormwater management projects or activities; and,

from the general fund or any other fund; for the purpose of funding

(vi) Payment of bond indebtedness or repayment of funds borrowed
(v) NPDES Phase II permit compliance;

set forth in Articles 4.02, 4.06 and 4.07 below;

stormwater ordinances and standards for development within the City as
(iv) Plan review and site inspections related to compliance with

Stormwater Utility;

required to be spent annually by the City on any services provided by the
maintenance services, and there shall be no minimum dollar amount

5.07 below; The City shall have the right of non exclusive use of direct
the County and the City, as is provided in Articles 4.02, 4.05(a), 5.05, and

services by the Stormwater Utility; shall be negotiated and approved by
contractors.) or by direct services of the Stormwater Utility. Charges for

(iii) Maintenance of Stormwater Infrastructure by the City and its
City;

or other interests in real property which shall be held in the name of the

authorized by the City Council and County Council.

4.03 *Cost of Services:* If the City chooses to utilize the direct services of the Stormwater Utility, however described, they shall be accounted for at the County's actual cost of the equipment, materials, and personnel utilized in the delivery of the services.

4.04 *Setting of Stormwater Utility User Fee Rate (SFU's):* The City shall be responsible each year for setting the Stormwater Utility User Fee Rate to be assessed on parcels within the City. The Stormwater Utility User Fee rate shall be set in accordance with S. C. Code Ann. 48-14-120(C) (Supp. 2010), and S. C. Regs. 72-310(G) (Supp. 2010), or any other applicable law or regulation.

4.05 *Plan Review and Site Inspection:* For all activities that constitute development within City limits, the City will provide review of plans and site inspections to ensure compliance with applicable laws, ordinances and regulations related to storm and surface water, erosion control and flooding.

4.06 *Coordination of Services:* The City shall identify a representative of its staff to serve as the contact person and coordinator for Stormwater Management Services, including services provided by the County within the City, long range planning and water quality initiatives such as the NPDES Phase II requirements compliance, notification of problems, facilitating emergency access within any planned or future Planned Unit Developments within the City, and advising the County on site-specific conditions within the City.

ARTICLE 5 ADMINISTRATION OF STORMWATER UTILITY

5.00 *Stormwater Utility:* The County has established a Stormwater Utility that administers funds and conducts a Stormwater Management program throughout the County.

5.01 *Stormwater Management Plan:* The County shall have the responsibility to develop and maintain a Stormwater Management Plan to be administered by the Stormwater Utility.

5.02 *Relationship of Plan to Agreement:* The Stormwater Management Plan developed and maintained by the Stormwater Utility shall incorporate the obligations of the County and City under this Agreement. In the case of any conflict between the provisions of the Stormwater Management Plan and this Agreement, the provisions of this Agreement shall control.

5.03 *Stormwater Utility User Fees:* The Stormwater Utility shall bill and collect parcel based Stormwater Utility User Fees from property owners, tenants, or other appropriate parties, pursuant to its authority and subject to any intergovernmental agreements, including this Agreement, and may also apply for, acquire and use any other funding from any public or private source in support of the Stormwater Management Plan as allowed by law.

5.04 *County Responsibilities:* The County, through the Stormwater Utility, shall have the following responsibilities:

- (a) *Collection and Distribution of Fees:* Stormwater Utility User Fees within the City limits shall be charged and collected by the County in accordance with the provisions of Article 4.0 of this Agreement; the Stormwater Utility User Fees shall be collected in accordance with S. C. Code Ann. 48-14-120(C) (Supp. 2010), and S. C. Regs. 72-310(G) (Supp. 2010), or any other applicable law or regulation, and shall not include provisions for relief from the payment of the

Stormwater Utility User Fees: the County shall distribute the City's Stormwater Utility User Fees less the County administrative costs as defined in Article 4.01, in the same manner as ad valorem taxes are distributed for each year this Agreement is in effect:

(b) *Provision of Services:* Provision of the services required under this Agreement.

(c) *Budgeting and Expenditure:* Setting the budget for the Stormwater Utility, and spending the revenues in accordance with any applicable ordinances or agreements, including this Agreement;

(d) *Administrative Activities:* Managing all administrative activities of the Stormwater Utility, including but not limited to, fee assessment, collection and distribution, maintenance of accounting records, maintenance of stormwater data, implementation of the master plan, acquisition of easements, coordination with other agencies, reporting to the stormwater utility board;

(e) *Accounting:* Maintaining an accounting of revenues and expenditures on a jurisdictional or geographic basis, as may be set or described under any applicable ordinance or agreement, including this Agreement, the County shall provide the City with an itemized annual accounting of all Stormwater Utility User Fees within the City limits in the form of a budget report, including but not limited to: how parcel fees were determined, calculated, and assessed; total fees collected; total Administrative costs retained by the County; total fees in arrears, on which parcels and the status of the collection attempt(s) on such parcels; fee

credits applied for; fee credits paid; and fees that required adjustment since the last billing. This budget report shall be parcel based and provided to the City annually prior to February 15 throughout the term of this agreement as an electronic document compatible with the most current version of Microsoft Office. The County shall also maintain an annual accounting of all administrative costs associated with operating the Utility. Either the City or County, at the sole expense of the requesting jurisdiction, may request a professional audit of any of the budget reports:

(f) *Operation and Maintenance:* At the direction and approval of the City, provide for the operation and maintenance of Stormwater Infrastructure within the City; and,

5.05 *Delivery of Services:* The County shall coordinate the delivery of services hereunder through the City Manager or his designee, via a Job Order Process as agreed to by the City and County. All delivery of County services upon parcels within the City limits shall be approved in writing by the City before any work is performed or any funds may be returned to the County, and all delivery of stormwater infrastructure services within County Rights of Ways shall be coordinated with the City.

5.06 *Coordination with Other Jurisdictions:* From time to time a need for coordination between all incorporated jurisdictions within the County and the County may occur, and it shall be the responsibility of the County to facilitate such coordination. The County will work with designated representatives from all jurisdictions within the County to ensure effective communication regarding issues impacting the Stormwater Infrastructure and the Stormwater

Management Plan.

5.07 *Qualifications and Extent of Service:* Stormwater infrastructure in public road Rights of Ways, whether State, County or Municipal, shall be maintained by the road owner, as these areas are exempt from Stormwater Utility User Fees per Section 99-109 (b) of County Ordinance 2005-33. The City shall retain the right to determine the qualifications for, extent of, and level of service required to maintain the Stormwater Infrastructure within the limits of the City, with the exception of County and State road Rights of Way, which shall be designed and maintained in accordance with their current standards.

5.08 *Fee Credits:* The City shall be notified of and will have the authority to review and comment on all County stormwater fee credit applications requested upon parcels within the City limits prior to such adjustments being made.

5.09 *Easements:* The City and County will allow mutual blanket encroachments upon each other's existing easements, but only to enable the City and/or County to perform stormwater utility related work within the limits of the City.

ARTICLE 6: STORMWATER ORDINANCES AND DEVELOPMENT STANDARDS

6.00 *Applicable Standards:* The current hydrologic and hydraulic engineering and design standards ordinances of the City of Beaufort shall prevail in the design, construction, operation and maintenance of any portion of the Stormwater Infrastructure within the City, unless superseded in the future by the creation of new hydrologic and hydraulic engineering and design standards of the City, County, or State, as may be required for specific work performed

in the City, County, or State rights of way except as noted in the City's Stormwater Ordinance. The City has designated that those areas reserved for higher density, walkable, urban development and areas where the city is actively encouraging redevelopment may be subject to different standards than those in auto-oriented and or greenfield contexts. Regardless, the City agrees that future stormwater volumes in these areas will not exceed those that exist prior to the development or redevelopment of said properties unless it is scientifically documented that specific stormwater pollutants are generated and draining from the site and are causing site specific degradation of water quality in the receiving stream. In such a case, a development/redevelopment Area will be required to correct the stormwater discharge pollutant loads to a level that no longer degrades water quality in the receiving stream.

6.01 *State or Federal Laws or Regulations:* The City and the County shall at all times comply with any applicable State or Federal Laws or regulations relating to Stormwater Management, Stormwater Infrastructure, erosion control or pollution.

6.02 *Regulatory Obligations of the City:* The City shall adopt and enforce ordinances and development standards as necessary to comply with State and Federal standards regarding stormwater management, erosion and sedimentation, pollution control, and flooding. Minimum water quality controls in jurisdictions shall be protective enough to reach and maintain state designated water uses.

6.03 *Plan Review and Site Inspection:* The City shall be responsible for the review and approval of all development plans within the City, to ensure that all applicable regulations pertaining to construction site erosion, sedimentation, and pollution control as well to post-construction stormwater quantity and quality control are met. The City shall be responsible for

providing inspections during construction of all city owned stormwater systems. The City will continue its practice of review of privately owned stormwater systems upon completion to ensure that construction conform to the approved development stormwater plan.

ARTICLE 7 - NPDES MS4 PHASE II PERMIT COMPLIANCE

7.00 *NPDES Compliance:* Should the City be designated by the State of South Carolina for compliance with the NPDES program, the City shall be responsible for the development of the NPDES MS4 Phase II permit application, the development of Best Management Practices required by the permit, and the implementation of the program of Best Management Practices set forth in the permit.

7.01 *Roles and Responsibilities:* The City and County shall hold separate NPDES MS4 Phase II permits and shall each be responsible for maintaining compliance with their respective permit requirements.

7.02 *Coordination of Activities:* It is expected that some aspects of NPDES MS4 Phase II requirements will lend themselves to coordination and cooperation between the City and the County. In such instances, coordination between the City and the County shall be on the basis of a specific Minimum Control Measure (MCM) and shall be established by a separate written agreement that specifies the objectives, product deliverables, schedules, funding distribution, and the roles and responsibilities of each party in addressing these measures.

7.03 *Annual Reporting:* The City and County will each be responsible for preparing an annual report documenting the activities undertaken in support of NPDES MS4 Phase II permit requirements during the previous year and submitting the report to the South Carolina

Department of Health and Environmental Control.

7.04 *Permit Related Costs:* All costs related to the NPDES MS4 Phase II permit shall be borne by the permit holder. In instances where the City and County coordinate to meet permit requirements, costs may be shared on a basis that is detailed in a separate written agreement.

ARTICLE 8 - DATA ACQUISITION AND MANAGEMENT

8.00 *Rules and Responsibilities:* The City and County shall each be responsible for acquiring and maintaining data sets that are relevant to Stormwater Management in their respective jurisdictions.

8.01 *Cost Sharing:* Cost sharing agreements for data acquisition may be made between the City and County on a project-specific basis. The terms and details of any cost sharing agreement shall be detailed in a separate written agreement between the City and County.

8.02 *Data Sharing:* The City and County shall share acquired data at the request of the other. In such instances the City and County will agree to abide by each entity's current data distribution policy.

8.03 *Data Types:* Types of data that the City and County will acquire, maintain, and may share include but are not limited to, GIS data, aerial photography, LIDAR data, water quality monitoring data, stream gage data, financial and accounting data.

ARTICLE 9 - OTHER AGREEMENTS

9.00 *Scope and cost sharing:* From time to time various projects may be shared in scope and/or cost between the County and the City, or the County and multiple Municipalities

within the County via Memos of Understanding, Contracts, and/or Joint Resolutions.

9.01 *Agreement Recommendations:* The Stormwater Implementation Committee shall be the vehicle whereby agreements of project scope and cost sharing between the County and multiple Municipalities within the County are reviewed and recommended to the Municipalities and County. It is understood that the Stormwater Implementation Committee shall have no authority to financially commit the Town or County to any project of any type and only will provide technical recommendations for such projects. For agreements solely between the City and the County, the Stormwater Implementation Committee Review is not required.

9.02 *Agreement approvals:* Other agreements between the County and the City must be approved by the City Council and the County Council or their designees.

ARTICLE 10 - MISCELLANEOUS

10.00 *Provisions Applicable to This Agreement.* The following general provisions are applicable to this Agreement:

10.01 *Binding Effect:* This Agreement shall inure to the benefit of and shall be binding upon the City and County and their respective successors and assigns, if any are permitted hereunder.

10.02 *Amendment, Changes and Modifications.* Except as otherwise provided herein, this Agreement may not be effectively amended, changed, modified or altered without the written consent of the City and the County.

10.03 *Severability:* In the event that any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render

unenforceable any other provision hereof.

10.04 *Execution in Counterparts:* This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

10.05 *Applicable Law:* This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

10.06 *Captions:* The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

10.08 *Plural/Singular:* Where appropriate, the use of the singular herein shall include and be deemed to be the plural, and the use of the plural herein shall be deemed to include the singular.

10.09 *No Third Party Beneficiaries:* The City and the County hereto affirmatively represent that this Agreement is made solely for the benefit of the parties hereto and their respective successors and assigns and not for the benefit of any third party who is not a signature party hereto. No party other than the signature parties and their respective successors and assigns hereto shall have any enforceable rights hereunder, or have any right to the enforcement hereof, or any claim for damages as a result of any alleged breach hereof.

10.10 *Notices:* All notices, applications, requests, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered in person, or mailed by regular first class mail, postage prepaid (in such case, delivery shall be deemed complete upon mailing), addressed as follows, or to such other place as may be designated in writing by the parties.

To the City: CITY OF BEAUFORT, SOUTH CAROLINA
Scott Dadson, City Manager
1911 Boundary Street
Beaufort, SC 29902

To the County: BEAUFORT COUNTY, SOUTH CAROLINA
Gary Kubie, Manager
Post Office Box 1128
Beaufort, SC, 29902

10.11 *No Waiver:* No failure of either party hereto to exercise any power or right given to such party hereunder, or to insist on strict compliance by any other party to its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of any party's right to thereafter demand strict compliance with the terms of this Agreement.

10.12 *Further Assurances and Corrective Documents:* The City and the County agree to do, execute, acknowledge, deliver or cause to be done all such further acts as may be reasonably determined to be necessary to carry out this Agreement and give effect to the provisions hereof. The City and the County agree that each shall, upon request, execute and deliver such other or corrective documents as may be reasonably determined to be necessary to carry out this

Agreement and each of the provisions hereof.

In Witness Whereof, The City of Beaufort, South Carolina, and Beaufort County, South Carolina, by and through their duly authorized officers, have set their hands and seals on this ___ day of _____, 2012.

WITNESSES:

THE CITY OF BEAUFORT,
SOUTH CAROLINA

By: _____

Billy Keyserling, Mayor

Attest: _____

Scott Dadson, City Manager

WITNESSES:

CITY OF BEAUFORT, SOUTH CAROLINA

By: _____

W.M. Weston J. Newton, Chairman

Attest: _____

Gary Kubie, Manager

Scott F. Dadson
CITY MANAGER
843 525-7070
FAX 843 525-7010



CITY OF BEAUFORT
1911 Boundary Street
BEAUFORT, SOUTH CAROLINA 29902

COUNCIL MEMBERS
Bry Kayserling, Mayor
Dennis Beer
George O'Nell
Mike Sutton
Mike McFee

July 25, 2012

Sharon P. Burris
Beaufort County Auditor
PO Box 458
Beaufort, SC 29901

RE: Increase in Stormwater Fee by the City of Beaufort.

Ms. Burris:

At last night's regular City Council meeting, Council approved the proposed increase in Stormwater fees from \$65.00 to \$105.00 for Fiscal Year 2013.

Please make the necessary changes on property tax bills to reflect this new charge. I have attached a copy of the signed Resolution for your records.

Should you have any question, contact my office at 843-525-7078.

Sincerely,

A handwritten signature in black ink, appearing to be "SD", written over a horizontal line.

Scott Dadson
City Manager

Cc: Gary Kubic, Beaufort County Administrator
Ed Hughes, Beaufort County Assessor
David Starkey, Beaufort County CFO
Dan Ahern, Beaufort County Stormwater Utility Manager
Carolyn Wallace, Beaufort County Stormwater Utility Business Manager

RESOLUTION

WHEREAS, the City Council recognizes the need for sound financial planning, and


WHEREAS, the City Council desires to establish a process for reviewing fees and charges for service; and

WHEREAS, the City Council has adopted policies to guide the financial planning process; and

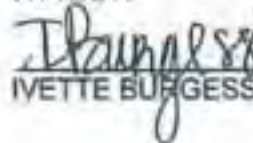
WHEREAS, the City as part of its planning process, approves the proposed method for the setting of fees.

NOW, THEREFORE, BE IT RESOLVED, that City Council of the City of Beaufort, South Carolina, duly assembled and by authority of same, that the City of Beaufort authorizes staff to set the Stormwater fee at \$105.00.

IN WITNESS THEREOF, I hereunto set my hand and caused the Seal of the City of Beaufort to be affixed this 24th day of July 2012.


BILLY KEYSERLING, MAYOR

ATTEST:


IVETTE BURGESS, CITY CLERK



BEAUFORT COUNTY STORMWATER UTILITY
120 Shanklin Road
Beaufort, South Carolina 29906
Voice (843) 255-2801 Facsimile (843) 255-9478



TO: Councilman Paul Sommerville, Chairman, Natural Resources Committee

VIA: Gary Kubic, County Administrator
Bryan Hill, Deputy Administrator
David Starkey, Chief Financial Officer
David Thomas, Purchasing Director
Rob McFee, P.E., Director of Engineering & Infrastructure
Robert Klunk, P.E., County Engineer
Monica Spells, Compliance Officer

FROM: Dan Ahern, P.E., Stormwater Manager

SUBJECT: WATER QUALITY LAB MEMORANDUM OF UNDERSTANDING (MOU) WITH THE UNIVERSITY OF SOUTH CAROLINA BEAUFORT

DATE: July 18, 2012

BACKGROUND: Mr. Gary Kubic, County Administrator, requested the Stormwater Utility to work towards utilizing USCB for the Utility's water quality monitoring needs. The County and USCB already work together on bacterial sampling analysis; in 2012, the Water Quality Lab at USCB started performing bacterial analysis in a subcontracting capacity to the County's monitoring contractor, GEL Engineering in Charleston, SC.

The current \$95,094 contract with GEL Engineering ends November 2012 (previous contracts were for \$123,543 and \$169,535).

USCB will need personnel and equipment to perform the full suite of analyses provided by GEL Engineering. Therefore, we wanted to not only provide USCB with an understanding of how we would proceed in the future, but also seek the input of County Council regarding this effort. Consequently, we drafted a proposed MOU to guide future efforts in transferring the monitoring efforts to USCB.

The MOU between the County and USCB regarding Water Quality Monitoring was presented to the Stormwater Utility Board at their July 12, 2012 meeting; and a resolution supporting the MOU was subsequently passed.

The MOU will commit the County to annual payments of a total of \$105,000 per year and renewable annually. This is an increase of \$90,000 above the current cost for utilizing the Water Quality Lab at USCB. The Town of Bluffton has a similar MOU that has existed for a number of years to support their monitoring needs.

Water Quality Monitoring is funded by Stormwater Utility account 13531-51170.

RECOMMENDATION: That the Natural Resources Committee approve the proposed MOU and recommend County Council Approval.

Attachment
Draft MOU dated July 3, 2012

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

This Memorandum of Understanding (the "Memorandum") is entered into by and between Beaufort County (hereinafter referred to as the "County") and the University of South Carolina Beaufort (hereinafter referred to as "USCB") regarding Water Quality Monitoring Services (hereinafter referred to as "monitoring services.")

WHEREAS, USCB operates and manages a laboratory dedicated to assessing the water quality of the Lowcountry; and

WHEREAS, the County, in its pursuit of its mission to protect our water resources, and implement monitoring recommended by the Stormwater Management Plan and restoration initiatives, recognized the inherent value in USCB's offer to partner with the County and provide services in its endeavor to support these monitoring services; and

WHEREAS, the County and USCB, in order to efficiently analyze and monitor the water quality of the Lowcountry, hereby agree to the following terms and conditions;

NOW, THEREFORE, for and in consideration of the mutual promises, undertakings and covenants set forth herein, the receipt and sufficiency of which is acknowledged and affirmed by the County and USCB, the parties hereto agree as follows:

1. Governing Document

It is the intent of the parties that this Memorandum shall supersede any other agreements entered into between the County and USCB regarding providing monitoring services.

2. USCB

- a. USCB shall continue to work to attain DHEC certification for all appropriate analytes.
- b. USCB shall continue to operate and manage a Laboratory able to receive and analyze the County's samples, possibly after normal business hours, for the currently sampled fecal results. Results will be made available within 24 – 48 hours unless extenuating circumstances require additional time.
- c. USCB shall continue to work toward developing the capacity to perform the full spectrum of the County's monitoring needs as listed in the attachment 1B. This includes the current 13 stations for 25 parameters on 12 rainfall driven events per year.

- d. USCB shall receive and analyze the County's regularly scheduled samples, as well as special wet weather event project samples, as agreed upon between the parties.
- e. For the purposes of sample delivery and analysis, USCB shall provide 24-hour access to the Laboratory to authorized personnel, including designated County staff, provide such personnel are accompanied by a USCB employee.
- e. USCB will give the County 60 days notification of the expected date of achieving capacity to supply full monitoring services so that the County can transfer services to USCB.
- f. USCB will track monitoring services separately for North (County has additional partners) and South of the Broad River.

3. The County

- a. The County shall, after notification of analytical equipment acquisition by USCB, issue an annual purchase order for \$90,000 to USCB for the Monitoring services outlined in Attachment I. Payments will be made bi-annually in the amount of \$45,000, beginning immediately after analytical equipment acquisition but no more than two months before transfer of monitoring services. In the event the amount from the previous year's has not been fully expended by USCB, the subsequent year's disbursement by the County shall be credited that amount. Under no circumstances shall the total fiscal year disbursement exceed \$100,000 unless the Agreement is modified per Paragraph 4.b below.
- b. The County shall also commit to a \$15,000 annual purchase order to assist with ongoing sample collection and processing of scheduled bacterial monitoring.
- c. The County shall provide staff to assist with sample collection and processing of the scheduled bacterial monitoring but not for wet event monitoring.

4. General Requirements of the Agreement

- a. The parties hereto intend that no master/servant, employer/employee, or principal/agent relationship will be created by this Agreement. Nothing contained herein creates any relationship between the County and USCB other than that which is expressly stated herein. The County is interested only in the results to be achieved under this Agreement, and the conduct and control of the agents and

employees of USCB and the methods utilized by USCB in fulfilling its obligations hereunder shall lie solely and exclusively with USCB, and its agents and employees shall not be considered agents or employees of the County for any purpose. No person employed by USCB shall have any benefits, status, or right of employment with the County.

- b. This Agreement shall not be modified unless such modification is made by mutual consent of both parties at any time in writing and signed by both the County and USCB.
- c. USCB may not assign this Agreement to another organization without the prior written approval of the County.

5. Default Remedies

In the event USCB does not remedy such conditions that have been found in violation of this Agreement with 30 days after written notice to do so is given by the County, or if insufficient progress is being made toward the remedy within those 30 days, the County may use a portion, or all, of the allocated funds to remedy the conditions.

6. Term

The term of this Memorandum of Understanding shall be from the date of execution for three (3) years. The Memorandum will be reviewed by the County and USCB annually.

7. Termination for Convenience

- a. In addition to any other rights to termination set forth in this Memorandum, in the event both parties mutually agree to terminate this Agreement prior to the expiration of the Term, the County shall be entitled to a pro-rata refund of the money set out in Paragraph 3 above.
- b. The County shall have the right to terminate this Agreement for convenience upon 60 days written notice to USCB. In the event the County terminates this Agreement for convenience, the County shall pay the Laboratory for services received.

IN WITNESS WHEREOF, the parties hereto have affixed their signature hereto the date first written hereinabove.

COUNTY OF BEAUFORT

By _____
Gary Kubic
County Administrator

Date _____

Address:
Beaufort County
PO Drawer 1228
Beaufort, SC 29901

Attachment 1: Scope of Services

UNIVERSITY OF SOUTH CAROLINA

By _____
Thomas A. Coggins
Director
Sponsored Awards Management

Date _____

Address:
Sponsored Awards Management
901 Sumter Street, 5th Floor
Columbia, SC 29208

The Scope of Services included in the MOU between the Beaufort County and USCB are as follows:

A. Weekly Bacterial Monitoring

- a. Up to 550 samples at current price of \$30 per sample
- b. Water Quality Analyst's salary costs for sample collection assistance

B. Costs associated with Other Monitoring Services, when Transferred

- a. Up to 12 wet weather sampling events a year
- b. Up to 13 stations sampled
- c. Samples collected would be analyzed for 25 parameters listed below:
 - i. Ammonia-nitrogen (NH₃)
 - ii. Biochemical Oxygen Demand (BOD₅)
 - iii. Cadmium (total)
 - iv. Chlorophyll-a
 - v. Chromium (total)
 - vi. Conductivity
 - vii. Copper (total)
 - viii. Dissolved Oxygen (DO)
 - ix. Fecal Coliform
 - x. Iron (total)
 - xi. Lead (total)
 - xii. Manganese (total)
 - xiii. Mercury (total)
 - xiv. Nickel (total)
 - xv. Nitrate
 - xvi. Nitrite
 - xvii. pH
 - xviii. Phosphorus (total)
 - xix. Salinity
 - xx. Temperature
 - xxi. Total Kheldahl Nitrogen (TKN)
 - xxii. Total Organic Carbon (TOC)
 - xxiii. Total Suspended Solids (TSS)
 - xxiv. Turbidity
 - xxv. Zinc (total)

- d. USCB staff would attend monitoring coordination meetings, and Stormwater Utility meetings as appropriate.
 - e. USCB staff would be engaged in data reduction, data interpretation, and data reporting. Annual reports will be prepared
- C. USCB staff would provide input into County's future water quality monitoring strategy and be responsive to unforeseen water quality needs that may occur.



BEAUFORT COUNTY STORMWATER UTILITY
120 Shanklin Road
Beaufort, South Carolina 29906
Voice (843) 255-2801 Facsimile (843) 255-9478



TO: Councilman Paul Sommerville, Chairman, Natural Resources Committee

VIA: Gary Kubie, County Administrator
Bryan Hill, Deputy Administrator
David Starkey, Chief Financial Officer
David Thomas, Purchasing Director
Rob McFee, P.E., Director of Engineering & Infrastructure
Robert Klink, P.E., County Engineer
Monica Spells, Compliance Officer

FROM: Dan Ahern, P.E., Stormwater Manager

SUBJ: JOINT MONITORING MEMORANDUM OF UNDERSTANDING (MOU) FOR SALINITY STUDY

DATE: July 19, 2012

BACKGROUND. Mr. Gary Kubie, County Administrator, requested the Stormwater Utility to develop a joint project between University of South Carolina Beaufort (USCB), SCDNR Waddell Mariculture Center, and the Utility. We had a number of meetings with our partners and decided the project that would provide the most helpful information to the Utility and County would be a project to measure salinity changes from stormwater runoff in our watersheds targeted for restoration. Since part of the work would be in the May River, the Town of Bluffton is participating in this project.

We are proceeding with funding the first year of this project with two agreements. One will be to SCDNR for \$18,808 and a second to USCB for \$8,192. Funding is from Utility funds in account 13531-51170.

We wanted to not only formalize for partners how we are proceeding, but also make County Council aware of this effort. Therefore we drafted a proposed MOU to guide this effort.

The MOU was presented to the Stormwater Utility Board at their July 12, 2012 meeting and they passed a resolution supporting this MOU on joint salinity monitoring in the May and Okatie Rivers and Battery Creek.

RECOMMENDATION. That the Natural Resources Committee approve the proposed MOU and recommend County Council Approval.

Attachment
Draft MOU
Beaufort County Salinity Study

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

MEMORANDUM OF UNDERSTANDING

This Intergovernmental Agreement ("Agreement") is being entered into by the Town of Bluffton (hereinafter referred to as the "Town"); Beaufort County, South Carolina (hereinafter referred to as the "County"); South Carolina Department of Natural Resources (hereinafter referred to as the "SCDNR") and University of South Carolina Beaufort (hereinafter referred to as "USCB") together called "parties) to define and implement environmental initiatives related to the protection of Beaufort County Watersheds and other outstanding natural resources.

WHEREAS, the Town and County realize that the protection of the watersheds and other outstanding natural resources are of utmost importance to our community; and

WHEREAS, the SCDNR and USCB offer significant scientific expertise and facilities in helping the county understand the sensitivity of tidal headwaters;

WHEREAS, the Parties understand that the development of a partnership for the better understanding of the watersheds and other outstanding natural resources is of the utmost importance; and

WHEREAS, the Town and County have existing agreement, dated December 14, 2009 on protecting Southern Beaufort County Watersheds;

WHEREAS, the Town has adopted the May River Watershed Action Plan aimed at restoring shellfish harvesting in the May River:

WHEREAS, the County has adopted a watershed restoration program including the May and Okatie Rivers and Battery Creek (in Northern Beaufort County) and wishes to support SCDNR and USCB on this partnership;

NOW, THEREFORE, for and in consideration of mutual promises, undertakings, and covenants set forth herein, the receipt and sufficiency of which is acknowledged and affirmed by the Parties hereto agree as follows:

1. **Formulate a Joint Project to assess the relationship between rainfall and salinity range in priority watersheds.** It is the intent of the parties that this agreement will act as an umbrella for annual work plans that will assess the relationship to see if there is a way to prioritize our tidal headwaters as to their runoff volume sensitivity:
 - a. Coordinate monitoring in three priority watersheds
 - i. May River
 - ii. Okatie River
 - iii. Battery Creek

- b. Develop annual monitoring plans that all parties will help develop;
 - c. Coordinate activities to track impact of proposed restoration projects.;
 - d. Determine if there is a way to determine volume sensitive sections within each watershed;
 - e. Coordinate monitoring activities to reflect ongoing studies;
 - f. Share research being conducted by USCB and SCDNR; and
 - g. Leverage efforts from all parties.
2. **Funding.** The County will provide funding to SCDNR and USCB in amounts determined annually in work plans, to support this partnership.
3. **Term.** The term of this Intergovernmental Agreement shall be from September 1, 2012 for a period of no more than 5 years. Amendments to the Agreement may be made by the mutual consent of all Parties.

IN WITNESS WHEREOF, the Parties hereto have affixed their signatures hereto the date first written hereinabove.

BEAUFORT COUNTY

By _____

Date _____

Address:
P.O. Drawer 1228
Beaufort, SC 29901-1228

TOWN OF BLUFFTON

By _____

Date _____

Address:
Post Office Box 386
Bluffton, SC 29910

UNIVERSITY OF SOUTH CAROLINA

By _____

Date _____

Address:

Sponsored Awards Management
901 Sumter Street, 5th Floor
Columbia, SC 29208

SOUTH CAROLINA DEPT. OF NATURAL RESOURCES

By _____

Date _____

Address:

SCDNR Marine Resources Division
217 Fort Johnson Road
Charleston, SC 29412

**Proposal
For a**

BEAUFORT COUNTY SALINITY STUDY

Proposed by:

**South Carolina Department of Natural Resources
Marine Resources Division
217 Ft. Johnson Rd.
Charleston, SC 29412**

and

**University of South Carolina – Beaufort
Sponsored Awards Management
901 Sumter Street, 5th Floor
Columbia, SC 29208**

Submitted to:

**Beaufort County
P.O. Drawer 1228
Beaufort, SC 29901**

BEAUFORT COUNTY SALINITY STUDY

Introduction: Beaufort County and the Town of Bluffton are concerned about stormwater runoff and the impacts on receiving water bodies. They have conducted a number of studies to assess these impacts, particularly as it relates to pollutant concentrations, especially bacterial concentrations. Beaufort County has also implemented stormwater standards to mitigate these impacts. Beaufort County, in collaboration with the Town of Bluffton, is now working toward adding additional Best Management Practices (BMPs) to ensure that water quality is maintained and shellfish bed closures are minimized or reduced from current conditions. Primary efforts are focused on three watersheds over the next five years. The watersheds of interest to the County are Battery Creek, Okatie River and May River. The Town of Bluffton's efforts are focused only on the May River. Each of these systems has restricted shellfish harvesting in a portion of their upper waterways. One of the key factors missing from their studies to date is an understanding of the relationship between rainfall and the volume of freshwater runoff entering these tidal creek systems, as well as how that water translates downstream.

Ultimate Goal of Beaufort County and Town of Bluffton: Define appropriate measurement criteria for volume sensitive waters. Define the extent of volume sensitive waters for selected watersheds, with an ultimate goal of being able to define the area of volume sensitive waters for all watersheds in Beaufort County. Identify potential biological effects of major rain events in volume sensitive waters (not covered in this proposal).

Purpose of This Effort: To assess the relationship between rainfall, water level, and salinity range throughout the upper portions of these watersheds in order to better define what portion of the watersheds should be considered volume sensitive.

Participants: This effort is a cooperative program involving Beaufort County, the Town of Bluffton, the SC Department of Natural Resources, Marine Resources Division (SCDNR-MRD) and University of South Carolina-Beaufort (USCB). The SCDNR Waddell Mariculture Center, which is part of the Marine Resources Division, is located in Beaufort County and has a wide range of expertise and facilities to assist Beaufort County. In particular, Waddell staff will participate in this project by collecting the rainfall, salinity and temperature data for a number of the systems. This local staffing capability will be complemented by staff from the Marine Resources Research Institute (MRRI) in Charleston. USCB is currently conducting a research project investigating spawning aggregations of Sciaenids using passive acoustics (i.e., the act of listening to underwater sounds). This effort has collected environmental sampling at 30 stations throughout the May River. This monitoring provides a leveraging opportunity to expand to more continuous salinity and temperature data collections. The Town of Bluffton will also be involved in the project given their existing efforts which will provide some historical data that can be analyzed as well as rainfall data for the May River watershed. The National Oceanic and Atmospheric Administration's (NOAA) Hollings Marine Laboratory will also participate in the modeling of stormwater runoff.

Study Design: The proposed study outlined here will monitor the salinity, temperature, depth, and rainfall within several watersheds. The identified watersheds include the (1) upper Okatie River (Waddell monitored), (2) Burton/Grober branch of Battery Creek (Waddell monitored), (3) County complex branch of Battery Creek (Waddell monitored), and (4) upper May River (USCB monitored). After the data from the first year are analyzed, expansion of the sampling effort to other important drainage systems within the county or additional new studies may be proposed.

Each system will be monitored for a period of time to capture a range of rainfall events. The time period is expected to be at least three months with review of the range of rainfall events captured during the initial 3 month period. In addition, an analysis of May River and EMPACT (an EPA-funded Charleston Harbor tidal creek study) will then identify the appropriate number and ranges of events to capture within each system. Sampling sites in each creek system will be established from the headwaters to a downstream location that should extend into what should be considered volume "insensitive" waters. The downstream location will be identified based on previous data such as shellfish bed harvesting classification change, an indication that the system is no longer volume sensitive. Six sites will be equally distributed down the system (dependent on available deployment locations). At each site, a salinity/temperature data logger will be installed near the bottom of the water column. In addition, a depth sensor will be installed to monitor tidal stage at a minimum of one location. A rain gauge will be installed at a central location during the period each watershed is sampled. If one rain gauge is already established in the system, the second gauge will be placed at the other end of the system, when possible. Due to the limited funding, only the May River and one other watershed will be sampled simultaneously. Once a sufficient data set has been obtained in a watershed, the instrumentation will be retrieved and re-deployed in the next watershed (except for the May River).

Data analysis will include relating rainfall to salinity range or another measure of salinity variance and comparing the six sites to see how the precipitation-induced freshet translates downstream with respect to duration and extent of salinity change attributable to that rainfall event. The six sites in each system will provide us with a fine scale distribution of the salinity change thereby providing information for the determination of volume sensitivity. The stormwater runoff will be modeled by Anne Blair of the NOAA Hollings Marine Laboratory using a modified NRCS method to provide an estimate of the expected runoff due to varying soil conditions.

Data analysis will be conducted on existing data sets, if appropriate, from previous studies in the May River, Okatie River, and Charleston Harbor EMPACT creeks. Analysis of the mined data sets will be similar to the analysis of the new data and will be compared to the results of the proposed studies.

SCDNR Responsibilities: The SCDNR-MRD will be responsible for sampling the (1) upper Okatie River, (2) Burton/Grober branch of Battery Creek, (3) County complex branch of Battery Creek. Sampling in each system will be a minimum of 3 months. Waddell staff will monitor the rainfall, salinity, temperature, and depth in each systems for a minimum of 3 months (as outlined above) using a series of HOBO recording devices. Six sites will be located in each of the systems based on existing shellfish monitoring sites and access to record salinity and temperature at 30 min intervals on a continuous basis. One of the sites will also be monitored for tidal height, and a centralized location in each drainage system will be monitored continuously for rainfall. Sampling locations will generally be visited by staff at two-week intervals to download data. Figures 1-3 indicate the rough locations of sampling devices in the three systems that the sampling units will be moved between.

USCB Responsibilities and Feasibility: USCB will be responsible for sampling the May River in association with their existing efforts. They will measure rainfall levels at station 19-19 and temperature/salinity at 11 stations (red dots) using HOBO recording devices. Six of the sites in the upper May River will have continuous deployment of salinity/temperature gauges for the required time period. The other sites may be monitored less frequently. At three stations, water level will be measured. Sites will be located in this system based on existing shellfish and fish acoustic monitoring sites and access (Figure 4).

Currently, USCB has 11 salinity/temperature HOBO loggers and 3 water level HOBO loggers that are being used for a fish acoustics project and collecting data at the stations indicated (Figure 4). Thus, these data will be available for the current research on stormwater runoff. This equipment totals \$10,980.



Figure 1. Approximate locations for the Okatie River sampling sites. The shellfish monitoring stations are designated.



Figure 2. Approximate locations for the county complex branch of Battery Creek sampling sites. The shellfish monitoring stations are designated.



Figure 3. Approximate locations for the Burton/Grober branch of Battery Creek sampling sites. The shellfish monitoring stations are designated.



Figure 4. Approximate locations for the May River sampling sites. The shellfish monitoring stations are designated with numbers.

SCDNR Budget

Category	Base Rate	Beaufort County		DNR Match	
		#@mo	Total	#/mo	Total
Personnel		2@1.5	8,508	1@1	5,064
Fringe (35%)			2,978		1,772
Indirect (12.05)			0		1635
Vehicle	0.505	744 mi	376		
Supplies			4,947		2,391
SCDNR Grand Total			16,808		10,862

Budget Justification: SCDNR will purchase one rain gauge, two salinity/temperature sensors, and software to download data. County will purchase remaining 4 salinity/temperature sensor, depth sensor, and data shuttle device.

USCB Budget

	Beaufort County
SALARIES with Fringe	
Personnel	5,192
TOTAL	5,192
SUPPLIES	
Supplies	3,000
TOTAL	3,000
Total Direct Costs	8192
TOTAL FUNDS REQUESTED	8,192

Budget Justification: Supplies include fuel for boat and gear for deployment of loggers.

ORDINANCE NO. 2012/___

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012C, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$30,000,000; 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; ADOPTING WRITTEN PROCEDURES RELATED TO TAX-EXEMPT DEBT; 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) A successful referendum (the “Referendum”) was held in the County on November 7, 2000. A portion of the Series 2004 Bonds were issued pursuant to the Referendum.

(f) The assessed value of all the taxable property in the County as of June 30, 2011, is \$1,823,808,541. Eight percent of the assessed value is \$145,904,683. 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 \$80,253,597 which includes the Bonds to be Refunded (hereinafter defined).

Thus, the County may incur \$65,651,086 of additional general obligation debt within its applicable debt limitation.

(g) A portion of the Series 2004 Bonds (hereinafter defined) are subject to the 8% constitutional debt limit. The difference between the outstanding principal amount of the maturities subject to the 8% constitutional debt limit to be refunded of the Series 2004 Bonds and the amount needed to refund the certain maturities subject to the 8% constitutional debt limit of the 2004 Bonds will also count against the County's 8% constitutional debt limit.

(h) Pursuant to constitutional and statutory authorizations, the Referendum, and an Ordinance duly enacted by the County Council on August 23, 2004 (the "2004 Ordinance"), the County issued its \$30,500,000 General Obligation Bonds, Series 2004, dated October 15, 2004 (the "Series 2004 Bonds").

(i) Sections 11-21-10 to 11-21-80 of the Code of Laws of South Carolina 1976, as amended, empower any "public agency" to utilize the provisions of Article 5, Chapter 15, Title 11 (the "Refunding Act") of the Code of Laws of South Carolina 1976, as amended, to effect the refunding of any outstanding general obligation bonds.

(j) The Series 2004 Bonds are currently outstanding in the amount of \$28,250,000. The Series 2004 Bonds maturing on or after February 1, 2015, are subject to redemption at the option of the County on or after February 1, 2014, as a whole or in part at any time, and if in part in such order of maturity as selected by the County, at par, together with the interest accrued thereon to the date fixed for redemption.

(k) Based on current market conditions and projected savings, the County Council finds that it is in the best interest of the County to effect a refunding of certain maturities of the Series 2004 Bonds (the "Bonds to be Refunded") because a savings can be effected through the refunding of such Series 2004 Bonds. The County Council recognizes, however, that current market conditions may change and that, as of the date of enactment of this Ordinance, a determination cannot be made as to the amount of such savings, if any, realized through the refunding of the Bonds to be Refunded and that certain authority relating to such refunding is delegated to the County Administrator and/or his lawfully-authorized designee through this Ordinance. Because the Refunding Act requires that refunding bonds be sold at public sale, there can be no assurance that market conditions at the time of such sale will be similar to the prevailing rates on the date of the enactment of this Ordinance. If the rates of interest on the refunding bonds authorized by this Ordinance do not result in satisfactory debt service savings, the County Council, through the authority delegated to the County Administrator and/or his lawfully-authorized designee, will be empowered to reject bids for the purchase of the refunding bonds.

(h) The County Council has been advised by Bond Counsel that a best practice related to the issuance of tax-exempt debt is for each issuer to have Written Procedures related to Tax-Exempt Debt.

(i) It is now in the best interest of the County for County Council to provide for the issuance and sale of not exceeding \$30,000,000 principal amount general obligation refunding bonds of the County to provide funds for (i) refunding the Bonds to be Refunded; (ii) costs of issuance of the Bonds (hereinafter defined); and (iii) such other lawful purposes as the County Council shall determine and to adopt the Written Procedures Related to Tax-Exempt Debt.

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 \$30,000,000 aggregate principal amount of general obligation refunding bonds of the County to be designated “\$30,000,000 (or such lesser amount issued) General Obligation Refunding Bonds, (appropriate series designation), of Beaufort County, South Carolina” (the “Bonds”), for the purpose set forth in Section 1(k) and other costs incidental thereto, including without limiting the generality of such other costs, engineering, financial and legal fees.

The refunding of the Bonds to be Refunded shall be effected with a portion of the proceeds of the Bonds which proceeds shall be used for the payment of the principal of such Bonds to be Refunded as and when such Bonds to be Refunded mature and are called for redemption in accordance with the provisions of the 2004 Ordinance and interest on such Bonds to be Refunded as and when the same becomes due. If necessary, notice of the aforesaid refunding for which a portion of the proceeds of the Bonds will be used shall be given in a financial paper published in the City of New York, State of New York.

Upon the delivery of the Bonds, the principal proceeds thereof, less issuance expenses, shall be deposited with an escrow agent to be named (the “Escrow Agent”) and held by it under a written refunding trust agreement between the Escrow Agent and the County (the “Refunding Trust Agreement”) in an irrevocable trust account. It shall be the duty of such Escrow Agent to keep such proceeds invested and reinvested to the extent that it shall be practical in obligations of the United States or any agency thereof and to apply the principal and interest of the trust so established in the manner prescribed in such Refunding Trust Agreement.

The County Administrator and/or his lawfully-authorized designee are hereby authorized and directed for and on behalf of the County to execute such agreements and give such directions as shall be necessary to carry out the provisions of this Ordinance, including the execution and delivery of the Refunding Trust Agreement. The Refunding Trust Agreement shall be dated the date of delivery of the Bonds to the initial purchasers thereof.

Upon the award of the Bonds, the County shall designate the Bonds to be Refunded for redemption on a date determined by the County Administrator and/or his lawfully-authorized designee in accordance with the 2004 Ordinance.

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.

Within twenty-four (24) hours after the receipt of bids, the County Administrator is hereby authorized to designate the registrar and paying agent (the “Registrar/Paying Agent”) for the Bonds. The Registrar/Paying Agent shall be a bank, trust company, depository or transfer agent located either within or without the State of South Carolina.

SECTION 3. Delegation of Authority to Determine Certain Matters Relating to the Bonds. 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) determine the Registrar/Paying Agent for the Bonds, and (h) 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 necessary to refund the Bonds to be Refunded shall be deposited with the Escrow Agent pursuant to the terms of the Refunding Trust Agreement. The remaining proceeds, if any, shall be deposited with the County Treasurer in a special fund to the credit of the County and shall be applied solely to the purposes for which the Bonds have been issued, including payment of costs of issuance of the Bonds.

SECTION 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, Countys and political subdivisions.

SECTION 21. Written Procedures Related to Tax-Exempt Debt. The Board hereby approves the Written Procedures Related to Tax-Exempt Debt attached hereto as Exhibit F.

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 First SouthWest, as financial advisor in connection

with the issuance of the Bonds. The County Administrator is further authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate these engagements.

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

Enacted this ___ day of _____, 2012.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair, County Council

(SEAL)

ATTEST:

Clerk, County Council

First Reading: June 25, 2012
Second Reading: July 23, 2012
Public Hearing:
Third and Final Reading:

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT
GENERAL OBLIGATION REFUNDING BOND, SERIES 2012_

No. R-

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

REGISTERED HOLDER:

PRINCIPAL AMOUNT: DOLLARS

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

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

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

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 _____, 2012.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of General Obligation Refunding Bonds of Beaufort County, South Carolina, in the principal amount of not exceeding \$_____ (the "Bonds"). The proceeds of the bonds will be used for the following purposes: (i) refunding certain maturities of the County's original principal amount \$_____ General Obligation Bonds, Series 2004, dated _____; (ii) paying costs of issuance of the Bonds; and (iii) such other lawful purposes as the County Council shall determine.

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

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

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA

FORM OF NOTICE

NOTICE OF ADOPTION OF ORDINANCE

Notice is hereby given that on _____, 2012, the Beaufort County Council adopted an ordinance entitled: "ORDINANCE NO. _____" (the "Ordinance").

The proceeds of the bonds will be used together with other available funds of the County for the following purposes: The proceeds of the bonds will be used for the following purposes: (i) refunding certain maturities of the County's original principal amount \$_____ General Obligation Bonds, Series 2004, dated _____, 2004; (ii) paying 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 REFUNDING BONDS, SERIES 2012_,
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"), 100 Ribaut Road, Beaufort, South Carolina, until 11:00 a.m, South Carolina time, on _____, _____, 2012, at which time said proposals will be publicly opened for the purchase of \$ _____ General Obligation Refunding Bonds, Series 2012_, of the County (the "Bonds").

Sealed Bids: Each hand delivered proposal shall be enclosed in a sealed envelope marked "Proposal for \$ _____ General Obligation Refunding Bonds, Series 2012_, 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: Within twenty-four (24) hours after the receipt of bids, the County will designate the registrar and paying agent (the "Registrar/Paying Agent") for the Bonds. The Registrar/Paying Agent shall be a bank, trust company, depository or transfer agent located either within or without the State of South Carolina.

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

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

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

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

Good Faith Deposit: No good faith deposit is required.

Bid Form: Proposals should be enclosed in a separate sealed envelope marked "Proposal for \$ _____ General Obligation Refunding 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 _____, 2012, 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

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of _____, 2012, 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”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

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

“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 MSRB.

“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.

“Bonds” means the bonds 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, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB 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 Finance Director, 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.

“Failure to File Event” means the Issuer’s failure to file an Annual Report on or before the Annual Filing Date.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“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, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

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

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

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

“Trustee” means the institution, if any, identified as such in the document under which the Bonds were issued.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a

Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

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 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 MSRB not later than the next February 1 after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2013. 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 Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(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 Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(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 Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

“Principal and interest payment delinquencies;”

“Non-Payment related defaults, if material;”

“Unscheduled draws on debt service reserves reflecting financial difficulties;”

“Unscheduled draws on credit enhancements reflecting financial difficulties;”

“Substitution of credit or liquidity providers, or their failure to perform;”

“Adverse tax opinions, IRS notices or events affecting the tax status of the security;”

“Modifications to rights of securities holders, if material;”

“Bond calls, if material;”

“Defeasances;”

“Release, substitution, or sale of property securing repayment of the securities, if material;”

“Rating changes;”

“Tender offers;”

“Bankruptcy, insolvency, receivership or similar event of the obligated person;”

“Merger, consolidation, or acquisition of the obligated person, if material;” and

“Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”

- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. “amendment to continuing disclosure undertaking;”
2. “change in obligated person;”
3. “notice to investors pursuant to bond documents;”
4. “certain communications from the Internal Revenue Service;”
5. “secondary market purchases;”
6. “bid for auction rate or other securities;”
7. “capital or other financing plan;”
8. “litigation/enforcement action;”
9. “change of tender agent, remarketing agent, or other on-going party;”
10. “derivative or other similar transaction;” and
11. “other event-based disclosures;”

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”
2. “change in fiscal year/timing of annual disclosure;”
3. “change in accounting standard;”
4. “interim/additional financial information/operating data;”
5. “budget;”
6. “investment/debt/financial policy;”
7. “information provided to rating agency, credit/liquidity provider or other third party;”
8. “consultant reports;” and
9. “other financial/operating data.”

- (viii) 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 MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

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 as follows:

- (i) The financial statements of the Issuer for the preceding fiscal year prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board (or if not in conformity, to be accompanied by a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information). If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.
- (ii) Financial and operating data for the fiscal year then ended, to the extent such information is not included in the Issuer's audited financial statements filed pursuant to clause (1) above, which shall be generally consistent with the tabular information (or other information, as otherwise noted below) contained in the Official Statement under the following headings: "THE BONDS—Security;" "DEBT STRUCTURE—Outstanding Indebtedness;" and "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."

1. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer, which have been submitted to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

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 Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any annual financial information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

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

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material;
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
- v. Substitution of credit or liquidity providers, or their failure to perform;
- vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- vii. Modifications to rights of Bond holders, if material;
- viii. Bond calls, if material, and tender offers;
- ix. Defeasances;
- x. Release, substitution, or sale of property securing repayment of the Bonds, if material;
- xi. Rating changes;
- xii. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets

or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

- xiii. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(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 two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), 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) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(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 MSRB in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

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, Notice Event notices, Failure to File Event notices, Voluntary Event

Disclosures and Voluntary Financial Disclosures, 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 duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. 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 Filing.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

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, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure 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, Audited

Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

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 counsel expert in federal securities laws 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 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 shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

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 Florida (other than with respect to conflicts of laws).

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: _____
Title: _____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer _____
Obligated Person(s) _____
Name of Bond Issue: _____
Date of Issuance: _____
Date of Official Statement _____

CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
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CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____
CUSIP Number: _____	CUSIP Number: _____

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer: _____

Obligated Person: _____

Name(s) of Bond Issue(s): _____

Date(s) of Issuance: _____

Date(s) of Disclosure Agreement: _____

CUSIP Number: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure
Dissemination Agent, on behalf of the Issuer

cc:

**EXHIBIT C-1
EVENT NOTICE COVER SHEET**

This cover sheet and accompanying "event notice" will be sent to the MSRB, 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 event notice relates:

Number of pages attached: _____

____ Description of Notice Events (Check One):

1. _____ "Principal and interest payment delinquencies;"
2. _____ "Non-Payment related defaults, if material;"
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, IRS notices or events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material;"
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Tender offers;"
13. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. _____ "Merger, consolidation, or acquisition of the obligated person, if material;" and
15. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material."

____ Failure to provide annual financial information as required.

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

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the Issuer and DAC.

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 notice relates:

Number of pages attached: _____

_____ Description of Voluntary Event Disclosure (Check One):

1. _____ "amendment to continuing disclosure undertaking;"
2. _____ "change in obligated person;"
3. _____ "notice to investors pursuant to bond documents;"
4. _____ "certain communications from the Internal Revenue Service;"
5. _____ "secondary market purchases;"
6. _____ "bid for auction rate or other securities;"
7. _____ "capital or other financing plan;"
8. _____ "litigation/enforcement action;"
9. _____ "change of tender agent, remarketing agent, or other on-going party;"
10. _____ "derivative or other similar transaction;" and
11. _____ "other event-based disclosures."

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

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

**EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET**

This cover sheet and accompanying “voluntary financial disclosure” will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the Issuer and DAC.

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 notice relates:

Number of pages attached: _____

_____ Description of Voluntary Financial Disclosure (Check One):

1. _____ “quarterly/monthly financial information;”
2. _____ “change in fiscal year/timing of annual disclosure;”
3. _____ “change in accounting standard;”
4. _____ “interim/additional financial information/operating data;”
5. _____ “budget;”
6. _____ “investment/debt/financial policy;”
7. _____ “information provided to rating agency, credit/liquidity provider or other third party;”
8. _____ “consultant reports;” and
9. _____ “other financial/operating data.”

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

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

BEAUFORT COUNTY, SOUTH CAROLINA

**WRITTEN PROCEDURES
Related to Tax-Exempt Debt**

The Internal Revenue Code of 1986, as amended (the “Code”) and the regulations promulgated thereunder (the “Regulations”) impose certain requirements on tax-exempt bonds, including but not limited to, restrictions on the use of bond proceeds and bond-financed property, arbitrage yield restrictions, and the arbitrage rebate requirement. These requirements are generally applicable throughout the period that the bonds remain outstanding.

The September 2011 revision to the Form 8038-G, Information Return for Tax Exempt Governmental Obligations (“Form 8038-G”) requires the issuer to represent whether it has established written procedures to (a) monitor the requirements of Section 148 of the Code, including, but not limited to, the arbitrage rebate and arbitrage yield restriction requirements; and (b) ensure that any nonqualified bonds (within the meaning of Section 1.148-12(j) of the Regulations) are remediated in accordance with the Code and the Regulations.

In addition to the above-described Form 8038-G representations, Beaufort County, South Carolina (the “County”) has been advised that additional procedures are recommended in order for the County to document compliance with the applicable federal tax requirements. Actions pursuant to these procedures (collectively referred to as post-issuance tax compliance) are intended to assist the County in documenting compliance with the applicable federal tax requirements. Post-issuance tax compliance begins with the debt issuance process itself and includes a continuing focus on investments of bond proceeds and use of bond-financed property. Post issuance tax compliance requires identifying the responsible people and the applicable procedures.

References herein to a “bond” or to “bonds” shall apply to all forms of tax-exempt obligations including, but not limited to, lease/purchase agreements, bond anticipation notes, and tax anticipation notes.

Procedures

The County’s Chief Financial Officer (“CFO”) is designated as being responsible for post-issuance tax compliance. The CFO may delegate to his staff or contract with independent contractors (such as an arbitrage/rebate consultant or a consulting engineer) responsibility for different aspects of post-issuance tax compliance. For example, coordinating and documenting the expenditure of bond proceeds on projects may be delegated to the consulting engineer. However, the CFO will be ultimately responsible for implementing the procedures described herein.

The County recognizes that that the County has issued tax-exempt debt prior to the adoption of these procedures. With respect to this prior issued debt, the CFO will take reasonable steps to collect and maintain appropriate documentation of compliance with these procedures. However, the County recognizes that such documentation may not exist with respect to some of the items enumerated in these procedures.

Issuance – The CFO will:

- (a) Confirm the filing of the Form 8038 or Form 8038-G (or applicable successor form) with Internal Revenue Service (“IRS”). Filing of the applicable Form 8038 is usually overseen by bond counsel at or soon after the closing of a bond issue.
- (b) Obtain and store the Transcript of Proceedings prepared by bond counsel (which typically includes the applicable Form 8038 and the Federal Tax Certificate containing the County’s expectations as of the date of issuance of the bond issue).

Recordkeeping – The CFO will:

- (a) Establish a plan for keeping relevant books and records as to the investment and the expenditure of bond proceeds.
- (b) Keep accurate records including:
 - Basic records relating to the bond transactions (including the trust indenture, loan agreements, and bond counsel opinion; see Transcript of Proceeding, above);
 - Documentation evidencing the expenditure of bond proceeds;
 - Documentation evidencing use of bond-financed property by public and private users (i.e., copies of management contracts, material power purchase contracts);
 - Documentation evidencing all sources of payment or security for the bonds; and
 - Documentation pertaining to any investment of bond proceeds (including the purchase and sale of securities, SLGS subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- (c) Keep all records in a manner that ensures their complete access to the IRS so long as they are material. While this is typically accomplished through the maintenance of hard copies, records may be kept in an electronic format if certain requirements are satisfied, in accordance with the guidelines in Revenue Procedure 97-22, 1997-1 C.B. 652.
- (d) Keep the relevant records for each issue of bonds for as long as such issue of bonds is outstanding (including any bonds issued to refund such issue of bonds) plus three years after the final redemption date of the bonds.

Arbitrage Rebate and Arbitrage Yield Restriction – The CFO will:

- (a) Engage the services of an arbitrage/rebate consultant for assistance in compliance with arbitrage related issues. As of the date of the adoption of these procedures, the County has retained AMTEC Compliance as its arbitrage/rebate consultant.
- (b) Work with the County’s bond counsel, financial advisor and/or arbitrage/rebate consultant to monitor compliance with “temporary period exceptions” for expenditure of bond proceeds, typically three years for new money bonds, and provide for yield restriction of investments or “yield reduction payments” if exceptions are not satisfied.
- (c) Work with the County’s bond counsel and financial advisor to ensure investments acquired with bond proceeds are purchased at fair market value. This may include use of bidding procedures under the regulatory safe harbor (Section 1.148-5(d) of the Regulations).

- (d) Consult with the County's bond counsel prior to the creation of funds which would reasonably be expected to be used to pay debt service on tax-exempt bonds to determine in advance whether such funds must be invested at a restricted yield (i.e., yield restricted).
- (e) Consult with the County's bond counsel and financial advisor before engaging in post-issuance credit enhancement transactions (e.g., bond insurance, letter of credit) or hedging transactions (e.g., interest rate swap, cap).
- (f) Consult with the County's bond counsel, financial advisor, and/or arbitrage/rebate consultant to identify situations in which compliance with applicable yield restrictions depends upon subsequent investments (e.g., purchase of 0% SLGS from U.S. Treasury) and monitor implementation.
- (g) Work with the County's arbitrage/rebate consultant to arrange for timely computation of rebate/yield reduction payment liability and, if an amount is payable, for timely filing of Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate (or applicable successor form), and payment of such liability. Rebate/Yield Reduction payments are ordinarily due at 5-year intervals.

Private Use of Bond-Financed Facilities - The CFO will:

- (a) Create and maintain records of which proceeds of bond issues were used to finance which facilities. These records shall incorporate the refunding or partial refunding of any bond issues.
- (b) Record the allocation of bond proceeds to expenditures, including reimbursements. These records will be consistent with the expenditures used for arbitrage purposes.
- (c) Record the allocation of bond proceeds and funds from other sources in connection with any bond funded project. Review expenditure of bond proceeds with bond counsel and/or consulting engineer to ensure bond proceeds are used for qualifying costs.
- (d) Review with bond counsel prior to the sale or lease of a bond-financed facility, or the granting of a license or management contract, or any other arrangement allowing private use of a bond financed facility, the terms of such arrangement.
- (e) Keep records of private use, if any, of bond-financed facilities to monitor the amount of private use of bond-financed facilities. Relevant to the County, private use generally includes: use of the proceeds of bonds or bond-financed facilities in any activity by a person or organization that is not (a) a state or local government; or (b) a natural person. Notwithstanding the preceding sentence, private business use generally does not include: (a) use as a member of the general public pursuant to arrangements with a term of less than 200 days; and (b) use by a nongovernmental person pursuant to an arrangement with a term of less than 50 days that is a result of arms-length negotiations and compensation payable under the arrangement is not less than fair market value.
- (f) Private use of bond-financed facilities shall be reviewed once a year (in connection with the preparation of the annual financial statements). If private use occurs, bond counsel will be consulted to determine if remedial action is necessary (including but not included to, the remediation of all non-qualified bonds in accordance with Section 1.14-12 of the Regulations).

Reissuance – The CFO will:

- (a) Consult with bond counsel to identify any post-issuance modification to the terms of bonds which could be treated as a current refunding of “old” bonds by “new” bonds, often referred to as a “reissuance.”
- (b) Consult with bond counsel to determine whether any “remedial action” (see item (f) under “Private Use of Bond-Financed Facilities” above) in connection with private use must be treated as a “reissuance.”

Committee Reports
August 13, 2012

A. COMMITTEES REPORTING

1. Finance

- ① Minutes are provided from the August 6 meeting. Action is required. ([backup](#))
See main agenda items 10 A, G, H, I, J, K, L.

2. Governmental

- ① Minutes are provided from the August 6 meeting. Action is required. ([backup](#))
See main agenda item 10B and 10P.

3. Natural Resources

- ① Minutes are provided from the August 6 meeting. Action is required. ([backup](#))
See main agenda items 10 M, N and O.

4. Public Facilities

- ① Minutes are provided from the July 24 meeting. Action is required.
See main agenda items 10 C, D, E, E, F.

B. COMMITTEE MEETINGS

1. Community Services

William McBride, Chairman

Gerald Dawson, Vice Chairman

➔ Next Meeting – Monday, August 20 at 4:00 p m., BIV#2

2. Executive

Weston Newton, Chairman

➔ Next Meeting - To be announced.

3. Finance

Stu Rodman, Chairman

Rick Caporale, Vice Chairman

➔ Next Meeting – Monday, August 20 at 2:00 p m., BIV#2

4. Governmental

Jerry Stewart, Chairman

Laura Von Harten, Vice Chairman

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

5. Natural Resources

Paul Sommerville, Chairman

Brian Flewelling, Vice Chairman

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

6. Public Facilities

Herbert Glaze, Chairman

Steven Baer, Vice Chairman

➔ Next Meeting – Tuesday, August 28 at 4:00 p m., ECR

7. Transportation Advisory Group

Weston Newton, Chairman

Stu Rodman, Vice Chairman

➔ Next Meeting – To be announced.

FINANCE COMMITTEE

August 6, 2012

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

The Finance Committee met on Monday, June 25, 2012 at 2:00 p.m., in the Executive Conference Room, Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Finance Committee Members: Chairman Stu Rodman, Vice Chairman Rick Caporale and members Steven Baer, Brian Flewelling, William McBride, Paul Sommerville and Jerry Stewart were present. Non-Committee members Laura Von Harten and Weston Newton, who serves *ex-officio* on all committees, were also present.

County staff: Paul Andres, Airports Director; Morris Campbell, Division Director – Community Services; David Coleman, Engineering; Tony Criscitiello, Division Director, Planning and Infrastructure; Phil Foot, Detention Center Director; Bryan Hill, Deputy County Administrator; Alicia Holland, Comptroller; Joshua Gruber, Staff Attorney; Dave Thomas, Purchasing Director; Wlodek Zarcynky, Library Director; Rick Dimont, Purchasing Department.

Media: Joe Croley, Hilton Head Island-Bluffton Chamber of Commerce; and Jocelyn Staiger, Government Affairs Director, Hilton Head Island Association of REALTORS.

School District: Fred Washington, Board of Education Chairman; and Phyllis White, Chief Operational Services Officer.

Public: Donnie Beer, Beaufort City Councilman; David Cargile; Aaron Crosby, Daufuskie Island Council; Suzanne Larson; Wick Scurry, Owner/Operator of Ferry Company;

Councilman Rodman chaired the meeting.

ACTION ITEMS

- 1. Consent Agenda - \$325,000 contract to renew Annual Food Service Contract with ABL Management for the Detention Center (>\$50,000)**

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

Discussion: The Purchasing Department received a request from the Public Safety Director to renew the annual contract with ABL Management for food services in support of the Detention Center. There are no changes to the scope of services or cost increases. The contractor will provide all the labor, food, beverages, materials, supplies, and chemicals necessary to

provide food services for the inmates and staff. The contractor will provide meals and food service three times per day, seven days per week. The contractor shall manage a civilian and inmate kitchen staff, which shall prepare pre-plated meals for service on thermal insulated trays. The contract term will cover the current fiscal year and expire on June 30, 2013, with two more one-year annual renewals subject to County Council approval. The cost of this annual food service contract is \$325,000, and will be funded from account 23170-51200, meals/contracted services.

Mr. Baer inquired as to the increase over the previous year contract. Mr. Hill replied that there is no increase.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Finance Committee approve and recommend Council renew the annual contract with ABL Management to provide food services for the Detention Center in the amount of \$325,000. Funding is from Meals/Contracted Services, Account 23170-51200. The vote was: YEAS – Mr. Baer, Mr. Caporale, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council renew the annual contract with ABL Management to provide food services for the Detention Center in the amount of \$325,000. Funding is from Meals/Contracted Services, Account 23170-51200.

2. Consent Agenda - \$565,000 contract to renew Annual Medical and Health Services Contract with Southern Health Partners for the Detention Center (>\$50,000)

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

Discussion: The Purchasing Department received a request from the Public Safety Director to renew the annual contract with Southern Health Partners for Health/Medical services in support of the Detention Center. There are no changes to the scope of services or cost increases. The contract or will provide medical and health care services as required by law. The contractor provides 24-hour medical coverage, licensed physician, licensed dentist, and nursing staff. The contractor also provides for referrals to outside specialist, x-rays, pharmaceuticals, lab services, and maintains accreditation files for the medical unit accreditation with the National Commission on Correctional Health Care (NCCHC) certification, records for DHEC inspections for Pharmacy regulations, and records for South Carolina Department of Corrections inspections for compliance with South Carolina Minimum Standards for Detention Facilities. The contract term will cover the current fiscal year and expire on June 30, 2013, with two more one-year annual renewals subject to County Council approval. The contract to Southern Health Partners of Chattanooga, Tennessee is at a cost of \$565,000. It would be funded from account 23170-51190, medical/dental services.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Finance Committee approve and recommend Council renew the annual contract with Southern Health Partners to provide

health/medical care services for the Detention Center in the amount of \$565,000. Funding is from Medical/Dental Services, Account 23170-51190. The vote was: YEAS – Mr. Baer, Mr. Caporale, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council renew the annual contract with Southern Health Partners to provide health/medical care services for the Detention Center in the amount of \$565,000.

3. Consent Agenda - \$97,100 contract to renew Daufuskie Island Ferry Service Contract (>\$50,000)

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

Discussion: Mr. Dave Thomas, Purchasing Director, presented the Committee with a PowerPoint Presentation to provide the Committee with an overview of the proposal.

Current Service

There are two runs per day from Hilton Head Island to Daufuskie Island:

- One run picks up passengers at 8:15 a.m. on Daufuskie Island and leaves Hilton Head Island for Daufuskie Island at 4:00 p.m. Monday, Wednesday, and Friday.
- Tuesday and Thursday runs are dependent upon tourist schedule, 11:00 a.m. departing Daufuskie Island and leaves Hilton Head Island for Daufuskie Island at 4:00 p.m.
- Saturday runs are 8:15 a.m. and 5:00 p.m. twice per month.

Funding Summary

- Projected FY13 Cost \$255,600
- Parking Costs \$8,000
- Ticket Sales Administration \$4,500
- Projected FY13 total costs \$268,100
- Current budget (projected to last through JAN 20, 2013) is \$150,000;
 - SCDOT \$50,000
 - Beaufort County \$100,000
- Projected ticket sales are \$21,000
- An additional \$97,100 needed to complete FY

Mr. Thomas also presented how costs associated with ferry operations vary daily, dependent upon the season, and an overview of a flat rate verse as seasonal rate schedule.

Mr. Wick Scurry, Owner/Operator of Ferry Service, spoke before the Committee. Much discussion followed between Committee members and staff relative to this proposal.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Finance Committee approve and recommend Council approve \$97,100 of a \$268,100 contract renewal with J & W of Greenwood to provide Daufuskie Island ferry service. Funding is from Daufuskie Ferry Transport, Account 54202-55540. The vote was: YEAS – Mr. Caporale, Mr. Flewelling, Mr.

McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. NAYS – Mr. Baer. The motion passed.

Recommendation: Council approve \$97,100 of a \$268,100 contract renewal with J & W of Greenwood to provide Daufuskie Island ferry service. Funding is from Daufuskie Ferry Transport, Account 54202-55540.

4. Consent Agenda - \$15,000 Accommodations Tax (2%) Contribution to Lt. Dan Weekend 3

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

Discussion: Committee Chairman Stu Rodman reviewed this item with the Committee. The Accommodation Tax Committee will be reflecting on A-Tax application here soon. It will come before Committee in September. This item is time pressing and cannot wait until September. There is roughly \$500,000 in Accommodations Tax Fund. He asked the Committee to consider this item in amount of \$15,000.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Finance Committee approve and recommend to Council an award of a \$15,000 grant allocation to the Lt. Dan Weekend 3. Funding is from FY 2012/2013 accommodations tax (2% state) money. The vote was: YEAS – Mr. Baer, Mr. Caporale, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council award a \$15,000 grant allocation to the Lt. Dan Weekend 3. Funding is from FY 2012/2013 accommodations tax (2% state) money.

5. Off Agenda – Daufuskie Island Special Purpose Tax District

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

Discussion: Committee Chairman Stu Rodman informed the Committee that even though this comes before the Committee as an Off Agenda Item, the press was duly notified 24-hours prior to the meeting. Daufuskie Island folks would like a special tax district put on the referendum for this upcoming November. If the voters approve the referendum, then Council would weigh in on the details of that special purpose tax district.

Staff Attorney Joshua Gruber reviewed with the Committee how the statute lays the process out. It says when a petition containing 15% of registered voters in a particular district present a petition for referendum for the creation of a special tax district, Council must add that item to either the general election or have a special election to have it voted on by the residents in the proposed district. Assuming the referendum receives favorable majority vote, the issue would come back before Council for action. Council is not bound to create the tax district but can rely upon the results of the referendum.

Mr. Aaron Crosby, Daufuskie Island Council, said the special purpose tax district would exclude Haig Point. He provided an overview of the funding sought in the creation of the district, how a creation of a committee would help in providing ferry solutions, etc. Expectations would be that the County and State would continue in their partnership with Daufuskie Island.

It was moved by Mr. Sommerville, seconded by Mr. Newton, that Finance Committee approves and recommends Council authorize a referendum question to be placed on the November 6, 2012 ballot to create a Daufuskie Island Special Purpose Tax District. The vote was: YEAS – Mr. Baer, Mr. Caporale, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Council authorize a referendum question to be placed on the November 6, 2012 ballot to create a Daufuskie Island Special Purpose Tax District.

6. Airport Financials – FY 2013 Budget Approvals

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

Discussion: Mrs. Alicia Holland, Comptroller, reviewed with the Committee the Hilton Head Island Airport and Lady's Island Airport FY 2013 proposed budget summaries. It showed the Hilton Head Island Airport with expenditures of \$7,210,067, revenues in the amount of \$7,213,467. This gives a net increase of approximately \$3,400, depreciation of \$650,000 and decrease to the fund balance in the amount of \$646,600. The summary of the Lady's Island Airport for FY2013 showed total revenues of \$748,700 and expenditures in the amount of \$767,681. This amounts to a loss of \$18,981. They also have depreciation in the amount of \$60,000. This totals to a decrease to the fund balance in the amount of \$78,981.

Mr. Baer congratulated the Finance Department for the financials produced on the airports. He presented the Committee with two graphs regarding the cash need from the General Fund for the Airports. He took all actuals through 2012, plus forecasts from 2012-2017 in order to display the dollars taken from General Fund by the airports. Together these numbers are approximately \$1.92 million. It is mainly due to construction and expenditures being larger than the grants. Looking in the future the tidal wave is about to hit us. The only way it can be financed is our General Fund –reserves or other line items. Over time that will go down as passenger facilities fees, kick in. In 2015, there will be a large bump in passenger facilities. He provided the overall picture. The tidal wave will hit us, increase, and it will take many years to pay back. We are trying to fund airport construction out of our general fund, which is not fair to the public. It should be financed through bonds. We cannot continue to consider these airports budgets as a line item. That would generate the money to fund our other projects. He will provide the Committee with his memo and graphs.

Mr. Rodman suggests a future discussion looking at the five-year plan.

It was moved by Mr. Sommerville, seconded by Mr. McBride, that Finance Committee approves and recommends Council approve the FY 2013 Airports budgets total revenue of \$7,213,467 and total expenditures of \$7,155,067 for the Hilton Head Island Airport and total revenue of \$748,700 and total expenditures of \$761,681 for the Beaufort County (Lady's Island) Airport. The vote was: YEAS – Mr. Caporale, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville and Mr. Stewart. NAYS – Mr. Baer. The motion passed.

Recommendation: Council approve the FY 2013 Airports budgets total revenue of \$7,213,467 and total expenditures of \$7,155,067 for the Hilton Head Island Airport and total revenue of \$748,700 and total expenditures of \$761,681 for the Beaufort County (Lady's Island) Airport.

INFORMATION ITEMS

7. Consent Agenda - \$33,705 contract to renew ESRI Mapping Software Annual Maintenance Contract for the GIS Department (< \$50,000)

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

Discussion: The Purchasing Department received a requisition for over \$25,000 from the GIS Department requesting to renew an annual maintenance contract for Mapping Software from ESRI. This service contract will cover July 1, 2012 through June 30, 2013. This software is used to maintain all of Beaufort County GIS mapping layers and various aerial photography images. In addition, the software is also used to distribute/display this data to various other county departments, as well as both public and private entities, through the counties internal network and the internet. The non-competitive/sole source vendor is ESRI Inc., Broomfield, Colorado at a cost of \$33,705. It is to be funded from account 12050-51110, maintenance contracts.

Mr. Baer inquired as to the increase over the previous year. Mr. Hill responded it is approximately 2.5%.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Finance Committee renew an annual maintenance contract for Mapping Software from ESRI, Inc. of Broomfield, Colorado for mapping software at a cost of \$33,705. Funding is from Maintenance Contracts, Account 12050-51110. The vote was: YEAS – Mr. Baer, Mr. Caporale, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Recommendation: Committee renewed an annual maintenance contract for Mapping Software from ESRI, Inc. of Broomfield, Colorado for mapping software at a cost of \$33,705. Funding is from Maintenance Contracts, Account 12050-51110.

8. Consent Agenda - St. Helena Island Branch Library at Penn Center Update

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

Discussion: This item was to give Committee members a status of the St. Helena Island Branch Library at Penn Center. It provided an overview of the contracts Council has approved and other contracts requiring approval. It also provided a timeline of activities.

Status: Information item only.

9. Consent Agenda - \$35,448 contract to purchase Hewlett-Packard computers and monitors from State Contract for the St. Helena Library (< \$50,000)

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

Discussion: The Purchasing Department received a purchase request for over \$25,000 from the Library Department to purchase 56 new Hewlett-Packard computers and monitors from New Century Systems, Inc. through South Carolina State contract. These computers are for public use and will be divided into the following areas of the facility: 28 in the adult section, 16 in the teen section, 4 in the children's section and 8 will be placed around the library and utilized to search the catalog system. The contract is in the amount of \$35,448. Funding is from account 11436-54420, St. Helena Library budget (USDA Grant) for technology equipment.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Finance Committee approve the purchase of 56 new Hewlett-Packard computers and monitors from New Century Systems, Inc. in the amount of \$35,448. Funding is from account 11436-54420, St. Helena Library budget (USDA Grant) for technology equipment. The vote was: YEAS – Mr. Baer, Mr. Caporale, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Status: Finance Committee approve the purchase of 56 new Hewlett-Packard computers and monitors from New Century Systems, Inc. in the amount of \$35,448. Funding is from account 11436-54420, St. Helena Library budget (USDA Grant) for technology equipment.

10. Consent Agenda - \$29,528.32 contract to purchase Apple Computers from State Contract for the St. Helena Library (<\$50,000)

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

Discussion: The Purchasing Department received a purchase request for over \$25,000 from the Library Department to purchase seven new Apple Computer Systems with software for the St. Helena Branch Library production lab. The Library Department was quoted a price of \$29,528.32 through State Contract from Apple Inc. This purchase is completed to fulfill the USDA grant requirement to provide technology at the library. The Apple computers were recommended due to their ease of use. This would be funded from account 11436-54420, St. Helena Library budget (USDA Grant) for technology equipment.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Finance Committee approve the purchase of seven new Apple Computer Systems with software from Apple Inc., for the St. Helena Branch Library production lab in the amount of \$29,528.32. Funding is from account 11436-54420, St. Helena Library budget (USDA Grant) for technology equipment. The vote was: YEAS – Mr. Baer, Mr. Caporale, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville and Mr. Stewart. The motion passed.

Status: Finance Committee approved the purchase of seven new Apple Computer Systems with software from Apple Inc., for the St. Helena Branch Library production lab in the amount of \$29,528.32. Funding is from account 11436-54420, St. Helena Library budget (USDA Grant) for technology equipment.

11. Update on State Revenues for the County and School District

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

Discussion: Mr. Fred Washington, Board of Education Chairman; and Mrs. Phyllis White, Chief Operational Services Officer reviewed the School District state revenues with the Committee.

Mr. Washington said the Senate version of the state budget was approved. The School District's budget was developed based on the House version. The District needs to verify the difference between the two versions and determine what it means in terms of the 2.0 mill increase requested. The Board has yet to meet to decide that, but will do so tomorrow. They expect the request to be reduced from 2.0 mills to 1.0 mill, based on the increase of approximately \$1.25 million of state dollars. The value of a mill is \$1.25 million.

Mrs. White said she met with Chief Financial Officer David Starkey last week who updated the mill value at \$1.25 million. The additional funds received from the state were \$1.3 million. There was a slight decrease in the mill value of approximately \$100,000.

Mr. Bryan Hill, Deputy County Administrator, reviewed the County's portion of State Revenues. The local government fund has increased from \$5.5 million to approximately \$6.0 million, of which \$280,000 has to go to the Alcohol and Drug Department. We are looking at allocating approximately \$5.8 million. We budgeted \$5.6 million. We absorbed a lot of that with health insurance costs and the COLA. We are trying to stay within the confines of the budget. We have had several increases. Our goal at year's end is to end at zero or plus positive. We are looking at putting back \$2.5 million to \$2.6 into the fund balance. We do not know what is going to happen with reassessment.

Much discussion between staff and the Committee regarding the County budget followed.

Status: No action required.

12. School District Millage

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

Discussion: Mr. Fred Washington, Board of Education Chairman; and Mrs. Phyllis White, Chief Operational Services Officer reviewed the School District millage with the Committee. The School Board has yet to meet on this item to provide exact figures to County Council. That meeting will occur tomorrow, August 7. Mr. Washington presented to the Committee a draft budget ordinance, which will be provided to the Board of Education members for their consideration. It showed the millage at 92.26 and the numbers changing from \$115,300,000. They asked that the Committee wait for the Board's approval on the numbers before moving forward with it.

Ms. Jocelyn Staiger, Government Affairs Director, Hilton Head Island Association of REALTORS, read a prepared letter before the Committee.

Status: This item will be included on the County Council agenda for August 13 and the numbers will be provided later.

13. Discussion – 2% Cost of Living Adjustment for County Employees Verse 3% for State Employees

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

Status: Due to time restraints, this item will be discussed at the next Committee meeting.

GOVERNMENTAL COMMITTEE

August 6, 2012

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

The Governmental Committee met on Monday, August 6, 2012 at 4:00 p.m., in the Executive Conference Room, Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

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

County Staff: Tony Criscitiello, Director – Planning; Phil Foot, Division Director – Public Safety; Joshua Gruber, Staff Attorney; Tallulah Trice, Director, Animal Control.

Media: Joe Croley, Hilton Head Island, Bluffton Chamber of Commerce.

Public: Jessica Bridges, Lowcountry Economic Alliance; Erica Cyprus, Lowcountry Economic Alliance; Raymond Dominick; Andrea Hodge, American Dream Council; Paul Russo, American Dream Council; George Simpson, Sun City; Jocelyn Staiger, Governmental Affairs Director, Sun City Association of REALTORS; Kim Statler, Executive Director, Lowcountry Economic Alliance; David Tigges, McNair Law Firm, Lowcountry Economic Alliance; Jim Warner, American Dream Council.

Mr. Stewart chaired the meeting.

ACTION ITEMS

1. Update / Economic Development / Policies and Procedures of 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: Mr. David Tigges, Chairman of and Council representative on Lowcountry Economic Alliance (Alliance) gave the Committee an update of where the Alliance stands at present and the improvements over the last 12 months. Council spent \$50,000 to provide a study of how the proper governance of a regional alliance should be conducted. The Committee studied their competitors and focused on how other regional alliances throughout the State of South Carolina are conducted. They also looked at best practices nationwide. The Committee made a recommendation to Council and from that recommendation, Mr. Tigges was appointed to

serve as one of the Directors of the Alliances. The Alliance is a South Carolina non-profit entity consisting of seven directors -- three appointed by Beaufort County, three appointed by Jasper County and Gregg Malphrus the Chairman, who has resigned since the last meeting. The Alliance was charged with adopting new bylaws and a governance that would be adopted by both Councils. The motion brought before Jasper County, regarding the bylaws, was denied. In order for the bylaws to take effect, both Counties would have to adopt the bylaws.

Currently, the Alliance has 11 directors and as well as the Town of Bluffton, the Town of Hilton Head Island, the City of Bluffton, and the Town of Port Royal. These municipalities have used their appointments to appoint private sectors to the Board of Directors, which was one of the findings of the study. The study also showed that funding is one of the main problems for the Alliance at this time. During the Legislative Session, in the month of June, the Alliance lost its regional funding, because Jasper County no longer had Directors within the Alliance. Beaufort County was given a special allocation of \$75,000 match base funding, but was informed that the County would not be given the funding, because of regional problems. The Board is moving forward with the \$537,000 budget that was approved for fiscal year 2013. Mr. Tigges said that the Alliance would be able to fully fund this amount with the \$300,000 that the organization has now and the possibility of raising \$100,000 to \$150,000 from the private sectors. The Alliance also had a targeted industry study preformed and finalized. They will be working with the Legislature on increasing funding for next year.

Mrs. Kim Statler, Executive Director, Lowcountry Economic Alliance, spoke on the advantages of having Jasper County properties in Beaufort County's advertisement and the positive effects it would have to the County's GIS mapping system that is already in place.

Mr. Stewart recommended that the County become a member of the Alliance. The Alliance fee for the County is \$10,000.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Stewart, that the Committee approves and recommends Council join the Lowcountry Economic Alliance at a cost of \$10,000. The vote was: YEAS - Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Stewart and Ms. Von Harten. ABSENT - Mr. Glaze. The vote passed.

Recommendation: Council join the Lowcountry Economic Alliance at a cost of \$10,000.

2. Resolution Approving the Mutual Aid Agreements and/or Inter-Jurisdictional Agreements Entered into by the Sheriff of Beaufort County

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

Discussion: Mr. Joshua Gruber, Staff Attorney, reported that the Mutual Aid Agreement for the Sheriff's Office has been ratified. Mr. Gruber advised the Committee that the needed changes to the agreement have been made and that four other agencies have entered into a Mutual Aid Agreement with the Beaufort County Sheriff's Office. These agencies included

Anderson County Sheriff's Office, Greenville County Sheriff's Office, Spartanburg County Sheriff's Office and York County Sheriff's Office.

Motion: It was moved by Ms. Von Harten, seconded by Mr. Flewelling, that the Committee approve and recommend to Council adoption of a resolution approving the Mutual Aid Agreements and /or Inter-Jurisdictional Agreements entered into by the Sheriff of Beaufort County. The vote was: YEAS - Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Stewart and Ms. Von Harten. ABSENT - Mr. Glaze. The vote passed.

Recommendation: Council adopt a resolution approving the Mutual Aid Agreements and/or Inter-Jurisdictional Agreements entered into by the Sheriff of Beaufort County.

INFORMATION ITEM

3. Update / Animal Shelter And Control Department

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

Discussion: Mr. Phil Foot, Division Director – Public Safety, introduced and thanked Ms. Tallulah Trice, Director – Animal Control, for the hard work and dedication she has given the Animal Control Center since her appointment six months ago. Ms. Trice presented the Committee an update regarding the improvements and future goals of the Animal Shelter and Control Department. Her presentation provided an overview of their achievements over the past year. These included the following:

- Lowering the euthanasia rates
- Lowering the outbreak of contagious diseases
- Lowering overpopulation of felines at the Shelter and in the County

Ms. Trice also informed the Committee of the relationships that have been established with local and outside rescue agencies in an effort to rescue hard-to-adopt animals. These agencies include:

- Hilton Head Humane Association
- Brookes Haven Animal Rescue
- Connecticut Humane Society
- Atlanta Humane Society
- The Humane Society of Tampa Bay
- Palmetto Animal League
- ASPCA (American Society for the Prevention of Cruelty to Animals)
- Washington Animal Rescue League and Pet Helpers.

Status: This item was intended for informational purposes only.

4. Discussion / Fundamental Campaign Finance Reform

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

Discussion: Dr. Raymond Dominick gave the Committee a PowerPoint presentation on the needs and remedies of Campaign Finance Reform (Reform). He presented the committee five reasons for Reform which are as follows:

1. The role of money contributes to cynicism and alienation among voters.
2. Candidate's need for money constitutes a major barrier to participation.
3. Fund-raising diverts officeholders' attention from governing.
4. Large contributions steer legislation away from voters' preferences and toward donors' benefit.
5. Donors believe they have to contribute, or they will lose government favors.

He then presented three remedies for Reform which are as follows:

1. Disclosure of political spending.
2. A public funding option to finance campaigns.
3. A constitutional amendment stating that corporations do not automatically enjoy the rights of citizens and authorizing legislatures to regulate campaign spending.

Mr. Dominick asked that action be taken on this item in the form of a Resolution to the House of Representatives and Senate at the state and federal levels.

Status: This item was intended for informational purposes only.

5. Discussion / Legislative Policy Issues

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

Discussion: Committee Chairman Gerald Stewart spoke on several topics: Senate Bill 40, Solid Waste Flow Control, and Legislators changing the assessment for corporations and industries from 10½% to 6% and reducing homeowner assessment from 6% to 5%. These changes would put a burden on the counties in South Carolina. The school system would have to take a \$648 million loss, it would be a \$32 million loss to this County, and \$103 million loss to the City, which totals \$1.05 billion in losses. Other topics covered were the re-write of the Freedom of Information Act by the House of Representatives, the Capital Project Sales Tax, the Comprehensive Tax Reform and the Act 388 Tax Reform.

Status: This item was intended for informational purposes only.

NATURAL RESOURCES COMMITTEE

August 6, 2012

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

The Natural Resources Committee met on Monday, August 6, 2012 at 3:00 p.m., in the Executive Conference Room of the Administration Building, Beaufort, South Carolina.

ATTENDANCE

Natural Resources Committee Members: Chairman Paul Sommerville, Vice Chairman Brian Flewelling, and committee members Steven Baer, Gerald Dawson, William McBride, Jerry Stewart and Laura Von Harten attended the meeting. Non-Committee member Rick Caporale and Stu Rodman present.

County Staff: Dan Ahern, Stormwater Manager; Tony Criscitiello, Division Director – Planning and Development; Joshua Gruber, Staff Attorney; Bryan Hill, Deputy County Administrator; and Alicia Holland, Comptroller.

Media: Joe Croley, Hilton Head Island-Bluffton Chamber of Commerce; and Jocelyn Staiger, Government Affairs Director, Hilton Head Island Association of REALTORS.

ACTION ITEMS

1. Draft Intergovernmental Agreement for Stormwater Utility Between Beaufort County and City of Beaufort

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

Discussion: Stormwater Manager Dan Ahern reviewed this item with the Committee. The existing 10-year Intergovernmental Agreements (IGAs) between the municipalities and the county concerning operations of the Beaufort County Stormwater (SW) Utility ended September 2011. New agreements were signed with the Towns of Hilton Head Island and Town of Bluffton last year. The Town of Port Royal and City of Beaufort chose to extend the old agreement for one year. The Town of Port Royal new agreement was signed June 26, 2012.

The City of Beaufort is now proposing a new agreement based on agreements signed by the Towns of Hilton Head Island and Bluffton. They, like the Town of Port Royal, have notable difference between this agreement and the agreements signed last year. The City of Beaufort has proposed clarifying wording (same as Town of Port Royal) in Article 6 that addresses their concerns on redevelopment. They have also agreed to utilize Beaufort County Utility Best

Management Practice (BMP) Manual, which will meet the concerns that the Utility had about meeting State designated water uses. The wording incorporated into this agreement is as follows:

- City of Beaufort will be using the Utility's BMP manual to meet their stormwater standards
- The Utility's goal effective-equivalent impervious surface (10% / 5%) requirements will be applied to new development
- On development with stormwater drainage to unimpaired waters, no additional stormwater runoff volume will be allowed from redevelopment
- On redevelopment with stormwater drainage to impaired waters that is a factor in the impairment, necessary volume reductions will be required up to the goal (10% / 5%) effective impervious surface requirements

This clarified wording addresses the City of Beaufort's interest in encouraging in-fill and redevelopment while protecting water uses. It also allows developers and engineers to have one technical document to use in selecting and sizing appropriate stormwater practices. It is the only notable reduction and other changes are minor changes to link to approval process dates.

The Stormwater Management Utility Board reviewed this draft agreement and recommended approval on July 12, 2012. This agreement was presented to the City Council workshop on July 17 and final vote is scheduled for August 13 Council meeting.

Motion: It was moved by Ms. Von Harten, seconded by Mr. Baer, that Natural Resources Committee approve and recommend Council enter into a Stormwater Management and Utility Agreement between Beaufort County and the City of Beaufort. The vote was: YEAS – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Sommerville, Mr. Stewart, and Ms. Von Harten. The motion passed.

Recommendation: Council enter into a Stormwater Management and Utility Agreement between Beaufort County and the City of Beaufort.

2. Water Quality Lab Memorandum of Understanding with the University of South Carolina Beaufort

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

Discussion: Stormwater Manager Dan Ahern reviewed this item with the Committee. Mr. Gary Kubic, County Administrator, requested the Stormwater Utility to work towards utilizing USCB for the Utility's water quality monitoring needs. The County and USCB already work together on bacterial sampling analysis. In 2012, the Water Quality Lab at USCB started performing bacterial analysis in subcontracting capacity to the County's monitoring contractor, GEL Engineering in Charleston, South Carolina. The current \$95,094 contract with GEL Engineering ends November 2012.

USCB will need personnel and equipment to perform the full suite of analysis provided by GEL Engineering. Therefore, we wanted to not only provide USCB with an understanding of how we would proceed in the future, but also seek the input of County Council regarding this effort. Consequently, we drafted a proposed MOU to guide future efforts in transferring the monitoring efforts to USCB.

The MOU between the County and USCB regarding Water Quality Monitoring was presented to the Stormwater Management Utility Board at their July 12, 2012 meeting, and a resolution supporting the MOU was subsequently passed.

The MOU will commit the County to annual payments of a total of \$105,000 per year and renewable annually. This is an increase of \$90,000 above the current cost for utilizing the Water Quality Lab at USCB. The Town of Bluffton has a similar MOU that has existed for a number of years to support their monitoring needs. This will be funded from Stormwater Utility account 13531-51170.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Baer, that Natural Resources Committee approve and recommend Council enter into a Memorandum of Understanding with the University of South Carolina for utilization of the Water Quality Lab in the amount of \$105,000 per year, renewable annually. Funding is from Stormwater Utility Account 13531-51170. The vote was: YEAS – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Sommerville, Mr. Stewart, and Ms. Von Harten. The motion passed.

Recommendation: Council enter into a Memorandum of Understanding with the University of South Carolina for utilization of the Water Quality Lab in the amount of \$105,000 per year, renewable annually. Funding is from Stormwater Utility Account 13531-51170.

3. Joint Monitoring Memorandum of Understanding for Salinity Study

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

Discussion: Stormwater Manager Dan Ahern reviewed this item with the Committee. Mr. Gary Kubic, County Administrator, requested the Stormwater Utility (Utility) to develop a joint project between University of South Carolina Beaufort (USCB), SCDNR Waddell Mariculture Center, and the Utility. We had a number of meetings with our partners and decided the project that would provide the most helpful information to the Utility and County would be a project to measure salinity changes from stormwater runoff in our watersheds targeted for restoration. Since part of the work would be the May River, the Town of Bluffton is participating in this project.

We are proceeding with funding the first year of this project with two agreements. One will be the SCDNR for \$18,808 and second the USCB for \$8,192. Funding is from the Utility fund in account 13531-51170.

We wanted to not only formalize for partners how we are proceeding but also make County Council aware of this effort. A Memorandum of Understanding (MOU) was drafted to guide that effort.

The MOU was presented to the Stormwater Utility Board at their July 12, 2012 meeting and they passed a resolution supporting this MOU on joint salinity monitoring in the May and Okatie Rivers and Battery Creek.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Baer, that Natural Resources Committee approve and recommend Council enter into a Joint Monitoring Memorandum of Understanding for a Salinity Study with the Town of Bluffton, SC Department of Natural Resources, and USC-B to define and implement environmental initiatives related to the protection of Beaufort County Watersheds and other outstanding natural resources. First year funding is SC Department of Natural Resources \$18,808 and USC-B \$8,192. Funding is from Stormwater Utility Account 13531-51170. The vote was: YEAS – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Sommerville, Mr. Stewart, and Ms. Von Harten. The motion passed.

Recommendation: Council enter into a Joint Monitoring Memorandum of Understanding for a Salinity Study with the Town of Bluffton, SC Department of Natural Resources, and USC-B to define and implement environmental initiatives related to the protection of Beaufort County Watersheds and other outstanding natural resources. First year funding is SC Department of Natural Resources \$18,808 and USC-B \$8,192. Funding is from Stormwater Utility Account 13531-51170.

4. Executive Session

Motion: It was moved by Mr. Flewelling, seconded by Ms. Von Harten, that Committee go immediately into executive session for the purpose of receiving information regarding negotiations incident to proposed contractual arrangements and proposed purchase of property. The vote was: YEAS – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Sommerville, Mr. Stewart, and Ms. Von Harten. The motion passed.