AGENDA
COUNTY COUNCIL OF BEAUFORT COUNTY
Monday, April 8, 2013
4:00 p.m.
Council Chambers, Administration Building
Government Center
100 Ribaut Road, Beaufort

1. CAUCUS - 4:00 P.M.
   A. Executive Session
      1. Discussion of negotiations incident to proposed contractual arrangements and proposed purchase of property
      2. Receipt of legal advice concerning pending or threatened litigation
   B. Discussion is not limited to agenda items.
   C. Consent Agendas
   D. Committee Reports (backup)

2. REGULAR MEETING - 5:00 P.M.

3. CALL TO ORDER

4. PLEDGE OF ALLEGIANCE

5. INVOCATION

6. PROCLAMATION
   A. Sexual Assault Awareness and Prevention Month and Child Abuse Prevention Month
      Mrs. Marian Lindsey, Hope Haven of the Lowcountry

7. ADMINISTRATIVE CONSENT AGENDA
   A. Approval of Minutes – March 25, 2013 (backup)
   B. Appointments to Boards and Commissions (backup)
   C. Receipt of County Administrator’s Two-Week Progress Report (backup)
   D. Receipt of Deputy County Administrator’s Two Week Progress Report and Monthly Budget Summary (backup)
8. PUBLIC COMMENT

9. COUNTY ADMINISTRATOR’S REPORT
   Mr. Gary Kubic, County Administrator
   A. The County Channel / Broadcast Update
   B. Resolution / Fair Housing Month (backup)
   C. Resolution in support of and committing required matching funds (10% of grant request) for the Stuart Point Water Extension Project application (backup)
   D. Construction Project Updates
      Mr. Rob McFee, Division-Director Engineering and Infrastructure
      1. One Cent Sales Tax Referendum Projects:
         A. U.S. Highway 278 Construction Project
         B. S.C. Highway 170
         C. Bluffton Parkway 5A
      2. Capital Improvement Project:
         A. Courthouse Reskin Project

10. CONSENT AGENDA – ITEMS A THROUGH E
    A. AN ORDINANCE TO AMEND THE FY 2012-2013 BEAUFORT COUNTY COUNCIL BUDGET, SECTION 4, COUNTY OPERATIONS APPROPRIATION, SECTION 11 COUNTY ADMINISTRATION OPERATIONS, PARAGRAPH M. GENERAL GOVERNMENT SUBSIDIES (TO APPROPRIATE $152,817 TO THE SOLICITOR’S BUDGET) (backup)
        1. Consideration of first reading approval, by title only, to occur April 8, 2013
        2. Finance Committee discussion and recommendation to approved occurred March 18, 2013 / Vote 6:0
    B. RESOLUTION TO MODIFY THE COMPOSITION OF THE STEERING COMMITTEE FOR THE SOUTHERN REGIONAL PLAN IMPLEMENTATION COMMITTEE (backup)
        1. Consideration of adoption to occur April 8, 2013
        2. Governmental Committee discussion and recommendation to adopt occurred April 2, 2013 / Vote 6:0
    C. PURCHASE OF ONE BOMB SQUAD ROBOT FOR THE BEAUFORT COUNTY SHERIFF’S OFFICE (backup)
        1. Consideration of award of contract to occur April 8, 2013
        2. Contract award: ICOR Technology, Inc., Ottawa, Canada
        3. Contract amount: $120,797.30 (includes shipping and taxes)
        4. Funding: Office of Homeland Security (OHS) Grant:
           A. Account 27180011-54200, OHS Grant 10SHSP15 Fund - $80,000.00
           B. Account 27190011-54200, OHS Grant 12SHSP21 Fund - $40,797.30
        5. Governmental Committee discussion and recommendation to approve occurred April 1, 2013 / Vote 6:0
D. PURCHASE OF FOUR 2013 DODGE CHARGERS FOR THE BEAUFORT COUNTY SHERIFF’S OFFICE (backup)
   1. Consideration of award of contract to occur April 8, 2013
   2. Contract award: Butler Chrysler, Beaufort, South Carolina
   3. Contract amount: $91,672
   4. Funding: Account 10001202-54000, Vehicle Purchases
   5. Finance Committee discussion to occur April 8, 2013

E. PURCHASE OF HEWLETT PACKARD HARDWARE AND SOFTWARE SUPPORT FROM SOLE SOURCE VENDOR FOR THE BEAUFORT COUNTY MIS DEPARTMENT (backup)
   1. Consideration of award of contract to occur April 8, 2013
   2. Contract award: Hewlett Packard
   3. Contract amount: $147,721.62
   4. Funding: Account 10001150-51110, Maintenance Contracts
   5. Finance Committee discussion to occur April 8, 2013

11. PUBLIC HEARINGS – A THROUGH F

A. AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2013A, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $7,600,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO (backup)
   1. Consideration of third and final reading approval to occur April 8, 2013
   2. Second reading approval occurred March 11, 2013 / Vote 11:0
   3. First reading approval occurred February 25, 2013 / Vote 11:0
   4. Finance Committee discussion and recommendation to approve occurred February 18, 2013 / Vote 5:1

B. AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2013B, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $25,000,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO (backup)
   1. Consideration of third and final reading approval to occur April 8, 2013
   2. Second reading approval occurred March 11, 2013 / Vote 9:2
   3. First reading approval occurred February 25, 2013 / Vote 9:2
   4. Finance Committee discussion and recommendation to approve occurred February 18, 2013 / Vote 5:1
C. AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013C, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $37,500,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO (backup)

1. Consideration of third and final reading approval to occur April 8, 2013
2. Second reading approval occurred March 11, 2013 / Vote 9:2
3. First reading approval occurred February 25, 2013 / Vote 9:2
4. Finance Committee discussion and recommendation to approve occurred February 18, 2013 / Vote 5:1

D. ST. HELENA ISLAND ZONING MAP AMENDMENT FOR R300-018-000-0290-0000 (6.55 ACRES, A PORTION OF 74.72 ACRES; SOUTH OF SEASIDE ROAD) FROM RESOURCE CONSERVATION (RC) TO RURAL (R) (backup)

1. Consideration of third and final reading approval to occur April 8, 2013
2. Second reading approval occurred March 25, 2013 / Vote 11:0
3. First reading approval occurred March 11, 2013 / Vote 10:0
4. Natural Resources Committee discussion and recommendation to approve occurred March 4, 2013 / Vote 6:0

E. TEXT AMENDMENT TO THE BEAUFORT COUNTY ZONING AND DEVELOPMENT STANDARDS ORDINANCE/ZDSO, APPENDIX I. LADY’S ISLAND COMMUNITY PRESERVATION AREA, DIVISION 2., LADY’S ISLAND EXPANDED HOME BUSINESS DISTRICT, SECTION 2.5B, LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS; DIVISION 3., NEIGHBORHOOD ACTIVITY CENTER, SECTION 3.5, LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS; AND DIVISION 5, VILLAGE CENTER, SECTION 5.5, LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS, TO INCREASE THE MAXIMUM SIZE OF CONVENIENCE STORES IN THESE DISTRICTS FROM 2,500 TO 4,000 SQUARE FEET (backup)

1. Consideration of third and final reading approval to occur April 8, 2013
2. Second reading approval to occurred March 25, 2013 / Vote 11:0
3. First reading approval occurred March 11, 2013 / Vote 10:0
4. Natural Resources Committee discussion and recommendation to approve occurred March 4, 2013 / Vote 6:0

F. COMMUNITY DEVELOPMENT BLOCK GRANT - STUART POINT WATER EXTENSION PROJECT (backup)

1. Public hearing only

12. PUBLIC COMMENT

13. ADJOURNMENT
Committee Reports  
April 8, 2013

A. COMMITTEES REPORTING

1. Governmental
   ① Minutes provided from the April 1 meeting. See main agenda items 11D and 11E.
   ② Daufuskie Island Fire District Board

<table>
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<tr>
<th>Nominate</th>
<th>Name</th>
<th>Position/Area/Expertise</th>
<th>Reappoint/Appoint</th>
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<tr>
<td>04.08.13</td>
<td>Charles Henry</td>
<td>Fire service area</td>
<td>Reappoint</td>
<td>10 of 11 (3rd term)</td>
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<td>04.08.13</td>
<td>Thomas Dickinson</td>
<td>Fire service area</td>
<td>Reappoint</td>
<td>10 of 11 (3rd term)</td>
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③ Sheldon Fire District Board

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<th>Position/Area/Expertise</th>
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<tr>
<td>0408.13</td>
<td>John Seno</td>
<td>Fire service area</td>
<td>Appoint</td>
<td>6 of 11 (1st term)</td>
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2. Natural Resources
   ① Minutes provided from the April 1 meeting. See main agenda items 11B and 11C.

3. Public Facilities
   ① Solid Waste and Recycling Board

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<th>Position/Area/Expertise</th>
<th>Reappoint/Appoint</th>
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<td>03.25.13</td>
<td>David Uehling</td>
<td>Solid Waste District 6 – Unincorporated Port Royal Island</td>
<td>Reappoint</td>
<td>8 of 11 (2nd term)</td>
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<tr>
<td>03.25.13</td>
<td>George Potts*</td>
<td>Solid Waste District 9 – Bluffton Township</td>
<td>Reappoint</td>
<td>8 of 11 (2nd term)</td>
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<tr>
<td>03.25.13</td>
<td>Dan Duryea*</td>
<td>Solid Waste District 9 – Bluffton Township</td>
<td>Appoint</td>
<td>6 of 11 (1st term)</td>
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</tbody>
</table>

*There are two candidates for one position.

② Southern Beaufort County Corridor Beautification Board

<table>
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<th>Name</th>
<th>Position/Area/Expertise</th>
<th>Reappoint/Appoint</th>
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<tr>
<td>03.25.13</td>
<td>Glen Stanford</td>
<td>County District 8</td>
<td>Appoint</td>
<td>6 of 11 (1st term)</td>
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B. COMMITTEE MEETINGS

1. Community Services
   William McBride, Chairman  
   Tabor Vaux, Vice Chairman  
   ➔ Next Meeting – April 22 at 1:00 p.m., ECR

2. Executive
   Paul Sommerville, Chairman  
   ➔ Next Meeting – May 6 at 1:00 p.m., ECR
3. Finance
   Stu Rodman, Chairman
   Rick Caporale, Vice Chairman
   ➔ Next Meeting – April 15 at 2:00 p.m., BIV #2 / School District FY 2014 Budget Presentation
   Elected Officials’ FY 2014 Budget Presentations
   ➔ Next Meeting – April 22 at 2:00 p.m., ECR / Elected Officials’ FY 2014 Budget Presentations
   ➔ Next Meeting – April 29 at 1:00 p.m., ECR / Fire Districts’ FY 2014 Budget Presentations

4. Governmental
   Jerry Stewart, Chairman
   Laura Von Harten, Vice Chairman
   ➔ Next Meeting – Monday, April 29 at 4:00 p.m., ECR

5. Natural Resources
   Brian Flewelling, Chairman
   Cynthia Bensch, Vice Chairman
   ➔ Next Meeting – Monday, April 29 at 2:00 p.m., ECR

6. Public Facilities
   Gerald Dawson, Chairman
   Steven Baer, Vice Chairman
   ➔ Next Meeting – Monday, April 15 at 4:00 p.m., BIV #2

7. Transportation Advisory Group
   Paul Sommerville, Chairman
   ➔ Next Meeting – To be announced.
The Governmental Committee met Monday, April 1, 2013, at 4:00 p.m. in the Executive Conference Room of the Administration Building, Beaufort, South Carolina.

ATTENDANCE

Chairman Jerry Stewart, Vice Chairman Laura Von Harten, and Committee members Cynthia Bensch, Gerald Dawson, Brian Flewelling and Tabor Vaux. Committee member Rick Caporale was absent. Non-Committee member Stewart Rodman and Paul Sommerville also attended the meeting.

County Staff: Dave Thomas, Purchasing Director; Phil Foot, Division Director – Public Safety; and Scott Johnson, Beaufort County Sheriff Office.

Media: Joe Croley, Hilton Head Island-Bluffton Chamber of Commerce.

Public: Earl Campbell, Beaufort County School Board Member; Kim Statler, Executive Director – Lowcountry Economic Alliance.

Mr. Stewart chaired the meeting.

ACTION ITEMS

1. Consideration of Contract Award / One Bomb Squad Robot for the Beaufort County Sheriff’s Office

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

Discussion: On March 20, 2013, Beaufort County received bids from four firms that responded to the bid for the Bomb Squad robot. The Sheriff’s Department and County Staff reviewed the bids and certified ICOR Technology, Inc. was the lowest responsive and responsible bidder. Project funding is grant money from the Office of Homeland Security (OHS).

The total bid price submitted by ICOR Technology, Inc. was $118,630. The Sheriff’s Office removed the requirements for the robot claw kit ($2,975) and on-site training ($2,450). This reduced the robot’s price to $113,205. The total bid price, including shipping and taxes, is $120,797.30.
Bid information is as follows:

- Robotex, Inc. $40,589.55 No Bid Bond, did not meet specifications
- Qinetiq $107,337.00 Did not meet specifications
- ICOR Technology $118,630.00 Lowest Responsive/Responsible Bid
- I Robot Inc, $134,454.51 Over Budget

Funding will come from Account 27180011-54200, OHS Grant 10SHSP15 Fund - $80,000 Account 27190011-54200, OHS Grant 12SHSP21 Fund - $40,797.30.

Motion: It was moved by Ms. Von Harten, seconded Mrs. Bensch, that Governmental Committee approve and recommend to Council a contract award to ICOR Technology, Inc. in the amount of $120,979.30 for the Beaufort County Sheriff’s Office Bomb Squad robot. Funding will come from an Office of Homeland Security grant: account 27180011-54200, OHS Grant 10SHSP15 Fund - $80,000; Account 27190011-54200, OHS Grant 12SHSP21 Fund - $40,797.30. The vote was: YEAS – Mrs. Bensch, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Vaux, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Caporale. The motion passed.

Recommendation: Council a contract award to ICOR Technology, Inc. in the amount of $120,979.30 for the Beaufort County Sheriff’s Office Bomb Squad robot. Funding will come from an Office of Homeland grant: account 27180011-54200, OHS Grant 10SHSP15 Fund - $80,000; Account 27190011-54200, OHS Grant 12SHSP21 Fund - $40,797.30.

2. Continuing Discussion of Economic Development

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

Discussion: Mr. Stewart gave an overview on the steps taken by the new Subcommittee and the tasks they will perform.

Tasks of the Subcommittee follow:

- Establish a succinct statement of the regional goal for Economic Development
- Identify target industries
- Identify to be accomplished and list in order of priority
- Recommend responsibility for and a schedule for each task
- Report committee’s recommendations to County Council

The following is an attempt to summarize the findings of Avalanche/McCallum Sweeney Consulting Report and to use their findings as a starting point for the Subcommittee. The three economic development priorities:
1. Improve the availability of shovel-ready sites in the Lowcountry.
   Cost estimate: $75,000 (site analysis)
   Cost estimate: $10,000 (Lowcountry Economic Alliance (LEA) GIS system linked to LOOPnet)

   Cost estimate: $30,000 (Staff time to manage both committees (LEA does the SC Works committee now; Education Committee needs to be formed and staffed)

3. Engage in an internal campaign to raise awareness of a support of economic development.
   Cost estimate: $25,000 (LEA staff time)
   Cost estimate: $30,000 (does not include production or ad buys)

Total estimated project cost is $170,000.

Ms. Laura Von Harten expressed interest in the site inventory, and she would like to see the project up and running during FY 2014.

Mr. Rodman requested presenting the expenditure report for the total amount of $170,000 to both the Finance Department and the Finance Committee for review.

**Motion**: It was moved by Mr. Dawson, seconded by Ms. Von Harten, that Governmental Committee approve and recommend the Council Chairman forward this item to the Finance Committee for further discussion and to the Finance Department to consider the $170,000 expenditure as part of the FY 2014 budget process. The vote was: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Stewart and Ms. Von Harten. The motion passed.

**Recommendation**: Council Chairman forward this item to the Finance Committee for further discussion and to the Finance Department to consider the $170,000 expenditure as part of the FY 2014 budget process.

3. **Discussion / Resolution to Modify the Composition of the Steering Committee for the Southern Regional Plan Implementation Committee**

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

**Discussion**: The resolution would modify the composition of the Steering Committee for the Southern Regional Plan Implementation Committee was before the Governmental Committee. The resolution is recommending expanded by four members one each from the Town of Hilton Head Island and Town of Bluffton and two additional from Beaufort County.
The additional members would ensure that a quorum is available at each scheduled meeting.

**Motion:** It was moved by Mr. Flewelling, seconded by Mrs. Bensch, that Governmental Committee approve and recommend Council adopt a resolution modifying the composition of the Steering Committee for the Southern Regional Plan Implementation Committee expanding by four members one each from the Town of Hilton Head Island and Town of Bluffton and two additional from Beaufort County. The vote was: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Stewart and Ms. Von Harten. The motion passed.

**Recommendation:** Council adopt a resolution modifying the composition of the Steering Committee for the Southern Regional Plan Implementation Committee expanding by four members one each from the Town of Hilton Head Island and Town of Bluffton and two additional from Beaufort County.

4. Consideration of Reappointments and Appointments
   - Daufuskie Island Fire District Board

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

**Motion:** It was moved by Mr. Vaux, seconded by Mr. Flewelling, that Natural Resources Committee nominate Thomas Dickinson and Charles Henry for reappointment to serve as members of the Daufuskie Island Fire District Board. The vote was: YEAS – Mrs. Bensch, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Vaux, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Caporale. The motion passed.

**Recommendation:** Committee nominate Thomas Dickinson and Charles Henry for reappointment to serve as members of the Daufuskie Island Fire District Board.

5. Consideration of Reappointments and Appointments
   - Sheldon Fire District Board

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

**Motion:** It was moved by Mr. Dawson, seconded by Mr. Flewelling, that Natural Resources Committee nominate John Seno for appointment to serve as a member of the Sheldon Fire District Board. The vote was: YEAS – Mrs. Bensch, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Vaux, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Caporale. The motion passed.

**Recommendation:** Committee nominate John Seno for appointment to serve as a member of the Sheldon Fire District Board.
INFORMATION ITEMS

6. Discussion / Local Option Sales Tax

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

Discussion: Mr. Stewart gave the committee and update on the Local Option Sales Tax proposal. The amendment has been written, but as of Friday, March 29, it has not been read into the Legislation agenda.

The amendment will give County government and municipalities more power in decision making when it comes to funding and/or finding resources to fund projects.

The County already has Local Option Sales Tax abilities, but the monies can only be used to fund operations for Beaufort County or to fund operations for the surrounding municipalities. This excludes any mechanism to find or obtaining funding for the local school districts. The tax amendment would give the County and its residents the opportunity to support local schools without additional taxes. It would open other avenues in generating funds, in addition to ad valorem and other taxes that exist. The sales taxes would still be used; but the added monies raised by the sales tax, would be used to offset and decrease property taxes.

The amendment, once approved, would replace some of the funding from taxes of secondary homes and rental properties to offset the cost, thereby reducing the millage for secondary homeowners, businesses and bridge the gap between the 4% and 6% tax.

Status: Information only.
The Natural Resources Committee met Monday April 1, 2013 at 2:00 p.m. in the Executive Conference Room of the Administration Building, Beaufort, South Carolina.

ATTENDANCE

Committee Chairman Brian Flewelling, Vice Chairman Cynthia Bensch, and members Gerald Dawson, William McBride, Jerry Stewart, Laura Von Harten and Tabor Vaux present. Non Committee members Stu Rodman and Paul Sommerville were also present.

County Staff: Tony Criscitiello, Division Director – Planning and Development; Joshua Gruber, Staff Attorney; Colin Kinton, Traffic/Transportation Engineer; Rob Merchant, Planning Department;

Media: Joe Croley, Hilton Head Island-Bluffton Chamber of Commerce.

Public: Peggy Allan, Friends of Crystal Lake; Joe Allan, Friends of Crystal Lake; Reid Armstrong, Coastal Conservation League; Robert Graves, rezoning applicant; Lynn Graves, rezoning applicant; Milt Rhodes, New Urban Water Works; Jim Scheider, Vaux and Marscher.

Mr. Flewelling chaired the meeting.

INFORMATION ITEMS

1. Presentation on Crystal Lake Park by Friends of Crystal Lake

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

   Discussion: Mrs. Peggy Allan, Friends of Crystal Lake, provided the Committee a PowerPoint Presentation regarding Crystal Lake Park. Crystal Lake is 26.1 acres comprised of 6.79 acres of lake, 2.9 acres of freshwater wetlands, 1.25 acres of saltwater wetlands, and 15.16 acres of uplands. Mrs. Allan showed the Committee an up-to-date drawing of the Phase 1 boardwalk, which also showed the relationship of the highway and the high school sports field. She gave an overview of volunteer hours, which totaled 170 hours from July to December 2012, and 165 hours for 2013. The community has invested roughly $20,000 in Crystal Lake if one takes in to account the value of volunteer hours. She presented the Committee with photographs of volunteers hard at work and the current challenges, which include invasive plants, community support and long-term maintenance.
Mr. Joe Allan spoke before the Committee about the area tree demographics and their intent with the vegetation.

Mr. Tony Criscitiello, Division Director – Planning and Development, commented on the building cost and how the Program has gift monies, spent at the discretion of Council. Staff will bring before the Committee the different phases of construction.

Status: Informational purposes only.

2. Southern Beaufort County Map Amendments For R603-021-000-007b-0000, R603-021-000-007b-0000; R603-021-000-0195-0000; R603-021-000-0194-0000; R603-021-000-004a-0000; R603-021-000-06a-0000; R600-021-000-0075-0000; R600-021-000-002-0000 (7 Parcels Totaling 113 +/- Acres North Of U.S. 278 And West Of Graves Road); Owners/Applicants: Robert Graves, John Graves And Paul Graves
   A. Future Land Use Map Amendment from Community Commercial (approximately 21 acres fronting US 278) and Rural (for remainder of property) to Regional Commercial (approximately 65 acres front US 278) and Neighborhood Mixed-Use (approximately 48 acres at the rear of the properties);
   B. Zoning Map Amendment / Rezoning Request from Rural with Transitional Overlay (approximately 33 acres fronting US 278) and Rural (80 acres of the remainder of the properties) to Commercial Regional (approximately 65 acres fronting US 278) and Suburban (approximately 48 acres at the rear of the properties)

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

Mrs. Bensch and Mr. Vaux left the room, and were not present for any of the discussion or the vote.

Discussion: The applicants, Robert Graves, John Graves, and Paul Graves, are proposing to change the future land use designation and to rezone portions of an assemblage of 7 parcels equaling approximately 113 acres located on the north side of US 278 between the Okatie River and Graves Road. The properties are currently zoned Rural with Transitional Overlay on the 33 acres fronting US 278 and Rural for the remainder of the property. The applicant believes that the proposed amendment is consistent with the surrounding land uses and growth trends and that the current widening of US 278 from 4-lanes to 6-lanes will accommodate the additional traffic that would potentially result from the rezoning.

Mr. Rob Merchant, County Long-Range Planner, provided the Committee a PowerPoint Presentation on this map amendment. He gave a comparison of current versus proposed future land use map amendment and zoning map amendment. Both the future land use designation and the zoning of all lands within the subject parcels that are located within 300 feet of the critical line (Okatie River and marsh) will remain Rural. The applicant is proposing a development
agreement that would limit total commercial ground floor space to 700,000 square feet, limit individual building footprints to 75,000 square feet, and would require connectivity and a frontage road.

The Planning Commission recommends approval with the following conditions:

- Preservation of the lands within 300 feet of the Okatie River;
- Commercial square footage in the lands proposed to be rezoned Commercial Regional be limited to 700,000 square feet;
- Guaranteed protection of the Okatie River through more stringent stormwater standards.

After review of the guidelines set forth in section 106-492 of the ZDSO, the staff recommends denial of this request for the following reasons:

- The proposed rezoning is projected to result in a Level of Service E (LOS E) of the intersection of Hampton Parkway and US 278 with failed turning movements during PM peak hours at only 50% assumed build-out in 2018. The failed intersection will be difficult and costly to mitigate due to the geographical constraints of the site.
- The current widening of US 278 between Simmonsville Road and SC 170 is being implemented to address projected road deficiencies caused by previously approved development. The development enabled by the proposed rezoning would consume 41% of the added capacity created by the road widening and contribute to future failure of US 278 when compounded with existing approved development.
- Allowing intense commercial and moderate-density residential development would contribute to the further degradation of water quality in the Okatie River, and would be a departure from the County’s historical commitment to restoring water quality in the Okatie headwaters.
- Proposed rezoning is not supported by the Comprehensive Plan, which was adopted in early 2011 by County Council. The portion of this property fronting US 278 is currently zoned Rural with Transitional Overlay. The application of the Transitional Overlay district recognizes that this site is within a developing area and that it may be suitable for additional uses other than those allowed under the current zoning.

Mr. Merchant also reviewed with the Committee transportation and water quality issues entailed with this rezoning.

Mr. Jim Scheider and Mr. Milt Rhodes, representatives of Pepper Hall/Graves rezoning, provided the Committee with a PowerPoint Presentation on this map amendment. The presentation covered topics such as the Okatie River Watershed headwater drainage, stormwater improvements, initiatives/opportunities, and a future development agreement.

Staff Attorney Joshua Gruber, Planning and Development Director Tony Criscitiello, Reid Armstrong with the Coastal Conservation League and County Council members also spoke on this topic.
Main motion: It was moved by Ms. Von Harten, seconded by Mr. Sommerville, that Natural Resources Committee recommend Council deny a Southern Beaufort County Map Amendments for R603-021-000-007b-0000; R603-021-000-007b-0000; R603-021-000-0195-0000; R603-021-000-0194-0000; R603-021-000-004a-0000; R603-021-000-06a-0000; R600-021-000-0075-0000; R600-021-000-002-0000 (7 Parcels Totaling 113+/- Acres North Of U.S. 278 And West Of Graves Road); Owners/Applicants: Robert Graves, John Graves And Paul Graves; Future Land Use Map Amendment from Community Commercial (approximately 21 acres fronting US 278) and Rural (for remainder of property) to Regional Commercial (approximately 65 acres front US 278) and Neighborhood Mixed-Use (approximately 48 acres at the rear of the properties); and Zoning Map Amendment / Rezoning Request from Rural with Transitional Overlay (approximately 33 acres fronting US 278) and Rural (80 acres of the remainder of the properties) to Commercial Regional (approximately 65 acres fronting US 278) and Suburban (approximately 48 acres at the rear of the properties).

Motion to amend by substitution: It was moved by Mr. Stewart, seconded by Mr. McBride, that Natural Resources Committee not take action; but, instead, have the Development Agreement Subcommittee of Natural Resources negotiate a development agreement with the applicant and bring back a recommendation to Committee. Members of the Development Agreement are Mr. Flewelling, Mr. Rodman and Mr. Stewart. The vote was YEAS – Mr. Dawson, Mr. Flewelling, Mr. McBride, and Mr. Stewart. NAYS – Mr. Sommerville and Ms. Von Harten. ABSTAIN - Mrs. Bensch and Mr. Vaux (temporarily left the room during the discussion and vote). The motion passed.

Vote on motion to amend by substitution, which is now the main motion: Natural Resources Committee not take action; but, instead, have the Development Agreement Subcommittee of Natural Resources negotiate a development agreement with the applicant and bring back a recommendation to Committee. Members of the Development Agreement are Mr. Flewelling, Mr. Rodman and Mr. Stewart. YEAS – Mr. Dawson, Mr. Flewelling, Mr. McBride, and Mr. Stewart. NAYS – Mr. Sommerville and Ms. Von Harten. RECUSAL - Mrs. Bensch and Mr. Vaux (Mrs. Bensch and Mr. Vaux left the room, and were not present for any of the discussion or the vote). The motion passed.

Recommendation: Natural Resources Committee not take action; but, instead, have the Development Agreement Subcommittee of Natural Resources negotiate a development agreement with the applicant and bring back a recommendation to Committee. Members of the Development Agreement are Mr. Flewelling, Mr. Rodman and Mr. Stewart.

3. Consideration of Reappointments and Appointments
   • Northern Corridor Review Board

Notification: To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2
4. Consideration of Reappointments and Appointments
   - Southern Corridor Review Board

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

   Status: This Board currently has two vacancies: a representative for Town of Bluffton
   and landscape architect in Beaufort County.

5. Executive Session

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

   Motion: It was moved by Mr. McBride, seconded by Mr. Stewart, that Natural Resources
   Committee go immediately into executive session for the purpose of negotiations incident to
   proposed contractual arrangements and proposed purchase of property. The vote was: YEAS -
   Mrs. Bensch, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Sommerville, Mr. Stewart, Mr.
   Vaux and Ms. Von Harten. The motion passed.

   Status: The Natural Resources Committee went immediately into executive session to
   discuss negotiations incident to proposed contractual arrangements and proposed purchase of
   property.
CAUCUS

A caucus of the County Council of Beaufort County was held at 4:00 p.m., Monday, March 25, 2013 in the large meeting room, of the Hilton Head Island Branch Library, 11 Beach City Road, Hilton Head Island, South Carolina.

ATTENDANCE

Chairman Paul Sommerville, Vice Chairman Stu Rodman and Councilmen Steven Baer, Cynthia Bensch, Rick Caporale, Gerald Dawson, Brian Flewelling, William McBride, Gerald Stewart, Roberts “Tabor” Vaux and Laura Von Harten.

PLEDGE OF ALLEGIANCE

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

DISCUSSION ITEMS

Topics discussed during caucus included:

• Removing from the consent agenda item 10H, Bluffton Parkway 5B Realignment project;
• Announcing a joint session of Beaufort County and Jasper County Councils April 2, 2013;
• Questioning the $47,591 change order to Cleland Site Prep, Inc. for construction SC 170 widening for US 278 to SC 46, a trivial amount in relation to the $25.0 million State Infrastructure Bank money the County is receiving. What was the total budget for this project? Considering the extra $47,591 plus what the County has already spent, how much will the project cost? The answer to both questions is $27.9 million;
• Nominating and appointing individuals to serve on Northern Corridor Review Board, Southern Corridor Review Board, Rural and Critical Lands Board, Solid Waste and Recycling Board, and Southern Beaufort County Corridor Beautification Board;
• Reporting the status of realigning Hampton Parkway.

CALL OF EXECUTIVE SESSION

It was moved by Mr. Stewart, seconded by Ms. Von Harten, that Council go immediately into executive session for the purpose of receiving information regarding matters relating to the proposed location, expansion or the provision of services encouraging location or expansion of industries or other businesses in Beaufort County. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.
EXECUTIVE SESSION

RECONVENE OF REGULAR SESSION

REGULAR SESSION

The regularly scheduled meeting of the County Council of Beaufort County was held at 5:00 p.m., Monday, March 25, 2013 in the large meeting room, of the Hilton Head Island Branch Library, 11 Beach City Road, Hilton Head Island, South Carolina.

ATTENDANCE

Chairman Paul Sommerville, Vice Chairman Stu Rodman and Councilmen Steven Baer, Cynthia Bensch, Rick Caporale, Gerald Dawson, Brian Flewelling, William McBride, Gerald Stewart, Roberts “Tabor” Vaux and Laura Von Harten.

PLEDGE OF ALLEGIANCE

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

INVOCATION

Councilman McBride gave the Invocation.

MOMENT OF SILENCE

The Chairman called for a moment of silence in remembrance of Cartha “Deke” DeLoach, a civic leader former Deputy Director of the FBI, and Corporate Vice President with PepsiCo, Inc and local banker, died March 13 at 9 p.m. from natural causes. He was 92 years of age. Mr. DeLoach is survived by his wife of sixty-eight years, Barbara Owens DeLoach; three daughters: Barbie, Theresa, and Sharon; and four sons: Deke, Jr., Tom, Greg, and Mark. He served two years as a member of Beaufort County Council from 1985 through 1986.

REVIEW OF PROCEEDINGS OF THE REGULAR MEETING HELD DECEMBER 10, 2012

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Flewelling, seconded by Ms. Von Harten, that Council approve the minutes of the regular meeting held December 10, 2012. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. ABSTAIN – Mr. Vaux. The motion passed.

To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2
REVIEW OF PROCEEDINGS OF THE REGULAR MEETING HELD MARCH 11, 2013

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Flewelling, seconded by Ms. Von Harten, that Council approve the minutes of the regular meeting held March 11, 2013. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Vaux and Ms. Von Harten. ABSTAIN – Mr. Stewart. The motion passed.

APPOINTMENTS TO BOARDS AND COMMISSIONS

Natural Resources Committee

This item comes before Council under the Administrative Consent Agenda. Discussion occurred at the March 11, 2013 meeting of the Natural Resources Committee.

Northern Corridor Review Board

John Michael Brock

The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. Mr. Brock, filling the landscape architect position, garnered the eight votes required to serve as a member of the Northern Corridor Review Board.

Southern Corridor Review Board

Joseph Hall

The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. Mr. Hall, representing the Town of Hilton Head, garnered the eight votes required to serve as a member of the Southern Corridor Review Board.

Rural and Critical Lands Board

Robert Bender

The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. Mr. Bender, representing Council District 4, garnered the six votes required to serve as a member of the Rural and Critical Lands Board.

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

This item comes before Council under the Administrative Consent Agenda. Discussion occurred at the March 25, 2013 meeting of the Public Facilities Committee.

Solid Waste and Recycling Board

Mr. Dawson, as Public Facilities Committee Chairman, nominated George Potts, representing Solid Waste District 9 – Bluffton Township, and David Uehling, representing Solid Waste District 6 – unincorporated Port Royal Island, to serve as members of the Solid Waste and Recycling Board.

Messrs. Caporale and Flewelling nominated Dan Duryea, representing Solid Waste District 9 – Bluffton Township, to serve as a member of the Solid Waste and Recycling Board.

Southern Beaufort County Corridor Beautification Board

Mr. Dawson, as Public Facilities Committee Chairman, nominated Glen Sanford, representing Council District 8, to serve as a member of the Southern Beaufort County Corridor Beautification Board.

County Administrator’s Two-Week Progress Report

This item comes before Council under the Administrative Consent Agenda.

Mr. Gary Kubic, County Administrator, presented his Two-Week Progress Report, which summarized his activities from March 11, 2013 through March 22, 2013.

Deputy County Administrator Two-Week Progress Report

This item comes before Council under the Administrative Consent Agenda.

Mr. Bryan Hill, Deputy County Administrator, presented his Two-Week Progress Report, which summarized his activities from March 11, 2013 through March 22, 2013.

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

PUBLIC COMMENT

The Chairman recognized Mayor Lisa Sulka, Town of Bluffton, who stated at a June / July 2012 meeting of the Public Facilities Committee, members asked Bluffton Town to do a couple of things. Get the two developers in a room. Get an agreement signed that works for both parties. Bring it back to Public Facilities Committee and, hopefully, to Council to get a realignment approved. Pay for the study. Mayor Sulka thanked those members of Council who reached out to her to get her viewpoint.
Ms. Joni Dimond, a resident of Hilton Head Island, stated she bought 20 acres of parcel 81 on Coosaw Island at a 1990 tax sale. She noticed dramatic changes in her 2004 tax bill. The property value went from $60,000 to $5,000; acreage went from 20 acres to approximately 8 acres. She received a check for $600 at the same time. Apparently, someone is the Assessor’s Office has been changing maps. She is here today to accuse the Assessor’s Office of fraud, mail fraud, theft, and extortion.

Rev. Don Flagg-Newton, representing the Community Preservation Zone Association (CPZA), presented the organization’s concerns: Clarify the role of the Daufuskie Island Council regarding implementation of the Daufuskie Island Plan Ferry Service. Consolidate the contracts and re-establish student/resident. Achieve economies of scale and maximize the benefit of public funds in procurement of ferry service. Explore the feasibility of moving from a one-year contract to a multi-year contract. Explore and facilitate the establishment of a regional ferry system. Establishment of a commission or taskforce to work the issue of feasibility and capitalization Plan needed. Place ferry services under community services rather than transportation-ferries are an extension of the highway system. Access federal ferry and related infrastructure grant programs.

Mr. Jim Cuff, President of the Island West Homeowners Association, stated on February 22, 2013 homeowners were asked to look at a proposal for moving the traffic light to Island West Park Road. Homeowners did not see a problem with it as long as installation of the traffic light is in conjunction with completion of the US Highway 278 project. The Association would like to withdraw its recommendation and ask Council to keep the light at Hampton Parkway.

Mr. Aaron Crosby, a resident of Daufuskie Island, thanked Council to identifying the Daufuskie Island Ferry Service Action Plan as a 2014 high priority goal. It is lifeline issue. It is also a major economic development issue. Resolving this issue is very important to us. There are long- and short-term initiatives that need to be undertaken.

COUNTY ADMINISTRATOR’S REPORT

The County Channel / Broadcast Update

Mr. Gary Kubic, County Administrator, said The County Channel has all programs, events and meetings available to watch online, on-demand at www.bcgov.net. The County Channel recently finished a project for the Military Enhancement committee. This highlights the three bases in Beaufort County and focuses on their contributions to the community.

The County Channel, as a part of our agreement with the Beaufort County School District, produced its latest mini-documentary. This one was on the National Visual Arts Standards curriculum River of Words. This program features interactive field trips and science lessons, combined with poetry and visual arts projects.

The County Channel was there to cover the rally for American Idol contestant Candice Glover, who has now made it into the 8th round! Candice is originally from St. Helena Island, and a
graduate of Beaufort High School. Hundreds turned out for the rally held both at Beaufort Waterfront Park, and at Beaufort High. We wish Candice all the best heading into the next singing Motown’s Greatest.

Hilton Head Island Airport Tower Closure

Mr. Gary Kubic, County Administrator, informed Council the basis with which to communicate to the FAA was that the County had to define that the Hilton Head Island Airport was a national interest and as a national interest, it was germane to the overall network of the FAA. Staff made an internal decision that it is not. Therefore, staff did not submit a letter of objection regarding the closure of the tower. The discussion was, whether or not the tower could operate for special events such as the RBC Heritage Golf Tournament or Independence Day. Staff is going to pursue those issues; but we first need to understand the finality now that we have the actual closure report and we are on the list, so we know we the tower will close. The second process is, whether or not the FAA Flight Controllers Union is involved in layoffs and cutbacks nationally. Staff is trying to check the provisions of those contracts to determine whether or not during a reduction in workforce that you could supplement air traffic controllers on a part-time basis, via a private contractor. Vetting of that issue has to occur. If that is possible to do, staff is trying to calculate the requirements to produce the temporary opening in notice, contract and findings for the service. Mr. Kubic has notified Hilton Head Island Town Mayor Drew Laughlin of the County’s approach.

DEPUTY COUNTY ADMINISTRATOR’S REPORT

FY 2014 Budget Update

Angus v. City of Myrtle Beach, 609 S.E.2d 808 (S.C. 2004)

Angus contends that Myrtle Beach violated §12-37-251(E) by adding two variables to the statutory formula for calculating rollback millage without holding a public hearing as required by §6-1-320(C). Following a countywide reassessment in 1998, Myrtle Beach was required to use rollback millage calculated under §12-37-251(E) in setting its 1999-2000 GO millage rate. Section 12-37-351(E) requires that the total assessed value of property, which is the divisor used in calculating the rollback millage, be adjusted by deducting the amount of the increase attributable to (1) new construction, (2) renovations to existing structures, and (3) property and improvements not previously taxed. In calculating its rollback millage for 1999-2000, Myrtle Beach applied an additional variable to further reduce property values; it denominated this variable the "appeals allowance." This variable took into account the fact that some owners would successfully appeal the new valuations placed on their properties. Myrtle Beach used an appeals allowance of 7.5%. We agree that §12-37-251(E) and §6-1-320(A) do not permit Myrtle Beach to make these adjustments unless it utilizes the provisions of §6-1-320(C).

Mr. Bryan Hill, Deputy County Administrator, remarked Council discussed the issue of millage neutrality during its annual planning session. During the April and May meetings of the Finance
Committee, members will identify the budget at $94,650,130 or $97,150,130. Requests to date are $104,875,547. CPI and growth is 4.28%. If Council had approved the cap over the past three years, it would have netted an additional $10 million i.e., not raising taxes the last four years has reduced our ability to provide services. We will continue to do more with less as requested. Add 4.28% to $97,150,130 results in an approximate budget of $100,245,595. That level is still $4 million less than what it was in FY 2007; but we have made it work the last four years, by reducing employee count 78 positions, i.e., a $3 million reduction in salary expenditures since FY 2011. It is actually 146 positions not filled since FY 2008. As of today, there are 952 active employees in three categories: elected officials 120, Sheriff’s Office 239 and administration 593. Council has requested staff maintain balanced budget. Staff has done a decent job fulfilling that request the last two years. Staff is projecting a $2.0 million offset in the budget for Administrative personnel.

With a smaller budget, the County was able to open several facilities during fiscal year 2013: Disabilities and Special Needs Day Program/Administration Building, Burton Wells Regional Park Phase II, Coursen-Tate Park, St. Helena Island Branch Library, Courthouse renovation and Coroner facility (in process).

Mrs. Alicia Holland, Comptroller, gave an overview of the budget process and the actions staff has taken to streamline the process to make us more efficient. Historically, the Finance Department drafted the budget. The departments provided excel files on the network, which required the Finance Department had to manipulate this data manually. Many department heads were not aware of their budget until July 1 of the beginning fiscal year. This year, however, each department was responsible for keying in its budget information into the general ledger software, a.k.a. MUNIS. Mrs. Holland held numerous budget entry-training workshops with representatives from each department. To date each department has entered its requested FY 2014 budget into MUNIS -- requests to date total $104,875,547. Employee Services Department is still holding the majority ownership of the personal requests. Staff is projecting the information using MUNIS. Based on Council initiatives/parameters discussed during its annual planning session, Staff will now go through the budget requests and make recommendations. The budget approval process begins May 6 - first reading. May 20 – public hearing and second reading and June 10 – public hearing and third and final reading. If needed, June 24 for third and final reading.

Members of the Finance Committee FY 2014 budget schedule follows: April 8 – USC-Beaufort and Technical College of the Lowcountry, April 15 – School District and elected officials, April 22 – elected officials, and April 29 elected officials and fire districts.

ST. HELENA ISLAND ZONING MAP AMENDMENT FOR R300-018-000-0290-0000 (6.55 ACRES, A PORTION OF 74.72 ACRES; SOUTH OF SEASIDE ROAD) FROM RESOURCE CONSERVATION (RC) TO RURAL (R)

This item comes before Council under the Consent Agenda. Discussion occurred at the March 4, 2013 meeting of the Natural Resources Committee.

To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2
It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on second reading a St. Helena Island Zoning Map Amendment for R300-018-000-0290-0000 (6.55 acres, a portion of 74.72 acres; south of Seaside Road) from Resource Conservation (RC) to Rural (R). The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

The Chairman announced Council will hold a public hearing Monday, April 8, 2013 beginning at 6:00 p.m. in Council Chambers of the Administration Building, Government Center, 100 Ribaut Road, Beaufort, South Carolina.

TEXT AMENDMENT TO THE BEAUFORT COUNTY ZONING AND DEVELOPMENT STANDARDS ORDINANCE/ZDSO, APPENDIX I. LADY’S ISLAND COMMUNITY PRESERVATION AREA, DIVISION 2., LADY’S ISLAND EXPANDED HOME BUSINESS DISTRICT, SECTION 2.5B., LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS; DIVISION 3., NEIGHBORHOOD ACTIVITY CENTER, SECTION 3.5, LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS; AND DIVISION 5, VILLAGE CENTER, SECTION 5.5, LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS, TO INCREASE THE MAXIMUM SIZE OF CONVENIENCE STORES IN THESE DISTRICTS FROM 2,500 TO 4,000 SQUARE FEET

This item comes before Council under the Consent Agenda. Discussion occurred at the March 4, 2013 meeting of the Natural Resources Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on second reading second reading text amendment to the Beaufort County Zoning and Development Standards Ordinance/ZDSO, Appendix I. Lady’s Island Community Preservation Area, Division 2, Lady’s Island Expanded Home Business District, Section 2.5B, Limited and Special Use Standards for Gas-Convenience Marts; Division 3, Neighborhood Activity Center, section 3.5, Limited and Special Use Standards for Gas-Convenience Marts; and Division 5, Village Center, Section 5.5, Limited and Special Use Standards for Gas-Convenience Marts, to increase the maximum size of convenience stores in these Districts from 2,500 to 4,000 square feet. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

The Chairman announced Council will hold a public hearing Monday, April 8, 2013 beginning at 6:00 p.m. in Council Chambers of the Administration Building, Government Center, 100 Ribaut Road, Beaufort, South Carolina.

To view video of full discussion of this meeting please visit http://beaufort.granicus.com/ViewPublisher.php?view_id=2
EXTERNAL AUDITING AND CONSULTING SERVICES FOR FISCAL YEARS 2013 – 2015

This item comes before Council under the Consent Agenda. Discussion occurred at the March 18, 2013 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council award a contract for external auditing services to Cherry Bekaert LLP, the top ranked firm, with the anticipated cost for the first year of $50,000. Additionally recommend two annual renewals subject to approval by County Council. The total anticipated cost for three years is $152,000. Funding of this contract will come from account 10001100-51160, Professional Services. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

PURCHASE OF SIX NEW 2012 FORD EXPLORERS 4X2 FOR SHERIFF’S OFFICE

This item comes before Council under the Consent Agenda. Discussion occurred at the March 18, 2013 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve the purchase of six 2012 Ford Explorers, 4x2, in the amount of $149,106 for the Sheriff’s Office. The funding source is Vehicle Purchases, account 10001201-54000. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

DISPOSAL AND RECYCLING SERVICES FOR BEAUFORT COUNTY

This item comes before Council under the Consent Agenda. Discussion occurred at the March 18, 2013 meeting of the Public Facilities Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council award a contract to Waste Management of SC, Inc. and Barnwell Resources to provide disposal services for bulky waste, yard waste and construction and demolition as well as Evergreen Tree and Turf Care, Inc. to provide recycling services for recycling of yard work. The total estimated amount is $300,000. The funding source is accounts 33390-51160 and 33390-51167. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

RENOVATION SERVICES FOR BEAUFORT COUNTY POOLS

This item comes before Council under the Consent Agenda. Discussion occurred at the March 18, 2013 meeting of the Public Facilities Committee.
It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council award a contract to Elite Pool Construction Inc. in the amount of $78,592 for the pool renovation services. Funding of this contract will come from account 63312-54200, specialized equipment, which has a current balance of $80,000. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

RENEWAL OF LAUREL BAY DRAINAGE EASEMENT

This item comes before Council under the Consent Agenda. Discussion occurred at the March 18, 2013 meeting of the Public Facilities Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council accept the Navy’s demand of $4,415 in exchange for executing a new easement agreement for a period of 50 years, rather than 25 years. The funds for the easement will come from account 50250011-51160. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

CORONER’S OFFICE RENOVATIONS

This item comes before Council under the Consent Agenda. Discussion occurred at the March 18, 2013 meeting of the Public Facilities Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council award a contract to Beaufort Construction, in the amount of $851,301, for renovation services for the Coroner’s Office. Additionally recommend approval of the total project cost of $964,628. This includes the bid award to Beaufort Construction ($851,301), building permit fee ($2,631), 5% contingency ($42,696), infrastructure work, equipment and security cost ($68,000). The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

PURCHASE OF ONE NEW 2012 AMBULANCE AND TO PROVIDE REMOUNTING SERVICES FOR TWO AMBULANCES UNDER THE HGAC BUY COOPERATIVE PURCHASING CONTRACT

This item comes before Council under the Consent Agenda. Discussion occurred at the March 25, 2013 meeting of the Community Services Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve the purchase of one new 2012 AEV Dodge ambulance and to provide remounting services for two 2012 Dodge D4500, 4x2, Diesel Type I cab/chassis ambulances under the HGAC Buy Cooperative Purchasing Contract. The vendor is AEV/Northwest Emergency Vehicles of Jefferson, North Carolina. The cost of the new AEV ambulance is $149,868 and remounting of two ambulances is $229,404 for a total price $379,272. Funding is account 10001230-54000, Vehicle Purchases. The vote was: YEAS - Mr. Baer, Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.
McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. The motion passed.

**BLUFFTON PARKWAY PHASE 5B REALIGNMENT**

Without objection from Council, Chairman remanded this matter to the April 15, 2013 meeting of the Public Facilities Committee for discussion. We all want to deal with this issue in a forthright manner. There are so many moving parts. We all have opinions. We all have investigated findings. We all have questions. We are going to put it all out on the table. Several members of Council have suggested that this would be better discussed in an informal setting; and he agrees with that. We are not “kicking the can down the road on 5B”; but, what we are doing is saying, “Let’s have this opened, candid discussion” because there are issues involving personalities, contracts, development agreements, etc. We are going yet as many of those issues as we can.

**PUBLIC HEARING**

**CONSIDERATION OF A REQUEST BY BEAUFORT/JASPER WATER AND SEWER AUTHORITY TO GRANT AN ENCROACHMENT PERMIT OVER THE SPANISH MOSS TRAIL TO PARKER’S CONVENIENCE STORE NEAR THE INTERSECTION OF U.S. HIGHWAY 21 AND PARRIS ISLAND**

Mr. Gary Kubic, County Administrator, gave a briefing as to the recommendation from Administration regarding the granting or denial by Beaufort County of an encroachment permit over the Spanish Moss Trail. The encroachment permit is required as part of a proposed commercial development agreement between Parker’s Convenience Store and the City of Beaufort on the corner site location at the intersection of US 21 and Parris Island Parkway. It is the recommendation of Beaufort County Administration that County Council conditionally approve the encroachment permit based upon the achievement of the following expressed conditions: (1) The South Carolina Department of Transportation must approve an encroachment permit for vehicular access from US 21. (2) The City of Beaufort must accept the roadways created for this project as City of Beaufort public roads. (3) The City of Beaufort shall enter into a development agreement with Parker’s Convenience Store and provide a traffic analysis report accurate tot the concept plan and its impacts upon US 21, Parris Island Gateway and County Shed Road. (4) The City of Beaufort will be responsible for traffic mitigation measures to relieve any failing levels of service associated with this development and its effect upon US 21, Parris Island Gateway and County Shed Road. (5) The City of Beaufort must submit any traffic mitigation measures to the SCDOT and County. (6) In order to maintain state and federal funding opportunities for the development of the Spanish Moss Trail, the development agreement must specify that any current or future Spanish Moss Trail locations shall be designed and built in accordance with the “2012 AASHTO Guide for the Development of Bicycle Facilities” standards. (7) All right-of-way easements that are required for the development of the Spanish Moss Trail which arise from the development agreement shall be granted to Beaufort County and/or Beaufort-Jasper Water and Sewer Authority. (8) Beaufort County shall have an opportunity to provide comments for any proposed signage associated with the development agreement.

To view video of full discussion of this meeting please visit [http://beaufort.granicus.com/ViewPublisher.php?view_id=2](http://beaufort.granicus.com/ViewPublisher.php?view_id=2)
Mr. Kubic encouraged Council to approve the encroachment permit subject to the seven conditions and allow the City of Beaufort to negotiate with Parker’s Convenience Store.

The Chairman opened a public hearing beginning at 6:16 p.m. for the purpose of receiving information from the public regarding consideration of a request by Beaufort/Jasper Water and Sewer Authority to grant an encroachment permit over the Spanish Moss Trail to Parker’s Convenience Store near the intersection of U.S. Highway 21 and Parris Island. After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:17 p.m.

It was moved by Mr. Flewelling, as Natural Resources Committee Chairman (no second required), that Council approve on third and final reading conditional approval of a request by Beaufort/Jasper Water and Sewer Authority to grant an encroachment permit over the Spanish Moss Trail to Parker’s Convenience Store near the intersection of U.S. Highway 21 and Parris Island Gateway as shown on Exhibit A and Exhibit B. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart, Mr. Vaux and Ms. Von Harten. NAYS – Mrs. Bensch. The motion passed.

PUBLIC COMMENT

The Chairman recognized Mr. Anthony Barrett, Bluffton Town Manager, who asked the County to provide the questions regarding the Bluffton Parkway 5B realignment in order for the Town to answer them. If we do not know the questions, we are going to be at the April 15 meeting of the Public Facilities Committee and not be able to answer the questions. He would appreciate from either staff or Council to have an opportunity to address those questions with the Mayor and Town Council.

ADJOURNMENT

Council adjourned at 6:22 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: ________________________________
    D. Paul Sommerville, Chairman

ATTEST

Suzanne M. Rainey, Clerk to Council

Ratified:

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

1. Governmental
   ① Minutes provided from the April 1 meeting. See main agenda items 11D and 11E.
   ② Daufuskie Island Fire District Board

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   ③ Sheldon Fire District Board

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2. Natural Resources
   ① Minutes provided from the April 1 meeting. See main agenda items 11B and 11C.

3. Public Facilities
   ① Solid Waste and Recycling Board

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   *There are two candidates for one position.

   ② Southern Beaufort County Corridor Beautification Board

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B. COMMITTEE MEETINGS

1. Community Services
   William McBride, Chairman
   Tabor Vaux, Vice Chairman
   ➔ Next Meeting – April 22 at 1:00 p.m., ECR

2. Executive
   Paul Sommerville, Chairman
   ➔ Next Meeting – May 6 at 1:00 p.m., ECR
3. **Finance**  
   *Stu Rodman, Chairman*  
   *Rick Caporale, Vice Chairman*  
   ➔ Next Meeting – April 15 at 2:00 p.m., BIV #2 / School District FY 2014 Budget Presentation  
   ➔ Next Meeting – April 22 at 2:00 p.m., ECR / Elected Officials’ FY 2014 Budget Presentations  
   ➔ Next Meeting – April 29 at 1:00 p.m., ECR / Fire Districts’ FY 2014 Budget Presentations

4. **Governmental**  
   *Jerry Stewart, Chairman*  
   *Laura Von Harten, Vice Chairman*  
   ➔ Next Meeting – Monday, April 29 at 4:00 p.m., ECR

5. **Natural Resources**  
   *Brian Flewelling, Chairman*  
   *Cynthia Bensch, Vice Chairman*  
   ➔ Next Meeting – Monday, April 29 at 2:00 p.m., ECR

6. **Public Facilities**  
   *Gerald Dawson, Chairman*  
   *Steven Baer, Vice Chairman*  
   ➔ Next Meeting – Monday, April 15 at 4:00 p.m., BIV #2

7. **Transportation Advisory Group**  
   *Paul Sommerville, Chairman*  
   ➔ Next Meeting – To be announced.
DATE: April 5, 2013
TO: County Council
FROM: Gary Kubic, County Administrator
SUBJ: County Administrator’s Progress Report

The following is a summary of activities that took place March 25, 2013 through April 5, 2013:

March 25, 2013
- Employee orientation
- Economic Development Subcommittee of Government Committee meeting
- Joint meeting of Community Services and Finance Committee meetings
- Council Caucus meeting
- County Council meeting

March 26, 2013
- Meeting with Steve Riley, Hilton Head Island Town Manager, Susan Simmons, Director of Finance, Town of Hilton Head Island, and County staff re: Proposal to extend the Hilton Head Island TIF
- Meeting with Craig Molloy re: Carolina Cleaning

March 27, 2013
- County / Town of Hilton Head Island bimonthly meeting

March 28, 2013
- Meeting with Scott Dadson, City Manager, re: Parker’s Convenience Store project

March 29, 2013
- Personal leave

April 1 - 2, 2013
- Personal leave
April 3, 2013

- Agenda review with Chairman (telephonically), Vice Chairman (telephonically) and staff
- Meetings with County staff, Town of Hilton Head Island representatives, Town of Bluffton representatives, Construction and Project Managers re: Bluffton Parkway 5A / Aesthetics

April 4, 2013

- Guest speaker - Hilton Head Island Rotary Club

April 5, 2013

- Meeting with Council members Jerry Stewart and Cynthia Bensch
- Conference call with Bjornulf White of Abtech Industries
- Conference Call with Senator Tom Davis, Senator Chip Campsen, and Jim Minor, Solid Waste and Recycling Manager, re: Flow Control bill
- Speaker at Beaufort Leadership Class in Council Chambers
Memorandum

DATE: April 5, 2013
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 March 25, 2013 through April 5, 2013:

March 25, 2013 (Monday):
• Meet with Alicia Holland, Controller re: Airport Financial Review
• Meet with Dave Thomas, Purchasing Director; Monica Spells, Compliance Officer and Alicia Holland, Controller re: Coroner's Office and Cottage Walk Projects
• Meet with David Starkey, CFO and Alicia Holland, Controller re: Public Defender Budget
• Prepare for County Council
• Joint Meeting of Community Services and Finance Committee Meetings
• County Council

March 26, 2013 (Tuesday):
• Meet with Joshua Gruber, County Attorney
• Attend S&P Ratings Telephone Conference
• Attend TIF Meeting with Town of Hilton Head Island Representatives
• Attend Moody's Rating Telephone Conference

March 27, 2013 (Wednesday)--Bluffton:
• Work on Budget

March 28, 2013 (Thursday)--Bluffton:
• Work on Budget

March 29, 2013 (Friday)--Bluffton:
• Work on Budget
April 1, 2013 (Monday)--Bluffton:

- Work on Budget
- Watch Natural Resources Committee Meeting
- Watch Governmental Committee Meeting

April 2, 2013 (Tuesday)--Bluffton:

- Work on Budget

April 3, 2013 (Wednesday)--Bluffton:

- Agenda Review
- Work on Budget

April 4, 2013 (Thursday)--Bluffton:

- Work on Budget

April 5, 2013 (Friday)--Bluffton:

- Work on Budget
- Meet with Duffie Stone, Solicitor
## Budget FY 2013
As of 4/4/2013

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### General Fund Revenue

- As of 4/4/2013
- For the Period Ending March 31st
- Budget FY 2013

- **General**
  - Elected COUNTY COUNCIL: 11000 (475,731) 507,039 428,664 467,843 467,319 603,520
  - Elected AUDITOR: 11010 (476,423) 409,913 377,912 369,893 370,534 600,704
  - Elected TREASURER: 11020 (685,864) 640,253 546,405 846,430 846,773 677,760
  - Elected TREASURER TAX BILLS & CC FEES: 11021 (599,892) 444,197 318,053 - - 340,000
  - Elected CLERK OF COURT: 11030 (712,880) 634,208 600,539 579,194 579,356 822,751
  - Elected FAMILY COURT: 11031 (255,160) 175,800 151,275 148,249 148,364 232,615
  - Elected PROBATE COURT: 11040 (638,772) 541,380 547,502 510,262 511,279 760,699
  - Elected CORONER: 11060 (277,483) 226,809 276,468 305,096 305,196 435,571
  - State HILTON HEAD MAGISTRATE: 11100 (32,609) 567 - - - -
  - State BEAUFORT MAGISTRATE: 11101 (507,069) 501,389 555,638 538,564 538,564 742,215
  - State BLUFFTON MAGISTRATE: 11102 (388,365) 282,435 292,830 244,542 244,542 372,615
  - State SHELTON MAGISTRATE: 11103 (47,706) 49,448 49,673 52,379 52,379 71,640
  - State ST HELENA MAGISTRATE: 11104 (62,170) 65,068 45,327 23,813 23,813 104,923
  - State MAGISTRATE BOND COURT: 11105 (64,183) 60,413 69,476 74,187 74,387 97,515
  - State MAGISTRATE AT-LARGE: 11106 (57,465) 77,515 90,790 145,164 145,164 140,092
  - State MASTER IN EQUITY: 11110 (232,065) 215,586 215,365 220,869 221,133 297,848
  - Allocation GEN GOVT DIRECT SUBSIDIES: 11199 (1,311,635) 982,143 774,155 861,013 861,013 1,234,129
  - General Admin COUNTY ADMINISTRATOR: 12000 (4,464) 23,500 367,542 429,402 429,402 509,119
  - General Admin HOUSING: 12003 - - - - -
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  - General Admin BROADCAST SERVICES: 12006 - 138,942 155,586 176,235 176,235 223,431
  - General Admin STAFF ATTORNEY: 12010 (451,450) 417,743 464,671 134,393 134,393 400,063
  - General Admin INTERNAL AUDITOR: 12015 (84,143) 30,398 42,313 - - -
  - General State PUBLIC DEFENDER: 12020 (150) - - - - -
  - General Admin VOTER REGISTRATION/ELECTIONS: 12030 (446,200) 447,643 462,656 531,241 535,241 634,703
  - General Admin ELECTION WORKERS: 12031 (1,050) 211 940 1,074 1,074 -
  - General Admin ASSESSOR: 12040 (1,846,468) 1,419,176 1,294,075 1,333,346 1,333,346 2,069,589
  - General Admin REGISTER OF DEEDS: 12050 (427,468) 356,779 339,027 374,328 374,328 475,399
  - General Admin RISK MANAGEMENT: 12060 (99,510) 71,139 68,044 70,887 71,342 103,691
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General Fund Expenditures

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## Budget FY 2013

As of 4/4/2013

### Actual Year to Date Comparison

For the Period Ending March 31st

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### Education

Education Allocation | 64399 | 3,144,200 | 3,144,200 | 2,666,667 | 2,666,667 | 2,666,667 | 4,000,000 |

General Fund Expenditures (including Transfers and Education Allocation) | 75,238,895 | 73,809,645 | 68,955,954 | 69,060,159 | 70,156,667 | 97,150,130 | - |

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<td>(11,175,589.00)</td>
<td>(8,049,660.04)</td>
<td>(7,804,200.26)</td>
<td>(7,650,430.21)</td>
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<tr>
<td>45000</td>
<td>Fines &amp; Forfeitures</td>
<td>(860,000.00)</td>
<td>(524,933.04)</td>
<td>(524,933.04)</td>
<td>(636,838.92)</td>
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<tr>
<td>46000</td>
<td>Interest</td>
<td>(175,100.00)</td>
<td>(103,769.53)</td>
<td>(103,769.35)</td>
<td>(128,603.31)</td>
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<tr>
<td>47000</td>
<td>Miscellaneous</td>
<td>(675,500.00)</td>
<td>(447,771.51)</td>
<td>(444,529.37)</td>
<td>(362,463.82)</td>
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<td>48000</td>
<td>Other Financing Sources</td>
<td>(1,260,000.00)</td>
<td>(1,591,396.62)</td>
<td>(1,291,396.62)</td>
<td>(884,678.07)</td>
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<td><strong>40000 Total</strong></td>
<td></td>
<td><strong>(97,150,130.00)</strong></td>
<td><strong>(85,842,252.75)</strong></td>
<td><strong>(85,253,950.84)</strong></td>
<td><strong>(83,688,766.68)</strong></td>
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Sum of Account Groups

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<th>Description</th>
<th>ORIG APPROP</th>
<th>FY 2013 PER 99</th>
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<th>FY 2011 PER 9</th>
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<td></td>
<td><strong>(97,150,130.00)</strong></td>
<td><strong>(85,842,252.75)</strong></td>
<td><strong>(85,253,950.84)</strong></td>
<td><strong>(83,688,766.68)</strong></td>
<td><strong>(83,467,037.99)</strong></td>
<td><strong>(83,806,969.59)</strong></td>
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### Trial Balance Summary of Object Characters

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<td>CAPITAL</td>
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<td>57000</td>
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<td>58000</td>
<td>DEPRECIATION</td>
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<td>0.00</td>
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<td>59000</td>
<td>TRANSFERS OUT</td>
<td>2,852,129.00</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td>0.00</td>
<td>(15,305,585.92)</td>
</tr>
</tbody>
</table>
FAIR HOUSING RESOLUTION

WHEREAS, April 11, 2013, marks the 45th anniversary of the passage of the U.S. Fair Housing Law, Title VIII of the Civil Rights Act of 1968, as amended; and

WHEREAS, the State of South Carolina enacted the South Carolina Fair Housing Law in 1989, that both support the policy of fair housing without regard to race, color, creed, national origin, sex, familial status, and handicap, and encourages fair housing opportunities for all citizens; and

WHEREAS, the County Council of Beaufort County is committed to addressing discrimination in our community, to support programs that will educate the public about the right to equal housing opportunities, and to plan partnership efforts with other organizations to help assure every citizen of their right to fair housing; and

WHEREAS, the County Council of Beaufort County rejects discrimination on the basis of race, religion, color, sex, national origin, disability, and/or familial status in the sale, rental, or provision of other housing services; and

WHEREAS, the County Council of Beaufort County desires that all its citizens be afforded the opportunity to attain decent, safe, and sound living environment.

NOW, THEREFORE, BE IT RESOLVED, that County Council of Beaufort County does hereby designate April 2013 as Fair Housing Month and, the County Council of Beaufort County recognize the policy supporting fair housing in encouraging all citizens to endorse fair housing opportunities for all not only during Fair Housing Month but throughout the year.

Adopted this _____ day of April, 2013.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: ____________________________
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council
April 3, 2013

Dear Local Government Officials and CDBG Administrators:

Every year, HUD proclaims April as **Fair Housing Month** to commemorate the anniversary of the passage of the Fair Housing Act in 1968. The purpose of Fair Housing Month is to reach out to the public with the message that every person has the right to equal choices in housing, regardless of their race, color, national origin, sex, religion, familial status, or disability. HUD’s message is simple: we all need to work together to eliminate those practices that still unlawfully deny individuals their fair housing rights. National Fair Housing Month is one tool to help focus attention on fair housing rights and issues.

To help bring the campaign to your local community, the resources section of [www.fairhousingSC.com](http://www.fairhousingSC.com) has been updated, including an all new Fair Housing poster gallery, to give you an idea of the type of materials that exist, as well as new 2013 Fair Housing Campaign materials designed by the National Fair Housing Alliance in collaboration with HUD. This year’s theme is “Fair Housing Is Your Right. Use It.” Grants Administration has received a limited number of CDs containing the entire 2013 Print Public Service Announcement (PSA) kit, which includes both national and customizable for local areas posters, ads appropriate for newspapers and magazines and supporting artwork. If you’re interested in receiving one of the limited few, email Liese Ross at lross@sccommerce.com. When these are gone, you will still be able to download PDFs from [www.fairhousingSC.com](http://www.fairhousingSC.com) or download all the material in the kit, including commercial printer appropriate files and artwork, through a special link to an Adobe “workspace.” Please email Liese for more information or to access the online Print PSA Kit.

Now that [www.fairhousingSC.com](http://www.fairhousingSC.com) is up and running, it can be a South Carolina portal for fair housing and we would like to create links to all existing programs in the state. We also want to know what you are doing for Fair Housing Month, or beyond Fair Housing Month, to help promote fair housing and address persistent obstacles to fair housing choice in your community. If you have a fair housing program or fair housing web page or portal, please link to [www.fairhousingSC.com](http://www.fairhousingSC.com). Please also send us your information so we can link back to you. And then make sure to share your news. If there are “Fair Housing Happenings” around the state, we want to help you get the word out, whether it is during the month of April, for Fair Housing Month, or any time during the year. Send an email to Liese at lross@sccommerce.com, or call her at (803) 734-0429.

Why are we doing this? The State of South Carolina CDBG Program, as a recipient of federal HUD funds, has to certify to HUD each year that it will affirmatively further fair housing, which means fair housing planning at the state level, conducting studies like the “analysis of impediments to fair housing,” which
aims to identify barriers which prevent equal housing choices for everyone, and developing strategies to help address impediments. Local governments that receive CDBG funds from the state must make a similar certification that they will affirmatively further fair housing in their own community, and take actions during the grant period that are proactive and can help address local barriers to fair housing choice.

We know many local governments are already planning something for Fair Housing Month, consistent with a fair housing plan approved for recipients of a state CDBG grant. But the month of April is an ideal time for everyone in the community, not just government officials, to focus on fair housing issues. Take a look at practices that could limit choices in housing and give some thought to whether there is anything, large or small, that you can do to help promote equal choice in housing for all of your community residents. Because everyone has a right to the same housing choices as everyone else - regardless of what color they are, what language they speak, whether they have children living with them or need a service animal or a walker to get around, what religion they practice, where they lived before they came to this country, or whatever their race, ethnicity or gender.

Finally, if an event is planned for your community for Fair Housing Month, please contact Dick Scott at (803) 734-0555 or email him at dscott@sccommerce.com.

We appreciate your fair housing efforts in April and all through 2013!

Thanks,

Lisa Kalsbeck
Assistant Director, Federal Programs
SC Department of Commerce,
Division of Grants Administration
WHEREAS, water infrastructure has been identified as a priority community need for Beaufort County, and the Stuart Point Water Project has been identified as a priority community project of the County; and

WHEREAS, Beaufort County wishes to address this need by making application to the South Carolina Department of Commerce, Division of Community Grant Programs, for approximately $500,000 in Community Infrastructure Grant Funds; and

WHEREAS, the completion of the project would directly benefit approximately 400 people in the Stuart Point area of Beaufort County, of which at least 51% qualify as having low-to-moderate incomes.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Beaufort County, South Carolina, that

1. County Council hereby endorses the Stuart Point Water Project because it will greatly improve the quality of life for the residents of the Stuart Point area of Beaufort County; and

2. The County Administrator shall be and is authorized to prepare and submit a Community Development Block Grant (CDBG) Community Infrastructure Application for the Stuart Point Water Project and to commit funds in the amount of 10% of the grant request to meet the matching commitment of the Community Development Program.

Adopted this ____ day of April, 2013.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: ____________________________

D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

______________________________

Joshua A. Gruber, Staff Attorney

ATTEST:

______________________________

Suzanne M. Rainey, Clerk to Council
To: Members of Beaufort County Council  
Date: April 5, 2013  
Re: Agenda Item 9C – Stuart Point Water Project  

The County’s contribution is approximately $50,000. Funds will be included within the FY 2014 budget.
ORDINANCE NO. 2013 / __

AN ORDINANCE TO AMEND THE FY 2012-2013 BEAUFORT COUNTY COUNCIL BUDGET, SECTION 4, COUNTY OPERATIONS APPROPRIATION, SECTION 11 COUNTY ADMINISTRATION OPERATIONS, PARAGRAPH M. GENERAL GOVERNMENT SUBSIDIES (TO APPROPRIATE $152,817 TO THE SOLICITOR’S BUDGET).

Be it resolved, that County Council hereby appropriate $152,817 to the FY 2012-2013 Solicitor’s budget, account 10001198-55230.

Adopted this ___ day of _______, 2013.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY:____________________________________
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

______________________________
Joshua A. Gruber, Staff Attorney

ATTEST:

______________________________
Suzanne M. Rainey, Clerk to Council

First Reading, By Title Only:
Second Reading:
Public Hearing:
Third and Final Reading:
WHEREAS, Beaufort County Council along with the Town of Bluffton and Town of Hilton Head Island have engaged in the process of creating a Southern Beaufort County Regional Plan; and

WHEREAS, the success of the Plan hinges on having broad-based representation on the Steering Committee.

NOW, THEREFORE, Be It Resolved, that Beaufort County Council hereby modifies the composition of the Steering Committee for the Southern Regional Plan Implementation Committee.

- 3 representatives Beaufort County Council
- 2 representatives Bluffton Town Council
- 2 representatives Hilton Head Island Town Council
- 1 representative Planning Commission
- 1 representative Beaufort County Board of Education
- 1 representative B/J Water and Sewer Authority
- 1 representative Jasper County
- 1 representative City of Hardeeville
- 1 representative Lowcountry Council of Governments

Adopted this _____ day of April, 2013.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: ______________________________________
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

______________________________
Joshua A. Gruber, Staff Attorney

ATTEST:

______________________________
Suzanne M. Rainey, Clerk to Council
COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT
Building 3, 102 Industrial Village Road
Post Office Drawer 1228, Beaufort, SC 29901-1228
Phone: (843) 255-2353 Fax: (843) 255-9437

TO: Councilman Jerry Stewart, Chairman, Governmental Committee
FROM: Dave Thomas, Purchasing Director
SUBJ: IFBE 132718001113931 for One (1) Bomb Squad Robot for the Beaufort County Sheriff’s Office
DATE: March 27, 2013

BACKGROUND: On March 20, 2013, Beaufort County received bids from four (4) firms who responded to the bid for the Bomb Squad’s robot. The Sheriff’s Department and County Staff reviewed the bids and certified that ICOR Technology was the lowest responsive and responsible bidder. This project will be funded by grant money from the Office of Homeland Security (OHS).

The total bid price submitted by ICOR Technology was $118,630.00. The Sheriff’s Office removed the requirements for the robot claw kit ($2,975) and onsite training ($2,450). This reduced the robot’s price to $113,205.00. The total bid price, which includes shipping and taxes, is $120,797.30.

BIDDER INFORMATION:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Bid Price</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Robotex, Inc.</td>
<td>$40,589.55</td>
<td>No Bid Bond, Did not meet specifications</td>
</tr>
<tr>
<td>2. Qinetiq</td>
<td>$107,337.00</td>
<td>Did not meet specifications</td>
</tr>
<tr>
<td>3. ICOR Technology</td>
<td>$118,630.00</td>
<td>Lowest Responsive/Responsible Bid</td>
</tr>
<tr>
<td>4. I Robot Inc.</td>
<td>$134,454.51</td>
<td>Over Budget</td>
</tr>
</tbody>
</table>

FUNDING: Account # 27180011-54200, OHS Grant 10SHSP15 Fund - $80,000.00
Account # 27190011-54200, OHS Grant 12SHSP21 Fund - $40,797.30
Total: $120,797.30

RECOMMENDATION: The Governmental Committee approve and recommend to County Council approval of the contract award to ICOR Technology in the amount of $120,797.30 for the Beaufort County Sheriff’s Office Bomb Squad’s robot.

CC: Gary Kubic, County Administrator
Bryan Hill, Deputy Administrator
David Starkey, Chief Financial Officer
Michael Hatfield, Chief Deputy, Beaufort County Sheriff’s Office
Richard Dimon, Contract Specialist

Att: Bid Tab
<table>
<thead>
<tr>
<th>Order</th>
<th>Bid Form</th>
<th>Bid Bond</th>
<th>All Addenda</th>
<th>SCHQF Values</th>
<th>SUB Listing</th>
<th>SME Docs</th>
<th>Base Bid</th>
<th>ALT #1</th>
<th>ALT #2</th>
<th>Bid Total</th>
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<td></td>
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<tr>
<td>3</td>
<td>I Robot Inc</td>
<td>x</td>
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<td></td>
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<td></td>
<td></td>
<td>$112,014.01</td>
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<td>$187,232.00</td>
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Beaufort County posts PRELIMINARY bid tabulation information within 2 business days of the advertised bid opening. Information on the PRELIMINARY bid tabulation is posted as it was read during the bid opening. Beaufort County makes no guarantees as to the accuracy of any information on the PRELIMINARY tabulation. The bid results indicated here do not necessarily represent the final compliance review by Beaufort County and are subject to change. After the review, the final award will be made by Beaufort County Council and a certified bid tab will be posted online.

Bid Administrator Signature:  
Date: 03/20/13

Recorder Signature:  
Date: 03/20/13
TO: Councilman Stewart Rodman, Chairman, Finance Committee
FROM: Dave Thomas, Purchasing Director
SUBJ: Request to Purchase Four (4) 2013 Dodge Chargers for the Beaufort County Sheriff's Office from State Contract
DATE: April 3, 2013

BACKGROUND: The Purchasing Department received a request from the Beaufort County Sheriff's Office to purchase four (4) new 2013 Dodge Chargers from Butler Chrysler, a State contract vendor. These are replacement vehicles to be used by the Sheriff's Office Deputies performing their patrol duties.

VENDOR INFORMATION:
Butler Chrysler, Beaufort, SC
COST: $91,672.00

FUNDING: Account # 10001202-54000, Vehicle Purchases

RECOMMENDATION: The Finance Committee approves and recommends to County Council the contract award to Butler Chrysler for a total amount of $91,672.00.

CC: Gary Kubic, County Administrator
    Bryan Hill, Deputy Administrator
    David Sturkey, Chief Financial Officer
    Michael Hatfield, Chief Deputy, Beaufort County Sheriff's Office
    Michael Hatfield, Chief Deputy, Beaufort County Sheriff's Office
    Richard Dimont, Contract Specialist

Att: State Contract Pricing Information
SEDAN, INTERMEDIATE, REAR WHEEL DRIVE, PURSUIT PACKAGE (Hemi V-8 Base Unit with a V-6 Option)

Contract No: 4400005790  Correct Contract Term: 11/01/2012 - 10/31/2013
Model: Dodge Charger  Order Cut-Off Date: 04/30/2013
Contractor: Butler Chrysler Dodge Jeep  Commodity Code: 07105
1555 Salem Road  Contact Person: Amy Hill
Beaufort, SC 29902  E-Mail: amyhill@butlerchrysler.com
Telephone: (336) 803-1400  Fax: (843) 522 - 9696

Delivery: 90 - 120 Days ARO

Base Price: $23,545.00 - 22,618

ADDTS:
- Cargo Restraint Net  $ 28.00
- Full Size Spare Tire and Wheel  $ Included in Base Price
- Vinyl Rear Seat (Cloth Front)  + $ 115.00

DEDUCTS:
- Engine: From V-8 Hemi to V-6 (3.3 Liter – Min. 250HP)  - $ 947.00
- Floor Mats (standard state spec)  $ Factory Standard
- Spot Light (Door Mounted – Left Hand)  $ 165.00
- Change from carpet to HD Rubber Floor Covering, Black (no carpet required)  - $ 95.00

Click link below for an itemized listing of items included in the “Base Price”:
SEDAN, INTERMEDIATE, REAR WHEEL DRIVE, PURSUIT PACKAGE

Link to “Law Enforcement Vehicle Index”
22,618 x 4 = $90,472.00
300 x 4 = $1,200.00
59,672.00

2013-04-04 05:43:14  Four2013DodgechargersCFOinitialed.pdf (2/2)
COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT
Building 3, 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
FROM: Dave Thomas, Purchasing Director
SUBJ: Request to Purchase Hardware and Software Support from a Sole Source Vendor for the Beaufort County MIS Department
DATE: April 3, 2013

BACKGROUND. The Purchasing Department received a request from the MIS Department to renew the hardware and software support maintenance contract from Hewlett Packard for the HP, VMWare, HP Server, and SANS including storage. This contract will cover services for the remainder of fiscal year 2013 and all of fiscal year 2014.

SOLE SOURCE VENDOR INFORMATION:

Hewlett Packard

Total contract cost: $147,721.62

COST

$35,807.26 (04/01/2013-06/30/2013)

$111,914.36 (07/01/2013-06/30/2014)

FUNDING: Account # 10001150-51110 Maintenance Contracts

RECOMMENDATION: The Finance Committee approves and recommends to County Council the contract award for hardware and software support services from Hewlett Packard for a total contract cost of $147,721.62.

CC: Gary Kubic, County Administrator
Bryan Hill, Deputy Administrator
David Starkey, Chief Financial Officer
Dan Morgan, MIS Director
Richard Dimont, Contract Specialist
ORDINANCE NO. _____

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2013A, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $7,600,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

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

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

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

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

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

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

(e) Article X, Section 15 of the Constitution further provides that general obligation bond anticipation notes may be issued in anticipation of the proceeds of general obligation bonds which may lawfully be issued under such terms and conditions that the General Assembly may prescribe by law.
(f) Pursuant to the provisions of Title 11, Chapter 17 of the Code of Laws of South Carolina, 1976, as amended (“Title 11, Chapter 17”), any county, whenever authorized by general or special law to issue bonds, may, pending the sale and issuance thereof, borrow in anticipation of the receipt of the proceeds of the bonds. Such provisions also provide that if any approval be necessary prior to the issuance of bonds by the county, the county must obtain the same approval prior to the issuance of temporary financing provided therein.

(g) On May 10, 2012, pursuant to the Constitution, statutory authorizations and Ordinance No. 2012/4 duly enacted by County Council on March 26, 2012, the County issued its original principal amount $2,500,000 General Obligation Bond Anticipation Notes, Series 2012B (the “Series 2012B BANS”). On October 24, 2012, pursuant to the Constitution, statutory authorizations and Ordinance No. 2012/12 duly enacted by County Council on September 24, 2012, the County issued its $5,000,000 original principal amount General Obligation Bond Anticipation Notes, Series 2012D dated October 24, 2012 (the “2012D BANS,” together with the Series 2012B BANS, the “BANS”).

(h) The assessed value of all the taxable property in the County as of June 30, 2012, is $1,799,824,859. Eight percent of the assessed value is $143,985,988. 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 $80,712,954. Thus, the County may incur not exceeding $63,273,034 of additional general obligation debt within its applicable debt limitation.

The BANS to be retired with the proceeds of the Series 2013A Bonds count against the County’s 8% constitutional debt limit. Therefore, the difference between the par amount of the BANS and the par amount of the Series 2013A Bonds will also count against the County’s constitutional debt limit. Also, the County intends to issue its not exceeding $7,600,000 General Obligation Refunding Bonds, Series 2013C (the “Series 2013C Bonds”). A portion of the bonds being refunded with the Series 2013C Bonds also count against the County’s constitutional debt limit. Therefore, the portion of the par amount of the Series 2013C Bonds over and above the portion of the outstanding amount of the bonds to be refunded which count against the County’s constitutional debt limit will also count against the County’s constitutional debt limit.

(i) It is now in the best interest of the County for the County Council to provide for the issuance and sale of not exceeding $7,600,000 aggregate principal amount general obligation bonds of the County, the proceeds of which will be used for the following purposes: (i) retiring the BANS; (ii) paying costs of issuance of the Series 2013A Bonds (hereinafter defined); and (iii) such other lawful purposes as the County Council shall determine.

(j) Pursuant to Ordinance No. 2012/10 enacted on August 13, 2012, County Council has adopted Written Procedures Related to Tax-Exempt Debt.

SECTION 2. Authorization and Details of Series 2013A Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding $7,600,000 aggregate principal amount of general obligation bonds of the County to be designated “7,600,000 (or such lesser amount issued) General Obligation Bonds, Series 2013A or such other appropriate series designation, of Beaufort County, South Carolina” (the “Series 2013A Bonds”), for the purpose set forth in Section 1(i) and other costs incidental thereto, including without limiting the generality of such other costs, engineering, financial and legal fees.

The Series 2013A 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 Series 2013A Bonds maturing each year; shall be subject to redemption if such provision is in the best interest of the County; shall be numbered from R-1 upward; shall bear interest from their date payable at such times as hereinafter designated by the County Administrator and/or his lawfully-authorized designee at such rate or rates as may be determined at the time of the sale thereof; and shall mature serially in successive annual installments as determined by the County Administrator and/or his lawfully-authorized designee.

Wells Fargo Bank, N.A., Atlanta, Georgia, shall serve as registrar and paying agent (the “Registrar/Paying Agent”) for the Series 2013A Bonds.

SECTION 3. Delegation of Authority to Determine Certain Matters Relating to the Series 2013A Bonds. The County Council hereby delegates to the County Administrator or his lawfully-authorized designee the authority to determine: (a) the par amount of the Series 2013A Bonds; (b) the maturity dates of the Series 2013A Bonds and the respective principal amounts maturing on such dates; (c) the interest payment dates of the Series 2013A Bonds; (d) redemption provisions, if any, for the Series 2013A Bonds; (e) the date and time of sale of the Series 2013A Bonds; (f) the authority to receive bids on behalf of the County Council; and (g) the authority to award the sale of the Series 2013A Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Series 2013A Bonds.

After the sale of the Series 2013A Bonds, the County Administrator and/or his lawfully-authorized designee shall submit a written report to County Council setting forth the details of the Series 2013A Bonds as set forth in this paragraph.

SECTION 4. Registration, Transfer and Exchange of Series 2013A 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 Series 2013A 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 Series 2013A Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

Each Series 2013A 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 Series 2013A Bond, the Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee a new fully registered Series 2013A Bond or Series 2013A Bonds, of the same aggregate principal amount, interest rate, and maturity as the surrendered Series 2013A Bond. Any Series 2013A Bond surrendered in exchange for a new registered 2013A 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 Series 2013A Bond shall be registered upon the registry books as the absolute owner of such Bond, whether such Series 2013A Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Series 2013A 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 Series 2013A 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 Series 2013A Bonds is exercised, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver Series 2013A 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 Series 2013A Bonds during the fifteen (15) days preceding an interest payment date on such Series 2013A 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 Series 2013A Bonds, and such record date shall be the fifteenth (15th) day (whether or not a business day) preceding an interest payment date on such Series 2013A Bond or in the case of any proposed redemption of Series 2013A 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 Series 2013A Bonds. In case any Series 2013A 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 Series 2013A 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 Series 2013A 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 Series 2013A Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Series 2013A Bond or in substitution for any allegedly lost, stolen or wholly destroyed Series 2013A Bond shall be entitled to the identical benefits under this Ordinance as was the original Series 2013A Bond in lieu of which such duplicate Series 2013A Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Series 2013A Bonds of the same series issued hereunder.

All expenses necessary for the providing of any duplicate Series 2013A Bond shall be borne by the applicant therefor.

SECTION 7. Execution of Series 2013A Bonds. The Series 2013A 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 Series 2013A Bonds may be those of the officers who are in office on the date of enactment of this Ordinance. The execution of the Series 2013A Bonds in such fashion shall be valid and effectual, notwithstanding any subsequent change in such offices. The Series 2013A Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Series 2013A Bond shall bear a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.


SECTION 9. Security for Series 2013A 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 Series
2013A 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 Series 2013A 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 Series 2013A 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 Series 2013A 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 Series 2013A 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 Series 2013A 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 Series 2013A Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Series 2013A Bonds to become includable in the gross income of the holders of the Series 2013A 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 Series 2013A Bonds. The County further covenants and agrees with the holders of the Series 2013A Bonds that no use of the proceeds of the Series 2013A Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Series 2013A Bonds would have caused the Series 2013A 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 Series 2013A 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 Series 2013A Bonds initially issued (the “Initial Series 2013A 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 Series 2013A 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 Series 2013A Bonds of the same maturity or any integral multiple of $5,000.

The Initial Series 2013A Bonds shall be issued in fully-registered form, one Series 2013A Bond for each of the maturities of the Series 2013A Bonds, in the name of Cede & Co., as the nominee of DTC. When any principal of or interest on the Initial Series 2013A 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 Series 2013A Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption of the Initial Series 2013A 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 Series 2013A 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 Series 2013A Bonds together with an assignment duly executed by DTC, the County shall execute and deliver to the successor securities depository Series 2013A 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 Series 2013A 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 Series 2013A Bonds by mailing an appropriate notice to DTC, upon receipt by the County the Initial Series 2013A Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Series 2013A 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 Series 2013A Bonds will be issued as one single fully-registered bond and not issued through the book-entry system.

SECTION 15. Sale of Series 2013A Bonds, Form of Notice of Sale. The Series 2013A 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 Series 2013A 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 Series 2013A Bonds so that it may be provided to the purchaser of the Series 2013A 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 Series 2013A 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 Series 2013A Bonds shall be deposited with the County Treasurer in a special fund and shall be used to retire the BANS and to pay costs of issuance of the Series 2013A Bonds, except that any premium shall be placed in the sinking fund established for the Series 2013A 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 Series 2013A Bonds, and such Series 2013A Bond or Series 2013A Bonds shall no longer be deemed to be outstanding hereunder when:

(a) such Series 2013A Bond or Series 2013A 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 Series 2013A 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 Series 2013A Bonds shall no longer be
deemed to be outstanding hereunder, such Series 2013A Bonds shall cease to draw interest from the due
date thereof and, except for the purposes of any such payment from such moneys or Government
Obligations, shall no longer be secured by or entitled to the benefits of this Ordinance.

“Government Obligations” shall mean any of the following:

(i) direct obligations of the United States of America or agencies thereof or
obligations, the payment of principal or interest on which, in the opinion
of the Attorney General of the United States, is fully and unconditionally
guaranteed by the United States of America;

(ii) non-callable, U. S. Treasury Securities - State and Local Government
Series (“SLGS”);

(iii) general obligation bonds of the State, its institutions, agencies, school
districts and political subdivisions; and

(iv) a defeasance obligation as defined in Section 6-5-10 of the S.C. Code as
such as may be amended from time to time.

(c) Such Series 2013A Bond or Series 2013A Bonds shall be defeased as provided in
Section 11-14-110 of the S.C. Code as such may be amended from time to time.

SECTION 21. 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 Series 2013A 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 Series 2013A 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 Series 2013A 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 _________________, 2013.

BEAUFORT COUNTY, SOUTH CAROLINA

__________________________________________
Chair, County Council

(SEAL)

ATTEST:

__________________________________________
Clerk, County Council

First Reading:  February 25, 2013
Second Reading: March 11, 2013
Public Hearing:
Third and Final Reading:
EXHIBIT A

**FORM OF BOND**

UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
COUNTY OF BEAUFORT  
GENERAL OBLIGATION BOND, SERIES 2013

No. R-

<table>
<thead>
<tr>
<th>INTEREST RATE</th>
<th>MATURITY DATE</th>
<th>ORIGINAL ISSUE DATE</th>
<th>CUSIP</th>
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</thead>
</table>

REGISTERED HOLDER:

PRINCIPAL AMOUNT: DOLLARS

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

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

For the payment hereof, both principal and interest, as they respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are irrevocably pledged and there shall be levied annually by the Auditor of the County and collected by the Treasurer of the County, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this Bond as they respectively mature and to create such sinking fund as may be necessary therefor.
This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, denomination, date of maturity, redemption provisions, and rate of interest, aggregating _______________________ Dollars ($______________), issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 15, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. _______ duly enacted by the County Council on _________________, 2013.

[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 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.

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>TEN COM</td>
<td>As tenants in common</td>
</tr>
<tr>
<td>TEN ENT</td>
<td>As tenants by the entireties</td>
</tr>
<tr>
<td>JT TEN</td>
<td>As joint tenants with right of survivorship and not as tenants in common</td>
</tr>
<tr>
<td>UNIF GIFT MIN. ACT</td>
<td>Custodian (Cust.) (Minor)</td>
</tr>
</tbody>
</table>

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:  

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

Signature Guaranteed:  

(Authorizing Officer)  

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 Series 2013A 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 SBonds 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 March ___, 2013.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of General Obligation Bonds of Beaufort County, South Carolina, in the principal amount of not exceeding $_______ (the “Series 2013_ Bonds”). The proceeds of the Series 2013_ Bonds will be used for the following purposes: (i) retiring at maturity the County’s original principal amount $2,500,000 General Obligation Bond Anticipation Notes, Series 2012B dated May 10, 2012 and $5,000,000 General Obligation Bond Anticipation Notes, Series 2012D dated September 24, 2012; (ii) paying costs of issuance of the Series 2013_ 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 Series 2013_ 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 principal of and interest on the Series 2013_ 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 Series 2013_ Bonds.

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA
FORM OF NOTICE

NOTICE OF ADOPTION OF ORDINANCE

Notice is hereby given that on _______ __, 2013, the Beaufort County Council adopted an ordinance entitled: “ORDINANCE NO. _______ AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2013A, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $_________; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO” (the “Ordinance”).

The proceeds of the bonds will be used for the following purposes: (i) retiring at maturity the County’s original principal amount $2,500,000 General Obligation Bond Anticipation Notes, Series 2012B dated May 10, 2012 and $5,000,000 General Obligation Bond Anticipation Notes, Series 2012D dated September 24, 2012; (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 BONDS, SERIES 2013_,
OF BEAUFORT COUNTY, SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that sealed bids, facsimile bids and electronic bids will be received on behalf of Beaufort County, South Carolina (the “County”), ________________, Beaufort, South Carolina, until 11:00 a.m., South Carolina time, on __________, __________, 2013, at which time said proposals will be publicly opened for the purchase of $___________ General Obligation Bonds, Series 2013_, of the County (the “Series 2013_ Bonds”).

Sealed Bids: Each hand delivered proposal shall be enclosed in a sealed envelope marked “Proposal for $____________ General Obligation Bonds, Series 2013_, 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 Series 2013_ Bonds: The Series 2013_ Bonds will be issued in fully-registered form. One Series 2013_ 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 Series 2013_ Bonds and each such Series 2013_ Bond will be immobilized in the custody of DTC. DTC will act as securities depository for the Series 2013_ 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 Series 2013_ Bonds maturing each year; Purchasers will not receive physical delivery of certificates representing their interest in the Series 2013_ Bonds purchased. The winning bidder, as a condition to delivery of the Series 2013_ Bonds, will be required to deposit the Series 2013_ Bond certificates representing each maturity with DTC.
The Series 2013_ Bonds will be issued in fully-registered form registered as to principal and interest; will be dated ____________ __, 2013; will be in denominations of $5,000 or any integral multiple thereof not exceeding the principal amount of Series 2013_ 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:

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal Amount*</th>
<th>Year</th>
<th>Principal Amount*</th>
</tr>
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</table>

*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 Series 2013_ 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 Series 2013_ Bonds. Such adjustment(s), if any, shall be made within twenty-four (24) hours of the award of the Series 2013_ Bonds. In order to calculate the yield on the Series 2013_ Bonds for federal tax law purposes and as a condition precedent to the award of the Series 2013_ 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 Series 2013_ Bonds will be reoffered to the public.

In the event of any adjustment of the maturity schedule for the Series 2013_ Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. Nevertheless, the award of the Series 2013_ Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Series 2013_ Bonds offered, without taking into account any adjustment in the amount of the Series 2013_ Bonds pursuant to this paragraph.

The Series 2013_ Bonds will bear interest from the date thereof payable semiannually on ____________ and ____________ of each year, commencing ______________, until they mature.

[Redemption Provisions]

Registrar/Paying Agent: Wells Fargo Bank, N.A., will serve as Registrar/Paying Agent for the Series 2013_ Bonds.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Series 2013_ 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 Series 2013_ Bonds of that maturity from their date to such maturity date. A bid for less than all the Series 2013_ 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 Series 2013_ Bonds will not be considered. In addition to the bid price, the successful bidder must pay accrued interest from the date of the Series 2013_ Bonds to the date of full payment of the purchase price.

Award of Bid. The Series 2013_ Bonds will be awarded to the bidder or bidders offering to purchase the Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds, results in an
amount equal to the price bid for the Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds as they respectively mature
and to create such sinking fund as may be necessary therefor.

**Good Faith Deposit:** No good faith deposit is required.

**Bid Form:** Proposals should be enclosed in a separate sealed envelope marked “Proposal for
$______________ General Obligation Bonds, Series 2013_ 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 Series 2013_ Bonds
supplied with the Official Statement.

**Official Statement:** Upon the award of the Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds.

**Certificate as to Issue Price:** The successful bidder must provide a certificate to the County by
the date of delivery of the Series 2013_ Bonds, stating the initial reoffering price of the Series 2013_
Bonds to the public (excluding bond houses and brokers) and the price at which a substantial amount of
the Series 2013_ 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 Series 2013 Bonds will be delivered on or about _________, 2013, 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 ____________, 2013, 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 Series 2013_ Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Series 2013_ 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.

“Series 2013_ 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 Series 2013_ Bonds and the 9-digit CUSIP numbers for all Series 2013_ 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 Series 2013_ Bonds (including persons holding Series 2013_ Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds, as listed on Appendix A.

“Trustee” means the institution, if any, identified as such in the document under which the Series 2013_ 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
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 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) 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.”

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 Series 2013_ 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 Series 2013_ Bonds, or other material events affecting the tax status of the Series 2013_ 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 Series 2013_ 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 Series 2013 Bonds and the 9-digit CUSIP numbers for the Series 2013 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 Series 2013_ Bonds upon the legal defeasance, prior redemption or payment in full of all of the Series 2013_ Bonds, when the Issuer is no longer an obligated person with respect to the Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds or under any other document relating to the Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Series 2013_ 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**

<table>
<thead>
<tr>
<th>Name of Issuer</th>
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<tr>
<td>Obligated Person(s)</td>
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<tr>
<td>Name of Bond Issue:</td>
<td>________________________</td>
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<tr>
<td>Date of Issuance:</td>
<td>________________________</td>
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<td>Date of Official Statement</td>
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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 Series 2013_ 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:

E-15
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: ____________________________________________________________________________

COLUMBIA 1106052v2
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:

COLUMBIA 1106052v2
ORDINANCE NO. _____

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2013B, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $25,000,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

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

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

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

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

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

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

(e) In a referendum (the “Referendum”) held in the County on November 6, 2012, the following question was submitted to the qualified electors of the County:

Shall Beaufort County, South Carolina, issue general obligation bonds, not to exceed $25,000,000, representing a borrowing that at no time shall exceed 1 mill in debt service repayment, for the purpose of land preservation, by purchasing open land, development rights and conservation easements in all areas of Beaufort County, in order to alleviate traffic congestion in high growth areas and to protect water quality, natural lands, wildlife areas, farmland, parkland, recreational areas, coastal areas, rivers and wetlands,
provided that all expenditures shall be prioritized based upon an official criteria and ranking system establish for the County, and subject to an annual independent audit and provide that an amount, not to exceed twenty percent (20%) of the amount borrowed may be spent on improvements, outside the scope of general property maintenance, to those lands which have been acquired by Beaufort County, South Carolina under previous rural and critical lands programs and all such lands acquired under this current proposed borrowing?

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

(f) It is now in the best interest of the County for the County Council to provide for the issuance and sale of not exceeding $25,000,000 aggregate principal amount general obligation bonds of the County, the proceeds of which will be used for the following purposes: (i) funding the Referendum-approved projects; (ii) paying costs of issuance of the Series 2013B Bonds (hereinafter defined); and (iii) such other lawful purposes as the County Council shall determine.

(g) Pursuant to Ordinance No. 2012/10 enacted on August 13, 2012, County Council has adopted Written Procedures Related to Tax-Exempt Debt.

SECTION 2. Authorization and Details of Series 2013B Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding $25,000,000 aggregate principal amount general obligation bonds of the County to be designated “25,000,000 (or such lesser amount issued) General Obligation Bonds, Series 2013B or such other appropriate series designation, of Beaufort County, South Carolina” (the “Series 2013B Bonds”), for the purpose set forth in Section 1(f) and other costs incidental thereto, including without limiting the generality of such other costs, engineering, financial and legal fees.

The Series 2013B 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 Series 2013B Bonds maturing each year; shall be subject to redemption if such provision is in the best interest of the County; shall be numbered from R-1 upward; shall bear interest from their date payable at such times as hereinafter designated by the County Administrator and/or his lawfully-authorized designee at such rate or rates as may be determined at the time of the sale thereof; and shall mature serially in successive annual installments as determined by the County Administrator and/or his lawfully-authorized designee.

Wells Fargo Bank, N.A., Atlanta, Georgia, shall serve as registrar and paying agent (the “Registrar/Paying Agent”) for the Series 2013B Bonds.

SECTION 3. Delegation of Authority to Determine Certain Matters Relating to the Series 2013B Bonds. The County Council hereby delegates to the County Administrator or his lawfully-authorized designee the authority to determine: (a) the par amount of the Series 2013B Bonds; (b) the maturity dates of the Series 2013B Bonds and the respective principal amounts maturing on such dates; (c) the interest payment dates of the Series 2013B Bonds; (d) redemption provisions, if any, for the Series 2013B Bonds; (e) the date and time of sale of the Series 2013B Bonds; (f) the authority to receive bids on behalf of the County Council; and (g) the authority to award the sale of the Series 2013B Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Series 2013B Bonds.
After the sale of the Series 2013B Bonds, the County Administrator and/or his lawfully-authorized designee shall submit a written report to County Council setting forth the details of the Series 2013B Bonds as set forth in this paragraph.

SECTION 4. Registration, Transfer and Exchange of Series 2013B 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 Series 2013B 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 Series 2013B Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

Each Series 2013B 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 Series 2013B Bond the Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee a new fully registered Series 2013B Bond or Series 2013B Bonds, of the same aggregate principal amount, interest rate, and maturity as the surrendered Bond. Any Series 2013B Bond surrendered in exchange for a new registered Series 2013B 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 Series 2013B Bond shall be registered upon the registry books as the absolute owner of such Bond, whether such Series 2013B Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Series 2013B 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 Series 2013B 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 Series 2013B Bonds is exercised, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver Series 2013B 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 Series 2013B Bonds during the fifteen (15) days preceding an interest payment date on such Series 2013B 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 Series 2013B Bonds, and such record date shall be the fifteenth (15th) day (whether or not a business day) preceding an interest payment date on such Series 2013B Bond or in the case of any proposed redemption of Series 2013B 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 Series 2013B Bonds. In case any Series 2013B 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 Series 2013B 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 Series 2013B 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 Series 2013B Bond issued under the provisions of this Section in exchange and
substitution for any defaced, mutilated or partly destroyed Series 2013B Bond or in substitution for any
allegedly lost, stolen or wholly destroyed Series 2013B Bond shall be entitled to the identical benefits
under this Ordinance as was the original Series 2013B Bond in lieu of which such duplicate Series
2013B Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Series
2013B Bonds of the same series issued hereunder.

All expenses necessary for the providing of any duplicate Series 2013B Bond shall be borne by
the applicant therefor.

SECTION 7. Execution of Series 2013B Bonds. The Series 2013B 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 Series 2013B Bonds may be those of the officers who are in office on the
date of enactment of this Ordinance. The execution of the Series 2013B Bonds in such fashion shall be
valid and effectual, notwithstanding any subsequent change in such offices. The Series 2013B Bonds
shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a
certificate of authentication. Each Series 2013B Bond shall bear a certificate of authentication manually
executed by the Registrar in substantially the form set forth herein.

SECTION 8. Form of Series 2013B Bonds. The Series 2013B 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 Series 2013B 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 Series
2013B 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 Series 2013B Bonds as they
respectively mature and to create such sinking fund as may be necessary therefor; provided, however,
pursuant to the Referendum question, at no time shall any debt service payment on the Series 2013B
Bonds require the levy of more than one mill.

The County Council shall give the County Auditor and County Treasurer written notice of the
delivery of and payment for the Series 2013B 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 Series 2013B Bonds as they respectively mature and to create such sinking fund as may be
necessary therefor.

SECTION 10. Investment Contracts. County Council hereby authorizes the County
Administrator to execute such investment contracts and related documents as he determines to be in the
best interest of the County; provided that all such investments shall be permitted investments of public
funds as provided in Section 6-5-10 and 11-1-60, Code of Laws of South Carolina 1976 as amended.
SECTION 11. Notice of Public Hearing. The County Council hereby ratifies and approves the publication of a notice of public hearing regarding the Series 2013B 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 12. Exemption from State Taxes. Both the principal of and interest on the Series 2013B 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 Series 2013B Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Series 2013B Bonds to become includable in the gross income of the holders of the Series 2013B 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 Series 2013B Bonds. The County further covenants and agrees with the holders of the Series 2013B Bonds that no use of the proceeds of the Series 2013B Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Series 2013B Bonds would have caused the Series 2013B 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 Series 2013B 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 Series 2013B Bonds initially issued (the “Initial Series 2013B 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 Series 2013B 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 Series 2013B Bonds of the same maturity or any integral multiple of $5,000.

The Initial Series 2013B Bonds shall be issued in fully-registered form, one Series 2013B Bond for each of the maturities of the Series 2013B Bonds, in the name of Cede & Co., as the nominee of DTC. When any principal of or interest on the Initial Series 2013B 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 Series 2013B Bonds or their nominees in accordance with its rules and regulations.
Notices of redemption of the Initial Series 2013B 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 Series 2013B 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 Series 2013B Bonds together with an assignment duly executed by DTC, the County shall execute and deliver to the successor securities depository Series 2013B 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 Series 2013B 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 Series 2013B Bonds by mailing an appropriate notice to DTC, upon receipt by the County the Initial Series 2013B Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Series 2013B 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 Series 2013B Bonds will be issued as one single fully-registered bond and not issued through the book-entry system.

SECTION 15. Sale of Series 2013B Bonds, Form of Notice of Sale. The Series 2013B 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 C 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 Series 2013B 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 Series 2013B Bonds so that it may be provided to the purchaser of the Series 2013B 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 Series 2013B 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 Series 2013B Bonds shall be deposited with the County Treasurer in a special fund and shall be applied solely to the purposes for which the Series 2013B Bonds have been issued, including payment of costs of issuance of the Series 2013B Bonds, except that any premium shall be placed in the sinking fund established for the Series 2013B 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 Series 2013B Bonds, and such Series 2013B Bond or Series 2013B Bonds shall no longer be deemed to be outstanding hereunder when:

(a) such Series 2013B Bond or Series 2013B 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 Series 2013B 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 Series 2013B Bonds shall no longer be deemed to be outstanding hereunder, such Series 2013B Bonds shall cease to draw interest from the due date thereof and, except for the purposes of any such payment from such moneys or Government Obligations, shall no longer be secured by or entitled to the benefits of this Ordinance.

“Government Obligations” shall mean any of the following:

(i) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America;

(ii) non-callable, U. S. Treasury Securities - State and Local Government Series (“SLGS”);

(iii) general obligation bonds of the State, its institutions, agencies, school districts and political subdivisions; and

(iv) a defeasance obligation as defined in Section 6-5-10 of the S.C. Code as such as may be amended from time to time.
(c) Such Series 2013B Bond or Series 2013B Bonds shall be defeased as provided in Section 11-14-110 of the S.C. Code as such may be amended from time to time.

SECTION 21. Declaration of Intent to Reimburse Certain Expenditures. This Ordinance shall constitute the official delegation of authority to the County Administrator and/or the Chief Financial Officer to declare the official intent pursuant to Regulation §1.150-2 of the Treasury Regulations to reimburse the County from a portion of the proceeds of the Series 2013B Bonds for expenditures it anticipates incurring (the “Expenditures”) with respect to the projects set forth in Section 1 (e) and (f) hereof prior to the issuance of the Series 2013B Bonds. Such declaration of official intent shall be evidenced by a writing executed by either the Administrator and/or Chief Financial Officer and shall be made prior to the payment of the first of the applicable Expenditures to be reimbursed by the Series 2013B Bonds. The Expenditures which are reimbursed are limited to Expenditures which are: (a) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Regulation §1.150-2 of the Treasury Regulations) under general federal income tax principles; or (2) certain de minimis or preliminary Expenditures satisfying the requirements of Regulation §1.150-2(f) of the Treasury Regulations. The source of funds for the Expenditures with respect to these projects will be the County’s reserve funds or other legally available funds. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the Expenditures were paid; or (b) the date such projects were placed in service, but in no event more than three (3) years after the original Expenditures.

SECTION 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 Series 2013B 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 Series 2013B 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 Series 2013B 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 ______________, 2013.

BEAUFORT COUNTY, SOUTH CAROLINA

__________________________________________
Chair, County Council

(SEAL)

ATTEST:

______________________________
Clerk, County Council

First Reading: February 25, 2013
Second Reading: March 11, 2013
Public Hearing:
Third and Final Reading:
FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT
GENERAL OBLIGATION BOND, SERIES 2013

No. R-

INTEREST RATE
MATURE DATE
ORIGINAL ISSUE DATE
CUSIP

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 Series 2013B Bond at the principal office of Wells Fargo Bank, N.A., in the City of Atlanta, State of Georgia (the “Paying Agent”), and to pay interest on such principal amount from the date hereof at the rate per annum specified above until this Series 2013B Bond matures. Interest on this Bond is payable _______ 1, 20___, and semiannually on __________ 1 and __________ 1 of each year thereafter, until this Bond matures, and shall be payable by check or draft mailed to the person in whose name this Bond is registered on the registration books of the County maintained by the registrar, presently Wells Fargo Bank, N.A. in Atlanta, Georgia (the “Registrar”), at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, that interest on this fully registered Bond shall be paid by check or draft as set forth above.

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

For the payment hereof, both principal and interest, as they respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are irrevocably pledged and there shall be levied annually by the Auditor of the County and collected by the Treasurer of the County, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this Bond as they respectively mature and to create such sinking fund as may be necessary therefor.
This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, denomination, date of maturity, redemption provisions, and rate of interest, aggregating ___________________ Dollars ($______________), issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 15, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. _______ duly enacted by the County Council on _________________, 2013.

[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 Series 2013B 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

TEN ENT - As tenants by the entireties

JT TEN - As joint tenants

with right of survivorship and not as tenants in common

UNIF GIFT MIN. ACT

Custodian

(Cust.) (Minor)

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 Series 2013B 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
NOTE 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 March ___, 2013.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of General Obligation Bonds of Beaufort County, South Carolina, in the principal amount of not exceeding $25,000,000 (the “Series 2013_ Bonds”). The proceeds of the Series 2013_ Bonds will be used for the following purposes: (i) funding projects approved in the November 6, 2012, referendum held in the County; (ii) paying costs of issuance of the Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds.

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA
FORM OF NOTICE OF SALE

OFFICIAL NOTICE OF SALE

$___________ GENERAL OBLIGATION BONDS, SERIES 2013_,
OF BEAUFORT COUNTY, SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that sealed bids, facsimile bids and electronic bids will be received on behalf of Beaufort County, South Carolina (the “County”), ________________, Beaufort, South Carolina, until 11:00 a.m, South Carolina time, on ______________, ____________ __, 2013, at which time said proposals will be publicly opened for the purchase of $___________ General Obligation Bonds, Series 2013_, of the County (the “Series 2013_ Bonds”).

Sealed Bids: Each hand delivered proposal shall be enclosed in a sealed envelope marked “Proposal for $____________ General Obligation Bonds, Series 2013_, 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 Series 2013_ 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 Series 2013_ Bonds and each such Bond will be immobilized in the custody of DTC. DTC will act as securities depository for the Series 2013_ 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 Series 2013_ Bonds purchased. The winning bidder, as a condition to delivery of the Series 2013_ 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 ____________ , 2013; 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:

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal Amount*</th>
<th>Year</th>
<th>Principal Amount*</th>
</tr>
</thead>
</table>

*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 Series 2013_ 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 Series 2013_ Bonds. Such adjustment(s), if any, shall be made within twenty-four (24) hours of the award of the Series 2013_ Bonds. In order to calculate the yield on the Series 2013_ Bonds for federal tax law purposes and as a condition precedent to the award of the Series 2013_ 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 Series 2013_ Bonds will be reoffered to the public.

In the event of any adjustment of the maturity schedule for the Series 2013_ Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. Nevertheless, the award of the Series 2013_ Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Series 2013_ Bonds offered, without taking into account any adjustment in the amount of the Series 2013_ Bonds pursuant to this paragraph.

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

[Redemption Provisions]

Registrar/Paying Agent: Wells Fargo Bank, N.A., will serve as Registrar/Paying Agent for the Series 2013_ Bonds.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds will not be considered. In addition to the bid price, the successful bidder must pay accrued interest from the date of the Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds, results in an amount equal to the price bid for the Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

**Good Faith Deposit:** No good faith deposit is required.

**Bid Form:** Proposals should be enclosed in a separate sealed envelope marked “Proposal for $______________ General Obligation Bonds, Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ 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 Series 2013_ Bonds.

**Certificate as to Issue Price:** The successful bidder must provide a certificate to the County by the date of delivery of the Series 2013_ Bonds, stating the initial reoffering price of the Series 2013_ Bonds to the public (excluding bond houses and brokers) and the price at which a substantial amount of the Series 2013_ 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 _________, 2013, 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
This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of _________, 2013, 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 Series 2013 Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Series 2013 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 Series 2013 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, depositaries 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 Series 2013_ 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 Series 2013_ Bonds, as listed on Appendix A.

“Trustee” means the institution, if any, identified as such in the document under which the Series 2013_ 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
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 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) 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;
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;”

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 (i) 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 Series 2013_ 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 Series 2013_ Bonds, or other material events affecting the tax status of the Series 2013_ 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 Series 2013_ 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 Series 2013 Bonds and the 9-digit CUSIP numbers for the Series 2013 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 Series 2013 Bonds upon the legal defeasance, prior redemption or payment in full of all of the Series 2013 Bonds, when the Issuer is no longer an obligated person with respect to the Series 2013 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 Series 2013 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 Series 2013 Bonds or under any other document relating to the Series 2013 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 Series 2013 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 Series 2013 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 Series 2013_ 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 Series 2013_ Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Series 2013_ 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: __________________

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:

COLUMBIA 1106053v2
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: _______________________________________________________________________________

D-16

COLUMBIA 1106053v2
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:
ORDINANCE NO. ______

AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013C, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $37,500,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

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

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

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

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

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

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

(e) The assessed value of all the taxable property in the County as of June 30, 2012, is $1,799,824,859. Eight percent of the assessed value is $143,985,988. 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 $80,712,954. Thus, the County may incur not exceeding $63,273,034 of additional general obligation debt within its applicable debt limitation.

The 2006B Bonds (hereinafter defined) being refunded with the proceeds of the Series 2013C Bonds count against the County’s constitutional debt limit. Therefore, the portion of the par amount of the Series 2013C Bonds over and above the outstanding amount of the 2006B Bonds being refunded
subject to the County’s 8% constitutional debt limit will also count against the County’s constitutional
debt limit. The County intends to issue its not exceeding $7,750,000 General Obligation Bonds, Series 2013A, the proceeds of which will be used to retire the County’s original principal amount $2,500,000 General Obligation Bond Anticipation Notes, Series 2012B (the “Series 2012B BANS”) and the County’s original principal amount $5,000,000 General Obligation Bond Anticipation Notes, Series 2012D (the “Series 2012D BANS, together with the Series 2012B BANS, the “BANS”), both series of which count against the County’s 8% constitutional debt limit. Therefore, the difference between the par amount of the Series 2013A Bonds and the par amount of the BANS will also count against the County’s constitutional debt limit.

(f) Pursuant to the Constitution, statutory authorizations, and Ordinance No. 2006/11 duly enacted by the County Council on June 12, 2006, the County issued its original principal amount $17,500,000 General Obligation Bonds, Series 2006, dated November 2, 2006 (the “Series 2006 Bonds”). Pursuant to the Constitution, statutory authorizations, and Ordinance No. 2005/31 duly enacted by the County Council on August 22, 2005, the County issued its original principal amount $30,000,000 General Obligation Bonds, Series 2006B, dated November 30, 2006 (the “Series 2006B Bonds”).

(g) The Series 2006 Bonds are currently outstanding in the principal amount of $13,650,000. The 2006 Bonds maturing on or after March 1, 2017, are subject to redemption on or after March 1, 2016, at any time, at par plus interest accrued thereon to the date fixed to redemption. The Series 2006B Bonds are currently outstanding in the principal amount of $25,500,000. The Series 2006B Bonds maturing on or after March 1, 2017, are subject to redemption on or after March 1, 2016, at any time, at par plus interest accrued thereon to the date fixed to redemption.

(h) 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.

(i) 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 2006 Bonds (the “2006 Bonds to be Refunded”) and certain maturities of the Series 2006B Bonds (the “2006B Bonds to be Refunded,” together with the 2006 Bonds to be Refunded, the “Bonds to be Refunded”) because a savings can be effected through the refunding of such Bonds to be Refunded. 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.

(j) Pursuant to Ordinance No. 2012/10 adopted on August 13, 2012, the County Council adopted Written Procedures related to Tax-Exempt Debt.
(k) It is now in the best interest of the County for County Council to provide for the issuance and sale of not exceeding $37,500,000 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 Series 2013C 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 Series 2013C Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding $37,500,000 aggregate principal amount of general obligation refunding bonds of the County to be designated “$37,500,000 (or such lesser amount issued) General Obligation Refunding Bonds, (appropriate series designation), of Beaufort County, South Carolina” (the “Series 2013C 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 Series 2013C 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 2006 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 Series 2013C 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 Series 2013C 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 Series 2013C Bonds to the initial purchasers thereof.

Upon the award of the Series 2013C 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 Ordinance No. 2006/11 and Ordinance No. 2005/31 .

The Series 2013C 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 Series 2013C Bonds maturing each year; shall be subject to redemption if such provision is in the best interest of the County; shall be numbered from R-1 upward; shall bear interest from their date payable at such times as hereinafter designated by the County Administrator and/or his lawfully-authorized designee at such rate
or rates as may be determined at the time of the sale thereof; and shall mature serially in successive annual installments as determined by the County Administrator and/or his lawfully-authorized designee.

Wells Fargo Bank, N.A., Atlanta, Georgia, will serve as Registrar/Paying Agent for the Series 2013C Bonds.

SECTION 3. Delegation of Authority to Determine Certain Matters Relating to the Series 2013C 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 Series 2013C Bonds; (b) determine the maturity dates of the Series 2013C Bonds and the respective principal amounts maturing on such dates; (c) determine the interest payment dates of the Series 2013C Bonds; (d) determine the redemption provisions, if any, for the Series 2013C Bonds; (e) determine the date and time of sale of the Series 2013C Bonds; (f) receive bids on behalf of the County Council; (g) determine the Registrar/Paying Agent for the Series 2013C Bonds, and (h) award the sale of the Series 2013C Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Series 2013C Bonds.

After the sale of the Series 2013C Bonds, the County Administrator and/or his lawfully-authorized designee shall submit a written report to County Council setting forth the details of the Series 2013C Bonds as set forth in this paragraph.

SECTION 4. Registration, Transfer and Exchange of Series 2013C 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 Series 2013C 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 Series 2013C Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

Each Series 2013C 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 Series 2013C Bond the Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee a new fully registered Series 2013C Bond or Series 2013C Bonds, of the same aggregate principal amount, interest rate, and maturity as the surrendered Series 2013C Bond. Any Series 2013C Bond surrendered in exchange for a new registered Series 2013C 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 Series 2013C Bond shall be registered upon the registry books as the absolute owner of such Series 2013C Bond, whether such Series 2013C Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Series 2013C 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 Series 2013C 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 Series 2013C Bonds is exercised, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver Series 2013C 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 Series 2013C Bonds during the fifteen (15) days preceding an interest payment date on such Series 2013C 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 Series 2013C Bonds, and such record date shall be the fifteenth (15th) day (whether or not a business day) preceding an interest payment date on such Series 2013C Bond or in the case of any proposed redemption of Series 2013C 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 Series 2013C Bonds. In case any Series 2013C 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 Series 2013C 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 Series 2013C Bond, or in lieu of or in substitution for such lost, stolen or destroyed Series 2013C Bond. In any such event the applicant for the issuance of a substitute Series 2013C 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 Series 2013C 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 Series 2013C Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Series 2013C Bond or in substitution for any allegedly lost, stolen or wholly destroyed Series 2013C Bond shall be entitled to the identical benefits under this Ordinance as was the original Series 2013C Bond in lieu of which such duplicate Series 2013C Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Series 2013C Bonds of the same series issued hereunder.

All expenses necessary for the providing of any duplicate Series 2013C Bond shall be borne by the applicant therefor.

SECTION 7.  Execution of Series 2013C Bonds. The Series 2013C 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 Series 2013C Bonds may be those of the officers who are in office on the date of enactment of this Ordinance. The execution of the Series 2013C Bonds in such fashion shall be valid and effectual, notwithstanding any subsequent change in such offices. The Series 2013C Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.


SECTION 9.  Security for Series 2013C 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 Series 2013C 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 Series 2013C 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 Series 2013C 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 Series 2013C 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 Series 2013C 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 Series 2013C 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 Series 2013C Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Series 2013C Bonds to become includable in the gross income of the holders of the Series 2013C 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 Series 2013C Bonds. The County further covenants and agrees with the holders of the Series 2013C Bonds that no use of the proceeds of the Series 2013C Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Series 2013C Bonds would have caused the Series 2013C 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 Series 2013C 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
make such reports of such information at the time and places required by the Code.

SECTION 14. Book-Entry System. The Series 2013C Bonds initially issued (the “Initial Series 2013C 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 Series 2013C 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 Series 2013C Bonds of the same maturity or any integral multiple of $5,000.

The Initial Series 2013C Bonds shall be issued in fully-registered form, one Series 2013C Bond for each of the maturities of the Series 2013C Bonds, in the name of Cede & Co., as the nominee of DTC. When any principal of or interest on the Initial Series 2013C 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 Series 2013C Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption of the Initial Series 2013C 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 Series 2013C 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 Series 2013C Bonds together with an assignment duly executed by DTC, the County shall execute and deliver to the successor securities depository Series 2013C 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 Series 2013C 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 Series 2013C Bonds by mailing an appropriate notice to DTC, upon receipt by the County the Initial Series 2013C Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Series 2013C 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 Series 2013C Bonds will be issued as one single fully-registered bond and not issued through the book-entry system.

SECTION 15. Sale of Series 2013C Bonds, Form of Notice of Sale. The Series 2013C 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 Series 2013C 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 Series 2013C Bonds so that it may be provided to the purchaser of the Series 2013C 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 Series 2013C 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 Series 2013C 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 Series 2013C Bonds have been issued, including payment of costs of issuance of the Series 2013C 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 Series 2013C Bonds, and such Series 2013C Bond or Series 2013C Bonds shall no longer be deemed to be outstanding hereunder when:

(a) such Series 2013C Bond or Series 2013C 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 Series 2013C 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 Series 2013C Bonds shall no longer be deemed to be outstanding hereunder, such Series 2013C 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, counties and political subdivisions.

SECTION 21. 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 Series 2013C 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 Series 2013C 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 Series 2013C 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 March, 2013.

BEAUFORT COUNTY, SOUTH CAROLINA

_____________________________________
Chair, County Council

(SEAL)

ATTEST:

_____________________________________
Clerk, County Council

First Reading: February 25, 2013
Second Reading: March 11, 2013
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 2013_**

<table>
<thead>
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<th>No. R-</th>
<th>INTEREST RATE</th>
<th>MATURITY DATE</th>
<th>ORIGINAL ISSUE DATE</th>
<th>CUSIP</th>
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</table>

REGISTERED HOLDER:

PRINCIPAL AMOUNT: DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Beaufort County, South Carolina (the “County”), is justly indebted and, for value received, hereby promises to pay to the registered holder specified above, or registered assigns, the principal amount specified above on the maturity date specified above, upon presentation and surrender of this Bond at the principal office of Wells Fargo Bank, N.A. in Atlanta, Georgia (the “Paying Agent”), and to pay interest on such principal amount from the date hereof at the rate per annum specified above until this Bond matures. Interest on this Bond is payable ___ 1, 20__, and semiannually on ___ 1 and ___ 1 of each year thereafter, until this Bond matures, and shall be payable by check or draft mailed to the person in whose name this Bond is registered on the registration books of the County maintained by the registrar, presently Wells Fargo Bank, N.A. in Atlanta, Georgia (the “Registrar”), at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, that this 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, Chapters 15, 21 and 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. _______ duly enacted by the County Council on _________________, 2013.

[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

TEN ENT - As tenants by the
entireties

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

UNIF GIFT MIN. ACT

Custodian
(Cust.) (Minor)

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 ______________, 2013.

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 “Series 2013__ Bonds”). The proceeds of the bonds will be used for the following purposes: (i) refunding certain maturities of the County’s original principal amount $17,500,000 General Obligation Bonds, Series 2006, dated November 2, 2006, and its original principal amount $37,500,000 General Obligation Bonds, Series 2006B dated November 30, 2006; (ii) paying costs of issuance of the Series 2013__ 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 Series 2013__ 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 Series 2013__ 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 Series 2013__ Bonds.

COUNTY COUNCIL OF BEAUFORT COUNTY,
SOUTH CAROLINA
FORM OF NOTICE

NOTICE OF ADOPTION OF ORDINANCE

Notice is hereby given that on _________, 2013, the Beaufort County Council adopted an ordinance entitled: “ORDINANCE NO. _________ AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013C, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $37,500,000; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO” (the “Ordinance”).

The proceeds of the bonds will be used for the following purposes: (i) refunding certain maturities of the County’s original principal amount $17,500,000 General Obligation Bonds, Series 2006, dated November 2, 2006, and its original principal amount $37,500,000 General Obligation Bonds, Series 2006B dated November 30, 2006; (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
EXHIBIT D

FORM OF NOTICE OF SALE

OFFICIAL NOTICE OF SALE

$___________ GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013_,
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 ____________,
___________ __, 2013, at which time said proposals will be publicly opened for the purchase of
$___________ General Obligation Refunding Bonds, Series 2013_, of the County (the “Series 2013__
Bonds”).

Sealed Bids: Each hand delivered proposal shall be enclosed in a sealed envelope marked
“Proposal for $___________ General Obligation Refunding Bonds, Series 2013_, 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-

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 Series 2013__ Bonds: The Series 2013__ Bonds will be issued in fully-
registered form. One Series 2013__ 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 Series 2013__ Bonds and each such Series 2013__ Bond will be immobilized
in the custody of DTC. DTC will act as securities depository for the Series 2013__ 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 Series 2013__ Bonds maturing each year;
Purchasers will not receive physical delivery of certificates representing their interest in the Series
2013__ Bonds purchased. The winning bidder, as a condition to delivery of the Series 2013__ Bonds,
will be required to deposit the Series 2013__ Bond certificates representing each maturity with DTC.
The Series 2013__ Bonds will be issued in fully-registered form registered as to principal and interest; will be dated ____________ __, 2013; will be in denominations of $5,000 or any integral multiple thereof not exceeding the principal amount of Series 2013__ 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:

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal Amount*</th>
<th>Year</th>
<th>Principal Amount*</th>
</tr>
</thead>
</table>

*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 Series 2013__ 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 Series 2013__ Bonds. Such adjustment(s), if any, shall be made within twenty-four (24) hours of the award of the Series 2013__ Bonds. In order to calculate the yield on the Series 2013__ Bonds for federal tax law purposes and as a condition precedent to the award of the Series 2013__ 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 Series 2013__ Bonds will be reoffered to the public.

In the event of any adjustment of the maturity schedule for the Series 2013__ Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. Nevertheless, the award of the Series 2013__ Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Series 2013__ Bonds offered, without taking into account any adjustment in the amount of the Series 2013__ Bonds pursuant to this paragraph.

The Series 2013__ Bonds will bear interest from the date thereof payable semiannually on ______________ and ______________ of each year, commencing ______________, until they mature.

[Redemption Provisions]

**Registrar/Paying Agent:** Wells Fargo Bank, N.A., will serve as Registrar/Paying Agent for the Series 2013__ Bonds.

**Bid Requirements:** Bidders shall specify the rate or rates of interest per annum which the Series 2013__ 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 Series 2013__ Bonds of that maturity from their date to such maturity date. A bid for less than all the Series 2013__ 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 Series 2013__ Bonds will not be considered. In addition to the bid price, the successful bidder must pay accrued interest from the date of the Series 2013__ Bonds to the date of full payment of the purchase price.

**Award of Bid.** The Series 2013__ Bonds will be awarded to the bidder or bidders offering to purchase the Series 2013__ 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 Series 2013__ 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 Series 2013__ Bonds, results in an amount equal to the price bid for the Series 2013__ 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 Series 2013__ 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 Series 2013__ 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 2013__ 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 Series 2013__ Bonds supplied with the Official Statement.

**Official Statement:** Upon the award of the Series 2013__ 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 Series 2013__ 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 Series 2013__ 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 Series 2013__ Bonds the final approving opinion of McNair Law Firm, P.A., Columbia, South Carolina, which opinion shall accompany each Series 2013__ Bond, together with the usual closing documents, including a certificate of the County that no litigation is pending affecting the Series 2013__ Bonds.

**Certificate as to Issue Price:** The successful bidder must provide a certificate to the County by the date of delivery of the Series 2013__ Bonds, stating the initial reoffering price of the Series 2013__ Bonds to the public (excluding bond houses and brokers) and the price at which a substantial amount of the Series 2013__ 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 Series 2013 Bonds will be delivered on or about __________, 2013, 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
FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of ____________, 2013, 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 Series 2013 Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Series 2013 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 Series 2013 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, depositaries 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 Series 2013__ 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 Series 2013__ Bonds, as listed on Appendix A.

“Trustee” means the institution, if any, identified as such in the document under which the Series 2013__ 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 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) 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;
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;”

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.”

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 Series 2013__ 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 Series 2013__ Bonds, or other material events affecting the tax status of the Series 2013__ 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 Series 2013__ 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 Series 2013__ Bonds and the 9-digit CUSIP numbers for the Series 2013__ 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 Series 2013__ Bonds upon the legal defeasance, prior redemption or payment in full of all of the Series 2013__ Bonds, when the Issuer is no longer an obligated person with respect to the Series 2013__ 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 Series 2013__ 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 Series 2013__ Bonds or under any other document relating to the Series 2013__ 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 Series 2013__ 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 Series 2013__ 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 Series 2013 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 Series 2013 Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Series 2013 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: ________________________
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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:
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:

COLUMBIA 1105494v2
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:
ORDINANCE 2013 /

ST. HELENA ISLAND ZONING MAP AMENDMENT FOR R300-018-000-0290-0000 (6.55 ACRES, A PORTION OF 74.72 ACRES; SOUTH OF SEASIDE ROAD) FROM RESOURCE CONSERVATION (RC) TO RURAL (R).

Adopted this ____ of April, 2013.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: ______________________________________
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

___________________________
Joshua A. Gruber, Staff Attorney

ATTEST:

______________________________
Suzanne M. Rainey, Clerk to Council

First Reading: March 11, 2013
Second Reading: March 25, 2013
Public Hearing:
Third and Final Reading:
ZONE DISTRICT

CURRENT ZONING

SEASIDE DRIVE

FOCUS AREA

St Helena Island

AMENDED TO

SEASIDE DRIVE

FOCUS AREA

St Helena Island

ZONING AMENDMENT

From Resource Conservation [RC] To Rural [R]

PORTION OF R300 018 000 0290 0000
TEXT AMENDMENTS TO THE BEAUFORT COUNTY ZONING AND DEVELOPMENT STANDARDS ORDINANCE/ZDSO, APPENDIX I. LADY’S ISLAND COMMUNITY PRESERVATION AREA, DIVISION 2, LADY’S ISLAND EXPANDED HOME BUSINESS DISTRICT, SECTION 2.5B, LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS; DIVISION 3, NEIGHBORHOOD ACTIVITY CENTER, SECTION 3.5, LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS; AND DIVISION 5, VILLAGE CENTER, SECTION 5.5, LIMITED AND SPECIAL USE STANDARDS FOR GAS-CONVENIENCE MARTS, TO INCREASE THE MAXIMUM SIZE OF CONVENIENCE STORES IN THESE DISTRICTS FROM 2,500 TO 4,000 SQUARE FEET.

Whereas, Standards that are underscored shall be added text and Standards lined through shall be deleted text.

Adopted this ___ day of April, 2013.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY:____________________________________
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

______________________________
Joshua A. Gruber, Staff Attorney

ATTEST:

______________________________
Suzanne M. Rainey, Clerk to Council

First Reading: March 11, 2013
Second Reading: March 25, 2013
Public Hearing:
Third and Final Reading:
DIVISION 2. LADY’S ISLAND EXPANDED HOME BUSINESS DISTRICT (LIEHB)

Sec. 2.5. Limited and special use standards.

B. Gas-convenience marts.

(7) The portion of the principal structure dedicated to sales-related uses gross floor area of the principal structure shall not exceed 2,500 4,000 square feet.

DIVISION 3. NEIGHBORHOOD ACTIVITY CENTER (NAC)

Sec. 3.5. Limited and special use standards.

GAS-CONVENIENCE MARTS

- The portion of the principal structure dedicated to sales-related uses gross floor area of the principal structure shall not exceed 2,500 4,000 square feet.

DIVISION 5. VILLAGE CENTER (VC)

Sec. 5.5. Limited and special use standards.

GAS-CONVENIENCE MARTS

- The portion of the principal structure dedicated to sales-related uses gross floor area of the principal structure shall not exceed 2,500 4,000 square feet.
NOTICE IS HEREBY GIVEN that on April 08, 2013 at 6:00pm in Beaufort County Council Chambers at the Beaufort County Administration Building, 100 Ribaut Road, Beaufort, SC, Beaufort County will hold a public hearing concerning an application to be submitted to South Carolina Department of Commerce, Grants Administration on or about April 15, 2013 for a Community Development Block Grant. Beaufort County is requesting $500,000 to carry out the following activities.

Beaufort County is proposing to use CDBG funds to extend water service to residents in the Stuart Point community to serve approximately 235 residents of which 55% are low to moderate income. The streets covered as part of the project are: Stuart Point Road, McNeal Circle, Crystal Street, Bernice Lane, Fred Lane, Gillison Loop, Twelve Oaks, Young Circle, Bessies Lane, Herbert Lane, Mamas Lane, Pearl Lane, Cornelius Drive, Yarrow Lane, Ballpark Road, Delaney Circle, Cuyler Lane and Creekmore Lane in Beaufort, SC.

This public hearing and the matters to be discussed are subject to the provisions of Beaufort County’s Citizen Participation Plan, developed in anticipation of participation in the State of South Carolina’s Community Development Block Grant (CDBG) Program, providing for the participation of the citizens of Beaufort County in the planning and implementation of community and economic development projects which will involve CDBG funds. The Citizen Participation Plan is available for review at Beaufort County Administration Building, 100 Ribaut Road, Beaufort, SC between the hours of 9:00am and 5:00pm Monday through Friday. The Citizen Participation Plan and the application are available for review at Lowcountry Council of Governments, 634 Campground Road, Yemassee, SC. Persons with questions or comments concerning the public hearing or the Citizen Participation Plan may contact Michelle Knight, PO Box 98, Yemassee, SC 29945 (843) 726-5536.

Beaufort County does not discriminate on the basis of age, color, religion, sex, national origin, familial status or disability in the admission or access to, or treatment or employment in its federally assisted programs or activities. Joshua A. Gruber, County Attorney for Beaufort County, PO Box 1228, Beaufort, SC 29901-1228, (843) 255-2055 has been designated to coordinate compliance with the nondiscrimination requirements contained in the U.S. Department of Housing and Urban Development’s regulations.

Note: If the location where the public hearing is to be held is not accessible to the disabled, the public notice must state that assistance will be provided to accommodate the special needs of disabled persons, upon request.