

COUNTY COUNCIL OF BEAUFORT COUNTY
ADMINISTRATION BUILDING
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D. PAUL SOMMERVILLE
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GERALD W. STEWART
VICE CHAIRMAN

COUNCIL MEMBERS

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COUNTY ADMINISTRATOR

JOSHUA A. GRUBER
DEPUTY COUNTY ADMINISTRATOR
SPECIAL COUNSEL

THOMAS J. KEAVENY, II
COUNTY ATTORNEY

ASHLEY M. BENNETT
CLERK TO COUNCIL

AGENDA
COUNTY COUNCIL OF BEAUFORT COUNTY
REGULAR SESSION

Monday, June 12, 2017

6:00 p.m.

Council Chambers, Administration Building
Beaufort County Government Robert Smalls Complex
100 Ribaut Road, Beaufort

1. CALL TO ORDER - 6:00 P.M.
2. REGULAR SESSION
3. PLEDGE OF ALLEGIANCE
4. INVOCATION – Councilman Alice G. Howard
5. MOMENT OF SILENCE - Lance Corporal Syreeta Parks, Correctional Officer
Beaufort County Detention Center
6. PROCLAMATION
 - A. Mosquito Control Awareness Week
7. RECOGNITION
 - A. Bluffton Parks and Leisure Services Girls Basketball League (Ages 9-10) / State Champions
 - B. Dixie Boys Baseball, Inc. / Bernie Varnadore Scholarship Award
8. ADMINISTRATIVE CONSENT AGENDA
 - A. Approval of Minutes
 1. May 22, 2017 Caucus ([backup](#))
 2. May 22, 2017 Regular Session ([backup](#))
 - B. Committee Reports (next meeting)
 1. Community Services (July 24 at 3:00 p.m., ECR)
 - a. Minutes – May 22, 2017 ([backup](#))
 2. Executive (August 14 at 3:00 p.m., ECR)
 3. Finance (June 19 at 4:00 p.m., ECR)
 - a. Minutes – May 22, 2017 ([backup](#))
 - b. Minutes – May 18, 2017 ([backup](#))
 4. Governmental (August 7 at 4:00 p.m., ECR)
 5. Natural Resources (June 19 at 2:00 p.m., ECR)
 6. Public Facilities (June 26 at 3:00 p.m., ECR)
 - a. Minutes – May 15, 2017 ([backup](#))
 - C. Appointments to Boards and Commissions ([backup](#))



9. PUBLIC COMMENT – Speaker sign-up encouraged no later than 5:45 p.m. day of meeting.

10. OLD BUSINESS

- A. CHIEF MAGISTRATE PETITION FOR REDRESS OF COUNTY ADMINISTRATOR DECISION TO PROVIDE MAGISTRATES WITH THE SAME PERQUISITES (FRINGE BENEFITS) AS THOSE EMPLOYEES OF THE COUNTY OF SIMILAR POSITION AND SALARY BEGINNING FY 2018

11. CONSENT AGENDA

- A. A RESOLUTION ORDERING A BOND REFERENDUM TO BE HELD IN THE FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA, ON THE QUESTION OF THE ISSUANCE OF NOT EXCEEDING \$5,500,000 OF GENERAL OBLIGATION BONDS OF FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA; PROVIDING FOR THE FORM OF THE BALLOT TO BE USED; PROVIDING FOR NOTICE OF THE REFERENDUM; AND PROVIDING FOR OTHER MATTERS RELATING THERETO ([backup](#))

1. Consideration of adoption to occur June 12, 2017
2. Finance Committee discussion and recommendation to adopt resolution occurred June 5, 2017 / Vote 7:0

- B. CONTRACT AWARD / ENGINEERED MATERIALS ARRESTING SYSTEM (EMAS) FOR HILTON HEAD ISLAND AIRPORT ([backup](#))

1. Contract Award: Zodiac Arresting Systems America (ZASA), Logan Township, New Jersey
2. Amount: \$2,344,000
3. Funding Source: 90% via FAA AIP Grant, 5% through SCAC Grant 16-039 and 5% via Hilton Head Island Airport Capital Projects Fund
4. Finance Committee discussion and recommendation to approve contract occurred June 5, 2017 / Vote 7:0

- C. FISCAL YEAR 2017 – 2018 AIRPORTS BUDGET (ENTERPRISE FUND) ([backup](#))

1. Consideration of second reading approval to occur on June 12, 2017
2. Public hearing - Monday, June 26, 2017 beginning at 6:30 p.m., in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
3. First reading, by title only, approval occurred on May 22, 2017 / Vote 11:0
4. Finance Committee discussion occurred May 22, 2017

- D. FISCAL YEAR 2017 – 2018 STORMWATER MANAGEMENT UTILITY BUDGET (ENTERPRISE FUND) ([backup](#))

1. Consideration of second reading approval to occur on June 12, 2017
2. Public hearing - Monday, June 26, 2017 beginning at 6:30 p.m., in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
3. First reading, by title only, approval occurred on May 22, 2017 / Vote 11:0
4. Finance Committee discussion to occurred May 22, 2017

E. PORT ROYAL ISLAND ZONING MAP AMENDMENT FOR R100 040 000 0209 0000, (12 ACRES LOCATED ALONG BAY PINES ROAD); FROM T2-RURAL DISTRICT TO S1-INDUSTRIAL DISTRICT ([backup](#))

1. Consideration of second reading approval to occur on June 12, 2017
2. Public hearing - Monday, June 26, 2017 beginning at 6:30 p.m., in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
3. First reading approval occurred on May 22, 2017 / Vote 11:0
4. Natural Resource Committee recommendation to approve on first reading occurred May 15, 2017 / Vote 7:0

F. TEXT AMENDMENTS TO THE BEAUFORT COUNTY COMMUNITY DEVELOPMENT CODE (CDC): ([backup](#))

- SECTION 1.3.50 EXEMPTIONS (ADDS REQUIREMENT TO COMPLY WITH HISTORIC PRESERVATION STANDARDS);
 - SECTION 2.2.50 LOTS (SPECIFIES MINIMUM WIDTHS OF FLAG LOTS);
 - SECTION 2.2.60 ACCESS MANAGEMENT (ALLOWS BUILDINGS TO FRONT MAJOR ROADWAYS WHILE TAKING ACCESS FROM A REAR STREET OR ALLEY);
 - TABLE 3.1.70 LAND USE DEFINITIONS (AMENDS “CAMPGROUND” TO SPECIFY TWO OR MORE RECREATIONAL VEHICLES/RVS ON A SINGLE PROPERTY);
 - SECTION 5.6.120 FREESTANDING SIGNS (ESTABLISHES MINIMUM 10-FOOT SETBACK FROM RIGHT-OF-WAY (ROW));
 - TABLE 5.8.50.F. EXISTING TREES IN THOROUGHFARE BUFFER (ADDS RETENTION REQUIREMENT OF EXISTING TREES 6-INCHES DBH IN THOROUGHFARE BUFFERS);
 - SECTION 5.8.110.B.4. PERFORMANCE GUARANTEE (ESTABLISHES A TWO-YEAR SURVIVAL BOND FOR LANDSCAPING);
 - SECTION 5.11.90 FORESTS (ADDS NEW SUBSECTION THAT PROMOTES INTERCONNECTIVITY OF PRESERVED FOREST HABITAT);
 - SECTION 5.11.100.B. SPECIMEN TREES (ADDS LONGLEAF PINE AND BLACK CHERRY AS SPECIMEN TREES AT 16 INCHES (DBH)); AND
 - SECTION 6.2.70 MAINTENANCE GUARANTEE (CROSS-REFERENCES THE LANDSCAPING SURVIVAL BOND FROM SECTION 5.8.110.B.4)
1. Consideration of second reading approval to occur on June 12, 2017
 2. Public hearing - Monday, June 26, 2017 beginning at 6:30 p.m., in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
 3. First reading approval occurred on May 22, 2017 / Vote 11:0
 4. Natural Resource Committee recommendation to approve on first reading occurred May 15, 2017 / Vote 7:0

G. AN ORDINANCE OF BEAUFORT COUNTY COUNCIL CREATING A SPECIAL TAX ASSESSMENT FOR REHABILITATED HISTORIC PROPERTIES IN THE GEOGRAPHICAL BOUNDARIES KNOWN AS DAUFUSKIE ISLAND ([backup](#))

1. Consideration of second reading approval to occur on June 12, 2017
2. Public hearing - Monday, June 26, 2017 beginning at 6:30 p.m., in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
3. First reading approval occurred on May 22, 2017 / Vote 11:0
4. Natural Resource Committee recommendation to approve on first reading occurred May 15, 2017 / Vote 7:0

H. A RESOLUTION AUTHORIZING THE BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION TO NEGOTIATE THE SCOPE AND FEES OF AN AGREEMENT TO BE ENTERED INTO BY AND BETWEEN BEAUFORT COUNTY AND THE SOUTHERNCAROLINA ALLIANCE FOR AGREED UPON ECONOMIC DEVELOPMENT SERVICES ([backup](#))

1. Consideration of adoption to occur June 12, 2017
2. Governmental Committee discussion and recommendation to adopt resolution occurred June 5, 2017 / Vote 7:0

I. A RESOLUTION TO COMMISSION ANIMAL SERVICE OFFICER TO ENFORCE BEAUFORT COUNTY ANIMAL ORDINANCES FOR BEAUFORT COUNTY PURSUANT TO THE AUTHORITY GRANTED IN SECTION 4-9-145 OF THE *CODE OF LAWS OF SOUTH CAROLINA*, 1976, AS AMENDED ([backup](#))

1. Consideration of adoption to occur June 12, 2017
2. Governmental Committee discussion and recommendation to adopt resolution occurred June 5, 2017 / Vote 7:0

12. PUBLIC HEARINGS

A. AN ORDINANCE AUTHORIZING THE FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA, TO ISSUE GENERAL OBLIGATION BONDS IN A PRINCIPAL AMOUNT NOT EXCEEDING \$5,500,000, SUBJECT TO A SUCCESSFUL REFERENDUM IN THIS DISTRICT; AND OTHER MATTERS RELATING THERETO (FRIPP ISLAND PUBLIC SERVICE DISTRICT) ([backup](#))

1. Consideration of third and final reading to occur on June 12, 2017
2. Second reading approval occurred May 8, 2017 / Vote 11:0
3. First reading approval occurred April 24, 2017 / Vote 10:0
4. Finance Committee discussion and recommendation to approve ordinance on first reading occurred April 24, 2017 / Vote 6:0

B. FISCAL YEAR 2017 – 2018 COUNTY BUDGET PROPOSAL ([backup](#))

1. Consideration of third and final reading to occur on June 12, 2017
2. Second reading approval occurred May 22, 2017 / Vote 11:0
3. Public hearing one of two held May 22, 2017
4. Finance Committee discussion to occurred May 22, 2017
5. Finance Committee discussion occurred May 18, 2017
6. First reading, by title only, occurred May 8, 2017 / Vote 11:0
6. Finance Committee discussion occurred May 1, 2017
7. Finance Committee discussion occurred April 24, 2017
8. Strategic Planning Session discussion occurred February 10, 2017

C. FISCAL YEAR 2017 – 2018 SCHOOL DISTRICT BUDGET PROPOSAL ([backup](#))

1. Consideration of third and final reading to occur on June 12, 2017
2. Second reading approval occurred May 22, 2017 / Vote 11:0
3. Public hearing one of two held May 22, 2017
4. Finance Committee discussion and recommendation to approve ordinance on second reading occurred May 18, 2017 / Vote 5:0
5. First reading, by title only, occurred May 8, 2017 / Vote 11:0
5. Finance Committee discussion occurred May 1, 2017
6. Finance Committee discussion occurred April 10, 2017

13. MATTERS ARISING OUT OF EXECUTIVE SESSION

14. PUBLIC COMMENT - Speaker sign-up encouraged.

15. ADJOURNMENT

Official Proceedings
County Council of Beaufort County
May 22, 2017

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

A caucus of the County Council of Beaufort County was held Monday, May 22, 2017 beginning at 4:30 p.m. in the Large Meeting Room, Bluffton Branch Library, 120 Palmetto Way, Bluffton, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart and Councilmen Rick Caporale, Michael Covert, Gerald Dawson, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, Stewart Rodman and Roberts "Tabor" Vaux.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Glover, seconded by Mr. Vaux, that Council go immediately into executive session regarding the (1) discussion of employment of a person regulated by County Council; (2) discussion incident to proposed contractual negotiations with a prospective economic development prospect (Project Tetris and Project Solar); and (3) discussion of negotiations incident to proposed contractual arrangements and proposed purchase of properties (Project 2017-C, Project 2017-D, and Project 2017-E). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

EXECUTIVE SESSION

Council adjourned at 6:00 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

ATTEST

Ashley M. Bennett, Clerk to Council

Ratified:

Official Proceedings
County Council of Beaufort County
May 22, 2017

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

The regular session of the County Council of Beaufort County was held Monday, May 22, 2017 beginning at 6:00 p.m. in the Large Meeting Room, Bluffton Branch Library, 120 Palmetto Way, Bluffton, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart and Councilmen Rick Caporale, Michael Covert, Gerald Dawson, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, Stewart Rodman and Roberts "Tabor" Vaux.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

INVOCATION

Council member York L. Glover gave the Invocation.

ADMINISTRATIVE CONSENT AGENDA

Review of the Proceedings of the Caucus held May 8, 2017

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Fobes, seconded by Mr. Flewelling, that Council approve the minutes of the caucus held May 8, 2017. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

Review of the Proceedings of the Regular Session held May 8, 2017

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Fobes, seconded by Mr. Flewelling, that Council approve the minutes of the regular session held May 8, 2017. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

Committee Reports

Finance Committee

Update from May 22, 2017 Finance Committee Meeting

Mr. Stewart, as Finance Committee Chairman, stated in the May 22, 2017 meeting the Committee reviewed Fiscal Year 2017-2018 Airports Budget and Fiscal Year 2017 – 2018 Stormwater Management Utility Budget. These budgets are on this evening's agenda for approval on first reading, by title only. In addition, the Committee reviewed and recommended approval of a contract award to Southern Atlantic Mechanical Company, Charleston, South Carolina in the amount of \$2,345,000.

Mr. Covert recused himself, left the room, and was not present during any of the discussion. There is no direct conflict; however, Mr. Covert is President and Managing Member of Covert Aire, LLC and feels there is the possibility of perceived conflict by the public.

It was moved by Mr. Rodman, no second required, that Council award a contract to Southern Atlantic Mechanical Company, Charleston, South Carolina in the amount of \$2,345,000 to provide HVAC services and equipment for various Beaufort County locations. Funding will come from 2014A General Obligation Bonds, Account 40090011-54431. The vote: YEAS – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. RECUSED – Mr. Covert. Mr. Covert recused himself, left the room, and was not present during any of the discussion. There is no direct conflict; however, Mr. Covert is President and Managing Member of Covert Aire, LLC and feels there is the possibility of perceived conflict by the public. The motion passed.

Mr. Covert returned to the meeting.

Mr. Stewart stated the School District (District) general fund budget at first reading, by title only, was 115 mills. On May 18, 2017, the Finance Committee recommended Council approve on second reading the FY2017-2018 District general fund budget at 113.5 mills to fund school operations. The reason for the reduction is additional revenues are being received by the District. Due to the increased revenue in the current fiscal year, the District will be receiving approximately \$6 million more than their expenditures, which will be going into the reserve fund. We have requested the District to spend approximately \$4 million of the \$6 million going into the reserves, for operations this coming year. Their budget will still allow them to spend the entire expenditures proposed, to include mandates, inflation costs, absorb State cuts, cover fully the locality supplement (housing stipend), and all other items proposed.

Governmental Committee

Daufuskie Island Fire District Board

Carol Rizzo Baum

The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. Ms. Carol Rizzo Baum garnered the six votes required for appointment to serve as a member of the Daufuskie Island Fire District Board.

Beaufort Memorial Hospital Board

Stacey Johnston

The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. Dr. Stacey Johnston garnered the six votes required for appointment to serve as a member of the Beaufort Memorial Hospital Board.

Public Facilities Committee

Solid Waste and Recycling Board

Public Facilities Committee nominated Mr. David Uehling, representing Solid Waste District 6, for reappointment to serve as a member of the Solid Waste and Recycling Board.

PUBLIC COMMENT

Mr. Martin Kent, President, Scratch Golf, LLC and applicant for Hilton Head National Golf Club, spoke in favor of the rezoning proposal. There have been numerous public and private meetings with the County, business leaders and the community. He referenced an email sent to County Council on May 22, 2017 from Mr. George Bullwinkel, III, counsel, Nexsen and Pruett, which outlines the numerous meetings that have taken place over the last three years and requests approval of the zoning application. If the County wishes to continue to negotiate in good faith, we request to do so with the full Council present, in a format that enables the public to be present and hear that process. If Council is not interested in that proposal, he requested Council render an up or down decision tonight.

Ms. Edie Phillips, a Science Department Chairman and Hilton Head Island resident, encouraged teachers to expand their horizons with professional development and growth opportunities. She requests Council to fund the locality supplement for the quality of the education of our students. This benefit increases teacher retention.

Mr. Collins Doughtie, a Bluffton resident, spoke against the Hilton Head National Golf Club rezoning proposal. He finds the Comprehensive Plan for southern Beaufort County obsolete and needing review.

Mr. Rick Sweet, a Bluffton resident, referenced a *Bluffton Sun* newspaper article titled, “We’ve followed the Code,” printed on April 18, 2017. It is the best article in reference to the Hilton Head National Golf Club debacle. He quoted statements and various lies of the developers and representatives from Hilton Head National Golf Club. It is time to end the abomination and vote “no” to this rezoning proposal tonight.

Mr. Chris Short, a Bluffton resident, stated the Hilton Head National Golf Club rezoning proposal would allow 5,000 people per square mile. This is not acceptable. Over 3,000 people signed a petition asking Council to vote “no” for this rezoning. “No” can be the only answer.

Mr. Ben Banks, a Bluffton resident, stated the Development Agreement Subcommittee worked diligently. The developers worked diligently on the project as well. He asked that Council members north of the Broad River join Council members south and say “no” to the rezoning proposal for Hilton Head National Golf Club. Council needs to re-examine the Community Development Code. If there are additional negotiations, they need to happen in open session.

Mr. Chuck Dulcie, President, Accuratelithography, stated Hilton Head National Golf Club rezoning proposal would ruin our way of life. Please vote “no.” Any Councilman who votes in favor of this, he promised to donate free printing to anyone who wants to oppose such member of Council (for election) in the future.

Mr. Tom Gardo, a Beaufort County resident, believes the context of the Hilton Head National Golf Club issue is significant and has a significant bearing. Hilton Head National Golf Club was special. It was the first genuine public golf course in this area. It would still be like that today, but, in 2006, the public urged Council to have a bond referendum to build new roadways across the County. County Council authorized that referendum. That vote set into motion the construction of the Bluffton Parkway, which ripped apart Hilton Head National Golf Club. The long-term viability of the business model was gone. Defer the decision and continue negotiations until a just-and-mutually beneficial plan is in place.

Mr. Duncan Aspen-Wallwinter, a teacher at Hilton Head Island High School, thanked Council for supporting the locality supplement. In addition, as a resident of Pritchardville, he would like to see Hilton Head National Gold Club turned into greenspace. If that cannot happen, please vote “no.”

Mr. Charles Stewart asked Council to vote “no” for Hilton Head National Golf Club rezoning proposal. There is no real plan on the table, only density shopping. How can you vote on a possibility? The blanket development agreement is ridiculous.

Mr. Jimmy McIntire spoke against the Hilton Head National Golf Club rezoning proposal. Why did we turn down the Semmler Project? It was for the same reason.

Mr. Berry Edwards, a Beaufort County resident, stated he has worked in 19 different states and all matters of development. This is pitiful. This is a disgrace. It is an abomination for the people in this County. We should take this property off the market and preserve it for future generations.

Ms. Maryann Bromley, a Moss Creek resident, spoke against the Hilton Head National Golf Club rezoning proposal. The Moss Creek Security Office has videos of the stop-and-go traffic between the hours of 6:30 a.m. to 9:30 a.m. What is going to happen when tourism picks up this summer?

Ms. Alda Barfield, a Beaufort resident, spoke about the Seminole County Public Schools Environmental Studies Center. Perhaps, Beaufort County would be interested in building an environmental center on the Hilton Head National Golf Club property. Put the brakes on the rezoning proposal.

Ms. Carol Hayes spoke in favor of her property rights. She does not want her neighborhood ruined by the Hilton Head National Golf Club rezoning proposal. This proposal is absurd. Why should we put up with this? Why consider this? Handle the issue pursuant to a contract. The approved density should not exceed the allowable density of Bluffton, as it exists today.

Ms. Cathy Sanderson, a Beaufort resident, hoped the sentiments of all had gotten through to the heart of Mr. Palmer. This is our community. Make the land into something we all envision for this community. Get your heart back. Turn it to gold instead of greed.

Ms. Rosalie Richman, a Bluffton resident, stated the water quality is diminishing following last year's drought. The water smelled. She had to purchase a filtration system in order to correct the problem. Over development of this area will cause a severe water problem.

Ms. Cameron Fishback, a golf manager, stated keep Hilton Head National Golf Club as is. It gives jobs to young people. There are no other golf courses in the area without houses.

Mr. Matt Shoemaker, a Bluffton resident, spoke against Hilton Head National Golf Club rezoning proposal. This is not feasible. Please vote "no."

Mr. Michael Lamburth, a resident of Baynard Park, said his family came here because they fell in love with this place. The rampant growth over the last ten years is making them consider leaving. Traffic is bad. This rezoning proposal will only make this worse. Please protect the "Bluffton State of Mind."

ITEM REMOVED FROM CONSENT AGENDA

SOUTHERN BEAUFORT COUNTY ZONING MAP AMENDMENTS FOR R600-040-000-001C-0000 (299.202 ACRES LOCATED ON THE NORTH AND SOUTH SIDES OF THE BLUFFTON PARKWAY AND EAST OF MALPHRUS ROAD; KNOWN AS HILTON HEAD NATIONAL GOLF COURSE); FROM T2-RURAL DISTRICT TO T3-NEIGHBORHOOD, T4-NEIGHBORHOOD CENTER, AND T4-HAMLET CENTER OPEN DISTRICTS

Main motion #1 (motion to approve): It was moved by Mr. Flewelling, as Natural Resources Chairman, no second required, that Council approve on first reading Southern Beaufort County Zoning Map amendments for R600-040-000-001C-0000 (299.202 acres located on the north and south sides of Bluffton Parkway and east of Malphrus Road; known as Hilton Head National Golf Course); from T2-Rural District to T3-Neighborhood, T4-Neighborhood Center, and T4-Hamlet Center Open Districts.

Mr. Vaux removed this item from the consent agenda. At the May 15, 2017 meeting of the Natural Resources Committee, the Committee agreed to revisit future growth in southern Beaufort County and review the Community Development Code. Today is the first time Mr. Kent and/or his company, Scratch Golf, LLC, has requested these negotiations to occur in public session. Prior to tonight, all requests have been to discuss behind closed doors. He appreciates the request for future public discussion on this matter and he asks Mr. Kent not to go back on his word. There have been no complaints from Scratch Golf, LLC throughout the Development Agreement Subcommittee process, other than not liking the results. We will revisit this, if another application is submitted. The Development Agreement Subcommittee (Subcommittee) said we could support rezoning 130 acres of the 300 owned. Your company said “no.” Therefore, the Subcommittee recommended not entering into a development agreement with Scratch Golf, LLC for the following reasons: (1) The application did not address a demonstrated community need. (2) It was not requested due to a changed condition. (3) It is unreasonable in size, scope and magnitude. (4) The application is not consistent with the existing uses surrounding the land. (5) It is inconsistent with the goals and policies of the Beaufort County Comprehensive Plan. (6) It would adversely impact nearby lands. (7) It would threaten the health, safety and welfare of the community. It was a recommendation of the Subcommittee that we not enter into a development agreement with Scratch Golf, LLC and the application denied.

Motion to amend by substitution #1 (motion to deny): It was moved by Mr. Vaux, seconded by Mr. Covert, that Council deny Southern Beaufort County Zoning Map Amendments for R600-040-000-001C-0000 (299.202 acres located on the north and south sides of Bluffton Parkway and east of Malphrus Road; known as Hilton Head National Golf Course); from T2-Rural District to T3-Neighborhood, T4-Neighborhood Center, and T4-Hamlet Center Open Districts.

Mr. Sommerville provided a history of this item. This rezoning request came before the Natural Resources Committee on December 19, 2016 as a recommendation to approve from the Planning Commission. At that meeting, the Natural Resources Committee discussed and recommended

approval. Council directed the Natural Resources Committee to form a Development Agreement Subcommittee on January 9, 2017. On January 17, 2017, the Natural Resources Committee Chairman appointed a Development Agreement Subcommittee for discussion and recommendation of the rezoning application. The Development Agreement Subcommittee terminated negotiations on May 4, 2017 due to the inability to reach an agreement. The proposal Council is voting tonight is the recommendation to approve that came out of the December 19, 2016 meeting of the Natural Resources Committee.

Mr. Flewelling stated there is a motion on the floor from the Natural Resources Committee recommending Council approve on first reading Southern Beaufort County Zoning Map amendments for R600-040-000-001C-0000 (299.202 acres located on the north and south sides of Bluffton Parkway and east of Malphrus Road; known as Hilton Head National Golf Course); from T2-Rural District to T3-Neighborhood, T4-Neighborhood Center, and T4-Hamlet Center Open Districts. There is another motion to recommend disapproval. We need to deal with the motion on the table. You cannot have two conflicting motions on the table.

Mr. Keaveny said it is the Natural Resources Committee recommendation to approve the proposed application. It does not require a second.

Mr. Flewelling stated unless there is an intervening motion, the motion on the table (the recommendation coming out of the Natural Resources Committee) is what should be considered.

Mr. Sommerville stated the Natural Resources Committee recommendation is to approve and Mr. Vaux's motion is to disapprove. The simplest manner would be to vote for or against the original motion. If we vote against the motion, we are doing exactly what Mr. Vaux is asking with his motion.

Mr. Vaux, as maker of the motion and Mr. Covert, who seconded the motion, withdrew the motion to amend by substitution #1 (motion to deny).

Mr. Covert spoke of guiding principles and ethics, that were adopted by a civic group known as Rotary International and are as follows: (1) Is it the truth? (2) Is it fair to all concerned? (3) Will it build good will and better friendships? (4) Will it be beneficial to all concerned? During the several months of meetings concerning the Hilton Head National Golf Club proposed zoning changes, Mr. Covert has used these principles to guide his decision. He is appreciative of the applicant's professionalism, tenacity and their seemingly genuine concern for the process. He is appreciative of the community bringing forth their concerns. He thanked all who remained civil, professional, and courteous. No matter your position, no one should belittle or besmudge another who does not share the same opinion as you. We, as a County, may need to look at the form-based code and possibly make alterations, adjustments and revisions. He urged the County to get involved in this function and other government functions. Your voice matters. He stated he would not support the original application.

Mr. Flewelling stated this application was before the Natural Resource Committee and forwarded recommending approval without enough information. If we must move forward

tonight, he would like the opportunity to have the applicant address Council. They have only spoken during public comment and have not had the ability to show the possibilities of this development. The proposal circulated in the public is but one iteration of what could happen with the property, and, is not an accurate representation of the project. Another possibility would be to refer this item back to the Natural Resources Committee. The Community Development Code (CDC) did not happen in a vacuum. It was in response to the issue of sprawl, an issue of concern to everyone. The evidence of that sprawl is both traffic and May River. The CDC is the response to that problem -- to ensure it does not happen anymore. The CDC focuses on development opportunities where we have the resources and can limit the negative impacts to our environment. You may not agree with this location; but there were 75 public meetings and charrettes held in the Bluffton area before this was approved and none of these concerns were discussed. If you want to go back to the CDC to address the issues of where you want development in the future, he welcomes public discussion at the Natural Resources Committee. Under current law, there is an opportunity to develop this property. Any decision to stifle that is arbitrary and capricious.

Motion to amend by substitution #2: It was moved by Mr. Flewelling, seconded by Mr. Rodman, that Council defer this item to the Natural Resources Committee for further study.

Mr. Caporale asked for the motion that came out of the Development Agreement Subcommittee. Mr. Vaux stated at the Development Agreement Subcommittee, Mr. Fobes moved that the County not enter into a development agreement with Scratch Golf, LLC incident to application to rezone 299 acres of land, generally known as Hilton Head National for the following reasons: (1) The application did not address a demonstrated community need. (2) It was not requested due to a changed condition. (3) It is unreasonable in size, scope and magnitude. (4) The application is not consistent with the existing uses surrounding the land. (5) It is inconsistent with the goals and policies of the Beaufort County Comprehensive Plan. (6) It would adversely impact nearby lands. (7) It would threaten the health, safety and welfare of the community. Mr. Vaux also stated previously in this motion, he recommended termination of efforts to negotiate a development agreement unless or until such time Scratch Golf, LLC comes to the table with a proposal that is more reasonable and more consistent with the goals and policies of the Beaufort County Comprehensive Plan.

Mr. Vaux referenced receipt of an email on May 22, 2017 from Scratch Golf, LLC saying their application is consistent with the Comprehensive Plan and the CDC, and Council should approve the rezoning application as proposed.

Mr. Flewelling felt it appropriate for Mr. George Bullwinkel, counsel, Nexsen Pruet, LLC to address the email referenced.

Mr. Sommerville stated we are in discussion on a motion before Council. We do not have public comment at this time.

Mr. Flewelling asked why the applicant cannot address Council on whether Scratch Golf, LLC intends to bring forth an additional proposal.

Mr. Sommerville replied there is a motion on the floor.

Mr. Flewelling appealed the ruling of the Chairman.

Mr. Rodman is not in favor of this issue going forward as proposed. He is in favor of sending it back to the Natural Resources Committee. During his tenure on Council, there has been much discussion about the desire to have walkable communities. There is a lot of concern about the traffic; and once the traffic study is completed, we can cut back if needed. He feels the developer is interested in approving something different. We do not have anything to lose by allowing this item to go back before the Natural Resources Committee.

Mr. Flewelling appealed the ruling of the Chairman.

Vote on the motion to amend by substitution #2: The vote: YEAS – Mr. Flewelling and Mr. Rodman. NAYS - Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion failed.

Motion to amend by substitution #3: It was moved by Mr. Flewelling, seconded by Mr. Caporale, that Council defer this item to the Development Agreement Subcommittee.

Mr. Vaux asked Council to vote “no”. The email received today, does not indicate any desire to bring forward a downzone proposal.

Mrs. Howard stated in light of the email received from the developer, and due to the actions and inactions in the Development Agreement Subcommittee meetings, we have tried our best efforts and it did not work.

Mr. Fobes said there is no business to discuss at the Development Agreement Subcommittee level.

Mr. Caporale withdrew his second on the motion to amend by substitution #3. Mr. Flewelling yielded to the second, and withdrew his motion to amend by substitution #3.

Mr. Flewelling stated under normal circumstance he would not vote in favor of this rezoning. There are concerns relative to traffic, stormwater and density. With all of the external drama, he finds himself in the position of having to vote in favor to make a statement that one member of Council believes this is arbitrary and capricious. He hopes each citizen, who has reason to come before Council, receives better treatment than Scratch Golf, LLC.

Mr. Vaux asked members of Council to vote against this rezoning application.

Vote on the main motion #1: The vote: YEAS – Mr. Flewelling. NAYS - Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion failed.

Main motion #2 (motion to deny): It was moved by Mr. Vaux, seconded by Mr. Stewart, that Council deny Southern Beaufort County Zoning Map amendments for R600-040-000-001C-0000 (299.202 acres located on the north and south sides of Bluffton Parkway and east of Malphrus Road; known as Hilton Head National Golf Course); from T2-Rural District to T3-Neighborhood, T4-Neighborhood Center, and T4-Hamlet Center Open Districts.

Mr. Flewelling renewed his appeal of the Chairman.

Vote on the main motion #2 (motion to deny): The vote: YEAS –Mr. Covert, Mr. Dawson, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. NAYS – Mr. Caporale and Mr. Flewelling. The motion passed.

CONSENT AGENDA

FISCAL YEAR 2017 – 2018 AIRPORTS BUDGET (ENTERPRISE FUND)

This item comes before Council under the Consent Agenda. Discussion occurred at the May 22, 2017 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council approve on first reading, by title only, the Fiscal Year 2017 – 2018 Airports Budget (Enterprise Fund). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

FISCAL YEAR 2017 – 2018 STORMWATER MANAGEMENT UTILITY BUDGET (ENTERPRISE FUND)

This item comes before Council under the Consent Agenda. Discussion occurred at the May 22, 2017 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council approve on first reading, by title only, the Fiscal Year 2017 – 2018 Stormwater Management Utility Budget (Enterprise Fund). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

A RESOLUTION DESIGNATING PUBLIC OFFICIALS TO EXERCISE THE POWERS PRESCRIBED IN BEAUFORT COUNTY CODE OF ORDINANCES CHAPTER 74, ARTICLE IV UNFIT DWELLING PURSUANT TO THE AUTHORITY GRANTED IN SECTION 31-15-330 OF THE *CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED*. (BEAUFORT COUNTY CODE ENFORCEMENT DIRECTOR AND BEAUFORT COUNTY BUILDING INSPECTIONS DIRECTOR)

This item comes before Council under the Consent Agenda. Discussion occurred at the May 22, 2017 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council adopt a resolution designating public officials to exercise the powers prescribed in Beaufort County Code of Ordinances, Chapter 74, Article IV Unfit Dwellings pursuant to the authority granted in Section 31-15-330 of the *Code of Laws of South Carolina, 1976, as amended*. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

A RESOLUTION AUTHORIZING APPROVAL OF \$2,000,000 ENVIRONMENTAL ASSESSMENT GUARANTEE WITH SCDOT

This item comes before Council under the Consent Agenda. Discussion occurred at the May 15, 2017 meeting of the Public Facilities Committee.

Mr. Rodman stated there are two pieces to the traffic solution. (1) County and SCDOT are committing to address things needed in the short-term. (2) Capacity on the bridges -- one bridge has reached the end of its useful life. Both the SCDOT and the Local Metropolitan Planning Organization, Lowcountry Area Transportation Study (LATS) have agreed to fund the environmental assessment for the corridor. However, if funding for the U.S. Highway 278 corridor needs as identified in the environmental assessment have not been secured within 18 months of Federal Highway Administration approval of the a draft environmental assessment, Beaufort County agrees to reimburse LATS for its portion (estimated at \$2 million).

It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council adopt a resolution authorizing entering into an agreement with SCDOT to reimburse Lowcountry Area Transportation Study (LATS) for the amount expended, estimated at \$2,000,000, to perform a corridor environmental assessment if funding for the identified corridor improvement is not secured within the 18 months of the Federal Highway Administrator approval of the draft environmental assessment. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

CONTRACT AWARD / HAULING SERVICES FOR BEAUFORT COUNTY

This item comes before Council under the Consent Agenda. Discussion occurred at the May 15, 2017 meeting of the Public Facilities Committee.

It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council award a contract to Republic Services, Beaufort, South Carolina, in the amount of \$1,195,176, to provide hauling services for County Convenience Centers. The source of funding is from Solid Waste and Recycling Account 10001340-51165. The new contract will be effective July 1, 2017 (Fiscal Year 2018). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

PORT ROYAL ISLAND ZONING MAP AMENDMENT FOR R100 040 000 0209 0000, (12 ACRES LOCATED ALONG BAY PINES ROAD); FROM T2-RURAL DISTRICT TO S1-INDUSTRIAL DISTRICT

This item comes before Council under the Consent Agenda. Discussion occurred at the May 15, 2017 meeting of the Natural Resources Committee.

It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council approve on first reading a Port Royal Island Zoning Map amendment for R100 024 000 078C 000 (12 acres located along Bay Pines Road) from T2-Rural District to S1-Industrial District. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

TEXT AMENDMENTS TO THE BEAUFORT COUNTY COMMUNITY DEVELOPMENT CODE (CDC):

- **SECTION 1.3.50 EXEMPTIONS (ADDS REQUIREMENT TO COMPLY WITH HISTORIC PRESERVATION STANDARDS);**
- **SECTION 2.2.50 LOTS (SPECIFIES MINIMUM WIDTHS OF FLAG LOTS);**
- **SECTION 2.2.60 ACCESS MANAGEMENT (ALLOWS BUILDINGS TO FRONT MAJOR ROADWAYS WHILE TAKING ACCESS FROM A REAR STREET OR ALLEY);**
- **TABLE 3.1.70 LAND USE DEFINITIONS (AMENDS “CAMPGROUND” TO SPECIFY TWO OR MORE RECREATIONAL VEHICLES/RVS ON A SINGLE PROPERTY);**
- **SECTION 5.6.120 FREESTANDING SIGNS (ESTABLISHES MINIMUM 10-FOOT SETBACK FROM RIGHT-OF-WAY (ROW));**
- **TABLE 5.8.50.F. EXISTING TREES IN THOROUGHFARE BUFFER (ADDS RETENTION REQUIREMENT OF EXISTING TREES 6-INCHES DBH IN THOROUGHFARE BUFFERS);**
- **SECTION 5.8.110.B.4. PERFORMANCE GUARANTEE (ESTABLISHES A TWO-YEAR SURVIVAL BOND FOR LANDSCAPING);**

- **SECTION 5.11.90 FORESTS (ADDS NEW SUBSECTION THAT PROMOTES INTERCONNECTIVITY OF PRESERVED FOREST HABITAT);**
- **SECTION 5.11.100.B. SPECIMEN TREES (ADDS LONGLEAF PINE AND BLACK CHERRY AS SPECIMEN TREES AT 16 INCHES (DBH)); AND**
- **SECTION 6.2.70 MAINTENANCE GUARANTEE (CROSS-REFERENCES THE LANDSCAPING SURVIVAL BOND FROM SECTION 5.8.110.B.4).**

This item comes before Council under the Consent Agenda. Discussion occurred at the May 15, 2017 meeting of the Natural Resources Committee.

It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council approve on first reading text amendments to the Beaufort County Community Development Code (CDC): Section 1.3.50 Exemptions (adds requirement to comply with historic preservation standards); Section 2.2.50 Lots (specifies minimum widths of flag lots); Section 2.2.60 Access Management (allows buildings to front major roadways while taking access from a rear street or alley); Table 3.1.70 Land Use Definitions (amends “campground” to specify two or more recreational vehicles/RVs on a single property); Section 5.6.120 Freestanding Signs (establishes minimum 10-foot setback from right-of-way (ROW); Table 5.8.50.F Existing Trees In Thoroughfare Buffer (adds retention requirement of existing trees 6-inches DBH in thoroughfare buffers); Section 5.8.110.B.4 Performance Guarantee (establishes a two-year survival bond for landscaping); Section 5.11.90 Forests (adds new subsection that promotes interconnectivity of preserved forest habitat); Section 5.11.100.B Specimen Trees (adds longleaf pine and black cherry as specimen trees at 16 inches (DBH)); and Section 6.2.70 Maintenance Guarantee (cross-references the landscaping survival bond From Section 5.8.110.B.4). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AN ORDINANCE OF BEAUFORT COUNTY COUNCIL CREATING A SPECIAL TAX ASSESSMENT FOR REHABILITATED HISTORIC PROPERTIES IN THE GEOGRAPHICAL BOUNDARIES KNOWN AS DAUFUSKIE ISLAND

This item comes before Council under the Consent Agenda. Discussion occurred at the May 15, 2017 meeting of the Natural Resources Committee.

It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council approve on first reading an ordinance creating a special tax assessment for rehabilitated historic properties in the geographical boundaries known as Daufuskie Island. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

PUBLIC HEARINGS

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE TOTAL PRINCIPAL AMOUNT OF NOT EXCEEDING \$8,000,000; 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

The Chairman opened a public hearing beginning at 6:30 p.m. for the purpose of receiving public comment regarding an ordinance authorizing the issuance and sale of General Obligation Refunding Bonds, Series 2007, or such other appropriate series designation, of Beaufort County, South Carolina, in the total principal amount of not exceeding \$8,000,000; 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. After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:31 p.m.

It was moved by Mr. Covert, seconded by Mr. Howard, that Council approve on third and final reading an ordinance authorizing the issuance and sale of General Obligation Refunding Bonds, Series 2007, or such other appropriate series designation, of Beaufort County, South Carolina, in the total principal amount of not exceeding \$8,000,000; 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. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

FISCAL YEAR 2017 – 2018 COUNTY BUDGET PROPOSAL

The Chairman opened a public hearing beginning at 6:31 p.m. for the purpose of receiving public comment regarding Fiscal Year 2017 – 2018 County Budget proposal. After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:32 p.m.

It was moved by Mr. Stewart, seconded by Mr. Flewelling, that Council approve on second reading, the Fiscal Year 2017-2018 County budget proposal as follows: County Operations 50.61 mills, Higher Education 2.40 mills, Purchase of Real Property Program 4.80 mills, County Debt 5.58 mills, Bluffton Fire District 24.70 mills operations and 1.04 mills debt service, Burton Fire District 64.53 mills operations and 5.26 mills debt service, Daufuskie Island Fire District 60.27 mills operations and 0.00 mills debt service, Lady's Island/St. Helena Island Fire District 39.26 mills operations and 2.11 mills debt service, and Sheldon Fire District 38.32 mills operations and 3.21 mills debt service. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced the second of two public hearings on Monday, June 12, 2017 beginning at 6:30 p.m. in Council Chambers, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

FISCAL YEAR 2017 – 2018 SCHOOL DISTRICT BUDGET PROPOSAL

Mr. Stewart, as Finance Committee Chairman, stated the Finance Committee on May 18, 2017 approved and recommended Council approve on second reading the FY2017-2018 School District general fund budget in the amount of 113.5 mills to fund school operations. Due to increased revenue, all of the items brought within the proposed budget are covered, including the locality supplement (housing stipend).

The Chairman opened a public hearing beginning at 6:33 p.m. for the purpose of receiving public comment regarding Fiscal Year 2017 – 2018 School District Budget proposal. After calling once for public comment, the Chairman recognized Ms. Bebe, Cifaldi, a Beaufort County teacher, who thanked Council for approving a budget to include the locality stipend.

Ms. Kathy Corley, Principal, Red Cedar Elementary School, expressed her support of the locality supplement. If we want teachers, who are willing to dedicate their lives to this profession at a high level, they need a living wage.

Ms. Cindy Sturgis, teacher at Hilton Head Island High School, thanked Council for the locality supplement. Young people come and go. We need to keep and attract people.

Mr. Aaron Benton, a teacher at Hilton Head Island High School, stated the locality supplement was implemented two years ago. The areas here have a 12% higher cost of living. Our District goal is to recruit and retain quality educators. The turnover rate is currently 11.9%. The locality supplement allows the schools to utilize the supplement to entice teachers.

After calling once more for public comment, the Chairman recognized Ms. Megan Smith, teacher at Red Cedar Elementary School, who expressed her love for the County and Red Cedar Elementary. She spoke about rising housing costs, utilities and other bills. The crisis in economic inequity between this County and others across the country has and will continue to

have a direct impact on teacher recruitment and retention. It is expensive to live here. It is expensive to work here. Please pass the School District budget with the locality supplement.

After calling once more for public comment, the Chairman recognized Ms. Amy Landowski, a Beaufort County teacher, who stated the budget is important for all of the teachers and the students. She thanked Council for their support.

Ms. Beth MacMurray, who is the parent of five children and a former teacher, stated her children could not have had their success without the dedication of every one of their teachers. Recruitment and retention is a critical situation. We need consistency in our classrooms. Please continue to support the teachers.

Mr. Lawrence Anderson, a teacher at Mossy Oaks Elementary, cited several possible uses of the locality supplement. A dinner out, building a fence, completing a small home addition, paying off a credit card bill, sending an autistic son to summer camp, paying off a medical bill, repainting a house, braces for a child, helping pay a mortgage, or hiring a local landscape company. It is not just supplementing our teachers, but also supplementing our local businesses and economy.

Ms. Dannie Wilson, a literacy and math interventionist, asked Council to consider keeping literacy and math interventionists in the schools to assist with the students who are below grade level. Additionally, the locality supplement has been of great help.

Ms. Lee Underhill, a teacher at Okatie Elementary School, thanked Council for the locality supplement. She is a single mother and the locality supplement has helped her children do things that she typically cannot afford on her salary.

After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:57 p.m.

Main Motion: It was moved by Mr. Flewelling, seconded by Mr. Fobes, that Council approve on second reading the Fiscal Year 2017-2018 School District budget proposal as follows: School Operations 113.50 mills and School Bond Debt Service (principal and interest) 31.71 mills.

Mr. Rodman expressed his desire to get to the \$5,000 locality supplement level as soon as possible. He believes the teachers are the most important individuals in the schools. It is clear that there is a significant cost of living differential. This is an investment. He would like to take a portion of the mills and apply them to the FY 2017–2018 budget for teacher supplements. This would allow an additional locality supplement paid in December.

Motion to amend by addition: It was moved by Mr. Rodman that Council add 1.0 mill to the Fiscal Year 2017–2018 School District budget to provide an additional locality supplement and adjust appropriations accordingly. The motion died for lack of a second.

Vote on main motion: Council approve on second reading the Fiscal Year 2017-2018 School District budget proposal as follows: School Operations 113.50 mills and School Bond Debt Service (principal and interest) 31.71 mills. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced the second of two public hearings on Monday, June 12, 2017 beginning at 6:30 p.m. in Council Chambers, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

MOTION TO EXTEND BEYOND 8:00 P.M.

It was moved by Mr. Caporale, seconded by Mr. Howard, that Council extend beyond 8:00 p.m. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

MATTERS ARISING OUT OF EXECUTIVE SESSION

It was moved by Mr. Glover, seconded by Mr. Flewelling, that Council contributed \$600,000 of the total purchase price of \$650,000 from the Rural and Critical Lands Program for the purchase of the property at 2262 Boundary Street as part of the Battery Creek Park project, specifically identified as tax parcel R122 026 00A 0097 0000. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

It was moved by Mr. Dawson, seconded by Mrs. Howard, that Council approve the purchase of the property at 669B Paige Point Road, specifically identified as tax parcel R700 036 000 0176, 000, for the purchase price of \$35,000 from the funds of the Rural and Critical Lands Program. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

It was moved by Mr. Stewart, seconded by Mrs. Howard, that Council approve the purchase of the property at 550 Pinckney Colony Road, specifically identified as tax parcel R600 014 000 002B 0000, for the purchase price of \$150,000 from the funds of the Rural and Critical Lands Program. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

PUBLIC COMMENT

Ms. Laura Sterling, a resident of Bluffton, thanked Council for their time and service. She presented a hard copy of the Community Development Code (CDC), which she feels has too much detail. She hopes Council will reconsider the CDC.

ADJOURNMENT

Council adjourned at 8:47 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

ATTEST: _____
Ashley M. Bennett, Clerk to Council

Ratified:

DRAFT

COMMUNITY SERVICES COMMITTEE

May 22, 2017

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

The Community Services Committee met Monday, May 22, 2017 beginning at 3:00 p.m. in the Large Meeting Room, Bluffton Branch Library, 120 Palmetto Way, Bluffton, South Carolina.

ATTENDANCE

Chairman Alice Howard, Vice Chairman Rick Caporale and members Michael Covert, Steven Fobes, York Glover and Roberts "Tabor" Vaux present. Non-committee members Gerald Dawson, Brian Flewelling, Stu Rodman, D. Paul Sommerville and Jerry Stewart present. (Paul Sommerville, as County Council Chairman, serves as an *ex-officio* member of each standing committee of Council and is entitled to vote.)

County staff: Tony Criscitiello, Planning Director; Quandara Grant, Detention Center Director; Craig Helart, Manager, Civic Engagement and Outreach; Alicia Holland, Assistant County Administrator–Finance; Fred Leyda, Human Services Director; Ray McBride, Library Director; Shakeeya Polite, Business Manager, Information Technology; Tom Keaveny, County Attorney; Gary Kubic, County Administrator; and Monica Spells, Assistant County Administrator–Civic Engagement and Outreach.

Public: Jim Baker, Beaufort-Jasper Water and Sewer Authority; Jessica Dailey, Lowcountry Council of Government; Dick Deuel, Engineer, Beaufort-Jasper Water and Sewer Authority; Michelle Knight, Lowcountry Council of Government; Ed Saxon, General Manager, Beaufort-Jasper Water and Sewer Authority; Frank Turano, Lowcountry Regional Manager, Alliance Consulting Engineers.

Media: Joe Croley, *Lowcountry Inside Track*.

Councilwoman Howard chaired the meeting.

INFORMATION ITEMS

1. Update / Bonaire Estates Sewer Improvements Project (Community Development Block Grant – CDBG Project) with Beaufort-Jasper Water and Sewer Authority (BJWSA) and Lowcountry Council of Governments (LCOG)

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

Discussion: Ms. Monica Spells, Assistant County Administrator–Civic Engagement and Outreach, provided Council an overview of this item. On April 11, 2016, Beaufort County Council adopted Resolution 2016/6 to: (1) endorse the Bon Aire Estates Extension Project, (2) to authorize County Administrator to prepare and submit a Community Development Block Grant (CDBG) Community Infrastructure application in the amount of \$1.0 million for the Bon Aire Estates Sewer Extension Project and commit funds in the amount of 10% of the grant request to meet the matching commitment of the Community Development Program; and (3) to provide an additional \$182,266 to meet the budget of the grant application, and commit to sharing cost savings on a pro rata basis. This Project is to extend sewer service to several hundred households in the Bon Aire Estates residential subdivision. The Project was estimated to total \$1.8 million and would include work to restore repaired waters in the surrounding area, while addressing environmental issues related to stormwater runoff. Thanks to the assistance from LCOG, we received grant funding approval last summer. Since that time, BJWSA has determined some items related to elevation and the SCDOT encroachment approval process which would significantly increase the project estimate. They are now estimating a project cost of \$3.6 million. Ms. Spells introduced representatives of BJWSA to provide an update and possible solutions.

Mr. Ed Saxon, General Manager, Beaufort-Jasper Water and Sewer Authority, stated this important project touches many customers. There is a situation of rising costs in all projects. He introduced Mr. Dick Deuel, Development Projects Manager, Beaufort-Jasper Water and Sewer Authority, who distributed a handout on the Bon Aire Circle Sewer Extension Project. BJWSA and Beaufort County has been working on this project for over a year now. We were approached by LCOG to see if there was an area in the County where we could take benefit of the CDBG. We decided to focus on the Bon Air Estates Project because it is comprised of 200 residential parcels, of which half are low-to-moderate-income (LMI) qualified. The project also involves the decommissioning of approximately 175 septic tanks. BJWSA has worked with the County on a number of CDBG projects. When we started the project design, the focus was gravity sewer. Two properties within the development were owned by BJWSA, which saved the cost of the pump station. Lowcountry Engineering Services, Lady's Island, South Carolina was hired to start the design process. It was found out that the sewer system was going to have to be deep. The handout provided a map of the project location, the number of streets within the development, the sewer layout, information relative to the pump station, breakdown of LMI versus non-LMI, engineer's cost estimate, and proposed cost share breakdown.

Mr. Deuel explained the rationale for the increased cost is due to the depth of the system and the cost of construction increasing. BJWSA started looking at various options to include phasing, the possibility of installing a second pump station to lessen the depths of the sewer system, and vacuum sewer. The cost of the vacuum pump station alternative came in at approximately \$2.6 million. That is a million dollar savings from the cost of the original design. He recommends this alternative. He presented the potential to apply for a Rural Infrastructure Authority Grant in the amount of \$500,000 which would lessen the shortfall to \$842,766. He proposes a 50/50 cost share between Beaufort County and BJWSA for the remaining amount. Each entity would be responsible for \$421,383.

Mr. Saxon added, in additional cost share for the construction cost of the Project, BJWSA has agreed to forgive the capacity fees associated with the LMI homes to the sewer. That is a value of \$295,000. BJWSA has reevaluated the various options to lower the costs, and then come up with a solution.

Ms. Michelle Knight, Lowcountry Council of Governments, informed the Committee that Beaufort County staff, BJWSA and LCOG met to talk about the shortfall and the options available. Since that meeting, she has reached out to the Rural Infrastructure Authority to discuss the potential of putting in an application in the fall of 2017. The cost estimates, original estimates, options, and the benefit of this project was sent to the RIA. The feedback received was they would entertain an application. There are only three counties in the State that they have not funded a grant for, and Beaufort County is one of the three. It is a strong project and could be a strong contender.

Status: Information only.

2. Presentation / Mental Health Matters and Community Information

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

Discussion: Mr. Fred Leyda, Human Services Director, provided to the Committee Part II of the Cost of Mental Illness in our Community. He spoke about the Collaborative Organization of Services for Adults (COSA) and a process initially targeting adults referred for additional assistance by Beaufort Memorial Hospital emergency department or inpatient services, as well as adults at the County's Detention Center who may be in need of additional supportive services. The process allows for a multidisciplinary approach and coordinated therapeutic care for staffing the County's most complex cases of individuals struggling with dual diagnoses or other social issues, to include mental health issues, trauma, or substance abuse. The Human Services Department is seeking to expand its contracted services to support this new initiative.

Mr. Lydia spoke about solutions coordinated by COSA to include:

- COSA Team will begin Preventative Monitoring
- Referral to Social Security Administration with case coordination by SC Department of Mental Health
- Home Share Program (\$16,000 per year)
- United Way will assist with legal aid referral
- Vocational Rehabilitation will provide job training/coaching

Mr. Leyda reviewed future community solutions to include the following:

- County Affordable Housing Resolution
 - Housing Assessment
 - Housing Coordinator
 - Housing First Model (Tenant Based Rental Assistance)
 - Transitional Shelter
 - Clubhouse International Model
- Collaborative Organization of Services for Adult
 - Community Integration Services Model
 - Adult Family Engagement Services Pilot

Status: Information only.

3. Presentation / Potential Partnership with USC-Beaufort for Innovation in the Community – the ReAL Research Applied Learning

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

Discussion: Mr. Fred Leyda, Human Services Director, provided information on the USC-Beaufort ReAL Initiative and provided the next steps to the Community that included the following:

- Form a ReAL partnership between USC-Beaufort and Beaufort County
- Generate a list of potential projects for feasibility and rate estimate
- County Council approves projects to start
- County Administration identifies personnel as County EPIC Program Coordinator to serve as liaison with USC-Beaufort
- USC-Beaufort EPIC Program Coordinator works with County staff to facilitate project implementation

Possible ReAL Initiative Program projects could address the following:

- Housing
- Workforce / Industrial / Vocational Education
- Stormwater and Water Quality
- Planning and Development
- Rural Transit
- Cultural Tourism / Historic Preservation
- Energy Research
- Animal Care / Protection

Mr. Glover suggested housing for students coming into the workforce.

Status: Committee members will provide feedback via email to Mr. Leyda regarding potential projects for the ReAL Initiative Program.

4. Off Agenda – Beaufort County Library Bookmobile

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

Discussion: Mr. Covert congratulated the library system for the new Beaufort County Library Bookmobile. Citizens of Beaufort County should take advantage of the Bookmobile. It is an exceptional addition to Beaufort County.

Status: Information only

DRAFT

FINANCE COMMITTEE

May 22, 2017

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

The Finance Committee met Monday, May 22, 2017 beginning at 1:30 p.m., in the Large Meeting Room, Bluffton Branch Library, 120 Palmetto Way, Bluffton, South Carolina.

ATTENDANCE

Chairman Jerry Stewart, Vice Chairman Michael Covert and members Rick Caporale, Gerald Dawson, Brian Flewelling, Steven Fobes and Stu Rodman present. Non-committee members York Glover, Alice Howard, Paul Sommerville and Roberts "Tabor" Vaux present. (Paul Sommerville, as County Council Chairman, serves as an *ex-officio* member of each standing committee of Council and is entitled to vote.)

County staff: Craig Helart, Manager, Civic Engagement and Outreach; Alicia Holland, Assistant County Administrator–Finance; Ray McBride, Library Director; Shakeeya Polite, Business Manager, Information Technology; Tom Keaveny, County Attorney; Gary Kubic, County Administrator; Eric Larson, Director–Environmental Engineering and Land Management; Mark Roseneau, Facilities Maintenance Director; Monica Spells, Assistant County Administrator–Civic Engagement and Outreach; and Dave Thomas, Purchasing Director.

Public: Frank Turano, Lowcountry Regional Manager, Alliance Consulting Engineers.

Media: Joe Croley, *Lowcountry Inside Track*.

Councilman Stewart chaired the meeting.

ACTION ITEMS

1. Consideration of Contract Award / HVAC Replacement

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

Mr. Covert recused himself, left the room, and was not present during any of the discussion. There is no direct conflict; however, Mr. Covert is President and Managing Member of Covert Aire, LLC and feels there is the possibility of perceived conflict by the public.

Discussion: Mr. Dave Thomas, Purchasing Director, reviewed this item with the Committee. Beaufort County issued an Invitation for Bid to solicit proposals from qualified firms to provide HVAC services and equipment for various Beaufort County locations. A

mandatory pre-bid meeting was held on January 26, 2017, at 11:00 a.m. in the Finance Conference Room and seven HVAC firms attended the meeting. Two bids were received and opened on March 16, 2017. The County received bids from the two firms. County staff evaluated the bids, along with our consultant from RMF, and determined that the Southern Atlantic Mechanical Company was the lowest responsive and responsible bidder. After negotiations with Southern Atlantic Mechanical Company, the price was discounted by \$27,701 for a final project price of \$2,345,000.

The ten site locations are: Beaufort Branch Library, Bluffton Branch Library, Hilton Head Island Branch Library, Emergency Medical Center (Beaufort), Hilton Head Island Airport, Human Services Center (Beaufort), Law Enforcement Center (Beaufort), PALS Community Center-Port Royal, Parks and Leisure Services Community Center Lind Brown, and Beaufort County Government Center South.

Motion: It was moved by Mr. Flewelling, seconded by Mr. Rodman, that Committee approve and recommend to Council a contract award to Southern Atlantic Mechanical Company, Charleston, South Carolina in the amount of \$2,345,000 provide HVAC services and equipment for various Beaufort County locations. Funding will come from 2014A General Obligation Bonds, Account 40090011-54431. The vote: YEAS - Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. RECUSED – Mr. Covert. Mr. Covert recused himself, left the room, and was not present during any of the discussion. There is no direct conflict; however, Mr. Covert is President and Managing Member of Covert Aire, LLC and feels there is the possibility of perceived conflict by the public. The motion passed.

Recommendation: Council award a contract to Southern Atlantic Mechanical Company, Charleston, South Carolina in the amount of \$2,345,000. Funding will come from 2014A General Obligation Bonds, Account 40090011-54431.

2. A Resolution Designating Public Officials to Exercise the Powers Prescribed in Beaufort County Code of Ordinances, Chapter 74, Article IV Unfit Dwelling Pursuant to the Authority Granted to Section 31-15-330 of the Code Of Laws Of South Carolina, 1976, As Amended (Beaufort County Code Enforcement Director and Beaufort County Building Inspections Director)

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

Discussion: Mr. Tom Keaveny, County Attorney, introduced a resolution designating certain public health officials to exercise the powers prescribed in S.C. Code Ann. §31-15-330.

Recommendation: Committee, without objections, opted to forward this resolution to County Council for adoption.

INFORMATION ITEMS

3. Beaufort County FY2017-2018 Budget Proposal

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

Discussion: Committee Chairman Jerry Stewart stated in the May 18, 2017 Finance Committee meeting, the Committee received presentations from the Burton Fire District, Palmetto Breeze, Voter Registration and Elections Office, and Hilton Head Island Recreation Center Association. The following actions were taken at that time:

- Approval of the Burton Fire District Fiscal Year 2017/2018 operations budget with a millage rate of 64.53 and debt service millage rate of 5.26.
- Approval of Palmetto Breeze Fiscal Year 2017/2018 budget in the amount of \$207,344, which represents a \$7,344 increase over the previous fiscal year.
- Inclusion of the Voter Registration and Elections' Construction and Renovation Project as part of the Capital Improvement Program (CIP) discussion.
- Approval of the Hilton Head Recreation Center Association Fiscal Year 2017/2018 budget of \$215,000, which represents an increase of \$75,000 over the previous fiscal year.

Mr. Rodman wanted to discuss the Economic Development line item. At the April 20, 2017 Finance Committee meeting, the Committee approved the Economic Development Corporation's (EDC) FY 2017/2018 budget in the amount of \$370,498 and authorized staff to include \$330,498 in the County's FY 2017/2018 budget proposal. Mr. Rodman asked for an update on the status of the EDC's engagements with SouthernCarolina Alliance.

Mr. Dawson, as Chairman of the Governmental Committee, stated Committee members received a report from Mr. Stephen Murray, EDC Chairman, regarding the negotiations that took place between the SouthernCarolina Alliance (Alliance) and the EDC. The Alliance rejected the proposal put forward by the EDC. The EDC met on May 17, 2017 to discuss their next step forward, in lieu of the negotiations with the Alliance. The EDC is split as to the next step. The proper thing to do would be to bring the EDC before the Governmental Committee or County Council to resolve the issue.

Mr. Fobes added this item will come before the Governmental Committee on June 5, 2017. A full discussion will be needed to resolve the path forward issue. The County will be the entity signing the contract to join the Alliance. They rejected our offer; there is a \$100,000 difference.

Mr. Stewart stated based on telephone conversations regarding this issue it was his opinion that this is not an item for the Finance Committee at this time. We included in our budget the full \$370,498 in FY2017/2018 for the EDC. It was not clear in their budget what the

outcome of negotiations with the Alliance would be. At that time it was decided that during negotiations or during the year, if a change in what they anticipated would be taken up as a supplemental budget item.

Mr. Flewelling agreed with Mr. Stewart. When this item is before the Governmental Committee, he urged that the discussion occurs in executive session.

Mr. Rodman stated a year ago we asked the EDC to weigh in on the Alliance issue. Three months ago, there was an agreement proposal from the Alliance. They provided the Committee a spreadsheet on the finances of the EDC for FY 2017 and FY 2018. In FY2017, there was \$290,000 earmarked for EDC of which \$140,000 was spent. The EDC's FY2018 budget proposal amounted to \$370,498, with \$40,000 coming from the municipalities. Within that budget amount, they proposed the allocation of \$135,000 for the joining of an alliance. The letter from Alliance was a best and final offer of \$195,000. He suggested taking \$60,000 from the FY2017 budget to use in conjunction with the \$135,000 allocation in FY2018, to execute a contract with the Alliance.

Main motion: It was moved by Mr. Rodman, seconded by Mr. Caporale, that Committee authorize the transfer of \$60,000 from the FY2017 line item for economic development to the FY2018 budget for economic development in order to execute the contract with SouthernCarolina Alliance.

Mr. Stewart does not feel it is the responsibility of the Finance Committee today to make a decision based on the Governmental Committee and the EDC. If additional dollars are needed, it can be revised through a supplemental budget appropriation.

Mr. Flewelling asked what happens to the remaining dollars in the FY2017 Economic Development budget if not spent.

Mrs. Holland stated there was \$290,000 appropriated for economic development in FY2017. Of that, approximately \$132,000 has been expended and \$158,000 remains. Dollars not earmarked by June 30, 2017, are marked as unspent dollars and contribute to the General Fund balance. If the dollars are earmarked, it is reflected in the Annual Financial Report.

Mr. Dawson feels increasing the EDC budget by \$60,000 is premature. The \$135,000 line item within the EDC's FY2018 budget is not only for joining the Alliance.

Mr. Fobes added the \$135,000 had a component for joining the SouthernCarolina Alliance, but also for working with other entities and partners. What we are trying to do is premature. There is \$158,000 remaining in FY2017 budget.

Mr. Flewelling intends to vote in favor of any reasonable recommendation from the EDC. They have to know, we do want to have an alliance. It is important to us for many reasons.

Mr. Rodman, as maker of the motion, and Mr. Caporale, as the seconder of the motion, agreed to add text to the main motion: “subject to the Governmental Committee approving the contract with SouthernCarolina Alliance. Such encumbrances to expire June 30, 2017.”

Vote on the main motion, which includes the agreed upon additional text: Committee authorize the transfer of \$60,000 from the FY2017 line item for economic development to the FY2018 budget for economic development in order to execute the contract with SouthernCarolina Alliance, subject to the Governmental Committee approving the contract with SouthernCarolina Alliance. Such encumbrances to expire June 30, 2017.” The vote: YEAS - Mr. Caporale, Mr. Covert and Mr. Rodman. NAYS - Mr. Dawson, Mr. Flewelling, Mr. Fobes, and Mr. Stewart. The motion failed.

Mr. Gary Kubic, County Administrator, provided the Committee an update on negotiations with the Town of Hilton Head Island for law enforcement services. At the second discussion session with Sheriff Tanner and the Town of Hilton Head Island there was a good exchange. The outcome will be a meeting tomorrow, May 23, 2017 with the following participants – John McCann, Chairman, Town of Hilton Head Island Finance Committee; Gerald Stewart, Chairman, Beaufort County Finance Committee; Gary Kubic, Beaufort County Administrator; Josh Gruber, Deputy County Administrator/Special Counsel; Sheriff Tanner, and Steve Riley, Manager, Town of Hilton Head Island. The two agreements (lease agreement and reimbursement contract) may be pushed through to correspond to the fiscal year, rather than a calendar year. The outcome of tomorrow’s session will be reported at the next Committee meeting.

Mr. Stewart stated the Solicitor’s Office brought forward their budget as an off-agenda item at the May 18, 2017 Finance Committee meeting. Since then, there has been significant discussion and it is agreed that it is premature to bring anything forward at this point. There is a lot of confidential information, therefore, this item will be taken up under executive session at the June 5, 2017 Finance Committee meeting. This involves a grant proposal to the USDA, which would require a letter from Council supporting matching funds or other monies needed.

Status: No action. Information only.

4. Upcoming General Obligation Bonds / Bond Anticipation Notes Information

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

Discussion: Mrs. Alicia Holland, Assistant Administrator–Finance, reviewed with the Committee the following General Obligation Bonds (GOB) and Bond Anticipation Notes (BAN) to be completed in June and July of 2017.

\$51 million – General Obligation Bonds

- \$26 million for Critical Projects - Road Improvement, Public Safety, Sheriff's Office Communications and Emergency Management Equipment, Windmill Harbour/Jenkins Island Roadway Improvements, Emergency Medical Services Facility (Pritchardville/Bluffton), Pinckney Reserve/Haig Boat Landing and Detention Center Security Upgrades
- \$20 million for Rural and Critical Lands Program
- \$5 million for Stormwater Management Utility Fund

\$35 million – Bond Anticipation Notes

- To provide for temporary disaster recovery funding. It is recommended the initial BAN will be for a term of 12 months. In May/June 2018, the County will have a clearer picture of the bottom line of Hurricane Matthew expenditures not reimbursed by any federal or state agency. The BAN is intended to be \$30 million - the ordinance is in place for \$35 million to allow for issuance costs.

\$8 million – General Obligation Bonds – Refunding 2007B General Obligation Bonds

- Provides an interest expense differential for the remaining term of the bonds as well as a

The impact these GOB/BAN's has on the debt capacity, as well as an estimated cash outflow and potential restoration of the fund balance was provided to the Committee.

Status: Information only

5. Fiscal Year 2017 – 2018 Airports Budget (Enterprise Fund)

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

Discussion: Mrs. Alicia Holland, Assistant Administrator–Finance, reviewed this item with the Committee. The Beaufort County Department of Airports Fund is used to accumulate the revenues and expenses related to the operation of the County's two airports. Operations are financed primarily with fees collected for services, leases, grants, and other airport-related services. The revenues, expenses and retained earnings are reported in the Proprietary Fund for annual financial reporting purposes. Mrs. Holland presented the Lady's Island Airport and Hilton Head Island Airport FY 2017/2018 budgets as follows:

Lady's Island Airport

Total Revenues - \$706,308

Total Expenses - \$706,308

Hilton Head Island Airport

Total Revenues - \$8,360,534

Total Expenses - \$7,683,126

A copy of the Airports' improvement projects and costs associated for FY2017/2018 was also provided to the Committee

Status: Information only.

DRAFT

6. Fiscal Year 2017 – 2018 Stormwater Management Utility Budget (Enterprise Fund)

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

Discussion: Mrs. Alicia Holland, Assistant Administrator–Finance, reviewed this item with the Committee. The Stormwater Utility was established by County Ordinance 16 years ago and its activities are guided by a Comprehensive Master Plan completed in 2006, the minimum control measures outlined in the County’s 2015 permit under the National Pollutant Discharge Elimination System (NPDES) program and advised by a Stormwater Management Utility Board. Requirements concerning Stormwater Systems are found in the County’s Community Development Code (CDC) and the design criteria found in our Best Management Practices Manual.

The Utility partners with the City of Beaufort, and the Towns of Bluffton, Port Royal, and Hilton Head Island through local intergovernmental agreements. The fees that are collected within a municipality's jurisdiction are then distributed back to the municipality. Each political jurisdiction has an individual stormwater utility, which is a separate fund and a dedicated revenue source for funding activities and programs related to stormwater management. The jurisdictions coordinate on the utility administration element of their programs and share some services to achieve greater efficiencies, but the programs are separate and are managed within each jurisdiction’s local government.

The County has been designated as a municipal separate storm sewer system (MS4) and in 2015 the County began to be permitted under the federal Environmental Protection Agency’s (EPA) National Pollutant Discharge Elimination System (NPDES) program. Compliance with this permit will be expensive in the coming years and the County will have mounting costs to maintain an aging infrastructure. Beginning in 2015, the County has increased its rates and shifted to an updated stormwater utility fee rate structure to achieve the fairest distribution of utility costs among ratepayers, the best use of available data, and a level of revenue sufficient to achieve program needs and requirements.

The County maintains some larger drainage infrastructure within each of the four municipalities, in addition to the unincorporated area. Previously the maintenance of the infrastructure within the four municipalities was limited in the incorporated areas because funding levels, supported by the unincorporated ratepayers only, were insufficient. In 2015, the County began collecting a Countywide infrastructure fee from ratepayers within the incorporated areas to distribute the County’s costs for continued infrastructure maintenance across all the unincorporated and incorporated areas of the County based on linear feet of pipes and open ditches in each jurisdiction.

Mrs. Holland presented the Stormwater Management Utility FY 2017/2018 budgets as follows:

Total Operating Revenues - \$5,813,482

Total Non-Operating Revenues - \$5,002,500

Total Revenues - \$10,815,982

Total Operating Expenses - \$4,354,553

Total Non-Operating Expenses – \$3,379,600

Total Expenses - \$7,734,153

An overview of the Stormwater Management Utility Capital Projects for fiscal years 2018 through 2014 was also provided to the Committee.

Status: Information only

DRAFT

FINANCE COMMITTEE

May 18, 2017

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

The Finance Committee met Monday, May 18, 2017 beginning at 3:00 p.m., in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Jerry Stewart, Vice Chairman Michael Covert and members Rick Caporale, Gerald Dawson, Steven Fobes and Stu Rodman present. Committee member Brian Flewelling absent. Non-committee member Alice Howard present.

County staff: Ben Boswell, Administrative Manager, Human Services Alliance; Gail Brown, Financial Specialist, Disabilities and Special Needs Department; Beth Cody, Fiscal Operations Manager, Disabilities and Special Needs Department; Joshua Gruber, Deputy County Administrator/Special Counsel; Alicia Holland, Assistant County Administrator-Finance; Jeff Kidd, Communications Director, Solicitor's Office; Bill Love, Director, Disabilities and Special Needs Department; Shakeeya Polite, Office Manager, Information Technology Department; Wendell Roberson, Deputy Director, Voter Registration and Election Office; Maria Smalls, Director, Voter Registration and Election Office; and Monica Spells, Assistant County Administrator-Civic Engagement and Outreach

School District: Tonya Crosby, Chief Operational Services Officer and Jeffrey Moss, Superintendent.

Public: Ron Clifford, Chairman, Board of Voter Registration and Elections; Mary Lou Franzoni, Director, Palmetto Breeze/Lowcountry Regional Transportation Authority; Susan Hughson, Vice President, Board of Directors, Hilton Head Island Recreation Center Association; Alan Perry, President, Hilton Head Island Recreation Center Association; William Severns, Vice Chairman, Board of Voter Registration and Elections; Frank Soule, Executive Director, Hilton Head Island Recreation Center Association; and Paula Tilley, Finance Director, Palmetto Breeze/Lowcountry Regional Transportation Authority.

Media: Joe Croley, *Lowcountry Inside Track*.

Councilman Stewart chaired the meeting.

ACTION ITEMS

1. Burton Fire District FY 2017/2018 Budget Request

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

Discussion: Mr. Josh Gruber, Deputy County Administrator/Special Counsel, presented the Burton Fire District Fiscal Year 2017/2018 budget proposal.

Operations: revenue \$5,112,442, expenditures \$5,554,308, and a millage rate of 64.53

Debt Service: revenue \$385,268, expenditures \$385,268, and a millage rate of 5.26

The budget request includes the following:

- 1.33% cost of living adjustment
- Contract money of \$430,000
- Majority of expenditure increases is due to retirement and insurance
- No new employees
- Increase the millage to the cap of 2.11 mills

Motion: It was moved by Mr. Dawson, seconded by Mr. Rodman, that Committee approve and recommend to Council approval of the Burton Fire District Fiscal Year 2017/2018 operations budget with a millage rate of 64.53 and debt service millage rate 5.26. The vote: Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Flewelling. The motion passed.

Recommendation: Council approve the Burton Fire District Fiscal Year 2017/2018 operations budget with a millage rate of 64.53 and debt service millage rate of 5.26.

2. Palmetto Breeze FY 2017/2018 Budget Request

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

Discussion: Ms. Mary Lou Franzoni, Executive Director, Palmetto Breeze/Lowcountry Regional Transportation Authority, submitted a fiscal year 2017/2018 request in the amount of \$207,344 to provide public transportation throughout the Lowcountry region, including Beaufort County rural services and the urban services in the areas of Bluffton and Hilton Head Island. This request includes \$117,187 of local match for the rural grant and \$90,157 local match for the urban grant. The year-over-year budget increase is in the amount of \$7,344.

Motion: It was moved by Mr. Rodman, seconded by Mr. Caporale, that Committee approve and recommend to Council approval of the Palmetto Breeze Fiscal Year 2017/2018 budget in the amount of \$207,344, which represents a \$7,344 increase year-over-year. The vote: Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Flewelling. The motion passed.

Recommendation: Council approve the Palmetto Breeze Fiscal Year 2017/2018 budget in the amount of \$207,344, which represents a \$7,344 increase year-over-year.

3. Hilton Head Island Recreation Center Association FY 2017/2018 Budget Request

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

Discussion: Mr. Frank Soule, Executive Director, Hilton Head Island Recreation Center Association (Association), is requesting funding for fiscal year 2017/2018 at the FY 2014 level of \$135,000 for pool operating and programming along with \$80,000 for program support, totaling \$215,000. This request represents a \$75,000 increase over the previous year.

Mr. Gruber, Deputy County Administrator/Special Counsel, noted that the City of Beaufort TIF II last debt payment is due June 21, 2017; and, perhaps, a portion of these funds could be used to offset the \$75,000 request. Once the TIF reconciliation is completed, additional revenue will be available to both the County and School District as follows:

- County Tax Year 2016 (FY 2017) Mil Rate 50.89 – City of Beaufort TIF II ending increases the value of 1 mil by \$9,500, resulting in approximately \$483,000 more revenue in Tax Year 2017 (FY 2018).
- School District Tax Year 2016 (FY 2017) Mil Rate 111.50 – City of Beaufort TIF II ending increases the value of 1 mil by \$9,500, resulting in approximately \$1,059,000 more revenue in Tax Year 2017 (FY 2018).

Motion: It was moved by Mr. Caporale, seconded by Mr. Fobes, that Committee recommend Council approve the Hilton Head Recreation Center Association Fiscal Year 2017/2018 budget of \$215,000, which represents an increase of \$75,000 over the previous fiscal year. The vote: YEAS –Mr. Caporale, Mr. Covert, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Dawson and Mr. Flewelling. The motion passed.

Recommendation: Council approve the Hilton Head Recreation Center Association Fiscal Year 2017/2018 budget of \$215,000, which represents an increase of \$75,000 over the previous fiscal year.

4. Beaufort County School District / Fiscal Year 2017-2018 Operating Budget Proposal

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

Discussion: Council is in receipt of correspondence dated May 18, 2017 from the Board of Education whose members have certified a Fiscal Year 2017/2018 general fund budget in the amount of \$225,764,555 (114.5 mils) to fund school operations.

Mr. Gruber, Deputy County Administrator/Special Counsel, noted that the City of Beaufort TIF II last debt payment is due June 21, 2017. Once the TIF reconciliation is completed, additional revenue will be available to both the County and School District as follows:

- County Tax Year 2016 (FY 2017) Mil Rate 50.89 – City of Beaufort TIF II ending increases the value of 1 mil by \$9,500, resulting in approximately \$483,000 more revenue in Tax Year 2017 (FY 2018).
- School District Tax Year 2016 (FY 2017) Mil Rate 111.50 – City of Beaufort TIF II ending increases the value of 1 mil by \$9,500, resulting in approximately \$1,059,000 more revenue in Tax Year 2017 (FY 2018).

Mr. Rodman suggested using a portion of the District's additional revenue generated from the ending of the Beaufort TIF II to fund the locality supplement.

Motion No. 1: It was moved by Mr. Rodman, seconded by Mr. Fobes, that Committee recommend Council approve on second reading the FY 2017/2018 School District general fund budget of 114.5 mils to fund school operations. The vote: YEAS – Mr. Fobes and Mr. Rodman. NAYS – Mr. Caporale, Mr. Covert and Mr. Stewart. ABSENT – Mr. Dawson and Mr. Flewelling. The motion failed.

Motion No. 2: It was moved by Mr. Covert, seconded by Mr. Caporale, that Committee recommend Council approve on second reading the FY 2017/2018 School District general fund budget of 113.5 mils to fund school operations. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Fobes, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Dawson and Mr. Flewelling. The motion passed.

Recommendation: Council approve on second reading the FY 2017/2018 School District general fund budget of 113.5 mils to fund school operations.

INFORMATION ITEMS

5. Voter Registration and Elections Office / Construction and Renovation Project

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

Discussion: Mr. Ron Clifford, Chairman, Registration and Election Board (Board), presented the Voter Registration and Elections Office (Office) construction and renovation project in the amount of \$253,000 to complete both interior and exterior renovations as well as a covered walkway. It will save money if all phases of the project are handled concurrently and completed prior to the June 2018 primaries.

Phase 1 of 3 involves a 2,037 square foot warehouse addition. Project funding in the amount of \$213,885 has been approved.

Phase 2 of 3 involves a 3,400 square foot interior and minor work with an estimated construction cost of \$225,000.

Phase 3 of 3 involves a covered walkway with an estimated construction cost of \$63,975.

The Board would appreciate completion as soon as possible so that we might comply with the security guidelines of the Voluntary Voting System Guidelines, published by the U.S. Election Assistance Commission, regarding election requirements for storage, maintenance and handling of the large amount of equipment needed to conduct elections.

This project, due to its importance, should be approved quickly and not be strung out over a long period of time. Many elections are required by our County, State Legislative body and the Federal Government.

Status: Since the Voter Registration and Elections Office request deals with construction and renovation, this item will become a part of the Capital Improvement Program (CIP) discussion in September 2017.

6. Discussion / Fiscal Year 2017 – 2018 Airports Budget (Enterprise Fund)

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

Status: This item was delayed until the May 22, 2017 meeting due to insufficient time to have a discussion.

6. Off-Agenda Item / Discussion / Solicitor's Office FY 2017/2018 Budget Proposal

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

Discussion: Mr. Jeff Kidd, Communications Director, Solicitor's Office, presented the Solicitor's Office FY 2017/2018 budget proposal.

Status: Since this budget contains a lot of confidential information, this item will be taken up under executive session at the June 5, 2017 Finance Committee meeting. This involves a grant proposal to the USDA, which would require a letter from Council supporting matching funds or other monies needed.

7. Discussion / Fiscal Year 2017 – 2018 Stormwater Management Utility Budget (Enterprise Fund)

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

Status: This item was delayed until the May 22, 2017 meeting due to insufficient time to have a discussion.

8. A Resolution Designating Public Officials to Exercise the Powers Prescribed in the Beaufort County Code of Ordinances, Chapter 74, Article IV, Unfit Dwelling Pursuant to the Authority Granted in Section 31-15-330 of the Code of Laws of South Carolina, 1976, as amended (Beaufort County Code Enforcement Director and Beaufort County Building Inspections Director)

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

Status: This item was delayed until the May 22, 2017 meeting due to insufficient time to have a discussion.

9. Upcoming General Obligation Bond / Bond Anticipation Note Information

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

Status: This item was delayed until the May 22, 2017 meeting due to insufficient time to have a discussion.

PUBLIC FACILITIES COMMITTEE

May 15, 2017

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

The Public Facilities Committee met Monday, May 15, 2017 beginning at 3:00 p.m., in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Stu Rodman, Vice Chairman York Glover and members Rick Caporale, Michael Covert, Alice Howard and Roberts "Tabor" Vaux present. Committee member Jerry Stewart absent. Non-Committee members Gerald Dawson and D. Paul Sommerville present (Paul Sommerville, as County Council Chairman, serves as an *ex-officio* member of each standing committee of Council and is entitled to vote.).

County Staff: Josh Gruber, Deputy County Administrator/Special Counsel; Chris Inglese, Assistant County Attorney; Thomas Keaveny, County Attorney; Colin Kinton, Division Director–Transportation Engineering; Gary Kubic, County Administrator; Eric Larson; Rob McFee, Division Director–Facilities and Construction Engineering; and Dan Morgan, Mapping and Applications Director.

Public: Kraig Gordon, Chairman, County Transportation Committee; Shawn Epps, President F&ME Consultants, Inc.; and Mike Turner, President, Plantation Business Park Property Owners Association.

Media: Joe Croley, *Lowcountry Inside Track*.

Chairman Stu Rodman chaired the meeting.

ACTION ITEMS

1. Consideration of Reappointments and Appointments / Solid Waste and Recycling Board

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. Caporale, seconded by Mrs. Howard, that Committee approve and recommend Council nominate Mr. David Uehling, representing Solid Waste District #6, unincorporated Port Royal Island, for reappointment to serve as a member of the Solid Waste and Recycling Board. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman and Mr. Vaux. ABSENT – Mr. Stewart. The motion passed.

Recommendation: Council nominate Mr. David Uehling, representing Solid Waste District #6, unincorporated Port Royal Island, for reappointment to serve as a member of the Solid Waste and Recycling Board.

**2. Consideration of Contract Award / Hauling Service for Beaufort County
(> \$100,000)**

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

Discussion: Mr. Dave Thomas, Purchasing Director, presented this item to the Committee. Beaufort County issued a Request for Proposal (RFP) to solicit proposals from qualified firms to provide services to Beaufort County Public Works Department Solid Waste and Recycling section to provide hauling services for County Convenience Centers. Services include the removal and transport of full containers to the appropriate landfill for disposal within time limits specified by the contract and the leasing of containers for each center. A pre-proposal meeting was held March 23, 2017, and proposals were opened on May 20, 2017. The County received proposals from three firms: Republic Services, Waste Pro and Waste Management.

The staff evaluation committee reviewed the proposals for capability, the firms' experience, performance capability and proposed cost. Evaluation committee members consisted of David Wilhelm, Public Works Director; Jim Minor, Solid Waste Manager; John Miller, Public Works Operations Manager, Bradley McAbee Solid Waste Operations Superintendent and Cindy Carter, Solid Waste Data Analyst/Information Coordinator. The panel ranked the firms, according to the RFP selection criteria and determined Republic Services to be the top ranked firm.

Motion: It was moved by Mr. Caporale, seconded by Mrs. Howard, that Committee approve and recommend Council award a contract to Republic Services, Beaufort, South Carolina, in the amount of \$1,195,176, to provide hauling services for County Convenience Centers. The source of funding is from Solid Waste and Recycling Account 10001340-51165. The new contract will be effective July 1, 2017 (Fiscal Year 2018). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman and Mr. Vaux. ABSENT – Mr. Stewart. The motion passed.

Recommendation: Council award a contract to Republic Services, Beaufort, South Carolina, in the amount of \$1,195,176, to provide hauling services for County Convenience Centers. The source of funding is from Solid Waste and Recycling Account 10001340-51165. The new contract will be effective July 1, 2017 (Fiscal Year 2018).

4. Discussion / Plantation Business Park Road Transfer

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

Discussion: The County has been asked to take ownership of Plantation Business Park Drive and the associated stormwater infrastructure serving the commercial subdivision. The ownership and maintenance responsibilities for the drainage structures are uncertain, as the common infrastructure was never dedicated to the County as originally intended. The County's research into the original design and stormwater master plan did not produce the documents needed to definitively determine the original intent, nor adequately map the drainage system. Ward Edwards was contracted by the County to help research, map, inventory, inspect the common infrastructure, and provide a summary of needed repairs and cost estimates for those repairs.

There are multiple indications that the pipe system was not installed to the County's standards typically required for infrastructure that is to be owned and maintained by the County. The following repairs/improvements are recommended to mitigate the observed problems.

- The conditions of all of the HDPE pipe sections are so poor that they likely require removal and replacement. Given that the HDPE pipe is located within landscape areas and within drainage easements; excavation, removal, and replacement with new RCP is likely the best option.
- The concrete pipe sections are generally in fair condition, but there is evidence of some installation problems given the soil infiltration at some joints and some of the poorly plugged lifting eye holes. Structurally, the RCP pipes are functional, but the observed soil infiltration would require more frequent cleaning. Additionally, over time the soil infiltration will result in sink holes and pavement failure in the road. Given that the RCP is located under pavement, removal and replacement would be cost prohibitive. The RCP could be slip lined with a plastic pipe, but this would result in a decrease in the internal diameter and the flow capacity of the pipe. Slip lining 24" RCP would reduce the cross sectional area to the equivalent of an 18" RCP. This is not recommended because it could create upstream drainage problems. The better alternative is cured in place plastic (CIPP) lining. This is more expensive than slip lining but doesn't result in a reduction in flow capacity.
- The existing detention pond, outfall structures, and outfall ditches are all in need of routine maintenance. The pond should be cleaned back to the original design depths, removing all accumulated sediment and vegetation. The existing downstream outfall ditch needs to be cleaned and re-graded to reestablish positive drainage. The inundation condition in the downstream ditch resulted in high sediment accumulation in portions of the pipe system, with sediment clogging as much as 75% of the pipe sections. Although the pipes have now been cleaned for the purpose of this inspection, the ditch condition will result is quicker than normal accumulation of sediment in the pipes. The existing outfall structures and pipes should be cleaned and inspected as well. The pipes appear to be HDPE material, so it is possible they are in

similar condition to the HDPE pipes inspected. There are no indications of drainage/maintenance easements along the existing outfall ditch, so easements may need to be acquired for the maintenance work to occur.

Mr. Vaux stated Plantation Park Business Owners' Association (POA) and he agree that the County should take ownership of the road, the catch basins attached to the road, and the pipes directly underneath the road. The POA would retain everything else. In return, the County is willing to pay the POA a one-time fee, approach the Town of Bluffton (Town) to match that contribution, and the POA take responsibility of all future stormwater issues with the drains not below the road.

Mr. Kubic stated Mr. Vaux wants to create an amendment to what was already proposed. On May 23, 2016, County Council adopted resolution 2016/8 authorizing the County Administrator to accept into the County Road System, Business Park Way and a portion of Plantation Park Drive, which is owned by Plantation Park Business Owners' Association, Inc. and only the road, but not any stormwater drainage infrastructure or fixtures which adjoin or abut the road which is owned by the POA. It was done that way because Beaufort County did a survey and filmed the substructure underneath the road, and felt it was in poor shape and created an additional liability for the County that we did not want to assume. It was administration's recommendation to come up with some type of settlement, which was agreeable to the POA. That settlement was \$25,000 and the County take ownership of the storm inlet and the chamber going into the ground, but not the connectivity of the pipes running from that point forward. This is within the jurisdiction of the Town. This is another example of the Town annexing only commercial areas and leaving the remaining properties to stay within the county. We have asked the Town to participate in the same offer as Beaufort County. They have not said no; but, their procedures are different and it would have to go before Town Council. That has not happened.

Mr. Michael Turner, POA President of Plantation Business Park, spoke before the Committee on the condition of the pipes and the sink hole. The POA has agreed to take on the responsibility of all the pipes leaving the road.

Mr. Vaux provided the Committee with two handouts: (1) a letter dated December 28, 2015 from Michael Turner, POA President of Plantation Business Park and (2) an email dated December 11, 2013 from Beaufort County Right-of-Way Manager Eric Klatt.

Main motion: It was moved by Mr. Vaux, seconded by Mr. Caporale, that Committee approve and recommend Council approve the following: (1) County take ownership of Plantation Business Park Drive, the catch basins and all other attachments to the road, and the pipes underneath the road. (2) County make a onetime payment of \$25,000 to the Plantation Park Business Owners' Association, with the agreement that the Association will take responsibility for the water once it leaves the footprint of the road. (3) Authorize administration to pursue matching funding in the amount of \$25,000 from the Town of Bluffton.

Mr. Vaux, as maker of the motion, and Mr. Caporale, as the seconder of the motion, agreed to amend the motion to include the following text in the main motion: Administration provide a diagram to fully delineate the actions of the County.

Vote on the main motion, which includes the agreed upon additional text: Committee recommend Council adopt a resolution approving the following: (1) County take ownership of Plantation Business Park Drive, the catch basins and all other attachments to the road, and the pipes underneath the road, of which will be clearly delineated in a diagram. (2) County make a onetime payment of \$25,000 to the Plantation Park Business Owners' Association, with the agreement that the Association will take responsibility for the water once it leaves the footprint of the road. (3) Authorize administration to pursue matching funding in the amount of \$25,000 from the Town of Bluffton. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman and Mr. Vaux. ABSENT – Mr. Stewart. The motion passed.

Recommendation: Council adopt a resolution approving the following: (1) County take ownership of Plantation Business Park Drive, the catch basins and all other attachments to the road, and the pipes underneath the road, of which will be clearly delineated in a diagram. (2) County make a onetime payment of \$25,000 to the Plantation Park Business Owners' Association, with the agreement that the Association will take responsibility for the water once it leaves the footprint of the road. (3) Authorize administration to pursue matching funding in the amount of \$25,000 from the Town of Bluffton.

5. U.S. Highway 278 Gateway Corridor

A. Approval of \$2 Million Environmental Assessment Guarantee with SCDOT

B. Discussion of Long-Term Funding Alternatives

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

Discussion: At the March 13, 2017 County Council meeting, Council adopted a resolution 2017/3 between the Town of Bluffton, Town of Hilton Head Island and Beaufort County highlighting the urgency of addressing congestion on the U.S. Highway 278 Gateway Corridor, including the Hilton Head Island bridges. At the April 10, 2017 County Council Meeting adopted Resolution 2017/11 to supersede Resolution 2017/11 and includes the participation of the Lowcountry Area Transportation Study (LATS) into the Joint Resolution.

Mr. Gruber stated this is in regard to long standing conversations Beaufort County has had with the South Carolina Department of Transportation (SCDOT) regarding expanding the scope of an environmental assessment. Due to the existing traffic conditions and the projected growth, the capacity of those bridges is most likely not what they need to be. If we can expand the scope of the environmental assessment, it would allow a cost share agreement. The County would be picking up \$2 million of the \$3 million assessment. Of that \$3 million, \$2 million will be paid by the Lowcountry Area Transportation Study, and \$1 million by SCDOT. SCDOT would like the money from the MPO repaid if the project does not move forward. He spoke of

the potential funding mechanisms and negotiations with SCDOT.

Motion: It was moved by Mr. Caporale, seconded by Mrs. Howard, that Committee approve and recommend Council adopt resolution authorizing the County Administrator to enter into an agreement with SCDOT to reimburse Lowcountry Area Transportation Study (LATS) for the amount expended, estimated at \$2,000,000, to perform a corridor environmental assessment if funding for the identified corridor improvement is not secured within the 18 months of the Federal Highway Administrator approval of the draft environmental assessment. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Glover, Mrs. Howard, Mr. Rodman and Mr. Vaux. ABSENT – Mr. Stewart. The motion passed.

Mr. Rodman presented the Committee with a worksheet overview, funding alternatives for the U.S. 278 Gateway Corridor.

Recommendation: Council adopt a resolution authorizing the County Administrator to enter into an agreement with SCDOT to reimburse Lowcountry Area Transportation Study (LATS) for the amount expended, estimated at \$2,000,000, to perform a corridor environmental assessment if funding for the identified corridor improvement is not secured within the 18 months of the Federal Highway Administrator approval of the draft environmental assessment.

INFORMATION ITEMS

6. Approval of Letter of Intent to Contract for 41 Air Conditioning Replacement Units

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

Mr. Covert recused himself, left the room, and was not present during any of the discussion. There is no direct conflict; however, Mr. Covert is President and Managing Member of Covert Aire, LLC and feels there is the possibility of perceived conflict by the public.

Discussion: Mr. Gary Kubic, County Administrator, presented this item to the Committee. The County needs to purchase 41 air conditioning units for ten site locations: Beaufort Branch Library, Branch Bluffton Library, Hilton Head Island Branch Library, Emergency Medical Center (Beaufort), Hilton Head Island Airport, Human Services Center (Beaufort), Law Enforcement Center (Beaufort), Parks and Leisure Services Community Center-Port Royal, Parks and Leisure Services Community Center Lind Brown, and Beaufort County Government Center South. This item was sent out to bid, and received one response. Mr. Kubic stated his desire to write the proposed successful bidder a letter of intent to contract for the 41 air conditioning replacement units. If this is done, the contractor will be able to use the letter of intent to place an order. Without the letter of intent, the process will be delayed until formally vetted and approved by Council, which could take six weeks. The estimated project price is \$2.2 million and would be funded from 2014A General Obligation Bonds.

Status: The County Administrator will send a letter of intent to contract for 41 air conditioning replacement units.

7. Update / Local Preference

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

Status: Discussion to occur at the next Public Facilities Committee meeting.

8. Discussion / Sidewalks and Pathways

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

Discussion: Mr. Kraig Gordon, Chairman, County Transportation Committee, gave a PowerPoint presentation regarding the SCDOT guidance to County Transportation Committee (CTC) for selecting projects using recurring funds. “C” funds are for transportation projects on public property and must be accessible to the public. Project types that qualify include resurfacing, widening and/or realignments, extending shoulders, traffic signs/signals, intersection improvements, turning lanes, sidewalks and pavement markings. Examples of ineligible projects include projects located on private property, projects not accessible to the public, projects not related to transportation, and recreational projects such as tennis courts, ballfields, walking paths or running tracks.

Committee Chairman Stu Rodman stated there have been discussions in past meetings regarding sidewalks and pathways. The Transportation Needs: Capital Improvement Pathways study identified 22 locations for a total of \$20 million. Council has begun the conversation about how to address and fund such needs. In terms of prioritizing sidewalk needs, the CTC might be the most useful Committee to do such. The CTC has representation across the County and are prioritizing roads.

Mr. Gordon stated on May 17, 2017, the CTC will receive an analysis of the County roads from hired subcontractors. The CTC will be putting together a program on moving forward with maintaining County roads. Mr. Gordon spoke about the funding the CTC receives as well as the responsibilities of the municipalities.

Mr. Kubic spoke about the CTC and Council not being the authoritative body. The possibility of the CTC becoming an advisory body was discussed previously. That would make the actual authority to contract rest with Council, and not appointed officials. When you are spending tax dollars, that authority should rest with the elected official, not appointed official.

Mr. Gordon spoke about the CTC governing document and how the programming was set up to run.

Mr. Gruber stated when the Legislative Delegation passed a resolution abolishing the County Transportation Committee, it devolved its powers to County Council. County Council adopted an ordinance creating the Beaufort County Transportation Committee and gave powers back to that Committee.

Mr. Kubic stated it is a smart business model to invite people from the outside as an advisory group. The question is whether or not Council wants to pull the power to contract from the CTC and bring it back to County Council. The average taxpayer does not recognize the CTC, but they do recognize County Council. County Council will receive both the praise and the blame.

Mr. Gordon stated the CTC takes the political pressure away from Council. The CTC has a process to go through. The funds come to the CTC, not the County.

Mr. Rodman stated he sees an advantage of contracting handled by the County as well as the disadvantage if Council starts overruling the CTC's recommendations.

Status: This item will be taken up at a later Public Facilities Committee.

Boards and Commissions
Reappointments and Appointments
June 12, 2017

1 Governmental Committee

Parks and Leisure Services Board

<u>Nominate</u>	<u>Name</u>	<u>Position/Area/Expertise</u>	<u>Reappoint/Appoint</u>	<u>Votes Required</u>	<u>Term/Years</u>	<u>Expiration</u>
06.12.17	Stanley Ganshow	Northern Beaufort County	Appoint	6/11	partial	2/2021

2 Public Facilities Committee

Solid Waste and Recycling Board

<u>NominateD</u>	<u>Name</u>	<u>Position/Area/Expertise</u>	<u>Reappoint/Appoint</u>	<u>Votes Required</u>	<u>Term/Years</u>	<u>Expiration</u>
05.22.17	David T. Uehling	Solid Waste District 6	Reappoint	10/11	4	2/2021

A RESOLUTION

ORDERING A BOND REFERENDUM TO BE HELD IN THE FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA, ON THE QUESTION OF THE ISSUANCE OF NOT EXCEEDING \$5,500,000 OF GENERAL OBLIGATION BONDS OF FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA; PROVIDING FOR THE FORM OF THE BALLOT TO BE USED; PROVIDING FOR NOTICE OF THE REFERENDUM; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

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

Section 1. Findings

The County Council of Beaufort County (the “*County Council*”), which is the governing body of Beaufort County, South Carolina (the “*County*”), hereby finds and determines:

(a) The Fripp Island Public Service District, South Carolina (the “*District*”), was created and established as a body politic and corporate by Act No. 1042 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 1962, as amended;

(b) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended (the “*Constitution*”), provides that general obligation debt may be incurred by the governing body of any special purpose district for any of its corporate purposes in an amount not exceeding eight percent of the assessed value of all taxable property of such district. Such Article further provides that if general obligation debt is authorized by a majority vote of the qualified electors of the special purpose district voting in a referendum authorized by law, there shall be no conditions or restrictions limiting the incurring of such indebtedness except as specified in such Article.

(c) The corporate powers and duties of the District are performed by the Fripp Island Public Service District Commission (the “*Commission*”), and as such, the Commission is the governing body of the District.

(d) In carrying out its functions and duties, the Commission has determined that a need exists at the present time to issue general obligation bonds in order to defray: (A) (i) the costs of repairing, reconstructing and mitigating certain District revetments and related infrastructure, and (ii) the costs of relocating and replacing certain water transmission and related infrastructure in connection with the replacement of the Harbor River Bridge ((i) and (ii)) the “*Projects*”), and (B) the costs of issuance of the Bonds. The Commission estimates that the costs of designing, planning, acquiring, engineering, constructing, improving and equipping the Projects, and the cost of issuance of the bonds described herein, will not exceed \$5,500,000.

(e) The Commission, on behalf of the District, submitted a petition (the “**Petition**”) to the County Council requesting authorization to issue general obligation bonds of the District in a principal amount of not exceeding \$5,500,000 (the “**Bonds**”), in order to finance the costs of the Projects, and the costs of issuance thereof.

(f) Pursuant to the terms of the Petition, the County Council held a public hearing on the question of the issuance of the Bonds on June 12, 2017, and, as acknowledged in the Petition, the County Council is authorized to and has determined to require an election under Section 6-11-890 of the Code of Laws of South Carolina 1976, as amended, as a condition to the issuance of the Bonds.

Section 2. Order to Hold Referendum

Pursuant to the applicable provisions of the Constitution and laws of the State of South Carolina, there is hereby ordered a referendum to be held in the District (the “**Bond Referendum**”) on August 16, 2017 or such other date as may be determined by the Chairman of the Commission in consultation with the Election Commission (as defined below). On the date of the Bond Referendum, there shall be submitted to all persons residing in the District and qualified to vote under the Constitution and laws of the State of South Carolina the question of whether the District shall be authorized and empowered to issue the Bonds for the purpose of accomplishing the Project, and paying the costs of issuance thereof.

Section 3. Voting, Polling Places, and Hours of Election

The Bond Referendum shall be conducted by the Beaufort County Board of Voter Registration and Elections (the “**Election Commission**”). The polls shall be opened at 7:00 a.m. and closed at 7:00 p.m. on the date of the Bond Referendum and shall be held during said hours without intermission or adjournment. The voting precincts and polling places for each of such precincts shall be such precincts and polling places as established by law wholly or partially within the District.

Section 4. Ballot Question

The Election Commission is requested to conduct the Bond Referendum in accordance with South Carolina law. Upon approval by the Election Commission, the form of ballot to be used in the Bond Referendum and the instructions to voters appearing thereon shall be in substantially the form set forth at Appendix A below, with such other changes as may be deemed necessary by the Chairman of the Commission upon consultation with the executive director of the Election Commission.

Section 5. Voter Qualification

Every person offering to vote must be at least 18 years of age on the date of the Bond Referendum, must reside in the County and must be duly registered on the books of registration for the County as an elector in the precinct in which he or she resides and offers to vote on or before the date on which said books of registration are closed for the Bond Referendum, and

must present either a South Carolina driver's license, another form of identification containing a photograph issued by the Department of Motor Vehicles, a passport, a military identification card containing a photograph issued by the federal government, or a South Carolina voter registration card containing a photograph of the voter pursuant to Section 7-5-675 of the Code. If a voter cannot produce any type of the aforementioned identification at his designated precinct, the voter may cast a provisional ballot that is counted only if the voter brings a valid and current photograph identification to the Beaufort County Board of Elections and Voter Registration before the results of the election are certified.

Any registered elector who meets the requirements set forth in the preceding sentences and who has moved his or her place of residence within the County after the date on which said books of registration are closed for the Bond Referendum, but before the date of the Bond Referendum, shall be entitled to vote in his or her previous precinct of residence in the Bond Referendum.

Absentee ballots for the Bond Referendum shall be available at the County voter registration office. The books of registration shall be closed thirty (30) days prior to the Bond Referendum.

Section 6. Notice of Bond Referendum

A notice of the Bond Referendum (the “**Notice**”), substantially in the form set forth in Appendix B, shall be published in compliance with the provisions of Sections 7-13-35 and 4-15-50, of the Code of Laws of South Carolina 1976, as amended. The Chairman of the Commission shall be authorized to make such modifications or changes to the Notice as he shall deem necessary and the published version thereof shall constitute conclusive evidence of the approval of the Notice by the County Council.

The Election Commission is authorized to change any of the locations of polling places for the Bond Referendum in accordance with State law as deemed necessary or advisable. In the event of such change, appropriate changes are to be made to the Notice.

Section 7. Registration and the Election Commission

A certified copy of this Resolution shall be filed with the Election Commission, and the Election Commission is hereby requested as follows:

- (a) to join in the action of the District in providing for the Notice and the ballot in substantially the form contained herein;
- (b) to prescribe the form of ballot to be used in the Bond Referendum;
- (c) to arrange for polling places for each precinct, or any part of a precinct within the District;
- (d) to appoint Managers of Election;
- (e) to provide a sufficient number of ballots or voting machines, as the case may be, for the Bond Referendum;

- (f) to conduct the Bond Referendum, receive the returns thereof, canvass such returns, declare the results thereof, and certify such results to the County Council; and
- (g) take other steps and prepare such other means as shall be necessary or required by law in order to properly conduct the Bond Referendum.

DONE AT BEAUFORT, SOUTH CAROLINA, this 12th day of June, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

(SEAL)

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

Attest:

Ashley M. Bennett, Clerk to Council

**APPENDIX A
FORM OF BALLOT**

OFFICIAL BALLOT FOR REFERENDUM
\$5,500,000 OF GENERAL OBLIGATIONS BONDS
FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA
August 16, 2017

Precinct____
No._____

Initials of Issuing Officer

OFFICIAL BALLOT FOR REFERENDUM
\$5,500,000 OF GENERAL OBLIGATIONS BONDS
FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA
August 16, 2017

Question

Shall the Fripp Island Public Service District, located in Beaufort County, South Carolina (the "District"), be authorized to issue and sell, either as a single issue or as several separate issues, general obligation bonds of the District in an aggregate principal amount of not exceeding \$5,500,000, the proceeds of which shall be applied to defray the costs (including architectural, engineering, legal and related expenses) of the following: (A) (i) the costs of repairing, reconstructing and mitigating certain District revetments and related infrastructure, and (ii) the costs of relocating and replacing certain water transmission and related infrastructure in connection with the replacement of the Harbor River Bridge; and (B) the costs of issuance of such bonds?

Yes, in favor of the question []

No, opposed to the question []

If you are in favor of the question, place a check or cross-mark in the square after the words "Yes, in favor of the question"; if you are opposed to the question, place a check or cross-mark in the square after the words "No, opposed to the question."

APPENDIX B
FORM OF NOTICE OF REFERENDUM

NOTICE OF REFERENDUM
\$5,500,000 OF GENERAL OBLIGATION BONDS
FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA

NOTICE IS HEREBY GIVEN that a Referendum will be held in the Fripp Island Public Service District, South Carolina (the “District”), on August 16, 2017, for the purpose of submitting to all persons qualified to vote in the District pursuant to the Constitution and laws of the State of South Carolina, the following question:

Question

Shall the Fripp Island Public Service District, located in Beaufort County, South Carolina (the “District”), be authorized to issue and sell, either as a single issue or as several separate issues, general obligation bonds of the District in an aggregate principal amount of not exceeding \$5,500,000, the proceeds of which shall be applied to defray the costs (including architectural, engineering, legal and related expenses) of the following: (A) (i) the costs of repairing, reconstructing and mitigating certain District revetments and related infrastructure, and (ii) the costs of relocating and replacing certain water transmission and related infrastructure in connection with the replacement of the Harbor River Bridge; and (B) the costs of issuance of such bonds?

Yes, in favor of the question []

No, opposed to the question []

If you are in favor of the question, place a check or cross-mark in the square after the words “Yes, in favor of the question”; if you are opposed to the question, place a check or cross-mark in the square after the words “No, opposed to the question.”

The question is being submitted pursuant to Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended, Title 6, Chapter 11, Article 3 and Title 4, Chapter 15 of the Code of Laws of South Carolina 1976, as amended (the “South Carolina Code”), a resolution of the Commission of the District adopted on April 11, 2017, a resolution of the County Council of Beaufort County, South Carolina (the “County Council”) adopted on June 12, 2017, and an ordinance of the County Council enacted on June 12, 2017. If a majority of the qualified electors of the District voting in the Referendum approve the issuance of not exceeding \$5,500,000 of general obligations bonds of the District, such bonds may be issued by the District either at one time as a single issue or from time to time as several separate issues. As acknowledged in the Question, the proceeds of the bonds will be used for the purpose of defraying: (A) (i) the costs of repairing, reconstructing and mitigating certain District revetments

and related infrastructure, and (ii) the costs of relocating and replacing certain water transmission and related infrastructure in connection with the replacement of the Harbor River Bridge ((i) and (ii)) the “Projects”), and (B) the costs of issuance of the Bonds.

Every person offering to vote must be at least 18 years of age on the date of the Referendum, must reside in the County and must be duly registered on the books of registration for the County as an elector in the precinct in which he or she resides and offers to vote on or before the date on which said books of registration are closed for the Referendum, and must present either a South Carolina driver's license, another form of identification containing a photograph issued by the Department of Motor Vehicles, a passport, a military identification card containing a photograph issued by the federal government, or a South Carolina voter registration card containing a photograph of the voter pursuant to Section 7-5-675 of the South Carolina Code. If a voter cannot produce any type of the aforementioned identification at his designated precinct, the voter he may cast a provisional ballot that is counted only if the voter brings a valid and current photograph identification to the Beaufort County Department of Voter Registration and Elections before the results of the election are certified.

Any person wishing to register to vote in this election, if registering by mail, must either have such registration postmarked no later than 30 days prior to the Referendum, to the Beaufort County Board of Voter Registration and Elections, P.O. Drawer 1228, Beaufort, SC 29901-1228, or appear in person and register at the Beaufort County Board of Voter Registration, at 15 John Galt Road, Beaufort, SC 29906. Any registered elector who has moved his or her place of residence within the District after the date of the Referendum shall be entitled to vote in his or her previous precinct of residence in the Referendum; provided, however, in case any registered elector shall have moved from one precinct in the District within 30 days prior to August 16, 2017, and shall have surrendered his registration certificate and has received a new certificate, such elector may vote in the precinct provided by such new certificate. Persons who become of age during the 30 day period preceding the Referendum shall be entitled to register before the closing of the books if otherwise qualified.

Any person eligible to register to vote in the Referendum who has been discharged or separated from his service in the Armed Forces of the United States prior to August 16, 2017, and has returned home too late to register at the time when registration is required, is entitled to register for the purpose of voting in the Referendum after the discharge or separation from service, up to 5:00 p.m. on the day of the Referendum. This application for registration must be made at the office of the Beaufort County Board of Voter Registration and Elections, and if qualified, the person must be issued a registration notification stating the precinct in which he is entitled to vote and should be placed on the registration rolls of the precinct.

The polls shall be open from 7:00 a.m. until 7:00 p.m. at the polling places designated below and shall be open during those hours without intermission or adjournment. Appropriate vote recorders will be provided at the polling places for the casting of ballots on the aforesaid question. Managers of Election will be appointed by the Beaufort County Board of Voter Registration and Elections. The precincts (or portions thereof) within the District and locations of the several polling places for such Referendum are as follows:

Precinct
Saint Helena 2C

Location
Fripp Island Community Center
205 Tarpon Blvd.
St. Helena Island SC 29920

Voters who are blind, who are otherwise physically handicapped, or who are unable to read or write are entitled to assistance in casting their ballot. This assistance may be given by anyone the voter chooses except for his employer, an agent of his employer, or an officer or agent of his union. The Managers of Election must be notified if assistance is needed. Voters who are unable to enter their polling place due to physical handicap or age may vote in the vehicle in which they drove, or where driven, to the polls. When notified, the Managers will help voters effectuate this curbside voting provision. Registered voters may be eligible to vote by absentee ballot. Persons wishing more information concerning absentee balloting should contact the Beaufort County Board of Voter Registration and Elections by telephone at (843) 255-6900 or email at voter@bcgov.net.

After the Referendum, the Beaufort County Board of Voter Registration and Elections shall hold a hearing on ballots challenged in the election at the office of the Beaufort County Board of Voter Registration and Elections located at 15 John Galt Road, Beaufort, SC 29906.



COUNTY COUNCIL OF BEAUFORT COUNTY

PURCHASING DEPARTMENT

106 Industrial Village Road, Bldg. 2, Post Office Drawer 1228
Beaufort, South Carolina 29901-1228

David L Thomas, Purchasing Director
dthomas@bcgov.net 843.255.2353

TO: Councilman Jerry Stewart, Chairman, Finance Committee

FROM: David L Thomas, CPPO, Purchasing Director

SUBJ: Sole Source Purchase
Recommendation for Contract Award for the Hilton Head Island Airport

DATE: 05/30/2017

BACKGROUND:

Hilton Head Island Airport is undertaking a project to extend Runway 3/21. Part of that project is the installation of an Engineered Materials Arresting System (EMAS) bed in the Extended Runway Safety Area. Engineered Arresting Systems Corporation d/b/a Zodiac Arresting Systems America (ZASA) is a sole source provider of the FAA-approved EMAS bed. ZASA will provide the EMAS block material, shipping, and on-site installation support. This project is being executed in accordance with the Hilton Head Island Airport Master Plan Phase I Implementation as directed by Beaufort County and Town of Hilton Head Councils in 2010 and is part of the scope of work that is included in the approved FAA Airport Improvement Program Grant 39 that was received in September 2016.

VENDOR INFORMATION:

Engineered Arresting Systems Corporation d/b/a Zodia Arresting System
America (ZASA), Logan Township, NJ

COST:

\$2,344,000

☐ Insert Addition Vendor Info.

FUNDING:

90% via FAA AIP Grant 39, 5% through SCAC Grant 16-039 and 5% via Hilton Head Island Airport Capital Projects Fund.

Funding approved: ☒ Yes By: aholland Date: 05/30/2017

FOR ACTION:

Finance Committee June 5, 2017

RECOMMENDATION:

Purchasing recommends that the Finance Committee approve and recommend to County Council the contract award to Zodiac Arresting Systems America (ZASA) in the amount of \$2,344,000 for the procurement of EMAS material, shipping, and on-site installation support for the Hilton Head Island Airport.

Attachment: Recommendation Ltr Attachment HXD dual EMAS proposal 05302017.pdf
168.74 KB

cc: Gary Kubic, County Administrator

Check to override approval: ☒ Overridden by: gkubic
Joshua Gruber, Deputy County Administrator/Special Counsel

Check to override approval: ☐ Overridden by:
Alicia Holland, Assistant County Administrator, Finance


Colin Kinton Director, Transportation Engineering Division

Approved: Select... Date: 05/30/2017

Approved: Yes Date: 05/30/2017

Approved: Yes Date: 05/30/2017

Approved: Yes Date: 05/30/2017

Check to override approval:	<input type="checkbox"/>	Overridden by:	<input type="text"/>	Override Date:	<input type="text"/>	 ready for admin:	<input checked="" type="checkbox"/>
			<input type="text" value="Jon Rembold Director, Airports Department"/>		Approved:	<input type="text" value="Yes"/>	Date: <input type="text" value="05/30/2017"/>
Check to override approval:	<input type="checkbox"/>	Overridden by:	<input type="text"/>	Override Date:	<input type="text"/>	 ready for admin:	<input checked="" type="checkbox"/>

☒ CC others

After Initial Submission, Use the Save and Close Buttons

ZODIAC ARRESTING SYSTEMS AMERICA

Aerosafety segment

Engineered Arresting Systems Corporation



May 17, 2017

Mr. Jon Rembold
Airports Director
Hilton Head Island Airport
120 Beach City RD
Hilton Head Island SC 29926

Subject: Proposal for Production and Installation Support of an Engineered Material Arresting System (EMAS) on Runway 3-21

Dear Jon :

Engineered Arresting Systems Corporation d/b/a Zodiac Arresting Systems America ("ZASA") is pleased to provide the attached proposal for the production and installation support of two Engineered Material Arresting Systems (EMAS) for Runways 3-21 at Hilton Head Island Airport. This proposal is based on the EMAS arrestor beds sizes of approximately 206 ft long x 120 ft wide for RW 3 departure end and approximately 210 ft long x 120 ft wide for RW 21 dep end. The bed sizes are based on fleet mix and RSA profiles from Talbert, Bright, & Ellington. Pricing provided also allows adjustment for size changes.

Since our standard lead-time is 6-9 months, we recommend that a contract be issued in the next month or two in order to provide adequate time for production and shipment to ensure start of installation for RW 3 dep end bed in October of 2017 and ensure a timely production slot for the RW 21 dep end bed install in the spring of 2018. We do have the ability to expedite the process when production is not at full capacity.

We thank you for the opportunity to provide this proposal, and look forward to working with you on this project.

Please do not hesitate to contact me at (856) 241-8620 x4459 or via email at trip.thomas@zodiacaerospace.com

Respectfully yours,

A handwritten signature in blue ink, appearing to read 'T. F. Thomas', followed by a horizontal line and a small flourish.

Regional Director
ZASA, EMAS Division



5/16/2017

FIRM FIXED PRICE PROPOSAL***EMAS Production and Installation Support
Hilton Head Island Airport***

Engineered Arresting Systems Corporation d/b/a Zodiac Arresting Systems America ("ZASA"), EMAS Division, is pleased to offer the following firm-fixed price (FFP) proposal to produce and support the installation of two EMAS beds for the RSA improvements on RW 3-21 at Hilton Head Island Airport (HXD):

PHASE 1**Departure End of Runway 3**

EMAS Size: 206 ft long x 120 ft wide bed, 393 ft setback from RW end

Production (1530 blocks @ \$1,278.00 per each) \$1,955,380.00

Shipping (Logan Township, NJ to Airport) \$ 143,576.00

Installation Materials \$ 142,927.00

Installation Technical Support \$ 102,117.00

=====

Total Price \$ 2,344,000.00

Above pricing is based on: (1) EMAS Bed size of approximately: 206 ft (51 Rows) long by 120 ft (30 Columns) wide comprised of a total of one thousand five hundred and thirty (1,530) 4-foot by 4-foot blocks for departure end of RW 3. Bed size is based on preliminary computer modeling to provide maximum performance in the current available runway end safety area space. This price will require adjustment if the final FAA/airport-approved design is different in size. Individual block pricing can be adjusted up or down based on a per block price of \$1,278.00. Pricing for other components would be adjusted by percent of reduction or increase in bed size accordingly.

**PHASE 2****Departure End of Runway 21**

EMAS Size: 210 ft long x 120 ft wide bed, 389 ft setback from RW end

Production (1560 blocks @ \$1,278 each) \$ 1,993,680.00

Shipping (Logan Township, NJ to Airport) \$ 147,836.00

Installation Materials \$ 144,654.00

Installation Technical Support \$ 102,230.00

Total Price **\$ 2,388,400.00**

Above pricing is based on: (1) EMAS Bed size of approximately: 210 ft (52 Rows) long by 120 ft (30 Columns) wide comprised of a total of one thousand-five hundred and thirty (1560) 4-foot by 4-foot blocks for departure end of RW 21. Bed size is based on preliminary computer modeling to provide maximum performance in the current available runway end safety area space. This price will require adjustment if the final FAA/airport-approved design is different in size. Individual block pricing can be adjusted up or down based on a per block price of (1,278.00). Pricing for other components would be adjusted by percent of reduction or increase in bed size accordingly.



Terms and Conditions:

Pricing quoted for this Project is contingent upon the Parties entering into a Contract with terms and conditions substantially similar to those stated herein. ZASA reserves the right to adjust pricing if there are any deviations from the stated terms and conditions.

Program schedule assumes execution of a contract for block production and installation support **on or before June 15, 2017**. Execution beyond this date could result in program slippage.

- Order Execution for Phase 1 EMAS system: by **June 15, 2017**
- Delivery of blocks to Airport: 9-12 months (potential for earlier delivery)
- Installation: October 1, 2017 for RW 3 dep end
-
- Order Execution for Phase 2 EMAS system: by **October 1, 2017**
- Delivery of blocks to Airport: 9-12 months (potential for earlier delivery)
- Installation: March 2018 for RW 21 dep end

Terms & Conditions

- Notice to proceed (NTP) is granted upon full execution of contract.
- This proposal is quoted firm-fixed price and valid for a period of ninety (90) days from proposal submittal date.
- Pricing is based on execution of a contract for production and installation support **on or before June 15, 2017 for Phase 1** and completion of the Phase 1 project by November 30, 2017 (RW 3 dep end) and execution of a contract for production and installation support on or before October 1, 2017 for Phase 2 and completion of the Phase 2 project by April 30, 2018 (RW 21 dep end). Contract issued later or requiring installation beyond the dates identified above may require an upward price adjustment.
- ZASA shall supply, at no additional cost, sufficient spare blocks and installation materials to ensure that any items damaged in shipment or during installation do not adversely affect installation progress. Unused spare materials are the property of ZASA and will be returned to ZASA at no additional cost. Blocks damaged due to abuse and/or negligence on the part of the airport and/or its contractor shall be billed as additional cost at the per-block rate detailed above.
- Ship-in-Place. ZASA may, at its sole discretion, complete fabrication of some or all required EMAS blocks prior to required ship date to accommodate ZASA's production schedule and to ensure blocks are ready and available for installation as required.



Completed blocks allocated to the project and held at ZASA facilities for later shipment shall be considered delivered to the customer, with payment due in accordance to the terms of payment (see below) identical to terms for blocks shipped. Title and risk of loss shall transfer at the time of invoicing. Decision to ship or allocate completed blocks as stored material is solely at ZASA's discretion.

- No Disadvantaged Business Enterprise (DBE) participation has been included in the above price due to the complex nature of the production, installation, and shipping requirements. ZASA will make a commercially reasonable effort to promote DBE participation by soliciting DBE contractors. However, it is anticipated that any DBE content that may be available would be limited to shipping of blocks.
- No sales, use, or other taxes are included in the quoted price. If any taxes are applicable, airport shall be responsible for payment of said taxes.
- The proposed price assumes availability of eight (8) daylight hours per workday, for five (5) consecutive days per week exclusive of weekends. Significant deviations from this requirement may require a price adjustment for the installation support activities portion of this proposal.
- The airport authority shall provide space at the airport for block storage and staging (to park trucks, stage blocks) at no cost to ZASA. Extended storage fees (\$2,50.00 per month FY17) could apply if installations are delayed from target installation dates (TBD- mutually agreed upon between ZASA and the airport authority).
- ZASA will provide a one (1) year limited commercial warranty against defects in materials and workmanship, provided ZASA supervises the installation of the EMAS and the installation is completed in accordance with ZASA standards (as validated and accepted by ZASA representatives upon completion of the installation). A copy of the warranty is attached. ZASA will not accept ANY liability, indemnity, consequential or incidental damages or warranty other than as stated in the ZASA warranty. See the attached warranty for details.
- ZASA will perform two (2) semi-annual EMAS inspections during the first year after installation. Inspections are included at no additional cost.
- **PAYMENT TERMS:**

Invoices will be submitted monthly in accordance with the following details. Payment in full is due Net 30 days from the date of invoice. Late payments shall accrue interest at a rate of 1.0% per month or portion thereof.

Production	- \$1,278.00 (FY17) per block shipped or allocated (ship in place) less down payment
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**Engineered Arresting Systems Corporation**

	allocation as detailed below.
Shipping	- Invoiced monthly based on percentage of shipping completed divided by total price
Installation Materials	- Invoiced based monthly based on materials manufactured or purchased and allocated to the Project (ship in place).
Technical Support	- Monthly based on percentage of completion of installation divided by total price

A down payment of 15% of the total estimated price for the EMAS blocks, or \$300,969.00 (FY17) for Phase 1 (RW 3 dep end) and \$299,052.00 for Phase 2 (RW 21 dep end) will be required with contract execution. This amount will be pro-rated over the total block price.

ORDINANCE NO. 2017-____

FY 2017-2018 BEAUFORT COUNTY AIRPORTS BUDGET (ENTERPRISE FUND)

An Ordinance adopting a Beaufort County Airports budget for the fiscal year beginning July 1, 2017 and ending June 30, 2018 (appropriations from the Beaufort County General Fund being unnecessary for the operations of the Airports).

WHEREAS Beaufort County Code of Ordinance Chapter 6 establishes the Beaufort County Airports Board (BCAB); and

WHEREAS the BCAB purpose includes advising County Council on financial matters, among other items, to ensure the economical, self-sufficiency of the County's Airports; and

WHEREAS the BCAB and the Airports Director establish the Airports' annual operations budget with the approval of County Council; and

WHEREAS the BCAB met on June 15, 2017, reviewed the proposed annual budget, and recommends approval of the operations budget attached hereto for both the Lady's Island Airport and the Hilton Head Island Airport.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. The Beaufort County Airports consists of both the Lady's Island Airport and the Hilton Head Island Airport.

SECTION 2. Each airport collects fees for services including, but not limited to, parking fees, sale of fuel, landing fees, parking/tie-down fees, ramp use fees and hangar rental fees.

SECTION 3. The BCAB provides advice and recommendation regarding the airports' operations budget. The BCAB recommends approval of the attached operations budgets.

SECTION 4. AIRPORT OPERATIONS BUDGET

An amount of \$546,308.00 for the operations of the Lady's Island Airport and an amount of \$1,729,400 for the operations of the Hilton Head Island Airport as shown on the attached "**AIRPORTS FUND – LADY'S ISLAND AND HILTON HEAD ISLAND AIRPORTS**" is hereby approved by Beaufort County Council.

SECTION 5. BUDGETARY ACCOUNT BREAKOUT

The line-item budgets attached hereto and recommended by the BCAB for FY 2017-2018 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 6. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2017. Approved and adopted on third and final reading this ____th day of _____, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley Bennett, Clerk to Council

First Reading, By Title Only: May 22, 2017
Second Reading:
Public Hearing:
Third and Final Reading:

AIRPORTS FUND – LADY’S ISLAND AND HILTON HEAD ISLAND AIRPORTS

The Beaufort County Department of Airports Fund is used to accumulate the revenues and expenses related to the operation of the county’s two airports. Operations are financed primarily with fees collected for services, leases, grants, and other airport related services. The revenues, expenses and retained earnings are reported in the Proprietary Fund for annual financial reporting purposes.

AIRPORT TERMINOLOGY

The following abbreviations are referenced throughout the Airport Enterprise Fund. These are standard abbreviations used in the industry.

1. FBO – Fixed Based Operations
2. PFC – Passenger Facility Charges
3. FAA – Federal Aviation Administration
4. SCAC – South Carolina Aeronautical Commission
5. ATCT – Air Traffic Control Tower
6. GA – General Aviation
7. ARFF – Aircraft Rescue and Firefighting
8. AIP – Airport Improvement Plan

BEAUFORT COUNTY DEPARTMENT OF AIRPORTS

The Department of Airports, operating as an Enterprise Fund, is responsible for planning, developing, operating and maintaining two (2) airports under the jurisdiction of Beaufort County: Beaufort County Airport on Lady's Island (ARW) and Hilton Head Island Airport (HXD). The Department is responsible for administering all aeronautical activities as required by the Federal, State, County and local laws, regulations, ordinances and statutes. It is responsible for the positive growth of all aeronautical activities and development of all airports under its jurisdiction in the county. It is responsible for normal and emergency operations, security and maintenance at all Beaufort County airports. It provides for fueling services for general aviation and commercial aircraft at HXD through its FBO, Signature Flight Support. It is responsible for the administration of all contracts and agreements entered into by Beaufort County for use and support of all airport facilities within the Beaufort County Airport System.

GOALS AND OBJECTIVES

The Department's objective is to operate an airport system that is efficient yet maximizes both the internal and external customer expectations. In the coming year the Department of Airports will launch several critical construction projects which will allow the airport system to continue operating efficiently and safely. Each scheduled project is strategically timed to meet projected activity forecasts within the approved budget while maintaining full compliance with all FAA requirements. Further, it is the goal of the Department to complete ongoing and initiate new projects in accordance with the approved master plan for each airport in an effort to continue the development of all airports.

The Department will also continue to take a lead role to further maintain and improve air service levels at Hilton Head Island Airport with the goal of "expanding the brand" of Hilton Head Island to new, non-stop markets through new carrier attraction efforts as well as fostering new, expanded opportunities with its existing airline partners. Recognizing the airports position as one of the key economic engines in the Lowcountry, the Department will:

- Work to maintain a reasonable, fair, market based and competitive fee structure for all services provided to its customers and the public, and
- Provide a sound financial foundation to support the County's airport system development needs, and
- Work toward an overall goal of making each airport within the airport system financially self-sufficient.

BEAUFORT COUNTY AIRPORT - LADY'S ISLAND

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Fuel and Oil Sales	\$ 380,110	\$ 395,000	\$ 337,175	\$ 395,000
Operating Agreements/Concessions	5,745	8,350	4,324	8,350
Landing Fees	10,885	11,000	11,080	11,000
Rental Income	133,011	131,958	121,551	131,958
Total Operating Revenues	529,751	546,308	474,130	546,308
<u>Non-Operating Revenues</u>				
Federal and State Grants	260,646	160,000	76,119	160,000
Interest Income	125	-	-	-
Total Revenues	\$ 790,522	\$ 706,308	\$ 550,249	\$ 706,308
<u>Operating Expenses</u>				
Costs of Sales and Services	228,618	245,000	221,089	245,000
Salaries and Benefits	137,035	148,229	116,225	148,229
Purchased/Contractual Services	106,314	129,967	28,676	129,967
Supplies	7,588	13,112	8,080	13,112
Depreciation	61,190	60,000	40,590	60,000
Total Operating Expenses	540,745	596,308	414,660	596,308
<u>Non-Operating Expenses</u>				
Capital Projects	357,813	110,000	90,785	110,000
Capital Equipment	-	-	-	-
Total Expenses	\$ 898,558	\$ 706,308	\$ 505,445	\$ 706,308
Change in Net Position	(108,036)	-	44,804	-
Net Position, Beginning July 1,	3,378,839	3,270,803	3,270,803	3,270,803
Net Position, Ending June 30,	\$ 3,270,803	\$ 3,270,803	\$ 3,315,607	\$ 3,270,803
<u>Authorized Positions</u>				
Full Time	1	1	1	1
Part Time	5	5	5	5

HILTON HEAD ISLAND AIRPORT

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Fixed Based Operator Revenue	\$ 296,178	\$ 369,592	\$ 251,208	\$ 369,592
Operating Agreements/Concessions	412,180	480,300	321,336	480,300
Firefighting/Security Fees	281,731	282,100	234,776	282,100
Passenger Facility Charges	134,238	150,000	111,762	150,000
Parking/Taxi Fees	28,005	55,000	15,692	55,000
Landing Fees	61,589	105,000	42,494	105,000
Rental Income	382,920	376,242	313,990	376,242
Miscellaneous/Other	41,640	42,300	34,795	42,300
Total Operating Revenues	1,638,481	1,860,534	1,326,053	1,860,534
<u>Non-Operating Revenues</u>				
Federal and State Grants	9,587,027	6,500,000	6,477,755	6,500,000
Interest Income	6,009	-	356	-
Total Revenues	\$ 11,231,517	\$ 8,360,534	\$ 7,804,163	\$ 8,360,534
<u>Operating Expenses</u>				
Salaries and Benefits	1,089,772	883,132	753,946	909,626
Purchased/Contractual Services	369,763	483,023	375,911	487,853
Supplies	30,585	76,860	34,396	76,860
Depreciation	564,792	575,000	416,265	575,000
Total Operating Expenses	2,054,912	2,018,015	1,580,518	2,049,339
<u>Non-Operating Expenses</u>				
Capital Projects	6,092,626	5,500,000	6,125,702	5,500,000
Capital Equipment	72,977	50,000	35,981	50,000
Interest Expense	91,798	87,845	66,260	83,787
Total Expenses	\$ 8,312,313	\$ 7,655,860	\$ 7,808,461	\$ 7,683,126
Change in Net Position	2,919,204	704,674	(4,298)	677,408
Net Position, Beginning July 1,	14,279,690	17,198,894	17,198,894	17,903,568
Net Position, Ending June 30,	\$ 17,198,894	\$ 17,903,568	\$ 17,194,596	\$ 18,580,976
Authorized Positions				
Full Time (see below)	16	13	13	13
Part Time	0	0	0	0
Full Time Positions Include:				
Airport Director	1	1	1	1
Airport Support Staff	3	3	3	3
Airport Firefighters	9	9	9	9
Law Enforcement Officers	3	0	0	0

BEAUFORT COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS

The Proprietary Funds are different in purpose from the government funds and designed to be like business financial reporting. Since they are like business accounting, records are kept on activities regardless of the duration of the activity. The idea is to determine if the fund is breaking even considering all activities by using accrual accounting.

The County's Proprietary Funds consist of the Stormwater Management Utility Fund, Beaufort County Airport located on Lady's Island and Hilton Head Island Airport.

STORMWATER MANAGEMENT UTILITY FUND

The Stormwater Utility was established by County Ordinance 16 years ago and its activities are guided by a Comprehensive Master Plan completed in 2006, the minimum control measures outlined in the County's 2015 permit under the National Pollutant Discharge Elimination System (NPDES) program and advised by a Stormwater Management Utility Board. Requirements concerning Stormwater Systems are found in the County's Community Development Code (CDC) and the design criteria found in our Best Management Practices Manual.

The Utility partners with the City of Beaufort, and the Towns of Bluffton, Port Royal, and Hilton Head Island through local intergovernmental agreements. The fees that are collected within a municipality's jurisdiction are then distributed back to the municipality. Each political jurisdiction has an individual stormwater utility, which is a separate fund and a dedicated revenue source for funding activities and programs related to stormwater management. The jurisdictions coordinate on the utility administration element of their programs and share some services to achieve greater efficiencies, but the programs are separate and are managed within each jurisdiction's local government.

The County has been designated as a municipal separate storm sewer system (MS4) and in 2015 the County began to be permitted under the federal Environmental Protection Agency's (EPA) National Pollutant Discharge Elimination System (NPDES) program. Compliance with this permit will be expensive in the coming years and the County will have mounting costs to maintain an aging infrastructure. Beginning in 2015, the County has increased its rates and shifted to an updated stormwater utility fee rate structure to achieve the fairest distribution of utility costs among ratepayers, the best use of available data, and a level of revenue sufficient to achieve program needs and requirements.

The County maintains some larger drainage infrastructure within each of the four municipalities in addition to the unincorporated area. Previously the maintenance of the infrastructure within the four municipalities was limited in the incorporated areas because funding levels, supported by the unincorporated ratepayers only, were insufficient. In 2015, the County began collecting a County-wide Infrastructure fee from ratepayers within the incorporated areas to distribute the County's costs for county-wide infrastructure maintenance across all the unincorporated and incorporated areas of the County based on linear feet of pipes and open ditches in each jurisdiction.

STORMWATER MANAGEMENT UTILITY TERMINOLOGY

The following abbreviations are referenced throughout the Stormwater Management Utility Enterprise Fund. These are standard abbreviations used in the industry.

1. MS4 – Municipal Separate Storm Sewer System
2. EPA – Environmental Protection Agency
3. NPDES – National Pollutant Discharge Elimination System
4. SFR – Single Family Residential
5. IA – Impervious Area Unit of billing
6. GA – Gross Area (or Acreage) Unit of billing
7. SWU – Stormwater Utility
8. CWI – Countywide Infrastructure
9. BMP – Best Management Practices

STORMWATER MANAGEMENT UTILITY

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Stormwater Utility Fees	\$ 4,924,194	\$ 5,130,837	\$ 4,728,020	\$ 5,125,714
Stormwater Infrastructure Fees	467,476	560,231	537,886	593,237
Stormwater Utility Project Billings	1,492	201,691	284,778	94,531
Miscellaneous/Other Revenue	<u>1,995</u>	<u>-</u>	<u>1,897</u>	<u>-</u>
Total Operating Revenues	5,395,157	5,892,759	5,552,581	5,813,482
<u>Non-Operating Revenues</u>				
Bond Proceeds	-	-	-	5,000,000
Interest Income	<u>8,576</u>	<u>864</u>	<u>-</u>	<u>2,500</u>
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<u>Operating Expenses</u>				
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Supplies	240,278	354,681	258,873	359,299
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<u>Non-Operating Expenses</u>				
Capital Projects	-	-	-	2,415,950
Capital Equipment	<u>-</u>	<u>1,050,490</u>	<u>97,239</u>	<u>963,650</u>
Total Expenses	<u>\$ 3,646,055</u>	<u>\$ 6,194,572</u>	<u>\$ 3,044,055</u>	<u>\$ 7,734,153</u>
Authorized Positions	45	50	50	54

STORMWATER MANAGEMENT UTILITY PERFORMANCE MEASURES/OPERATING INDICATORS

Billable accounts database, collection rates

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The cost of stormwater management is largely focused on operations and maintenance of the current system. In order to determine the cost of our service we must have an inventory of the system. Staff continually surveys our pipes, ditches, detention ponds, and other features to populate a GIS map and database.

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PubWorks is a project management software that is used to estimate project costs and track progress. Each O&M project is defined within PubWorks to determine an estimate of manpower, equipment, and materials. During construction, the estimate is replaced with the actual hours, quantities, and cost. That data is then used to estimate production rates that once applied to the GIS mapping inventory, gives the department a projected cost of service annually.

CIP schedules and budgets

Once a decade, the County updates the Stormwater Master Plan. The plan documents the program status and studies the health of the stormwater system and the receiving water bodies. The Plan then recommends capital projects to make improvements to water quality as needed. Those projects are placed within 5 year business plans and funding from the Utility is set aside for the projects. These projects have internal performance measures including cost and schedule.

Monitoring

The goal of the Stormwater Utility is to maintain and improve the health of our waters. Monitoring is the means to document our progress towards our goals. The County has developed a monitoring program in conjunction with USCB and routinely samples and studies the watersheds of the County. The results of monitoring are incorporated into the Master Plan, reported annually to DHEC, and documented within the GIS mapping.

The Stormwater Utility Board is made up of appointed representatives selected by County Council and the four municipalities partnered with the County. The Board meets monthly in which all these Performance Measures and Operating Indicators are reported to the public.

STORMWATER MANAGEMENT UTILITY CAPITAL PROJECTS

The following chart is a list of current capital projects in the 5 year plan. Unless noted otherwise, all projects are funded solely by the Stormwater Utility.

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL
SC170/Okatie West Land \$300K/Design \$120K	1,210,000	-	-	-	-	-	-	\$ 1,210,000
Buckingham Plantation	276,450	276,450	-	-	-	-	-	\$ 552,900
Brewer Memorial Park Demonstration Wet Pond Porject Feasibility \$9.5K/Design \$20K/Construction \$50K	29,500	50,000	-	-	-	-	-	\$ 79,500
Factory Creek M2 Phase I (\$200K Design/\$340K ROW/\$1.2M Construction)	100,000	170,000	-	600,000	-	-	-	\$ 870,000
Factory Creek M2 Phase II (\$200K Design/\$340K ROW/\$1.2M Construction)	-	170,000	-	600,000	-	-	-	\$ 770,000
Salt Creek South M1 (\$245K Design/\$400K ROW/\$1.4M Construction)	245,000	400,000	1,400,000	-	-	-	-	\$ 2,045,000
Shanklin Road M2 (\$330K Design/ \$660K ROW/\$2.35K Construction)	330,000	660,000	-	2,350,000	-	-	-	\$ 3,340,000
Grober Hill M2 (\$225K Design/\$900K ROW/\$1.4M Construction)	225,000	-	900,000	-	1,400,000	-	-	\$ 2,525,000
Camp St. Mary M2 (\$342K Design/\$165K ROW/\$3.25M Construction)	-	-	-	342,000	165,000	3,250,000	-	\$ 3,757,000
Battery Creek West M1(\$375K Design/\$165K ROW/\$3.6M Construction)	-	-	-	-	375,000	165,000	3,600,000	\$ 4,140,000
Paige Point Overtopping Design \$30K/\$305K Construction	-	-	-	-	-	30,000	305,000	\$ 335,000
	<u>\$ 2,415,950</u>	<u>\$ 1,726,450</u>	<u>\$ 2,300,000</u>	<u>\$ 3,892,000</u>	<u>\$ 1,940,000</u>	<u>\$ 3,445,000</u>	<u>\$ 3,905,000</u>	<u>\$ 19,624,400</u>

AIRPORTS FUND – BEAUFORT COUNTY (LADY’S ISLAND) AND HILTON HEAD ISLAND AIRPORTS

The Beaufort County Department of Airports Fund is used to accumulate the revenues and expenses related to the operation of the county’s two airports. Operations are financed primarily with fees collected for services, leases, grants, and other airport related services. The revenues, expenses and retained earnings are reported in the Proprietary Fund for annual financial reporting purposes.

AIRPORT TERMINOLOGY

The following abbreviations are referenced throughout the Airport Enterprise Fund. These are standard abbreviations used in the industry.

- 10. FBO – Fixed Based Operations
- 11. PFC – Passenger Facility Charges
- 12. FAA – Federal Aviation Administration
- 13. SCAC – South Carolina Aeronautical Commission
- 14. ATCT – Air Traffic Control Tower
- 15. GA – General Aviation
- 16. ARFF – Aircraft Rescue and Firefighting
- 17. AIP – Airport Improvement Plan

BEAUFORT COUNTY DEPARTMENT OF AIRPORTS

The Department of Airports, operating as an Enterprise Fund, is responsible for planning, developing, operating and maintaining two (2) airports under the jurisdiction of Beaufort County: Beaufort County Airport on Lady's Island (ARW) and Hilton Head Island Airport (HXD). The Department is responsible for administering all aeronautical activities as required by the Federal, State, County and local laws, regulations, ordinances and statutes. It is responsible for the positive growth of all aeronautical activities and development of all airports under its jurisdiction in the county. It is responsible for normal and emergency operations, security and maintenance at all Beaufort County airports. It provides for fueling services for general aviation and commercial aircraft at HXD through its FBO, Signature Flight Support. It is responsible for the administration of all contracts and agreements entered into by Beaufort County for use and support of all airport facilities within the Beaufort County Airport System.

GOALS AND OBJECTIVES

The Department's objective is to operate an airport system that is efficient yet maximizes both the internal and external customer expectations. In the coming year the Department of Airports will launch several critical construction projects which will allow the airport system to continue operating efficiently and safely. Each scheduled project is strategically timed to meet projected activity forecasts within the approved budget while maintaining full compliance with all FAA requirements. Further, it is the goal of the Department to complete ongoing and initiate new projects in accordance with the approved master plan for each airport in an effort to continue the development of all airports.

The Department will also continue to take a lead role to further maintain and improve air service levels at Hilton Head Island Airport with the goal of "expanding the brand" of Hilton Head Island to new, non-stop markets through new carrier attraction efforts as well as fostering new, expanded opportunities with its existing airline partners. Recognizing the airports position as one of the key economic engines in the Lowcountry, the Department will:

- Work to maintain a reasonable, fair, market based and competitive fee structure for all services provided to its customers and the public, and
- Provide a sound financial foundation to support the County's airport system development needs, and
- Work toward an overall goal of making each airport within the airport system financially self-sufficient.

BEAUFORT COUNTY AIRPORT - LADY'S ISLAND

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Fuel and Oil Sales	\$ 380,110	\$ 395,000	\$ 337,175	\$ 395,000
Operating Agreements/Concessions	5,745	8,350	4,324	8,350
Landing Fees	10,885	11,000	11,080	11,000
Rental Income	<u>133,011</u>	<u>131,958</u>	<u>121,551</u>	<u>131,958</u>
Total Operating Revenues	529,751	546,308	474,130	546,308
<u>Non-Operating Revenues</u>				
Federal and State Grants	260,646	160,000	76,119	160,000
Interest Income	<u>125</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	\$ 790,522	\$ 706,308	\$ 550,249	\$ 706,308
<u>Operating Expenses</u>				
Costs of Sales and Services	228,618	245,000	221,089	237,000
Salaries and Benefits	137,035	148,229	116,225	143,654
Purchased/Contractual Services	106,314	129,967	28,676	97,243
Supplies	7,588	13,112	8,080	9,987
Depreciation	<u>61,190</u>	<u>60,000</u>	<u>40,590</u>	<u>60,000</u>
Total Operating Expenses	540,745	596,308	414,660	547,885
<u>Non-Operating Expenses</u>				
Capital Projects	357,813	110,000	90,785	110,000
Capital Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	\$ 898,558	\$ 706,308	\$ 505,445	\$ 657,885
Authorized Positions				
Full Time	1	1	1	1
Part Time	5	5	5	5

HILTON HEAD ISLAND AIRPORT

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Fixed Based Operator Revenue	\$ 296,178	\$ 369,592	\$ 251,208	\$ 350,000
Operating Agreements/Concessions	412,180	480,300	321,336	450,000
Firefighting/Security Fees	281,731	282,100	234,776	282,100
Passenger Facility Charges	134,238	150,000	111,762	150,000
Parking/Taxi Fees	28,005	55,000	15,692	30,000
Landing Fees	61,589	105,000	42,494	75,000
Rental Income	382,920	376,242	313,990	350,000
Miscellaneous/Other	41,640	42,300	34,795	42,300
Total Operating Revenues	1,638,481	1,860,534	1,326,053	1,729,400
<u>Non-Operating Revenues</u>				
Federal and State Grants	9,587,027	6,500,000	6,477,755	6,500,000
Interest Income	6,009	-	356	-
Total Revenues	\$ 11,231,517	\$ 8,360,534	\$ 7,804,163	\$ 8,229,400
<u>Operating Expenses</u>				
Salaries and Benefits	1,089,772	883,132	753,946	909,626
Purchased/Contractual Services	369,763	483,023	375,911	487,853
Supplies	30,585	76,860	34,396	50,000
Depreciation	564,792	575,000	416,265	570,000
Total Operating Expenses	2,054,912	2,018,015	1,580,518	2,017,479
<u>Non-Operating Expenses</u>				
Capital Projects	6,092,626	5,500,000	6,125,702	5,500,000
Capital Equipment	72,977	50,000	35,981	50,000
Interest Expense	91,798	87,845	66,260	83,787
Total Expenses	\$ 8,312,313	\$ 7,655,860	\$ 7,808,461	\$ 7,651,266
Authorized Positions				
Full Time (see below)	15	12	12	12
Part Time	0	0	0	0
Full Time Positions Include:				
Airport Director	1	1	1	1
Airport Support Staff	4	4	4	4
Airport Firefighters	7	7	7	7
Law Enforcement Officers	3	0	0	0

AIRPORT IMPROVEMENT PROJECTS**FY 2017-2018 Project Narratives****HXD – Runway 21 Extension**

The Airport Master Plan that was approved by a joint Resolution of Beaufort County Council and Town of Hilton Head Island Council in 2010 provided for the execution of several Federal Aviation Administration (FAA) safety projects. This project is one such project and involves the extension of Runway 21, Taxiway “A”, and Taxiway “F” by approximately 403 feet. The project also involves the restoration of the existing displaced threshold of 300 feet.

Estimated Cost:	\$6,142,577
FAA Cost:	\$5,528,319
SCAC Cost:	\$307,129
HXD Cost:	\$307,129

HXD – Taxiway “F” Infield Drainage Improvements

This project is being executed in conjunction with the Runway 21 Extension Project. This is another FAA-mandated safety project and will remove a deep drainage ditch that parallels the runway and runs the length of the airfield. Its existing condition poses a hazard due to its depth and steep side slopes as well as the fact that it is habitat for wildlife hazards. The project will replace the deep ditch with a shallow swale while the stormwater drainage detention and treatment will be handled via an underground drainage system consisting of arched chambers.

Estimated Cost:	\$5,323,550
FAA Cost:	\$4,791,194
SCAC Cost:	\$266,178
HXD Cost:	\$266,178

HXD – Runway 21 Engineered Materials Arresting System (EMAS)

Compliance with FAA extended runway safety area requirements will be accomplished by installing an EMAS bed at the north extent of the runway extension project. EMAS is made up of jet blast resistant, lightweight, crushable cellular cement blocks that are designed to safely stop airplanes that experience an emergency that results in their entering the extended runway safety area. EMAS safely and effectively stops airplanes which greatly enhances life safety and reduces damage to the airplane.

Estimated Cost:	\$4,000,000
FAA Cost:	\$3,600,000
SCAC Cost:	\$200,000
HXD Cost:	\$200,000

AIRPORT IMPROVEMENT PROJECTS**FY 2017-2018 Project Narratives (continued)****HXD – Runway 03 Extension**

The Runway 03 Extension Project represents the south runway portion of the FAA-mandated safety project that was part of the 2010 Airport Master Plan. The project will extend Runway 03, Taxiway “A”, and Taxiway “F” by approximately 297 feet. The project also involves the restoration of the existing displaced threshold of 300 feet and the realignment of Taxiway “F” to eliminate the “dogleg” that currently exists.

Estimated Cost:	\$8,841,596
FAA Cost:	\$7,957,436
SCAC Cost:	\$442,080
HXD Cost:	\$442,080

HXD – Runway 03 Engineered Materials Arresting System (EMAS)

Compliance with FAA extended runway safety area requirements will be accomplished by installing an EMAS bed at the south extent of the runway extension project. EMAS is made up of jet blast resistant, lightweight, crushable cellular cement blocks that are designed to safely stop airplanes that experience an emergency that results in their entering the extended runway safety area. EMAS safely and effectively stops airplanes which greatly enhances life safety and reduces damage to the airplane.

Estimated Cost:	\$4,000,000
FAA Cost:	\$3,600,000
SCAC Cost:	\$200,000
HXD Cost:	\$200,000

HXD – Property Acquisition

There are multiple properties adjacent to the airport of which HXD will need to acquire portions. This need became apparent during the detailed survey and engineering design phase of the Runway 03 Extension Project. Three properties are impacted due to the “footprint” of the grading solution for the project. One property is impacted due to a change in FAA standards which requires a new location for the Localizer DME guidance equipment. Based on the revised FAA standard, the requirement for separation of the guidance equipment from the Extended Runway Safety Area has increased, causing the proposed location of the equipment to fall off airport property.

AIRPORT IMPROVEMENT PROJECTS**FY 2017-2018 Project Narratives (continued)****ARW – Runway 07 Offsite Obstruction Removal (Design and Bidding)**

In accordance with the approved Master Plan and in keeping with FAA airport safety and design standards, this project provides for the design of a project to remove obstructions from the aircraft navigational surfaces at the Runway 07 end of Beaufort County Airport. This project also includes the bidding phase upon completion of the project design.

Estimated Cost:	\$130,230
FAA Cost:	\$117,207
SCAC Cost:	\$6,512
ARW Cost:	\$6,512

ARW – Environmental Assessment (EA) – Runway Safety Area Improvements, Partial Parallel Taxiway Extension, Ramp Expansion, and Fuel Farm Relocation

This project is the initial step in the future construction of the subject projects. Each project is included in the Airport Master Plan and is being considered so the airport can be brought up to date with current FAA safety and design standards. An Environmental Assessment is required due to the proximity of the airport to nearby residential development and to the sensitive saltwater marsh. Tasks include coordination with local, state, and federal agencies, environmental inventory, evaluation, and analysis, and the drafting of the required environmental documentation. Also required during the EA process is the advertisement and conduct of a public hearing and a compilation and evaluation of any comments submitted by the public. Following these steps, the final environmental document is drafted and submitted to the FAA for review and issuance of the Finding of No Significant Impact (FONSI).

Estimated Cost:	\$264,268
FAA Cost:	\$237,841
SCAC Cost:	\$13,214
ARW Cost:	\$13,214

ORDINANCE NO. 2017-___

FY 2017-2018 BEAUFORT COUNTY STORMWATER MANAGEMENT UTILITY
BUDGET (ENTERPRISE FUND)

An Ordinance adopting a Beaufort County Stormwater Management Utility budget for the fiscal year beginning July 1, 2017 and ending June 30, 2018 (appropriations from the Beaufort County General Fund being unnecessary for the operations of the Stormwater Management Utility).

WHEREAS Beaufort County Code of Ordinance Chapter 99 establishes the Beaufort County Stormwater Management Utility and specifically Sec. 99-116 establishes the Beaufort County Stormwater Management Utility Board (SWMUB); and

WHEREAS the SWMUB purpose includes advising and recommending to County Council appropriate funding levels for the provision of stormwater management services; and

WHEREAS the SWMUB and stormwater utility staff establish the stormwater management services for residential, commercial, industrial and governmental entities within Beaufort County based on the collection of fees as established by Beaufort County Ordinance and with the approval of County Council; and

WHEREAS the SWMUB met on April 19, 2017, reviewed the proposed annual budget, and recommends approval of the 2017-18 operations budget attached hereto for Stormwater Utility Management services and programs.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. The Beaufort County SWMUB is charged with advising County Council and making recommendations for appropriate funding levels for stormwater utility management operations budget.

SECTION 2. Stormwater fees are collected in accordance with County ordinance and such fees are enterprise funds, separate and apart from the Beaufort County General Fund.

SECTION 3. The SWMUB recommends approval of the attached operations budgets for the performance of stormwater management utility operations.

SECTION 4. STORMWATER MANAGEMENT UTILITY BUDGET

An amount of \$5,813,482.00 for the operations of the Stormwater Management Utility services and programs as shown on the attached Exhibit “**Stormwater Management Utility Operations Budget for Fiscal Year 2017-18**” is hereby approved.

SECTION 5. BUDGETARY ACCOUNT ATTACHED

The line-item budgets attached hereto and recommended by the SWMUB for FY 2017-2018 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 6. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2017. Approved and adopted on third and final reading this ____ day of _____, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley Bennett, Clerk to Council

First Reading, By Title Only: May 22, 2017

Second Reading:

Public Hearing:

Third and Final Reading:

Stormwater Management Utility Operations Budget for Fiscal Year 2017-18

PROPRIETARY FUNDS

The Proprietary Funds are different in purpose from the government funds and designed to be like business financial reporting. Since they are like business accounting, records are kept on activities regardless of the duration of the activity. The idea is to determine if the fund is breaking even considering all activities by using accrual accounting.

STORMWATER MANAGEMENT UTILITY FUND

The Stormwater Utility was established by County Ordinance 16 years ago and its activities are guided by a Comprehensive Master Plan completed in 2006, the minimum control measures outlined in the County's 2015 permit under the National Pollutant Discharge Elimination System (NPDES) program and advised by a Stormwater Management Utility Board. Requirements concerning Stormwater Systems are found in the County's Community Development Code (CDC) and the design criteria found in our Best Management Practices Manual.

The Utility partners with the City of Beaufort, and the Towns of Bluffton, Port Royal, and Hilton Head Island through local intergovernmental agreements. The fees that are collected within a municipality's jurisdiction are then distributed back to the municipality. Each political jurisdiction has an individual stormwater utility, which is a separate fund and a dedicated revenue source for funding activities and programs related to stormwater management. The jurisdictions coordinate on the utility administration element of their programs and share some services to achieve greater efficiencies, but the programs are separate and are managed within each jurisdiction's local government.

The County has been designated as a municipal separate storm sewer system (MS4) and in 2015 the County began to be permitted under the federal Environmental Protection Agency's (EPA) National Pollutant Discharge Elimination System (NPDES) program. Compliance with this permit will be expensive in the coming years and the County will have mounting costs to maintain an aging infrastructure. Beginning in 2015, the County has increased its rates and shifted to an updated stormwater utility fee rate structure to achieve the fairest distribution of utility costs among ratepayers, the best use of available data, and a level of revenue sufficient to achieve program needs and requirements.

The County maintains some larger drainage infrastructure within each of the four municipalities in addition to the unincorporated area. Previously the maintenance of the infrastructure within the four municipalities was limited in the incorporated areas because funding levels, supported by the unincorporated ratepayers only, were insufficient. In 2015, the County began collecting a County-wide Infrastructure fee from ratepayers within the incorporated areas to distribute the County's costs for county-wide infrastructure maintenance across all the unincorporated and incorporated areas of the County based on linear feet of pipes and open ditches in each jurisdiction.

STORMWATER MANAGEMENT UTILITY TERMINOLOGY

The following abbreviations are referenced throughout the Stormwater Management Utility Enterprise Fund. These are standard abbreviations used in the industry.

1. MS4 – Municipal Separate Storm Sewer System
2. EPA – Environmental Protection Agency
3. NPDES – National Pollutant Discharge Elimination System
4. SFR – Single Family Residential
5. IA – Impervious Area Unit of billing
6. GA – Gross Area (or Acreage) Unit of billing
7. SWU – Stormwater Utility
8. CWI – Countywide Infrastructure
9. BMP – Best Management Practices

STORMWATER MANAGEMENT UTILITY

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Stormwater Utility Fees	\$ 4,924,194	\$ 5,130,837	\$ 4,728,020	\$ 5,125,714
Stormwater Infrastructure Fees	467,476	560,231	537,886	593,237
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Total Operating Revenues	5,395,157	5,892,759	5,552,581	5,813,482
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Bond Proceeds	-	-	-	5,000,000
Interest Income	<u>8,576</u>	<u>864</u>	<u>-</u>	<u>2,500</u>
Total Revenues	<u>\$ 5,403,733</u>	<u>\$ 5,893,623</u>	<u>\$ 5,552,581</u>	<u>\$ 10,815,982</u>
<u>Operating Expenses</u>				
Salaries and Benefits	2,251,707	2,582,002	1,731,134	2,791,762
Purchased/Contractual Services	976,444	1,905,427	790,142	891,632
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Billable accounts database, collection rates

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Once a decade, the County updates the Stormwater Master Plan. The plan documents the program status and studies the health of the stormwater system and the receiving water bodies. The Plan then recommends capital projects to make improvements to water quality as needed. Those projects are placed within 5 year business plans and funding from the Utility is set aside for the projects. These projects have internal performance measures including cost and schedule.

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The goal of the Stormwater Utility is to maintain and improve the health of our waters. Monitoring is the means to document our progress towards our goals. The County has developed a monitoring program in conjunction with USCB and routinely samples and studies the watersheds of the County. The results of monitoring are incorporated into the Master Plan, reported annually to DHEC, and documented within the GIS mapping.

The Stormwater Utility Board is made up of appointed representatives selected by County Council and the four municipalities partnered with the County. The Board meets monthly in which all these Performance Measures and Operating Indicators are reported to the public.

STORMWATER MANAGEMENT UTILITY CAPITAL PROJECTS

The following chart is a list of current capital projects in the 5 year plan. Unless noted otherwise, all projects are funded solely by the Stormwater Utility.

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL
SC170/Okatie West Land \$300K/Design \$120K	1,210,000	-	-	-	-	-	-	\$ 1,210,000
Buckingham Plantation	276,450	276,450	-	-	-	-	-	\$ 552,900
Brewer Memorial Park Demonstration Wet Pond Porject Feasibility \$9.5K/Design \$20K/Construction \$50K	29,500	50,000	-	-	-	-	-	\$ 79,500
Factory Creek M2 Phase I (\$200K Design/\$340K ROW/\$1.2M Construction)	100,000	170,000	-	600,000	-	-	-	\$ 870,000
Factory Creek M2 Phase II (\$200K Design/\$340K ROW/\$1.2M Construction)	-	170,000	-	600,000	-	-	-	\$ 770,000
Salt Creek South M1 (\$245K Design/\$400K ROW/\$1.4M Construction	245,000	400,000	1,400,000	-	-	-	-	\$ 2,045,000
Shanklin Road M2 (\$330K Design/ \$660K ROW/\$2.35K Construction	330,000	660,000	-	2,350,000	-	-	-	\$ 3,340,000
Grober Hill M2 (\$225K Design/\$900K ROW/\$1.4M Construction)	225,000	-	900,000	-	1,400,000	-	-	\$ 2,525,000
Camp St. Mary M2 (\$342K Design/\$165K ROW/\$3.25M Construction)	-	-	-	342,000	165,000	3,250,000	-	\$ 3,757,000
Battery Creek West M1(\$375K Design/\$165K ROW/\$3.6M Construction)	-	-	-	-	375,000	165,000	3,600,000	\$ 4,140,000
Paige Point Overtopping Design \$30K/\$305K Construction	-	-	-	-	-	30,000	305,000	\$ 335,000
	<u>\$ 2,415,950</u>	<u>\$ 1,726,450</u>	<u>\$ 2,300,000</u>	<u>\$ 3,892,000</u>	<u>\$ 1,940,000</u>	<u>\$ 3,445,000</u>	<u>\$ 3,905,000</u>	<u>\$ 19,624,400</u>

BEAUFORT COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS

The Proprietary Funds are different in purpose from the government funds and designed to be like business financial reporting. Since they are like business accounting, records are kept on activities regardless of the duration of the activity. The idea is to determine if the fund is breaking even considering all activities by using accrual accounting.

The County's Proprietary Funds consist of the Stormwater Management Utility Fund, Beaufort County Airport located on Lady's Island and Hilton Head Island Airport.

STORMWATER MANAGEMENT UTILITY FUND

The Stormwater Utility was established by County Ordinance 16 years ago and its activities are guided by a Comprehensive Master Plan completed in 2006, the minimum control measures outlined in the County's 2015 permit under the National Pollutant Discharge Elimination System (NPDES) program and advised by a Stormwater Management Utility Board. Requirements concerning Stormwater Systems are found in the County's Community Development Code (CDC) and the design criteria found in our Best Management Practices Manual.

The Utility partners with the City of Beaufort, and the Towns of Bluffton, Port Royal, and Hilton Head Island through local intergovernmental agreements. The fees that are collected within a municipality's jurisdiction are then distributed back to the municipality. Each political jurisdiction has an individual stormwater utility, which is a separate fund and a dedicated revenue source for funding activities and programs related to stormwater management. The jurisdictions coordinate on the utility administration element of their programs and share some services to achieve greater efficiencies, but the programs are separate and are managed within each jurisdiction's local government.

The County has been designated as a municipal separate storm sewer system (MS4) and in 2015 the County began to be permitted under the federal Environmental Protection Agency's (EPA) National Pollutant Discharge Elimination System (NPDES) program. Compliance with this permit will be expensive in the coming years and the County will have mounting costs to maintain an aging infrastructure. Beginning in 2015, the County has increased its rates and shifted to an updated stormwater utility fee rate structure to achieve the fairest distribution of utility costs among ratepayers, the best use of available data, and a level of revenue sufficient to achieve program needs and requirements.

The County maintains some larger drainage infrastructure within each of the four municipalities in addition to the unincorporated area. Previously the maintenance of the infrastructure within the four municipalities was limited in the incorporated areas because funding levels, supported by the unincorporated ratepayers only, were insufficient. In 2015, the County began collecting a County-wide Infrastructure fee from ratepayers within the incorporated areas to distribute the County's costs for county-wide infrastructure maintenance across all the unincorporated and incorporated areas of the County based on linear feet of pipes and open ditches in each jurisdiction.

STORMWATER MANAGEMENT UTILITY TERMINOLOGY

The following abbreviations are referenced throughout the Stormwater Management Utility Enterprise Fund. These are standard abbreviations used in the industry.

1. MS4 – Municipal Separate Storm Sewer System
2. EPA – Environmental Protection Agency
3. NPDES – National Pollutant Discharge Elimination System
4. SFR – Single Family Residential
5. IA – Impervious Area Unit of billing
6. GA – Gross Area (or Acreage) Unit of billing
7. SWU – Stormwater Utility
8. CWI – Countywide Infrastructure
9. BMP – Best Management Practices

STORMWATER MANAGEMENT UTILITY

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Stormwater Utility Fees	\$ 4,924,194	\$ 5,130,837	\$ 4,728,020	\$ 5,125,714
Stormwater Infrastructure Fees	467,476	560,231	537,886	593,237
Stormwater Utility Project Billings	1,492	201,691	284,778	94,531
Miscellaneous/Other Revenue	<u>1,995</u>	<u>-</u>	<u>1,897</u>	<u>-</u>
Total Operating Revenues	5,395,157	5,892,759	5,552,581	5,813,482
<u>Non-Operating Revenues</u>				
Bond Proceeds	-	-	-	5,000,000
Interest Income	<u>8,576</u>	<u>864</u>	<u>-</u>	<u>2,500</u>
Total Revenues	<u>\$ 5,403,733</u>	<u>\$ 5,893,623</u>	<u>\$ 5,552,581</u>	<u>\$ 10,815,982</u>
<u>Operating Expenses</u>				
Salaries and Benefits	2,251,707	2,582,002	1,731,134	2,791,762
Purchased/Contractual Services	976,444	1,905,427	790,142	891,632
Supplies	240,278	354,681	258,873	359,299
Depreciation	<u>177,626</u>	<u>301,972</u>	<u>166,667</u>	<u>311,860</u>
Total Operating Expenses	3,646,055	5,144,082	2,946,815	4,354,553
<u>Non-Operating Expenses</u>				
Capital Projects	-	-	-	2,415,950
Capital Equipment	<u>-</u>	<u>1,050,490</u>	<u>97,239</u>	<u>963,650</u>
Total Expenses	<u>\$ 3,646,055</u>	<u>\$ 6,194,572</u>	<u>\$ 3,044,055</u>	<u>\$ 7,734,153</u>
Authorized Positions	45	50	50	54

STORMWATER MANAGEMENT UTILITY PERFORMANCE MEASURES/OPERATING INDICATORS

Billable accounts database, collection rates

Stormwater Utility revenue comes from user fees billed annually in conjunction with the property tax bill. A user fee, different from a tax, is based on measurable units including impervious area (hard surfaces) and acreage. Since it is a user fee, all properties pay fees, including churches, schools, and government agencies. The only exceptions are rights-of-way for roads, boat slips, railroad, and submerged properties. This fair and equitable system directly related fee for service.

GIS mapping

The cost of stormwater management is largely focused on operations and maintenance of the current system. In order to determine the cost of our service we must have an inventory of the system. Staff continually surveys our pipes, ditches, detention ponds, and other features to populate a GIS map and database.

Beaufort County Connect Data

BC Connect is a smart phone and website application used by the public and staff to document and track response to complaint, issues, and needs. Once investigated by staff, if action is needed, a project is created and tracked in PubWorks.

MS4 permit

The Clean Water Act Phase II implementation of the Municipal Separate Stormsewer System (MS4) permit is the driving document for the regulatory programs within the Utility. The permit is published on the County website and includes numerous tasks and programs that the County must perform annually to stay within compliance with the permit.

MUNIS Data

The MUNIS software is used to issue and track stormwater permits required for all construction in the County. The regulatory staff conducts plan review, issues permits, and performs inspections to maintain MS4 compliance.

PubWorks Data

PubWorks is a project management software that is used to estimate project costs and track progress. Each O&M project is defined within PubWorks to determine an estimate of manpower, equipment, and materials. During construction, the estimate is replaced with the actual hours, quantities, and cost. That data is then used to estimate production rates that once applied to the GIS mapping inventory, gives the department a projected cost of service annually.

CIP schedules and budgets

Once a decade, the County updates the Stormwater Master Plan. The plan documents the program status and studies the health of the stormwater system and the receiving water bodies. The Plan then recommends capital projects to make improvements to water quality as needed. Those projects are placed within 5 year business plans and funding from the Utility is set aside for the projects. These projects have internal performance measures including cost and schedule.

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The goal of the Stormwater Utility is to maintain and improve the health of our waters. Monitoring is the means to document our progress towards our goals. The County has developed a monitoring program in conjunction with USCB and routinely samples and studies the watersheds of the County. The results of monitoring are incorporated into the Master Plan, reported annually to DHEC, and documented within the GIS mapping.

The Stormwater Utility Board is made up of appointed representatives selected by County Council and the four municipalities partnered with the County. The Board meets monthly in which all these Performance Measures and Operating Indicators are reported to the public.

STORMWATER MANAGEMENT UTILITY CAPITAL PROJECTS

The following chart is a list of current capital projects in the 5 year plan. Unless noted otherwise, all projects are funded solely by the Stormwater Utility.

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL
SC170/Okatie West Land \$300K/Design \$120K	1,210,000	-	-	-	-	-	-	\$ 1,210,000
Buckingham Plantation	276,450	276,450	-	-	-	-	-	\$ 552,900
Brewer Memorial Park Demonstration Wet Pond Porject Feasibility \$9.5K/Design \$20K/Construction \$50K	29,500	50,000	-	-	-	-	-	\$ 79,500
Factory Creek M2 Phase I (\$200K Design/\$340K ROW/\$1.2M Construction)	100,000	170,000	-	600,000	-	-	-	\$ 870,000
Factory Creek M2 Phase II (\$200K Design/\$340K ROW/\$1.2M Construction)	-	170,000	-	600,000	-	-	-	\$ 770,000
Salt Creek South M1 (\$245K Design/\$400K ROW/\$1.4M Construction)	245,000	400,000	1,400,000	-	-	-	-	\$ 2,045,000
Shanklin Road M2 (\$330K Design/ \$660K ROW/\$2.35K Construction)	330,000	660,000	-	2,350,000	-	-	-	\$ 3,340,000
Grober Hill M2 (\$225K Design/\$900K ROW/\$1.4M Construction)	225,000	-	900,000	-	1,400,000	-	-	\$ 2,525,000
Camp St. Mary M2 (\$342K Design/\$165K ROW/\$3.25M Construction)	-	-	-	342,000	165,000	3,250,000	-	\$ 3,757,000
Battery Creek West M1(\$375K Design/\$165K ROW/\$3.6M Construction)	-	-	-	-	375,000	165,000	3,600,000	\$ 4,140,000
Paige Point Overtopping Design \$30K/\$305K Construction	-	-	-	-	-	30,000	305,000	\$ 335,000
	<u>\$ 2,415,950</u>	<u>\$ 1,726,450</u>	<u>\$ 2,300,000</u>	<u>\$ 3,892,000</u>	<u>\$ 1,940,000</u>	<u>\$ 3,445,000</u>	<u>\$ 3,905,000</u>	<u>\$ 19,624,400</u>

AIRPORTS FUND – BEAUFORT COUNTY (LADY’S ISLAND) AND HILTON HEAD ISLAND AIRPORTS

The Beaufort County Department of Airports Fund is used to accumulate the revenues and expenses related to the operation of the county’s two airports. Operations are financed primarily with fees collected for services, leases, grants, and other airport related services. The revenues, expenses and retained earnings are reported in the Proprietary Fund for annual financial reporting purposes.

AIRPORT TERMINOLOGY

The following abbreviations are referenced throughout the Airport Enterprise Fund. These are standard abbreviations used in the industry.

- 10. FBO – Fixed Based Operations
- 11. PFC – Passenger Facility Charges
- 12. FAA – Federal Aviation Administration
- 13. SCAC – South Carolina Aeronautical Commission
- 14. ATCT – Air Traffic Control Tower
- 15. GA – General Aviation
- 16. ARFF – Aircraft Rescue and Firefighting
- 17. AIP – Airport Improvement Plan

BEAUFORT COUNTY DEPARTMENT OF AIRPORTS

The Department of Airports, operating as an Enterprise Fund, is responsible for planning, developing, operating and maintaining two (2) airports under the jurisdiction of Beaufort County: Beaufort County Airport on Lady's Island (ARW) and Hilton Head Island Airport (HXD). The Department is responsible for administering all aeronautical activities as required by the Federal, State, County and local laws, regulations, ordinances and statutes. It is responsible for the positive growth of all aeronautical activities and development of all airports under its jurisdiction in the county. It is responsible for normal and emergency operations, security and maintenance at all Beaufort County airports. It provides for fueling services for general aviation and commercial aircraft at HXD through its FBO, Signature Flight Support. It is responsible for the administration of all contracts and agreements entered into by Beaufort County for use and support of all airport facilities within the Beaufort County Airport System.

GOALS AND OBJECTIVES

The Department's objective is to operate an airport system that is efficient yet maximizes both the internal and external customer expectations. In the coming year the Department of Airports will launch several critical construction projects which will allow the airport system to continue operating efficiently and safely. Each scheduled project is strategically timed to meet projected activity forecasts within the approved budget while maintaining full compliance with all FAA requirements. Further, it is the goal of the Department to complete ongoing and initiate new projects in accordance with the approved master plan for each airport in an effort to continue the development of all airports.

The Department will also continue to take a lead role to further maintain and improve air service levels at Hilton Head Island Airport with the goal of "expanding the brand" of Hilton Head Island to new, non-stop markets through new carrier attraction efforts as well as fostering new, expanded opportunities with its existing airline partners. Recognizing the airports position as one of the key economic engines in the Lowcountry, the Department will:

- Work to maintain a reasonable, fair, market based and competitive fee structure for all services provided to its customers and the public, and
- Provide a sound financial foundation to support the County's airport system development needs, and
- Work toward an overall goal of making each airport within the airport system financially self-sufficient.

BEAUFORT COUNTY AIRPORT - LADY'S ISLAND

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Fuel and Oil Sales	\$ 380,110	\$ 395,000	\$ 337,175	\$ 395,000
Operating Agreements/Concessions	5,745	8,350	4,324	8,350
Landing Fees	10,885	11,000	11,080	11,000
Rental Income	<u>133,011</u>	<u>131,958</u>	<u>121,551</u>	<u>131,958</u>
Total Operating Revenues	529,751	546,308	474,130	546,308
<u>Non-Operating Revenues</u>				
Federal and State Grants	260,646	160,000	76,119	160,000
Interest Income	<u>125</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	\$ 790,522	\$ 706,308	\$ 550,249	\$ 706,308
<u>Operating Expenses</u>				
Costs of Sales and Services	228,618	245,000	221,089	237,000
Salaries and Benefits	137,035	148,229	116,225	143,654
Purchased/Contractual Services	106,314	129,967	28,676	97,243
Supplies	7,588	13,112	8,080	9,987
Depreciation	<u>61,190</u>	<u>60,000</u>	<u>40,590</u>	<u>60,000</u>
Total Operating Expenses	540,745	596,308	414,660	547,885
<u>Non-Operating Expenses</u>				
Capital Projects	357,813	110,000	90,785	110,000
Capital Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	\$ 898,558	\$ 706,308	\$ 505,445	\$ 657,885
Authorized Positions				
Full Time	1	1	1	1
Part Time	5	5	5	5

HILTON HEAD ISLAND AIRPORT

		FY 2017	FY 2017	FY 2018
	FY 2016	Approved	Actual to Date	Proposed
	Actual	Budget	4/30/2017	Budget
<u>Operating Revenues</u>				
Fixed Based Operator Revenue	\$ 296,178	\$ 369,592	\$ 251,208	\$ 350,000
Operating Agreements/Concessions	412,180	480,300	321,336	450,000
Firefighting/Security Fees	281,731	282,100	234,776	282,100
Passenger Facility Charges	134,238	150,000	111,762	150,000
Parking/Taxi Fees	28,005	55,000	15,692	30,000
Landing Fees	61,589	105,000	42,494	75,000
Rental Income	382,920	376,242	313,990	350,000
Miscellaneous/Other	41,640	42,300	34,795	42,300
Total Operating Revenues	1,638,481	1,860,534	1,326,053	1,729,400
<u>Non-Operating Revenues</u>				
Federal and State Grants	9,587,027	6,500,000	6,477,755	6,500,000
Interest Income	6,009	-	356	-
Total Revenues	\$ 11,231,517	\$ 8,360,534	\$ 7,804,163	\$ 8,229,400
<u>Operating Expenses</u>				
Salaries and Benefits	1,089,772	883,132	753,946	909,626
Purchased/Contractual Services	369,763	483,023	375,911	487,853
Supplies	30,585	76,860	34,396	50,000
Depreciation	564,792	575,000	416,265	570,000
Total Operating Expenses	2,054,912	2,018,015	1,580,518	2,017,479
<u>Non-Operating Expenses</u>				
Capital Projects	6,092,626	5,500,000	6,125,702	5,500,000
Capital Equipment	72,977	50,000	35,981	50,000
Interest Expense	91,798	87,845	66,260	83,787
Total Expenses	\$ 8,312,313	\$ 7,655,860	\$ 7,808,461	\$ 7,651,266
Authorized Positions				
Full Time (see below)	15	12	12	12
Part Time	0	0	0	0
Full Time Positions Include:				
Airport Director	1	1	1	1
Airport Support Staff	4	4	4	4
Airport Firefighters	7	7	7	7
Law Enforcement Officers	3	0	0	0

AIRPORT IMPROVEMENT PROJECTS**FY 2017-2018 Project Narratives****HXD – Runway 21 Extension**

The Airport Master Plan that was approved by a joint Resolution of Beaufort County Council and Town of Hilton Head Island Council in 2010 provided for the execution of several Federal Aviation Administration (FAA) safety projects. This project is one such project and involves the extension of Runway 21, Taxiway “A”, and Taxiway “F” by approximately 403 feet. The project also involves the restoration of the existing displaced threshold of 300 feet.

Estimated Cost:	\$6,142,577
FAA Cost:	\$5,528,319
SCAC Cost:	\$307,129
HXD Cost:	\$307,129

HXD – Taxiway “F” Infield Drainage Improvements

This project is being executed in conjunction with the Runway 21 Extension Project. This is another FAA-mandated safety project and will remove a deep drainage ditch that parallels the runway and runs the length of the airfield. Its existing condition poses a hazard due to its depth and steep side slopes as well as the fact that it is habitat for wildlife hazards. The project will replace the deep ditch with a shallow swale while the stormwater drainage detention and treatment will be handled via an underground drainage system consisting of arched chambers.

Estimated Cost:	\$5,323,550
FAA Cost:	\$4,791,194
SCAC Cost:	\$266,178
HXD Cost:	\$266,178

HXD – Runway 21 Engineered Materials Arresting System (EMAS)

Compliance with FAA extended runway safety area requirements will be accomplished by installing an EMAS bed at the north extent of the runway extension project. EMAS is made up of jet blast resistant, lightweight, crushable cellular cement blocks that are designed to safely stop airplanes that experience an emergency that results in their entering the extended runway safety area. EMAS safely and effectively stops airplanes which greatly enhances life safety and reduces damage to the airplane.

Estimated Cost:	\$4,000,000
FAA Cost:	\$3,600,000
SCAC Cost:	\$200,000
HXD Cost:	\$200,000

AIRPORT IMPROVEMENT PROJECTS**FY 2017-2018 Project Narratives (continued)****HXD – Runway 03 Extension**

The Runway 03 Extension Project represents the south runway portion of the FAA-mandated safety project that was part of the 2010 Airport Master Plan. The project will extend Runway 03, Taxiway “A”, and Taxiway “F” by approximately 297 feet. The project also involves the restoration of the existing displaced threshold of 300 feet and the realignment of Taxiway “F” to eliminate the “dogleg” that currently exists.

Estimated Cost:	\$8,841,596
FAA Cost:	\$7,957,436
SCAC Cost:	\$442,080
HXD Cost:	\$442,080

HXD – Runway 03 Engineered Materials Arresting System (EMAS)

Compliance with FAA extended runway safety area requirements will be accomplished by installing an EMAS bed at the south extent of the runway extension project. EMAS is made up of jet blast resistant, lightweight, crushable cellular cement blocks that are designed to safely stop airplanes that experience an emergency that results in their entering the extended runway safety area. EMAS safely and effectively stops airplanes which greatly enhances life safety and reduces damage to the airplane.

Estimated Cost:	\$4,000,000
FAA Cost:	\$3,600,000
SCAC Cost:	\$200,000
HXD Cost:	\$200,000

HXD – Property Acquisition

There are multiple properties adjacent to the airport of which HXD will need to acquire portions. This need became apparent during the detailed survey and engineering design phase of the Runway 03 Extension Project. Three properties are impacted due to the “footprint” of the grading solution for the project. One property is impacted due to a change in FAA standards which requires a new location for the Localizer DME guidance equipment. Based on the revised FAA standard, the requirement for separation of the guidance equipment from the Extended Runway Safety Area has increased, causing the proposed location of the equipment to fall off airport property.

AIRPORT IMPROVEMENT PROJECTS**FY 2017-2018 Project Narratives (continued)****ARW – Runway 07 Offsite Obstruction Removal (Design and Bidding)**

In accordance with the approved Master Plan and in keeping with FAA airport safety and design standards, this project provides for the design of a project to remove obstructions from the aircraft navigational surfaces at the Runway 07 end of Beaufort County Airport. This project also includes the bidding phase upon completion of the project design.

Estimated Cost:	\$130,230
FAA Cost:	\$117,207
SCAC Cost:	\$6,512
ARW Cost:	\$6,512

ARW – Environmental Assessment (EA) – Runway Safety Area Improvements, Partial Parallel Taxiway Extension, Ramp Expansion, and Fuel Farm Relocation

This project is the initial step in the future construction of the subject projects. Each project is included in the Airport Master Plan and is being considered so the airport can be brought up to date with current FAA safety and design standards. An Environmental Assessment is required due to the proximity of the airport to nearby residential development and to the sensitive saltwater marsh. Tasks include coordination with local, state, and federal agencies, environmental inventory, evaluation, and analysis, and the drafting of the required environmental documentation. Also required during the EA process is the advertisement and conduct of a public hearing and a compilation and evaluation of any comments submitted by the public. Following these steps, the final environmental document is drafted and submitted to the FAA for review and issuance of the Finding of No Significant Impact (FONSI).

Estimated Cost:	\$264,268
FAA Cost:	\$237,841
SCAC Cost:	\$13,214
ARW Cost:	\$13,214

2017 / __

PORT ROYAL ISLAND ZONING MAP AMENDMENT FOR R100 040 000 0209 0000, (12 ACRES LOCATED ALONG BAY PINES ROAD); FROM T2-RURAL DISTRICT TO S1-INDUSTRIAL DISTRICT

BE IT ORDAINED, that County Council of Beaufort County, South Carolina, hereby amends the Zoning Map of Beaufort County, South Carolina. The map is attached hereto and incorporated herein.

Adopted this ____ day of ____, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley M. Bennett, Clerk to Council

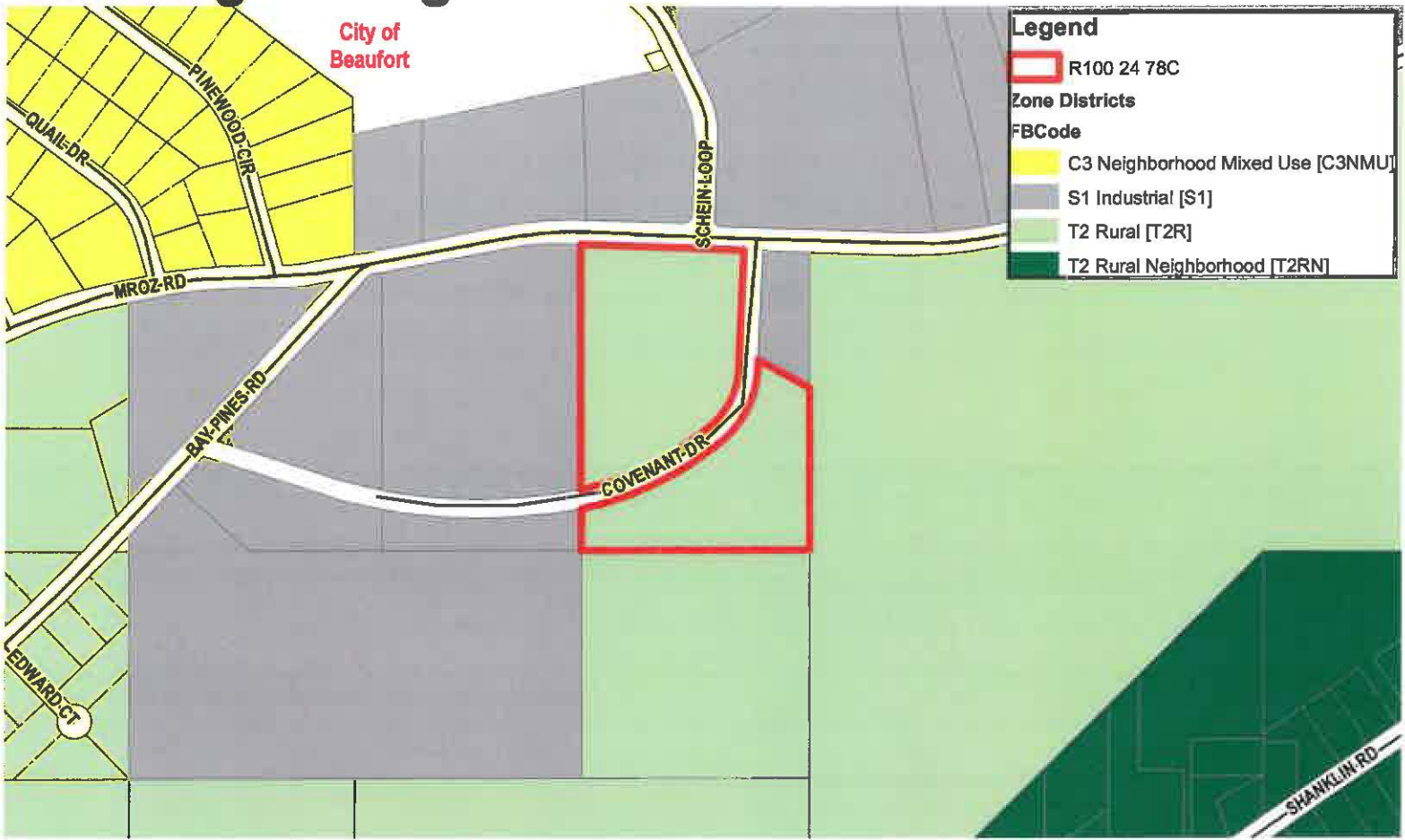
First Reading: May 22, 2017

Second Reading:

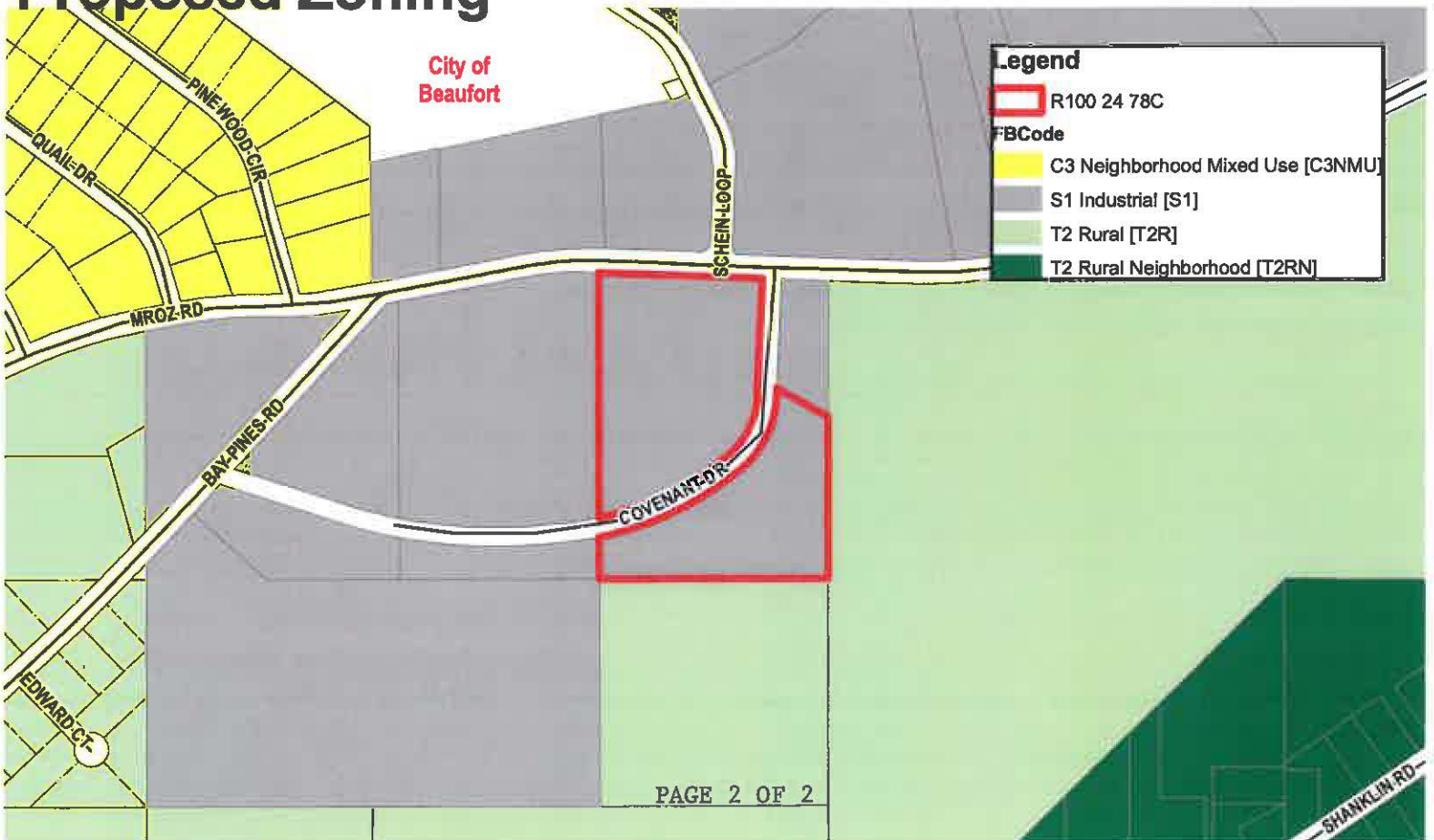
Public Hearing:

Third and Final Reading:

Existing Zoning



Proposed Zoning



TEXT AMENDMENTS TO THE BEAUFORT COUNTY COMMUNITY DEVELOPMENT CODE (CDC):

- SECTION 1.3.50 EXEMPTIONS (ADDS REQUIREMENT TO COMPLY WITH HISTORIC PRESERVATION STANDARDS);
- SECTION 2.2.50 LOTS (SPECIFIES MINIMUM WIDTHS OF FLAG LOTS);
- SECTION 2.2.60 ACCESS MANAGEMENT (ALLOWS BUILDINGS TO FRONT MAJOR ROADWAYS WHILE TAKING ACCESS FROM A REAR STREET OR ALLEY);
- TABLE 3.1.70 LAND USE DEFINITIONS (AMENDS “CAMPGROUND” TO SPECIFY TWO OR MORE RECREATIONAL VEHICLES/RVS ON A SINGLE PROPERTY);
- SECTION 5.6.120 FREESTANDING SIGNS (ESTABLISHES MINIMUM 10-FOOT SETBACK FROM RIGHT-OF-WAY (ROW));
- TABLE 5.8.50.F EXISTING TREES IN THOROUGHFARE BUFFER (ADDS RETENTION REQUIREMENT OF EXISTING TREES 6-INCHES DBH IN THOROUGHFARE BUFFERS);
- SECTION 5.8.110.B.4 PERFORMANCE GUARANTEE (ESTABLISHES A TWO-YEAR SURVIVAL BOND FOR LANDSCAPING);
- SECTION 5.11.90 FORESTS (ADDS NEW SUBSECTION THAT PROMOTES INTERCONNECTIVITY OF PRESERVED FOREST HABITAT);
- SECTION 5.11.100.B SPECIMEN TREES (ADDS LONGLEAF PINE AND BLACK CHERRY AS SPECIMEN TREES AT 16 INCHES (DBH)); AND
- SECTION 6.2.70 MAINTENANCE GUARANTEE (CROSS-REFERENCES THE LANDSCAPING SURVIVAL BOND FROM SECTION 5.8.110.B.4).

Whereas, amended text is highlighted in yellow, underscored for additions and struck through for deletions.

Adopted this _____ day of _____, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley M. Bennett, Clerk to Council

First Reading: May 22, 2017

Second Reading:

Public Hearing:

Third and Final Reading:

Section 1.3.50 Exemptions. The proposed amendment is necessary to include historic preservation standards in the review of public utility and infrastructure projects.

- C. A public utility or public infrastructure installation (water, sewer, roads, gas, stormwater, telephone, cable, etc.) is exempt from the standards of this Development Code, except:
1. Thoroughfare standards, in Division 2.9 (Thoroughfare Standards);
 2. Wetland standards, in Section 5.11.30 (Tidal Wetlands), and Section 5.11.40 (Non-Tidal Wetlands);
 3. River Buffer standards, in Section 5.11.60 (River Buffer);
 4. Tree Protection standards, in Section 5.11.90 (Tree Protection);
 5. Stormwater management standards, in Section 5.12.30 (Stormwater Standards);
 6. Utility standards, in Section 4.1.210 (Regional (Major) Utility);
 7. Wireless communication facilities standards, in Section 4.1.320 (Wireless Communications Facility);
 8. Historic Preservation standards, in Division 5.10 (Historic Preservation).

Section 2.2.50 Lots. This amendment provides a minimum width for a flag lot to ensure adequate access for public safety vehicles.

- B.4. **Resources Make Normal Lotting Difficult.** Where natural resources or property shape make normal lotting difficult, common drives, flag lots, or shared easements may be considered at the discretion of the Director. Where a flag lot is approved, the minimum width of the portion of the lot that fronts the ROW or easement and extends to the rear “flag” shall be 50 ft., except in the T3N, T4HC, and T4NC zones, where the minimum width shall be 40 ft.

Section 2.2.60 Access Management. This amendment allows buildings to front major roadways while taking access from a rear street or alley.

- A.2.c. To the maximum extent practical, lots fronting an arterial or major collector shall front take access from an internal street, parallel frontage road, or rear alley. This avoids multiple lots with individual access along the existing public road frontage or reverse frontage lots in which buildings turn their back to the public road frontage.

Table 3.1.70 Land Use Definitions. Amend this table to clarify that a Recreational Campground is comprised of two or more camp sites for rent on a single piece of property.

RECREATION, EDUCATION, SAFETY, PUBLIC ASSEMBLY:

11. Recreation Facility: Campground – Form of lodging where guests bring tents, travel trailers, campers, or other similar forms of shelter to experience natural environments. Campgrounds rent two (2) or more pads or spaces to guests. May also include accessory uses such as a camp store, shower/bathroom facilities, and recreational facilities.

Section 5.6.120 Freestanding Signs. Clarifies setback requirement by removing a reference to Corridor Overlay District which does not exist in the CDC.

A. Description

Freestanding Signs encompass a variety of signs that are not attached to a building and have an integral support structure. Freestanding varieties include Monument and Pole Signs.

A Pole Sign, usually double-faced, mounted on a single or pair of round poles, square tubes, or other fabricated members without any type of secondary support.

A Monument Sign stands directly on the ground or ground level foundation and is often used to mark a place of significance or the entrance to a location.

B. Standards

Size

Signable Area	T4	All Other Districts
Single Tenant	24 SF max.	40 SF max.
Multiple Tenant with one highway frontage	32 SF max.	80 SF max.
Multiple Tenant with Two or more highway frontages	32 SF per frontage	80 SF per frontage

Location

Signs per Highway Frontage:

Single Tenant 1 max.

Multiple Tenant 1 max. ^{1,2}

Height 10' max. **(A)**

Width 15' max. **(B)**

Distance from ground to the base of the sign 4' max.

Setback from ROW within Corridor Overlay District 10' min.

¹Individual tenants may not have a Freestanding Sign.

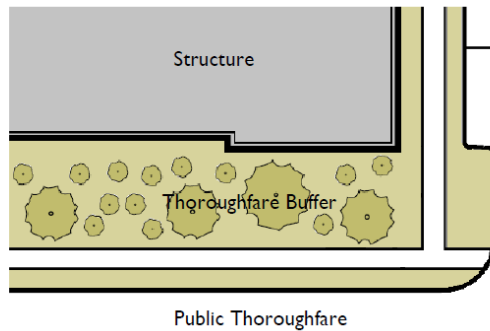
²Frontages greater than 500 feet may include one additional freestanding sign not to exceed 80 SF in area and with a total allowable sign area not exceeding the maximum allowable sign area for the multiple tenant center.

Miscellaneous

Changeable copy signs are allowed for gasoline price signs, houses of worship, schools, directory signs listing more than one tenant, and signs advertising restaurant food specials, films and live entertainment which change on a regular basis.

Table 5.8.50 Thoroughfare Buffer. The Corridor Overlay District in the ZDSO required that existing trees 6" DBH or greater to be preserved within the 50 foot buffer along the highway. This requirement is missing from the CDC. Staff recommends the following new subsection to preserve existing trees greater than 6" DBH (diameter at breast height):

Table 5.8.50 Thoroughfare Buffer



A. Description

The thoroughfare buffer provides visual screening between development and a public street or road. The width, quantity of plant materials, and opacity depends on the number of lanes of the public thoroughfare.

B. Applicability

A thoroughfare buffer is required along all collector and arterial roads within all conventional zones, community preservation districts, T2 Rural, T2 Rural Low, and T2 Rural Neighborhood.

C. Minimum Buffer Width

Thoroughfares with 2 or 3 Lanes

Minimum Buffer Width 20 feet¹

Thoroughfares with 4 Lanes or More

Minimum Buffer Width 50 feet¹

Notes

¹Buffer widths are measured from the right-of-way line into the site

D. Plant Requirements (per 100 linear feet)

Thoroughfares with 2 or 3 Lanes

Overstory Trees	2
Understory Trees ³	7
Shrubs	15

Thoroughfares with 4 Lanes or More

Overstory Trees	4
Understory Trees ³	14
Shrubs	30

E. Opacity

Thoroughfares with 2 or 3 Lanes

Minimum Opacity 30%

Thoroughfares with 4 Lanes or More

Minimum Opacity 75%

F. Existing Trees in Thoroughfare Buffer

No tree 6 inches DBH or larger shall be removed from any thoroughfare buffer, exclusive of access drive location, required sight triangle area, diseased trees, or other safety issues subject to DRB and/or staff approval.

Section 5.8.110 Landscape Construction and Maintenance Standards. This amendment carries forward language from the ZDSO regarding landscape survival bonds.

- B.4. **Performance Guarantee.** All initial replacement landscaping shall be subject to a two-year performance guarantee survival bond in the form of an irrevocable letter of credit, surety, or cash equal to 120% of the landscaping cost that ensures proper replacement and maintenance.

Section 5.11.90.F. Forest Interconnectivity. This amendment adds a new subsection to require preserved forested areas within a development to connect to other preserved forest areas and open spaces in adjoining parcels, where feasible. This implements a recommendation from the Natural Resources chapter of the Comprehensive Plan.

F. Forest Interconnectivity. Protected forest resources shall, to the maximum extent practicable, be located to adjoin, extend, and enlarge any protected forest or other open space areas that exist adjacent to the development. Preservation of small, fragmented remnants of forest shall be avoided where possible.

Section 5.11.100.B. Specimen Trees. This amendment adds longleaf pine and black cherry to the list of overstory trees that are defined as specimen trees at a diameter of 16” dbh (diameter at breast height).

2. Overstory trees – American Holly, Bald Cypress, Beech, **Black Cherry**, Black Oak, Black Tupelo, Cedar, Hickory, Live Oak, **Longleaf Pine**, Palmetto, Pecan, Red Maple, Southern Red Oak, Sycamore, or Walnut that are equal to or greater than a diameter of 16 inches (DBH).

Section 6.2.70 Maintenance Guarantee. This amendment cross-references the landscaping survival bond from Division 5.8.110.

Upon completing the improvements required under this Development Code, the surety will be reduced or eliminated. A maintenance guarantee **in the form of an irrevocable letter of credit, surety, or cash equal to** ~~of~~ ten percent of the actual construction cost for improvements (e.g., road, sidewalk, **landscaping**, and drainage facilities) shall be deposited with the County Treasurer’s Office for anticipated maintenance for a period of two years after the completion of all improvements. **For landscaping improvements, a survival bond equal to 120% of the cost shall be required (refer to Sec. 5.8.110.B.4.).**

AN ORDINANCE OF BEAUFORT COUNTY COUNCIL CREATING A SPECIAL TAX ASSESSMENT FOR REHABILITATED HISTORIC PROPERTIES IN THE GEOGRAPHICAL BOUNDARIES KNOWN AS DAUFUSKIE ISLAND

WHEREAS, Section 4-9-195 of the South Carolina Code of Laws, as amended (“S.C. Code”), provides that counties may by ordinance grant special property tax assessments to real property which qualifies as “rehabilitated historic property”; and

WHEREAS, the geographic area known as Daufuskie Island, in the County of Beaufort, South Carolina (“Daufuskie”) contains a substantial amount of historic property, the preservation of which is beneficial for the economic development of the County and for its citizens; and

WHEREAS, Beaufort County Council (the “County Council”) has determined that it is in the best interests of the County and its citizens to allow for a special property tax assessment available and as set forth in S.C. Code §4-9-195 to qualifying properties located within the geographic boundaries of Daufuskie; and

WHEREAS, the County Council finds that providing for this special property tax assessment will (1) encourage the restoration of historic properties, (2) promote community development and redevelopment, (3) encourage sound community planning, and (4) promote the general health, safety, and welfare of the community; and

WHEREAS, pursuant to S.C. Code §4-9-195, the County must specify the minimum investment threshold and the number of years in which the special assessment shall apply, and in the absence of a board of architectural review the County may name an appropriate reviewing authority to consider proposed rehabilitation plans and actual rehabilitation work.

NOW, THEREFORE, BE IT ORDAINED by Beaufort County Council that Chapter 66, Article III of the Beaufort County Code of Ordinances is hereby amended by inserting the following into Beaufort County Code of Ordinances Chapter 66, Division 4:

Division 4. Special Assessment Ratio for Rehabilitated Historic Properties

Section 66-155. Special tax assessment created –Daufuskie Island.

A special tax assessment is created for eligible rehabilitated historic properties located within the geographic boundaries of Daufuskie Island for 10 years equal to the appraised value of the property at the time of preliminary certification.

Section 66-156. Purpose.

It is the purpose of this division to:

- (a) Encourage the restoration of historic properties;
- (b) Promote community development and redevelopment;
- (c) Encourage sound community planning; and
- (d) Promote the general health, safety, and welfare of the community.

Section 66-157. Eligible properties.

- (a) *Certification.* In order to be eligible for the special tax assessment, historic properties must receive preliminary and final certification.

- (1) To receive preliminary certification a property must meet the following conditions:

- a. The property has received historic designation from the Daufuskie Island Council and in accordance with the Daufuskie Island Plan or is listed on the Beaufort County Above Ground Historic Resources Survey completed in 1998.
- b. The proposed rehabilitation work receives approval from the Beaufort County Historic Preservation Review Board (HPRB) under Sec. 5.10 and Sec. 7.2.120 of the Beaufort County Community Development Code (CDC).; and
- c. Be a project that commences on or after the date of the adoption of this ordinance. Preliminary certification must be received prior to beginning work.

- (2) To receive final certification, a property must have met the following conditions:

- a. The property has received preliminary certification.
- b. The minimum expenditures for rehabilitation were incurred and paid.
- c. The completed rehabilitation receives approval from the Beaufort County Planning Director, or designee, as being consistent with the plans approved by the HPRB as part of preliminary certification.

- (b) *Historic designation.* As used in this section, "Historic Designation" means:

- (1) The structure is at least 50 years old and is located in the geographic area known as Daufuskie Island;
- (2) The structure is listed on the National Register of Historic Places; or
- (3) The structure is listed on the "1998 Beaufort County Above Ground Historic Sites Survey."

Section 66-158. Eligible rehabilitation.

- (a) Standards for rehabilitation work. To be eligible for the special tax assessment, historic rehabilitations must be appropriate for the historic building and the geographic district. This is achieved through adherence to the standards set forth in the Community Development Code and, if required, approval of a Certificate of Appropriateness in accordance with Sec. 7.2.120 of the CDC.
- (b) Work to be reviewed. The following work will be reviewed according to the standards set forth above:
 - (1) Repairs to the exterior of the designated building.
 - (2) Alterations to the exterior of the designated building.
 - (3) New construction on the property on which the building is located.
 - (4) Alterations to interior primary public spaces.
 - (5) Any remaining work where the expenditures for such work are being used to satisfy the minimum expenditures for rehabilitation.
- (c) Minimum expenditures for rehabilitation means the owner rehabilitates the building, with expenditures for rehabilitation exceeding 75 percent of the fair market value of the building. Fair market value means the appraised value as certified by a real estate appraiser licensed by the State of South Carolina, the sales price as delineated in a bona fide contract of sale within 12 months of the time it is submitted, or the most recent appraised value published by the Beaufort County Tax Assessor.
- (d) Expenditures for rehabilitation means the actual cost of rehabilitation relating to one or more of the following:
 - (1) Improvements located on or within the historic building as designated.
 - (2) Improvements outside of but directly attached to the historic building which are necessary to make the building fully useable (such as vertical circulation) but shall not include rentable/habitable floorspace attributable to new construction.
 - (3) Architectural and engineering services attributable to the design of the improvements.
 - (4) Costs necessary to maintain the historic character or integrity of the building.
- (e) Scope. The special tax assessment may apply to the following:
 - (1) Structure(s) rehabilitated.
 - (2) Real property on which the building is located.

- (f) Time limits. To be eligible for the special tax assessment, rehabilitation must be completed within two years of the preliminary certification date. If the project is not complete after two years, but the minimum expenditures for rehabilitation have been incurred, the property continues to receive the special assessment until the project is completed or until the end of the special assessment period, whichever shall first occur.

Section 66-159. Process.

- (a) Fee required. A fee as set out in the County of Beaufort's Fee Schedule, as appropriate, shall be required for final certification for each application.
- (b) Plan required. Owners of property seeking approval of rehabilitation work must submit an application for a Certificate of Appropriateness, as required under Sec. 7.2.120 of the CDC, with supporting documentation and application fee(s) prior to beginning work.
- (c) Preliminary certification. Upon receipt of the completed application, the proposal shall be placed on the next available agenda of the Beaufort County Historic Preservation Review Board (HPRB). After the HPRB makes its' determination(s), the owner shall be notified in writing. Upon receipt of this determination the owner may:
- (1) If the application is approved, apply for building permits to begin rehabilitation;
 - (2) If the application is not approved, may revise such application in accordance with comments provided by the HPRB.
- (d) Substantive changes. Once preliminary certification is granted to an application, substantive changes must be approved by the HPRB. Unapproved substantive changes are conducted at the risk of the property owner and may disqualify the project from eligibility. Additional expenditures will not qualify the project for an extension on the special assessment.
- (e) Final certification. Upon completion of the project, the project must receive final certification in order to be eligible for the special assessment. The Beaufort County Planning Director and Director of Building Codes, or designees, will inspect completed projects to determine if the work is consistent with the approval granted by the HPRB. Final certification will be granted when verification is made that expenditures have been made in accordance with Section 66-158(c) above. Upon receiving final certification, the property will be assessed for the remainder of the special assessment period on the fair market value of the

property at the time the preliminary certification was made or the final certification was made, whichever occurred earlier.

(f) *Additional work.* For the remainder of the special assessment period after final certification, the property owner shall notify the Beaufort County Community Development Department of any additional work, other than ordinary maintenance. The HPRB will review the work at a regularly scheduled hearing and determine whether the overall project is consistent with the standards for rehabilitation. If the additional work is found to be inconsistent, the property owner may withdraw his request and cancel or revise the proposed additional work.

(g) *Decertification.* When the property has received final certification and has been assessed as rehabilitated historic property, it remains so certified and must be granted the special assessment until the property becomes disqualified by any one of the following:

- (1) Written notice from the owner to the Beaufort County Assessor's Office requesting removal of the preferential assessment; or
- (2) Rescission of the approval of rehabilitation by the HPRB because of alterations or renovation by the owner or the owner's estate, which causes the property to no longer possess the qualities and features which made it eligible for final certification.

Notification of any change affecting eligibility must be given immediately to the Beaufort County Assessor, Auditor, and Treasurer.

(h) *Notification.* The Beaufort County Community Development Department shall, upon final certification of a property, notify the Beaufort County Assessor, Auditor and Treasurer that such property has been duly certified and is eligible for the special tax assessment.

(i) *Date effective.* If an application for preliminary or final certification is filed by May 1 or the preliminary or final certification is approved by August 1, the special assessment authorized herein is effective for that year. Otherwise, it is effective beginning with the following year.

The special assessment only begins in the current or future tax years as provided for in this section. In no instance may the special assessment be applied retroactively.

- (j) Application. Once a property has received final certification , the owner of the property shall make application to the Beaufort County Assessor's Office for the special assessment provided for herein.

SECTIONS 66-160. Reserved.

This ordinance shall become effective immediately upon adoption.

DONE, this ____ of _____, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley M. Bennett, Clerk to Council

First Reading: May 22, 2017

Second Reading:

Public Hearing:

Third and Final Reading:

RESOLUTION 2017/___

A RESOLUTION AUTHORIZING THE BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION TO NEGOTIATE THE SCOPE AND FEES OF AN AGREEMENT TO BE ENTERED INTO BY AND BETWEEN BEAUFORT COUNTY AND THE SOUTHERNCAROLINA ALLIANCE FOR AGREED UPON ECONOMIC DEVELOPMENT SERVICES

WHEREAS, Beaufort County is a political subdivision of the State of South Carolina pursuant to S.C. Code of Laws 4-1-10 *et seq.* authorized to make all contracts; and

WHEREAS, Beaufort County has established an Economic Development Policy pursuant to Resolution 2015/18; and

WHEREAS, Beaufort County Council pursuant to Resolution 2015/20 authorized the creation of the Beaufort County Economic Development Corporation as a non-profit organization, organized under the laws of South Carolina for the purpose of coordinating and implementing the County's economic development plans and policy; and

WHEREAS, Beaufort County Council desires that the Beaufort County Economic Development Corporation be authorized to negotiate, represent County Council in contractual negotiations and make recommendations for entering into contractual obligations for the purposes of economic development; and

WHEREAS, the Beaufort County Economic Development Corporation has begun the process of negotiating a contract with the SouthernCarolina Alliance for implementing the economic development policy of the County, however, nothing contained herein shall be construed to limit in any way the Beaufort County Economic Development Corporation's ability to pursue negotiations from other entities capable of providing economic development services for ultimate review and approval by the County Council; and

WHEREAS, neither the County Council nor the Economic Development Corporation shall be bound by any contractual obligations until such time as such negotiations have been presented to Council and a simple majority of Council members present vote to authorize the Administrator to execute a contract with terms approved by County Council.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Beaufort County, South Carolina, that effective immediately the Beaufort County Economic Development Corporation is hereby authorized to negotiate contractual obligations, to represent County Council in contractual negotiations and to make recommendations to County Council about entering into contractual obligations. Any contractual obligations that the Economic Development Corporation seeks to enter on behalf of Beaufort County must first be approved by County Council.

Adopted this ____ day of _____, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley Bennett, Clerk to Council

RESOLUTION 2017 /

**A RESOLUTION TO COMMISSION ANIMAL SERVICE OFFICER TO ENFORCE
BEAUFORT COUNTY ANIMAL ORDINANCES FOR BEAUFORT COUNTY
PURSUANT TO THE AUTHORITY GRANTED IN SECTION 4-9-145 OF THE CODE
OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED**

WHEREAS, Beaufort County Council may appoint and commission as many animal service officers as may be necessary for proper security, general welfare and convenience of the County; and

WHEREAS, each candidate for appointment as a Beaufort County Animal Service Officer has completed training and required certification as may be necessary.

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

1. County Council hereby appoints and commissions the following individual as Animal Service Officer for Beaufort County:

Quinton Chisolm
Employee No. 9093
Beaufort County Animal Service Officer

2. Each Animal Service Officer shall present the appropriate certificate to the Beaufort County Magistrate's office prior to any official action as an Animal Service Officer.

Adopted this ____ day of_____, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley Bennett, Clerk to Council

AN ORDINANCE AUTHORIZING THE FRIPP ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA, TO ISSUE GENERAL OBLIGATION BONDS IN A PRINCIPAL AMOUNT NOT EXCEEDING \$5,500,000, SUBJECT TO A SUCCESSFUL REFERENDUM IN THIS DISTRICT; AND OTHER MATTERS RELATING THERETO.

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

Section 1. The County Council of Beaufort County, South Carolina (the “*County Council*”), the governing body of Beaufort County, South Carolina (the “*County*”), hereby finds and determines:

(a) The Fripp Island Public Service District, South Carolina (the “*District*”) is a special purpose district established pursuant to the provisions of Act No. 1042 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 1962, as amended (“*Act No. 1042*”).

(b) The corporate powers and duties of the District are performed by the Fripp Island Public Service District Commission (the “*Commission*”), and as such, the Commission is the governing body of the District.

(c) Act No. 1042 committed to the District various duties and responsibilities, and is authorized, inter alia, to acquire, build, operate, and maintain such facilities as shall be required for (i) the provision of water, (ii) fire-fighting, (iii) waste water treatment, (iv) beach erosion control and prevention, (v) construction and maintenance of roads, (vi) insect control, and (vii) recreational purposes, and to do all things necessary or convenient to carry out such authority.

(d) The District has determined that it is currently in need of funds to address and remediate damage to the District from Hurricane Matthew to protect the District from erosion and will soon be in need of funds to relocate and replace the sole water line connecting the District with the mainland in connection with the South Carolina Department of Transportation’s replacement of the bridge between St. Helena Island and Harbor Island.

(e) In carrying out its functions and duties, the Commission has determined that a need exists at the present time to issue general obligation bonds (the “*Bonds*”) in order to defray: (A) (i) the costs of repairing, reconstructing and mitigating certain District revetments and related infrastructure, and (ii) the costs of relocating and replacing certain water transmission and related infrastructure in connection with the replacement of the Harbor River Bridge ((i) and (ii)) the “*Projects*”), and (B) the costs of issuance of the Bonds. The Commission estimates that the costs of designing, planning, acquiring, engineering, constructing, improving and equipping of the Project, and the cost of issuance of the Bonds, will not exceed \$5,500,000.

(f) The Commission, on behalf of the District, has submitted a petition to the County Council requesting authorization to issue the Bonds in order to finance the costs of the Project and the costs of issuance thereof.

(g) Pursuant to Title 6, Chapter 11, Article 5, of the Code of Laws of South Carolina, 1976, as amended (the “**Enabling Act**”), the County Council is empowered to authorize the Commission to issue bonds of the District, the proceeds of which are to be used in furtherance of any power of the District.

(h) Responsive to the petition of the Commission, the County Council adopted a resolution calling for a public hearing on the question of the issuance of the Bonds be held in the Bluffton Branch Library located at 120 Palmetto Way, Bluffton, South Carolina 29910, on the 22nd day of May, 2017 at 6:30 p.m., and notice of such hearing has been duly published once a week for three successive weeks in The Beaufort Gazette, a newspaper of general circulation in the County. Such public hearing was held by the County Council on May 22, 2017, on the question of the issuance of the Bonds, where both proponents and opponents were given the opportunity to be heard.

(i) Following the May 22, 2017 public hearing, the County Council has determined to condition the issuance of the Bonds upon the result of a special election held in the District on the question of the issuance of the Bonds (the “**Bond Referendum**”). Such Bond Referendum shall be conducted pursuant to Title 4, Chapter 15 of the Code of Laws of South Carolina 1976, as amended, as required by the Enabling Act.

(j) Article X, Section 14, of the Constitution of the State of South Carolina, 1895, as amended (the “**Constitution**”), provides that the General Assembly may, by general law, prescribe that general obligation debt may be incurred by the governing body of any special purpose district for any of its corporate purposes in an amount not exceeding eight percent of the assessed value of all taxable property of such district (the “**Bonded Debt Limit**”). The County Council, by separate resolution, dated the date hereof, has ordered the Bond Referendum be held, and specified other details of the Bond Referendum therein. Such Article further provides that if general obligation debt is authorized by a majority vote of the qualified electors of the special purpose district voting in a referendum authorized by law, there shall be no conditions or restrictions limiting the incurring of such indebtedness except as specified in such Article. Such Bonds, when and if issued pursuant to a successful Bond Referendum, would not be restricted by, or count toward, the Bonded Debt Limit, in accordance with the Constitution and laws of the State of South Carolina.

Section 2. Should the Bond Referendum result favorably to the issuance of the Bonds, and upon the filing of the declaration of the result of the Bond Referendum in the office of the Clerk of Court for Beaufort County, South Carolina, the District is hereby authorized to issue the Bonds. Upon such filing, the Commission, on behalf of the District, is authorized to cause the issuance of the Bonds at one time or from time to time, as it may determine, in an aggregate principal amount not to exceed \$5,500,000, for the purposes set forth in Section 1(e) hereof or, in the discretion of the District, general obligation bond anticipation notes (the “**BANS**”) in a principal amount of not exceeding \$5,500,000, pursuant to the provisions of Title

11, Chapter 17 of the Code of Laws of South Carolina 1976, as amended (the “**BAN Act**”). The Bonds and the BANS shall be issued pursuant to a resolution of the Commission adopted in conformity with the terms and provisions of the Enabling Act and the BAN Act, respectively.

Section 3. For the payment of the principal and interest on the Bonds as they respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the District shall be irrevocably pledged, and there shall be levied annually by the Auditor of Beaufort County and collected by the Treasurer of Beaufort County, in the same manner as County taxes are levied and collected, a tax without limit on all taxable property in the District sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

Section 4. The Commission is authorized to do all things necessary or convenient in accordance with applicable law to effect the issuance of the Bonds or the BANS at such time as it deems necessary and in the interest of the District.

Section 5. All orders, resolutions, ordinances and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

Section 6. This Ordinance shall forthwith be codified in the Code of the County Ordinances in the manner prescribed by law.

Section 7. This Ordinance shall become effective upon its enactment.

ENACTED THIS _____ DAY OF MAY, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

(SEAL)

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley M. Bennett, Clerk to Council

First Reading: April 24, 2017

Second Reading: May 8, 2017

Public Hearing:

Third and Final Reading:

2017 / ____

FY 2017-2018 BEAUFORT COUNTY BUDGET

To provide for the levy of tax for corporate Beaufort County for the fiscal year beginning July 1, 2017 and ending June 30, 2018, to make appropriations for said purposes, and to provide for budgetary control of the County's fiscal affairs.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

The County Council of Beaufort County hereby appropriates the funds as detailed in Sections 3, 4, 5, 6, 7 and 8 of this Ordinance. Further, that the County Council of Beaufort County hereby establishes the millage rates as detailed in Sections 2 and 3 of this Ordinance. However, the County Council of Beaufort County reserves the right to modify these millage rates as may be deemed necessary and appropriate.

SECTION 2. MILLAGE

The County Auditor is hereby authorized and directed to levy in Fiscal Year 2017-2018 a tax of 63.39 mills on the dollar of assessed value of property within the County, in accordance with the laws of South Carolina. These taxes shall be collected by the County Treasurer, as provided by law, and distributed in accordance with the provisions of this Ordinance and subsequent appropriations hereafter passed by the County Council of Beaufort County.

County Operations	50.61
Higher Education	2.40
Purchase of Real Property Program	4.80
County Debt Service	5.58

SECTION 3. SPECIAL DISTRICT TAX LEVY

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

	<u>Revenues</u>	<u>Expenditures</u>	<u>Millage Rate</u>
Bluffton Fire District Operations	\$13,663,186	\$14,032,311	24.70
Bluffton Fire District Debt Service	\$ 572,000	\$ 569,000	1.04
Burton Fire District Operations	\$ 5,112,442	\$ 5,554,308	64.53
Burton Fire District Debt Service	\$ 385,268	\$ 385,268	5.26
Daufuskie Island Fire District Operations	\$ 1,180,282	\$ 1,180,282	60.27
Daufuskie Island Debt Service	\$ - 0 -	\$ - 0 -	0.00
Lady's Island/St. Helena Is. Fire District Operation	\$ 5,746,643	\$ 5,746,688	39.26
Lady's Island/St. Helena Is. Fire District Debt Service	\$ 309,237	\$ 309,237	2.11
Sheldon Fire District Operations	\$ 1,350,160	\$ 1,350,160	38.32
Sheldon Fire District Debt Service	\$ 139,259	\$ 139,259	3.21

Note: Any difference between revenue and expenditures will constitute a use of fund balance.

SECTION 4. COUNTY OPERATIONS APPROPRIATION

An amount of \$123,387,800 is appropriated to the Beaufort County General Fund to fund County operations and subsidized agencies as follows:

I. Elected Officials and State Appropriations:

A. Sheriff	\$22,304,949
Emergency Management	\$ 7,693,069
B. Magistrate	\$ 1,894,965
C. Solicitor	\$ 1,245,000
D. Clerk of Court	\$ 1,110,126
E. Treasurer	\$ 1,094,659
F. Auditor	\$ 855,551
G. Public Defender	\$ 819,293
H. Probate Court	\$ 761,622
I. County Council	\$ 623,418
J. Coroner	\$ 530,310
K. Master-in-Equity	\$ 314,129
L. Social Services	\$ 147,349
M. Legislative Delegation	\$ <u>65,175</u>
Total	\$39,459,615

Management of these individual accounts shall be the responsibility of the duly elected official for each office. At no time shall the elected official exceed the budget appropriation identified above without first receiving an approved supplemental appropriation by County Council.

II. County Administration Operations:

A. Public Works	\$16,746,565
B. Administration	\$ 9,327,350
C. Emergency Medical Services	\$ 6,800,786
D. Detention Center	\$ 5,884,728
E. Community Services	\$ 3,752,480
F. Library	\$ 3,752,948
G. Parks and Leisure Services	\$ 3,428,584
H. Assessor	\$ 2,176,021
I. Mosquito Control	\$ 1,701,066
J. Building Codes and Enforcement	\$ 1,137,874
K. Public Health	\$ 1,081,000
L. Animal Services	\$ 937,793
M. Employee Services	\$ 807,724
N. Voter Registration	\$ 718,261
O. Planning	\$ 675,219
P. General Government subsidies	\$ 585,579
Q. Traffic Engineering	\$ 570,789
R. Register of Deeds	\$ 506,613
S. Zoning	\$ 181,401
T. Employer Provided Benefits	\$ <u>18,811,964</u>
Total	\$79,584,745

The detailed Operations budget containing line-item accounts by department and/or agency is hereby adopted as part of this Ordinance.

SECTION 5. HIGHER EDUCATION ALLOCATION

An amount of \$4,343,440 is appropriated for higher education within Beaufort County to subsidize the following agencies:

A. The Technical College of the Lowcountry	\$2,171,720
B. University of South Carolina – Beaufort	\$2,171,720

SECTION 6. COUNTY OPERATIONS REVENUES

The appropriation for County Operations will be funded from the following revenue sources:

- A. \$ 96,435,749 to be derived from tax collections;
- B. \$ 11,702,715 to be derived from charges for services;
- C. \$ 9,197,645 to be derived from intergovernmental revenue sources;
- D. \$ 3,429,000 to be derived from fees for licenses and permits;
- E. \$ 1,568,750 to be derived from inter-fund transfers;
- F. \$ 750,000 to be derived from fines and forfeitures' collections;
- G. \$ 251,136 to be derived from miscellaneous revenue sources;
- H. \$ 52,805 to be derived from interest on investments;

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

SECTION 7. PURCHASE OF DEVELOPMENT RIGHTS AND REAL PROPERTY PROGRAM

The revenue generated by a 4.80 mill levy is appropriated for the County's Purchase of Development Rights and Real Property Program.

SECTION 8. COUNTY DEBT SERVICE APPROPRIATION

The revenue generated by a 5.58 mill levy is appropriated to defray the principal and interest payments on all County bonds and on the lease-purchase agreement authorized to cover other Capital expenditures.

SECTION 9. BUDGETARY ACCOUNT BREAKOUT

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

SECTION 10. OUTSTANDING BALANCE APPROPRIATION

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

SECTION 11. AUTHORIZATION TO TRANSFER FUNDS

In the following Section where reference is made to "County Administrator", it is explicit that this refers to those funds under the particular auspices of the County Administrator requiring his approval as outlined in Section 4 subpart II.

Transfers of monies/budgets among operating accounts, capital accounts, funds, and programs must be authorized by the County Administrator or his designee, upon the written request of the Department Head. Any transfer in excess of \$50,000 for individual or cumulative expenditures during any current fiscal year is to be authorized by the County Council, or its designee.

Transfer of monies/budgets within operating accounts, capital accounts, funds, and programs must be authorized by the County Administrator or his designee, upon written request of the Department Head. The County Administrator, or his designee, may also transfer funds from any departmental account to their respective Contingency Accounts. All transfers among and within accounts in excess of \$50,000 for individual or cumulative expenditures during any current fiscal year are to be reported to County Council through the Finance Committee on a quarterly basis.

SECTION 12. ALLOCATION OF FUNDS

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

SECTION 13. MISCELLANEOUS RECEIPTS ABOVE-ANTICIPATED REVENUES

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

SECTION 14. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2017, are hereby approved.

SECTION 15. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2017. Approved and adopted on third and final reading this ____ day of June, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley M. Bennett, Clerk to Council

First Reading, By Title Only: May 8, 2017

Second Reading: May 22, 2017

Public Hearings: May 22, 2017

Third and Final Reading:

ORDINANCE NO. 2017 / __

FY 2017-2018 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET

An Ordinance to provide for the levy of tax for school purposes for Beaufort County for the fiscal year beginning July 1, 2017 and ending June 30, 2018, and to make appropriations for said purposes.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

The County Council of Beaufort County hereby appropriates the funds as detailed in Sections 3 and 4 of this Ordinance and establishes the millage rates as detailed in Section 2 of this Ordinance.

SECTION 2. MILLAGE

In Fiscal Year 2017-2018 and in accordance with the laws of South Carolina, the County Auditor is hereby authorized and directed to levy a tax on the following mills on the dollar of assessed value of property within the County.

School Operations	113.50
School Bond Debt Service (Principal and Interest)	31.71

The values listed above, in accordance with Section 6-1-320(A)(2) of the *Code of Laws of South Carolina*, 1976, as amended.

				Allowable Annual % Increase of Millage Rate	Millage Bank Used	Millage Bank Balance
	Prior Year Millage	% Average CPI	% Population Growth			
2015	103.5	1.46%	2.27%	3.73%	-3.73%	1.81%
2016	103.5	1.62%	2.50%	4.12%	0.00%	5.93%
2017	111.5	0.12%	2.55%	2.67%	-7.73%	.87%

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

SECTION 3. SCHOOL OPERATIONS APPROPRIATION

An amount of \$225,764,555 is hereby appropriated to the Beaufort County Board of Education to fund school operations. This appropriation is to be spent in accordance with the school budget approved by the County Council of Beaufort County, and will be funded from the following revenue sources:

- A. \$137,164,216 to be derived from tax collections;
- B. \$ 76,851,629 to be derived from State revenues;
- C. \$ 700,000 to be derived from Federal revenues;
- D. \$ 1,463,500 to be derived from other local sources;
- E. \$ 5,425,804 to be derived from inter-fund transfers; and
- F. \$ 4,159,406 to be derived from fund balance.

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

SECTION 4. BUDGETARY ACCOUNT BREAKOUT

The line-item budgets submitted by the Beaufort County Board of Education under separate cover for FY 2017-2018 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 5. OUTSTANDING BALANCE APPROPRIATION

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

SECTION 6. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2018 are hereby approved.

SECTION 7. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2017. Approved and adopted on third and final reading this 12th day of June, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ATTEST:

Ashley M. Bennett, Clerk to Council

First Reading, By Title Only: May 8, 2017

Second Reading: May 22, 2017

Public Hearings: May 22, 2017

Third and Final Reading: